



# TROY CITY COUNCIL

## REGULAR MEETING AGENDA

**NOVEMBER 25, 2024**

CONVENING AT 7:30 P.M.

**Submitted By  
The City Manager**

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***NOTICE: Persons with disabilities needing accommodations for effective participation in this meeting should contact the City Clerk at (248) 524-3316 or via e-mail at [clerk@troymi.gov](mailto:clerk@troymi.gov) at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.***

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500 West Big Beaver  
Troy, MI 48084  
troymi.gov

The Honorable Mayor and City Council Members  
City of Troy  
500 West Big Beaver  
Troy, MI 48084

Dear Mayor and City Council Members,

This agenda has been prepared in accordance with the City Council's Rules of Procedure, offering details to assist in informed deliberations. Many of the items on the agenda also include recommendations from City staff for your review and consideration.

I would like to acknowledge the efforts of numerous City staff members who contributed to preparing this agenda. We have made every effort to ensure the information is thorough and accurate. However, should there be any questions or if further details are needed, City staff remain available to assist at any time.

Please contact the City Manager's Office at [CityManager@troymi.gov](mailto:CityManager@troymi.gov) or (248) 524-3330 for any inquiries or requests for additional information.

Respectfully,

A handwritten signature in black ink, appearing to read "Frank Nastasi", written in a cursive style.

Frank Nastasi  
City Manager

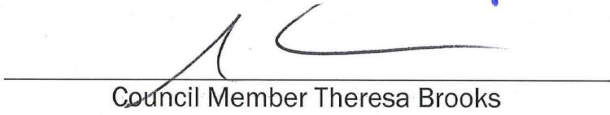


Chapter 14A – Elected and Appointed Persons’ Ethics Ordinance  
Section 14.3 Annual Training and Acknowledgement

We, the undersigned Members of Troy City Council, have reviewed *Chapter 14A – Elected and Appointed Persons’ Ethics Ordinance*, understand its contents, and agree to be bound by its provisions.

Signed this 4<sup>th</sup> day of December, 2023.

  
\_\_\_\_\_  
Mayor Ethan Baker

  
\_\_\_\_\_  
Council Member Theresa Brooks

  
\_\_\_\_\_  
Council Member Rebecca Chamberlain-Creanga

  
\_\_\_\_\_  
Council Member Hiram Chanda

  
\_\_\_\_\_  
Council Member Mark Gunn

  
\_\_\_\_\_  
Council Member David Hamilton

  
\_\_\_\_\_  
Mayor Pro Tem Ellen Hodorek



# CITY COUNCIL AGENDA

November 25, 2024 – 7:30 PM

City Council Chambers

500 W. Big Beaver Rd.

Troy, MI 48084

(248) 524-3316

View the Meeting Live at: [www.troymi.gov/webcast](http://www.troymi.gov/webcast)

or on Local Access Cable Channels

(WOW – Ch 10, Comcast – Ch 17, AT&T – Ch 99)

**INVOCATION: Suzanne Martinez from Kensington Community Church** **1**

**PLEDGE OF ALLEGIANCE: Troy Cub Scout Pack 1708 from Wass Elementary School**

**A. CALL TO ORDER:** **1**

**B. ROLL CALL:** **1**

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2024 ..... 1

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Ended June 30, 2024 ..... 1

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(Introduced by: Kurt Bovensiep, Public Works Director) 1

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Stewart, Community Affairs Director) 2

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**INVOCATION: Suzanne Martinez from Kensington Community Church**

**PLEDGE OF ALLEGIANCE: Troy Cub Scout Pack 1708 from Wass Elementary School**

**A. CALL TO ORDER:**

**B. ROLL CALL:**

- a) Mayor Ethan Baker
- Theresa Brooks
- Rebecca A. Chamberlain-Creanga
- Hirak Chanda
- Mark Gunn
- David Hamilton
- Ellen Hodorek

Excuse Absent Council Members:

Suggested Resolution

Resolution #2024-11-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **EXCUSES** the absence of \_\_\_\_\_ at the Regular City Council Meeting of November 25, 2024, due to \_\_\_\_\_.

Yes:

No:

**C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:**

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**C-1 Audit Presentation – City of Troy 2024**

- a) Independent Auditor’s Communication With Those Charged With Governance 2024
- b) Independent Auditor’s Communication – Single Audit Compliance for the Year Ended June 30, 2024
- c) Audit Presentation – City of Troy 2024

**D. CARRYOVER ITEMS:**

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**D-1 No Carryover Items**

**E. PUBLIC HEARINGS:**

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**E-1 Transfer of Community Development Block Grant (CDBG) Program Year 2018, 2019, 2020, 2021, 2022, and 2023 Funds to a New Project at Boulan Park (Introduced by: Kurt Bovensiepe, Public Works Director)**

Suggested Resolution

Resolution #2024-11-

Moved by

Seconded by

WHEREAS, The City Council of the City of Troy, after conclusion of a Public Hearing on this date, November 25, 2024, **HAS DETERMINED** that Program Year 2018 unexpended funds of \$65,401.20; 2019 unexpended funds of \$92,770.50; 2020 unexpended funds of \$126,120; 2021 unexpended funds of \$128,761; 2022 unexpended funds of \$120,310; and 2023 unexpended funds of \$119,656, which are all in the Parks, Recreational Facilities account will be transferred for a new project at Boulan Park to create an inclusive play structure and make the restroom ADA compliant. The balance of funds from Program Year 2018, 2019, 2020, 2021, 2022, and 2023 must be expended or relinquished.

**BE IT RESOLVED**, That Troy City Council hereby **AUTHORIZES** City Administration to notify Oakland County of the transfer of funds in the Parks-Recreational Facilities account to a new project at Boulan Park.

Yes:

No:

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**E-2 Community Development Block Grant (CDBG) 2025 Funds (Introduced by: Cindy Stewart, Community Affairs Director)**

Suggested Resolution

Resolution #2024-11-

Moved by

Seconded by

WHEREAS, Oakland County is preparing an Annual Action Plan to meet application requirements for the Community Development Block Grant (CDBG) program, and other Community Planning and Development (CPD) programs; and,

WHEREAS, Oakland County has requested CDBG-eligible projects from participating communities for inclusion in the Action Plan; and,

WHEREAS, The City of Troy has duly advertised and conducted a public hearing on November 25, 2024 for the purpose of receiving public comments regarding the proposed use of PY 2025 Community Development Block Grant (CDBG) funds in the approximate amount of 182,205.00; and,

WHEREAS, The City of Troy found that the following projects meet the federal objectives of the CDBG program and are prioritized by the community as high priority need:

<u>Account Number</u>	<u>Project Account</u>	<u>Amount</u>
172170-731864	Park/Recreation Facilities	\$127,543.50
172160-732170	Public Services (Yard Services)	\$ 54,661.50

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **AUTHORIZES** City Administration to submit the City of Troy CDBG application to Oakland County for inclusion in Oakland County's Annual Action Plan to the U.S. Department of Housing and Urban Development, and that the Mayor is hereby **AUTHORIZED TO EXECUTE** all documents, agreements, or contracts which result from this application to Oakland County.

Yes:

No:

## **F. PUBLIC COMMENT FOR ITEMS ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

### **In accordance with the Rules of Procedure for the City Council:**

Any person not a member of the City Council may address the Council with recognition of the Chair, after clearly stating the nature of his/her inquiry or comment. **NOTE TO THE PUBLIC:** *City Council requests that if you do have a question or concern, to bring it to the attention of the appropriate department(s) whenever possible. If you feel that the matter has not been resolved satisfactorily, you are encouraged to bring it to the attention of the City Manager, and if still not resolved satisfactorily, to the Mayor and Council.*

- Petitioners of items that are included in the pre-printed agenda booklet shall be given a fifteen (15) minute presentation time that may be extended with the majority consent of City Council.
- Any member of the public, not a petitioner of an item, shall be allowed to speak for up to three (3) minutes to address any Public Hearing item.
- Any member of the public, not a petitioner of an item, does not have the right to engage in discussion or debate with City Council during the Public Comment portions of the meeting.
- All members of the public who wish to address the Council at a meeting shall be allowed to speak only if they have signed up to speak within thirty minutes before or within fifteen minutes after the meeting's start time. Signing up to speak requires each speaker provide his or her name. If the speaker is addressing an item(s) that appears on the pre-printed agenda, then the speaker shall also identify each such agenda item number(s) to be addressed.
- City Council may waive the requirements of this section by a consensus of the City Council.
- Agenda items that are related to topics where there is significant public input anticipated should initiate the scheduling of a special meeting for that specific purpose.

Prior to Public Comment, the Mayor may provide a verbal notification of the rules of decorum for City Council meetings or refer to the pre-printed agenda booklet, which will include the following language, as approved by City Council:

Please direct your comments to the City Council as a whole rather than to any individual. Please do not use expletives or make derogatory or disparaging comments about any individual or group. If you do, there may be immediate consequences, including being muted and having your comments omitted from any re-broadcast of the meeting. Please abide by these rules in order to minimize the possibility of disrupting the meeting.

**G. CITY COUNCIL/CITY ADMINISTRATION RESPONSE/REPLY TO PUBLIC COMMENT FOR ITEMS ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

**H. POSTPONED ITEMS:**

**H-1** No Postponed Items

**I. REGULAR BUSINESS:**

**I-1** Board and Committee Appointments: a) Mayoral Appointments – None; b) City Council Appointments – None

a) Mayoral Appointments: None

b) City Council Appointments: None

**I-2** Board and Committee Nominations: a) Mayoral Nominations – Global Troy Advisory Committee, Local Development Finance Authority; b) City Council Nominations – Traffic Committee

a) Mayoral Nominations:

Suggested Resolution

Resolution #2024-11-

Moved by

Seconded by

RESOLVED, That the Mayor of the City of Troy hereby **FORWARDS** the following nominated person(s) to serve on the Boards and Committees as indicated to the next Regular City Council Meeting for action:

**Global Troy Advisory Committee**

Appointed by Mayor  
12 Regular Members  
3 Year Term

**Current Members:**

Last Name	First Name	App Res Expire	Appointment Expire	Notes 1	Notes 3
Baker	Ethan		11/8/2027	Council Member	
Bica-Grotsky	Lisa	9/23/2025	10/30/2026		
Burrus	Mivida	7/15/2018	10/30/2025		
Cheriguene	Sadia	10/20/2024	10/30/2026		
Chezick	Edward	12/20/2024	10/30/2025		

Cicchini	Philippe	4/13/2023	10/30/2026		
Fakhoury	Awni	9/28/2023	10/30/2027		
Gunasekar	Vinaya	1/8/2026	7/31/2024	Student - Graduates 2025	
Mohideen	Syeda	9/28/2023	10/30/2027		
Natcheva	Daniela	11/8/2021	10/30/2025		
Noguez-Ortiz	Carolina	12/20/2024	10/30/2025	BRA exp 4/30/2023	
Sekhri	Suneel	11/5/2023	10/30/2027		
Zhou	Yudong	12/7/2024	10/30/2025		

**Nominations to the Global Troy Advisory Authority:**

**Term Expires: 7/31/2025**

**Student**

Term currently held by: Vinaya Gunasekar

**Interested Applicants:**

Last Name	First Name	App Resume Expire	Notes 1
Batool	Syeda	3/5/2026	
Chambers	Barbara A.	1/18/2025	
Comiskey	Ann M.	12/22/2024	
Devulapalli	Ramachandram	8/29/2026	
Dicker	Susanne Forbes	1/3/2025	
Haight	Michelle	10/8/2025	
Jeeda	Swathi	7/2/2025	Student – Graduates 2026
Kadoura	Lailas M.	9/24/2024	
Lee	Seojin Sarah	4/21/2025	Student – Graduates 2026
Mcgee	Timothy S.	12/19/2024	HDC exp 5/15/2027
Mehta	Susheilla	1/20/2025	
Sabaj	Noah	2/28/2026	
Tadepalli	Hemanth	11/7/2025	

**Local Development Finance Authority (LDFA)**

Appointed by Mayor  
5 Regular Members  
Staggered 4 Year Term

**Current Members:**

Last Name	First Name	App Res Expire	Appointment Expire	Notes 1	Notes 2
Bachert	Sandra	11/18/2023	6/30/2027	Resident Member	
Baker	Ethan		City Council Term	Alternate; City Council	City Council exp. 11/2027; DDA; GTAC, LDFA
Hodorek	Ellen		City Council Term	Alternate; City Council	City Council exp 11/2025
Rosenblum	Anthony	11/10/2024	6/30/2026	Resident Member	
Schmitz	Jim	9/14/2024	6/30/2028	Resident Member	
Smieliauskas	Fabrice	9/7/2025	6/30/2028	Resident Member	
Starks	Louis			Oakland County Designee	
Vacancy			6/30/2027	Resident Member	Nickolas Vitale resigned 7/17/21 (Term expired 6/30/2023)

**Nominations to the Local Development Finance Authority (LDFA):**

**Term Expires: 6/30/2027**

**Resident Member**

Term currently held by: Vacant – N. Vitale resigned 7/17/21

**Interested Applicants:**

Last Name	First Name	App Resume Expire	Notes 1
Battle	Timothy	10/28/2024	
Christiansen	Dale	11/22/2024	
Faiz	Iqbal	6/7/2025	
Vassallo	Joseph	12/20/2024	Brownfield Redev Auth exp 4/30/27

Yes:

No:

**b) City Council Nominations:**

Suggested Resolution

Resolution #2024-11-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **FORWARDS** the following nominated person(s) to serve on the Boards and Committees as indicated to the next Regular City Council Meeting for action:

**Traffic Committee**  
 Appointed by Council  
 7 Regular Members  
 3 Year Term

**Current Members:**

Last Name	First Name	App Res Expire	Appointment Expire	Notes 1
Christiansen	Dale	11/22/2024	1/31/2026	
Finlay	G. Scott			Ex-Officio Member
Hullinger	Peter			Ex-Officio Member
Kenkre	Shama	9/11/2026	1/31/2025	
Nastasi	Frank			Ex-Officio Member
Nurak	Cindy	1/28/2024	1/31/2025	
Petrulis	Al	9/2/2026	1/31/2026	ACAB EXP 9/30/2027
Rose	Justin	11/5/2023	1/31/2027	
Swaminathan	Abi	9/2/2025	1/31/2027	
Zhou	Angela	9/18/2025	7/31/2024	Student - Graduates 2025
Ziegenfelder	Peter	12/14/2024	1/31/2026	

**Nominations to the Traffic Committee:**

**Term Expires: 7/31/2025**

Term currently held by: Angela Zhou (Student-Graduates 2025)

**Interested Applicants:**

Last Name	First Name	App Resume Expire	Notes 1
Chambers	Barbara	1/18/2025	
Jeeda	Swathi	7/2/2025	Student - Graduates 2026
Sabaj	Noah	2/28/2026	
Tadepalli	Hemanth	11/7/2025	

Yes:  
 No:

**I-3 No Closed Session Requested**

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**I-4 Adoption of the Proposed 2024-2025 City Council Rules of Procedure (Introduced by: M. Aileen Dickson, City Clerk)**

Suggested Resolution

Resolution #2024-11-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **ADOPTS** the Troy City Council Rules of Procedure, as amended, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

Yes:

No:

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**I-5 Election and Oath of Office for Mayor Pro Tem (Introduced by: Aileen Dickson, City Clerk)**

Suggested Resolution

Resolution #2024-11-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **ELECTS** Council Member Mark Gunn to serve as Mayor Pro Tem for the City Council of the City of Troy for a term scheduled to expire at the first City Council meeting in November 2025 pursuant to City Charter Section 3.7.

Yes:

No:

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**I-6 Appointment of City Manager (Introduced by: Lori Grigg Bluhm, City Attorney)**

Suggested Resolution

Resolution #2024-11-

Moved by

Seconded by

RESOLVED, that the Troy City Council hereby **APPOINTS** \_\_\_\_\_ as City Manager, contingent upon the approval of an employment agreement negotiated between the appointed candidate and McGraw Morris, the City's outside labor and employment counsel. The employment agreement shall include the starting date and compensation, and shall be presented to the Troy City Council at a future City Council meeting.

Yes:

No:

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**I-7 2025 City Council Meeting Schedule (Introduced by: Frank Nastasi, City Manager)**

Suggested Resolution



Resolution #2024-11-  
Moved by  
Seconded by

RESOLVED, That Troy City Council **SHALL HOLD** Regular Meetings in calendar year 2025 on the following dates at 7:30 PM in the City Council Chamber or as otherwise provided by the City Council Rules of Procedure:

- Monday, January 13 & 27
- Monday, February 10 & 24
- Monday, March 10 & 17
- Monday, April 7 & 21
- Monday, May 5 & 19
- Monday, June 9 & 30
- Monday, July 14 & 28
- Monday, August 11 & 25
- Monday, September 8 & 29
- Monday, October 6 & 20
- Monday, November 10 & 17
- Monday, December 1 & 15

BE IT FURTHER RESOLVED, That Troy City Council **SHALL HOLD** Special Meetings for presentation of the proposed budget in calendar year 2025 on the following dates at 6:00 PM in the Council Board Room or as otherwise provided by the City Council Rules of Procedure:

- Monday, April 14
- Wednesday, April 16 (as needed)

BE IT FINALLY RESOLVED, That Troy City Council **MAY RESCHEDULE** Regular Meetings and/or **SCHEDULE** additional Special Meetings in accordance with the City Charter and Michigan Open Meetings Act.

Yes:  
No:

**J. CONSENT AGENDA:**

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**J-1a Approval of “J” Items NOT Removed for Discussion**

Suggested Resolution  
Resolution #2024-11-  
Moved by  
Seconded by

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as presented with the exception of Item(s) \_\_\_\_\_, which shall be **CONSIDERED** after Consent Agenda (J) items, as printed.

Yes:

No:

### **J-1b Address of “J” Items Removed for Discussion by City Council**

### **J-2 Approval of City Council Minutes**

Suggested Resolution

Resolution #2024-11-

RESOLVED, That Troy City Council hereby **APPROVES** the following Minutes as submitted:

- a) City Council Minutes-Draft – November 11, 2024
- b) City Council Special Meeting Minutes-Draft – November 16, 2024

### **J-3 Proposed City of Troy Proclamations:**

Suggested Resolution

Resolution #2024-11-

- a) Proclamation – City of Troy Tree City USA / Arbor Day

### **J-4 Standard Purchasing Resolutions:**

- a) **Standard Purchasing Resolution 2: Award to Sole Bidder Meeting Specifications – Rotadairon Brush Cutter and Soil Renovator**

Suggested Resolution

Resolution #2024-11-

RESOLVED, That Troy City Council hereby **AWARDS** a contract to purchase one (1) Rotadairon Brush Cutter and one (1) Rotadairon Soil Renovator from *MacAllister Machinery Co., Inc. dba Michigan CAT of Shelby Twp., MI*, for an estimated total cost of \$24,398.00, at prices contained in the bid tabulation dated November 7, 2024, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; not to exceed budgetary limitations.

- b) **Standard Purchasing Resolution 2: Award to Sole Bidder Meeting Specifications – Lakeland Fire Turnout Equipment – Fire Department, and Budget Amendment**

Suggested Resolution

Resolution #2024-11-

RESOLVED, That the Troy City Council hereby **AWARDS** a one (1) year contract with two (2) one-year renewal options to *Conway Shield of New Berlin, WI*, to purchase one hundred forty (140) sets of Lakeland structural turnout gear, ten (10) sets of dual-certified turnout gear, one hundred fifty (150) sets of suspenders for an estimated total cost of \$490,390.20 for year one and as-needed purchases for any additional turnout gear required for new firefighters, or equipment damaged during Fire Department Operations, at unit prices contained in the bid

tabulation dated November 14, 2024; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FURTHER RESOLVED, That the City Council hereby **APPROVES** a budget amendment to the Fire Department General Equipment General Capital Fund Account Number 401.336.338.978.010 in the amount of \$190,390.20.

BE IT FINALLY RESOLVED, That the awards are **CONTINGENT** upon the submission of properly executed contract documents, including insurance certificates and all other specified requirements.

**c) Standard Purchasing Resolution 4: MITN and MiDEAL Cooperative Purchasing Agreements – Fleet Vehicles**

Suggested Resolution  
Resolution #2024-11-

RESOLVED, That Troy Council hereby **APPROVES** a contract to purchase two (2) Ford F350 truck chassis, three (3) Ford Transit Cargo Vans and two (2) Ford Mavericks from *Gorno Ford of Woodhaven, MI*, as per the MiDEAL Cooperative Purchasing Contract 071B7700181 for an estimated total cost of \$338,303.00 as detailed in the attached quote, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; not to exceed budgetary limitations.

BE IT FURTHER RESOLVED, That Troy City Council hereby **APPROVES** a contract to purchase two (2) dump bodies with snow and ice removal equipment with installation from *Truck and Trailer Specialties, Inc., of Howell, MI*, as per the MITN Cooperative Contract RFP-RH-20-023 for an estimated total cost of \$73,690.00 as detailed in the attached quote, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; not to exceed budgetary limitations.

**d) Standard Purchasing Resolution 8: Best Value Award – Towing and Storage Services – Police Department**

Suggested Resolution  
Resolution #2024-11-

RESOLVED, That Troy City Council hereby **AWARDS** a three (3) year contract with a three (3) year renewal option, to *A & M Service Center, Inc. of Troy, MI*, to provide Towing and Storage Services for the City of Troy at unit prices contained in the bid tabulation dated October 24, 2024; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FURTHER RESOLVED, That the Troy City Council hereby **AUTHORIZES** the Mayor and City Clerk to **EXECUTE** the Agreement for Towing Services once in acceptable form.

BE IT FINALLY RESOLVED, That the award is **CONTINGENT** upon the company's submission of properly executed proposal and contract documents, including agreements, insurance certificates and all other specified requirements.

e) **Standard Purchasing Resolution 10: Travel Authorization and Approval to Expend Funds for Troy City Council Member Travel – 2025 US Conference of Mayors 93<sup>rd</sup> Winter Meeting**

Suggested Resolution  
Resolution #2024-11-

RESOLVED, That Council **AUTHORIZES** City Council Member travel expenses for the 2025 US Conference of Mayors 93<sup>rd</sup> Winter Meeting, in accordance with accounting procedures of the City of Troy.

**J-5 Request to Affirm Purchase of Early Voting Postcard**

Suggested Resolution  
Resolution #2024-11-

RESOLVED, That Troy City Council hereby **AFFIRMS** the purchase for the printing and mailing of the Vote Your Way postcards to Troy households, from *PrintMasters of Madison Heights, MI*, for a total cost of \$12,361.81.

**J-6 Contract Amendment – Tree and Stump Maintenance Services**

Suggested Resolution  
Resolution #2024-11-

RESOLVED, That the Troy City Council hereby **APPROVES** an amendment to the contract with *J.H. Hart Urban Forestry of Sterling Heights, MI* to include three (3) additional line items as follows:

- Albach Diamant 2000 and operator at \$600.00/hour during normal operating hours
- Albach Diamant 2000 and operator at \$630.00/hour during overtime hours
- Albach Diamant 2000 and operator at \$660.00/hour on Sundays or Holidays

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon the submission of properly executed contract documents, including insurance certificates and all other specified requirements.

**K. MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:**

**K-1 Announcement of Public Hearings: None Submitted**

**K-2 Memorandums (Items submitted to City Council that may require consideration at some future point in time): None Submitted**

**L. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

**M. CITY COUNCIL/CITY ADMINISTRATION RESPONSE/REPLY TO PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

**N. COUNCIL REFERRALS:**

Items Advanced to the City Manager by the Mayor and City Council Members for Placement on the Agenda

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**N-1 No Council Referrals Submitted**

**O. REPORTS:**

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**O-1 Minutes – Boards and Committees:**

a) Traffic Committee-Final – September 18, 2024

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**O-2 Department Reports:**

a) Review of Chapter 14-A – Elected and Appointed Persons’ Ethics Ordinance

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**O-3 Letters of Appreciation: None Submitted**

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**O-4 Proposed Proclamations/Resolutions from Other Organizations: None Submitted**

**P. COUNCIL COMMENTS:**

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**P-1 No Council Comments Submitted**

**Q. PUBLIC COMMENT FOR ITEMS ON OR NOT ON THE AGENDA FROM MEMBERS OF THE PUBLIC OUTSIDE OF TROY (NOT RESIDENTS OF TROY AND NOT FROM TROY BUSINESSES):**

**R. CLOSED SESSION**

---

**R-1 No Closed Session**

**S. ADJOURNMENT:**

Respectfully submitted,



Frank Nastasi  
City Manager

**2024 SCHEDULED SPECIAL CITY COUNCIL MEETINGS:**

**2024 SCHEDULED REGULAR CITY COUNCIL MEETINGS:**

December 9, 2024 ..... Regular Meeting  
December 16, 2024 ..... Regular Meeting



October 31, 2024

To the Honorable Mayor, City Council and Management  
City of Troy, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Troy (the City) as of and for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated May 1, 2024. Professional standards also require that we communicate to you the following information related to our audit.

We discussed these matters with various personnel in the City during the audit including management. We would also be pleased to meet with you to discuss these matters at your convenience.

## Significant Audit Matters

### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the footnotes of the financial statements. The City has adopted the following Governmental Accounting Standards Board Statements effective July 1, 2023:

- Statement No. 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. More understandable, reliable, relevant, consistent and comparable information will be provided to financial statement users for making decisions or assessing accountability. Additionally, the display and note disclosure requirements will result in more consistent, decision useful, understandable and comprehensive information for users about accounting changes and error corrections.

We noted no transactions entered into by the City during the year for which there is lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

- The useful lives of its capital assets. Useful lives are estimated based on the expected length of time during which the asset is able to deliver a given level of service.
- Net pension asset, and related deferred outflows of resources and deferred inflows of resources. The estimate is based on an actuarial report.
- Net other postemployment benefits (OPEB) liability, and related deferred outflows of resources and deferred inflows of resources. The estimate is based on an actuarial report.

- Compensated absences – fire incentive program payout. Management’s estimate of the accrued compensated absences – fire incentive program payout is based on current hourly rates and policies regarding payment of longevity.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Disclosures in the financial statements are neutral, consistent and clear.

We have identified the following significant risks of material misstatement as part of our audit planning:

- Management override of controls
- Improper revenue recognition

**Accounting Standards and Regulatory Updates**

The Governmental Accounting Standards Board has released additional Statements. Details regarding these Statements are described in the footnotes of the financial statements.

**Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

**Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no known misstatements detected as a result of audit procedures that were more than trivial.

Management has determined that the effects of the uncorrected misstatements summarized below are immaterial both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Description	Governmental Activities	
	Over (Under) Stated	
	Total Liabilities	Total Net Position
Installment purchase agreement not recorded as long-term debt	\$ (531,744)	\$ 531,744

**Disagreements with Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors’ report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**

We have requested certain representations from management that are included in the management representation letter dated as of the date of the audit report.



## **Management’s Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

## **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **Other Reports**

Other information that is required to be reported to you is included in the: Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance For Each Major Federal Program; Independent Auditors’ Report on Internal Control Over Compliance; Independent Auditors’ Report on Schedule of Expenditures of Federal Awards Required by the Uniform Grant Guidance; and the Schedule of Findings and Questioned Costs. Please read all information included in those reports to ensure you are aware of relevant information.

## **Report on Required Supplementary Information**

We applied certain limited procedures to management’s discussion and analysis and the remaining required supplementary information (RSI) as described in the table of contents of the financial statements that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

## **Report on Other Supplementary Information**

We were engaged to report on other supplementary information as described in the table of contents of the financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

## **Annual Comprehensive Financial Report**

The City’s audited financial statements are included in their annual comprehensive financial report. Our responsibility for the other information contained in the annual comprehensive financial report does not extend beyond the financial information identified in our audit report. We do not have an obligation to perform any procedures to corroborate the other information contained in the introductory section and statistical section. However, we read the other information and considered whether such information, or the manner of its presentation, was materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. Nothing came to our attention that caused us to believe that such information, or its manner

of presentation, was materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

**Restriction on Use**

This information is intended solely for the information and use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

*Yeo & Yeo, P.C.*

Auburn Hills, Michigan

**City of Troy, Michigan**

**Single Audit**

**June 30, 2024**



**YEO & YEO**

**BUSINESS SUCCESS  
PARTNERS**

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# **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

## **Independent Auditors' Report**

To the Honorable Mayor, City Council and Management of the City of Troy, Michigan  
City of Troy, Michigan

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Troy, Michigan (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 31, 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.

*Yeo & Yeo, P.C.*

Auburn Hills, Michigan  
October 31, 2024



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# **Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

## **Independent Auditors' Report**

To the Honorable Mayor, City Council and Management of the City of Troy, Michigan  
City of Troy, Michigan

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

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

We have audited the City of Troy, Michigan's (the City's) 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 June 30, 2024. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

#### **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 (GAAS); 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 Auditors' 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 agreements applicable to the City's federal programs.

## Auditors' 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 GAAS, *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 GAAS, *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 Auditors' 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated October 31, 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.

*Yeo & Yeo, P.C.*

Auburn Hills, Michigan  
October 31, 2024

**City of Troy, Michigan**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2024**

	<b>Assistance Listing Number</b>	<b>Federal or Pass-Through Grant Number</b>	<b>Federal Expenditures</b>
<b>U.S. Department of Housing and Urban Development</b>			
Passed through Oakland County			
CDBG Entitlement Grants Cluster			
CDBG Entitlement Grant	14.218	172160-732170	\$ 59,443
CDBG Entitlement Grant	14.218	172170-731619	<u>31,933</u>
Total CDBG Entitlement Grants Cluster			<u>91,376</u>
Economic Development Initiative, Community Project Funding and Misc. Grants	14.251	B-22-CP-MI-0442	<u>1,500,000</u>
Total U.S. Department of Housing and Urban Development			<u>1,591,376</u>
<b>U.S. Department of Justice</b>			
Bulletproof Vest Partnership Program	16.607	N/A	17,409
Equitable Sharing Program	16.922	N/A	<u>101,755</u>
Total U.S. Department of Justice			<u>119,164</u>
<b>U.S. Department of Transportation</b>			
Passed through Michigan Department of Transportation			
Highway Planning and Construction	20.205	16-5591 / 22A0009 / 23A0062	<u>781,453</u>
<b>U.S. Department of Treasury</b>			
Passed through Oakland County			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP2640	46,553
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	<u>6,838,961</u>
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			<u>6,885,514</u>
<b>Environmental Protection Agency</b>			
Geographic Programs - Great Lakes Restoration Initiative			
Geographic Programs - Great Lakes Restoration Initiative	66.469	GL - 00E03266	21,931
Geographic Programs - Great Lakes Restoration Initiative	66.469	GL - 00E03520	<u>147,192</u>
Total Geographic Programs - Great Lakes Restoration Initiative			<u>169,123</u>
<b>Election Assistance Commissior</b>			
Passed through Michigan Department of State			
HAVA Election Security Grants	90.404	N/A	<u>55,500</u>
<b>U.S. Office of National Drug Control Policy</b>			
Passed through Oakland County			
High Intensity Drug Trafficking Areas Program	95.001	N/A	<u>5,985</u>
<b>U.S. Department of Homeland Security</b>			
Passed through Oakland County			
Homeland Security Grant Program	97.067	N/A	<u>6,839</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 9,614,954</u>

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

**City of Troy, Michigan**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**June 30, 2024**

---

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Troy, Michigan (the City) under programs of the federal government for the year ended June 30, 2024. 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). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the City.

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

**Expenditures**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement.

**Indirect Cost Rate**

The City has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3 - Reconciliation to the Financial Statements**

Federal revenue per the financial statements	
Governmental funds	\$ 9,751,411
Change in deferred inflows	(238,212)
Forfeiture expenditures not included in revenue	101,755
Total expenditures of federal awards per the Schedule	<u>\$ 9,614,954</u>

**Note 4 - Subrecipients**

No amounts were provided to subrecipients.

**City of Troy, Michigan**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2024**

---

**Section I – Summary of Auditors’ Results**

*Financial Statements*

Type of report the auditor issued on whether the financial statements were prepared in accordance with Generally Accepted Accounting Principles: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?                    \_\_\_\_\_ yes      X   no
- Significant deficiency(ies) identified?            \_\_\_\_\_ yes      X   none reported

Noncompliance material to financial statements noted?                    \_\_\_\_\_ yes      X   no

*Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified?                    \_\_\_\_\_ yes      X   no
- Significant deficiency(ies) identified?            \_\_\_\_\_ yes      X   none reported

Type of auditors’ 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)?                    \_\_\_\_\_ yes      X   no

Identification of major federal programs:

<i>Assistance Listing Number(s)</i>	<i>Name of Federal Program or Cluster</i>
14.251	Economic Development Initiative, Community Project Funding and Misc. Grants
20.205	Highway Planning and Construction
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:                    \$ 750,000

Auditee qualified as low-risk auditee?                    \_\_\_\_\_ yes      X   no

**City of Troy, Michigan**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2024**

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**Section II – *Government Auditing Standards* Findings**

There were no *Government Auditing Standards* findings for the year ended June 30, 2024.

**Section III – Federal Award Findings**

There were no findings or questioned costs for Federal Awards for the year ended June 30, 2024.

**City of Troy, Michigan**  
**Summary Schedule of Prior Audit Findings**  
**June 30, 2024**

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**Section IV – Prior Audit Findings**

***Government Auditing Standards Findings***

There were no *Government Auditing Standards* findings for the year ended June 30, 2023.

**Federal Award Findings**

There were no findings or questioned costs for Federal Awards for the year ended June 30, 2023.

# City of Troy, Michigan

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024





## **City of Troy, Michigan**

**Annual Comprehensive Financial Report**

**Year Ended June 30, 2024**

### **City Council**

**Mayor  
Mayor Pro Tem  
Council Members**

**Ethan Baker  
Ellen Hodorek  
Rebecca Chamberlain-Creanga  
Theresa Brooks  
Mark Gunn  
David Hamilton  
Hirak Chanda**

**Prepared by:**

**The Department of Financial Services**

**City of Troy, Michigan**



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# **INTRODUCTORY SECTION**



October 31, 2024

**Dear Honorable Mayor, City Council Members and Citizens:**

The *Annual Comprehensive Financial Report (ACFR)* for the City of Troy, Michigan for the year ended June 30, 2024 is hereby submitted. The report represents a comprehensive and detailed picture of our financial transactions during fiscal year 2023/24 and the financial condition of the various funds as of fiscal year end. This report was prepared by a team comprised of executive members, financial staff, and department leaders of the City. Troy's staff is responsible for the accuracy of data and completeness and fairness of the presentation, including all disclosures.

A *Management's Discussion and Analysis Report (MD&A)*, as well as entity-wide, full accrual financial statements are included in the front of the financial statement section. The fund statements are presented under the "Major/Nonmajor Fund" concept. Reconciliation between the two presentations is included and the note disclosures have been expanded to provide appropriate information on both the entity-wide and fund financial statements.

The information presented is accurate in all material respects. Financial data presented is designed to provide the reader with information to assist in determining both the long-term fiscal health of the City of Troy and the City of Troy's ability to meet obligations on a short-term basis.

As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the City of Troy and related component units. The individual component units are included in the City of Troy's reporting entity because of the significance of their operational or financial relationships with the City of Troy.

The financial reporting entity includes all of the primary government (the City of Troy as legally defined). The criteria used in determining the reporting entity are consistent with current GAAP guidelines. Based on these criteria, the various funds of the City are shown in the table of contents and are included in this report. We have addressed all component units.

The City of Troy was incorporated in 1955 and has always operated under the Council-Manager form of government. The Mayor and six members of the City Council are elected to staggered four-year terms.

The City Manager is appointed by a majority vote of the City Council and is responsible for all administrative functions. The City provides a full range of municipal services, including police, fire, water distribution, wastewater collection, street maintenance, public improvements, planning, zoning, recreation and general administration.

**ECONOMIC OUTLOOK AND CONDITION**

The economic condition of the City of Troy remains strong and the City continues to show steady improvement. Because of our efficient budgeting practices and process of obtaining grant funding from the Federal Government, we have been able to maintain our financial stability.

The City experienced growth in net taxable value for fiscal 2024 at 7.5% and was comprised of growth in residential properties of 7.3%, and growth in both commercial properties (10.5%) and industrial properties (9.9%). The assessed value of property increased by 8.3% for fiscal 2024. The assessed value is now 31.4% greater than the net taxable value. For Michigan cities, Troy ranked fourth for the largest assessed values in the state.

The City adopts a three- year budget that is nationally recognized. Our approach to funding major capital projects is to accumulate funds over a number of years to avoid the issuance of debt. The City has adopted a policy to maintain our unassigned fund balance of the general fund at a minimum 20% to 30% of general fund expenditures & transfers. Actual results outside these parameters requires a financial plan proposed by the city manager.

### **New Business**

Listed below are some of the new businesses and/or expansions to Troy that happened over the last 12 months. It's a mixture of Insurance Agencies, Restaurants, Medical Operations, Advance Manufacturing and Mobility firms:

- Savic Technologies 2675 Bellingham
- Expleo 2380 Meijer Dr.
- Magna 750 Tower Dr.
- Sanhua 1350 Stephenson Highway

Its estimated that these firms represent about 430 jobs and have invested over \$8,000,000.

### **Business Retention**

Business retention is the cornerstone of most economic development programs. Retention of your existing business base ensures that your tax and employment base will remain healthy. Troy will continue to call on businesses in the manufacturing, information services, medical, research/development and technical sectors. The purpose of this calling program is to provide Troy businesses with the following information:

- Workforce Assistance
- Site Selection
- Loan Programs
- Grant Programs
- Site Plan Information
- Permitting Information
- Grand-Opening Assistance

Each business retention call is different so no set formula on what type of assistance is needed. The purpose is to inform the business about what assistance is available so they can contact me at the appropriate time.

It's a team approach to this retention strategy so they City works with the State of Michigan and Oakland County when calling on Troy businesses because each level of government has something to offer.

The below are a few of the firms recently visited:

- Bontaz
- Optech
- Elijah
- Detroit Engineered Products
- Femto Technologies
- Precision Global system

## Troy's TIF Boards

The economic development team participated in Board/Project meetings that promoted investment and job creation within the **DDA, BRA and LDFA**. The Brownfield pipeline for future projects includes the prior K-Mart site and several other potential projects.

## FINANCIAL INFORMATION

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

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

### Budgeting Controls

The object of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council.

Activities of the general and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) are established at the activity level.

### General Government Functions

Generally accepted accounting standards require that management provide a narrative introduction, overview and analysis to accompany these basic financial statements in the form of the MD&A.

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Troy's MD&A can be found immediately following the Independent Auditors' Report.

### Tax Rate Limitations

The City Charter provides tax rate limitations for general operations. In addition, the City of Troy may levy taxes in excess of the Charter limitation for refuse collection, library operations and debt service.

Purpose	Authority	Original Rate Per \$1,000 of Taxable Value
General operating	City Charter	\$8.10
Refuse collection and disposal	Act 298, P.A. of Michigan 1917 as Amended Article IX, Section 56 of Michigan Constitution	\$3.00
Library operations	Voter approved - 10 years	\$1.10
Debt service *	City Charter	Amount necessary for debt payment

\*The debt service millage was not levied since fiscal year 2022 as the debt in which it was levied for was paid off in fiscal year 2021.

### Long-Term Financial Planning

Unassigned fund balance for the General Fund at year end was \$27.3 million or 42.1% of total general fund expenditures, including transfers to other funds. This is above the general fund unassigned fund balance policy of 20%-30% of annual general fund expenditures.

The City's policy in restoring unassigned general fund balance to target levels includes using surplus unassigned fund balance for one-time purchases. The City maintains a 5-year capital improvement program. Typically, specific projects are identified and funded through transfers from the general fund to the capital projects fund for these projects during our budget process.

## **OTHER INFORMATION**

### **Independent Audit**

The City Charter and State statutes require an annual audit of all accounts of the City by certified public accountants. The accounting firm of Yeo & Yeo, was selected by the City Council. The City received an "unmodified opinion" from Yeo & Yeo, which is the best opinion that an organization can receive on its financial statements. It indicates that the auditor's examination has disclosed no conditions that cause them to believe that the financial statements are not fairly stated in all material respects.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Troy, Michigan for its ACFR for the fiscal year ended June 30, 2023.

This was the twenty seventh consecutive year that the City has achieved this prestigious award. In order to be awarded a certificate, the ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The City has also received the GFOA Award for Distinguished Budget Presentation of the City's three-year budget.

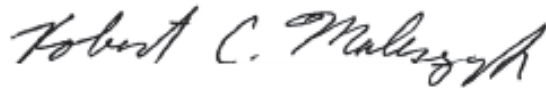
### **Acknowledgements**

The timely preparation of the ACFR was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in preparation of this report.



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Frank Nastasi  
City Manager

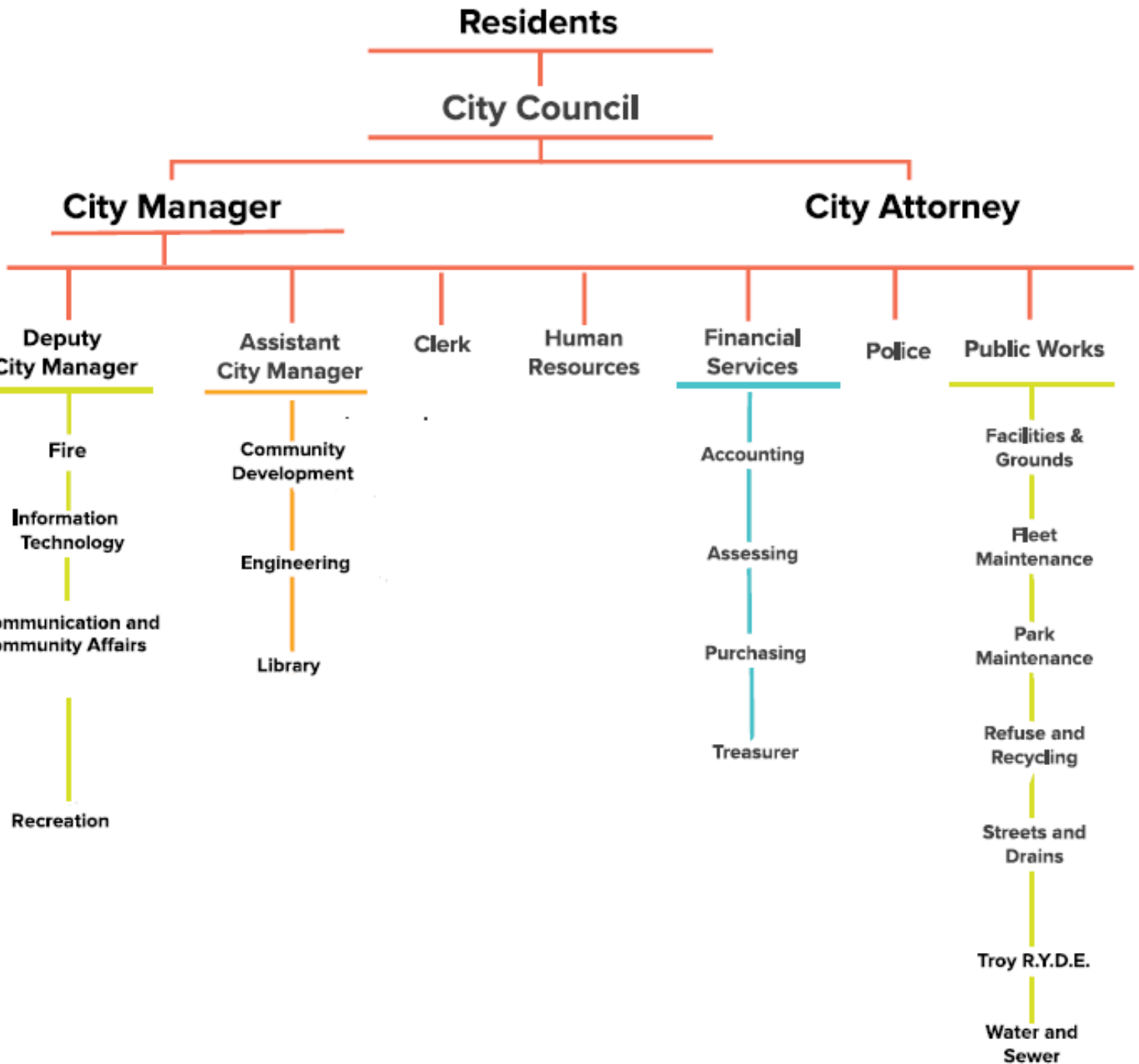


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Robert C. Maleszyk  
Chief Financial Officer



# Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Troy  
Michigan**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

**City of Troy, Michigan**  
**Principal Officials**  
**June 30, 2024**

---

<b>City Manager</b>	<b>Frank Nastasi</b>
<b>City Attorney</b>	<b>Lori Grigg Bluhm</b>
<b>Deputy City Manager</b>	<b>Robert Bruner</b>
<b>Chief Financial Officer</b>	<b>Robert Maleszyk</b>
<b>Controller</b>	<b>Kyle Vieth</b>
<b>City Assessor</b>	<b>Kelly Timm</b>
<b>City Clerk</b>	<b>Aileen Dickson</b>
<b>City Engineer</b>	<b>Scott Finlay</b>
<b>City Treasurer</b>	<b>Renee Hazen</b>
<b>Community Affairs Director</b>	<b>Cynthia Stewart</b>
<b>Community Development Director</b>	<b>Brent Savidant</b>
<b>Fire Chief</b>	<b>Peter Hullinger</b>
<b>Human Resources Director</b>	<b>Jeanette Menig</b>
<b>Information Technology Director</b>	<b>Alex Bellak</b>
<b>Library Director</b>	<b>Emily Dumas</b>
<b>Recreation Director</b>	<b>Brian Goul</b>
<b>Police Chief (Acting)</b>	<b>Josh Jones</b>
<b>Public Works Director</b>	<b>Kurt Bovensiep</b>
<b>Purchasing Manager</b>	<b>Emily Frontera</b>
<b>Facilities and Grounds Manager</b>	<b>Dennis Trantham</b>
<b>Fleet Operations Manager</b>	<b>Brian Varney</b>
<b>Streets and Drains Operations Manager</b>	<b>Mike Verstraete</b>
<b>Water and Sewer Operations Manager</b>	<b>Jason Schmidt</b>

**City of Troy, Michigan**  
**Fund Organization Chart**  
**June 30, 2024**

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**Governmental Funds**

▪ **General Fund \***

**Special Revenue Funds**

- Major Street
- Local Street
- Refuse
- Transit Center
- Drug Forfeiture
- Library
- Community Development Block Grant

**Debt Service Fund**

- Series 2013 & 2020 \*

▪ **Capital Projects Fund \***

**Permanent Fund**

- Cemetery Perpetual Care

**Proprietary Funds**

**Enterprise Funds**

- Water \*
- Sanitary Sewer \*
- Sanctuary Lake Golf Course \*
- Sylvan Lake Golf Course
- Aquatic Center

**Internal Service Funds**

- Compensated Absences
- Unemployment Compensation
- Custodial Services
- Information Technology
- Motor Equipment
- Workers' Compensation

**Fiduciary Funds**

**Pension and OPEB Trust**

- Employee Retirement System
- Retiree Health Care Trust

**Custodial Fund**

- Tax Collection

**Component Units**

- Downtown Development Authority
- Local Development Financing Authority
- Brownfield Redevelopment Authority

\* Major funds under GASB No. 34

# **FINANCIAL SECTION**

## Independent Auditors' Report

To the Honorable Mayor, City Council and Management  
City of Troy, Michigan

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Troy, Michigan (the City), as of and for the year ended June 30, 2024, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison statement for the general fund 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 Auditors' 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 the 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.

#### Auditors' 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 auditors' 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 and the pension and OPEB schedules, as identified in the table of contents, 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 other supplementary information, as identified in the table of contents, is presented for purposes of additional analysis 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 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 by us. In our opinion, based on our audit, the other supplementary information, as identified in the table of contents, is 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 sections but does not include the basic financial statements and our auditors' 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 October 31, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

*Yeo & Yeo, P.C.*

Auburn Hills, Michigan  
October 31, 2024



# **MANAGEMENT'S DISCUSSION & ANALYSIS**

**City of Troy, Michigan**  
**Management's Discussion and Analysis**  
**June 30, 2024**

---

As management of the City of Troy, Michigan (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found as listed in the table of contents of this report.

**Financial Highlights**

• Total net position	\$521,538,421
• Change in total net position	21,872,752
• Fund balances, governmental funds	65,538,387
• Change in fund balances, governmental funds	8,834,007
• Unassigned fund balance, general fund	27,307,266
• Change in fund balance, general fund	7,168,226
• Installment debt outstanding	12,429,399
• Change in installment debt	(1,525,617)

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all of the City assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) or from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, sanitation, community and economic development, and recreation and culture. The business-type activities of the City include water and sewer services, the aquatic center and golf courses.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate entities of the *Downtown Development Authority, Local Development Financing Authority and the Brownfield Redevelopment Authority* for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

**City of Troy, Michigan**  
**Management's Discussion and Analysis**  
**June 30, 2024**

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**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Following both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balances are reconciliations to facilitate this comparison between *governmental funds and governmental activities*.

Information for each of the City's individual governmental funds is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, debt service series 2013 & 2020 fund, and capital projects fund, which are considered to be the City's major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparisons statements or schedules have been provided herein to demonstrate compliance with those budgets.

**Proprietary Funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sanitary sewer, golf courses (Sanctuary Lake and Sylvan Glen), and aquatic center operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its compensated absences, unemployment compensation, custodial services, information technology, motor equipment, and workers' compensation functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the water, sanitary sewer, and Sanctuary Lake golf course funds, which are considered to be major funds of the City as well as the aggregate of the nonmajor enterprise funds.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**City of Troy, Michigan**  
**Management's Discussion and Analysis**  
**June 30, 2024**

*Other Information.* In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information includes this management's discussion and analysis and the schedules for the City's pension and other postemployment benefits plans.

The *combining statements* referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

**Government-wide Financial Analysis**

The City's combined net position increased \$21.9 million over the course of the fiscal year to a total of \$521.5 million. Net position of governmental activities increased \$24.9 million or 7.3%, and business-type activities decreased \$3.0 million or 1.9%. Explanations for those changes are described below under the governmental activities and business-type activities sections of this Management's Discussion and Analysis.

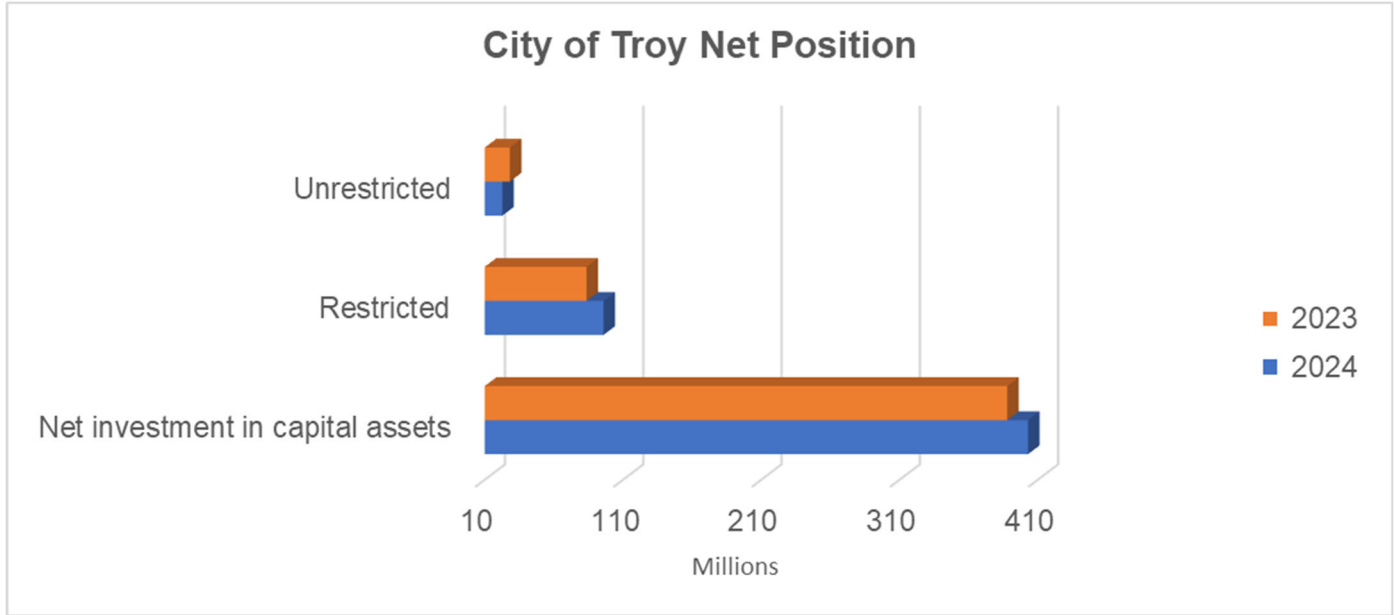
	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Current and other assets	\$ 171,983,315	\$ 153,662,844	\$ 15,300,479	\$ 18,315,186	\$ 187,283,794	\$ 171,978,030
Capital assets, net	253,704,383	241,377,704	153,768,759	153,986,478	407,473,142	395,364,182
	<u>425,687,698</u>	<u>395,040,548</u>	<u>169,069,238</u>	<u>172,301,664</u>	<u>594,756,936</u>	<u>567,342,212</u>
Deferred outflows of resources	72,965	6,641,835	232,606	574,365	305,571	7,216,200
<b>Liabilities</b>						
Long-term debt	22,206,658	16,821,282	3,549,301	4,413,336	25,755,959	21,234,618
Other liabilities	31,290,253	41,503,170	7,062,465	6,846,124	38,352,718	48,349,294
	<u>53,496,911</u>	<u>58,324,452</u>	<u>10,611,766</u>	<u>11,259,460</u>	<u>64,108,677</u>	<u>69,583,912</u>
<b>Deferred inflows of resources</b>	<u>8,805,271</u>	<u>4,761,657</u>	<u>610,138</u>	<u>547,174</u>	<u>9,415,409</u>	<u>5,308,831</u>
<b>Net position</b>						
Net investment in capital assets	252,967,933	238,472,631	149,982,907	149,413,653	402,950,840	387,886,284
Restricted	93,319,004	81,478,063	2,590,963	2,137,566	95,909,967	83,615,629
Unrestricted	<u>17,171,544</u>	<u>18,645,580</u>	<u>5,506,070</u>	<u>9,518,176</u>	<u>22,677,614</u>	<u>28,163,756</u>
<b>Total net position</b>	<u>\$ 363,458,481</u>	<u>\$ 338,596,274</u>	<u>\$ 158,079,940</u>	<u>\$ 161,069,395</u>	<u>\$ 521,538,421</u>	<u>\$ 499,665,669</u>

The largest portion of the City's net position (77.3%) reflects its investment in capital assets of \$403.0 million (e.g., land, museum artifacts, construction in progress, infrastructure, land improvements, buildings and improvements, miscellaneous equipment, office equipment, vehicles, library books, right to use equipment, and the water and sewer system), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its residents. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position of \$95.9 million (18.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$22.7 million (4.3%) is unrestricted and may be used to meet the City's ongoing obligations to its residents and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**City of Troy, Michigan**  
**Management's Discussion and Analysis**  
**June 30, 2024**

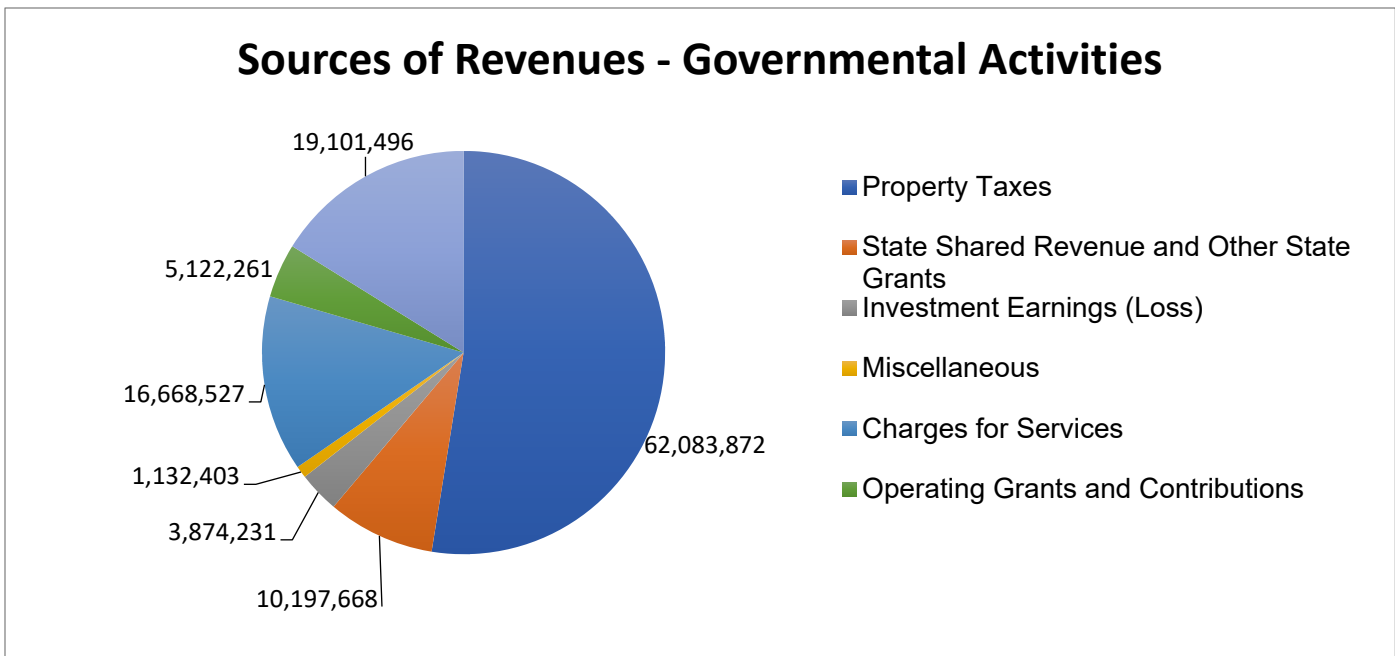
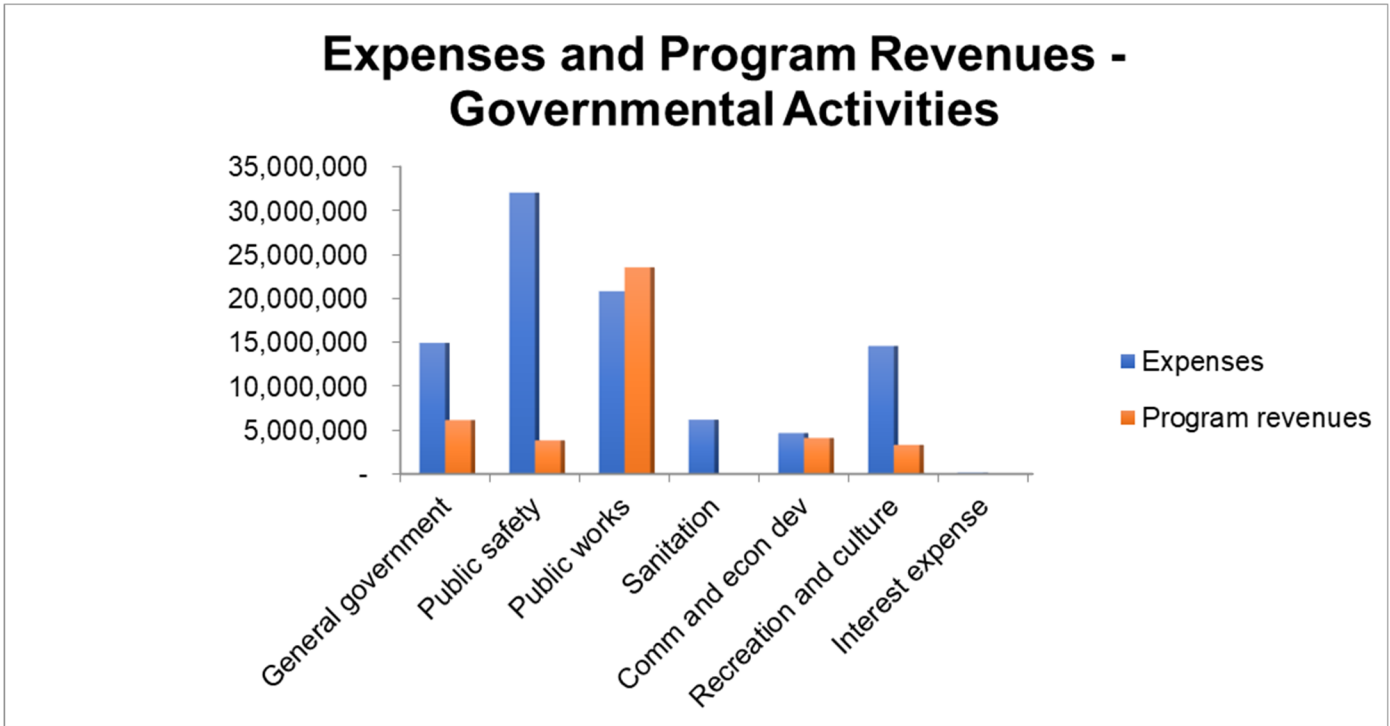


The following condensed financial information was derived from the government-wide statement of activities and reflects how the City's net position changed during the fiscal year:

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Program revenues</b>						
Charges for services	\$ 16,668,527	\$ 14,806,925	\$ 41,079,671	\$ 40,316,887	\$ 57,748,198	\$ 55,123,812
Operating grants and contributions	5,122,261	3,421,036	-	-	5,122,261	3,421,036
Capital grants and contributions	19,101,496	12,533,045	391,205	731,734	19,492,701	13,264,779
<b>General revenues</b>						
Property taxes	62,083,872	57,724,838	-	-	62,083,872	57,724,838
State-shared revenues and other state grants	10,197,668	9,968,092	-	-	10,197,668	9,968,092
Investment earnings (loss)	3,874,231	(2,921,084)	341,012	304,614	4,215,243	(2,616,470)
Other revenue	1,132,403	670,534	49,848	35,361	1,182,251	705,895
<b>Total revenues</b>	<b>118,180,458</b>	<b>96,203,386</b>	<b>41,861,736</b>	<b>41,388,596</b>	<b>160,042,194</b>	<b>137,591,982</b>
<b>Expenses</b>						
General government	\$ 14,917,110	\$ 10,139,417	\$ -	\$ -	\$ 14,917,110	\$ 10,139,417
Public safety	32,035,747	30,335,955	-	-	32,035,747	30,335,955
Public works	20,804,742	17,976,458	-	-	20,804,742	17,976,458
Sanitation	6,178,716	5,950,274	-	-	6,178,716	5,950,274
Community and economic development	4,656,013	4,142,399	-	-	4,656,013	4,142,399
Recreation and culture	14,571,154	13,449,956	-	-	14,571,154	13,449,956
Interest expense	154,769	152,973	-	-	154,769	152,973
Water	-	-	24,001,713	22,129,369	24,001,713	22,129,369
Sanitary sewer	-	-	15,839,514	15,881,121	15,839,514	15,881,121
Aquatic center	-	-	677,316	589,748	677,316	589,748
Golf courses	-	-	4,332,648	4,155,707	4,332,648	4,155,707
<b>Total expenses</b>	<b>93,318,251</b>	<b>82,147,432</b>	<b>44,851,191</b>	<b>42,755,945</b>	<b>138,169,442</b>	<b>124,903,377</b>
<b>Change in net position</b>	<b>24,862,207</b>	<b>14,055,954</b>	<b>(2,989,455)</b>	<b>(1,367,349)</b>	<b>21,872,752</b>	<b>12,688,605</b>
Net position, beginning of year	338,596,274	320,881,613	161,069,395	162,436,744	499,665,669	483,318,357
Prior period adjustment	-	3,658,707	-	-	-	3,658,707
Net position - beginning of year, as restated	338,596,274	324,540,320	161,069,395	162,436,744	499,665,669	486,977,064
<b>Net position, end of year</b>	<b>\$ 363,458,481</b>	<b>\$ 338,596,274</b>	<b>\$ 158,079,940</b>	<b>\$ 161,069,395</b>	<b>\$ 521,538,421</b>	<b>\$ 499,665,669</b>

**City of Troy, Michigan**  
**Management's Discussion and Analysis**  
**June 30, 2024**

**Governmental Activities.** The following chart presents revenues and expenses of governmental activities for the fiscal year:



Total governmental revenue is reported at approximately \$118.2 million, an increase of \$22.0 million from the prior year. The increase is primarily due to investment earnings increasing by \$6.8 million from the prior year, which is consistent with the current economic trends and positive interest rates. Additionally, there were increased recognized federal revenues of approximately \$6.6 million related to the ARPA and MDOT Grant Funds. Property tax revenues also saw a significant increase of approximately \$4.4 million.

**City of Troy, Michigan**  
**Management’s Discussion and Analysis**  
**June 30, 2024**

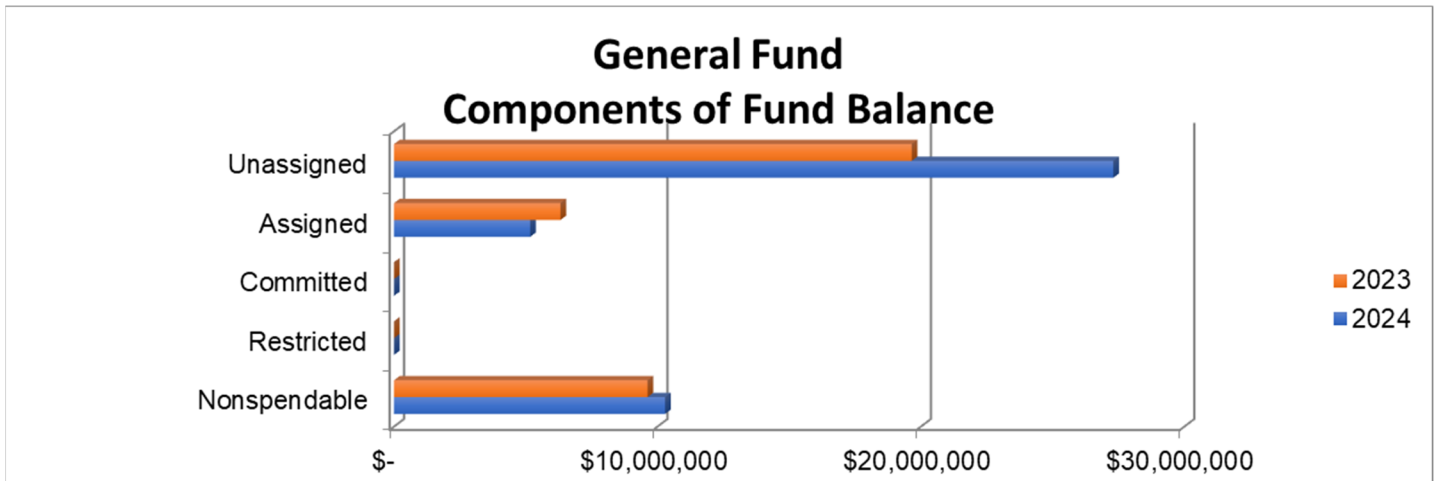
Total governmental expenses are reported at \$93.3 million, an increase of \$11.2 million from the prior year. The increase is primarily due to increased capital expenses of approximately \$7.5 million, the change in investment performance related to pension and OPEB funds, and normal increases for inflation.

**Business-type Activities.** The City’s business-type activities consist of water supply, sanitary sewer, aquatic center, and two municipal golf courses. Water and sanitary sewer services, classified as major funds, are provided to City residents through the Great Lakes Water Authority (GLWA) and Oakland County Water Resource Commission (OCWRC), respectively. The net position for business-type activities decreased by \$3.0 million. This change is primarily due to increased costs of providing water and sewer services to our residents which outpaced the rate increases charged to our residents, therefore resulting in rate increases for 2025.

**Financial Analysis of the City’s Governmental Funds**

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City Council or management.

The City’s governmental funds reported combined fund balances of \$65.5 million, an increase of \$8.8 million compared to the prior year. Approximately 41.7% of this amount (\$27.3 million) constitutes *unassigned fund balance*, which is available for spending at the City’s discretion. The remainder of the fund balance is either *nonspendable, restricted, committed, or assigned* to indicate that it is 1) not in spendable form, 2) legally required to be maintained intact/restricted for particular purposes, 3) committed for particular purposes, or 4) assigned for particular purposes.



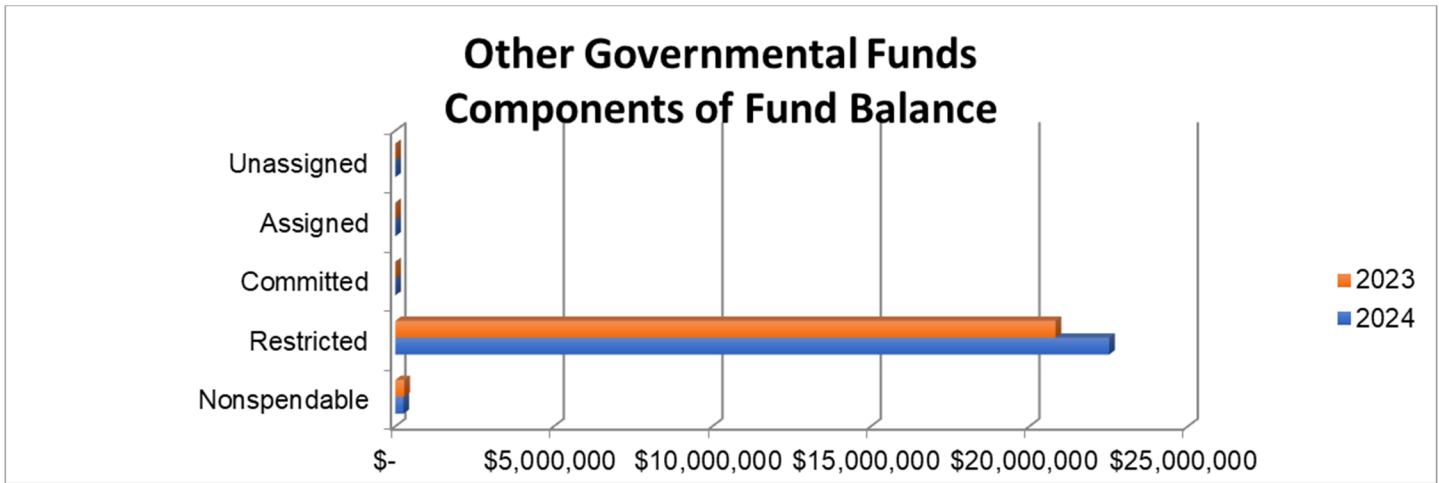
The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$27.3 million, while total general fund balance increased \$7.2 million to \$42.8 million. The general fund fund balance was budgeted to decrease by \$3.2 million, however favorable results for revenues of \$5.4 million and expenditures of \$5.0 million resulted in a net increase of \$10.4 million to the fund balance compared to budget. The general fund unassigned fund balance has a target limit of 20% to 30% of annual expenditures. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 42.1% of total general fund expenditures, while total general fund balance represents approximately 66.0% of the same amount.

In the current fiscal year, revenues were approximately \$7.2 million greater than total expenditures and transfers.

**City of Troy, Michigan**  
**Management’s Discussion and Analysis**  
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Overall revenues increased by \$7.7 million primarily due to an increase in property tax revenues of \$3.0 million as well as an increase in investment gains of \$3.7 million from the prior year. These increases are consistent with the current economic trends.

General fund expenditures (before transfers) of \$62.9 million decreased \$7.2 million or 10.3%. The decrease in general fund expenditures was primarily due to the VFIP payout from the prior year of \$9.4 million offset by normal increases of expenditures.



The Series 2013 & 2020 debt service fund, a major fund, was issued by the City to advance refund prior debt issuance of the Troy Downtown Development Authority (DDA), a discrete component unit of the City. The debt was issued by the City to mitigate the financial impact of debt burden on the DDA that was facing decreased tax capture from the district due to the 2008 recession and to take advantage of the City's AAA bond rating to receive favorable rates. Restructure of the DDA district provides funding for debt service payments that are derived through charges from the City to the DDA for reimbursement purposes. The fund maintains a zero-fund balance.

The capital projects fund, a major fund, had an increase in fund balance of \$2.6 million during the current year for a total ending fund balance of \$10.8 million. Major capital projects included \$8.9 million for park development including the ice rink amenity of \$7.9 million and major street improvements of \$6.3 million and local street improvements of \$3.0 million. It should be noted that the general fund contributed \$2.0 million towards improvements to City Hall and streets and the library fund contributed \$1.1 million towards renovations and maintenance. The major streets fund contributed \$5.7 million, and the local streets fund contributed \$3.0 million.

**Financial Analysis of the City’s Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net position of the water fund was \$3.6 million, and the sanitary sewer fund was \$8.1 million at the end of the current fiscal year. The Sanctuary Lake Golf Course had an unrestricted net deficit of \$10.7 million. The water fund total net position decreased by \$1.9 million while the sanitary sewer fund decreased by \$1.4 million, and the Sanctuary Lake Golf Course increased by \$39 thousand. This change is primarily due to increased costs of providing water and sewer services to our residents which outpaced the rate increases charged to our residents.



**City of Troy, Michigan**  
**Management's Discussion and Analysis**  
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**General Fund Budgetary Highlights**

Over the course of the year, City Council amended the budget to take into account events during the year. The most significant amendments to the fund were for \$80 thousand to the Parks department for increased costs for the new ice rink amenity.

Actual revenues of \$72.1 million were \$5.4 million more than amended budget amounts. The variance was primarily due to the increase in investment earnings of \$2.0 million, an increase in state shared revenue of \$1.4 million, and an increase of \$1.1 million in license and permits after insourcing that service.

Actual expenditures of \$64.9 million were \$5.0 million under amended budget amounts. Public safety was under budget by \$3.6 million and general government was under budget by approximately \$1.0 million.

**Capital Assets and Debt Administration**

**Capital Assets.** At June 30, 2024, the City had invested \$407.5 million, net of accumulated depreciation/amortization, in a broad range of capital assets (see the table below). Additional information regarding the City's capital assets can be found in Note 5 to the financial statements.

	<b>Capital Assets (Net of Accumulated Depreciation/Amortization)</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Land	\$ 37,815,194	\$ 37,815,194	\$ 6,738,504	\$ 6,738,504	\$ 44,553,698	\$ 44,553,698
Museum artifacts	2,082,845	2,082,845	-	-	2,082,845	2,082,845
Construction in progress	8,557,619	12,210,210	13,855,450	13,439,922	22,413,069	25,650,132
Infrastructure	130,784,506	132,790,550	-	-	130,784,506	132,790,550
Land improvements	15,966,287	5,111,650	4,586,162	4,830,840	20,552,449	9,942,490
Buildings and improvements	39,471,515	34,068,367	943,653	1,128,612	40,415,168	35,196,979
Miscellaneous equipment	5,078,583	5,021,821	1,776,046	1,201,696	6,854,629	6,223,517
Office equipment	393,025	506,561	-	-	393,025	506,561
Vehicles	11,762,205	9,969,194	444,036	504,043	12,206,241	10,473,237
Library books/audio visual	1,769,686	1,764,069	-	-	1,769,686	1,764,069
Water and sewer transmission and distribution system	-	-	125,424,908	126,142,861	125,424,908	126,142,861
Right to use assets	22,918	37,243	-	-	22,918	37,243
<b>Total capital assets, net</b>	<b>\$ 253,704,383</b>	<b>\$ 241,377,704</b>	<b>\$ 153,768,759</b>	<b>\$ 153,986,478</b>	<b>\$ 407,473,142</b>	<b>\$ 395,364,182</b>

**Debt Administration.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$12.3 million. Of this amount, \$12.2 million is comprised of debt backed by the full faith and credit of the government. The remainder of the City's bonded debt represents bonds secured solely by specified revenue sources. Additional information on the City's long-term debt can be found in Note 8 to the financial statements.

	<b>Long-term Debt</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
General obligation bonds	\$ 9,060,000	\$ 9,620,000	\$ 3,225,000	\$ 3,920,000	\$ 12,285,000	\$ 13,540,000
Public drains	71,397	235,804	-	-	71,397	235,804
Notes from direct borrowings and placements	-	-	73,002	179,212	73,002	179,212
Leases	24,309	38,488	-	-	24,309	38,488
Deferred amounts for issuance premiums	-	-	251,299	314,124	251,299	314,124
Compensated absences	11,360,836	5,529,578	-	-	11,360,836	5,529,578
Estimated self-insurance claims	1,690,116	1,397,412	-	-	1,690,116	1,397,412
<b>Total long-term debt, net</b>	<b>\$ 22,206,658</b>	<b>\$ 16,821,282</b>	<b>\$ 3,549,301</b>	<b>\$ 4,413,336</b>	<b>\$ 25,755,959</b>	<b>\$ 21,234,618</b>

**City of Troy, Michigan**  
**Management's Discussion and Analysis**  
**June 30, 2024**

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**Economic Condition and Outlook**

The following economic factors currently affect the City and were considered in developing the 2024/2025 through 2026/2027 three-year fiscal budget.

- The millage rate for the 2024/2025 fiscal year decreased to 9.8640 mills compared to the 9.8966 for the 2023/2024 fiscal year. This is due to a decrease in the Capital and Library millage due to the Headlee millage reduction fraction. The total millage of 9.8640 mills includes general operating millage of 6.500 mills, capital projects of 1.1984 mills, refuse of 1.0900 mills, and library operations of 1.0756 mills.
- Total general fund revenues and other sources are expected to generate approximately \$71.8 million. This is an increase of \$5.2 million or 7.7% compared to the fiscal 2023/2024 budget of \$66.7 million. Property tax revenues which accounts for approximately 61.1% of total general fund revenues is expected to generate \$43.5 million. This is an increase of \$2.8 million or 6.8%.
- General fund expenditures and other uses are budgeted at \$72.4 million. This is an increase of \$2.5 million or 3.6% compared to fiscal 2023/2024 budget. The budget increase is primarily due to increases in staffing in the general fund to provide additional services to our residents.
- The City purchases its water and sanitary sewer services from the Great Lakes Water Authority (GLWA) and Oakland County Water Resource Commission (OCWRC), respectively. The 2024/2025 budget recognizes a lowered sales volume of approximately 450,000 mcf. This is a continuing trend of sales volume decreases over the last several years. Rates for the systems are developed based on estimated sales volume to cover estimated costs and capital requirements. Water rates were established at \$51.30 per mcf. Sanitary sewer rates increased to \$35.30 per mcf. The City prides itself on having one of the lowest combined water and sewer rates of any Southeastern Michigan community.
- The City maintains a long and established practice of using a conservative approach in developing its three-year budget.

**Requests for Information**

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the City's financial condition.

If you have questions about this report or need additional information, we welcome you to contact the administrative offices at City Hall, 500 W. Big Beaver, Troy, MI. 48084. Additional information can be obtained at the City of Troy's web site, [www.troymi.gov](http://www.troymi.gov).

# **BASIC FINANCIAL STATEMENTS**

**City of Troy, Michigan**

**Statement of Net Position**

**June 30, 2024**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investments	\$ 84,437,630	\$ 8,802,872	\$ 93,240,502	\$ 6,611,623
Receivables				
Accounts	2,146,435	10,291,141	12,437,576	-
Taxes	285,074	-	285,074	133,472
Interest	25,857	-	25,857	-
Leases receivable	472,992	258,437	731,429	-
Due from other units of government	3,737,351	-	3,737,351	-
Due from component unit	9,060,000	-	9,060,000	-
Internal balances	7,892,432	(7,892,432)	-	-
Inventories	977,177	942,831	1,920,008	-
Prepaid items	1,564,953	50,539	1,615,492	-
Long-term contracts receivable	-	256,128	256,128	-
Capital assets not being depreciated	48,455,658	20,593,954	69,049,612	-
Capital assets, net of accumulated depreciation	205,248,725	133,174,805	338,423,530	-
Net pension asset	61,383,414	2,590,963	63,974,377	-
Total assets	<u>425,687,698</u>	<u>169,069,238</u>	<u>594,756,936</u>	<u>6,745,095</u>
<b>Deferred Outflows of Resources</b>				
Bond refundings	72,965	232,606	305,571	-
<b>Liabilities</b>				
Accounts payable	6,812,473	5,085,507	11,897,980	330,019
Payroll and other liabilities	1,005,062	1,439,576	2,444,638	-
Other liabilities	9,989,478	-	9,989,478	-
Interest payable	23,516	-	23,516	23,185
Unearned revenue	728,443	-	728,443	2,490
Noncurrent liabilities				
Debt due within one year	5,980,552	920,827	6,901,379	680,000
Debt due in more than one year	16,226,106	2,628,474	18,854,580	8,380,000
Net OPEB liability	12,731,281	537,382	13,268,663	-
Total liabilities	<u>53,496,911</u>	<u>10,611,766</u>	<u>64,108,677</u>	<u>9,415,694</u>
<b>Deferred Inflows of Resources</b>				
Lease related	472,992	258,437	731,429	-
Pension related	5,694,198	240,349	5,934,547	-
OPEB related	2,638,081	111,352	2,749,433	-
Total deferred inflows of resources	<u>8,805,271</u>	<u>610,138</u>	<u>9,415,409</u>	<u>-</u>
<b>Net Position</b>				
Net investment in capital assets	252,967,933	149,982,907	402,950,840	-
Restricted for				
Debt service	9,036,484	-	9,036,484	-
Capital projects	10,906,290	-	10,906,290	-
Highways and streets	4,744,634	-	4,744,634	-
Sanitation services	1,703,845	-	1,703,845	-
Library services	3,708,779	-	3,708,779	-
Other services	1,606,168	-	1,606,168	-
Perpetual care				
Nonexpendable	164,000	-	164,000	-
Expendable	65,390	-	65,390	-
Pension	61,383,414	2,590,963	63,974,377	-
Unrestricted (deficit)	17,171,544	5,506,070	22,677,614	(2,670,599)
Total net position (deficit)	<u>\$ 363,458,481</u>	<u>\$ 158,079,940</u>	<u>\$ 521,538,421</u>	<u>\$ (2,670,599)</u>

See Accompanying Notes to the Financial Statements

**City of Troy, Michigan**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
<b>Primary government</b>								
Governmental activities								
General government	\$ 14,917,110	\$ 4,098,030	\$ 2,042,041	\$ -	\$ (8,777,039)	\$ -	\$ (8,777,039)	\$ -
Public safety	32,035,747	2,167,204	1,660,089	-	(28,208,454)	-	(28,208,454)	-
Public works	20,804,742	4,001,769	477,876	19,042,053	2,716,956	-	2,716,956	-
Sanitation	6,178,716	-	-	-	(6,178,716)	-	(6,178,716)	-
Community and economic development	4,656,013	3,655,302	372,439	59,443	(568,829)	-	(568,829)	-
Recreation and culture	14,571,154	2,746,222	569,816	-	(11,255,116)	-	(11,255,116)	-
Interest and fiscal charges on long-term debt	154,769	-	-	-	(154,769)	-	(154,769)	-
Total governmental activities	<u>93,318,251</u>	<u>16,668,527</u>	<u>5,122,261</u>	<u>19,101,496</u>	<u>(52,425,967)</u>	<u>-</u>	<u>(52,425,967)</u>	<u>-</u>
Business-type activities								
Sanctuary Lake Golf Course	2,609,494	2,656,053	-	-	-	46,559	46,559	-
Sylvan Glen Golf Course	1,723,154	1,925,927	-	-	-	202,773	202,773	-
Aquatic Center	677,316	572,028	-	-	-	(105,288)	(105,288)	-
Sewer	15,839,514	14,236,340	-	15,053	-	(1,588,121)	(1,588,121)	-
Water	24,001,713	21,689,323	-	376,152	-	(1,936,238)	(1,936,238)	-
Total business-type activities	<u>44,851,191</u>	<u>41,079,671</u>	<u>-</u>	<u>391,205</u>	<u>-</u>	<u>(3,380,315)</u>	<u>(3,380,315)</u>	<u>-</u>
Total primary government	<u>\$ 138,169,442</u>	<u>\$ 57,748,198</u>	<u>\$ 5,122,261</u>	<u>\$ 19,492,701</u>	<u>(52,425,967)</u>	<u>(3,380,315)</u>	<u>(55,806,282)</u>	<u>-</u>
<b>Component units</b>								
Brownfield Redevelopment Authority	\$ 519,873	\$ -	\$ -	\$ -	-	-	-	(519,873)
Downtown Development Authority	965,483	-	-	-	-	-	-	(965,483)
Local Development Finance Authority	134,401	-	-	-	-	-	-	(134,401)
Total component units	<u>\$ 1,619,757</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,619,757)</u>
General revenues								
Property taxes					62,083,872	-	62,083,872	3,563,654
Unrestricted state-shared revenue and other state grants					10,197,668	-	10,197,668	52,935
Unrestricted investment earnings (loss)					3,874,231	341,012	4,215,243	245,372
Gain on sale of capital assets					304,053	4,500	308,553	-
Miscellaneous					828,350	45,348	873,698	-
Total general revenues					<u>77,288,174</u>	<u>390,860</u>	<u>77,679,034</u>	<u>3,861,961</u>
Change in net position					24,862,207	(2,989,455)	21,872,752	2,242,204
Net position (deficit) - beginning of year					<u>338,596,274</u>	<u>161,069,395</u>	<u>499,665,669</u>	<u>(4,912,803)</u>
Net position (deficit) - end of year					<u>\$ 363,458,481</u>	<u>\$ 158,079,940</u>	<u>\$ 521,538,421</u>	<u>\$ (2,670,599)</u>

See Accompanying Notes to the Financial Statements

**City of Troy, Michigan**  
**Governmental Funds**  
**Balance Sheet**  
**June 30, 2024**

	General	Debt Service Series 2013 & 2020	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and investments	\$ 42,970,470	\$ -	\$ 15,230,402	\$ 10,935,095	\$ 69,135,967
Receivables:					
Accounts receivable, net	1,722,089	-	263,527	152,839	2,138,455
Taxes - delinquent, net	231,119	-	17,201	36,754	285,074
Interest	25,857	-	-	-	25,857
Leases receivable	466,056	-	6,936	-	472,992
Due from other governments	1,923,851	-	-	1,813,500	3,737,351
Due from component units	-	9,060,000	-	-	9,060,000
Inventories	566,196	-	-	-	566,196
Prepaid items	1,344,238	-	-	91,127	1,435,365
Advances to other funds	8,378,384	-	-	-	8,378,384
Total assets	<u>\$ 57,628,260</u>	<u>\$ 9,060,000</u>	<u>\$ 15,518,066</u>	<u>\$ 13,029,315</u>	<u>\$ 95,235,641</u>
<b>Liabilities</b>					
Accounts payable	\$ 2,159,864	\$ -	\$ 3,342,622	\$ 975,868	\$ 6,478,354
Accrued payroll	969,670	-	-	-	969,670
Other liabilities	9,255,447	-	673,400	60,631	9,989,478
Unearned revenue	139,625	-	588,818	-	728,443
Total liabilities	<u>12,524,606</u>	<u>-</u>	<u>4,604,840</u>	<u>1,036,499</u>	<u>18,165,945</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue	1,873,052	9,060,000	88,512	36,753	11,058,317
Deferred lease amounts	466,056	-	6,936	-	472,992
Total deferred inflows of resources	<u>2,339,108</u>	<u>9,060,000</u>	<u>95,448</u>	<u>36,753</u>	<u>11,531,309</u>
<b>Fund Balances</b>					
Non-spendable	10,288,818	-	-	255,127	10,543,945
Restricted	-	-	10,817,778	11,700,936	22,518,714
Assigned	5,168,462	-	-	-	5,168,462
Unassigned	27,307,266	-	-	-	27,307,266
Total fund balances	<u>42,764,546</u>	<u>-</u>	<u>10,817,778</u>	<u>11,956,063</u>	<u>65,538,387</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 57,628,260</u>	<u>\$ 9,060,000</u>	<u>\$ 15,518,066</u>	<u>\$ 13,029,315</u>	<u>\$ 95,235,641</u>

**City of Troy, Michigan**  
**Governmental Funds**  
**Reconciliation of Fund Balances of Governmental Funds**  
**to Net Position of Governmental Activities**  
**June 30, 2024**

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<b>Total fund balances for governmental funds</b>	<b>\$ 65,538,387</b>
Total net position for governmental activities in the statement of net position is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets not being depreciated	48,291,211
Capital assets, net of accumulated depreciation	193,977,015
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	
	11,058,317
Net pension asset not reported in the funds	61,383,414
Deferred outflows (inflows) of resources.	
Deferred outflows of resources resulting from debt refunding	72,965
Deferred inflows of resources resulting from net pension asset	(5,694,198)
Deferred inflows of resources resulting from net OPEB liability	(2,638,081)
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest	(23,516)
Compensated absences	(5,416,994)
Claims and judgments	(1,690,116)
Bonds, notes, premiums and discounts	(9,131,397)
Lease liabilities	(24,309)
Net OPEB liability	(12,731,281)
Internal service funds are included as part of governmental activities.	20,487,064
<b>Net position of governmental activities</b>	<b>\$ 363,458,481</b>

**City of Troy, Michigan**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended June 30, 2024**

	General	Debt Service Series 2013 & 2020	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property taxes	\$ 41,579,350	\$ -	\$ 7,345,672	\$ 13,182,219	\$ 62,107,241
Licenses and permits	4,011,295	-	-	-	4,011,295
Intergovernmental:					
Federal sources	292,748	-	9,399,220	59,443	9,751,411
State sources	11,818,851	-	195,055	11,564,052	23,577,958
Local sources	423,632	-	537,010	-	960,642
Charges for services	8,060,356	-	302,852	122,827	8,486,035
Fines and forfeitures	716,200	-	-	256,238	972,438
Investment earnings (loss)	2,470,207	-	564,032	539,218	3,573,457
Other	2,685,287	703,357	152,440	35,758	3,576,842
Total revenues	<u>72,057,926</u>	<u>703,357</u>	<u>18,496,281</u>	<u>25,759,755</u>	<u>117,017,319</u>
<b>Expenditures</b>					
Current					
General government	10,530,420	-	-	110,361	10,640,781
Public safety	36,689,487	-	-	81,705	36,771,192
Public works	2,443,865	-	-	5,259,583	7,703,448
Sanitation	-	-	-	6,178,716	6,178,716
Community and economic development	4,636,987	-	-	59,443	4,696,430
Recreation and culture	8,580,141	-	-	5,247,367	13,827,508
Capital outlay	-	-	27,499,454	-	27,499,454
Debt service					
Principal	-	560,000	178,586	-	738,586
Interest and fiscal charges	-	143,357	5,740	-	149,097
Total expenditures	<u>62,880,900</u>	<u>703,357</u>	<u>27,683,780</u>	<u>16,937,175</u>	<u>108,205,212</u>
Excess (deficiency) of revenues over expenditures	<u>9,177,026</u>	<u>-</u>	<u>(9,187,499)</u>	<u>8,822,580</u>	<u>8,812,107</u>
<b>Other financing sources (uses)</b>					
Transfers in	1,200	-	11,747,529	1,510,000	13,258,729
Transfers out	(2,010,000)	-	-	(11,248,729)	(13,258,729)
Proceeds from the sale of capital assets	-	-	1,850	20,050	21,900
Total other financing sources and (uses)	<u>(2,008,800)</u>	<u>-</u>	<u>11,749,379</u>	<u>(9,718,679)</u>	<u>21,900</u>
Net change in fund balances	7,168,226	-	2,561,880	(896,099)	8,834,007
Fund balances - beginning of year	<u>35,596,320</u>	<u>-</u>	<u>8,255,898</u>	<u>12,852,162</u>	<u>56,704,380</u>
Fund balances - end of year	<u>\$ 42,764,546</u>	<u>\$ -</u>	<u>\$ 10,817,778</u>	<u>\$ 11,956,063</u>	<u>\$ 65,538,387</u>

See Accompanying Notes to the Financial Statements



**City of Troy, Michigan**  
**Governmental Funds**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2024**

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 8,834,007</b>
Total change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense.	
Depreciation and amortization expense	(14,960,091)
Capital outlay	25,687,325
Sale of capital assets (net book value)	(26,598)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
	368,772
Long-term assets and related transactions applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund assets.	
Net pension asset	12,141,710
Expenses are recorded when incurred in the statement of activities.	
Accrued interest	1,625
Compensated absences	(5,416,994)
Claims and judgments	(292,704)
Deferred charge on bond refunding	(7,297)
The statement of net position reports the net pension asset and deferred outflows of resources and deferred inflows related to the net pension asset and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.	
Net change in the deferred outflow of resources related to the net pension asset	(1,400,147)
Net change in the deferred inflow of resources related to the net pension asset	(5,694,198)
The statement of net position reports the net OPEB liability and deferred outflows of resources and deferred inflows related to the net OPEB liability and pension expense. However, the amount recorded on the governmental funds equals actual OPEB contributions.	
Net change in the net OPEB liability	6,821,322
Net change in the deferred outflow of resources related to the net OPEB liability	(5,161,426)
Net change in the deferred inflow of resources related to the net OPEB liability	1,499,647
Long-term liabilities and related transactions applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.	
Repayments of long-term debt	738,586
Internal service funds are also included as governmental activities	1,728,668
<b>Change in net position of governmental activities</b>	<b>\$ 24,862,207</b>

**City of Troy, Michigan**  
**General Fund**  
**Budgetary Comparison Statement**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
Property taxes	\$ 40,715,450	\$ 40,715,450	\$ 41,579,350	\$ 863,900
Licenses and permits	2,895,060	2,895,060	4,011,295	1,116,235
Intergovernmental:				
Federal sources	22,000	22,000	292,748	270,748
State sources	10,386,603	10,386,603	11,818,851	1,432,248
Local sources	904,630	904,630	423,632	(480,998)
Charges for services	8,286,400	8,286,400	8,060,356	(226,044)
Fines and forfeitures	736,750	736,750	716,200	(20,550)
Rental income	15,000	15,000	-	(15,000)
Investment earnings (loss)	436,000	436,000	2,470,207	2,034,207
Other	2,295,200	2,295,200	2,685,287	390,087
Transfers in	1,200	1,200	1,200	-
Total revenues	<u>66,694,293</u>	<u>66,694,293</u>	<u>72,059,126</u>	<u>5,364,833</u>
<b>Expenditures</b>				
General government				
Council and executive administration	5,848,002	5,848,002	5,321,560	(526,442)
Finance	3,815,121	3,815,121	3,443,257	(371,864)
Other	1,800,408	1,800,408	1,765,603	(34,805)
Total general government	<u>11,463,531</u>	<u>11,463,531</u>	<u>10,530,420</u>	<u>(933,111)</u>
Public safety				
Police	31,288,936	31,288,936	29,038,906	(2,250,030)
Fire	6,652,213	6,632,662	5,351,850	(1,280,812)
Building inspection	2,389,478	2,389,478	2,298,731	(90,747)
Total public safety	<u>40,330,627</u>	<u>40,311,076</u>	<u>36,689,487</u>	<u>(3,621,589)</u>
Public works				
Roads and streets	<u>2,448,877</u>	<u>2,448,877</u>	<u>2,443,865</u>	<u>(5,012)</u>
Community and economic development				
Engineering	3,378,752	3,378,752	3,480,648	101,896
Planning	1,255,530	1,255,530	1,156,339	(99,191)
Total community and economic development	<u>4,634,282</u>	<u>4,634,282</u>	<u>4,636,987</u>	<u>2,705</u>
Recreation and culture				
Parks	3,725,550	3,805,550	3,248,193	(557,357)
Recreation	4,736,123	4,736,123	4,919,935	183,812
Historical village and nature center	495,499	495,499	412,013	(83,486)
Total recreation and culture	<u>8,957,172</u>	<u>9,037,172</u>	<u>8,580,141</u>	<u>(457,031)</u>
Transfers out	<u>2,000,000</u>	<u>2,020,000</u>	<u>2,010,000</u>	<u>(10,000)</u>
Total expenditures	<u>69,834,489</u>	<u>69,914,938</u>	<u>64,890,900</u>	<u>(5,024,038)</u>
Excess (deficiency) of revenues over expenditures	(3,140,196)	(3,220,645)	7,168,226	10,388,871
Fund balance - beginning of year	<u>35,596,320</u>	<u>35,596,320</u>	<u>35,596,320</u>	<u>-</u>
Fund balance - end of year	<u>\$ 32,456,124</u>	<u>\$ 32,375,675</u>	<u>\$ 42,764,546</u>	<u>\$ 10,388,871</u>

See Accompanying Notes to the Financial Statements

**City of Troy, Michigan**  
**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2024**

	Enterprise Funds					Internal Service Funds
	Water	Sewer	Sanctuary Lake Golf Course	Nonmajor Enterprise Funds	Total	
<b>Assets</b>						
<b>Current assets</b>						
Cash and investments	\$ -	\$ 6,671,007	\$ 579,905	\$ 1,551,960	\$ 8,802,872	\$ 15,301,663
Accounts receivable, net:						
Billed	4,302,605	-	28,040	56,887	4,387,532	7,980
Unbilled	3,497,172	2,406,437	-	-	5,903,609	-
Leases receivable, current	-	-	-	114,085	114,085	-
Inventories	731,520	34,387	91,693	85,231	942,831	410,981
Prepaid items	-	-	27,271	23,268	50,539	129,588
Total current assets	<u>8,531,297</u>	<u>9,111,831</u>	<u>726,909</u>	<u>1,831,431</u>	<u>20,201,468</u>	<u>15,850,212</u>
<b>Noncurrent assets</b>						
Long-term contracts receivable	6,603	242,363	7,162	-	256,128	-
Advances to other funds	-	-	-	3,344,230	3,344,230	-
Leases receivable, net of current portion	-	-	-	144,352	144,352	-
Capital assets not being depreciated	4,925,219	11,560,720	2,213,463	1,894,552	20,593,954	164,447
Capital assets, net of accumulated depreciation	87,386,028	38,710,660	4,890,231	2,187,886	133,174,805	11,271,710
Net pension asset	2,155,937	435,026	-	-	2,590,963	-
Total noncurrent assets	<u>94,473,787</u>	<u>50,948,769</u>	<u>7,110,856</u>	<u>7,571,020</u>	<u>160,104,432</u>	<u>11,436,157</u>
Total assets	<u>103,005,084</u>	<u>60,060,600</u>	<u>7,837,765</u>	<u>9,402,451</u>	<u>180,305,900</u>	<u>27,286,369</u>
<b>Deferred Outflows of Resources</b>						
Bond refundings	-	-	232,606	-	232,606	-
<b>Liabilities</b>						
<b>Current liabilities</b>						
Accounts payable	3,846,652	1,090,801	2,511	145,543	5,085,507	334,119
Accrued liabilities	575,793	247,659	339,263	276,861	1,439,576	35,392
Compensated absences	-	-	-	-	-	3,647,036
Current portion of long-term liabilities	-	-	884,326	36,501	920,827	-
Total current liabilities	<u>4,422,445</u>	<u>1,338,460</u>	<u>1,226,100</u>	<u>458,905</u>	<u>7,445,910</u>	<u>4,016,547</u>
<b>Noncurrent liabilities</b>						
Compensated absences	-	-	-	-	-	2,296,806
Long-term liabilities	-	-	2,628,474	-	2,628,474	-
Advances from other funds	-	-	11,042,312	680,302	11,722,614	-
Net OPEB liability	447,154	90,228	-	-	537,382	-
Total noncurrent liabilities	<u>447,154</u>	<u>90,228</u>	<u>13,670,786</u>	<u>680,302</u>	<u>14,888,470</u>	<u>2,296,806</u>
Total liabilities	<u>4,869,599</u>	<u>1,428,688</u>	<u>14,896,886</u>	<u>1,139,207</u>	<u>22,334,380</u>	<u>6,313,353</u>
<b>Deferred Inflows of Resources</b>						
Deferred lease amounts	-	-	-	258,437	258,437	-
Pension related	199,994	40,355	-	-	240,349	-
Deferred other postemployment benefit amounts	92,656	18,696	-	-	111,352	-
Total deferred inflows of resources	<u>292,650</u>	<u>59,051</u>	<u>-</u>	<u>258,437</u>	<u>610,138</u>	<u>-</u>
<b>Net Position</b>						
Net investment in capital assets	92,089,749	50,023,721	3,823,500	4,045,937	149,982,907	11,436,157
Restricted for						
Pension	2,155,937	435,026	-	-	2,590,963	-
Unrestricted (deficit)	3,597,149	8,114,114	(10,650,015)	3,958,870	5,020,118	9,536,859
Total net position (deficit)	<u>\$ 97,842,835</u>	<u>\$ 58,572,861</u>	<u>\$ (6,826,515)</u>	<u>\$ 8,004,807</u>	<u>157,593,988</u>	<u>\$ 20,973,016</u>
Some amounts reported for business-type activities in the statement of net position are different because certain internal service funds assets and liabilities are reported with business-type activities					<u>485,952</u>	
Net position of business-type activities					<u>\$ 158,079,940</u>	

See Accompanying Notes to the Financial Statements

**City of Troy, Michigan**  
**Proprietary Funds**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year Ended June 30, 2024**

	Enterprise Funds					Internal Service Funds
	Water	Sewer	Sanctuary Lake Golf Course	Nonmajor Enterprise Funds	Total	
<b>Operating revenue</b>						
Charges for services	\$ 20,875,836	\$ 14,236,340	\$ 2,656,053	\$ 2,084,370	\$ 39,852,599	\$ 10,660,953
Rental:						
Golf course	-	-	2,300	253,322	255,622	-
Restaurant	-	-	-	75,863	75,863	-
Hydrant	5,790	-	-	-	5,790	-
Building	-	-	-	-	-	269,588
Equipment	-	-	-	-	-	4,684,068
Tap and connection fees	319,896	-	-	-	319,896	-
Penalties	493,591	-	-	-	493,591	-
Other services	33,753	-	-	93,695	127,448	-
Other services to City Funds	-	-	-	-	-	721,345
Total operating revenue	<u>21,728,866</u>	<u>14,236,340</u>	<u>2,658,353</u>	<u>2,507,250</u>	<u>41,130,809</u>	<u>16,335,954</u>
<b>Operating expenses</b>						
Cost of sales and services	14,999,893	11,949,384	-	-	26,949,277	9,864,749
General and administrative	1,174,324	993,484	-	-	2,167,808	791,524
Operations	4,314,676	795,601	2,083,085	2,086,520	9,279,882	3,068,484
Depreciation	3,560,117	2,135,023	402,306	313,243	6,410,689	1,578,649
Total operating expenses	<u>24,049,010</u>	<u>15,873,492</u>	<u>2,485,391</u>	<u>2,399,763</u>	<u>44,807,656</u>	<u>15,303,406</u>
Operating income (loss)	<u>(2,320,144)</u>	<u>(1,637,152)</u>	<u>172,962</u>	<u>107,487</u>	<u>(3,676,847)</u>	<u>1,032,548</u>
<b>Nonoperating revenue (expenses)</b>						
Investment earnings (loss)	51,915	270,782	-	12,525	335,222	490,314
Gain on sale of capital assets	-	-	-	4,500	4,500	308,751
Loss on disposal of capital assets	(716)	(716)	-	(9,340)	(10,772)	-
Interest expense	-	-	(133,809)	(1,899)	(135,708)	-
Total nonoperating revenues (expenses)	<u>51,199</u>	<u>270,066</u>	<u>(133,809)</u>	<u>5,786</u>	<u>193,242</u>	<u>799,065</u>
Income (loss) before contributions	(2,268,945)	(1,367,086)	39,153	113,273	(3,483,605)	1,831,613
Capital contributions	<u>376,152</u>	<u>15,053</u>	<u>-</u>	<u>-</u>	<u>391,205</u>	<u>-</u>
Change in net position	(1,892,793)	(1,352,033)	39,153	113,273	(3,092,400)	1,831,613
Net position (deficit) - beginning of year	<u>99,735,628</u>	<u>59,924,894</u>	<u>(6,865,668)</u>	<u>7,891,534</u>		<u>19,141,403</u>
Net position (deficit) - end of year	<u>\$ 97,842,835</u>	<u>\$ 58,572,861</u>	<u>\$ (6,826,515)</u>	<u>\$ 8,004,807</u>		<u>\$ 20,973,016</u>
Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities					<u>102,945</u>	
Change in net position of business-type activities					<u>\$ (2,989,455)</u>	

See Accompanying Notes to the Financial Statements

**City of Troy, Michigan**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2024**

	Enterprise Funds					Internal Service Funds
	Water	Sewer	Sanctuary Lake Golf Course	Nonmajor Enterprise Funds	Total	
<b>Cash flows from operating activities</b>						
Receipts from customers	\$ 21,020,185	\$ 14,349,376	\$ 2,640,177	\$ 2,554,755	\$ 40,564,493	\$ -
Receipts from interfund users	-	-	-	-	-	16,365,644
Payments to suppliers	(20,876,107)	(13,836,799)	(2,041,388)	(2,119,019)	(38,873,313)	(13,791,833)
Net cash provided (used) by operating activities	<u>144,078</u>	<u>512,577</u>	<u>598,789</u>	<u>435,736</u>	<u>1,691,180</u>	<u>2,573,811</u>
<b>Cash flows from noncapital financing activities</b>						
Advances from (to) other funds	-	-	600,000	-	600,000	-
<b>Cash flows from capital and related financing activities</b>						
Capital contributions	376,152	15,053	-	-	391,205	-
Purchases/construction of capital assets	(3,542,006)	(1,728,562)	(44,399)	(371,976)	(5,686,943)	(3,122,084)
Principal and interest paid on long-term debt	-	-	(886,586)	(55,004)	(941,590)	-
Proceeds from sale of capital assets	-	-	-	4,500	4,500	226,143
Net cash provided (used) by capital and related financing activities	<u>(3,165,854)</u>	<u>(1,713,509)</u>	<u>(930,985)</u>	<u>(422,480)</u>	<u>(6,232,828)</u>	<u>(2,895,941)</u>
<b>Cash flows from investing activities</b>						
Interest received (paid)	<u>51,915</u>	<u>270,782</u>	<u>-</u>	<u>12,525</u>	<u>335,222</u>	<u>490,314</u>
Net change in cash and investments	(2,969,861)	(930,150)	267,804	25,781	(3,606,426)	168,184
Cash and investments - beginning of year	<u>2,969,861</u>	<u>7,601,157</u>	<u>312,101</u>	<u>1,526,179</u>	<u>12,409,298</u>	<u>15,133,479</u>
Cash and investments - end of year	<u>\$ -</u>	<u>\$ 6,671,007</u>	<u>\$ 579,905</u>	<u>\$ 1,551,960</u>	<u>\$ 8,802,872</u>	<u>\$ 15,301,663</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>						
Operating income (loss)	\$ (2,320,144)	\$ (1,637,152)	\$ 172,962	\$ 107,487	\$ (3,676,847)	\$ 1,032,548
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation and amortization expense	3,560,117	2,135,023	402,306	313,243	6,410,689	1,578,649
Changes in assets and liabilities						
Receivables (net)	(708,681)	113,036	(18,176)	161,591	(452,230)	29,690
Inventories	(154,318)	(7,556)	10,327	(15,893)	(167,440)	(64,805)
Prepaid items	-	-	20,739	22,653	43,392	(124,042)
Net pension asset	(426,447)	(86,049)	-	-	(512,496)	-
Pension related deferred outflows of resources	49,176	9,923	-	-	59,099	-
OPEB related deferred outflows of resources	186,813	37,695	-	-	224,508	-
Accounts payable	(75,526)	(106,377)	(20,766)	(78,159)	(280,828)	(327,885)
Accrued and other liabilities	125,347	72,649	31,397	38,900	268,293	35,392
Compensated absences	-	-	-	-	-	414,264
Net OPEB liability	(239,582)	(48,342)	-	-	(287,924)	-
Lease related deferred inflows of resources	-	-	-	(114,086)	(114,086)	-
Pension related deferred inflows of resources	199,994	40,355	-	-	240,349	-
OPEB related deferred inflows of resources	(52,671)	(10,628)	-	-	(63,299)	-
Net cash provided (used) by operating activities	<u>\$ 144,078</u>	<u>\$ 512,577</u>	<u>\$ 598,789</u>	<u>\$ 435,736</u>	<u>\$ 1,691,180</u>	<u>\$ 2,573,811</u>

**City of Troy, Michigan**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**June 30, 2024**

	Pension and Other Employee Benefit Trust Funds	Tax Collection Custodial Fund
<b>Assets</b>		
Cash and cash equivalents	\$ 14,406,459	\$ 12
Investments:		
U.S. government securities and agencies	13,534,178	-
Asset backed securities	1,531,663	-
Corporate bonds and fixed income commingled funds	87,897,352	-
Common stocks and equity mutual funds	202,876,097	-
Private equity partnerships	15,919,258	-
Real estate	6,673,017	-
Interest receivable	547,471	-
Total assets	<u>343,385,495</u>	<u>12</u>
<b>Liabilities</b>		
Accounts payable	37,597	-
Accrued liabilities	-	12
Total liabilities	<u>37,597</u>	<u>12</u>
<b>Net Position</b>		
Restricted for pension benefits	221,913,599	-
Restricted for other postemployment healthcare benefits	121,434,299	-
Total net position	<u>\$ 343,347,898</u>	<u>\$ -</u>

**City of Troy, Michigan**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2024**

	Pension and Other Employee Benefit Trust Funds	Tax Collection Custodial Fund
<b>Additions</b>		
Contributions		
Employer contributions	\$ 2,902,017	\$ -
Employee contributions	593,912	-
Total contributions	<u>3,495,929</u>	<u>-</u>
Investment earnings		
Interest	2,168,005	-
Dividends	7,087,039	-
Net adjustment in fair value of investments	28,134,141	-
Less: investment expense	<u>(864,886)</u>	<u>-</u>
Net investment earnings	<u>36,524,299</u>	<u>-</u>
Property tax collections for other governments	<u>-</u>	<u>254,003,269</u>
Total additions	<u>40,020,228</u>	<u>254,003,269</u>
<b>Deductions</b>		
Benefits	19,511,005	-
Administrative expenses	230,491	-
Payments of taxes to other governments	<u>-</u>	<u>254,003,269</u>
Total deductions	<u>19,741,496</u>	<u>254,003,269</u>
Change in net position	20,278,732	-
Net position - beginning of year	<u>323,069,166</u>	<u>-</u>
Net position - end of year	<u>\$ 343,347,898</u>	<u>\$ -</u>

See Accompanying Notes to the Financial Statements

**City of Troy, Michigan**  
**Component Units**  
**Statement of Net Position**  
**June 30, 2024**

	Brownfield Redevelopment Authority	Downtown Development Authority	Local Development Finance Authority	Total
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 897,405	\$ 5,515,699	\$ 198,519	\$ 6,611,623
Receivables				
Taxes	537	130,982	1,953	133,472
Total current assets	<u>897,942</u>	<u>5,646,681</u>	<u>200,472</u>	<u>6,745,095</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	-	330,019	-	330,019
Interest payable	-	23,185	-	23,185
Unearned revenue	537	-	1,953	2,490
Current portion of long-term liabilities	<u>-</u>	<u>680,000</u>	<u>-</u>	<u>680,000</u>
Total current liabilities	537	1,033,204	1,953	1,035,694
Noncurrent liabilities				
Long-term liabilities	<u>-</u>	<u>8,380,000</u>	<u>-</u>	<u>8,380,000</u>
Total liabilities	<u>537</u>	<u>9,413,204</u>	<u>1,953</u>	<u>9,415,694</u>
<b>Net Position</b>				
Unrestricted (deficit)	<u>\$ 897,405</u>	<u>\$ (3,766,523)</u>	<u>\$ 198,519</u>	<u>\$ (2,670,599)</u>

See Accompanying Notes to the Financial Statements



**City of Troy, Michigan**  
**Component Units**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

	Brownfield Redevelopment Authority	Downtown Development Authority	Local Development Finance Authority	Total
<b>General revenues</b>				
Property taxes	\$ 653,164	\$ 2,734,034	\$ 176,456	\$ 3,563,654
State grants	-	-	52,935	52,935
Unrestricted investment income	53,506	183,918	7,948	245,372
Total general revenues	<u>706,670</u>	<u>2,917,952</u>	<u>237,339</u>	<u>3,861,961</u>
<b>Expenses</b>				
Community and economic development	519,873	823,251	134,401	1,477,525
Interest and fiscal charges on long-term debt	-	142,232	-	142,232
Total expenses	<u>519,873</u>	<u>965,483</u>	<u>134,401</u>	<u>1,619,757</u>
Change in net position	186,797	1,952,469	102,938	2,242,204
Net position (deficit) - beginning of year	<u>710,608</u>	<u>(5,718,992)</u>	<u>95,581</u>	<u>(4,912,803)</u>
Net position (deficit) - end of year	<u>\$ 897,405</u>	<u>\$ (3,766,523)</u>	<u>\$ 198,519</u>	<u>\$ (2,670,599)</u>

See Accompanying Notes to the Financial Statements

# **NOTES TO THE FINANCIAL STATEMENTS**

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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**Note 1 - Summary of Significant Accounting Policies**

The financial statements of the City of Troy, Michigan (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The following is a summary of the significant accounting policies:

**Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**Reporting Entity**

The City was incorporated in 1955 and was formerly known as Troy Township since it was organized in 1821. The City is governed by an elected mayor and six-member council. As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the government is considered to be financially accountable.

**Component Units**

Discretely presented component units are legally separate entities but are not in substance part of the government operation. The City has three component units, the Downtown Development Authority, Brownfield Redevelopment Authority and the Local Development Financing Authority, which meet the criteria for discretely presented component units. The Authorities are also reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City. Financial statements for each of the individual component units are included in the other supplementary information section as listed in the table of contents of this report. Separately issued audited financial statements are not available.

The purpose of the Downtown Development Authority is to issue bonds and use tax increment financing in the accomplishment of specific Downtown Development improvements to City-owned facilities and infrastructure, which are contained in the locally adopted development plan. The Downtown Development Authority may participate in projects for private development as long as it is for a public purpose. The Authority's governing body, which consists of thirteen individuals, is selected by the City Council. In addition, the City Council sets the annual budget.

The purpose of the Brownfield Redevelopment Authority is to provide assistance for the redevelopment of abandoned, idled, or under-utilized industrial or commercial properties, which are complicated by real or perceived environmental contamination. The Authority's governing body, which consists of seven individuals, is selected by the City Council. In addition, the City Council sets the annual budget for the Authority.

The Local Development Financing Authority is a multi-jurisdictional authority that was established to encourage local development in order to prevent conditions of unemployment and to promote economic growth. The Authority's governing body, which consists of five individuals, is selected by the City Council. In addition, the City Council sets the annual budget.

**Fiduciary Component Units**

The City of Troy Employee Retirement System (ERS) is a single employer defined benefit retirement plan which provides retirement benefits based on credited service time and average compensation with death and disability benefits, and under some circumstances, payments to dependents. Pursuant to Chapter 10 of the Troy City Code, the Board of Trustees approves employee retirement requests, oversees retirement health care coverage,

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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and manages pension investments. The Board consists of six members including the City Manager or designee and a non-voting retiree from the Defined Benefit Plan. Four members serve for three-year terms, two of which are appointed by City Council and two are appointed by the membership. As the City has voting majority on the Board of Trustees and ERS is administered by the City; accordingly, it is included as a fiduciary component unit in the City's financial statements. Plan amendments are under the authority of City Ordinances. Changes in required contributions are subject to collective bargaining agreements and approval by the City Council.

The City of Troy Retiree Healthcare Trust (RHC), under authorization of the Public Employee Health Care Act, Public Act 149 of 1999 (MCL 38.1211 et seq.) and constituting a governmental trust pursuant to Section 115 of the Internal Revenue Code of 1986, as amended, administers the City's employee retiree healthcare plan covering all fulltime general and public safety employees of the City. The single employer defined benefit OPEB plan provides retirement healthcare based on credited service time with death and disability benefits, and under some circumstances, payments for dependents. Eligible participants include any retirees who receive pension benefits under one of the City's pension plans. Pursuant to the Retiree Healthcare Plan & Trust, the Board of Trustees shall consist of six trustees which shall be the same elected and appointed individuals that serve on the City of Troy Employees Retirement System Board of Trustees. The general administration, management and responsibility for the proper operation of the Trust and for making effective and construing the provisions of the Trust shall be vested in the Board of Trustees. The term of the appointed and elected Trustees are identical to and coincide respectively with the term of each Trustee serving as a trustee of the City of Troy Employees Retirement System Board of Trustees. As the City has voting majority on the Board of Trustees and RHC is administered by the City; accordingly, it is included as a fiduciary component unit in the City's financial statements. Association provisions are established and may be amended by the City Council, subject to the City's various collective bargaining agreements.

**Basis of Presentation – Government-wide Financial Statements**

The statement of net position and the statement of activities are prepared using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the Governmental Accounting Standards Board Statement No. 33.

The statement of net position and the statement of activities display information about the City as a whole. The statements include all funds of the primary government and its component units, except for its fiduciary funds. Those funds are reported in the statements of fiduciary net position and changes in fiduciary net position.

The statement of net position and the statement of activities are presented to distinguish between governmental and business-type activities of the City. Governmental activities are financed through taxes, intergovernmental revenues and other non-exchange revenues. These activities are reported in governmental and internal service funds. Business-type activities are financed by fees charged to external parties for goods or services. These activities are reported in the City's enterprise funds.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by *program revenues*. Direct expenses are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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**Basis of Presentation – Fund Accounting**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**Governmental Funds**

The City reports the following major governmental funds:

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for and reported in another fund.

This Debt Service Series 2013 & 2020 Fund is used to account for proceeds received by the City from the Troy Downtown Development Authority (DDA). The proceeds are to reimburse the City for principal and interest payments on City issued debt to refinance debt originally issued by the DDA.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

The City reports the following nonmajor governmental fund types:

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Permanent funds are used to account for the resources that are legally restricted to the extent that only earnings, and not principal, may be used for the benefit of the government or its residents. The City has one permanent fund for cemetery perpetual care.

**Proprietary Funds**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer funds, Aquatic Center, golf course funds and the City's internal service funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Proprietary funds focus on limitations on the use of net position, rather than on the source of those assets.

**Enterprise Funds**

Enterprise funds are used to account for City operations which are similar to those often found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

The City reports the following major enterprise funds:

The Water Fund accounts for the operation and maintenance of the City's water supply system, capital additions and improvements.

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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The Sewer Fund accounts for the operation and maintenance of the City's sewage disposal system, capital additions and improvements.

The Sanctuary Lake Golf Course Fund accounts for the operations of the new 18-hole links style course with practice facility.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City or other governments, on a cost-reimbursement basis.

Custodial Fund

The custodial fund is used to account for assets held by the City as a fiduciary for individuals, private organizations, and/or other governments. They primarily hold tax remittances due to schools and other governmental units.

**Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the *full accrual* basis of accounting, as are the proprietary fund and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Their revenues are recognized when they become measurable and available.

Revenues are generally considered available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected soon enough after year end to pay liabilities of the current period. For this purpose, the City generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The exception to this is state shared revenues and expenditure driven grants in which revenues are recognized if received within 90 days and one year of the end of the fiscal period, respectively. Significant revenues susceptible to accrual include reimbursement grants, state shared revenues and charges for services.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred provided the liability normally would be liquidated with expendable available financial resources. The major exception to this general rule is principal and interest on general long-term debt which is recognized when due.

Certain indirect expenditures are included in the program expense reported for individual functions and activities.

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus. This means that generally only current assets and current liabilities are included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financial uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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All proprietary funds and fiduciary funds (custodial funds and pension and retiree healthcare trust funds) are accounted for on a cost of services or "*economic resources*" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their statements of net position. Revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position. Unbilled water and sewer fund utility service receivables are recorded at year-end.

**Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position or Fund Balance**

Cash and Investments

The City maintains an investment pool for all City funds. Each fund's portion of the investment pool along with any individual fund investments are displayed on the statements of net position or balance sheet as cash and investments.

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity date of three months or less at the date acquired by the City.

Investments are stated at fair value.

Statutory Authority

State statutes authorize the City to make limited investments of non-pension surplus funds authorized by Michigan Public Act 20 of 1943, as amended, and may invest in the following:

- Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution
- Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase. Not more than fifty percent of any fund may be invested in commercial paper at any time.
- Bankers acceptances of United States banks.
- Obligations of the State of Michigan or any of its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- External investment pools as authorized by Public Act 20, as amended.

The investment policy adopted by the Troy City Council, in accordance with Public Act 201 of 1943, as amended, authorizes investments in all of the investment vehicles noted above with the provision that authorized depositories shall be designated by the Troy City Council.

The pension and retiree healthcare trust funds are authorized by Michigan Public Acts 314 of 1965, Public Act 485 of 1996 and Public Act 149 of 1999 to invest in certain reverse repurchase agreements, real estate leased to public agencies, stocks, diversified investment companies, annuity investment contracts,

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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mortgages, certain state and local government obligations, and certain other specified investment vehicles.

Leases

The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price (if applicable) that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

The City is a lessor for a noncancellable leases of related to communication towers, a tennis practice facility, Flynn Park, and space for a public safety gun range, community center and camp. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary fund and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for prepaid lease payments received at lease inception. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The City uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Inventories and Prepaid Items

Inventory is stated at cost determined on a first-in, first-out basis which approximates market value. Inventories in the governmental funds are recorded as expenditures when the inventory item is consumed. Inventories are equally offset by a nonspendable fund balance designation which indicates that such amounts do not constitute "available spendable resources".



**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than purchased.

Capital Assets

Capital assets, which include property, buildings, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 (\$5,000 for federally funded projects) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation and infrastructure acquired prior to fiscal year ended June 30, 1980 is not reported in capital assets.

Capital assets are depreciated/amortized using the straight-line method over the following useful lives:

Buildings	50 years
Water and sewer transmission and distribution system	50 years
Service connections	20 years
Infrastructure	20 - 25 years
Land improvements	10 years
Building improvements	20 years
Golf course equipment	3 - 10 years
Furniture and fixtures	3 - 10 years
Vehicles and miscellaneous equipment	2 - 20 years

Accrued Vacation and Other Compensated Absences

The City maintains an internal service fund to account for the accumulation of resources for, and the payment of, vacation, compensatory time, holiday and sick pay. These amounts along with the associated benefit costs are fully accrued in the compensated absences fund. Departments are charged by the internal service fund when the benefits are earned and a liability incurred. The City also reports a liability for the Fire Incentive Program in the governmental activities, which represents future payouts to fire fighters based on years of service. This liability is reported with the accrued vacation and other compensated absences.

Long-term Obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts and issuance costs are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure/expense) until then. The City reports deferred outflows of resources for the deferred charge on refundings. A deferred refunding charge results from the difference in the carrying value of refunded

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
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debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City may also report deferred outflows of resources related to the net pension asset and the other postemployment benefit liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City may report deferred inflows of resources related to the net pension asset and the other postemployment benefit liability. A deferred pension or OPEB inflow results when there is a change in total pension or OPEB liability due to benefit changes, differences between expected and actual experience, changes in actuarial assumptions, or differences between expected and actual investment returns. The amount is deferred and amortized over the average expected remaining service lives of all employees. The governmental funds report unavailable revenues from delinquent personal property taxes and long-term receivables, which arise only under a modified accrual basis of accounting, that are reported as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also reports a deferred inflow related to leases receivable.

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (i.e. committed, assigned and unassigned). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Governmental funds report nonspendable fund balance for amounts that cannot be spent because they are either (a) not in spendable form (i.e. inventory or prepaid expenditures) or (b) legally or contractually required to be maintained intact (i.e. corpus of permanent funds). Restricted fund balance is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the City Council. A formal resolution of the City Council is required to establish, modify, or rescind a fund balance commitment. The City reports assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The City Manager is authorized to assign fund balance under the current fund balance policy adopted by resolution by City Council. Unassigned fund balance is the residual classification for the general fund. The general fund is the only fund that reports unassigned fund balance.

The City has established a policy to maintain a minimum unassigned fund balance for the general fund at a level of 20% to 30% of annual expenditures. This is to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The use of fund balance is appropriate as part of a financial plan and one-time expenditures. If unassigned fund balance falls below or grows above the established policy range, the City

**City of Troy, Michigan**  
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Manager will present a financial plan, typically as part of the fiscal budgeting process, to address the deficiency or surplus of unassigned fund balance.

**Pension and Other Postemployment Benefits**

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

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**Adoption of New Accounting Standard**

Statement No. 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. More understandable, reliable, relevant, consistent and comparable information will be provided to financial statement users for making decisions or assessing accountability. Additionally, the display and note disclosure requirements will result in more consistent, decision useful, understandable and comprehensive information for users about accounting changes and error corrections.

**Upcoming Accounting and Reporting Changes**

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for the year ending June 30, 2025.

Statement No. 102, *Certain Risk Disclosures*, requires organizations to provide users of the financial statements with essential information about risks related to the organization's vulnerabilities due to certain concentrations or constraints. This statement is effective for the year ending June 30, 2025.

Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing an organization's accountability while also addressing certain application issues. This statement includes changes to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statements of revenues, expenses, and changes in fund net position, major component unit information, and budgetary comparison information. This statement is effective for the year ending June 30, 2026.

The City is evaluating the impact that the above GASB statements will have on its financial reporting.

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
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**Note 2 - Stewardship, Compliance, and Accountability**

**Budgetary Information**

The City is subject to the budgetary control requirements of the Uniform Budgeting and Accounting Act (P.A. 2 of 1968, as amended). The following is a summary of the requirements of this Act according to the State Treasurer's "Bulletin for Audits of Local Units of Government in Michigan" dated April 1984:

- Budgets must be adopted for the general fund and special revenue funds.
- The budgets must be balanced.
- The budgets must be amended when necessary.
- Public hearings must be held before budget adoptions.
- Expenditures cannot exceed budget appropriations.
- Expenditures must be authorized by a budget before being incurred.

The City adopts its budget by activity level, which is in accordance with the State's legal requirement and is the level of classification detail at which expenditures may not legally exceed appropriations.

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

- On or before the third Monday in April, the City Manager submits to the City Council a proposed budget for the fiscal year commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing on the budget is held before its final adoption.
- As provided for by the City Charter, on or before the third Monday in May, the budget is legally adopted and by resolution designates the sum to be raised by taxation.
- The City Manager is authorized to transfer budgeted amounts within budgetary functions; however, any revisions that alter the total expenditure of any budgetary function must be approved by the City Council.

Budget amounts of the revenues and expenditures presented for the governmental funds are a summarization of the budgeted amounts as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original appropriations that were adopted, for the general and special revenue funds. Budget appropriations lapse at year end. During the current year, the budget was amended in a legally permissible manner. Budgets have been prepared on a basis consistent with generally accepted accounting principles (GAAP).

**Fund Deficits**

The City has an unrestricted net position deficit in the following funds and component unit as of June 30, 2024:

Sanctuary Lake Golf Course Fund	\$ (10,650,015)
Downtown Development Authority Component Unit	(3,766,523)
Aquatic Center Fund	(509,437)

**City of Troy, Michigan**  
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None of the deficits above require deficit elimination plans to be filed with the State of Michigan as current assets are greater than current liabilities.

**State Construction Code Act**

The City oversees building construction, in accordance with the State Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The City charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative surplus or shortfall generated since January 1, 2000 is as follows:

Cumulative shortfall at July 1, 2023	\$ <u>(5,555,378)</u>
Current year building permit revenue	<u>3,707,796</u>
Related expenses:	
Direct costs	2,298,732
Estimated indirect costs	<u>1,473,079</u>
Total construction code expenses	<u>3,771,811</u>
Net deficit for the year ended June 30, 2024	<u>(64,015)</u>
Cumulative shortfall at June 30, 2024	<u>\$ (5,619,393)</u>

**Note 3 - Deposits and Investments**

The following is a reconciliation of deposit and investment balances segregated by cash and cash equivalents and investments as of June 30, 2024:

	Primary Government	Component Units	Fiduciary Funds	Totals
<b>Statement of net position</b>				
Cash and investments	\$ 93,240,502	\$ 6,611,623	\$ -	\$ 99,852,125
<b>Statement of fiduciary net position</b>				
Pension and OPEB trust funds:				
Cash and cash equivalents	-	-	14,406,471	14,406,471
Investments	<u>-</u>	<u>-</u>	<u>328,431,565</u>	<u>328,431,565</u>
<b>Total</b>	<u>\$ 93,240,502</u>	<u>\$ 6,611,623</u>	<u>\$ 342,838,036</u>	<u>\$ 442,690,161</u>

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
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**Deposits and investments**

Bank deposits:

Checking / savings accounts	\$ 36,201,343
Certificates of deposit (due in less than 1 year)	21,529

Investment in securities and mutual funds:

Pooled investments	78,021,624
Pension and OPEB investments	328,431,565
Cash on hand	14,100

<b>Total</b>	<b>\$ 442,690,161</b>
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**Deposit and Investment Risk**

Deposits

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City deposits may not be returned. State law does not require and the City’s investment policy does not directly address a deposit policy for custodial credit risk. At year end, \$43,300,071 of the City’s bank deposits (certificates of deposit, checking, and cash) of \$45,401,570 were exposed to custodial credit risk because they were uninsured and uncollateralized. The City believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the City evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Investments

*Interest Rate Risk.* Interest rate risk is the risk that the value of fixed income investments will decrease as a result of a rise in interest rates. State law limits the allowable investments and the maturities of some of the allowable investments. The City’s investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

At year end, the weighted average maturities of fixed income security investments are as follows:

Investment	Fair Value	Weighted Average Maturity
<b>Pooled investments</b>		
U.S. Government or agency bond/note	\$ 59,138,041	7.0 years
Municipal bonds	11,408,816	9.9 years
<b>Pension and OPEB investments</b>		
U.S. Government or agency bond/note	15,065,841	14.5 years
Corporate bonds	45,886,813	5.3 years
Mutual funds - fixed income	38,144,611	7.4 years

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools. The City investment policy does not have specific limits in excess of state law on investment credit risk.

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As of year-end, the credit quality ratings of fixed income securities are as follows:

	Pooled	Pension and OPEB	Total
	Investments	Investments	
AAA	\$ 48,937,276	\$ 7,192,942	\$ 56,130,218
AA to AA-	18,315,247	23,920,089	42,235,336
A to A-	9,041,203	18,060,379	27,101,582
BBB to BBB-	1,034,910	40,678,048	41,712,958
B to B-	-	5,964,853	5,964,853
CCC or below	-	435,781	435,781
Not rated	13,853,827	2,845,143	16,698,970
	<u>\$ 91,182,463</u>	<u>\$ 99,097,235</u>	<u>\$ 190,279,698</u>

*Custodial Credit Risk – Investments.* For an investment, 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. State law does not require and the City does not have a policy for investment custodial credit risk. At year end none of the City’s investments were subject to custodial credit risk due to one of the following:

- Investments were part of an insured pool
- Investments were book-entry only in the name of the City and were fully insured
- Investments were part of a mutual fund
- Investments were held by an agent in the City’s name

*Concentration of Credit Risk.* In compliance with State law, the City’s investment policy limits investments to the top two ratings issued by nationally recognized statistical rating organizations. Through its investment policy, the City places a five percent limit on the amount the City may invest in any one issuer.

**Note 4 - Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs - other than quoted prices - included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: a) quoted prices for similar assets or liabilities in active markets; b) quoted prices for identical or similar assets or liabilities in markets that are not active; and c) inputs other than quoted prices that are observable for the asset or liability, such as: (1) interest rates and yield curves observable at commonly quoted intervals; (2) implied volatilities and (3) credit spreads. Finally, Level 3 inputs are unobservable and are based on estimates and assumptions. These levels are determined by the City’s investment managers. These are determined at the fund level based on a review of the investment’s class, structure, and what kind of securities are held in funds. The investment managers will request the information from the fund manager if necessary.

**City of Troy, Michigan**  
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The City had the following recurring fair value measurements as of June 30, 2024:

	Level 1	Level 2	Total
U.S. government obligations	\$ 23,024,838	\$ 11,160,767	\$ 34,185,605
State and municipal bonds	-	11,408,822	11,408,822
Corporate bonds and fixed income commingled funds	81,816,465	6,080,886	87,897,351
Common stocks and equity mutual funds	202,846,863	-	202,846,863
Asset backed securities	1,531,663	38,385,118	39,916,781
Private equity partnerships	-	15,919,168	15,919,168
Real estate	2,068,630	4,604,387	6,673,017
<b>Total investments at fair value</b>	<b>\$ 311,288,459</b>	<b>\$ 87,559,148</b>	<b>398,847,607</b>

**Investments carried at net asset value (NAV)**

Pooled investments	20,635,607
<b>Total investments</b>	<b>\$ 419,483,214</b>

**Fund Investments - Investments in Entities that Calculate Net Asset Value per Share**

The City holds shares in Michigan CLASS and Comerica Bank J Fund, whereby the fair value of the investment is measured on a recurring basis using net asset value per share (or its equivalent) of the investment pool as a practical expedient.

At year end, the net asset value of the City's investment in Michigan CLASS was \$13,853,827 and the net asset value of the City's investment in Comerica Bank's J Fund was \$6,781,780. The investment pools have no unfunded commitments, specific redemption frequency or redemption notice period required. The investment pools invest in U.S. treasury obligations, federal agency obligations of the U.S. government, high grade commercial paper (rated 'A-1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The programs seek to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. They purchase securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies.

**Fund Investments - Mutual Funds and Separately Managed Accounts (SMAs)**

An open-ended mutual fund, a registered investment company, produces a daily NAV that is validated with a sufficient level of observable activity (i.e., purchases and sales at NAV) to support classification of the fair value measurement as Level 1 in the fair value hierarchy. In this case, the NAV represents the exit value of the security at the measurement date.

The primary rationale to support the classification of Mutual Funds as Level 1 in the fair value hierarchy are: 1) the investments in the funds are required to be measured at fair value (SEC regulated), 2) the NAV is unadjusted and is in all cases the transaction price for purchases and sales (the NAV represents the exit value of the security at the measurement date), 3) there are no restrictions on redemptions and 4) the NAV is made publicly available daily.

The City's investment consultants also typically view SMAs as being reasonably considered Level 1 in the fair value hierarchy. The Fund Investment provides look-through capability to the underlying holdings, which can then be valued at fair market prices with strong liquidity.

**Fund Investments - Commingled Funds and Trusts**

Commingled Funds and Common Trust Funds do not all meet these criteria listed above for mutual funds. A fund administrator typically does not have the transparency into valuation methodology and valuation frequency



**City of Troy, Michigan**  
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of each of these pooled investment vehicles to make an accurate appraisal of whether the NAV does represent the exit value of the fund at each measurement date.

For this reason, the City's investment consultant takes a conservative approach with the default position being to consider these investments as Level 2 in the fair value hierarchy.

The net asset value (NAV) of an open-ended fund, whether a registered investment company fund, such as a mutual fund, or certain alternative investment funds, such as a hedge fund, serves as the basis for subscription and redemption transactions for investors in such funds. For investments in funds for which the underlying asset and liabilities are required to be measured at fair value, and where NAV is available, the NAV is generally the most appropriate starting point when determining the fair value measurement for an interest in such fund. However, when valuing such an investment, the holder must estimate the fair value of the interest held, which at times may be different from a value based solely on the NAV of the fund. The holder should also consider various factors including, but not limited to, the attributes of the interest held, including any restrictions or illiquidity on the disposition of the interest, and the holder's requirements to understand and accept the valuations provided by the fund (or modify them if appropriate), to determine the fair value of the interest itself. Depending on the facts and circumstances, the NAV may need to be adjusted depending upon the rights and obligations of the ownership interest and/or other factors. Furthermore, any adjustments to NAV based on unobservable inputs may result in the fair value measurement being categorized as a Level 3 measurement if those inputs are significant to the overall fair value measurement.

**City of Troy, Michigan**  
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**Note 5 - Capital Assets**

The capital asset activity of the primary government's governmental and business-type activities is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities</b>				
Capital assets not being depreciated/amortized				
Land	\$ 37,815,194	\$ -	\$ -	\$ 37,815,194
Museum artifacts	2,082,845	-	-	2,082,845
Construction-in-progress	<u>12,210,210</u>	<u>7,797,959</u>	<u>11,450,550</u>	<u>8,557,619</u>
Total capital assets not being depreciated/amortized	<u>52,108,249</u>	<u>7,797,959</u>	<u>11,450,550</u>	<u>48,455,658</u>
Capital assets being depreciated/amortized				
Infrastructure				
Major/county/local roads	291,077,978	7,726,666	-	298,804,644
Local donated roads	33,551,524	-	-	33,551,524
Sidewalks	37,044,104	642,115	-	37,686,219
Drains	11,288,228	-	-	11,288,228
Land improvements	14,301,213	11,466,183	404,088	25,363,308
Buildings and improvements	91,345,321	7,356,423	608,253	98,093,491
Miscellaneous equipment	11,499,699	1,260,515	385,368	12,374,846
Office equipment	3,413,180	37,194	210,816	3,239,558
Vehicles	24,440,382	3,840,653	1,376,083	26,904,952
Library books/audio visual	5,925,024	593,646	607,390	5,911,280
Right to use asset - machinery and equipment	<u>57,297</u>	<u>-</u>	<u>-</u>	<u>57,297</u>
Total capital assets being depreciated/amortized	<u>523,943,950</u>	<u>32,923,395</u>	<u>3,591,998</u>	<u>553,275,347</u>
Less accumulated depreciation/amortization for				
Infrastructure				
Major/county/local roads	173,551,086	9,479,388	-	183,030,474
Local donated roads	32,460,229	170,756	-	32,630,985
Sidewalks	31,818,607	485,926	-	32,304,533
Drains	2,341,362	238,755	-	2,580,117
Land improvements	9,189,563	611,546	404,088	9,397,021
Buildings and improvements	57,276,954	1,857,071	512,049	58,621,976
Miscellaneous equipment	6,477,878	1,182,931	364,546	7,296,263
Office equipment	2,906,619	150,730	210,816	2,846,533
Vehicles	14,471,188	1,759,283	1,087,724	15,142,747
Library books/audio visual	4,160,955	588,029	607,390	4,141,594
Right to use asset - machinery and equipment	<u>20,054</u>	<u>14,325</u>	<u>-</u>	<u>34,379</u>
Total accumulated depreciation/amortization	<u>334,674,495</u>	<u>16,538,740</u>	<u>3,186,613</u>	<u>348,026,622</u>
Net capital assets being depreciated/amortized	<u>189,269,455</u>	<u>16,384,655</u>	<u>405,385</u>	<u>205,248,725</u>
Governmental activities net capital assets	<u>\$ 241,377,704</u>	<u>\$ 24,182,614</u>	<u>\$ 11,855,935</u>	<u>\$ 253,704,383</u>

**City of Troy, Michigan**  
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	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 6,738,504	\$ -	\$ -	\$ 6,738,504
Construction-in-progress	<u>13,439,922</u>	<u>5,123,826</u>	<u>4,708,298</u>	<u>13,855,450</u>
Total capital assets not being depreciated	<u>20,178,426</u>	<u>5,123,826</u>	<u>4,708,298</u>	<u>20,593,954</u>
Capital assets being depreciated				
Water and sewer transmission and distribution system	239,269,653	4,886,709	-	244,156,362
Service connections	750,121	-	-	750,121
Land improvements	9,597,689	16,401	-	9,614,090
Buildings and improvements	8,204,194	-	-	8,204,194
Miscellaneous equipment	3,069,224	885,266	76,741	3,877,749
Vehicles	1,147,768	24,000	-	1,171,768
Furniture, fixtures and others	<u>24,500</u>	<u>-</u>	<u>-</u>	<u>24,500</u>
Total capital assets being depreciated	<u>262,063,149</u>	<u>5,812,376</u>	<u>76,741</u>	<u>267,798,784</u>
Less accumulated depreciation for				
Water and sewer transmission and distribution system	113,126,792	5,604,662	-	118,731,454
Service connections	750,121	-	-	750,121
Land improvements	4,766,849	261,079	-	5,027,928
Buildings and improvements	7,075,582	184,959	-	7,260,541
Miscellaneous equipment	1,867,528	275,982	41,807	2,101,703
Vehicles	643,725	84,007	-	727,732
Furniture, fixtures and others	<u>24,500</u>	<u>-</u>	<u>-</u>	<u>24,500</u>
Total accumulated depreciation	<u>128,255,097</u>	<u>6,410,689</u>	<u>41,807</u>	<u>134,623,979</u>
Net capital assets being depreciated	<u>133,808,052</u>	<u>(598,313)</u>	<u>34,934</u>	<u>133,174,805</u>
Business-type capital assets, net	<u>\$ 153,986,478</u>	<u>\$ 4,525,513</u>	<u>\$ 4,743,232</u>	<u>\$ 153,768,759</u>

Depreciation/amortization expense was charged to functions/programs of the primary government as follows:

**Governmental activities**

General government	\$ 1,241,071
Public safety	1,268,735
Public works	10,664,686
Community and economic development	83,903
Recreation and culture	1,701,696
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	<u>1,578,649</u>
Total governmental activities	<u>16,538,740</u>

**Business-type activities**

Sylvan Glen Golf Course Fund	234,696
Aquatic Center Fund	78,547
Sanctuary Lake Golf Course Fund	402,306
Sewer Fund	2,135,023
Water Fund	<u>3,560,117</u>
Total business-type activities	<u>6,410,689</u>

Total primary government \$ 22,949,429

**City of Troy, Michigan**  
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**Construction Commitments**

As of June 30, 2024, the City had \$8,395,952 in construction commitments outstanding for various projects including street improvements, park renovations, water system improvements and sanitary sewer improvements. The commitments will be satisfied using grant funding, millage proceeds and fund balance.

**Note 6 - Interfund Receivables, Payables, and Transfers**

The amounts of interfund advances are as follows as of June 30, 2024:

Receivable Fund	Payable Fund	Amount
General Fund	Sanctuary Lake Golf Course Fund	\$ 7,698,082
Nonmajor Enterprise Funds in the Aggregate	Sanctuary Lake Golf Course Fund	3,344,230
General Fund	Nonmajor Enterprise Funds in the Aggregate	680,302
		\$ 11,722,614

Advances represent cash flow assistance from mainly the General Fund and Sylvan Glen Golf Course to meet operating and/or debt service requirements of the sanctuary lake golf course and aquatic center. The advances to the Sanctuary Lake golf course and the aquatic center are not expected to be reduced in the subsequent year.

Interfund transfers reported in the fund statements are as follows as of June 30, 2024:

Funds Transferred From	Funds Transferred To	Amount
General Fund	Nonmajor Governmental Funds in the Aggregate	\$ 10,000
General Fund	Capital Projects Fund	2,000,000
Nonmajor Governmental Funds in the Aggregate	General Fund	1,200
Nonmajor Governmental Funds in the Aggregate	Nonmajor Governmental Funds in the Aggregate	1,500,000
Nonmajor Governmental Funds in the Aggregate	Capital Projects Fund	9,747,529
		\$ 13,258,729

**General Fund**

Transfers to the capital projects fund of \$2,000,000 are for building improvements at City Hall. The transfer to the nonmajor governmental funds was for transit center operations.

**Nonmajor Governmental Funds**

The capital projects fund is responsible for all governmental activity type capital projects with the exception of internal service funds. Funding sources include major streets fund and local streets fund transfers to the capital projects fund in the amounts of \$5,654,000 and \$3,000,000, respectively, representing partial funding for capital street improvements. In addition, the library fund transferred \$1,093,529 to the capital projects fund for library capital purchases including collections. The major streets fund transfer to the local streets fund of \$1,500,000 represents allowable redirection of state funding. The cemetery perpetual care fund transferred \$1,200 to the general fund for administration charges.

**City of Troy, Michigan**  
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**Note 7 - Leases**

**Lease Receivable**

Leases receivable agreements are summarized as follows:

Description	Agreement Date	Payment Terms	Payment Amount	Interest Rate	Total Lease Receivable
MDOT Lowry Street Cell Tower	3/1/1999	3.6 years	\$ 10,800	2.00%	\$ 6,936
AT&T Cell Tower	7/1/2022	5 years	39,996	3.00%	111,304
T-Mobile Cell Tower	10/8/2003	6 years	22,800	2.00%	64,405
Verizon Cell Tower	7/1/2022	5 years	27,360	2.00%	65,040
DMC Community Center	10/24/2022	5 years	32,700	3.00%	101,102
Gun Range	5/1/2021	5 years	9,264	1.01%	17,460
Flynn Park Roadway	11/7/2006	20 years	15,000	2.00%	35,483
Tennis Grounds	5/21/2018	10 years	51,996	1.01%	200,707
Camp Ticonderoga	5/1/2021	5 years	72,720	1.01%	128,992
					<u>\$ 731,429</u>

The City collected \$278,080 from the lessees for the year ended June 30, 2024, which includes \$261,907 in lease revenue and \$16,173 in lease interest revenue.

A lease receivable and deferred inflows have been recorded to reflect future expected payments. Future minimum lease payments are as follows:

Year Ending June 30,	Governmental Activities	Business-type Activities	Total Primary Government
2025	\$ 147,469	\$ 114,085	\$ 261,554
2026	140,532	102,263	242,795
2027	124,706	42,089	166,795
2028	60,285	-	60,285
Total	<u>\$ 472,992</u>	<u>\$ 258,437</u>	<u>\$ 731,429</u>

**Lease Liability**

Lease liability agreements are summarized as follows:

Description	Remaining Term	Payment Amount	Interest Rate	Total Lease Liability
Copiers	2 years	\$ 15,850	Various	<u>\$ 24,309</u>

Annual requirements to amortize the long-term obligations and related interest are as follows:

Year Ending June 30,	Governmental Activities	
	Principal	Interest
2025	\$ 14,907	\$ 942
2026	9,402	218
	<u>\$ 24,309</u>	<u>\$ 1,160</u>

**City of Troy, Michigan**  
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**Note 8 - Long-Term Debt**

The City issues bonds to provide for the acquisition and construction of major capital projects. General obligation bonds are direct obligations and pledge the full faith and credit of the City. Notes from direct borrowing and placements are also general obligations of the City, as well as leases. Other long-term obligations include compensated absences. Compensated absences are liquidated with funds from the internal service fund and general fund and incurred but not reported insurance claims are liquidated from the general fund.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for the City is \$882.6 million, which significantly exceeds the City's outstanding general obligation debt subject to limitation of \$12.3 million.

Long-term obligation activity is summarized as follows:

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>									
Bonds and notes payable									
General obligation bonds									
Series 2013 & 2020 DDA Refunding	\$ 10,105,000	2034	0.73 - 2.17%	\$680,000 - \$1,075,000	\$ 9,620,000	\$ -	\$ 560,000	\$ 9,060,000	\$ 680,000
Notes from direct borrowings and direct placements									
GWK Series 2001C	2,102,682	2024	-	-	131,609	-	131,609	-	-
GWK Series 2001D	81,089	2024	-	-	3,392	-	3,392	-	-
GWK Series 2005	41,440	2026	1.63%	2,209 - 2,315	6,733	-	2,209	4,524	2,209
GWK Series 2007G	46,242	2028	1.63%	2,318 - 2,598	12,580	-	2,468	10,112	2,598
GWK Series 2008H	196,953	2029	2.50%	9,727 - 12,213	67,805	-	11,044	56,761	11,304
GWK Series 2016	190,572	2024	-	-	13,685	-	13,685	-	-
Total notes from direct borrowings and direct placements					235,804	-	164,407	71,397	16,111
Total bonds and notes payable					9,855,804	-	724,407	9,131,397	696,111
Leases					38,488	-	14,179	24,309	14,907
Estimated self-insurance claims					1,397,412	11,975,842	11,683,138	1,690,116	964,084
Compensated absences					5,529,578	11,144,441	5,313,183	11,360,836	4,305,450
Total governmental activities					\$ 16,821,282	\$ 23,120,283	\$ 17,734,907	\$ 22,206,658	\$ 5,980,552
<b>Business-type activities</b>									
Bonds and notes payable									
General obligation bonds									
Golf Course Series 2022	\$ 4,620,000	2028	4.00%	\$775,000 - \$855,000	\$ 3,920,000	\$ -	\$ 695,000	\$ 3,225,000	\$ 785,000
Notes from direct borrowings and direct placements									
Sanctuary Lake Golf Course Note Payable	301,909	2025	2.72%	36,501	89,606	-	53,105	36,501	36,501
Sylvan Glen Golf Course Note Payable	301,909	2025	2.72%	36,501	89,606	-	53,105	36,501	36,501
Total notes from direct borrowings and direct placements					179,212	-	106,210	73,002	73,002
Issuance premiums					314,124	-	62,825	251,299	62,825
Total business-type activities					\$ 4,413,336	\$ -	\$ 864,035	\$ 3,549,301	\$ 920,827

Annual debt service requirements to maturity for the above obligations are as follows:

Year Ending June 30,	Governmental Activities				Business-type Activities			
	Bonds		Notes from Direct Borrowings and Direct Placements		Bonds		Notes from Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 680,000	\$ 139,107	\$ 16,111	\$ 1,320	\$ 785,000	\$ 111,050	\$ 73,002	\$ 508
2026	805,000	133,284	16,477	960	775,000	82,100	-	-
2027	840,000	125,135	14,551	590	810,000	50,400	-	-
2028	1,075,000	113,472	14,531	250	855,000	17,100	-	-
2029	1,040,000	98,180	9,727	-	-	-	-	-
2030-2034	4,620,000	226,648	-	-	-	-	-	-
	\$ 9,060,000	\$ 835,826	\$ 71,397	\$ 3,120	\$ 3,225,000	\$ 260,650	\$ 73,002	\$ 508

**City of Troy, Michigan**  
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**Component Units**

The following is a summary of long-term liability transactions of the City's component units for the year ended June 30, 2024:

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Component units</b>									
Downtown Development Authority									
Obligated tax captures									
City issued 2020 DDA Refinancing Debt	\$ 10,105,000	2034	0.73 - 2.17%	\$680,000 - \$1,075,000	\$ 9,620,000	\$ -	\$ 560,000	\$ 9,060,000	\$ 680,000

The Troy Downtown Development Authority (DDA) has pledged future tax captures to reimburse the City for principal and interest payments for debt issued by the City in the Series 2013 & 2020 general obligation bonds to refinance DDA general obligation debt.

The annual debt requirements to maturity for all component unit long-term obligations as of June 30, 2024 are as follows:

Year Ending June 30,	Component Unit - Downtown Development Authority Obligated Tax Captures	
	Principal	Interest
	2025	\$ 680,000
2026	805,000	133,284
2027	840,000	125,135
2028	1,075,000	113,472
2029	1,040,000	98,180
2030-2034	4,620,000	226,648
	<u>\$ 9,060,000</u>	<u>\$ 835,826</u>

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
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**Note 9 - Net Investment in Capital Assets**

The composition of net investment in capital assets as of year end, was as follows:

	Governmental Activities	Business-type Activities
Capital assets		
Capital assets not being depreciated	\$ 48,455,658	\$ 20,593,954
Capital assets, net of accumulated depreciation	205,248,725	133,174,805
Total capital assets	253,704,383	153,768,759
Less related debt		
General obligation bonds	(9,060,000)	(3,225,000)
Notes from direct borrowing and direct placements	(71,397)	(73,002)
Leases	(24,309)	-
Unamortized bond premiums	-	(251,299)
Deferred charge on bond refunding	72,965	232,606
Add back debt not related to capital assets	8,987,035	-
Retainage payable	(640,744)	(469,157)
Total related debt	(736,450)	(3,785,852)
Net investment in capital assets	\$ 252,967,933	\$ 149,982,907

**Note 10 - Risk Management**

The City has entered into a public entity risk pool with other Michigan units of government as an individual member for its general liability, property damage insurance including auto and public officials' liability and contractors equipment. The City's maximum deductible for property coverage is \$1,000 per occurrence. The liability maximum self-insured retention is \$500,000 per occurrence with an aggregate stop loss of \$1,000,000 per policy year for both property and liability.

The City accounts for transactions related to these risks in accordance with GASB No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which states that a liability for claims must be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated.

No settlements have exceeded insurance coverage during the last three years. The City has made no significant reductions in insurance coverage during the year. The City has received no indication that any significant losses exist at June 30, 2024.



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The following are the changes in incurred but not reported (IBNR) estimates:

Year Ended June 30,	Beginning Balance	Additions	Deductions	Ending Balance
2022	\$ 1,412,305	\$ 11,597,157	\$ (11,584,637)	\$ 1,424,825
2023	1,424,825	9,288,699	(9,316,112)	1,397,412
2024	1,397,412	11,975,842	(11,683,138)	1,690,116

The City has also entered into a public entity risk pool with other Michigan units of government for its workers compensation insurance.

**Note 11 - Litigation and Contingent Liabilities**

**Litigation**

The City is a defendant to various claims, legal actions and complaints arising in the ordinary course of business. The City denies the allegations and plans a vigorous defense. In the opinion of legal counsel, all such matter as indicated above are adequately covered by insurance, or if not so covered, are without merit or of such kind, or involve such amounts that an unfavorable disposition would not have a material effect on the financial position of the City.

**Tax Appeals to the Michigan Tax Tribunal**

The City has outstanding property tax assessment appeals totaling approximately \$27,700,000 in contended taxable values to the Michigan Tax Tribunal. If the City is not successful with a portion of these appeals, the City's share of the tax to be refunded would be the levied millage rate (approximately \$10 per thousand of taxable value) plus interest. Due to historical losses, the assessor has estimated that approximately 39.34% of the contested value may be refunded to that effect. As a result, the City has recorded a total liability of \$172,993 in the General Fund, \$29,010 in the Refuse Fund, \$28,733 in the Library Fund and \$32,656 in the Capital Projects Fund.

**Note 12 - Property Taxes**

Property taxes are recorded on the modified accrual basis of accounting and are levied and become a lien on July 1<sup>st</sup> on the taxable valuation of the property located within its boundaries as of the preceding December 31<sup>st</sup>. Taxable value is determined by the prior year's taxable value plus 5% or the Consumer Price Index whichever is less, starting with the 1994 state equalized value as the base taxable value. Assessed values are equalized by the State, to closely approximate fifty percent of estimated current market value. The final taxable value of real and personal property subject to property tax within the City for the fiscal 2023-2024 levy was \$6,190,976,980. The City's operating tax rate was 6.50 mills for the same year with additional mills of 1.09 for refuse removal and disposal, 1.0796 for library operations, and 1.2270 for capital preservation and improvements.

In addition to collecting their own taxes, the City also acts as collection agent for all overlapping governments and school districts within its boundaries, which includes seven school districts, two intermediate school districts, a community college, and Oakland County.

City taxes are received in one installment, collectible from July 1<sup>st</sup> to September 1<sup>st</sup>. Any real property taxes not paid by March 1<sup>st</sup>, following the due date, are reimbursed by the County. The County Treasurer takes over collection responsibility at that date, as well as delinquent personal property taxes.

**City of Troy, Michigan**  
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The City is occasionally ordered by the Michigan Tax Tribunal to refund taxes already collected and recorded into revenue. It is, therefore, the City's policy to compensate for doubtful accounts, as well as refunds of taxes already collected through use of an allowance for doubtful taxes receivable and as assigned general fund balance.

**Note 13 - Tax Abatements**

The City provides tax abatements under three programs: The Industrial Facility Tax Half Rate Program, the Payment in Lieu of Taxes (PILOT) Program and the Brownfield Redevelopment Program.

The Industrial Facility Tax - Half Rate Program is intended to reduce economic obsolescence, provide homogenous industrial areas and increase employment opportunities. The Program is established under Michigan P.A. 198 of 1974. The Program qualifications are further defined under City Council Resolution 2010-08-173. The abatements equal 50% of the millage applied to 100% of the taxable value of the real and personal property, are administered as a reduction in the tax bill, and can last for up to six years. Abatements are obtained through application by the property owner or leasee and require subsequent provision by the applicant of proof that the qualifications have been met. There are no provisions for recapturing abated taxes. No other commitments were made by the City as part of those agreements.

The Payment in Lieu of Taxes (PILOT) Program is designed to provide tax abatements for owners of multi-family residential units that provide housing to low income residents. There are only two such properties that qualify for the Program in the City and is established by local ordinances. The Program qualifications include providing a percentage of low income housing units in the development and the property owner must have an outstanding mortgage. The abatements are obtained through an application process by the property owner prior to leasing to prospective tenants. The payments in lieu of taxes are calculated on a formula that takes into account the Potential Gross Income of the property less vacancies and applies a rate as determined by the State of Michigan.

The Brownfield Redevelopment Program is designed to implement Brownfield Plans, create Brownfield Redevelopment Zones, promote revitalization, and the redevelopment and reuse of distressed properties within the City using a tax abatement incentive. The program is established under the Brownfield Redevelopment Financing Act, Act 381 of 1996. Tax abatements are equal to 100% of the tax revenues captured on the taxable value and are administered as refunds to eligible participants. Refunds are further limited to the total approved and expended redevelopment costs by the taxpayer as authorized under the Act.

Tax Abatement Program	Amount of Taxes Abated During Fiscal Year
Industrial Facility Tax - Half Rate	\$ 5,650
Payment in Lieu of Taxes (PILOT)	172,412
Brownfield Redevelopment	370,744
Total tax abatements	\$ 548,806

**City of Troy, Michigan**  
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**Note 14 - Defined Benefit Pension Plans**

**Employee Retirement System**

*Plan Administration.* The City of Troy Employee Retirement System (ERS), under the authorization of the City Code chapter 10, administers the City's employee pension plan covering all full-time general and public safety employees of the City. The single employer defined benefit plan provides retirement benefits based on credited service time and average compensation with death and disability benefits, and under some circumstances, payments to dependents. Separate financial statements are not issued for the Plan.

Management of the pension plan is vested in the ERS Board, which consists of five voting members and one nonvoting ex-officio member. One of the voting members is designated by their position which is the City Manager. Two of the voting members are elected by plan members. One voting member of City Council is selected by the Council and one voting citizen, who is an elector of the City and who is not a member of the system and who is not a member of City Council, as appointed by City Council.

Plan Membership. At December 31, 2023, pension plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	344
Inactive employees entitled to, but not yet receiving benefits	3
Active employees	16
	<u>363</u>

The defined benefit pension plan is closed to new members.

*General plan members.* Retirement benefits are calculated as 2.25% of the average of the member's best 3-year eligible wages over the last ten years times the member's years, and fractions thereof, of service. Members between the ages of 50 and 62 will receive an additional benefit equal to the amount if the calculation used a multiplier .25% greater. A member who has 27 or more years of service may retire on or after attainment of age 50. A member who has 25 years of service may retire on or after attainment of age 55. Members of the Troy Fire Staff Officers Association may retire at any age with 25 years of service.

General plan members are eligible for non-duty disability benefits after 10 years of service (AFSCME and MAP members 5 years of service) and for duty-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately and shall not be less than the amount it would be if they had attained 10 years of credited service.

General plan member surviving spouses and dependent children are eligible for non-duty death benefits if the member has 10 or more years of credited service. Benefits are calculated as if the member retired the preceding day of death using the pension calculation above. Duty death benefits are calculated in the same manner as non-duty death benefits with the exception that pension benefits cannot be less than 25% of the members final average compensation. Duty death benefits for members of the Troy Fire Staff Officers Association cannot be less than 50% of the members final average compensation.

*Public safety members which include Troy Police Officers Association and Troy Command Officers Association.* Retirement benefits are calculated as 2.8% for the first 25 years and 1% per year thereafter of the average of the member's best 3-year eligible wages over the last ten years times the member's years, and fractions thereof, of service. The pension benefit is capped at 75% of final average compensation. A member may retire at any age with 25 or more years of service.

**City of Troy, Michigan**  
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Public safety members are eligible for non-duty disability benefits after 5 years of service and for duty-related disability benefits upon hire. Non-duty disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately and shall not be less than the amount it would be if they had attained 10 years of credited service. Duty disability benefits shall not be less than two-thirds of final average compensation during the period they are in receipt of worker's compensation.

Public safety members' surviving spouses and dependent children are eligible for non-duty death benefits if the member has 10 or more years of credited service. Benefits are calculated as if the member retired the preceding day of death using the pension calculation above. Duty death benefits are calculated in the same manner as non-duty death benefits with the exception that pension benefits cannot be less than 50% of the members final average compensation.

*Contributions.* Employee contributions for classified and exempt employees is 5% of eligible wages. Members of collective bargaining groups contribution are directed by contract. The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended June 30, 2024, the active member contribution rate was between 1.5% and 4.5% of their annual covered salary, depending on bargaining unit, and the City's average contribution rate was 0.0% of annual eligible wages.

*Investment allocation policy.* The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the ERS Board by a majority vote of its members. It is the policy of the ERS Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

*Long-term expected rate of return.* 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equities (domestic 40% and international 19%)	59.00%	5.70%	3.37%
Fixed income	29.00%	1.20%	0.35%
Real estate	7.00%	6.00%	0.42%
Cash	5.00%	1.00%	0.05%
	<u>100.00%</u>		<u>4.19%</u>
Inflation expectation			2.50%
Risk adjustments			<u>-0.19%</u>
<b>Investment rate of return</b>			<u><u>6.50%</u></u>

**City of Troy, Michigan**  
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Rate of return. For the year ended June 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 12.39%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The long-term rate of return is estimated at 6.50%.

*Changes in the net pension asset.* The components of the change in the net pension asset are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances at June 30, 2023	<u>\$ 159,795,685</u>	<u>\$ 211,115,856</u>	<u>\$ (51,320,171)</u>
Changes for the year:			
Service cost	366,144	-	366,144
Interest	9,983,086	-	9,983,086
Differences between expected and actual experience	71,533	-	71,533
Employee contributions	707,057	60,995	646,062
Net investment income	-	23,930,338	(23,930,338)
Benefit payments, including refunds of employee contributions	(12,984,283)	(12,984,283)	-
Administrative expense	-	(209,307)	209,307
Net changes	<u>(1,856,463)</u>	<u>10,797,743</u>	<u>(12,654,206)</u>
Balances as of June 30, 2024	<u>\$ 157,939,222</u>	<u>\$ 221,913,599</u>	<u>\$ (63,974,377)</u>

*Pension Plan Fiduciary Net Position.* The plan's fiduciary net position as a percentage of the total pension liability was 140.51% at June 30, 2024.

*Actuarial assumptions.* The total pension liability was determined by an actuarial valuation as of December 31, 2023 with a measurement and reporting date of June 30, 2024. The following actuarial assumptions were applied to all periods included in the measurement:

Actuarial cost method	Entry-age normal
Inflation	2.50%; no explicit price inflation assumption is used in this valuation
Salary increases (including inflation)	3.50% to 7.50%, including inflation
Investment rate of return	6.50%
Long-term municipal bond rate	3.97%
Retirement age	Age-based table of rates that are specific to the type of eligibility condition. First used for the 2023 valuation.
Mortality rates	PubG-2010 Amount-weighted, Employee, Healthy Retiree and Disabled Retiree Mortality tables for males and females with fully generational projection with the MP-2021 mortality improvement scale.

*Actuarial assumption changes.* The following actuarial assumptions were updated in accordance with the five-year experience study performed for the period January 1, 2018 – December 31, 2022:

- Rates used for future mortality improvements were updated from Scale MP-2020 to MP-2021.
- Normal retirement rates were adjusted using separate tables for General and Public Safety employees.

**City of Troy, Michigan**  
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- No withdrawals or disability retirements from active membership are assumed going forward.
- The Asset Valuation Method (AVM) was changed to smooth investment gains and losses over a period of three years instead of five years beginning with this valuation.

*Single discount rate.* A single discount rate of 6.50% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on investments of 6.50%. The projection of cash flows used to determine this single discount rate assumed that member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on the Retirement System's investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the net pension asset to changes in the discount rate.* The following presents the net pension asset, calculated using a single discount rate of 6.50%, as well as what the net pension asset would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
\$ (48,796,227)	\$ (63,974,377)	\$ (76,895,416)

*Pension Expense and Deferred Inflows of Resources Related to Pensions.* For the year ended June 30, 2023, the City recognized pension expense of \$(5,260,413). At June 30, 2024, the City reported pension-related deferred inflows of resources from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Total to Amortize</u>
Net difference between projected and actual earning on plan investments	\$ (5,934,547)	\$ (5,934,547)

Amounts reported as pension-related deferred inflows of resources will be recognized in pension expense as follows:

<u>Year ended June 30,</u>		
2025	\$	(4,308,253)
2026		4,823,678
2027		(4,323,047)
2028		<u>(2,126,925)</u>
	\$	<u>(5,934,547)</u>

**City of Troy, Michigan**  
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**Note 15 - Retiree Healthcare Trust (OPEB) Plan**

**Plan Description**

*Plan Administration.* The City of Troy Retiree Healthcare Trust (RHC), under authorization of the Public Employee Health Care Act, Public Act 149 of 1999 (MCL 38.1211 et seq.) and constituting a governmental trust pursuant to Section 115 of the Internal Revenue Code of 1986, as amended, administers the City's employee retiree healthcare plan covering all full-time general and public safety employees of the City. The single employer defined benefit OPEB plan provides retirement healthcare based on credited service time with death and disability benefits, and under some circumstances, payments for dependents. The plan does not issue separate stand-alone financial statements and administrative costs are paid by the plan through employer contributions.

Management of the OPEB plan is vested in the RHC Board, which consists of five voting members and one nonvoting ex-officio member. Two of the voting members are designated by their position which includes the City Manager and City Director of Financial Services. Three of the voting members are elected by plan members. One voting member of City Council as selected by the Council and one voting citizen, who is an elector of the City and who is not a member of the system and who is not a member of City Council as appointed by the Mayor. Of the five employee members, two must be members of the defined benefit plan.

*Plan Membership.* At December 31, 2022, plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	379
Active employees	<u>133</u>
	<u><u>512</u></u>

The defined benefit OPEB plan is closed to new members.

*Benefits Provided.* The City provides certain healthcare benefits in accordance with the bargaining group agreements and other requirements as established at the time of retirement. Most bargaining group agreements vested 4% of retiree healthcare insurance premiums per year of active service with a maximum vesting percentage of 100% until June 30, 2013. Subsequently, the agreements establish a 3% vesting of retiree healthcare insurance premiums per year of active service with a maximum vesting percentage of 90%. The exception to these agreements are with the Troy Police Officers Association (TPOA) and classified/exempt groups. These groups remain at 4% vesting of retiree healthcare insurance premiums per year of active service with a maximum vesting percentage of 100%. All groups have an age and years of service requirement before benefits will be provided. These age and service requirements are the same as established in the defined benefit pension plan (ERS).

*Spouses of living retirees are eligible for retiree healthcare coverage through the City.* Only the spouse named at the time of retirement is eligible. Surviving spouses of deceased retirees are eligible for retiree healthcare coverage through the City if the surviving spouse is receiving a survivor's defined benefit pension or is the spouse of a defined contribution member. The surviving spouse's benefit amount is equal to a retiree's one person coverage.

Members and spouse are required to enroll in Medicare Parts A & B, unless required by their insurance carrier. Premium for Medicare Part B, if elected, is the responsibility of the retiree or spouse.

Members retiring under deferred retirement conditions are not eligible for retiree healthcare through the City. The plan provides duty disability benefits with no age or service requirements and benefits commence immediately. Nonduty disability are provided to members with five years of service (ten years for Classified/Exempt and MAP employees) and benefits commence immediately.

**City of Troy, Michigan**  
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The plan provides duty death benefits with no age or service requirements and benefits commence immediately. The plan also provides non-duty death benefits for members with ten or more years of service. These benefits also commence immediately.

*Contributions.* There are no required employee contributions to the plan. Employer contributions are established based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability over a twenty-five-year period. The City is not required to contribute the actuarially determined rate but has an established and long history of making the contribution. For the year ended June 30, 2024, the City's average contribution rate was 20.93% of eligible wages.

**Investments**

*Investment allocation policy.* The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the RHC Board by a majority vote of its members. It is the policy of the RHC Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The OPEB plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans.

*Long-term expected rate of return.* The long-term expected rate of return on OPEB 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equities (domestic 40% and international 19%)	59.00%	5.70%	3.37%
Fixed income	29.00%	1.20%	0.35%
Real estate	7.00%	6.00%	0.42%
Cash	5.00%	1.00%	0.05%
	100.00%		4.19%
Inflation expectation			2.50%
Risk adjustments			-0.19%
<b>Investment rate of return</b>			<b>6.50%</b>

*Rate of return.* For the year ended June 30, 2024, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expenses, was 11.49%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The long-term rate of return is estimated at 6.50%.



**City of Troy, Michigan**  
**Notes to the Financial Statements**  
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*Changes in the net OPEB liability.* The components of the change in the net OPEB liability are summarized as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2023	<u>\$ 132,352,469</u>	<u>\$ 111,974,560</u>	<u>\$ 20,377,909</u>
Changes for the year:			
Service cost	876,355	-	876,355
Interest	8,430,699	-	8,430,699
Differences between expected and actual experience	(781,401)	-	(781,401)
Employer contributions	-	2,902,017	(2,902,017)
Net investment income	-	12,593,963	(12,593,963)
Benefit payments, including refunds of employee contributions	(6,175,160)	(6,175,160)	-
Administrative expense	-	(21,184)	21,184
Other changes	-	160,103	(160,103)
Net changes	<u>2,350,493</u>	<u>9,459,739</u>	<u>(7,109,246)</u>
Balances as of June 30, 2024	<u>\$ 134,702,962</u>	<u>\$ 121,434,299</u>	<u>\$ 13,268,663</u>

*OPEB Plan Fiduciary Net Position.* The plan's fiduciary net position as a percentage of the total OPEB liability was 90.15% at June 30, 2024.

*Actuarial assumptions.* The total OPEB plan liability was determined by an actuarial valuation as of December 31, 2022 with a measurement and reporting date of June 30, 2024. The following actuarial assumptions were applied to all periods included in the measurement.

Actuarial cost method	Entry Age Normal
Inflation	2.60%
Salary increases	3.50% to 8.00%, including inflation
Investment rate of return	6.5%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Pre-Medicare Trend starting at 7.50% and gradually decreasing to an ultimate trend rate of 3.50%. Medicare Trend starting at 6.25% and gradually decreasing to an ultimate trend rate of 3.50%.
Mortality rates	PubG2010 amount-weighted

*Actuarial assumption changes.* There were no assumption changes since the last measurement period.

*Single discount rate.* A single discount rate of 6.50% was used to measure the total OPEB plan liability. This single discount rate was based on the expected rate of return on investments of 6.50%. 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 rates. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**City of Troy, Michigan**  
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*Sensitivity of the net OPEB liability to changes in the discount rate.* The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

1% Decrease	Current Discount Rate	1% Increase
\$ 29,738,372	\$ 13,268,663	\$ (447,208)

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.* The following presents the net OPEB liability of the City, calculated using the healthcare cost trend rates of 7.50 percent decreasing to 3.50 percent, as well as what the City's net OPEB liability would be if it were calculated using the healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
\$ (1,505,773)	\$ 13,268,663	\$ 30,949,836

*OPEB Expense Deferred Inflows of Resources Related to OPEB.* For the year ended June 30, 2024, the City recognized OPEB expense of \$(388,404). At June 30, 2024, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Total to Amortize
Differences in experience	\$ (128,056)	\$ (128,056)
Net difference between projected and actual earning on plan investments	(2,621,377)	(2,621,377)
Total	\$ (2,749,433)	\$ (2,749,433)

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2025	\$ (1,738,243)
2026	2,806,077
2027	(2,732,729)
2028	(1,084,538)
	\$ (2,749,433)

For governmental activities, the net OPEB liability for the retiree healthcare trust plan is generally liquidated by the general fund.

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**Note 16 - Combining Financial Information – Pension and Other Postemployment Trust Funds**

**Statement of Fiduciary Net Position**

	Employee Retirement System	Retiree Healthcare Trust Fund	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 8,290,673	\$ 6,115,786	\$ 14,406,459
Investments, at fair value			
U.S. government securities and agencies	10,502,529	3,031,649	13,534,178
Asset backed securities	781,378	750,285	1,531,663
Corporate bonds and fixed income commingled funds	55,885,988	32,011,364	87,897,352
Common stocks and equity mutual funds	129,657,798	73,218,299	202,876,097
Private equity partnerships	9,857,621	6,061,637	15,919,258
Exchange traded funds	-	-	-
Real estate	6,673,017	-	6,673,017
Interest receivable	302,192	245,279	547,471
Total assets	221,951,196	121,434,299	343,385,495
<b>Liabilities</b>			
Accounts payable	37,597	-	37,597
<b>Net Position</b>			
Restricted for			
Pension benefits	221,913,599	-	221,913,599
Retiree healthcare benefits	-	121,434,299	121,434,299
Total net position	\$ 221,913,599	\$ 121,434,299	\$ 343,347,898

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

**Statement of Changes in Fiduciary Net Position**

	Employee Retirement System	Retiree Healthcare Trust Fund	Total
<b>Additions</b>			
Contributions			
Employer	\$ -	\$ 2,902,017	\$ 2,902,017
Plan members	<u>60,995</u>	<u>532,917</u>	<u>593,912</u>
Total contributions	<u>60,995</u>	<u>3,434,934</u>	<u>3,495,929</u>
Investment earnings (loss)			
Interest	1,349,145	818,860	2,168,005
Dividends	4,548,729	2,538,310	7,087,039
Net adjustment in fair value of investments	18,641,533	9,492,608	28,134,141
Investment expense	<u>(609,069)</u>	<u>(255,817)</u>	<u>(864,886)</u>
Net investment earnings	<u>23,930,338</u>	<u>12,593,961</u>	<u>36,524,299</u>
Total additions	<u>23,991,333</u>	<u>16,028,895</u>	<u>40,020,228</u>
<b>Deductions</b>			
Benefits - pension	12,984,283	-	12,984,283
Benefits - retiree healthcare	-	6,526,722	6,526,722
Administrative expenses	<u>209,307</u>	<u>21,184</u>	<u>230,491</u>
Total deductions	<u>13,193,590</u>	<u>6,547,906</u>	<u>19,741,496</u>
<b>Change in net position</b>	<u>10,797,743</u>	<u>9,480,989</u>	<u>20,278,732</u>
Restricted net position, beginning			
Pension benefits	211,115,856	-	211,115,856
Retiree healthcare benefits	<u>-</u>	<u>111,953,310</u>	<u>111,953,310</u>
Total restricted net position, beginning	<u>211,115,856</u>	<u>111,953,310</u>	<u>323,069,166</u>
Restricted net position, ending			
Pension benefits	221,913,599	-	221,913,599
Retiree healthcare benefits	<u>-</u>	<u>121,434,299</u>	<u>121,434,299</u>
<b>Total restricted net position, ending</b>	<u>\$ 221,913,599</u>	<u>\$ 121,434,299</u>	<u>\$ 343,347,898</u>

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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**Note 17 - Defined Contribution Pension Plan**

The City maintains a defined contribution plan (DCP) administered by Mission Square Retirement, which qualifies under the Internal Revenue Code Section 401(a). Classified, Exempt and Fire Staff Officers in the City's Employees Retirement System were given the option to transfer to the DCP by December 31, 1997. Employees who elected to transfer to the DCP had their individually actuarially determined earned retirement benefits in the Employees Retirement System determined as of the date of election to transfer to the DCP. In 1998, the City afforded the option to AFSCME members of the Employees Retirement System to elect a transfer to the DCP, of which 41 employees elected such transfer. In 1999, the City afforded the option to MAP members of the Employees Retirement System to elect a transfer to the DCP, of which 29 employees elected such transfer. In 2000, the City afforded the option to TCOA members of the Employees Retirement System to elect a transfer to the DCP, of which 20 employees elected such transfer. In 2002, the City afforded the option to TPOA members of the Employees Retirement System to elect a transfer to the DCP of which 19 employees elected such transfer. The DCP is also in effect for all new full-time employees. Total membership in the DCP as of June 30, 2024 was 394.

The DCP maintains a schedule of vesting as follows: participants who transferred from the Employees Retirement System are fully vested. For new hires the following schedule applies: 50% vested after 3 years, 75% vested after 4 years and 100% vested after 5 years. Employees contribute 3 to 6 percent of their salary, while the employer contributes 8 to 13 percent. All contributions are remitted to a third-party plan administrator.

The DCP was established by City Council resolution and any amendments to the plan would require City Council approval.

The City's payroll for employees covered by the DCP for the year ended June 30, 2024, was \$32,127,328. The required contributions, which matched those actually made, were \$1,498,407 by employees and \$3,298,238 by the City, representing 5.0 percent and 10.0 percent of covered payroll, respectively.

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

**Note 18 - Fund Balances - Governmental Funds**

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies fund balances based primarily on the extent to which it is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Detailed information on fund balances of governmental funds is as follows:

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
<b>Nonspendable</b>				
Inventories	\$ 566,196	\$ -	\$ -	\$ 566,196
Prepaid items	1,344,238	-	91,127	1,435,365
Permanent fund corpus	-	-	164,000	164,000
Advance to Sanctuary Lake Golf Course	7,698,082	-	-	7,698,082
Advance to Aquatic Center	680,302	-	-	680,302
<b>Total nonspendable</b>	<u>10,288,818</u>	<u>-</u>	<u>255,127</u>	<u>10,543,945</u>
<b>Restricted</b>				
Special revenue funding source restrictions:				
Public safety	-	-	1,596,177	1,596,177
Highways and streets	-	-	4,744,634	4,744,634
Sanitation	-	-	1,688,848	1,688,848
Library	-	-	3,598,185	3,598,185
Other	-	-	7,702	7,702
Cemetery perpetual care	-	-	65,390	65,390
Capital improvements	-	10,817,778	-	10,817,778
<b>Total restricted</b>	<u>-</u>	<u>10,817,778</u>	<u>11,700,936</u>	<u>22,518,714</u>
<b>Assigned</b>				
Insurance claims	3,000,000	-	-	3,000,000
Tax appeals	175,000	-	-	175,000
Subsequent years budget	591,462	-	-	591,462
Firefighter Incentive Plan	1,402,000	-	-	1,402,000
<b>Total assigned</b>	<u>5,168,462</u>	<u>-</u>	<u>-</u>	<u>5,168,462</u>
<b>Unassigned</b>	<u>27,307,266</u>	<u>-</u>	<u>-</u>	<u>27,307,266</u>
<b>Total fund balances</b>	<u>\$ 42,764,546</u>	<u>\$ 10,817,778</u>	<u>\$ 11,956,063</u>	<u>\$ 65,538,387</u>

**City of Troy, Michigan**  
**Notes to the Financial Statements**  
**June 30, 2024**

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**Note 19 - Budget Stabilization Fund**

The City has established a budget stabilization fund by adopting a City ordinance in accordance with PA 30 of 1978 - MCL 144.441. The City Council may appropriate all or part of a surplus in the general fund to the Budget Stabilization Fund. The amount in the Budget Stabilization Fund shall not exceed 15% of the City's most recent general fund budget as originally adopted or 15% of the average of the City's five most recent general fund budgets, as amended, whichever is less. Appropriations from the Budget Stabilization Fund may be used to cover any general fund deficit, prevent a reduction in the level of services when revenues are not being collected in a sufficient manner or when the subsequent year budget indicates a shortfall, and to cover expenses arising from a natural disaster unless federal or state funds are received to offset the appropriation. In accordance with Governmental Accounting Standards Board (GASB) Statement number 54, the Budget Stabilization Fund has been included as part of the general fund for reporting purposes. Any residual fund balance is reported as unassigned in the general fund.

**REQUIRED SUPPLEMENTARY  
INFORMATION**



**City of Troy, Michigan**  
**Required Supplementary Information**  
**Employee Retirement System**  
**Schedule of Changes in Net Pension Asset and Related Ratios**  
**For the Year Ended June 30, 2024**

Fiscal year ended June 30,	2024	2023	2022	2021	2020
<b>Total Pension Liability</b>					
Service cost	\$ 366,144	\$ 516,493	\$ 713,220	\$ 832,121	\$ 892,618
Interest	9,983,086	10,146,576	10,248,059	10,081,514	10,166,772
Changes of benefit terms	-	-	-	-	-
Experience differences	71,533	(295,313)	(60,178)	1,144,561	(827,202)
Changes in assumptions	707,057	-	-	2,445,899	-
Benefit payments and refunds	<u>(12,984,283)</u>	<u>(12,639,161)</u>	<u>(12,100,440)</u>	<u>(11,672,985)</u>	<u>(11,360,090)</u>
Net change in total pension liability	(1,856,463)	(2,271,405)	(1,199,339)	2,831,110	(1,127,902)
Total pension liability - beginning	<u>159,795,685</u>	<u>162,067,090</u>	<u>163,266,429</u>	<u>160,435,319</u>	<u>161,563,221</u>
Total pension liability - ending (a)	<u>\$ 157,939,222</u>	<u>\$ 159,795,685</u>	<u>\$ 162,067,090</u>	<u>\$ 163,266,429</u>	<u>\$ 160,435,319</u>
<b>Plan Fiduciary Net Position</b>					
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Employee contributions	60,995	90,425	116,939	157,698	157,335
Net investment income (loss)	23,930,338	23,584,208	(30,347,862)	58,046,577	7,323,662
Benefit payments and refunds	(12,984,283)	(12,639,161)	(12,100,440)	(11,672,985)	(11,360,090)
Administrative expense	<u>(209,307)</u>	<u>(190,812)</u>	<u>(186,316)</u>	<u>(136,183)</u>	<u>(220,079)</u>
Net change in plan fiduciary net position	10,797,743	10,844,660	(42,517,679)	46,395,107	(4,099,172)
Plan fiduciary net position - beginning	<u>211,115,856</u>	<u>200,271,196</u>	<u>242,788,875</u>	<u>196,393,768</u>	<u>200,492,940</u>
Plan fiduciary net position - ending (b)	<u>\$ 221,913,599</u>	<u>\$ 211,115,856</u>	<u>\$ 200,271,196</u>	<u>\$ 242,788,875</u>	<u>\$ 196,393,768</u>
Net pension asset (a-b)	<u>\$ (63,974,377)</u>	<u>\$ (51,320,171)</u>	<u>\$ (38,204,106)</u>	<u>\$ (79,522,446)</u>	<u>\$ (35,958,449)</u>
Plan fiduciary net position as a percentage of total pension liability	140.51%	132.12%	123.57%	148.71%	122.41%
Covered payroll	\$ 1,870,748	\$ 2,688,816	\$ 3,461,432	\$ 4,429,886	\$ 4,714,838
Net pension asset as a percentage of covered employee payroll	(3,419.72%)	(1,908.65%)	(1,103.71%)	(1,795.14%)	(762.67%)

See Accompanying Notes to the Required Supplementary Information

**City of Troy, Michigan**  
**Required Supplementary Information**  
**Employee Retirement System**  
**Schedule of Changes in Net Pension Asset and Related Ratios**  
**For the Year Ended June 30, 2024**

Fiscal year ended June 30,	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>					
Service cost	\$ 919,922	\$ 915,316	\$ 951,388	\$ 993,515	\$ 966,066
Interest	10,145,675	10,153,512	10,180,968	10,251,205	9,626,619
Changes of benefit terms	-	-	-	(10,477)	-
Experience differences	1,345,828	176,027	(238,774)	(1,118,247)	1,874,178
Changes in assumptions	(701,730)	-	-	-	8,167,150
Benefit payments and refunds	<u>(11,382,935)</u>	<u>(11,352,909)</u>	<u>(11,245,246)</u>	<u>(11,108,572)</u>	<u>(11,128,133)</u>
Net change in total pension liability	326,760	(108,054)	(351,664)	(992,576)	9,505,880
Total pension liability - beginning	<u>161,236,461</u>	<u>161,344,515</u>	<u>161,696,179</u>	<u>162,688,755</u>	<u>153,182,875</u>
Total pension liability - ending (a)	<u>\$ 161,563,221</u>	<u>\$ 161,236,461</u>	<u>\$ 161,344,515</u>	<u>\$ 161,696,179</u>	<u>\$ 162,688,755</u>
<b>Plan Fiduciary Net Position</b>					
Employer contributions	\$ -	\$ -	\$ 658,557	\$ 314,025	\$ 1,451,198
Employee contributions	164,311	159,830	163,907	166,434	165,624
Net investment income (loss)	15,253,371	19,495,709	23,674,177	(330,035)	6,229,392
Benefit payments and refunds	(11,382,935)	(11,352,909)	(11,245,246)	(11,108,572)	(11,128,133)
Administrative expense	<u>(147,374)</u>	<u>(137,054)</u>	<u>(136,279)</u>	<u>(133,867)</u>	<u>(129,870)</u>
Net change in plan fiduciary net position	3,887,373	8,165,576	13,115,116	(11,092,015)	(3,411,789)
Plan fiduciary net position - beginning	<u>196,605,567</u>	<u>188,439,991</u>	<u>175,324,875</u>	<u>186,416,890</u>	<u>189,828,679</u>
Plan fiduciary net position - ending (b)	<u>\$ 200,492,940</u>	<u>\$ 196,605,567</u>	<u>\$ 188,439,991</u>	<u>\$ 175,324,875</u>	<u>\$ 186,416,890</u>
Net pension asset (a-b)	<u>\$ (38,929,719)</u>	<u>\$ (35,369,106)</u>	<u>\$ (27,095,476)</u>	<u>\$ (13,628,696)</u>	<u>\$ (23,728,135)</u>
Plan fiduciary net position as a percentage of total pension liability	124.10%	121.94%	116.79%	108.43%	114.58%
Covered payroll	\$ 4,695,195	\$ 4,428,407	\$ 4,532,372	\$ 4,910,089	\$ 4,902,224
Net pension asset as a percentage of covered employee payroll	(829.14%)	(798.69%)	(597.82%)	(277.57%)	(484.03%)

See Accompanying Notes to the Required Supplementary Information

**City of Troy, Michigan**  
**Required Supplementary Information**  
**Employee Retirement System**  
**Schedule of Net Pension Asset**  
**For the Year Ended June 30, 2024**

Fiscal Year Ended	Total Pension Liability	Plan Net Position	Net Pension Asset	Plan Net Position as Percentage of Total Pension Liability	Covered Payroll	Net Pension Asset as Percentage of Covered Payroll
2015	\$ 162,688,755	\$ 186,416,890	\$ (23,728,135)	114.6%	\$ 4,902,224	-484.0%
2016	161,696,179	175,324,875	(13,628,696)	108.4%	4,910,089	-277.6%
2017	161,344,515	188,439,991	(27,095,476)	116.8%	4,532,372	-597.8%
2018	161,236,461	196,605,567	(35,369,106)	121.9%	4,428,407	-798.7%
2019	161,563,221	200,492,940	(38,929,719)	124.1%	4,695,195	-829.1%
2020	160,435,319	196,393,768	(35,958,449)	122.4%	4,714,838	-762.7%
2021	163,266,429	242,788,875	(79,522,446)	148.7%	4,429,886	-1795.1%
2022	162,067,090	200,271,196	(38,204,106)	123.6%	3,461,432	-1103.7%
2023	159,795,685	211,115,856	(51,320,171)	132.1%	2,688,816	-1908.7%
2024	157,939,222	221,913,599	(63,974,377)	140.5%	1,870,748	-3419.7%

See Accompanying Notes to the Required Supplementary Information

**City of Troy, Michigan**  
**Required Supplementary Information**  
**Employee Retirement System**  
**Schedule of Employer Contributions**  
**For the Year Ended June 30, 2024**

Fiscal Year Ended	Actuarially Determined		Contribution		Covered Payroll	Actual Contribution as
	Contribution	Actual Contribution	Deficiency (Excess)	Percentage of		
2015	\$ 1,451,198	\$ 1,451,198	\$ -	\$ 4,902,224	29.6%	
2016	314,025	314,025	-	4,910,089	6.4%	
2017	658,557	658,557	-	4,532,372	14.5%	
2018	-	-	-	4,428,407	0.0%	
2019	-	-	-	4,695,195	0.0%	
2020	-	-	-	4,714,838	0.0%	
2021	-	-	-	4,429,886	0.0%	
2022	-	-	-	3,461,432	0.0%	
2023	-	-	-	2,688,816	0.0%	
2024	-	-	-	1,870,748	0.0%	

See Accompanying Notes to the Required Supplementary Information

**City of Troy, Michigan**  
**Required Supplementary Information**  
**Employee Retirement System**  
**Schedule of Investment Returns**

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Fiscal Year Ended June 30,	Annual Return % *
2015	3.29%
2016	-0.23%
2017	13.79%
2018	10.56%
2019	8.12%
2020	3.86%
2021	30.32%
2022	-12.34%
2023	12.55%
2024	12.39%

\* Annual money-weighted rate of return, net of investment expenses

**City of Troy, Michigan**  
**Required Supplementary Information**  
**Other Postemployment Benefits - Retiree Healthcare**  
**Schedule of Changes in Net OPEB Liability and Related Ratios**  
**For the Year Ended June 30, 2024**

Fiscal year ended June 30,	2024	2023	2022	2021	2020
<b>Total OPEB Liability</b>					
Service cost	\$ 876,355	\$ 957,813	\$ 932,797	\$ 746,215	\$ 785,891
Interest	8,430,699	8,348,417	8,219,713	7,293,289	7,611,207
Changes of benefit terms	-	-	-	1,038,759	-
Experience differences	(781,401)	(16,398,643)	(961,146)	9,872,511	(1,033,980)
Changes in assumptions	-	14,641,866	-	931,956	(6,841,243)
Benefit payments and refunds	(6,175,160)	(6,310,530)	(6,137,081)	(5,309,605)	(5,476,571)
Net change in total OPEB liability	2,350,493	1,238,923	2,054,283	14,573,125	(4,954,696)
Total OPEB liability - beginning	132,352,469	131,113,546	129,059,263	114,486,138	119,440,834
Total OPEB liability - ending (a)	<u>\$ 134,702,962</u>	<u>\$ 132,352,469</u>	<u>\$ 131,113,546</u>	<u>\$ 129,059,263</u>	<u>\$ 114,486,138</u>
<b>Plan Fiduciary Net Position</b>					
Employer contributions	\$ 2,902,017	\$ 3,005,672	\$ 3,891,675	\$ 5,061,539	\$ 5,914,107
On-behalf contributions	-	217,922	167,526	147,156	164,491
Net investment income (loss)	12,593,963	14,666,779	(19,811,720)	27,834,920	4,130,941
Benefit payments and refunds	(6,175,160)	(6,310,530)	(6,137,081)	(5,309,605)	(5,476,571)
Administrative expense	(21,184)	(14,735)	(12,555)	(56,032)	(32,654)
Other	160,103	-	-	-	-
Net change in plan fiduciary net position	9,459,739	11,565,108	(21,902,155)	27,677,978	4,700,314
Plan fiduciary net position - beginning	111,974,560	100,409,452	122,311,607	94,633,629	89,933,315
Plan fiduciary net position - ending (b)	<u>\$ 121,434,299</u>	<u>\$ 111,974,560</u>	<u>\$ 100,409,452</u>	<u>\$ 122,311,607</u>	<u>\$ 94,633,629</u>
Net OPEB liability (a-b)	<u>\$ 13,268,663</u>	<u>\$ 20,377,909</u>	<u>\$ 30,704,094</u>	<u>\$ 6,747,656</u>	<u>\$ 19,852,509</u>
Plan fiduciary net position as a percentage of total OPEB liability	90.15%	84.60%	76.58%	94.77%	82.66%
Covered payroll	\$ 14,357,783	\$ 14,357,783	\$ 16,924,155	\$ 16,924,155	\$ 16,962,271
Net OPEB liability as a percentage of covered employee payroll	92.41%	141.93%	181.42%	39.87%	117.04%

See Accompanying Notes to the Required Supplementary Information

**City of Troy, Michigan**  
**Required Supplementary Information**  
**Other Postemployment Benefits - Retiree Healthcare**  
**Schedule of Changes in Net OPEB Liability and Related Ratios**  
**For the Year Ended June 30, 2024**

Fiscal year ended June 30,	2019	2018	2017
<b>Total OPEB Liability</b>			
Service cost	\$ 838,659	\$ 1,166,226	\$ 1,285,223
Interest	8,918,237	8,761,601	8,476,587
Changes of benefit terms	-	-	-
Experience differences	(22,311,315)	(1,499,301)	-
Changes in assumptions	(1,719,651)	-	-
Benefit payments and refunds	<u>(6,138,831)</u>	<u>(5,571,068)</u>	<u>(5,063,891)</u>
Net change in total OPEB liability	(20,412,901)	2,857,458	4,697,919
Total OPEB liability - beginning	<u>139,853,735</u>	<u>136,996,277</u>	<u>132,298,358</u>
Total OPEB liability - ending (a)	<u>\$ 119,440,834</u>	<u>\$ 139,853,735</u>	<u>\$ 136,996,277</u>
<b>Plan Fiduciary Net Position</b>			
Employer contributions	\$ 6,000,551	\$ 4,812,375	\$ 4,668,805
On-behalf contributions	136,413	149,655	36,244
Net investment income (loss)	6,829,397	6,403,187	7,980,021
Benefit payments and refunds	(6,138,831)	(5,571,068)	(5,063,891)
Administrative expense	(43,298)	(39,518)	(4,214)
Other	-	-	-
Net change in plan fiduciary net position	6,784,232	5,754,631	7,616,965
Plan fiduciary net position - beginning	<u>83,149,083</u>	<u>77,394,452</u>	<u>69,777,487</u>
Plan fiduciary net position - ending (b)	<u>\$ 89,933,315</u>	<u>\$ 83,149,083</u>	<u>\$ 77,394,452</u>
Net OPEB liability (a-b)	<u>\$ 29,507,519</u>	<u>\$ 56,704,652</u>	<u>\$ 59,601,825</u>
Plan fiduciary net position as a percentage of total OPEB liability	75.30%	59.45%	56.49%
Covered payroll	\$ 16,962,271	\$ 17,101,107	\$ 17,101,107
Net OPEB liability as a percentage of covered employee payroll	173.96%	331.58%	348.53%

See Accompanying Notes to the Required Supplementary Information

**City of Troy, Michigan**  
**Required Supplementary Information**  
**Other Postemployment Benefits - Retiree Healthcare**  
**Schedule of Net OPEB Liability**  
**For the Year Ended June 30, 2024**

Fiscal Year Ended	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as		Net OPEB Liability as	
				Percentage of Total	OPEB Liability	Covered Payroll	Percentage of Covered Payroll
2017	\$ 136,996,277	\$ 77,394,452	\$ 59,601,825	56.49%	\$ 17,101,107	348.53%	
2018	139,853,735	83,149,083	56,704,652	59.45%	17,101,107	331.58%	
2019	119,440,834	89,933,315	29,507,519	75.30%	16,962,271	173.96%	
2020	114,486,138	94,633,629	19,852,509	82.66%	16,962,271	117.04%	
2021	129,059,263	122,311,607	6,747,656	94.77%	16,924,155	39.87%	
2022	131,113,546	100,409,452	30,704,094	76.58%	16,924,155	181.42%	
2023	132,352,469	111,974,560	20,377,909	84.60%	14,357,783	141.9%	
2024	134,702,962	121,434,299	13,268,663	90.15%	14,357,783	92.4%	

See Accompanying Notes to the Required Supplementary Information



**City of Troy, Michigan**  
**Required Supplementary Information**  
**Other Postemployment Benefits - Retiree Healthcare**  
**Schedule of Employer Contributions**  
**For the Year Ended June 30, 2024**

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2017	\$ 4,668,805	\$ 4,668,805	\$ -	\$ 17,101,107	27.30%
2018	4,654,492	4,812,375	(157,883)	17,101,107	28.14%
2019	5,646,672	6,000,551	(353,879)	16,962,271	35.38%
2020	5,579,325	5,914,107	(334,782)	16,962,271	34.87%
2021	3,231,801	5,061,539	(1,829,738)	16,924,155	29.91%
2022	3,180,761	3,891,675	(710,914)	16,924,155	22.99%
2023	2,706,702	3,005,672	(298,970)	14,357,783	20.93%
2024	2,652,832	2,902,017	(249,185)	14,357,783	20.21%

**City of Troy, Michigan**  
**Required Supplementary Information**  
**Other Postemployment Benefits**  
**Schedule of Investment Returns**

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Fiscal Year Ended June 30,	Annual Return % *
2017	11.53%
2018	8.53%
2019	8.39%
2020	4.69%
2021	29.55%
2022	-16.20%
2023	14.41%
2024	11.49%

\* Annual money-weighted rate of return, net of investment expenses

**City of Troy**  
**Notes to the Required Supplementary Information**  
**June 30, 2024**

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**Pension Information**

**Notes to the Schedule of Changes in Net Pension Liability and Related Ratios – Employee Retirement System**

The following actuarial assumptions were updated in accordance with the five-year experience study performed for the period January 1, 2018 – December 31, 2022:

- Rates used for future mortality improvements were updated from Scale MP-2020 to MP-2021.
- Normal retirement rates were adjusted using separate tables for General and Public Safety employees.
- No withdrawals or disability retirements from active membership are assumed going forward.
- The Asset Valuation Method (AVM) was changed to smooth investment gains and losses over a period of three years instead of five years beginning with this valuation.

These changes increased the total pension liability by approximately \$700,000.

**Notes to the Schedule of Employer Contributions – Employee Retirement System**

- Valuation date: December 31, 2023
- Actuarially determined contribution rates are calculated as of December 31, which is 18 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Aggregate
- Amortization method: N/A
- Remaining amortization period: N/A
- Asset valuation method: 5-year smoothed market
- Inflation: 2.50%; no explicit price inflation assumption is used in this valuation
- Salary increase: 3.50% to 7.50% including inflation
- Investment rate of return: 6.50%
- Retirement age: Age-based table of rates that are specific to the type of eligibility condition. First used for the 1973 valuation; Classified, Exempt and Command Officers first used for the 1981 valuation; Non-Classified/Exempt General members first used for the 1986 valuation.
- Mortality rates: PubG-2010 Amount-weighted, Employee, Healthy Retiree and Disabled Retiree Mortality tables for males and females with fully generational projection with the MP-2020 mortality improvement scale.

**OPEB Information**

**Notes to the Schedule of Changes in Net OPEB and Related Ratios – Retiree Healthcare**

There were no changes in assumptions for the fiscal year ended June 30, 2024.

**Notes to the Schedule of Employer Contributions – Retiree Healthcare**

- Valuation date: December 31, 2022  
Actuarially determined contribution rates are calculated as of December 31 of even numbered years, which is 18 months prior to the beginning of the fiscal year biennium in which contributions are reported.

**City of Troy**  
**Notes to the Required Supplementary Information**  
**June 30, 2024**

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Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Entry age normal
- Amortization method: Level dollar, closed
- Remaining amortization period: 20 years for fiscal year beginning July 1, 2023
- Asset valuation method: Market value
- Inflation: 2.60%
- Salary increases: 3.50% - 8.00%, including inflation
- Retirement age: Experience-based table of rates that are specific to the type of eligibility condition
- Mortality:
  - Healthy Pre-Retirement: The fully generational PubG-2010 Amount-weighted, General Employee, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2020. This assumption was used to measure the probabilities of members dying before retirement. Twenty percent of pre-retirement deaths were assumed to be duty related.
  - Healthy Post-Retirement: The fully generational PubG-2010 Amount-Weighted, General Healthy Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2020. This assumption is used to measure the probabilities of each benefit payment being made after retirement.
  - Disability Retirement: The fully generational PubG-2010 Amount-Weighted, General Disabled Retiree, Male and Female tables, with a base year of 2010 and future mortality improvements projected using scale MP-2020. This assumption was used to measure the probabilities of each benefit payment being made after disability retirements.
- Health care trend rates: Pre-Medicare Trend starting at 7.50% and gradually decreasing to an ultimate trend rate of 3.50%. Medicare Trend starting at 6.25% and gradually decreasing to an ultimate trend rate of 3.50%.
- Aging factors: The tables used in developing the retiree premium are based on a recent Society of Actuaries study of health costs.
- Expenses: Investment and administrative expenses are net of the investment returns.

# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

## SPECIAL REVENUE FUNDS

**Major Streets Fund** - Accumulates resources from state funding sources for the maintenance and construction of the City's major streets system.

**Local Streets Fund** - Accumulates resources from state funding sources for the maintenance and construction of the City's local streets system.

**Refuse Fund** - Accumulates resources from a dedicated tax millage for sanitation collection and disposal services.

**Transit Center Fund** - Accumulates resources from Amtrak and sponsorships for operations, maintenance and capital needs of the Transit Center.

**Drug Forfeiture Fund** - Accumulates resources from a federal and state drug forfeiture court rulings which can only be expended on specific supplies and services that support drug enforcement.

**Library Fund** - Accumulates resources from a dedicated tax millage for providing public library services to the community.

**Community Development Block Grant Fund** - Accumulates resources for the administration of federal funded projects designed to address a wide-range of community needs in low-income areas.

## PERMANENT FUND

**Cemetery Perpetual Care** - Accumulates resources from plot and burial fees for the perpetual care of cemetery grounds.

## ENTERPRISE FUNDS

**Sylvan Glen Golf Course** - Accumulates resources from user fees to the operation and maintenance of a municipal golf course.

**Aquatic Center** - Accumulates resources from user fees for the operation and maintenance of the City's municipal water park.

# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

## INTERNAL SERVICE FUNDS

***Compensated Absences Fund*** - Accumulates resources from interdepartmental charges for funding employee earned vacation and sick pay benefits.

***Unemployment Compensation Fund*** - Accumulates resources from interdepartmental charges for City unemployment insurance premiums and obligations.

***Custodial Services Fund*** - Accumulates resources from interdepartmental charges for the custodial services to city buildings.

***Information Technology Fund*** - Accumulates resources from interdepartmental charges for the maintenance and improvements of the City's computer and software requirements.

***Motor Equipment Fund*** - Accumulates resources from interdepartmental charges for the maintenance and capital investment of City owned vehicles.

***Workers' Compensation Fund*** - Accumulates resources from interdepartmental charges for insurance premium and City obligations for worker's compensation claims.

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2024**

Special Revenue Funds

	Major Street	Local Street	Refuse	Transit Center	Drug Forfeiture	Library
<b>Assets</b>						
Cash and investments	\$ 1,170,610	\$ 2,060,926	\$ 2,209,974	\$ -	\$ 1,596,177	\$ 3,668,018
Accounts receivable	-	-	1,302	29,356	-	122,181
Taxes receivable	-	-	14,997	-	-	21,757
Due from other governments	1,286,748	505,480	-	-	-	-
Prepaid items	-	-	-	2,289	-	88,838
Total assets	<u>\$ 2,457,358</u>	<u>\$ 2,566,406</u>	<u>\$ 2,226,273</u>	<u>\$ 31,645</u>	<u>\$ 1,596,177</u>	<u>\$ 3,900,794</u>
<b>Liabilities</b>						
Accounts payable	\$ 226,395	\$ 52,735	\$ 493,418	\$ 21,654	\$ -	\$ 160,394
Other liabilities	-	-	29,010	-	-	31,621
Total liabilities	<u>226,395</u>	<u>52,735</u>	<u>522,428</u>	<u>21,654</u>	<u>-</u>	<u>192,015</u>
<b>Deferred inflows of resources</b>						
Unavailable revenue - property taxes and long-term receivables	-	-	14,997	-	-	21,756
<b>Fund Balances</b>						
Non-spendable	-	-	-	2,289	-	88,838
Restricted	2,230,963	2,513,671	1,688,848	7,702	1,596,177	3,598,185
Total fund balances	<u>2,230,963</u>	<u>2,513,671</u>	<u>1,688,848</u>	<u>9,991</u>	<u>1,596,177</u>	<u>3,687,023</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,457,358</u>	<u>\$ 2,566,406</u>	<u>\$ 2,226,273</u>	<u>\$ 31,645</u>	<u>\$ 1,596,177</u>	<u>\$ 3,900,794</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2024**

	<u>Special Revenue Fund</u>	<u>Permanent Fund</u>	
	Community Development Block Grant	Cemetery Perpetual Care	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash and investments	\$ -	\$ 229,390	\$ 10,935,095
Accounts receivable	-	-	152,839
Taxes receivable	-	-	36,754
Due from other governments	21,272	-	1,813,500
Prepaid items	-	-	91,127
Total assets	<u>\$ 21,272</u>	<u>\$ 229,390</u>	<u>\$ 13,029,315</u>
<b>Liabilities</b>			
Accounts payable	\$ 21,272	\$ -	\$ 975,868
Other liabilities	-	-	60,631
Total liabilities	<u>21,272</u>	<u>-</u>	<u>1,036,499</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue - property taxes and long-term receivables	<u>-</u>	<u>-</u>	<u>36,753</u>
<b>Fund Balances</b>			
Non-spendable	-	164,000	255,127
Restricted	-	65,390	11,700,936
Total fund balances	<u>-</u>	<u>229,390</u>	<u>11,956,063</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,272</u>	<u>\$ 229,390</u>	<u>\$ 13,029,315</u>



**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2024**

Special Revenue Funds

	Major Street	Local Street	Refuse	Transit Center	Drug Forfeiture	Library
<b>Revenues</b>						
Property taxes	\$ -	\$ -	\$ 6,525,454	\$ -	\$ -	\$ 6,656,765
Intergovernmental						
Federal sources	-	-	-	-	-	-
State sources	8,025,817	3,152,724	88,914	-	-	296,597
Charges for services	-	-	1,106	108,045	-	11,951
Fines and forfeitures	-	-	-	-	240,090	16,148
Investment earnings (loss)	72,071	84,773	131,499	-	48,986	194,369
Other	-	-	-	-	-	35,758
Total revenues	<u>8,097,888</u>	<u>3,237,497</u>	<u>6,746,973</u>	<u>108,045</u>	<u>289,076</u>	<u>7,211,588</u>
<b>Expenditures</b>						
Current						
General government	-	-	-	110,361	-	-
Public safety	-	-	-	-	81,705	-
Sanitation	-	-	6,178,716	-	-	-
Public works	2,532,469	2,727,114	-	-	-	-
Community and economic development	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	5,247,367
Total expenditures	<u>2,532,469</u>	<u>2,727,114</u>	<u>6,178,716</u>	<u>110,361</u>	<u>81,705</u>	<u>5,247,367</u>
Excess (deficiency) of revenues over expenditures	<u>5,565,419</u>	<u>510,383</u>	<u>568,257</u>	<u>(2,316)</u>	<u>207,371</u>	<u>1,964,221</u>
<b>Other financing sources (uses)</b>						
Transfers in	-	1,500,000	-	10,000	-	-
Transfers out	(7,154,000)	(3,000,000)	-	-	-	(1,093,529)
Sale of capital assets	-	-	-	-	20,050	-
Total other financing sources and (uses)	<u>(7,154,000)</u>	<u>(1,500,000)</u>	<u>-</u>	<u>10,000</u>	<u>20,050</u>	<u>(1,093,529)</u>
Net change in fund balances	(1,588,581)	(989,617)	568,257	7,684	227,421	870,692
Fund balances - beginning of year	<u>3,819,544</u>	<u>3,503,288</u>	<u>1,120,591</u>	<u>2,307</u>	<u>1,368,756</u>	<u>2,816,331</u>
Fund balances - end of year	<u>\$ 2,230,963</u>	<u>\$ 2,513,671</u>	<u>\$ 1,688,848</u>	<u>\$ 9,991</u>	<u>\$ 1,596,177</u>	<u>\$ 3,687,023</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2024**

	Special Revenue Fund	Permanent Fund	
	Community Development Block Grant	Cemetery Perpetual Care	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property taxes	\$ -	\$ -	\$ 13,182,219
Intergovernmental			
Federal sources	59,443	-	59,443
State sources	-	-	11,564,052
Charges for services	-	1,725	122,827
Fines and forfeitures	-	-	256,238
Investment earnings (loss)	-	7,520	539,218
Other	-	-	35,758
Total revenues	<u>59,443</u>	<u>9,245</u>	<u>25,759,755</u>
<b>Expenditures</b>			
Current			
General government	-	-	110,361
Public safety	-	-	81,705
Sanitation	-	-	6,178,716
Public works	-	-	5,259,583
Community and economic development	59,443	-	59,443
Recreation and culture	-	-	5,247,367
Total expenditures	<u>59,443</u>	<u>-</u>	<u>16,937,175</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>9,245</u>	<u>8,822,580</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	1,510,000
Transfers out	-	(1,200)	(11,248,729)
Sale of capital assets	-	-	20,050
Total other financing sources and (uses)	<u>-</u>	<u>(1,200)</u>	<u>(9,718,679)</u>
Net change in fund balances	-	8,045	(896,099)
Fund balances - beginning of year	<u>-</u>	<u>221,345</u>	<u>12,852,162</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ 229,390</u>	<u>\$ 11,956,063</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Major Street Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
Intergovernmental				
State sources	\$ 7,700,000	\$ 7,700,000	\$ 8,025,817	\$ 325,817
Investment earnings (loss)	35,000	35,000	72,071	37,071
Total revenues	<u>7,735,000</u>	<u>7,735,000</u>	<u>8,097,888</u>	<u>362,888</u>
<b>Expenditures</b>				
Current				
Public works	3,701,638	3,701,638	2,532,469	(1,169,169)
Transfers out	6,500,000	7,154,000	7,154,000	-
Total expenditures	<u>10,201,638</u>	<u>10,855,638</u>	<u>9,686,469</u>	<u>(1,169,169)</u>
Net change in fund balance	(2,466,638)	(3,120,638)	(1,588,581)	1,532,057
Fund balance - beginning of year	<u>3,819,544</u>	<u>3,819,544</u>	<u>3,819,544</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,352,906</u>	<u>\$ 698,906</u>	<u>\$ 2,230,963</u>	<u>\$ 1,532,057</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Local Street Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
Intergovernmental				
State sources	\$ 3,000,000	\$ 3,000,000	\$ 3,152,724	\$ 152,724
Investment earnings (loss)	32,000	32,000	84,773	52,773
Transfers in	1,500,000	1,500,000	1,500,000	-
Total revenues	<u>4,532,000</u>	<u>4,532,000</u>	<u>4,737,497</u>	<u>205,497</u>
<b>Expenditures</b>				
Current				
Public works	3,737,597	3,737,597	2,727,114	(1,010,483)
Transfers out	3,000,000	3,000,000	3,000,000	-
Total expenditures	<u>6,737,597</u>	<u>6,737,597</u>	<u>5,727,114</u>	<u>(1,010,483)</u>
Net change in fund balance	(2,205,597)	(2,205,597)	(989,617)	1,215,980
Fund balance - beginning of year	<u>3,503,288</u>	<u>3,503,288</u>	<u>3,503,288</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,297,691</u>	<u>\$ 1,297,691</u>	<u>\$ 2,513,671</u>	<u>\$ 1,215,980</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Refuse Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
Property taxes	\$ 6,425,000	\$ 6,425,000	\$ 6,525,454	\$ 100,454
Intergovernmental				
State sources	60,000	60,000	88,914	28,914
Charges for services	500	500	1,106	606
Investment earnings (loss)	20,000	20,000	131,499	111,499
Total revenues	<u>6,505,500</u>	<u>6,505,500</u>	<u>6,746,973</u>	<u>241,473</u>
<b>Expenditures</b>				
Current				
Sanitation	<u>6,473,350</u>	<u>6,473,350</u>	<u>6,178,716</u>	<u>(294,634)</u>
Net change in fund balance	32,150	32,150	568,257	536,107
Fund balance - beginning of year	<u>1,120,591</u>	<u>1,120,591</u>	<u>1,120,591</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,152,741</u>	<u>\$ 1,152,741</u>	<u>\$ 1,688,848</u>	<u>\$ 536,107</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Transit Center Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under)
				Final Budget
<b>Revenues</b>				
Charges for services	\$ 150,000	\$ 150,000	\$ 108,045	\$ (41,955)
Transfers in	-	20,000	10,000	(10,000)
Total revenues	<u>150,000</u>	<u>170,000</u>	<u>118,045</u>	<u>(51,955)</u>
<b>Expenditures</b>				
Current				
General government	<u>144,864</u>	<u>144,864</u>	<u>110,361</u>	<u>(34,503)</u>
Net change in fund balance	5,136	25,136	7,684	(17,452)
Fund balance - beginning of year	<u>2,307</u>	<u>2,307</u>	<u>2,307</u>	<u>-</u>
Fund balance - end of year	<u>\$ 7,443</u>	<u>\$ 27,443</u>	<u>\$ 9,991</u>	<u>\$ (17,452)</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Drug Forfeiture Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Fines and forfeitures	\$ 131,000	\$ 131,000	\$ 240,090	\$ 109,090
Investment earnings (loss)	10,000	10,000	48,986	38,986
Sale of capital assets	-	-	20,050	20,050
Total revenues	<u>141,000</u>	<u>141,000</u>	<u>309,126</u>	<u>168,126</u>
<b>Expenditures</b>				
Current				
Public safety	144,040	144,040	81,705	(62,335)
Transfers out	340,000	340,000	-	(340,000)
Total expenditures	<u>484,040</u>	<u>484,040</u>	<u>81,705</u>	<u>(402,335)</u>
Net change in fund balance	(343,040)	(343,040)	227,421	570,461
Fund balance - beginning of year	<u>1,368,756</u>	<u>1,368,756</u>	<u>1,368,756</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,025,716</u>	<u>\$ 1,025,716</u>	<u>\$ 1,596,177</u>	<u>\$ 570,461</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Library Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Property taxes	\$ 6,550,000	\$ 6,550,000	\$ 6,656,765	\$ 106,765
Intergovernmental				
State grants	261,600	261,600	296,597	34,997
Charges for services	4,100	4,100	11,951	7,851
Fines and forfeitures	10,000	10,000	16,148	6,148
Investments earnings (loss)	40,000	40,000	194,369	154,369
Other	10,000	10,000	35,758	25,758
Total revenues	<u>6,875,700</u>	<u>6,875,700</u>	<u>7,211,588</u>	<u>335,888</u>
<b>Expenditures</b>				
Current				
Recreation and culture	5,163,574	5,198,574	5,247,367	48,793
Transfers out	1,260,000	2,124,577	1,093,529	(1,031,048)
Total expenditures	<u>6,423,574</u>	<u>7,323,151</u>	<u>6,340,896</u>	<u>(982,255)</u>
Net change in fund balance	452,126	(447,451)	870,692	1,318,143
Fund balance - beginning of year	<u>2,816,331</u>	<u>2,816,331</u>	<u>2,816,331</u>	<u>-</u>
Fund balance - end of year	<u>\$ 3,268,457</u>	<u>\$ 2,368,880</u>	<u>\$ 3,687,023</u>	<u>\$ 1,318,143</u>



**City of Troy, Michigan**  
**Other Supplementary Information**  
**Budgetary Comparison Schedule**  
**Community Development Block Grant Fund**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Intergovernmental				
Federal grants	\$ 170,000	\$ 190,000	\$ 59,443	\$ (130,557)
<b>Expenditures</b>				
Current				
Community and economic development	45,000	65,000	59,443	(5,557)
Transfers out	125,000	125,000	-	(125,000)
Total expenditures	170,000	190,000	59,443	(130,557)
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2024**

	Sylvan Glen Golf Course	Aquatic Center	Total
<b>Assets</b>			
Current assets			
Cash and investments	\$ 1,255,814	\$ 296,146	\$ 1,551,960
Receivables			
Accounts receivable	32,455	24,432	56,887
Leases receivable	114,085	-	114,085
Inventories	85,231	-	85,231
Prepaid items	23,268	-	23,268
Total current assets	<u>1,510,853</u>	<u>320,578</u>	<u>1,831,431</u>
Noncurrent assets			
Advances to other funds	3,344,230	-	3,344,230
Leases receivable	144,352	-	144,352
Capital assets not being depreciated	1,894,552	-	1,894,552
Capital assets being depreciated, net	1,444,051	743,835	2,187,886
Total noncurrent assets	<u>6,827,185</u>	<u>743,835</u>	<u>7,571,020</u>
Total assets	<u>8,338,038</u>	<u>1,064,413</u>	<u>9,402,451</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	2,585	142,958	145,543
Accrued liabilities	270,106	6,755	276,861
Current portion of notes payable	36,501	-	36,501
Total current liabilities	<u>309,192</u>	<u>149,713</u>	<u>458,905</u>
Noncurrent liabilities			
Advances from other funds	-	680,302	680,302
Total liabilities	<u>309,192</u>	<u>830,015</u>	<u>1,139,207</u>
<b>Deferred Inflows of Resources</b>			
Deferred lease amounts	<u>258,437</u>	-	<u>258,437</u>
<b>Net Position</b>			
Net investment in capital assets	3,302,102	743,835	4,045,937
Unrestricted (deficit)	4,468,307	(509,437)	3,958,870
Total net position	<u>\$ 7,770,409</u>	<u>\$ 234,398</u>	<u>\$ 8,004,807</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2024**

	Sylvan Glen Golf Course	Aquatic Center	Total
<b>Operating revenues</b>			
Charges for services			
Customer fees	\$ 1,512,342	\$ 572,028	\$ 2,084,370
Rental			
Golf course	253,322	-	253,322
Restaurant	75,863	-	75,863
Other	84,400	-	84,400
Other services	-	9,295	9,295
Total operating revenues	<u>1,925,927</u>	<u>581,323</u>	<u>2,507,250</u>
<b>Operating expenses</b>			
Operations	1,486,559	599,961	2,086,520
Depreciation	234,696	78,547	313,243
Total operating expenses	<u>1,721,255</u>	<u>678,508</u>	<u>2,399,763</u>
Operating income (loss)	<u>204,672</u>	<u>(97,185)</u>	<u>107,487</u>
<b>Nonoperating revenue (expenses)</b>			
Investment earnings (loss)	-	12,525	12,525
Gain on sale of capital assets	4,500	-	4,500
Loss on disposal of capital assets	-	(9,340)	(9,340)
Interest expense	(1,899)	-	(1,899)
Total nonoperating revenues (expenses)	<u>2,601</u>	<u>3,185</u>	<u>5,786</u>
Change in net position	207,273	(94,000)	113,273
Net position - beginning of year	<u>7,563,136</u>	<u>328,398</u>	<u>7,891,534</u>
Net position - end of year	<u>\$ 7,770,409</u>	<u>\$ 234,398</u>	<u>\$ 8,004,807</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2024**

	Sylvan Glen Golf Course	Aquatic Center	Total
<b>Cash flows from operating activities</b>			
Receipts from customers	\$ 1,987,409	\$ 567,346	\$ 2,554,755
Payments to suppliers	(1,461,830)	(657,189)	(2,119,019)
Net cash provided (used) by operating activities	<u>525,579</u>	<u>(89,843)</u>	<u>435,736</u>
<b>Cash flows from capital and related financing activities</b>			
Purchases/construction of capital assets	(60,799)	(311,177)	(371,976)
Principal and interest paid on long-term debt	(55,004)	-	(55,004)
Proceeds from sale of capital assets	4,500	-	4,500
Net cash provided (used) by capital and related financing activities	<u>(111,303)</u>	<u>(311,177)</u>	<u>(422,480)</u>
<b>Cash flows from investing activities</b>			
Investment income (loss)	-	12,525	12,525
Net change in cash and investments	414,276	(388,495)	25,781
Cash and investments - beginning of year	<u>841,538</u>	<u>684,641</u>	<u>1,526,179</u>
Cash and investments - end of year	<u>\$ 1,255,814</u>	<u>\$ 296,146</u>	<u>\$ 1,551,960</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>			
Operating income (loss)	\$ 204,672	\$ (97,185)	\$ 107,487
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation and amortization expense	234,696	78,547	313,243
Changes in assets and liabilities			
Receivables (net)	175,568	(13,977)	161,591
Inventories	(15,893)	-	(15,893)
Prepaid items	22,653	-	22,653
Accounts payable	(15,146)	(63,013)	(78,159)
Accrued and other liabilities	33,115	5,785	38,900
Lease related deferred inflows of resources	(114,086)	-	(114,086)
Net cash provided (used) by operating activities	<u>\$ 525,579</u>	<u>\$ (89,843)</u>	<u>\$ 435,736</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2024**

	Compensated Absences	Unemployment Compensation	Custodial Services	Information Technology	Motor Equipment	Workers' Compensation	Total
<b>Assets</b>							
Current assets							
Cash and investments	\$ 6,220,066	\$ 36,418	\$ 1,757,187	\$ 2,426,969	\$ 2,811,735	\$ 2,049,288	\$ 15,301,663
Receivables							
Accounts receivable	-	-	-	149	7,831	-	7,980
Inventories	-	-	-	-	410,981	-	410,981
Prepaid items	-	-	-	17,822	-	111,766	129,588
Total current assets	<u>6,220,066</u>	<u>36,418</u>	<u>1,757,187</u>	<u>2,444,940</u>	<u>3,230,547</u>	<u>2,161,054</u>	<u>15,850,212</u>
Noncurrent assets							
Capital assets not being depreciated	-	-	-	-	164,447	-	164,447
Capital assets, net of accumulated depreciation	-	-	-	323,089	10,948,621	-	11,271,710
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>323,089</u>	<u>11,113,068</u>	<u>-</u>	<u>11,436,157</u>
Total assets	<u>6,220,066</u>	<u>36,418</u>	<u>1,757,187</u>	<u>2,768,029</u>	<u>14,343,615</u>	<u>2,161,054</u>	<u>27,286,369</u>
<b>Liabilities</b>							
Current liabilities							
Accounts payable	-	488	22,875	95,207	215,549	-	334,119
Payroll and other liabilities	-	-	-	-	35,392	-	35,392
Compensated absences	3,647,036	-	-	-	-	-	3,647,036
Total current liabilities	<u>3,647,036</u>	<u>488</u>	<u>22,875</u>	<u>95,207</u>	<u>250,941</u>	<u>-</u>	<u>4,016,547</u>
Noncurrent liabilities							
Compensated absences	2,296,806	-	-	-	-	-	2,296,806
Total liabilities	<u>5,943,842</u>	<u>488</u>	<u>22,875</u>	<u>95,207</u>	<u>250,941</u>	<u>-</u>	<u>6,313,353</u>
<b>Net Position</b>							
Net investment in capital assets	-	-	-	323,089	11,113,068	-	11,436,157
Unrestricted	276,224	35,930	1,734,312	2,349,733	2,979,606	2,161,054	9,536,859
Total net position	<u>\$ 276,224</u>	<u>\$ 35,930</u>	<u>\$ 1,734,312</u>	<u>\$ 2,672,822</u>	<u>\$ 14,092,674</u>	<u>\$ 2,161,054</u>	<u>\$ 20,973,016</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2024**

	Compensated Absences	Unemployment Compensation	Custodial Services	Information Technology	Motor Pool	Workers' Compensation	Total
<b>Operating revenues</b>							
Charges for services	\$ 5,589,416	\$ -	\$ 1,669,210	\$ 2,620,404	\$ 12,529	\$ 769,394	\$ 10,660,953
Rental:							
Building	-	-	-	-	269,588	-	269,588
Equipment	-	-	-	-	4,684,068	-	4,684,068
Other services to City funds	-	3,558	-	-	701,133	16,654	721,345
Total operating revenues	<u>5,589,416</u>	<u>3,558</u>	<u>1,669,210</u>	<u>2,620,404</u>	<u>5,667,318</u>	<u>786,048</u>	<u>16,335,954</u>
<b>Operating expenses</b>							
Cost of sales and services	5,632,715	3,655	1,466,251	2,268,243	-	493,885	9,864,749
General and administrative	-	-	-	-	791,524	-	791,524
Operations	-	-	-	-	3,068,484	-	3,068,484
Depreciation	-	-	-	115,591	1,463,058	-	1,578,649
Total operating expenses	<u>5,632,715</u>	<u>3,655</u>	<u>1,466,251</u>	<u>2,383,834</u>	<u>5,323,066</u>	<u>493,885</u>	<u>15,303,406</u>
Operating income (loss)	<u>(43,299)</u>	<u>(97)</u>	<u>202,959</u>	<u>236,570</u>	<u>344,252</u>	<u>292,163</u>	<u>1,032,548</u>
<b>Nonoperating revenue (expenses)</b>							
Investment earnings (loss)	199,539	1,145	55,598	77,890	92,761	63,381	490,314
Gain on sale of capital assets	-	-	-	-	308,751	-	308,751
Total nonoperating revenues (expenses)	<u>199,539</u>	<u>1,145</u>	<u>55,598</u>	<u>77,890</u>	<u>401,512</u>	<u>63,381</u>	<u>799,065</u>
Change in net position	156,240	1,048	258,557	314,460	745,764	355,544	1,831,613
Net position - beginning of year	<u>119,984</u>	<u>34,882</u>	<u>1,475,755</u>	<u>2,358,362</u>	<u>13,346,910</u>	<u>1,805,510</u>	<u>19,141,403</u>
Net position - end of year	<u>\$ 276,224</u>	<u>\$ 35,930</u>	<u>\$ 1,734,312</u>	<u>\$ 2,672,822</u>	<u>\$ 14,092,674</u>	<u>\$ 2,161,054</u>	<u>\$ 20,973,016</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2024**

	Compensated Absences	Unemployment Compensation	Custodial Services	Information Technology	Motor Equipment	Workers' Compensation	Total
<b>Cash flows from operating activities</b>							
Receipts from interfund users	\$ 5,589,416	\$ 3,558	\$ 1,669,210	\$ 2,649,907	\$ 5,667,505	\$ 786,048	\$ 16,365,644
Payments to suppliers	(5,218,451)	(3,640)	(1,455,077)	(2,223,500)	(4,285,514)	(605,651)	(13,791,833)
Net cash provided (used) by operating activities	<u>370,965</u>	<u>(82)</u>	<u>214,133</u>	<u>426,407</u>	<u>1,381,991</u>	<u>180,397</u>	<u>2,573,811</u>
<b>Cash flows from capital and related financing activities</b>							
Purchases/construction of capital assets	-	-	-	(37,194)	(3,084,890)	-	(3,122,084)
Proceeds from sale of capital assets	-	-	-	-	226,143	-	226,143
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,194)</u>	<u>(2,858,747)</u>	<u>-</u>	<u>(2,895,941)</u>
<b>Cash flows from investing activities</b>							
Investment income (loss)	199,539	1,145	55,598	77,890	92,761	63,381	490,314
Net change in cash and investments	570,504	1,063	269,731	467,103	(1,383,995)	243,778	168,184
Cash and investments - beginning of year	5,649,562	35,355	1,487,456	1,959,866	4,195,730	1,805,510	15,133,479
Cash and investments - end of year	<u>\$ 6,220,066</u>	<u>\$ 36,418</u>	<u>\$ 1,757,187</u>	<u>\$ 2,426,969</u>	<u>\$ 2,811,735</u>	<u>\$ 2,049,288</u>	<u>\$ 15,301,663</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>							
Operating income (loss)	\$ (43,299)	\$ (97)	\$ 202,959	\$ 236,570	\$ 344,252	\$ 292,163	\$ 1,032,548
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities							
Depreciation and amortization expense	-	-	-	115,591	1,463,058	-	1,578,649
Changes in assets and liabilities							
Receivables (net)	-	-	-	29,503	187	-	29,690
Inventories	-	-	-	-	(64,805)	-	(64,805)
Prepaid items	-	-	-	(12,276)	-	(111,766)	(124,042)
Accounts payable	-	15	11,174	57,019	(396,093)	-	(327,885)
Accrued and other liabilities	-	-	-	-	35,392	-	35,392
Compensated absences	414,264	-	-	-	-	-	414,264
Net cash provided (used) by operating activities	<u>\$ 370,965</u>	<u>\$ (82)</u>	<u>\$ 214,133</u>	<u>\$ 426,407</u>	<u>\$ 1,381,991</u>	<u>\$ 180,397</u>	<u>\$ 2,573,811</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**Component Unit - Downtown Development Authority**  
**June 30, 2024**

	Operating	Adjustments	Statement of Net Position
<b>Assets</b>			
Current assets			
Cash and investments	\$ 5,515,699	\$ -	\$ 5,515,699
Receivables			
Taxes receivable	<u>130,982</u>	<u>-</u>	<u>130,982</u>
Total current assets	<u>\$ 5,646,681</u>	<u>-</u>	<u>5,646,681</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	330,019	-	330,019
Interest payable	-	23,185	23,185
Current portion of long-term liabilities	<u>-</u>	<u>680,000</u>	<u>680,000</u>
Total current liabilities	330,019	703,185	1,033,204
Noncurrent liabilities			
Long-term liabilities	<u>-</u>	<u>8,380,000</u>	<u>8,380,000</u>
Total liabilities	<u>330,019</u>	<u>9,083,185</u>	<u>9,413,204</u>
<b>Deferred Inflows of Resources</b>			
Unavailable property taxes	<u>130,981</u>	<u>(130,981)</u>	<u>-</u>
<b>Fund Balance</b>			
Unassigned	<u>5,185,681</u>	<u>(5,185,681)</u>	<u>-</u>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<u>\$ 5,646,681</u>		
<b>Net Position</b>			
Unrestricted (deficit)		<u>\$ (3,766,523)</u>	<u>\$ (3,766,523)</u>



**City of Troy, Michigan**  
**Other Supplementary Information**  
**Reconciliation of Fund Balance of the Governmental Fund**  
**to Net Position of Governmental Activities**  
**Component Unit - Downtown Development Authority**  
**June 30, 2024**

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<b>Fund balance - governmental fund</b>	\$ 5,185,681
Total net position for governmental activities in the statement of net position is different because:	
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	130,981
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest	(23,185)
Bonds, notes, premiums and discounts	<u>(9,060,000)</u>
<b>Net position of governmental activities</b>	<b><u>\$ (3,766,523)</u></b>

**City of Troy, Michigan**  
**Other Supplementary Information**

**Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Component Unit - Downtown Development Authority**  
**For the Year Ended June 30, 2024**

	<u>Operating</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Revenues</b>			
Taxes	\$ 2,717,743	\$ 16,291	\$ 2,734,034
Investment earnings (loss)	183,918	-	183,918
Total revenues	<u>2,901,661</u>	<u>16,291</u>	<u>2,917,952</u>
<b>Expenditures / expense</b>			
Current			
Community and economic development	823,251	-	823,251
Debt service			
Principal retirement	560,000	(560,000)	-
Interest and fiscal charges	142,857	(625)	142,232
Total expenditures / expense	<u>1,526,108</u>	<u>(560,625)</u>	<u>965,483</u>
Net change in fund balance / net position	1,375,553	576,916	1,952,469
Fund balance / net position (deficit) - beginning of year	<u>3,810,128</u>	<u>(9,529,120)</u>	<u>(5,718,992)</u>
Fund balance / net position (deficit) - end of year	<u>\$ 5,185,681</u>	<u>\$ (8,952,204)</u>	<u>\$ (3,766,523)</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance**  
**of the Governmental Fund to the Statement of Activities**  
**Component Unit - Downtown Development Authority**  
**For the Year Ended June 30, 2024**

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<b>Net change in fund balances - total governmental fund</b>	<b>\$ 1,375,553</b>
Total change in net position reported for governmental activities in the statement of activities is different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	
Property taxes	16,291
Expenses are recorded when incurred in the statement of activities.	
Accrued interest	625
Long-term liabilities and related transactions applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.	
Repayments of long-term debt	<u>560,000</u>
<b>Change in net position of governmental activities</b>	<b><u>\$ 1,952,469</u></b>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**Component Unit - Local Development Financing Authority**  
**June 30, 2024**

	<u>Operating</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>Assets</b>			
Current assets			
Cash and investments	\$ 198,519	\$ -	\$ 198,519
Taxes receivable	<u>1,953</u>	<u>-</u>	<u>1,953</u>
Total current assets	<u>\$ 200,472</u>	<u>-</u>	<u>200,472</u>
<b>Liabilities</b>			
Unearned revenue	\$ 1,953	<u>-</u>	<u>1,953</u>
<b>Fund Balance</b>			
Unassigned	<u>198,519</u>	<u>(198,519)</u>	<u>-</u>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<u>\$ 200,472</u>		
<b>Net Position</b>			
Unrestricted		<u>\$ 198,519</u>	<u>\$ 198,519</u>

**City of Troy, Michigan**  
**Other Supplementary Information**

**Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Component Unit - Local Development Financing Authority**  
**For the Year Ended June 30, 2024**

	<u>Operating</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Revenues</b>			
Taxes	\$ 176,456	\$ -	\$ 176,456
State grants	52,935	-	52,935
Investment earnings (loss)	7,948	-	7,948
Total revenues	<u>237,339</u>	-	<u>237,339</u>
<b>Expenditures / expense</b>			
Current			
Community and economic development	<u>134,401</u>	-	<u>134,401</u>
Net change in fund balance / net position	102,938	-	102,938
Fund balance / net position - beginning of year	<u>95,581</u>	-	<u>95,581</u>
Fund balance / net position - end of year	<u>\$ 198,519</u>	<u>\$ -</u>	<u>\$ 198,519</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Statement of Net Position and Governmental Fund Balance Sheet**  
**Component Unit - Brownfield Redevelopment Authority**  
**June 30, 2024**

	Operating	Adjustments	Statement of Net Position
<b>Assets</b>			
Current assets			
Cash and investments	\$ 897,405	\$ -	\$ 897,405
Taxes receivable	537	-	537
Total current assets	<u>\$ 897,942</u>	<u>-</u>	<u>897,942</u>
<b>Liabilities</b>			
Current liabilities			
Unearned revenue	\$ 537	-	537
<b>Fund Balance</b>			
Unassigned	<u>897,405</u>	<u>(897,405)</u>	<u>-</u>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<u>\$ 897,942</u>		
<b>Net Position</b>			
Unrestricted		<u>\$ 897,405</u>	<u>\$ 897,405</u>

**City of Troy, Michigan**  
**Other Supplementary Information**  
**Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Component Unit - Brownfield Redevelopment Authority**  
**For the Year Ended June 30, 2024**

	<u>Operating</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Revenues</b>			
Taxes	\$ 653,164	\$ -	\$ 653,164
Investment earnings (loss)	53,506	-	53,506
Total revenues	<u>706,670</u>	-	<u>706,670</u>
<b>Expenditures / expense</b>			
Current			
Community and economic development	<u>519,873</u>	-	<u>519,873</u>
Net change in fund balance / net position	186,797	-	186,797
Fund balance / net position - beginning of year	<u>710,608</u>	-	<u>710,608</u>
Fund balance / net position - end of year	<u>\$ 897,405</u>	<u>\$ -</u>	<u>\$ 897,405</u>

# STATISTICAL SECTION TABLE OF CONTENTS

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.

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<b>Revenue Capacity</b>	These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	118
<b>Debt Capacity</b>	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.	125
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<b>Continuing Disclosures</b>	Information contained herein complies with Rule 15c2-12, a federal regulation promulgated by the Securities and Exchange Commission, designed to improve disclosure practices in the municipal bond market.	146

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.



**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**Unaudited**

	2015	2016	2017	2018	2019
<b>Governmental activities</b>					
Net investment in capital assets	\$ 178,865,098	\$ 194,299,483	\$ 202,939,709	\$ 209,330,214	\$ 211,012,892
Restricted	24,785,605	19,460,570	19,429,092	17,995,682	49,675,789
Unrestricted	<u>82,121,441</u>	<u>79,865,292</u>	<u>13,264,407</u>	<u>17,351,506</u>	<u>5,617,794</u>
<b>Total governmental activities</b>	<u>\$ 285,772,144</u>	<u>\$ 293,625,345</u>	<u>\$ 235,633,208</u>	<u>\$ 244,677,402</u>	<u>\$ 266,306,475</u>
<b>Business-type activities</b>					
Net investment in capital assets	\$ 119,825,109	\$ 127,611,126	\$ 129,220,049	\$ 128,565,431	\$ 128,316,680
Restricted	-	-	-	-	1,194,908
Unrestricted	<u>45,659,008</u>	<u>38,593,816</u>	<u>39,342,785</u>	<u>39,035,755</u>	<u>38,588,206</u>
<b>Total business-type activities</b>	<u>\$ 165,484,117</u>	<u>\$ 166,204,942</u>	<u>\$ 168,562,834</u>	<u>\$ 167,601,186</u>	<u>\$ 168,099,794</u>
<b>Primary government</b>					
Net investment in capital assets	\$ 298,690,207	\$ 321,910,609	\$ 332,159,758	\$ 337,895,645	\$ 339,329,572
Restricted	24,785,605	19,460,570	19,429,092	17,995,682	50,870,697
Unrestricted	<u>127,780,449</u>	<u>118,459,108</u>	<u>52,607,192</u>	<u>56,387,261</u>	<u>44,206,000</u>
<b>Total primary government</b>	<u>\$ 451,256,261</u>	<u>\$ 459,830,287</u>	<u>\$ 404,196,042</u>	<u>\$ 412,278,588</u>	<u>\$ 434,406,269</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**Unaudited**

	2020	2021	2022	2023	2024
<b>Governmental activities</b>					
Net investment in capital assets	\$ 211,643,485	\$ 230,145,408	\$ 233,277,547	\$ 238,472,631	\$ 252,967,933
Restricted	71,427,127	77,713,480	80,401,648	81,478,063	93,319,004
Unrestricted	<u>6,622,679</u>	<u>10,477,522</u>	<u>7,202,418</u>	<u>18,645,580</u>	<u>17,171,544</u>
<b>Total governmental activities</b>	<u>\$ 289,693,291</u>	<u>\$ 318,336,410</u>	<u>\$ 320,881,613</u>	<u>\$ 338,596,274</u>	<u>\$ 363,458,481</u>
<b>Business-type activities</b>					
Net investment in capital assets	\$ 132,389,502	\$ 142,141,489	\$ 143,593,325	\$ 149,413,653	\$ 149,982,907
Restricted	1,334,545	1,763,231	1,982,936	2,137,566	2,590,963
Unrestricted	<u>32,607,856</u>	<u>23,224,217</u>	<u>16,860,483</u>	<u>9,518,176</u>	<u>5,506,070</u>
<b>Total business-type activities</b>	<u>\$ 166,331,903</u>	<u>\$ 167,128,937</u>	<u>\$ 162,436,744</u>	<u>\$ 161,069,395</u>	<u>\$ 158,079,940</u>
<b>Primary government</b>					
Net investment in capital assets	\$ 344,032,987	\$ 372,286,897	\$ 376,870,872	\$ 387,886,284	\$ 402,950,840
Restricted	72,761,672	79,476,711	82,384,584	83,615,629	95,909,967
Unrestricted	<u>39,230,535</u>	<u>33,701,739</u>	<u>24,062,901</u>	<u>28,163,756</u>	<u>22,677,614</u>
<b>Total primary government</b>	<u>\$ 456,025,194</u>	<u>\$ 485,465,347</u>	<u>\$ 483,318,357</u>	<u>\$ 499,665,669</u>	<u>\$ 521,538,421</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**Unaudited**

	2015	2016	2017	2018	2019
<b>Expenses</b>					
Governmental activities					
General government	\$ 10,449,379	\$ 11,305,100	\$ 10,925,546	\$ 10,527,094	\$ 9,161,093
Public safety	35,744,673	31,023,545	29,403,916	29,357,164	23,995,136
Public works	17,224,145	16,269,932	16,553,537	18,123,198	17,532,358
Sanitation	4,606,627	4,517,499	4,889,569	5,007,584	5,250,265
Community and economic development	1,018,643	955,880	794,535	851,314	305,789
Recreation and culture	10,091,847	10,248,458	10,442,184	11,320,591	11,114,884
Interest on long-term debt	1,444,384	1,344,219	1,206,243	1,095,894	975,567
Total governmental activities	<u>80,579,698</u>	<u>75,664,633</u>	<u>74,215,530</u>	<u>76,282,839</u>	<u>68,335,092</u>
Business-type activities					
Water	15,767,708	18,508,493	18,992,183	20,809,872	20,163,346
Sewer	12,807,380	12,584,209	12,401,390	14,441,047	14,545,633
Sanctuary Lake golf course	1,733,846	1,900,990	1,917,677	1,930,551	1,960,575
Sylvan Glen golf course	1,130,082	1,143,351	1,114,618	1,082,544	1,111,941
Aquatic center	583,709	700,430	717,905	655,821	699,130
Total business-type activities	<u>32,022,725</u>	<u>34,837,473</u>	<u>35,143,773</u>	<u>38,919,835</u>	<u>38,480,625</u>
<b>Total primary government expenses</b>	<u>112,602,423</u>	<u>110,502,106</u>	<u>109,359,303</u>	<u>115,202,674</u>	<u>106,815,717</u>
<b>Program revenues</b>					
Governmental activities					
Charges for services					
General government	3,783,480	3,766,949	3,983,385	3,862,669	3,953,495
Public safety	4,691,450	4,451,076	4,612,475	4,975,806	5,243,086
Public works	3,364,953	3,335,490	2,916,921	3,082,359	2,046,635
Sanitation	6,590	8,630	8,199	25,923	1,118
Community and economic development	-	-	-	-	-
Recreation and culture	3,589,925	3,587,481	3,683,297	3,698,180	3,756,819
Operating grants and contributions	1,097,166	760,549	951,275	1,134,640	810,436
Capital grants and contributions	10,447,244	11,466,690	9,304,781	10,501,834	11,438,685
Total governmental activities	<u>26,980,808</u>	<u>27,376,865</u>	<u>25,460,333</u>	<u>27,281,411</u>	<u>27,250,274</u>
Business-type activities					
Charges for services					
Water	14,626,110	17,465,511	20,699,381	20,154,112	19,679,644
Sewer	11,900,157	12,470,724	13,513,930	13,335,048	13,125,364
Sanctuary Lake golf course	1,375,137	1,809,386	1,739,789	1,781,278	1,782,237
Sylvan Glen golf course	1,128,968	1,291,367	1,363,358	1,298,319	1,269,017
Aquatic center	431,141	728,589	591,389	578,108	552,340
Operating grants and contributions	19,153	-	-	-	-
Capital grants and contributions	285,963	1,104,132	2,681,660	738,252	1,064,065
Total business-type activities	<u>29,766,629</u>	<u>34,869,709</u>	<u>40,589,507</u>	<u>37,885,117</u>	<u>37,472,667</u>
<b>Total primary government program revenues</b>	<u>56,747,437</u>	<u>62,246,574</u>	<u>66,049,840</u>	<u>65,166,528</u>	<u>64,722,941</u>
<b>Net (expense)/revenue</b>					
Governmental activities	(53,598,890)	(48,287,768)	(48,755,197)	(49,001,428)	(41,084,818)
Business-type activities	(2,256,096)	32,236	5,445,734	(1,034,718)	(1,007,958)
<b>Total primary government net expense</b>	<u>(55,854,986)</u>	<u>(48,255,532)</u>	<u>(43,309,463)</u>	<u>(50,036,146)</u>	<u>(42,092,776)</u>
<b>General revenues</b>					
Governmental activities					
General revenues					
Property taxes	46,993,478	48,369,185	48,184,737	49,396,636	51,108,963
State-shared revenue and other state grants	6,541,560	6,535,632	8,091,385	8,378,417	8,535,476
Grants and contributions not restricted	22,848	24,472	14,619	20,070	18,188
Unrestricted investment earnings (loss)	258,208	1,079,714	12,506	93,835	2,635,494
Miscellaneous	523,636	131,968	-	156,664	415,770
Total governmental activities	<u>54,339,730</u>	<u>56,140,971</u>	<u>56,303,247</u>	<u>58,045,622</u>	<u>62,713,891</u>
Business-type activities					
General revenues					
Unrestricted investment earnings (loss)	131,526	681,643	29,858	73,070	1,466,100
Miscellaneous	-	6,946	-	-	40,466
Total business-type activities	<u>131,526</u>	<u>688,589</u>	<u>29,858</u>	<u>73,070</u>	<u>1,506,566</u>
<b>Total primary government</b>	<u>54,471,256</u>	<u>56,829,560</u>	<u>56,333,105</u>	<u>58,118,692</u>	<u>64,220,457</u>
<b>Change in net position</b>					
Governmental activities	740,840	7,853,203	7,548,050	9,044,194	21,629,073
Business-type activities	(2,124,570)	720,825	5,475,592	(961,648)	498,608
<b>Total primary government</b>	<u>\$ (1,383,730)</u>	<u>\$ 8,574,028</u>	<u>\$ 13,023,642</u>	<u>\$ 8,082,546</u>	<u>\$ 22,127,681</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**  
**Unaudited**

	2020	2021	2022	2023	2024
<b>Expenses</b>					
Governmental activities					
General government	\$ 6,511,152	\$ 7,630,092	\$ 9,992,627	\$ 10,139,417	\$ 14,917,110
Public safety	23,297,176	23,743,952	34,285,696	30,335,955	32,035,747
Public works	17,216,100	17,217,363	21,100,594	17,976,458	20,804,742
Sanitation	5,358,719	5,534,606	5,656,929	5,950,274	6,178,716
Community and economic development	275,784	805,526	1,009,707	4,142,399	4,656,013
Recreation and culture	9,982,617	8,396,449	11,944,043	13,449,956	14,571,154
Interest on long-term debt	843,586	637,086	167,576	152,973	154,769
Total governmental activities	<u>63,485,134</u>	<u>63,965,074</u>	<u>84,157,172</u>	<u>82,147,432</u>	<u>93,318,251</u>
Business-type activities					
Water	19,914,841	20,639,128	20,927,528	22,129,369	24,001,713
Sewer	14,590,131	15,063,368	15,371,118	15,881,121	15,839,514
Sanctuary Lake golf course	1,908,982	2,202,815	2,381,697	2,546,170	2,609,494
Sylvan Glen golf course	1,206,036	1,258,376	1,409,200	1,609,537	1,723,154
Aquatic center	515,238	473,997	706,923	589,748	677,316
Total business-type activities	<u>38,135,228</u>	<u>39,637,684</u>	<u>40,796,466</u>	<u>42,755,945</u>	<u>44,851,191</u>
<b>Total primary government expenses</b>	<u>101,620,362</u>	<u>103,602,758</u>	<u>124,953,638</u>	<u>124,903,377</u>	<u>138,169,442</u>
<b>Program revenues</b>					
Governmental activities					
Charges for services					
General government	3,792,227	4,115,452	3,445,352	3,317,610	4,098,030
Public safety	4,370,991	4,563,533	4,279,158	2,235,361	2,167,204
Public works	2,077,937	2,888,371	2,933,503	4,021,104	4,001,769
Sanitation	940	422	575	-	-
Community and economic development	-	-	-	2,534,219	3,655,302
Recreation and culture	2,183,119	1,054,435	2,449,412	2,698,631	2,746,222
Operating grants and contributions	964,952	6,042,781	1,573,630	3,421,036	5,122,261
Capital grants and contributions	9,903,857	11,003,755	10,951,311	12,533,045	19,101,496
Total governmental activities	<u>23,294,023</u>	<u>29,668,749</u>	<u>25,632,941</u>	<u>30,761,006</u>	<u>40,892,284</u>
Business-type activities					
Charges for services					
Water	19,189,709	20,488,367	19,088,120	21,355,575	21,689,323
Sewer	12,702,238	13,759,793	12,953,666	13,839,768	14,236,340
Sanctuary Lake golf course	1,684,938	2,310,026	2,253,407	2,601,183	2,656,053
Sylvan Glen golf course	1,339,293	1,800,034	1,614,615	1,932,909	1,925,927
Aquatic center	305,292	247,343	785,243	587,452	572,028
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	196,436	2,077,664	913,952	731,734	391,205
Total business-type activities	<u>35,417,906</u>	<u>40,683,227</u>	<u>37,609,003</u>	<u>41,048,621</u>	<u>41,470,876</u>
<b>Total primary government program revenues</b>	<u>58,711,929</u>	<u>70,351,976</u>	<u>63,241,944</u>	<u>71,809,627</u>	<u>82,363,160</u>
<b>Net (expense)/revenue</b>					
Governmental activities	(40,191,111)	(34,296,325)	(58,524,231)	(51,386,426)	(52,425,967)
Business-type activities	<u>(2,717,322)</u>	<u>1,045,543</u>	<u>(3,187,463)</u>	<u>(1,707,324)</u>	<u>(3,380,315)</u>
<b>Total primary government net expense</b>	<u>(42,908,433)</u>	<u>(33,250,782)</u>	<u>(61,711,694)</u>	<u>(53,093,750)</u>	<u>(55,806,282)</u>
<b>General revenues</b>					
Governmental activities					
General revenues					
Property taxes	52,975,285	53,623,652	54,937,941	57,724,838	62,083,872
State-shared revenue and other state grants	8,346,267	9,601,689	12,144,090	9,968,092	10,197,668
Grants and contributions not restricted	18,210	27,884	25,153	-	-
Unrestricted investment earnings (loss)	2,003,122	(526,158)	(6,244,462)	(2,921,084)	3,874,231
Miscellaneous	235,043	212,377	206,712	670,534	1,132,403
Total governmental activities	<u>63,577,927</u>	<u>62,939,444</u>	<u>61,069,434</u>	<u>65,442,380</u>	<u>77,288,174</u>
Business-type activities					
General revenues					
Unrestricted investment earnings (loss)	949,431	(248,509)	(1,504,730)	304,614	341,012
Miscellaneous	-	-	-	35,361	49,848
Total business-type activities	<u>949,431</u>	<u>(248,509)</u>	<u>(1,504,730)</u>	<u>339,975</u>	<u>390,860</u>
<b>Total primary government</b>	<u>64,527,358</u>	<u>62,690,935</u>	<u>59,564,704</u>	<u>65,782,355</u>	<u>77,679,034</u>
<b>Change in net position</b>					
Governmental activities	23,386,816	28,643,119	2,545,203	14,055,954	24,862,207
Business-type activities	<u>(1,767,891)</u>	<u>797,034</u>	<u>(4,692,193)</u>	<u>(1,367,349)</u>	<u>(2,989,455)</u>
<b>Total primary government</b>	<u>\$ 21,618,925</u>	<u>\$ 29,440,153</u>	<u>\$ (2,146,990)</u>	<u>\$ 12,688,605</u>	<u>\$ 21,872,752</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**Unaudited**

	2015	2016	2017	2018	2019
<b>General fund</b>					
Nonspendable	\$ 5,287,206	\$ 5,669,290	\$ 6,260,979	\$ 6,885,751	\$ 7,215,136
Restricted	1,538,879	1,563,203	1,563,397	1,565,721	1,617,390
Assigned	8,075,520	5,312,270	4,561,613	6,326,870	5,895,860
Unassigned	<u>19,716,862</u>	<u>20,062,397</u>	<u>19,776,349</u>	<u>18,661,478</u>	<u>19,674,536</u>
<b>Total general fund</b>	<u>34,618,467</u>	<u>32,607,160</u>	<u>32,162,338</u>	<u>33,439,820</u>	<u>34,402,922</u>
<b>All other governmental funds</b>					
Nonspendable	200,512	196,900	293,680	187,299	268,684
Restricted	23,781,735	19,510,120	19,352,374	17,996,223	21,311,972
Committed	<u>803,358</u>	<u>2,720,822</u>	<u>945,425</u>	<u>132,263</u>	<u>564,900</u>
<b>Total all other governmental funds</b>	<u>24,785,605</u>	<u>22,427,842</u>	<u>20,591,479</u>	<u>18,315,785</u>	<u>22,145,556</u>
<b>Total governmental funds</b>	<u>\$ 59,404,072</u>	<u>\$ 55,035,002</u>	<u>\$ 52,753,817</u>	<u>\$ 51,755,605</u>	<u>\$ 56,548,478</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**Unaudited**

	2020	2021*	2022	2023	2024
<b>General fund</b>					
Nonspendable	\$ 8,084,436	\$ 9,779,366	\$ 9,994,166	\$ 9,626,031	\$ 10,288,818
Restricted	1,656,276	-	-	-	-
Assigned	5,801,438	7,149,823	8,075,027	6,320,196	5,168,462
Unassigned	17,486,669	22,737,062	21,544,036	19,650,093	27,307,266
<b>Total general fund</b>	<u>33,028,819</u>	<u>39,666,251</u>	<u>39,613,229</u>	<u>35,596,320</u>	<u>42,764,546</u>
<b>All other governmental funds</b>					
Nonspendable	249,339	246,425	256,177	280,635	255,127
Restricted	26,185,903	25,217,102	23,068,541	20,827,425	22,518,714
Committed	304,163	656,477	-	-	-
<b>Total all other governmental funds</b>	<u>26,739,405</u>	<u>26,120,004</u>	<u>23,324,718</u>	<u>21,108,060</u>	<u>22,773,841</u>
<b>Total governmental funds</b>	<u>\$ 59,768,224</u>	<u>\$ 65,786,255</u>	<u>\$ 62,937,947</u>	<u>\$ 56,704,380</u>	<u>\$ 65,538,387</u>

\* Beginning with fiscal year 2021, the budget stabilization portion of fund balance is reported as unassigned.

**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**Unaudited**

	2015	2016	2017	2018	2019
<b>Revenues</b>					
Property taxes	\$ 47,032,046	\$ 48,181,711	\$ 48,330,909	\$ 49,449,053	\$ 51,118,782
Licenses and permits	2,896,533	2,519,342	2,755,580	2,947,987	2,930,791
Intergovernmental - federal	1,909,795	2,492,626	564,401	419,889	350,211
Intergovernmental - state	14,532,201	14,016,525	15,102,588	17,266,839	18,707,814
Intergovernmental - local	587,902	1,401,455	1,624,744	1,227,514	904,756
Charges for services	9,375,710	9,636,700	9,198,024	9,328,352	8,353,157
Fines and forfeits	1,418,354	1,183,571	1,415,429	1,617,607	1,557,399
Investment earnings (loss)	224,322	865,229	10,795	70,137	2,102,986
Other	3,086,024	2,948,266	3,167,305	3,139,232	3,261,326
<b>Total revenues</b>	<u>81,062,887</u>	<u>83,245,425</u>	<u>82,169,775</u>	<u>85,466,610</u>	<u>89,287,222</u>
<b>Expenditures</b>					
Current					
General government	6,992,997	7,338,404	7,931,122	7,557,035	8,241,232
Public safety	31,108,472	28,611,021	29,860,208	31,427,553	33,487,111
Public works	5,638,918	5,372,214	5,441,176	6,184,744	5,946,526
Sanitation	4,606,610	4,517,910	4,890,106	5,008,258	5,250,790
Community and economic development	3,207,237	3,186,003	3,364,862	3,627,340	3,977,888
Recreation and culture	9,186,959	9,457,699	9,793,755	10,771,468	11,088,389
Debt service					
Principal	2,832,182	2,922,716	2,980,066	2,910,420	3,095,470
Lease principal	-	-	-	-	-
Interest and other charges	1,505,715	1,407,944	1,274,264	1,160,095	1,042,658
Bond issuance costs	-	-	-	-	-
Capital outlay	19,554,175	24,973,022	18,916,700	17,818,579	12,587,681
<b>Total expenditures</b>	<u>84,633,265</u>	<u>87,786,933</u>	<u>84,452,259</u>	<u>86,465,492</u>	<u>84,717,745</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(3,570,378)</u>	<u>(4,541,508)</u>	<u>(2,282,484)</u>	<u>(998,882)</u>	<u>4,569,477</u>
<b>Other financing sources (uses)</b>					
Transfers in	15,247,847	18,223,266	15,568,422	14,583,366	14,694,064
Transfers out	(15,306,857)	(18,226,266)	(15,568,422)	(14,583,366)	(14,694,064)
Issuance of debt	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-
Issuance of leases payable	-	-	-	-	-
Proceeds from the sale of capital assets	415,717	172,438	1,299	670	223,396
<b>Total other financing sources (uses)</b>	<u>356,707</u>	<u>169,438</u>	<u>1,299</u>	<u>670</u>	<u>223,396</u>
<b>Net change in fund balances</b>	<u>\$ (3,213,671)</u>	<u>\$ (4,372,070)</u>	<u>\$ (2,281,185)</u>	<u>\$ (998,212)</u>	<u>\$ 4,792,873</u>
Debt service as a percentage of noncapital expenditures	6.70%	6.90%	6.50%	5.90%	5.70%

**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**Unaudited**

	2020	2021	2022	2023	2024
<b>Revenues</b>					
Property taxes	\$ 52,847,967	\$ 53,699,190	\$ 54,891,265	\$ 57,745,884	\$ 62,107,241
Licenses and permits	2,684,369	2,575,884	2,499,549	2,778,942	4,011,295
Intergovernmental - federal	410,169	4,907,302	173,441	1,652,147	9,751,411
Intergovernmental - state	17,461,280	19,604,050	23,077,936	23,116,438	23,577,958
Intergovernmental - local	479,549	803,030	786,577	1,027,077	960,642
Charges for services	6,763,062	7,088,481	7,745,679	8,575,938	8,486,035
Fines and forfeits	1,097,965	943,594	858,936	748,775	972,438
Investment earnings (loss)	1,607,993	(427,806)	(5,137,848)	(2,324,925)	3,573,457
Other	3,022,060	6,106,702	2,778,135	3,353,715	3,576,842
<b>Total revenues</b>	<u>86,374,414</u>	<u>95,300,427</u>	<u>87,673,670</u>	<u>96,673,991</u>	<u>117,017,319</u>
<b>Expenditures</b>					
Current					
General government	8,436,783	8,879,688	9,012,053	10,349,564	10,640,781
Public safety	33,833,913	35,415,218	35,434,031	45,771,854	36,771,192
Public works	5,946,118	6,682,499	7,846,946	7,185,790	7,703,448
Sanitation	5,359,069	5,534,659	5,656,977	5,950,274	6,178,716
Community and economic development	3,854,144	3,610,414	4,218,892	4,146,097	4,696,430
Recreation and culture	10,193,878	8,808,681	11,004,020	12,397,444	13,827,508
Debt service					
Principal	3,136,159	3,385,338	640,145	660,523	738,586
Lease principal	-	-	5,322	-	-
Interest and other charges	910,498	568,454	172,297	146,998	149,097
Bond issuance costs	-	154,147	-	-	-
Capital outlay	11,596,804	13,195,645	16,603,584	19,982,606	27,499,454
<b>Total expenditures</b>	<u>83,267,366</u>	<u>86,234,743</u>	<u>90,594,267</u>	<u>106,591,150</u>	<u>108,205,212</u>
<b>Excess of revenues over (under) expenditures</b>	<u>3,107,048</u>	<u>9,065,684</u>	<u>(2,920,597)</u>	<u>(9,917,159)</u>	<u>8,812,107</u>
<b>Other financing sources (uses)</b>					
Transfers in	15,649,224	12,425,144	8,934,090	8,915,745	13,258,729
Transfers out	(15,649,224)	(12,425,144)	(8,934,090)	(8,915,745)	(13,258,729)
Issuance of debt	-	10,105,000	-	-	-
Payments to escrow agent	-	(13,163,253)	-	-	-
Issuance of leases payable	-	-	47,739	-	-
Proceeds from the sale of capital assets	112,698	10,600	24,550	24,885	21,900
<b>Total other financing sources (uses)</b>	<u>112,698</u>	<u>(3,047,653)</u>	<u>72,289</u>	<u>24,885</u>	<u>21,900</u>
<b>Net change in fund balances</b>	<u>\$ 3,219,746</u>	<u>\$ 6,018,031</u>	<u>\$ (2,848,308)</u>	<u>\$ (9,892,274)</u>	<u>\$ 8,834,007</u>
Debt service as a percentage of noncapital expenditures	5.70%	4.60%	1.10%	0.92%	1.08%



**City of Troy, Michigan**  
**Statistical Section**  
**Financial Trends**  
**General Governmental Tax Revenue by Source**  
**Last Ten Fiscal Years**  
**Unaudited**

Fiscal Year Ended June 30,	Governmental Activities				General Debt	Total All
	General	Refuse	Library	Capital	Service	Property Taxes
2015	\$ 29,844,976	\$ 4,595,925	\$ 3,004,907	\$ 6,574,245	\$ 2,973,425	\$ 46,993,478
2016	30,673,539	4,733,992	3,083,735	6,771,668	3,106,251	48,369,185
2017	30,813,146	4,764,992	3,110,616	6,815,995	2,679,988	48,184,737
2018	31,687,325	4,909,101	3,179,008	6,861,168	2,760,034	49,396,636
2019	32,998,890	5,102,374	3,280,407	6,860,470	2,866,822	51,108,963
2020	34,363,615	5,416,656	3,397,872	6,908,413	2,888,729	52,975,285
2021	35,627,322	5,601,191	3,495,199	6,941,975	1,957,965	53,623,652
2022	36,373,432	5,721,634	5,852,034	6,990,841	-	54,937,941
2023	38,623,852	6,083,763	6,185,677	6,852,592	-	57,745,884
2024	38,838,479	6,514,407	6,645,827	7,333,241	-	59,331,954

**City of Troy, Michigan**  
**Statistical Section**  
**Revenue Capacity**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**Unaudited**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percentage of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections to Date	Percentage of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2015	\$ 45,097,245	\$ 44,545,996	98.78%	\$ 483,614	\$ 45,029,610	99.85%	\$ 67,635	0.15%
2016	46,462,301	45,764,152	98.50%	615,231	46,379,383	99.82%	82,918	0.18%
2017	46,326,577	45,802,258	98.87%	476,191	46,278,449	99.90%	48,128	0.10%
2018	47,541,259	47,004,145	98.87%	481,373	47,485,518	99.88%	55,741	0.12%
2019	49,116,110	48,572,479	98.89%	477,132	49,049,611	99.86%	66,499	0.14%
2020	50,921,876	50,214,786	98.61%	572,577	50,787,363	99.74%	134,513	0.26%
2021	51,398,079	50,852,466	98.94%	497,734	51,350,200	99.91%	47,879	0.09%
2022	52,816,046	52,275,997	98.98%	423,823	52,699,820	99.78%	116,226	0.22%
2023	55,329,238	54,738,794	98.93%	505,578	55,244,372	99.85%	84,866	0.15%
2024	59,214,794	58,216,334	98.31%	871,825	59,088,159	99.79%	98,057	0.17%

**City of Troy, Michigan**  
**Statistical Section**  
**Revenue Capacity**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**(Per \$1,000 of Assessed Valuation)**  
**Unaudited**

Tax Year	City of Troy						Overlapping Governments	
	General	Capital	Refuse	Debt	Library	Total	Troy School District	Oakland County
2014 H	6.50	1.53	1.09	0.70	0.70	10.52	10.07	4.65
2014 NH	6.50	1.53	1.09	0.70	0.70	10.52	22.95	4.65
2015 H	6.50	1.53	1.07	0.70	0.70	10.50	9.96	4.65
2015 NH	6.50	1.53	1.07	0.70	0.70	10.50	22.59	4.65
2016 H	6.50	1.53	1.07	0.70	0.70	10.50	9.69	4.55
2016 NH	6.50	1.53	1.07	0.70	0.70	10.50	22.58	4.55
2017 H	6.50	1.53	1.07	0.60	0.70	10.40	10.33	4.49
2017 NH	6.50	1.53	1.07	0.60	0.70	10.40	22.70	4.49
2018 H	6.50	1.44	1.07	0.60	0.69	10.30	10.33	4.49
2018 NH	6.50	1.44	1.07	0.60	0.69	10.30	22.70	4.49
2019 H	6.50	1.39	1.09	0.58	0.68	10.24	9.97	4.48
2019 NH	6.50	1.39	1.09	0.58	0.68	10.24	23.09	4.48
2020 H	6.50	1.35	1.09	0.38	0.68	10.00	9.75	4.58
2020 NH	6.50	1.35	1.09	0.38	0.68	10.00	23.08	4.58
2021 H	6.50	1.33	1.09	-	1.09	10.02	8.47	4.36
2021 NH	6.50	1.33	1.09	-	1.09	10.02	23.08	4.36
2022 H	6.50	1.23	1.09	-	1.08	9.90	8.13	4.52
2022 NH	6.50	1.23	1.09	-	1.08	9.90	23.07	4.52
2023 H	6.50	1.23	1.09	-	1.08	9.90	9.84	4.31
2023 NH	6.50	1.23	1.09	-	1.08	9.90	25.07	4.31

H - Homestead

NH - Non-Homestead

\* Not a new millage - For Tax Year 2021, the City has chosen to report this millage separately.

Note: The tax year reflects the July 1 and December 1 levy dates.

**City of Troy, Michigan**  
**Statistical Section**  
**Revenue Capacity**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
**(Per \$1,000 of Assessed Valuation)**  
**Unaudited**

Overlapping Governments

Tax Year	Oakland County		Oakland Transit	State Education	Zoo	Art	HCMA*	Total
	Community College	Intermediate School District						
2014 H	1.58	3.37	0.59	6.00	0.10	0.20	-	37.08
2014 NH	1.58	3.37	0.59	6.00	0.10	0.20	-	49.96
2015 H	1.58	3.37	1.00	6.00	0.10	0.20	-	37.36
2015 NH	1.58	3.37	1.00	6.00	0.10	0.20	-	49.99
2016 H	1.58	3.36	1.00	6.00	0.10	0.20	-	36.98
2016 NH	1.58	3.36	1.00	6.00	0.10	0.20	-	49.87
2017 H	1.57	3.34	0.99	6.00	0.10	0.20	-	37.42
2017 NH	1.57	3.34	0.99	6.00	0.10	0.20	-	49.80
2018 H	1.56	3.11	0.99	6.00	0.10	0.20	-	37.07
2018 NH	1.56	3.11	0.99	6.00	0.10	0.20	-	49.44
2019 H	1.53	3.25	0.99	6.00	0.10	0.19	-	36.74
2019 NH	1.53	3.25	0.99	6.00	0.10	0.20	-	49.87
2020 H	1.52	3.23	0.99	6.00	0.10	0.19	-	36.36
2020 NH	1.52	3.23	0.99	6.00	0.10	0.19	-	49.69
2021 H	1.51	3.20	0.98	6.00	0.10	0.19	0.21	35.02
2021 NH	1.51	3.20	0.98	6.00	0.10	0.19	0.21	49.63
2022 H	1.49	3.17	0.98	6.00	0.10	0.19	0.21	34.68
2022 NH	1.49	3.17	0.98	6.00	0.10	0.19	0.21	49.61
2023 H	1.49	3.17	0.95	6.00	0.10	0.19	0.21	36.15
2023 NH	1.49	3.17	0.95	6.00	0.10	0.19	0.21	51.38

H - Homestead

NH - Non-Homestead

\* Not a new millage - For Tax Year 2021, the City has chosen to report this millage separately.

Note: The tax year reflects the July 1 and December 1 levy dates.

**City of Troy, Michigan**  
**Statistical Section**  
**Revenue Capacity**  
**Assessed Value and Taxable Value of Property**  
**Last Ten Fiscal Years**  
**Unaudited**

Assessment Date	Levy Date	Fiscal Year Ended	Residential Property	Commercial Property	Industrial Property	Personal Property
12/31/2013	7/01/2014	6/30/2015	\$ 2,790,011,280	\$ 878,242,440	\$ 277,484,950	\$ 425,887,200
12/31/2014	7/01/2015	6/30/2016	2,894,875,560	891,581,610	281,097,400	437,230,620
12/31/2015	7/01/2016	6/30/2017	2,977,938,320	893,540,330	286,584,670	381,971,050
12/31/2016	7/01/2017	6/30/2018	3,079,437,250	917,513,840	298,329,510	384,517,840
12/31/2017	7/01/2018	6/30/2019	3,226,541,500	956,053,740	308,328,990	382,154,210
12/31/2018	7/01/2019	6/30/2020	3,385,512,720	1,002,161,500	322,138,580	386,182,310
12/31/2019	7/01/2020	6/30/2021	3,524,719,650	1,024,716,730	335,525,460	380,822,580
12/31/2020	7/01/2021	6/30/2022	3,641,174,870	1,025,559,740	346,283,520	365,554,540
12/31/2021	7/01/2022	6/30/2023	3,833,877,750	1,177,946,600	374,129,120	368,284,690
12/31/2022	7/01/2023	6/30/2024	4,113,587,760	1,301,750,390	411,040,030	364,598,800

Source: City of Troy Assessing records

Note: The estimated assessed value is calculated using a 12-month sales study updated annually.

Proposal "A", as passed by the citizens of Michigan, took effect in 1994. This Proposal created two new categories for tax and assessment purposes (taxable value and capped value). Assessed value was unchanged by the Proposal, and remains at 50% of the market value of a property.

Taxable value is the amount upon which millage rate (taxes) are now levied. Taxable value is defined as the lesser of assessed value or capped value.

Capped value is calculated by taking the previous year's taxable value, minus any losses in value, multiplied by the inflation rate or 5% (whichever is less) plus any new construction.

This Proposal also mandated that the taxable value and assessed value were to be equal for the year following a transfer of ownership (as defined by the statutes), and then the capping process would begin anew.

The taxable and assessed valuation of taxable property is determined as of December 31st of each year.

**City of Troy, Michigan**  
**Statistical Section**  
**Revenue Capacity**  
**Assessed Value and Taxable Value of Property**  
**Last Ten Fiscal Years**  
**Unaudited**

Total Gross Taxable Value	Michigan Tax Tribunals, Board of Reviews and TIFs	Net Taxable Value	Total Direct Tax Rate	Assessed Value	Taxable Value as a Percentage of Assessed Value
\$ 4,371,625,870	\$ (93,053,718)	\$ 4,278,572,152	10.50	\$ 4,827,541,740	90.56%
4,504,785,190	(98,475,692)	4,406,309,498	10.50	5,313,611,700	84.78%
4,540,034,370	(79,428,775)	4,460,605,595	10.40	5,626,878,870	80.68%
4,679,798,440	(99,915,047)	4,579,883,393	10.36	5,894,241,720	79.40%
4,873,078,440	(109,210,295)	4,763,868,145	10.30	6,146,885,474	79.28%
5,095,995,110	(101,919,902)	4,994,075,208	10.24	6,536,364,170	77.96%
5,265,784,420	(123,056,530)	5,142,727,890	10.00	6,916,181,470	76.14%
5,378,572,670	(6,847,095)	5,371,725,575	10.01	7,156,234,730	75.16%
5,754,238,160	(7,023,910)	5,747,214,250	9.90	7,497,644,090	76.75%
6,190,976,980	(15,304,650)	6,175,672,330	9.90	8,116,370,530	76.28%

**City of Troy, Michigan**  
**Statistical Section**  
**Revenue Capacity**  
**Principal Property Taxpayers**  
**Current Year and Ten Years Ago**  
**Unaudited**

Taxpayer	2015		
	Taxable Value	Rank	Percentage of Total City Taxable Value
Frankel Forbes Cohen	\$ 52,400,450	1	1.16%
DTE	33,131,780	2	0.74%
Nykel Management	25,436,450	3	0.56%
Urbanca	23,040,370	4	0.51%
755-900 Tower	21,086,680	5	0.47%
CC Troy	20,345,530	6	0.45%
Osprey	20,282,110	7	0.45%
Bank of America	18,046,910	8	0.40%
Kelly Services	16,811,060	9	0.37%
Macys	15,764,770	10	0.35%
	<u>\$ 246,346,110</u>		<u>5.47%</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Revenue Capacity**  
**Principal Property Taxpayers**  
**Current Year and Ten Years Ago**  
**Unaudited**

Taxpayer	2024		
	Taxable Value	Rank	Percentage of Total City Taxable Value
Somerset Collections	\$ 67,116,110	1	1.02%
DTE Electric Co	51,339,510	2	0.78%
Lithia Real Estate Inc	46,054,000	3	0.70%
Troy Apts I-IV LLC	35,555,440	4	0.54%
Zen Troy LLC	32,286,660	5	0.49%
Midtown Place Troy LLC	30,070,050	6	0.46%
Pentrecentre LLC	27,222,180	7	0.41%
Consumers Energy	23,794,460	8	0.36%
GLF Troy Office LLC	20,595,470	9	0.31%
Wilshire Plaza MI LP	19,077,200	10	0.29%
	<u>\$ 353,111,080</u>		<u>5.34%</u>



**City of Troy, Michigan**  
**Statistical Section**  
**Debt Capacity**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**Unaudited**

Fiscal Year Ended June 30,	Governmental Activities		Business-type Activities		Total Outstanding Debt	Less: Amounts Restricted to		Net Outstanding Debt	Percentage of Personal Income	Debt Per Capita	Debt Per Taxable Value
	General and Obligation County Issued Bonds *	Notes from Direct Borrowing and Direct Placements	General Obligation Bonds and Notes	Notes from Direct Borrowing and Direct Placements		Repaying Principal					
2015	\$ 32,708,103	\$ -	\$ 10,092,661	\$ -	\$ 42,800,764	\$ -	\$ -	\$ 42,800,764	1.25%	\$ 514	0.98%
2016	29,750,308	-	9,334,334	-	39,084,642	-	-	39,084,642	1.14%	470	0.87%
2017	26,731,709	-	8,583,041	-	35,314,750	-	-	35,314,750	1.03%	425	0.78%
2018	23,786,210	-	7,869,668	-	31,655,878	-	-	31,655,878	0.92%	363	0.68%
2019	19,561,179	1,094,482	7,132,201	570,374	28,358,236	(14,417,642)	-	13,940,594	0.85%	165	0.61%
2020	16,636,100	848,323	6,404,734	477,414	24,366,571	(14,278,604)	-	10,087,967	0.63%	120	0.52%
2021	10,545,000	597,985	5,692,267	381,306	17,216,558	(10,446,904)	-	6,769,654	0.41%	78	0.37%
2022	10,105,000	397,840	4,996,949	281,942	15,781,731	(10,011,625)	-	5,770,106	0.36%	65	0.34%
2023	9,658,488	235,804	4,234,124	179,212	14,307,628	(9,594,859)	-	4,712,769	1.05%	54	0.08%
2024	9,084,309	71,397	3,476,299	73,002	12,705,007	(9,036,484)	-	3,668,523	0.76%	42	0.06%

\* Includes lease liability amount of \$24,309 for fiscal year ended June 30, 2024.

**City of Troy, Michigan**  
**Statistical Section**  
**Debt Capacity**  
**Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt**  
**To Total General Governmental Expenditures**  
**Last Ten Fiscal Years**  
**Unaudited**

Fiscal Year Ended June 30,	Principal	Interest and Fiscal Charges	Total Debt Service	Total General Governmental Expenditures	Percentage of Debt Service to General Government Expenditures
2015	\$ 2,615,000	\$ 1,447,174	\$ 4,062,174	\$ 64,791,748	6.27%
2016	2,700,000	1,355,075	4,055,075	62,507,401	6.49%
2017	2,750,000	1,231,176	3,981,176	65,257,482	6.10%
2018	2,675,000	1,123,112	3,798,112	68,371,926	5.56%
2019	2,855,000	1,012,502	3,867,502	71,851,248	5.38%
2020	2,890,000	883,588	3,773,588	71,397,493	5.29%
2021	3,135,000	548,623	3,683,623	72,768,929	5.06%
2022	440,000	157,288	597,288	73,824,173	0.81%
2023	485,000	145,395	630,395	86,436,828	0.73%
2024	560,000	143,357	703,357	80,521,432	0.87%

**City of Troy, Michigan**  
**Statistical Section**  
**Debt Capacity**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2024**  
**Unaudited**

Jurisdiction	Net General Bonded Debt Outstanding	Percentage Applicable to Troy	Amount Applicable to Troy
City of Troy - Direct debt	\$ 9,155,706	100%	\$ 9,155,706
City of Troy - Overlapping Debt			
Avondale School District	88,427,427	19.17%	16,951,538
Birmingham School District	281,695,000	3.57%	10,056,512
Bloomfield Hills School District	201,770,000	2.35%	4,741,595
Royal Oak School District	29,235,000	1.84%	537,924
Troy School District	252,170,000	100.00%	252,170,000
Warren School District	210,250,000	7.49%	15,747,725
Oakland County	144,919,913	8.27%	11,984,877
Macomb Intermediate School District	92,145,000	0.95%	875,378
Oakland Intermediate School District	38,215,000	7.85%	2,999,878
Total overlapping debt	<u>1,338,827,340</u>		<u>316,065,425</u>
<b>Total direct and overlapping debt</b>	<u>\$ 1,347,983,046</u>		<u>\$ 325,221,131</u>

Source: Municipal Advisory Council of Michigan; Detroit, Michigan.

**City of Troy, Michigan**  
**Statistical Section**  
**Debt Capacity**  
**Computation of Legal Debt Margin**  
**June 30, 2024**  
**Unaudited**

	Annual Net Debt	Legal Margin		
		Percentage of State Equalized Valuation	Amount	Legal Debt Margin
General obligation debt	\$ 12,285,000	10.0%	\$ 882,595,161	\$ 870,310,161
Emergency bonds	-	37.5%	33,097,319	33,097,319
Special assessment bonds	-	12.0%	<u>1,059,114,193</u>	<u>1,059,114,193</u>
<b>Total debt</b>	<u>\$ 12,285,000</u>		<u>\$ 1,974,806,673</u>	<u>\$ 1,962,521,673</u>

The statutory debt limits of net bonded indebtedness incurred for all public purposes shall not at any one time exceed 10% of the assessed valuation of taxable property in the City (\$8,825,951,610), except that this limit may be exceeded by 3/8ths of 1% in case of fire, flood or other calamity. This limitation does not include bonds issued in anticipation of the payment of special assessments, nor bonds issued pursuant to court

The Michigan State Bond Act provides that the total debt in special assessment bonds, which would require that the City pledge its faith and credit, shall not exceed 12% of the assessed valuation of taxable property of the City, nor shall such bonds be issued in any calendar year in excess of 3% unless voted.

**City of Troy, Michigan**  
**Statistical Section**  
**Debt Capacity**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**Unaudited**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt Limit	\$ 482,754,174	\$ 531,361,170	\$ 562,687,887	\$ 589,424,172	\$ 614,688,547
Total net debt applicable to limit	<u>(39,670,000)</u>	<u>(36,325,000)</u>	<u>(32,940,000)</u>	<u>(29,635,000)</u>	<u>(26,055,000)</u>
<b>Legal debt margin</b>	<u>\$ 443,084,174</u>	<u>\$ 495,036,170</u>	<u>\$ 529,747,887</u>	<u>\$ 559,789,172</u>	<u>\$ 588,633,547</u>
Total net debt applicable to the limit as a percentage of debt limit	8.22%	6.84%	5.85%	5.03%	4.24%

**City of Troy, Michigan**  
**Statistical Section**  
**Debt Capacity**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**Unaudited**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt Limit	\$ 653,636,417	\$ 675,468,147	\$ 715,623,473	\$ 749,764,409	\$ 882,595,161
Total net debt applicable to limit	<u>(22,450,000)</u>	<u>(16,150,000)</u>	<u>(14,725,000)</u>	<u>(13,540,000)</u>	<u>(12,285,000)</u>
<b>Legal debt margin</b>	<u>\$ 631,186,417</u>	<u>\$ 659,318,147</u>	<u>\$ 700,898,473</u>	<u>\$ 736,224,409</u>	<u>\$ 870,310,161</u>
Total net debt applicable to the limit as a percentage of debt limit	3.43%	2.39%	2.06%	1.81%	1.39%

**City of Troy, Michigan**  
**Statistical Section**  
**Debt Capacity**  
**Pledged Revenue Coverage**  
**To Total General Governmental Expenditures**  
**Last Ten Fiscal Years**  
**Unaudited**

Fiscal Year Ended	Collections	Golf Course Bonds		Total	Coverage
		Principal	Debt Service		
2015	\$ 1,375,137	\$ 450,000	\$ 298,686	\$ 748,686	2
2016	1,809,386	645,000	289,881	934,881	2
2017	1,739,789	635,000	273,648	908,648	2
2018	1,781,278	630,000	253,545	883,545	2
2019	1,782,237	725,000	238,756	963,756	2
2020	1,684,938	715,000	227,293	942,293	2
2021	2,310,026	700,000	212,840	912,840	3
2022	2,253,407	685,000	243,433	928,433	2
2023	2,602,073	700,000	163,436	863,436	2
2024	2,658,353	695,000	133,809	828,809	2

**City of Troy, Michigan**  
**Statistical Section**  
**Demographic and Economic Information**  
**Demographic Statistics**  
**Last Ten Fiscal Years**  
**Unaudited**

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Fiscal Year Ended June 30,	Population (1)	Median Age (1)	Number of Households (1)	Average Household Size (1)	Income Per Capita (1)
2015	83,319	41.8	33,233	2.60	\$ 41,209
2016	83,181	41.8	32,002	2.59	41,209
2017	83,181	41.8	32,002	2.59	41,209
2018	87,177	41.5	30,812	2.71	39,545
2019	84,547	42.2	31,674	2.63	39,545
2020	83,881	43.0	31,368	2.66	45,888
2021	87,294	42.4	32,961	2.63	47,871
2022	88,239	42.1	33,311	2.47	49,211
2023	86,912	42.0	32,749	2.64	51,086
2024	87,170	42.0	33,000	2.63	54,721

Source:

(1) Southeast Michigan Council of Governments (SEMCOG)

(2) U.S. Bureau of Labor Statistics



**City of Troy, Michigan**  
**Statistical Section**  
**Demographic and Economic Information**  
**Demographic Statistics**  
**Last Ten Fiscal Years**  
**Unaudited**

Median Income per Household (1)	Personal Income (millions)	Unemployment Rate (%) (2)	Education Age 25 and Older		
			High School (1)	Bachelor Degree (1)	Graduate or Professional Degree (1)
\$ 85,797	\$ 3,433	4.4	95	57	27
87,269	3,428	3.5	95	57	27
87,269	3,428	2.5	95	57	27
85,027	3,447	2.8	95	58	28
93,017	3,343	2.8	95	59	29
97,048	3,849	4.0	95	60	28
101,882	4,179	2.9	96	60	29
104,132	4,342	3.8	96	63	29
107,550	4,440	3.9	96	62	30
115,639	4,770	3.9	96	63	30

**City of Troy, Michigan**  
**Statistical Section**  
**Demographic and Economic Information**  
**Principal Employers by Industry**  
**Current and Previous Four Years**  
**Unaudited**

Industry	2020			2021		
	Number of Parcels	Rank	Percent of Total Parcels	Number of Parcels	Rank	Percent of Total Parcels
Industrial, Light Manufacturing	633	1	39.15%	676	1	39.10%
Office	258	2	15.96%	259	2	14.98%
Retail Store (Mall, Plaza, Market, Whse, Discount)	139	3	8.60%	148	3	8.56%
Medical Office	85	4	5.26%	93	5	5.38%
Restaurant and Fast Food	75	6	4.64%	82	6	4.74%
Apartments	74	7	4.58%	74	8	4.28%
All other	82	5	5.07%	97	4	5.61%
Engineering	67	8	4.14%	71	9	4.11%
Service (Station, Garage, Booth, Convenience)	49	10	3.03%	55	10	3.18%
Loft (Multi Tenant Industrial)	38	11	2.35%	43	11	2.49%
Bank	33	12	2.04%	32	12	1.85%
Warehouse (Storage, Distribution, Transit)	66	9	4.08%	81	7	4.68%
Auto Dealership	18	13	1.11%	18	13	1.04%
Total commercial/industrial parcels	<u>1,617</u>		<u>100.00%</u>	<u>1,729</u>		<u>100.00%</u>

Source: City Assessor

**City of Troy, Michigan**  
**Statistical Section**  
**Demographic and Economic Information**  
**Principal Employers by Industry**  
**Current and Previous Four Years**  
**Unaudited**

Industry	2022			2023		
	Number of Parcels	Rank	Percent of Total Parcels	Number of Parcels	Rank	Percent of Total Parcels
Industrial, Light Manufacturing	685	1	40.75%	685	1	40.94%
Office	254	2	15.11%	256	2	15.30%
Retail Store (Mall, Plaza, Market, Whse, Discount)	170	3	10.11%	169	3	10.10%
Medical Office	94	4	5.59%	93	4	5.56%
Restaurant and Fast Food	80	5	4.76%	80	5	4.78%
Apartments	74	6	4.40%	75	6	4.48%
All other	74	8	4.40%	74	7	4.42%
Engineering	67	9	3.99%	67	8	4.00%
Service (Station, Garage, Booth, Convenience)	74	7	4.40%	64	9	3.83%
Loft (Multi Tenant Industrial)	38	10	2.26%	38	10	2.27%
Bank	30	11	1.78%	30	11	1.79%
Warehouse (Storage, Distribution, Transit)	23	12	1.37%	24	12	1.43%
Auto Dealership	18	13	1.07%	18	13	1.73%
Total commercial/industrial parcels	<u>1,681</u>		<u>100.00%</u>	<u>1,673</u>		<u>100.00%</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Demographic and Economic Information**  
**Principal Employers by Industry**  
**Current and Previous Four Years**  
**Unaudited**

Industry	2024		
	Number of Parcels	Rank	Percent of Total Parcels
Industrial, Light Manufacturing	672	1	39.48%
Office	256	2	15.04%
Retail Store (Mall, Plaza, Market, Whse, Discount)	177	3	10.40%
Medical Office	93	4	5.46%
Restaurant and Fast Food	81	5	4.76%
Apartments	79	6	4.64%
All other	88	7	5.17%
Engineering	72	8	4.23%
Service (Station, Garage, Booth, Convenience)	67	9	3.94%
Loft (Multi Tenant Industrial)	39	10	2.29%
Bank	30	11	1.76%
Warehouse (Storage, Distribution, Transit)	30	12	1.76%
Auto Dealership	18	13	1.06%
Total commercial/industrial parcels	<u>1,702</u>		<u>100.00%</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**Unaudited**

Function / Program	2015	2016	2017	2018	2019
<b>Building Inspection</b>					
Permits issued	2,369	2,404	3,197	2,988	2,711
Plans reviewed	3,051	3,301	3,817	3,750	3,335
<b>Executive Administration</b>					
City Manager's Office -					
GFOA awards/submittals	3	3	3	3	3
City Attorney's Office -					
District court appearances	8,289	8,059	8,241	8,357	9,994
Community Affairs:					
New resident packets distributed	801	940	790	801	525
Press releases sent	495	500	460	468	475
City Clerk's Office:					
Registered voters	57,400	57,163	58,333	57,619	59,440
Voter turnout% (November)	51%	21%	80%	29%	66%
Human Resources:					
Applications processed	1,120	809	1,261	1,044	1,052
Job postings	45	51	59	61	67
Labor contracts settled	2	4	0	0	1
<b>Engineering</b>					
Soil erosion inspections	1,089	640	744	779	878
Machine traffic counts	25	25	15	18	14
PASER ratings	5.7	5.5	5.3	5.2	5.2
<b>Finance</b>					
Accounting/Risk Management:					
Payroll checks processed	26,497	26,822	27,665	27,692	27,814
Invoices issued	10,121	10,119	10,307	10,193	10,157
Liability claims processed	344	84	41	55	74
Insurance certificates approved	385	619	693	730	759
Assessing:					
Residential appraisals	362	390	400	324	375
Reinspections	1,156	1,400	1,000	1,300	1,500
Purchasing:					
Value of goods/services purchased	\$34.5 mil	\$37.8 mil	\$43.6 mil	\$45.8 mil	\$48 mil
% of awards without dispute	100%	100%	100%	100%	100%
City Treasurer's Office:					
Tax bills processed	62,685	62,854	62,345	62,669	62,572
Water bills processed	102,807	103,118	104,418	107,054	104,890
<b>Fire</b>					
Fire Department responses	1,077	1,174	1,216	1,206	1,175
Inspections performed	2,398	2,815	2,348	2,096	1,721

**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**Unaudited**

Function / Program	2020	2021	2022	2023	2024
<b>Building Inspection</b>					
Permits issued	2,200	2,490	2,717	2,699	2,659
Plans reviewed	2,763	3,139	2,971	2,841	2,684
<b>Executive Administration</b>					
City Manager's Office -					
GFOA awards/submittals	3	3	3	2	2
City Attorney's Office -					
District court appearances	6,660	5,360	5,134	5,267	5,512
Community Affairs:					
New resident packets distributed	460	325	275	597	500
Press releases sent	480	400	385	398	300
City Clerk's Office:					
Registered voters	60,274	64,590	64,482	66,094	66,140
Voter turnout% (November)	26%	77%	18%	62%	20%
Human Resources:					
Applications processed	727	3,048	2,914	1,986	2,250
Job postings	31	89	119	122	130
Labor contracts settled	2	2	1	0	2
<b>Engineering</b>					
Soil erosion inspections	791	621	569	1,182	1,092
Machine traffic counts	20	23	25	16	17
PASER ratings	5.2	5.1	5.2	5.1	4.9
<b>Finance</b>					
Accounting/Risk Management:					
Payroll checks processed	27,215	25,645	26,057	27,432	25,371
Invoices issued	9,678	9,135	8,423	8,524	9,784
Liability claims processed	80	80	79	85	77
Insurance certificates approved	750	558	638	644	541
Assessing:					
Residential appraisals	450	485	600	750	800
Reinspections	1,000	1,000	1,200	1,100	1,050
Purchasing:					
Value of goods/services purchased	\$51.4 mil	\$50 mil	\$53.1 mil	\$60 mil	\$51.3 mil
% of awards without dispute	100%	100%	100%	100%	100%
City Treasurer's Office:					
Tax bills processed	62,900	62,772	62,127	62,316	61,647
Water bills processed	105,710	106,892	106,274	106,244	106,480
<b>Fire</b>					
Fire Department responses	1,111	1,045	1,158	1,403	1,539
Inspections performed	1,070	1,910	2,119	3,597	4,958

**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**Unaudited**

Function / Program	2015	2016	2017	2018	2019
<b>Other General Government</b>					
Building Operations -					
Requests for service	16,280	18,150	18,630	18,240	6,958
Planning:					
Site plan reviews	17	15	18	17	13
Special use requests	2	6	5	6	15
<b>Parks, Recreation and Culture</b>					
ROW trees trimmed	3,976	2,611	4,323	1,849	3,358
Recreation programs	485	485	492	518	520
Library cards	49,656	56,961	61,362	58,598	52,282
<b>Police</b>					
Group A Crimes	1,419	1,451	1,358	1,288	1,227
Operate while impaired	419	350	392	352	372
Hazardous traffic citations	5,283	4,796	4,510	5,094	9,551
Non-hazardous traffic citations	4,750	3,736	3,315	3,722	4,946
Traffic crashes:					
Property damage	3,163	1,937	1,949	2,155	2,212
Personal injury	468	275	260	307	275
Fatal crash	5	3	4	2	2
<b>Public Works</b>					
Streets and Drains Division					
Requests for service	1,747	1,509	1,636	1,956	1,594
Water and Sewer Division					
Requests for service	4,140	2,482	2,776	2,627	2,301
Sanitary sewers cleaned in feet	1,250,000	1,151,056	835,683	350,269	398,000
Fleet Maintenance					
Work orders	2,165	2,443	2,477	2,380	2,945
Vehicle tires replaced	487	332	349	458	344
Refuse/Resource Recovery					
Tons of refuse collected	28,462	28,068	28,475	26,957	26,453
Tons of compost collected	9,174	9,104	9,580	8,806	10,033
<b>Information Technology</b>					
Help desk requests	3,018	2,811	3,136	3,389	3,048
<b>Golf Course</b>					
Sylvan Glen rounds of golf	42,887	49,988	49,044	45,848	44,112
Sanctuary Lake rounds of golf	31,840	43,416	41,459	41,700	40,315
<b>Aquatic Center</b>					
Admissions	36,021	42,481	34,741	36,492	41,681

**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**Unaudited**

Function / Program	2020	2021	2022	2023	2024
<b>Other General Government</b>					
Building Operations -					
Requests for service	6,089	5,640	5,751	5,890	6,219
Planning:					
Site plan reviews	10	9	12	11	10
Special use requests	8	2	5	2	5
<b>Parks, Recreation and Culture</b>					
ROW trees trimmed	2,500	2,931	2,750	2,694	3,216
Recreation programs	392	190	214	243	193
Library cards	57,144	60,135	65,650	60,190	71,681
<b>Police</b>					
Group A Crimes	790	955	807	2,606	781
Operate while impaired	291	219	197	228	238
Hazardous traffic citations	5,330	2,471	3,848	5,051	5,371
Non-hazardous traffic citations	2,799	2,476	1,856	1,119	N/A
Traffic crashes:					
Property damage	2,330	2,046	1,719	1,724	1,864
Personal injury	312	224	231	270	291
Fatal crash	5	4	3	0	0
<b>Public Works</b>					
Streets and Drains Division					
Requests for service	1,401	1,320	2,296	1,658	1,922
Water and Sewer Division					
Requests for service	2,490	1,655	2,521	2,348	2,500
Sanitary sewers cleaned in feet	593,505	853,737	1,249,895	594,580	1,350,000
Fleet Maintenance					
Work orders	2,322	2,256	2,270	2,452	2,455
Vehicle tires replaced	332	337	343	338	242
Refuse/Resource Recovery					
Tons of refuse collected	27,302	28,304	27,820	27,043	27,703
Tons of compost collected	10,654	9,955	9,981	10,355	10,843
<b>Information Technology</b>					
Help desk requests	2,836	2,302	2,252	2,368	2,206
<b>Golf Course</b>					
Sylvan Glen rounds of golf	46,043	58,017	49,295	52,757	50,927
Sanctuary Lake rounds of golf	40,293	51,720	43,002	46,081	45,723
<b>Aquatic Center</b>					
Admissions	31,146	12,859	46,908	33,748	34,484



**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**Unaudited**

Function / Program	2015	2016	2017	2018	2019
<b>Fire</b>					
Stations	6	6	6	6	6
<b>Police</b>					
Stations	1	1	1	1	1
<b>Streets</b>					
Miles of improved	408	408	409	409	410
Miles of unimproved	4	4	4	4	4
<b>Sewers</b>					
Miles of combination storm/sanitary	6	6	6	6	6
Miles of sanitary	393	395	396	397	399
Miles of storm	529	519	535	540	546
<b>Street Lights</b>					
Detroit Edison owned poles	562	562	562	562	564
City owned poles	1,010	1,010	1,010	1,010	1,008
<b>Water</b>					
Annual distribution in million cubic feet	420	450	495	489	437
Miles of watermains	542	543	544	545	548
Number of hydrants	5,962	5,979	6,001	6,025	6,064
<b>Parks and Recreation</b>					
Number of developed parks	15	15	15	16	16
Acres of public parks	1,000	1,000	1,000	1,000	1,000
Number of tennis courts	18	18	18	18	18
Outdoor education center/farm	1	1	1	1	1
18-hole golf course	2	2	2	2	2
Community center	1	1	1	1	1
Aquatic center	1	1	1	1	1

Source: City Departments

**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**Unaudited**

Function / Program	2020	2021	2022	2023	2024
<b>Fire</b>					
Stations	6	6	6	6	6
<b>Police</b>					
Stations	1	1	1	1	1
<b>Streets</b>					
Miles of improved	342	343	343	343	343
Miles of unimproved	3	3	3	3	3
<b>Sewers</b>					
Miles of combination storm/sanitary	6	6	6	6	6
Miles of sanitary	401	401	402	403	403
Miles of storm	548	547	550	551	554
<b>Street Lights</b>					
Detroit Edison owned poles	544	533	533	534	533
City owned poles	1,100	1,104	1,104	1,116	1,099
<b>Water</b>					
Annual distribution in million cubic feet	386	461	422	546	430
Miles of watermains	549	549	550	548	553
Number of hydrants	6,111	6,123	6,133	6,152	6,160
<b>Parks and Recreation</b>					
Number of developed parks	16	16	16	16	16
Acres of public parks	1,000	1,000	1,000	1,000	1,000
Number of tennis courts	18	18	18	18	18
Outdoor education center/farm	1	1	1	1	1
18-hole golf course	2	2	2	2	2
Community center	1	1	1	1	1
Aquatic center	1	1	1	1	1

**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Building Construction**  
**Last Ten Fiscal Years**  
**Unaudited**

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2014 - 2015	2,369	permits	212,761,431	estimated value
2015 - 2016	2,404	permits	154,161,117	estimated value
2016 - 2017	3,042	permits	166,876,878	estimated value
2017 - 2018	2,988	permits	180,411,536	estimated value
2018 - 2019	2,711	permits	195,324,067	estimated value
2019 - 2020	2,200	permits	167,292,976	estimated value
2020 - 2021	2,490	permits	151,617,417	estimated value
2021 - 2022	2,717	permits	210,129,472	estimated value
2022 - 2023	2,699	permits	265,370,755	estimated value
2023 - 2024	2,728	permits	265,375,255	estimated value

**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Full and Part-Time City Government Employees By Function/Program**  
**Last Ten Fiscal Years**  
**Unaudited**

Function / Program	2015		2016		2017		2018		2019	
	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime
<b>Building Inspection</b>										
Building Inspection	-	-	-	-	-	-	-	-	-	-
<b>Executive Administration</b>										
City Manager's Office	9	6	9	5	9	4	7	5	7	3
City Attorney's Office	7	-	6	-	7	-	7	1	7	-
City Clerk's Office	4	3	4	3	5	1	5	1	4	2
Human Resources	4	-	4	1	4	1	3	-	4	1
Community Affairs	-	-	-	-	-	-	1	-	1	-
<b>Engineering</b>										
Engineering	11	2	11	2	13	2	12	1	11	1
<b>Finance</b>										
Accounting/Risk Management	6	2	6	1	6	2	6	2	5	3
Assessing	6	1	7	-	6	-	6	-	7	-
Purchasing	2	1	2	1	2	1	3	-	2	1
City Treasurer's Office	4	-	4	-	4	-	4	1	4	-
<b>Fire</b>										
Fire	12	6	12	4	12	5	11	3	13	5
<b>Library</b>										
Library	9	83	9	75	11	75	11	78	12	73
<b>Other General Government</b>										
Building Operations	7	3	7	4	8	2	9	2	11	1
Planning	4	2	4	3	4	4	5	2	6	2
<b>Police</b>										
Sworn Police Officers	79	-	78	-	79	-	82	-	90	-
Command	23	-	23	-	22	-	24	-	24	-
Other	47	35	48	29	48	24	49	27	51	30
<b>Parks and Recreation</b>										
Parks	6	14	6	15	6	16	6	15	6	20
Recreation	6	185	6	183	5	181	7	166	7	214
<b>Public Works</b>										
Streets and Drains Division	25	11	24	9	25	10	24	6	24	7
Water and Sewer Division	32	6	31	7	34	6	31	7	33	6
Fleet Maintenance	14	6	15	2	16	-	16	2	15	1
Refuse/Resource Recovery	1	-	-	-	-	-	-	-	-	-
<b>Information Technology</b>										
Information technology	10	-	11	-	11	-	10	-	10	-
<b>Aquatic Center</b>										
Aquatic center	-	52	-	66	-	60	-	66	-	33
<b>Total Employees</b>	<u>327</u>	<u>418</u>	<u>327</u>	<u>410</u>	<u>337</u>	<u>394</u>	<u>339</u>	<u>385</u>	<u>354</u>	<u>403</u>

Source: City Department of Human Resources

**City of Troy, Michigan**  
**Statistical Section**  
**Operating Information**  
**Full and Part-Time City Government Employees By Function/Program**  
**Last Ten Fiscal Years**  
**Unaudited**

Function / Program	2020		2021		2022		2023		2024	
	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime
<b>Building Inspection</b>										
Building Inspection	1	-	1	-	2	-	11	-	9	-
<b>Executive Administration</b>										
City Manager's Office	8	4	7	3	7	4	7	2	8	2
City Attorney's Office	7	-	7	-	7	-	7	1	7	1
City Clerk's Office	5	1	5	5	5	5	6	2	6	5
Human Resources	4	1	5	-	5	-	6	-	6	1
Community Affairs	1	1	1	1	1	-	-	-	-	-
<b>Engineering</b>										
Engineering	11	2	11	1	12	1	11	1	13	1
<b>Finance</b>										
Accounting/Risk Management	6	3	6	3	6	3	6	2	7	1
Assessing	7	-	7	-	7	-	7	1	8	-
Purchasing	2	1	2	1	2	1	2	2	2	2
City Treasurer's Office	4	-	4	-	4	-	4	1	4	1
<b>Fire</b>										
Fire	12	5	12	4	12	4	13	4	14	5
<b>Library</b>										
Library	11	69	18	62	21	60	26	64	44	48
<b>Other General Government</b>										
Building Operations	12	-	12	-	12	-	10	-	11	-
Planning	5	2	5	1	6	1	6	1	7	-
<b>Police</b>										
Sworn Police Officers	81	-	80	-	82	-	83	-	82	-
Command	23	-	26	-	24	-	25	-	25	-
Other	48	33	47	23	47	21	43	25	45	23
<b>Parks and Recreation</b>										
Parks	5	15	7	9	8	19	8	24	8	22
Recreation	8	204	7	182	8	157	11	177	13	163
<b>Public Works</b>										
Streets and Drains Division	23	-	22	-	23	1	23	4	24	6
Water and Sewer Division	34	-	30	1	33	2	27	2	32	5
Fleet Maintenance	16	1	15	1	14	1	16	2	16	2
Refuse/Resource Recovery	-	-	-	-	-	-	-	-	2	15
<b>Information Technology</b>										
Information technology	11	-	11	-	9	-	11	-	11	1
<b>Aquatic Center</b>										
Aquatic center	-	7	-	21	-	25	-	17	-	28
<b>Total Employees</b>	<u>345</u>	<u>349</u>	<u>348</u>	<u>318</u>	<u>357</u>	<u>305</u>	<u>369</u>	<u>332</u>	<u>404</u>	<u>332</u>

**City of Troy, Michigan**  
**Statistical Section**  
**Continuing Disclosure**  
**State Shared Revenues**  
**Last Ten Fiscal Years**  
**Unaudited**

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Fiscal Year Ended June 30	State Shared Revenue
2015	\$ 6,541,560
2016	6,535,632
2017	8,091,385
2018	8,378,417
2019	8,535,476
2020	8,346,267
2021	9,601,689
2022	12,144,090
2023	11,529,116
2024	12,011,829

Source: City of Troy

\* Beginning in fiscal year 2017 the State of Michigan began a reimbursement program for lost manufacturing personal property that was exempted through

**City of Troy, Michigan**  
**Statistical Section**  
**Continuing Disclosure**  
**Gas and Weight Taxes**  
**Last Ten Fiscal Years**  
**Unaudited**

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Fiscal Year Ended June 30	Type of Street		Total Gas and Weight Tax (Act 51) Receipts
	Major Road	Local Road	
2015	\$ 4,278,155	\$ 1,499,530	\$ 5,777,685
2016	4,855,713	1,581,594	6,437,307
2017	4,618,597	1,822,201	6,440,798
2018	6,098,323	2,184,860	8,283,183
2019	6,871,404	2,331,116	9,202,520
2020	6,167,975	2,435,872	8,603,847
2021	6,785,651	2,683,567	9,469,218
2022	7,459,460	2,931,402	10,390,862
2023	7,832,511	3,072,448	10,904,959
2024	8,025,817	3,152,724	11,178,541

Source: City of Troy

**City of Troy, Michigan**  
**Statistical Section**  
**Continuing Disclosure**  
**Labor Agreements**  
**Unaudited**

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<b>Name</b>	<b>Expiration Date</b>	<b>Number of Employees Covered</b>
American Federation of State, County, and Municipal Employees	6/30/2025	65
Michigan Association of Police	6/30/2025	40
Troy Command Officers Association	6/30/2027	24
Troy Police Officers Association	6/30/2026	82
Troy Firestaff Officers Association	6/30/2029	12
Troy Communication Supervisors Association	6/30/2026	9

Source: City Department of Human Resources





500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

Date: November 19, 2024



To: Frank Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager  
Kurt Bovensiep, Public Works Director  
Dennis Trantham, Deputy Public Works Director  
Cindy Stewart, Community Affairs Director

Subject: Public Hearing for November 25, 2024 to Transfer Community Development Block Grant (CDBG) PY 2018, 2019, 2020, 2021, 2022, and 2023 Funds to a New Project at Boulan Park.

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### Background

The City of Troy is required by the Oakland County Division of Community & Home Improvement to advertise and conduct a Public Hearing for the Reprogramming of CDBG funds. Program year 2018 unexpended funds of \$65,401.20; 2019 unexpended funds of \$92,770.50; 2020 unexpended funds of \$126,120; 2021 unexpended funds of \$128,761; 2022 unexpended funds of \$120,310; and 2023 unexpended funds of \$119,656 are all in the Parks, Recreational Facilities account. The balance of funds from Program Year 2018, 2019, 2020, 2021, 2022, and 2023 must be expended or relinquished.

This Public Hearing serves to transfer the unexpended funds from 2018, 2019, 2020, 2021, 2022, and 2023 for a new project. The City of Troy seeks to utilize Community Development Block Grant Funds to undertake the following improvements at Boulan Park, 3671 Crooks Road:

**1. Inclusive Play Structure:**

- Reconstruction: Design and build a new play structure that accommodates children of all abilities, ensuring that all kids can participate in active play.
- Accessibility Features: Install ramps and equipment that meet current ADA guidelines, promoting engagement for children using wheelchairs or other mobility devices.

**2. Restroom Facilities:**

- Renovation for ADA Compliance: Update current restrooms to eliminate architectural barriers and ensure they are fully compliant with ADA standards.
- Universal Restroom Addition: Create an all-inclusive restroom to support individuals with differing abilities where children can be accompanied by an adult for assistance.



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## **CITY COUNCIL AGENDA ITEM**

The play structure at Boulan Park was installed in the early 2000s, designed for accessibility but requires significant improvements. The mobility ramps do not meet the current ADA standard of 1:12, and there are limited activities for children using mobility devices. The existing restroom facilities do not comply with today's ADA standards.

### Recommendation

It is recommended that City Council approve the transfer of Program year 2018 unexpended funds of \$65,401.20; PY 2019 unexpended funds of \$92,770.50; PY 2020 unexpended funds of \$126,120; PY 2021 unexpended funds of \$128,761; PY 2022 unexpended funds of \$120,310; and PY 2023 unexpended funds of \$119,656 which are all in the Parks, Recreational Facilities account transferred for a new project at Boulan Park to create an inclusive play structure and make the restroom ADA compliant.



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# CITY COUNCIL AGENDA ITEM

Date: November 19, 2024

To: Frank Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager  
Kurt Bovensiep, Public Works Director  
Dennis Trantham, Deputy Public Works Director  
Cindy Stewart, Community Affairs Director

Subject: Community Development Block Grant (CDBG) 2025 Funds – Public Hearing for November 25, 2024



## Background

Oakland County has advised the City of Troy to use \$182,205.00 as our planning estimate for program year 2025.

The following projects are being recommended for the 2024 CDBG program:

Parks/Recreation Facilities: Construction of ADA restroom & playground structure at Boulan Park	\$127,543.50
Public Services – Yard Services	\$ 54,661.50
Total:	\$182,205.00

Federal regulations require Oakland County as an “urban county” grantee to execute an annual Subrecipient Agreement with each participating community. We will submit the signed Agreement with our application.

## Recommendation

It is recommended that City Council approve the Community Development Block Grant (CDBG) PY2025 application. The PY2025 Application project funds will be used for two different projects. The first project is to design and build a new play structure at Boulan Park that accommodates children of all abilities, ensuring that all kids can participate in active play. Also update current restrooms to eliminate architectural barriers and ensure they are fully compliant with ADA standards. Create an all-inclusive restroom to support individuals with differing abilities where children can be accompanied by an adult for assistance. The 2025 funds of \$127,543.50 will be utilized for this project.



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## **CITY COUNCIL AGENDA ITEM**

Thirty percent (maximum allowed) of the PY2024 funds (\$54,661.50) will also fund the City's Yard Assistance Program offering mowing of lawns in the spring/summer/fall plus a spring and fall yard cleanup; and plowing driveways and sidewalks in the winter. This program serves low income seniors and persons with disabilities.



**RULES OF PROCEDURE FOR THE  
CITY COUNCIL  
CITY OF TROY, MICHIGAN**

**Proposed: November 25, 2024**

1. APPOINTMENT OF MAYOR PRO TEM ..... 2

2. DESIGNATION OF ACTING MAYOR ..... 2

3. SPECIAL MEETINGS..... 2

4. REGULAR MEETINGS..... 3

5. BROADCASTING OF CITY COUNCIL MEETINGS ..... 4

6. MINUTES ..... 4

7. PROCLAMATIONS AND CONGRATULATORY CERTIFICATES ..... 4

8. RECONSIDERATION OF RESOLUTIONS ..... 5

9. RESCISSION OF RESOLUTIONS ..... 5

10. PUBLIC HEARINGS ..... 5

11. CONSENT AGENDA ..... 5

12. APPOINTMENTS TO BOARDS AND COMMITTEES..... 5

13. CITY COUNCIL REPRESENTATION ON BOARDS AND COMMITTEES..... 6

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19. AGENDA ITEMS SUBMITTED BY COUNCIL MEMBERS ..... 8

20. WIRE COMMUNICATIONS BY AND TO COUNCIL MEMBERS DURING  
ANY MEETING OF COUNCIL ..... 9

**1. ELECTION OF MAYOR PRO TEM:**

The election of Mayor Pro Tem shall rotate annually in the following order: ~~Hodorek~~, Gunn, Chanda, Hamilton, Brooks, Chamberlain-Creanga, Hodorek

The order of the rotation is: Current Council Members who have not yet served as Mayor Pro Tem; then, newly elected Council Members ranked by number of votes received; finally, current Council Members who have already served as Mayor Pro Tem. Council Members in office for at least 3 months are eligible to serve as Mayor Pro Tem.

**2. DESIGNATION OF ACTING MAYOR:**

In the absence or disability of both the Mayor and the Mayor Pro Tem, the Council Member present who has served longest shall be designated Acting Mayor and shall perform the duties of the Mayor.

**3. SPECIAL MEETINGS:**

Special meetings may be called in accordance with the City Charter and the Open Meetings Act. Special meetings shall be held at 6:00 P.M. in the Council Board Room unless the written notice to each member of the Council provides for a different time and/or place.

**a) SPECIAL MEETING AGENDAS:**

The City Manager shall be responsible for the preparation of an agenda for each special meeting. The agenda packet, excluding material exempt from disclosure by state or federal statute, shall be posted on the City's website and distributed to the City Council at least eighteen (18) hours in advance of the meeting.

**b) SPECIAL MEETING ORDER OF BUSINESS:**

- A. Call to Order
- B. Roll Call
- C. Public Comment
- D. Business Stated in the Special Meeting Notice
- E. Other Business (Only with consent in accordance with City Charter Section 4.3).
- F. Adjournment

**4. REGULAR MEETINGS:**

Regular meetings shall be held at 7:30 P.M. in the Council Chambers. A schedule of regular meetings for the subsequent calendar year shall be adopted by resolution in accordance with the City Charter and the Open Meetings Act.

**a) REGULAR MEETING AGENDAS:**

The City Manager shall be responsible for the preparation of an agenda for each regular meeting. The agenda packet, excluding material exempt from disclosure by state or federal statute, shall be posted on the City's website and distributed to the City Council at least forty-eight (48) hours in advance of the meeting. When City Council meets in a closed session pursuant to MCL 15.268 (c), for strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement, the collective bargaining agreement shall be identified on the agenda. When City Council meets in a closed session pursuant to MCL 15.268 (e), to consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, the specific pending litigation shall be identified on the agenda.

**b) REGULAR MEETING ORDER OF BUSINESS:**

Oaths for Recently Elected City Council (as needed after City Council elections)

- A. Call to Order
- B. Roll Call
- C. Certificates of Recognition and Special Presentations
  - Election and Oath of Office for Mayor Pro Tem will occur annually at the first meeting in November
- D. Carryover Items
- E. Public Hearings
- F. Public Comment for Items On the Agenda from Troy Residents and Businesses
- G. City Council/City Administration Response/Reply to Public Comment for Items On the Agenda from Troy Residents and Businesses
- H. Postponed Items
- I. Regular Business
- J. Consent Agenda
- K. Memorandums and Future Council Agenda Items
- L. Public Comment for Items Not On the Agenda from Troy Residents and Businesses
- M. City Council/City Administration Response/Reply to Public Comment for Items Not On the Agenda from Troy Residents and Businesses
- N. Council Referrals - Items appearing under Council Referrals are items intended for City Council action that are brought forward by the Mayor or Council Members in accordance with the Rules of Procedure
- O. Reports
- P. Council Comments - Items for the good of the order brought forward by Mayor and Council
- Q. Public Comment for Items On or Not On the Agenda from Members of the Public Outside of Troy (Not Residents of Troy and Not From Troy Businesses)
- R. Closed Session
- S. Adjournment

**5. BROADCASTING OF CITY COUNCIL MEETINGS:**

All regular meetings of the City Council will be broadcast on the City's government access cable channel and/or made available through online streaming or similar media formats.

**6. MINUTES:**

The draft City Council meeting minutes will be available on the City's website prior to their inclusion in the next regular agenda packet. The requested approval of the minutes will be included on the Consent Agenda.

**7. PROCLAMATIONS AND CONGRATULATORY CERTIFICATES:**

Proclamations are ceremonial documents intended to convey positive messages to the Troy Community and are discretionary. Proclamation requests must be submitted in writing by Troy community members (residents and non-resident business owners, employees, and property owners) to the City Manager or his/her designee. Proclamations may be issued to recognize individuals, events, and organizations in Troy and will not be issued to recognize individuals, events, and organizations outside Troy. Proclamations regarding ideology, politics, or religion will not be issued.

Proclamations are often read at a regular City Council meeting and presented to the individual or representatives of the event or organization being recognized. These proclamations must be approved by City Council at a regular meeting preceding the presentation date and at least one representative must attend the presentation. Otherwise, proclamations may be issued without reading or presentation at a City Council meeting. If a presentation is requested, the proclamation will be included on the City Council meeting agenda under the topic of Certificates of Recognition and Special Presentations.

Congratulatory certificates are public announcements made by City Council at ribbon cutting ceremonies, grand openings and other events outside of regular City Council meetings. Congratulatory certificate requests must be submitted in writing by Troy community members (residents and non-resident business owners, employees, and property owners) to the City Manager or his/her designee in advance of the event and do not require City Council action.

**8. RECONSIDERATION OF RESOLUTIONS:**

A motion to reconsider any vote of the Council may be made by either side of the voted motion and shall require the affirmative vote of the majority of the Council Members elect. A motion to reconsider can be made only if no action was taken as a result of the previous vote. If such a motion to reconsider passes, and new information has been brought forward, then any member of Council may move to take action on the motion that is to be reconsidered, and any such motion would pass by an affirmative vote of the majority of the



Council Members elect.

**9. RESCISSION OF RESOLUTIONS**

Rescission of any vote of the Council shall require the affirmative vote of the majority of the Council Members elect only if no action was taken as a result of the previous vote.

**10. PUBLIC HEARINGS:**

Public hearings will be held after required notice has been provided. The City Council may upon affirmative vote of a majority of its members "continue" said hearing at a future date designated in the resolution, without the necessity of re-notification. If the City Council elects to continue the public hearing it will appear in the designated meeting agenda under the topic of Public Hearings.

**11. CONSENT AGENDA:**

The Consent Agenda includes items of a routine nature and will be approved with one motion. That motion will approve the recommended action for each item on the Consent Agenda. Any Council Member may remove an item from the Consent Agenda and have it considered as a separate item. Any item(s) so removed from the Consent Agenda shall be considered after approval of the motion for all non-removed items on the consent portion of the agenda. Public comment on Consent Agenda items will be permitted pursuant to the Rules of Procedure.

**12. APPOINTMENTS TO BOARDS AND COMMITTEES:**

**a) MAYORAL APPOINTMENTS:**

The Mayor shall, with City Council concurrence, appoint members of the following boards or committees as governed by state statute or city ordinances: Board of Review, Brownfield Redevelopment Authority, Civil Service Commission (Act 78), Downtown Development Authority, Economic Development Corporation, Global Troy Advisory Committee, Local Development Finance Authority, Planning Commission, Volunteer Firefighter Incentive Board

**b) CITY COUNCIL APPOINTMENTS:**

The Mayor Pro Tem shall contact candidates or incumbents for City Council appointments to determine their interest in being nominated or reappointed. Any Council Member, but usually the Mayor Pro Tem, may put forth nominees to the following boards or committees: Animal Control Appeal Board, Building Code Board of Appeals, Charter Revision Committee, Election Commission, Historic District Commission, Liquor Advisory Committee, Municipal Building Authority, Parks and

Recreation Board, Personnel Board, Retiree Health Care Benefits Plan & Trust, SOCRRA, SEMCOG, Sustainable Design Review Committee, Traffic Committee, Zoning Board of Appeals

**c) NOMINATIONS:**

The Mayor or any Council Member desiring to nominate a person for appointment to a board, commission, or committee shall submit the person's name for nomination at a regular meeting during the item Board and Committee Nominations. The person's name will be placed on the agenda for the next regular meeting under the item Board and Committee Appointments. A brief summary of background and personal data as to nominee's qualifications (or a resume) should be submitted on or before the time of nomination, except that such a resume shall not be required for the re-nomination of a current board or commission member, or if the Council unanimously agrees that a resume is not necessary. In the event that more nominees are put forth than positions available, the City Clerk will conduct a roll call vote.

**13. CITY COUNCIL REPRESENTATION ON BOARDS AND COMMITTEES:**

**a) SEMCOG (Southeastern Michigan Council of Governments) Representation:**

The Mayor and City Council shall appoint one delegate and one alternate to serve on the SEMCOG General Assembly for a term of two-years, coinciding with the terms of office for City Council.

**b) SOCRRA (South Oakland County Resource Recovery Authority) Representation:**

The Mayor and City Council shall appoint one delegate and one alternate to serve on the SOCRRA Board for a term of one-year expiring on June 15<sup>th</sup>.

**c)** No member of the City Council shall serve on any committee, commission or board of the City of Troy, except the Retirement System Board of Trustees, Retiree Health Care Benefits Plan and Trust, Volunteer Firefighter Incentive Plan & Trust, Global Troy Advisory Committee, Downtown Development Authority and Local Development Finance Authority (LDFA), unless membership is required by ordinance, statute or the City Charter.

**d)** Because quasi-judicial boards and commissions are appointed by Council, and make recommendations to the Council, these recommendations should be made independent of the influence of individual Council Members. As a result, members of City Council shall not appear before or attend meetings of City boards or commissions if they are not appointed members of the City board or committee.

**14. MEMBERS OF THE PUBLIC AND VISITORS:**

Any person not a member of the City Council may address the Council with recognition of

the Chair, after clearly stating the nature of his/her inquiry or comment. **NOTE TO THE PUBLIC:** *City Council requests that if you do have a question or concern, to bring it to the attention of the appropriate department(s) whenever possible. If you feel that the matter has not been resolved satisfactorily, you are encouraged to bring it to the attention of the City Manager, and if still not resolved satisfactorily, to the Mayor and Council.*

- Petitioners of items that are included in the pre-printed agenda booklet shall be given a fifteen (15) minute presentation time that may be extended with the majority consent of City Council.
- Any member of the public, not a petitioner of an item, shall be allowed to speak for up to three (3) minutes to address any Public Hearing item.
- Any member of the public, not a petitioner of an item, does not have the right to engage in discussion or debate with City Council during the Public Comment portions of the meeting.
- All members of the public who wish to address the Council at a meeting shall be allowed to speak only if they have signed up to speak within thirty minutes before or within fifteen minutes after the meeting's start time. Signing up to speak requires each speaker provide his or her name. If the speaker is addressing an item(s) that appears on the pre-printed agenda, then the speaker shall also identify each such agenda item number(s) to be addressed.
- City Council may waive the requirements of this section by a consensus of the City Council.
- Agenda items that are related to topics where there is significant public input anticipated should initiate the scheduling of a special meeting for that specific purpose.

Prior to Public Comment, the Mayor may provide a verbal notification of the rules of decorum for City Council meetings or refer to the pre-printed agenda booklet, which will include the following language, as approved by City Council.

*Please direct your comments to the City Council as a whole rather than to any individual. Please do not use expletives or make derogatory or disparaging comments about any individual or group. If you do, there may be immediate consequences including being muted and having your comments omitted from any re-broadcast of the meeting. Please abide by these rules in order to minimize the possibility of disrupting the meeting.*

## **15. RULES OF ORDER:**

Robert's Rules of Order Newly Revised, as clarified by the City Clerk, is hereby adopted, except as modified by these Rules of Procedure, the Charter, or the City Code.

## **16. ABSENCES AT COUNCIL MEETINGS:**

Members of Council who are unable to attend a Council meeting and desire an excused absence shall notify the City Attorney or City Manager of their absence in writing as soon as possible prior to the meeting and indicate the reason for the absence. The reason shall be entered in the proceedings of the Council at the time of each absence.

**17. SUSPEND RULES:**

The Rules of Procedure may be waived by a simple majority vote, unless specifically noted that a consensus of City Council is sufficient.

**18. COUNCIL DISCUSSION:**

No member of Council shall speak a second time on any item under discussion until all other members desiring to speak on that item have been heard. No member of Council shall be allowed to speak for more than five (5) minutes at a time.

**19. AGENDA ITEMS SUBMITTED BY COUNCIL MEMBERS:**

Timely submitted agenda items that, in the City Manager's judgment, do not require a professional opinion from City Administration, will be placed on the next regular agenda for City Council action. These items include, but are not limited to proclamations and celebratory matters. If the City Manager believes that City Council could benefit from additional input from City Administration prior to voting on a referral, then the next regular agenda will contain only a resolution directing City Administration to provide additional input to accompany the Council referral for a future City Council meeting.

**20. WIRE COMMUNICATIONS BY AND TO COUNCIL MEMBERS DURING ANY MEETING OF COUNCIL:**

Members of Council shall not engage in electronic communication with each other or a member of the public during a regular or special meeting. Electronic communication is defined as e-mail, text message, instant message, website, social media, blog posting, or any other form of communication transmitted or retrieved through the use of an electronic device. *This rule does not apply to remote attendance and participation in meetings pursuant to the Open Meetings Act, as amended.*



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

Date: November 19, 2024

To: Honorable Mayor and Troy City Council Members

From: Lori Grigg Bluhm, City Attorney

Subject: Appointment of City Manager



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City Council hired GovHR, a national search firm, to assist with the City Manager selection process. City Council scheduled City Manager candidate interviews for Saturday, November 16, 2024. The three candidates invited to interview were Frank Nastasi, Khalfani Stephens, and Chris Wilson (listed alphabetically). Prior to the interviews, the candidates all met with Department Heads, and there was also a meet and greet with City employees and members of the public on Friday, November 15, 2024. The interviews were held in an Open Meeting, with a public comment period, and livestreamed and recorded for future viewing. Additionally, the invited candidate's application materials were posted on the City's webpage. City employees and members of the public have had an opportunity to provide comments on the City Manager candidates. Our consultant, Jaymes Vettrano from MGT, previously GovHR, is collecting any and all comments, and will provide this information to City Council prior to the deliberations.

It is anticipated that City Council may deliberate and make a hiring decision at the November 25, 2024 Regular City Council meeting, and therefore a proposed resolution is included for your consideration. The resolution proposed for City Council's consideration contains a blank line. The maker of the motion to appoint the new City Manager will need to fill in the name of the desired City Manager candidate. The proposed resolution makes the appointment of the new City Manager contingent upon the mutual approval of an employment agreement, negotiated between the candidate and the McGraw Morris law firm, the City's outside labor and employment attorneys. At a minimum, the employment agreement will contain the start date and compensation. It is hoped that the employment agreement will be included as an action item for Council's consideration at one of City Council's 2024 City Council remaining regular meetings.

Please let me know if you have any questions or concerns.



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

# CITY COUNCIL AGENDA ITEM

Date: November 20, 2024  
To: Frank Nastasi, City Manager  
From: Robert J. Bruner, Deputy City Manager  
Aileen Dickson, City Clerk  
Cindy Stewart, Community Affairs Director  
Dylan Clark, Management Analyst  
Subject: 2025 City Council Meeting Schedule



## History

A schedule of regular meetings must be adopted by resolution in accordance with the City Charter and the Michigan Open Meetings Act. The proposed schedule avoids conflicts with the following:

- |                            |  |
|----------------------------|--|
| Monday, January 20, 2025   | Dr. Martin Luther King, Jr. Day                            |
| Monday, February 17, 2025  | President's Day and Troy School District Mid-Winter Recess |
| Monday, March 24, 2025     | Troy School District Spring Break                          |
| Monday, March 31, 2025     | Troy School District Spring Break                          |
| Monday, May 26, 2025       | Memorial Day   |
| Monday, September 1, 2025  | Labor Day  |
| Monday, September 15, 2025 | Monday Before Michigan Municipal League Convention         |
| Monday, September 22, 2025 | Rosh Hashanah  |
| Monday, October 13, 2025   | Columbus Day / Indigenous People's Day                     |
| Monday, October 27, 2025   | ICMA Annual Conference                                     |
| Monday, November 3, 2025   | Day before General Election                                |
| Monday, November 24, 2025  | Monday before Thanksgiving                                 |

## Recommendation

The following Regular Meeting dates are recommended:

- |                          |                          |
|--------------------------|--------------------------|
| Monday, January 13 & 27  | Monday, July 14 & 28     |
| Monday, February 10 & 24 | Monday, August 11 & 25   |
| Monday, March 10 & 17    | Monday, September 8 & 29 |
| Monday, April 7 & 21     | Monday, October 6 & 20   |
| Monday, May 5 & 19       | Monday, November 10 & 17 |
| Monday, June 9 & 30      | Monday, December 1 & 15  |

These meetings will be held at 7:30 PM in the City Council Chamber consistent with the City Council Rules of Procedure.



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## **CITY COUNCIL AGENDA ITEM**

The City Charter requires the City Manager to prepare and submit a proposed budget for the next fiscal year on or before the third Monday in April. The following Special Meeting dates are recommended for presentation of the proposed budget:

Monday, April 14  
Wednesday, April 16 (as needed)

These meetings will be held at 6:00 PM in the Council Board Room consistent with the City Council Rules of Procedure.

These meetings are in addition to the first-quarter 2025 City Council Advance Meeting and any additional special meetings City Council may wish to call between January 1, 2025 and April 14, 2025 in order to discuss the budget.

Mayor Baker performed the Invocation. The Pledge of Allegiance to the Flag was given.

**A. CALL TO ORDER:**

A Regular Meeting of the Troy City Council was held on Monday, November 11, 2024, at City Hall, 500 W. Big Beaver Rd. Mayor Baker called the meeting to order at 7:32 PM.

**B. ROLL CALL:**

- a) Mayor Ethan Baker
- Theresa Brooks
- Rebecca A. Chamberlain-Creanga
- Hirak Chanda
- Mark Gunn
- David Hamilton
- Ellen Hodorek

**C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:**

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**C-1** No Certificates of Recognition and Special Presentations

**D. CARRYOVER ITEMS:**

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**D-1** No Carryover Items

**E. PUBLIC HEARINGS:**

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**E-1** No Public Hearings

**F. PUBLIC COMMENT FOR ITEMS ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

**G. CITY COUNCIL/CITY ADMINISTRATION RESPONSE/REPLY TO PUBLIC COMMENT FOR ITEMS ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

**H. POSTPONED ITEMS:**

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**H-1** No Postponed Items

**I. REGULAR BUSINESS:**

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**I-1** Board and Committee Appointments: a) Mayoral Appointments – Global Troy Advisory Committee; b) City Council Appointments – None

a) Mayoral Appointments:



Resolution #2024-11-148  
Moved by Baker  
Seconded by Chamberlain-Creanga

RESOLVED, That the Mayor of the City of Troy hereby **APPOINTS** the following nominated person(s) to serve on the Boards and Committees as indicated:

**Global Troy Advisory Committee**

Appointed by Mayor  
12 Regular Members  
3 Year Term

**Term Expires: 10/30/2027**

**Awni Fakhoury**

Term currently held by: Awni Fakhoury

**Term Expires: 10/30/2027**

**Syeda Mohideen**

Term currently held by: Syeda Mohideen

**Term Expires: 10/30/2027**

**Suneel Sekhri**

Term currently held by: Suneel Sekhri

Yes: All-7  
No: None

**MOTION CARRIED**

b) **City Council Appointments: None**

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**I-2 Board and Committee Nominations: a) Mayoral Nominations – None; b) City Council Nominations – None**

a) **Mayoral Nominations: None**

b) **City Council Nominations: None**

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**I-3 No Closed Session Requested**

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**I-4 Bid Waiver – Golf Cart Lease (Introduced by: Brian Goul, Recreation Director)**

Resolution #2024-11-149  
Moved by Chamberlain-Creanga

Seconded by Chanda

RESOLVED, That in the best interest of the City, Troy City Council hereby **WAIVES** formal bidding procedures and **AUTHORIZES** the City of Troy to **AWARD** a contract to *Club Car of Augusta, GA* for the lease of 170 new 2025 golf carts utilizing the Troon National Account Pricing as detailed in the attached proposal, for an estimated per cart cost of \$4,842 including trade-in and delivery, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FURTHER RESOLVED, That Troy City Council **AUTHORIZES** *DLL Finance LLC of Johnston, IA* to finance the lease of the golf carts to the City at Fair Market Value for 55 months at an estimated interest rate of 5.99% at 30 monthly payments of \$13,958.70, with total payments over the life of the lease totaling approximately \$418,761.

Yes: All-7  
No: None

**MOTION CARRIED**

**J. CONSENT AGENDA:**

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**J-1a Approval of “J” Items NOT Removed for Discussion**

Resolution #2024-11-150  
Moved by Hamilton  
Seconded by Brooks

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as presented.

Yes: All-7  
No: None

**MOTION CARRIED**

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**J-1b Address of “J” Items Removed for Discussion by City Council**

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**J-2 Approval of City Council Minutes**

Resolution #2024-11-150-J-2

RESOLVED, That Troy City Council hereby **APPROVES** the following Minutes as submitted:

- a) City Council Minutes-Draft – October 28, 2024

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**J-3 Proposed City of Troy Proclamations: None Submitted**

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**J-4 Standard Purchasing Resolutions:****a) Standard Purchasing Resolution 2: Award to Sole Bidder Meeting Specifications – Blue Diamond Brush Cutter and Installation**

Resolution #2024-11-150-J-4a

RESOLVED, That Troy City Council hereby **AWARDS** a contract to purchase one (1) Blue Diamond Brush Cutter and Installation from *AIS Construction Equipment Corp. of New Hudson, MI* for an estimated total cost of \$23,790.00, at prices contained in the bid tabulation dated October 24, 2024, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon the contractor's submission of properly executed bid and proposal documents, including insurance certificates and all other specified requirements.

**b) Standard Purchasing Resolution 2: Low Bidder Meeting Specifications – Snow Removal Services for Municipal Building Sidewalks and Parking Lots**

Resolution #2024-11-150-J-4b

RESOLVED, That Troy City Council hereby **AWARDS** a contract to provide seasonal requirements of snow removal services for municipal building sidewalks and parking lots with an option to renew for two (2) additional seasons to *Russell Landscaping, Inc. of Troy, MI* for Proposal A, at unit prices contained in the bid tabulation opened October 24, 2024, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; not to exceed budgetary limitations; contract to expire April 30, 2027.

BE IT FURTHER RESOLVED, That Troy City Council hereby **AUTHORIZES** City of Troy Administration to extend prices established in Proposal A, to additional vendors meeting requirements under emergency conditions for snow and ice removal.

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon the submission of properly executed bid and contract documents, including bonds, insurance certificates and all other specified requirements.

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**J-5 Purchase of Golf Course Equipment for Sylvan Glen Golf Course**

Resolution #2024-11-150-J-5

RESOLVED, That Troy City Council hereby **WAIVES** formal bidding procedures and **AFFIRMS** the purchase of one (1) John Deere 4066R Compact Utility Tractor for Sylvan Glen Golf Course from *Revels Turf & Tractor of Brighton, MI* for a total cost of \$57,573.60.

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**J-6 Renewal of PROTEC Membership**

Resolution #2024-11-150-J-6

RESOLVED, That Troy City Council hereby **APPROVES** the City's annual membership for PROTEC (the Michigan Coalition to Protect Public Rights of Way) for the fiscal year beginning July 1, 2024, and **AUTHORIZES** payment of membership dues in the amount of \$10,911.75.

---

**J-7 Amendment to Shallowbrook Subdivision Open Space Agreement**

Resolution #2024-11-150-J-7

WHEREAS, The City first entered into a Subdivision Open Space Agreement with the Developer of a subdivision located in the City of Troy known as Shallowbrook Subdivision on March 6, 1974, recorded at Liber 6398, Page 104; and,

WHEREAS, A sufficient number of Shallowbrook Subdivision homeowners have approved potential amendments to the Subdivision Open Space Agreement that would clarify the definition of "lot owner;" resolve the situation if there is an insufficient number of lot owners willing to serve on the Homeowners' Association Board; and increase dues and allow for future inflationary dues increases; and,

WHEREAS, Pursuant to the above referenced Subdivision Open Space Agreement, the City is a necessary party to any amendments or modifications to the Agreement;

NOW THEREFORE, BE IT RESOLVED, That Troy City Council hereby **APPROVES** the proposed Amended Subdivision Open Space Agreement with Shallowbrook Subdivision.

BE IT FURTHER RESOLVED, That the Mayor and City Clerk are hereby **AUTHORIZED TO EXECUTE** the Amended Subdivision Open Space Agreement; a copy shall be **ATTACHED** to the original Minutes of this meeting.

---

**J-8 Request for Acceptance of a Permanent Easement from Abdur Rahman, Sidwell #88-20-36-100-071 and #88-20-36-100-072**

Resolution #2024-11-150-J-8

RESOLVED, That Troy City Council **ACCEPTS** a permanent easement for storm sewers and surface drainage from Abdur Rahman, owner of the parcels having Sidwell #88-20-36-100-071 and #88-20-36-100-072.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED TO RECORD** the permanent easement with Oakland County Register of Deeds, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

---

**J-9 Request for Acceptance of Two Permanent Easements from GFA Development, Inc., Sidwell #88-20-22-401-024 and #88-20-22-401-082**

Resolution #2024-11-150-J-9

RESOLVED, That Troy City Council **ACCEPTS** two permanent easements for sidewalks from GFA Development, Inc., owner of the parcels having Sidwell #88-20-22-401-024 and #88-20-22-401-082.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED TO RECORD** the permanent easements with Oakland County Register of Deeds, copies of which shall be **ATTACHED** to the original Minutes of this meeting.

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**J-10 Request for Acceptance of a Permanent Easement from Troy Sports Center, LLC, Sidwell #88-20-23-476-011**

Resolution #2024-11-150-J-10

RESOLVED, That Troy City Council **ACCEPTS** a permanent easement for water mains from Troy Sports Center, LLC, owner of the property having Sidwell #88-20-23-476-011.

BE IT FURTHER RESOLVED, That the City Clerk is hereby **DIRECTED TO RECORD** the permanent easement with Oakland County Register of Deeds, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

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**J-11 Request for Acceptance of a Permanent Easement, Rochester Road, Barclay to Trinway, Project No. 02.206.5, Sidwell #88-20-11-351-012, 1379 Comstock Street, LLC**

Resolution #2024-11-150-J-11

RESOLVED, That City Council **ACCEPTS** a permanent easement for Public Utilities and Public Service Facilities from 1379 Comstock Street, LLC, owners of the property identified by Sidwell #88-20-11-351-012, and **AUTHORIZES** a compensation in the amount of \$13,058.00.

BE IT FURTHER RESOLVED, That City Council **AUTHORIZES** closing and recording costs not to exceed \$8,000.00.

BE IT FINALLY RESOLVED, That City Staff **SHALL RECORD** the permanent easement with Oakland County Register of Deeds, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

**K. MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:**

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**K-1 Announcement of Public Hearings:**

- a) November 25, 2024 – Community Development Block Grant (CDBG) 2025 Funds

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**K-2 Memorandums (Items submitted to City Council that may require consideration at some future point in time): None Submitted**

**L. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

Noah Sabaj	Spoke requesting Tesla EV chargers in Troy.
Cheryl Kapas	Spoke about issues with construction from a development on Eckford Dr.
Dale Murrish	Spoke about ideas for the Troy Public Library.

**M. CITY COUNCIL/CITY ADMINISTRATION RESPONSE/REPLY TO PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA FROM TROY RESIDENTS AND BUSINESSES:**

Mayor Baker commented that there are currently no plans to add install EV chargers on public land in Troy. He said City administration is continuously looking for state and federal grants. He said Troy has the highest number of EV chargers on private property in Oakland County.

Mayor Baker thanked Mr. Murrish for suggestions on the Troy Public Library.

Mayor Baker asked City Administration to look into the issues with the Mondrian development on Eckford. City Manager Nastasi said he will investigate the resident’s complaints. Mayor Baker commented on amending the ordinance to change the start time for construction to 8:00 AM on Saturdays. Council Member Hamilton questioned the rules in neighboring communities. Council Member Gunn asked what policies does the City have to make sure developers are complying with the rules. City Attorney Bluhm commented that the last revision to Chapter 88 - Nuisances was in 1990, and they can propose a change to the ordinance. She also commented that City inspectors are onsite making sure developers comply with the rules. Council Member Chamberlain-Creanga commented that builders hire contractors and that is where violations often occur. She said the ordinance was developed when Troy was very different. She said Troy is built up and developments being built next to existing developments and that should be considered when revisiting the ordinance. Council Member Hamilton asked about compensation required by developers when they cause major disturbances to the surrounding residents. City Attorney Bluhm said utility companies are aggressive in pursuing recovery of costs impacted by developers. She said they can look into possibly recuperating any of the out-of-pocket costs to the City. Council Member Chanda asked about the formal process for residents to report issues. City Manager Nastasi provided the methods for residents to report complaints. Mayor Pro Tem Hodorek said she is in favor in amending the ordinance. Council Member Gunn asked if lawn maintenance companies fall into the construction noise category. City Attorney Bluhm knows lawn maintenance companies are a concern and the City enforces the 7:00 AM start time.

**N. COUNCIL REFERRALS:**

**Items Advanced to the City Manager by the Mayor and City Council Members for Placement on the Agenda**

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**N-1 No Council Referrals Submitted**

**O. REPORTS:**

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**O-1 Minutes – Boards and Committees: None Submitted**

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**O-2 Department Reports:**

- a) Troy Nature Society Annual Report and Financial Statements for Fiscal Year Ending 2024

Noted and Filed

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**O-3 Letters of Appreciation:**

- a) To Code Enforcement from Peggy Chinoski  
b) To Cheryl Rivera, Tom Caporuscio and Kathleen Thursam from Derosiers Architects  
c) To Heather Chomiak from Rochelle Kowalski  
d) To Cheryl Stewart from Rochelle Kowalski

Noted and Filed

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**O-4 Proposed Proclamations/Resolutions from Other Organizations: None Submitted**

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**P. COUNCIL COMMENTS:**

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**P-1 No Council Comments Submitted**

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Council Member Gunn thanked City staff for their effort planning the Veterans Day Ceremony.

Council Member Chanda said he attended the Veterans Day Ceremony for the first time and was pleased with the attendance.

Council Member Chanda said he attended an event with the Teen Advisory Board at the Troy Public Library and answered many questions about local government. He was pleased with how engaged the next generation is with local government.

Mayor Pro Tem commented that earlier tonight they awarded diplomas to the graduates of the Community Academy. She said it's an amazing opportunity to meet with department heads and learn more about each department and the functions of the City. She thanked Courtney, Dylan and Kayla for coordinating the Community Academy.

Mayor Pro Tem cautioned everyone that when discussing ideas or costs for the library and other items that they use well-researched and well-founded numbers. She said the City uses the purchasing process and well-trained individuals to educate and provide very accurate numbers. She encourages everyone to wait for the facts before having dialog about the library.

Council Member Brooks congratulated the City Clerk's Office on conducting an election with a high turnout and managing all of the changes with early voting. She thanked the City Clerk's Office for their hard work in keeping elections safe and secure in Troy.

Council Member Chamberlain-Creanga thanked Council Member Brooks for serving on the Troy Nature Society Board and spoke about the Nature Center Uncorked fundraiser. She said Troy Nature Society is a group of individuals, many who are volunteers and provide programs

for schools, run summer camps, and she thanked them all for the hard work they do for our community.

Council Member Chamberlain-Creanga thanked all veterans for their service and remembering them on this Veterans Day.

Council Member Chamberlain-Creanga commented that City Council will hold a Special Meeting on Saturday, November 16, 2024 at 9:00 AM in the Council Boardroom to conduct the City Manager candidate interviews. She encourages everyone to attend and share their input.

Mayor Baker said he was pleased with the attendance at the Veterans Day Ceremony, which was attended by all City Council Members and speaks about the commitment to supporting our veterans.

Mayor Baker commented that WDIV Channel 4 held the In Your Neighborhood series in Troy broadcasted at the Pavilion. He said they highlighted some great pieces and what is great about Troy.

Mayor Baker thanked high school student, Megan, for shadowing him today. He said it was great having a high school student follow along, learn, and ask great questions.

Mayor Baker reminded everyone that the Special Meeting for City Manager candidate interviews will be at 9:00 AM on Saturday, November 16, 2024, in the Council Boardroom at City Hall. He also said there will be a meet and greet event for the City Manager candidates from 4:30-5:30 PM on Friday, November 15, 2024, in Room 303 at the Troy Community Center.

**Q. PUBLIC COMMENT FOR ITEMS ON OR NOT ON THE AGENDA FROM MEMBERS OF THE PUBLIC OUTSIDE OF TROY (NOT RESIDENTS OF TROY AND NOT FROM TROY BUSINESSES):**

**R. CLOSED SESSION**

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**R-1 No Closed Session**

**S. ADJOURNMENT:**

The Meeting **ADJOURNED** at 8:11 PM.

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Mayor Ethan Baker

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Cheryl A. Stewart, CMC, MiPMC 2  
Deputy City Clerk



**2024 SCHEDULED SPECIAL CITY COUNCIL MEETINGS:**

November 16, 2024.....City Manager Interviews

**2024 SCHEDULED REGULAR CITY COUNCIL MEETINGS:**

November 25, 2024.....Regular Meeting

December 9, 2024.....Regular Meeting

December 16, 2024.....Regular Meeting

**A. CALL TO ORDER:**

A Special Meeting of the Troy City Council was held on Monday, November 16, 2024, at City Hall, 500 W. Big Beaver Rd. Mayor Baker called the meeting to order at 9:01 AM.

**B. ROLL CALL:**

- a) Mayor Ethan Baker
- Theresa Brooks
- Rebecca A. Chamberlain-Creanga
- Hirak Chanda
- Mark Gunn
- David Hamilton
- Ellen Hodorek

**C. PUBLIC COMMENT:**

Ed Ross spoke in support of City Manager candidate Frank Nastasi.

**D. BUSINESS STATED IN THE SPECIAL MEETING NOTICE:**

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**D-1 City Manager Candidate Interviews**

- Frank Nastasi

The Meeting **RECESSED** at 9:45 AM.  
The Meeting **RECONVENED** at 9:55 AM.

- Khalfani Stephens

The Meeting **RECESSED** at 10:54 AM.  
The Meeting **RECONVENED** at 11:11 AM.

- Chris Wilson

**E. OTHER BUSINESS:**

**F. ADJOURNMENT:**

The Meeting **ADJOURNED** at 11:59 AM.

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Mayor Ethan Baker

---

Cheryl A. Stewart, CMC, MiPMC 2  
Deputy City Clerk

**2024 SCHEDULED SPECIAL CITY COUNCIL MEETINGS:**

**2024 SCHEDULED REGULAR CITY COUNCIL MEETINGS:**

November 25, 2024 ..... Regular Meeting  
December 9, 2024 ..... Regular Meeting  
December 16, 2024 ..... Regular Meeting

**PROCLAMATION  
CITY OF TROY  
TREE CITY USA / ARBOR DAY**

**WHEREAS**, The **City of Troy** has been certified as a **Tree City USA** for 34 years through the National Arbor Day Foundation and this prestigious certification proves the City of Troy is dedicated to the future of its urban forest; and

**WHEREAS**, The **City of Troy** wishes to acknowledge that **Troy's** urban forest reduces noise, air pollution, energy costs, reflected light, flooding, stabilizes soils, sequesters carbon, provides habitat for wildlife and improves the overall quality of life; and

**WHEREAS**, Trees in our City increase property values, enhance the economic vitality of business areas, and beautify our community; and

**WHEREAS**, It is in the interest of all to plant and protect trees to promote the well-being of present and future generations; and

**WHEREAS**, **Troy** desires to be recognized as a Tree City USA by The National Arbor Day Foundation and wishes to continue its tree planting ways;

**THEREFORE BE IT RESOLVED**, That the Troy City Council hereby **PROCLAIMS May 2, 2025 and May 1, 2026 as Arbor Day in the City of Troy**; and

**BE IT FURTHER RESOLVED**, That the Troy City Council urges all citizens to support our City's urban forestry program and to plant trees to gladden the hearts and promote the well-being of present and future generations.

**Proclaimed this 25<sup>th</sup> day of November 2024.**



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

**CITY COUNCIL AGENDA ITEM**



Date: November 19, 2024

To: Frank Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager  
Rob Maleszyk, Chief Financial Officer  
Kyle Vieth, Controller  
Kurt Bovensiep, Public Works Director  
Dennis Trantham, Deputy Public Works Director  
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 2: Award to Sole Bidder Meeting Specifications  
Rotadairon Brush Cutter and Soil Renovator

**History**

The Grounds Division is responsible for the maintenance of all municipal grounds, including the urban forest within Rights-of-Way and on municipal properties, as well as athletic field maintenance. Using versatile equipment and accessories enhances the division's efficiency in managing approximately 1,000 acres of developed and undeveloped parkland in the City of Troy.

The Rotadairon Brush Cutter and Soil Renovator will enhance the Grounds Division's efficiency by streamlining vegetation management. The brush cutter clears dense, overgrown areas quickly, improving accessibility and reducing manual labor. The soil renovator aids in turf restoration by preparing the soil and seed bed.

**Purchasing**

On November 7, 2024, a bid opening was conducted as required by the City Charter/Code for the purchase of a Rotadairon Brush Cutter and a Soil Renovator for the Department of Public Works Grounds Division. The bid was posted on the MITN Purchasing Group website; [www.bidnetdirect.com//city-of-troy-mi](http://www.bidnetdirect.com//city-of-troy-mi). Four hundred forty-five (445) vendors were notified via the MITN website. One (1) bid proposal was received as well as one (1) statement of no bid. Below is a detailed summary of potential vendors for this bid opportunity.

<b>Companies notified via MITN</b>	445
Troy Companies notified via MITN	9
Troy Companies - Active email Notification	9
Troy Companies - Free	0
<b>Companies that viewed the bid</b>	26
Troy Companies that viewed the bid	0

***MITN*** provides a resourceful online platform to streamline the procurement process, reduce costs, and make it easier and more transparent for vendors to do business with the City of Troy.

**Active MITN** members with a current membership and paying annual dues receive automatic electronic notification which allows instant access to Bids, RFPS and Quote opportunities with the City.

**Active MITN non-paying members** are responsible to monitor and check the MITN website for opportunities to do business with the City.

**Inactive MITN member** status can occur when a company does not renew their account upon expiration. Inactive members cannot be notified of solicitations or access any bid information.

After review of the bid proposal, *MacAllister Machinery Co., Inc. dba Michigan CAT of Shelby Twp., MI* is the sole bidder meeting specifications and is being recommended for award.



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## **CITY COUNCIL AGENDA ITEM**

### **Financial**

Funds are budgeted and available in the Public Works Administration Capital Fund under Project Number 2025C0037 for the 2025 fiscal year. Expenditures will be charged to account number 401.464.978.010.

### **Recommendation**

City Management recommends awarding a contract for the purchase of one (1) Rotadairon Brush Cutter and one (1) Rotadairon Soil Renovator to *MacAllister Machinery Co., Inc. dba Michigan CAT of Shelby Twp., MI* for an estimated total cost of \$24,398.00 at unit prices contained in the bid tabulation opened November 7, 2024; not to exceed budgetary limitations.

Opening Date: 11/07/2024  
 Reviewed Date: 11/07/2024

BID TABULATION  
 CITY OF TROY  
 BRUSH CUTTER & SOIL RENOVATOR

ITB-COT 24-27  
 Pg. 1 of 1

Vendor Name:	MacAllister Machinery Co., Inc. dba Michigan CAT
City:	Shelby Twp., MI
Check Amount:	\$1,250.00
Check Number:	9206966702

**BID PROPOSAL: TO FURNISH ONE (1) ROTADAIRON BRUSH CUTTER AND ONE (1) ROTADAIRON SOIL RENOVATOR**

**PROPOSAL A: ROTADAIRON BRUSH CUTTER (Model Number BRD50)**

<b>Price for one:</b>	<b>\$13,943.00</b>
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**PROPOSAL B: ROTADAIRON SOIL RENOVATOR (Model Number STH36)**

<b>Price for one:</b>	<b>\$10,455.00</b>
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<b>Total Cost:</b>	<b>\$24,398.00</b>
--------------------	--------------------

Authorized Dealer:	Y or N	N
State Warranty:		<a href="https://www.rotadairon.fr/en/terms-and-conditions-of-sale/">https://www.rotadairon.fr/en/terms-and-conditions-of-sale/</a> (See Article 8 - Guarantees)
Hours of Operation:		7am - 5pm
Contact Phone No.:		586-855-2854
References:	Y or N	Y
Payment Terms:		Net 30
Warranty:		See: <a href="https://www.rotadairon.fr/en/terms-and-conditions-of-sale/">https://www.rotadairon.fr/en/terms-and-conditions-of-sale/</a> (See Article 8 - Guarantees)
Delivery:		Currently in stock at manufacturer
Exceptions:	Y or N	Section 6 - added comment only if the fault of Michigan CAT
Acknowledgement:	Y or N	Y
Forms:	Y or N	Y

**No Bid:** Wear Parts & Equipment Co., Inc.

ATTEST:  
 (\*Bid Opening conducted via a Zoom Meeting)  
 Dennis Trantham  
 Andrew Chambliss  
 Nellie Bert  
 Dina Gates

Emily Frontera  
 Purchasing Manager





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Troy, MI 48084  
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## CITY COUNCIL AGENDA ITEM



Date: November 20, 2024

To: Frank Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager  
Rob Maleszyk, Chief Financial Officer  
Kyle Vieth, Controller  
Peter Hullinger, Fire Chief  
Shawn Hugg, Deputy Fire Chief  
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 2: Award to Sole Bidder Meeting Specifications –  
Lakeland Fire Turnout Equipment – Fire Department and Budget Amendment

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### History

Turnout gear, also known as Personal Protective Equipment (PPE), is essential for firefighter safety during emergency response operations. The gear includes a protective coat, pants, and suspenders, designed to shield firefighters from heat, flames, chemicals, and other hazards encountered in fire and rescue scenarios.

Per NFPA 1971: Standard on Protective Ensembles for Structural Fire Fighting and Proximity Fire Fighting and NFPA 1951: Protective Ensembles For Technical Rescue Incidents, turnout gear must provide thermal protection, water resistance, and durability while allowing mobility. Additionally, NFPA 1851: Standard on Selection, Care, and Maintenance of Protective Ensembles for Structural Fire Fighting and Proximity Fire Fighting mandates a maximum 10-year lifespan for turnout gear, regardless of condition, due to material degradation over time.

The current turnout gear inventory includes more than 140 sets of turnout gear, purchased over a multi-year period beginning in 2015, and is now approaching, or exceeding, the 10-year service life limit. Continued use of outdated gear puts firefighters at increased risk of injury and non-compliance with NFPA standards.

Beginning in June of 2023, the Fire Department conducted a 16-month evaluation process, which included feedback from similar departments to identify turnout gear manufacturers and product lines to narrow down vendors to select for a wear test evaluation. Three (3) turnout equipment manufacturers, encompassing five (5) models/styles of turnout gear meeting the Fire Department's and NFPA's specification were ultimately selected for the 12-month wear testing period. Throughout the wear test process, multiple evaluations were documented and submitted by each firefighter testing the equipment, with the scoring tabulated at the completion of the testing period. These scores, along with specific comments relating to the fit, form, and function of the turnout gear, and pricing/lead-time for delivery were taken into consideration when selecting a manufacture and style for the new turnout gear. A comprehensive review of all factors for selecting a manufacturer was conducted, with Lakeland Fire Gear chosen as the manufacture of choice.



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# CITY COUNCIL AGENDA ITEM

## Purchasing

On November 14, 2024 a bid opening was conducted as required by the City Charter/Code for one (1) year requirements of Firefighter Turnout Gear with two (2) one-year renewal options. The bid was posted on the MITN Purchasing Group website; [www.bidnetdirect.com//city-of-troymi](http://www.bidnetdirect.com//city-of-troymi). Three hundred three (303) vendors were notified via the MITN website. One (1) bid proposal was received as well as three (3) statements of no bid. Below is a detail summary of the vendor responses.

<b>Companies notified via MITN</b>	303	<p><b>MITN</b> provides a resourceful online platform to streamline the procurement process, reduce costs, and make it easier and more transparent for vendors to do business with the City of Troy.</p> <p><b>Active MITN</b> members with a current membership and paying annual dues receive automatic electronic notification which allows instant access to Bids, RFPS and Quote opportunities with the City.</p> <p><b>Active MITN non-paying</b> members are responsible to monitor and check the MITN website for opportunities to do business with the City.</p> <p><b>Inactive MITN member</b> status can occur when a company does not renew their account upon expiration. Inactive members cannot be notified of solicitations or access any bid information.</p>
Troy Companies notified via MITN	6	
Troy Companies - Active email Notification	6	
Troy Companies - Free	0	
<b>Companies that viewed the bid</b>	44	
Troy Companies that viewed the bid	0	

After a review of the bid response, *Conway Shield of New Berlin, WI*, was the sole bidder meeting specifications for all items and requirements and is being recommended for award to provide 140 sets of Lakeland structural turnout gear and 10 sets of Lakeland dual certified turnout gear over the course of one (1) year at unit prices contained in the bid tabulation with an option to renew for two (2) additional years under the same terms and conditions, and a not-to-exceed 3% price increase per option year. It is the intent of this contract to purchase new turnout gear sets for all City firefighters in the initial year and to purchase as-needed for replacements and new hire firefighters in years two and three.

## Financial

Funds in the amount of \$300,000 are budgeted and available in the Fire Department’s Capital Projects Fund under Project Number 2025C0011 and account number 401.336.338.978.010 General Equipment for the 2025 fiscal year. The estimated total cost for the initial year purchase is \$490,390.20 and will require a budget amendment in the amount of \$190,390.20, to the Fire Department General Equipment General Capital Fund, account number 401.336.338.978.010. Originally, this gear was to be purchased over two years, which was reflected in the budget; however, the City is able to save significant funds by purchasing the gear all at once. Funds for subsequent year purchases for as needed turnout gear will be approved through the annual budget process.

## Recommendation

City Management recommends approving a one (1) year contract with two (2) one-year renewals to *Conway Shield of New Berlin, WI*, for the purchase of one hundred forty (140) sets of Lakeland structural turnout gear, ten (10) sets of dual-certified turnout gear, one hundred fifty (150) sets of suspenders for an estimated total cost of \$490,390.20 in year one and as-needed purchases for any additional turnout gear for new firefighters, or equipment damage during Fire Department Operations; at unit prices contained in the bid tabulation dated November 14, 2024.

City Management also recommends that City Council approve a budget amendment to the Fire Department General Equipment General Capital Fund account number 401.336.338.978.010 in the amount of \$190,390.20.

Vendor Name: Conway Shield  
 City: New Berlin, WI

PROPOSAL: FURNISH NEW LAKELAND STRUCTURAL AND DUAL CERTIFIED FIREFIGHTING TURNOUT GEAR				
Item	Est. Qty	Description	Unit Price	Est. Total Price
1	140	Lakeland SCX Stealth Pleated Back Structural Jacket	\$1,955.17	\$273,723.80
2	140	Lakeland SCX Stealth Pleated Knee Structural Pant	\$1,441.11	\$201,755.40
3	150	Lakeland Black Ops Multi-Adjustment Suspenders (Regular/Short/Tall)	\$52.00	\$7,800.00
4	10	Lakeland DCCTD Coat	\$336.55	\$3,365.50
5	10	Lakeland DCPTD Pants	\$374.55	\$3,745.50
6	TBD	OVERSIZE & CUSTOM ADJUSTMENTS	Attached Price List	
<b>ESTIMATED GRAND TOTAL:</b>			<b>\$490,390.20</b>	

Authorized Dealer:	Y or N	Y
Hours of Operation:		24 hrs./365 days
Contact Phone #:		586-899-9773
Descriptive Literature Provided:	Y or N	Y
Can Meet Fitting Schedule Requirements:	Y or N	Y
Extend the Contract to MITN Members:	Y or N	Y
References:	Y or N	Y
Payment Terms:		30 Days Net
Warranty:		Warranty Info Attached
Delivery:		Currently lead time is 6 to 8 weeks
Exceptions:	Y or N	None
Acknowledgement:	Y or N	Y
Specifications Sheets Completed:	Y or N	Y
Signed Addendum:	Y or N	Y
Forms:	Y or N	Y

**No Bid** - MacQueen Emergency  
 Safeware Inc.  
 Unipak Corp

ATTEST:  
 (\*Bid Opening conducted via a Zoom Meeting)  
Shawn Hugg  
Andrew Chambliss  
Nellie Bert  
Dina Gates

Emily Frontera  
 Purchasing Manager



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

# CITY COUNCIL AGENDA ITEM



Date: November 20, 2024

To: Frank A. Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager  
 Rob Maleszyk, Chief Financial Officer  
 Kyle Vieth, Controller  
 Kurt Bovensiep, Public Works Director  
 Brian Varney, Fleet Manager  
 Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 4: MITN and MiDEAL Cooperative Purchasing Agreements – Fleet Vehicles

## History

- Eight (8) vehicles being purchased replace current fleet vehicles that are used on a daily basis by the DPW for snow plowing roads and parking lots, material hauling, inspections and daily operations.
- One (1) vehicle being purchased is an additional vehicle for use by the Water Division Cross Connection Inspection Program.
- Eight (8) obsolete vehicles have reached their intended life expectancy and will be removed from service and sold at auction for the estimated total proceeds of \$40,000.00.
- This purchase replaces eight (8) existing vehicles and will increase the size of the existing Department of Public Works motor pool fleet by one (1) vehicle.
- Dump bodies and plows will be installed by *Truck and Trailer Specialties* after chassis trucks are received from *Gorno Ford*.

## Purchasing

- On February 10, 2020, the Cities of Rochester Hills, Auburn Hills, Huntington Woods, Troy, Farmington Hills, Livonia, Madison Heights and Charter Township of Bloomfield; members of the MITN Purchasing Group, cooperatively developed and issued a Request for Proposal (RFP) for the purchase of Single/Tandem Axle Dump Truck(s), parts, and related services, RFP-RH-20-023, utilizing the Bidnet Direct/MITN Purchasing Group website.
- Five (5) proposal responses were received as listed below:
  - Tri-County International Trucks
  - Wolverine Freightliner
  - Michigan CAT
  - M&K Truck Center
  - Truck & Trailer Specialties, Inc.
- Proposals were evaluated by the City of Rochester Hills Fleet personnel and purchasing staff, as well as the representatives from the participating cooperative MITN members which were the
- Cities of Troy, Auburn Hills, Huntington Woods, Farmington Hills, Livonia, Madison Heights and Charter Township of Bloomfield;



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# CITY COUNCIL AGENDA ITEM

## Purchasing (continued)

- The City of Troy was instrumental in developing the Request for Proposal specifications and was also an integral part of the evaluation team with the above listed cities.
- *Truck and Trailer Specialties, Inc. of Howell, MI* were selected and unanimously supported by the entities as providing the best value, quality product, timely delivery, exceptional services, an ongoing training program, and also offering the most comprehensive options to meet all of the entities needs.
- *Gorno Ford of Woodhaven, MI* is the total low bidder in the State of Michigan Cooperative Bid. The MiDeal Contract (ID # 071B7700181) for Ford vehicles - passenger, patrol, trucks and vans.
- City Council authorized participation in the Cooperative Purchasing Programs on February 5, 2024 (Resolution #2024-02-031-J-5)

## Financial

- On February 10, 2014 City Council authorized departments to utilize sites such as GovDeals.com to dispose of City owned surplus items (Resolution# 2014-02-017-J-4a). Therefore, note that the City will utilize and market the Eight (8) obsolete vehicles on *GovDeals.com* site for optimal trade-in value and transparency.
- Funds are available in the Public Works Fleet Division Capital Fund for the 2025 fiscal year with the associated project numbers below.
- Expenditures of \$411,993.00 will be charged to Account Number 661.571.565.981.

Qty.		Vendor	Unit Cost	Total Cost	Project#
2	F350 Ford Truck Chassis	Gorno Ford	\$56,279.00	\$112,558.00	<b>2025C0085</b>
2	Dump Body & Snow Equipment Installed	Truck & Trailer Specialties	\$36,845.00	\$73,690.00	<b>2025C0085</b>
3	Transit Cargo Vans	Gorno Ford	\$55,585.00	\$166,755.00	<b>2025C0091</b>
2	Ford Mavericks	Gorno Ford	\$29,495.00	\$58,990.00	<b>2025C0092</b>
<b>Grand Total</b>				<b>\$411,993.00</b>	

## Recommendation

City Management requests authorization to purchase two (2) Ford F350 truck chassis, three (3) Ford Transit Cargo Vans and two (2) Ford Mavericks from *Gorno Ford of Woodhaven, MI* as per the MiDEAL Cooperative Purchasing Contract 071B7700181 for an estimated total cost of \$338,303.00 as detailed above; not to exceed budgetary limitations.

City Management further requests authorization to purchase two (2) dump bodies with snow and ice removal equipment from *Truck and Trailer Specialties, Inc., of Howell, MI*, as per the MITN Cooperative Contract RFP-RH-20-023 for an estimated total cost of \$73,690.00 as detailed above; not to exceed budgetary limitations.



500 West Big Beaver  
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## CITY COUNCIL AGENDA ITEM



Ford F350 Incomplete Chassis Vehicle - Not actual vehicle



Dump Body with Snow Plow - Not actual vehicle



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## CITY COUNCIL AGENDA ITEM



Ford Transit Cargo Van – Not actual vehicle



Ford Maverick Pickup – Not actual vehicle

# GORNO FORD, INC

# PROPOSAL

The Innovative Dealer to  
Drive you into the Future  
22025 Allen Road  
Woodhaven MI 48183  
734-676-2200 Fax 734-671-4375

INVOICE NO: PROPOSAL  
DATE: 11/18/24

<b>TO:</b> CITY OF TROY 4693 ROCHESTER RD. TROY, MI 48085 MOTOR POOL	<b>SHIP TO:</b> ATTN:BRIAN VARNEY PH 248-524-3390 MOTOR POOL, 4693 ROCHESTER RD SHIP TO TRUCK & TRAILER SPEC HOWELL, MI
--	--

Salesperson	P.O. #	Ship Date	Shipped Via	F.O.B. Point	Terms
EDDIE					NET

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
1	2025 FORD F350 4X4 CHAS., ORNGE-EXT 60" CA 7.3L GAS/10 SPD AUTO LT245 X17 A/T TIRES, STEP BOARDS, SKID PLATE, 110V/400 WATT INVERTER, SNOW PLOW PREP, 410 AMP ALTERNATOR, DUAL BATTERY, BACK UP CAMERA, XL CHROME PKG , TRAILER BRAKE CONTROLLER, L/S REAR AXLE  MIDEAL 071B7700181		\$56,279.00

PLEASE MAKE ALL CHECKS PAYABLE TO: GORNO FORD  
IF YOU HAVE ANY QUESTIONS THIS INVOICE  
PLEASE CALL: EDDIE WILLIAMS @ 313-319-3431

THANK YOU FOR YOUR BUSINESS!!

SUBTOTAL	\$56,279.00
SALES TAX	N.A.
TITLE	INCLUDED
TOTAL, EACH	\$56,279.00



# GORNO FORD, INC

The Innovative Dealer to  
 Drive you into the Future  
 22025 Allen Road  
 Woodhaven MI 48183  
 734-676-2200 Fax 734-671-4375

**PROPOSAL**

INVOICE NO:PROPOSAL  
 DATE: 10/14/24

<b>TO:</b> CITY OF TROY 4693 ROCHESTER RD. TROY, MI 48085 MOTOR POOL	<b>SHIP TO:</b> ATTN:BRIAN VARNEY PH 248-524-3390 MOTOR POOL, 4693 ROCHESTER RD Email brian.varney@troymi.gov
--	---

Salesperson	P.O. #	Ship Date	Shipped Via	F.O.B. Point	Terms
EDDIE					NET

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
1	2025 FORD MAVERICK HYBRID FWD WHITE EXT.  2K TOW PKG, , BLISS, POWER MIRRORS, CRUISE CONTROL, POWER DRIVER'S SEAT, CARGO TIE DOWN, ALL WEATHER FLOOR MATS, REVERSE SENSING  ON ORDER, IN PRODUCTION  MIDEAL #071B7700181		\$29,495.00

PLEASE MAKE ALL CHECKS PAYABLE TO: GORNO FORD  
 IF YOU HAVE ANY QUESTIONS THIS INVOICE  
 PLEASE CALL: EDDIE WILLIAMS @ 313-319-3431

**THANK YOU FOR YOUR BUSINESS!!**

SUBTOTAL	29,495.00
SALES TAX	N.A.
TITLE	
<b>TOTAL, EACH</b>	<b>\$29,495.00</b>

# GORNO FORD, INC

The Innovative Dealer to  
 Drive you into the Future  
 22025 Allen Road  
 Woodhaven MI 48183  
 734-676-2200 Fax 734-671-4375

## PROPOSAL

INVOICE NO: PROPOSAL  
 DATE: 11/11/2024

<p style="text-align: center;"><b>TO:</b></p> <p><b>CITY OF TROY</b>  <b>4693 ROCHESTER RD.</b>  <b>TROY, MI 48085</b>  <b>MOTOR POOL</b></p>	<p style="text-align: center;"><b>SHIP TO:</b></p> <p><b>ATTN:BRIAN VARNEY</b>  <b>PH 248-524-3390</b>  <b>MOTOR POOL, 4693 ROCHESTER RD</b>  <b>Email brian.varney@troymi.gov</b></p>
---	--

Salesperson	P.O. #	Ship Date	Shipped Via	F.O.B. Point	Terms
<b>EDDIE</b>	<b>BRIAN</b>				<b>NET</b>

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
1	<p><b>2025 FORD TRANSIT MR T350 WHITE-EXT</b>  <b>3.5L V6/10 SPD AUTO, A/C, AM/FM STEREO, SPARE</b>  <b>TIRE, POWER WINDOW, DOOR LOCKS &amp; MIRRORS,</b>  <b>KEYLESS ENTRY, 4.10 LIMITED REAR AXLE, 148" WB</b>  <b>REAR CARGO LIGHTS, CARGO TIE DOWN HOOKS,</b>  <b>253% OPENING REAR DOORS, BACK UP ALARM,</b>  <b>REVERSE SENSING SYSTEM, HD TOW PKG W/CLASS</b>  <b>III HITCH, ELECTRIC BRAKE CONTROLLER,</b>  <b>EXTENDED EXT MIRRORS, SYNC 3 W/4" SCREEN,</b>  <b>VEHICLE MAINT.MTR, DUAL BATTERIES, REAR</b>  <b>ASSIST HANDLES, FRT OVERHEAD SHELF, SIDE</b>  <b>DOOR STEP BOARD, ADDITIONAL KEYS, 110V/400</b>  <b>WATT INVERTER, LOAD FLOOR PROT. PKG</b>  <b>9,500 LB GVW PKG</b>  <b>MIDEAL 071B7700181</b></p>		<b>\$55,585.00</b>

PLEASE MAKE ALL CHECKS PAYABLE TO: GORNO FORD  
 IF YOU HAVE ANY QUESTIONS THIS INVOICE  
 PLEASE CALL: EDDIE WILLIAMS @ 313-319-3431

**THANK YOU FOR YOUR BUSINESS!!**

SUBTOTAL	
SALES TAX	N.A.
TITLE	INCLUDED
<b>TOTAL, EACH</b>	<b>55,585.00</b>

# TRUCK & TRAILER *Specialties, Inc.*

900 Grand Oaks Drive | Howell, MI 48843 | [www.ttspec.com](http://www.ttspec.com) | ph: (517) 552-3855 | fx: (517) 552-3666

**November 6, 2024**

City of Troy  
4693 Rochester Road, Troy, MI 48085  
Attn: Brian Varney, Fleet Superintendent, ph: (248) 524-3390  
HQ0002949

## Equipment Quotation

The following pricing is based on City of Rochester Hills RFP-RH-20-023 contract awarded September 2020

### Chassis information:

2025 Ford F-350, Reg Cab, 4x4, 145" WB, 60" CA, gas, OEM upfitter switches, OEM brake controller, OEM camera & snow plow prep

### Install Crysteel 9' S-Tipper Dump Body including the following:

108" length, 87" inside width, 96" outside width (3-4 yard capacity)  
Front: 10-gauge 201 stainless steel, 40" high  
Sides: 10-gauge 201 stainless steel, rigid sides, 14" high  
Tailgate: 10-gauge 201 stainless steel, 3-panel, 22" high with quick-drop release handle  
Floor: 3/16" AR450 floor  
Understructure: Western-style crossmemberless  
Boxed top rail  
3-hole clearance light cluster cut into rear sill  
Square rear corner posts with integral tarp hooks & banjo chain slots  
Single 6" oval cut-out for STT lights as low as possible in the pillar  
¼ straight integral full-width cabshield 10-gauge 201 stainless steel, 9" x 35" flame-cut bulkhead window  
Install two (2) shovel holders on curbside of bulkhead

### Install Retractable 2-step Ladder with nonslip tread steps, stainless steel, curbside front of dump (mo. RS2SS)

### Install Tailgate Saver bumpers to protect rear tailgate when dumping with tailgate in lowered position

### Install Crysteel Lo-Boy full-subframe scissor Hoist with body prop including the following:

Model LBS-516 with double-acting hydraulics, 50-degree dump angle  
Capacity: 9.8 tons  
12-volt power pack with push-button hand-held control in cab

### Install Manual Tarp System including the following:

Hand-crank style, mounted at the cabshield with mesh tarp material and rear tarp hooks

### Install Custom Lighting & Electrical including the following:

Chassis upfitter switches for warning lights  
One (1) SoundOff Pinnacle (mo. EPL7PDAC) amber-only mini lightbar with brush guard on cabshield  
Four (4) Code3 MR6 (mo. MR6MC-AG) amber/green LED flashers, surfaced-mounted:  
Two (2) flush-mounted on cabshield corners, front-facing  
Two (2) flush-mounted at top of rear pillar, one each side  
Two (2) SoundOff 6" oval LED S/T/T in bottom cut-out of rear pillar, one each side  
3-light cluster recessed into rear sill  
Body-up light, in-cab with installed proximity switch  
LED body clearance lights and reflectors  
Betts junction box at the rear for chassis lighting circuits and trailer wiring circuits  
Backup alarm

# TRUCK & TRAILER *Specialties, Inc.*

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Remount factory backup camera

**Install Rear Hitch Assembly including the following:**

¾" steel mounting plate

Heavy-duty "D" rings for safety chains

OEM STT lights mounted outside of hitch plate

License plate light and steel bracket below streetside OEM STT lights

PH-20 pintle hook with multi-drill mounting holes for adjustment height

7-way RV flat-pin plug

Electric brake controller (to come with chassis)

**Install WeatherTech floor liners** (mo. 4410541V)

**Install Plain mudflaps in front of and behind the drive tires**

**Install Western 9' ProPlus Steel Snow Plow including the following:**

9' straight steel blade

Complete with hand-held control, driving lights, blade guides, disc shoes & rubber snow deflector

Ultra-mount2 mounting system

**Paint Dump underbody, hoist and rear hitch painted Black**

**Paint Dump Body Orange to match the cab**

**Plow pricing: \$8,475.00 ea.**

**Above installed and painted pricing, including plow pricing: \$36,845.00 ea.**

**Payment Terms:** Net 30 days. Pricing effective for 30 days.

Pricing does not include any of the Rochester Hills RFQ discounts that may be applicable.

2% discount off total taken at invoice if payment received within 30 days.

**FOB:** City of Troy

**Delivery:** 10-11 months ARO, depending on chassis arrival

**Thank you for the opportunity to quote.**

Respectfully submitted by,  
Jon Luea/Brian Bouwman



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

# CITY COUNCIL AGENDA ITEM



Date: November 20, 2024

To: Frank Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager  
 Rob Maleszyk, Chief Financial Officer  
 Kyle Vieth, Controller  
 Joshua Jones, Acting Chief of Police  
 Andrew Satterfield, Police Captain  
 David Quaiatto, Police Lieutenant  
 Daniel Langbeen, Police Sergeant  
 Emily Frontera, Purchasing Manager

Subject: Award Standard Purchasing Resolution 8 – Best Value Award - Towing and Storage Services – Police Department

## History

- Since 2009, *A & M Service Center, Inc. of Troy, MI* has provided towing and storage services for the Police Department with no significant problems or issues.
- Most recently on December 17, 2018 City Council awarded a three (3) year contract with an option to renew for three (3) additional years to provide towing and storage services to *A & M Service Center, Inc. of Troy, MI* (Resolution #2018-12-197); contract expiring December 30, 2024.
- The contract provides for removal and storage of vehicles that are broken down and involved in traffic crashes, as well as clean up of debris from accidents.
- The contract will also provide towing services for City owned vehicles and equipment to and from repair facilities, stuck or disabled equipment and tire changes.

## Purchasing

- September 25, 2024 a Request for Proposal was issued and posted on the MITN Purchasing Group website; [www.bidnetdirect.com/city-of-troy-mi](http://www.bidnetdirect.com/city-of-troy-mi). One hundred thirty-eight (138) vendors were notified of this bid opportunity.
- October 24, 2024 a bid opening was conducted and Proposals were received as required by City Charter and Code for Towing Services. Below is a summary of potential firms.

<b>Companies notified via MITN</b>	138
Troy Companies notified via MITN	6
Troy Companies - Active email Notification	6
Troy Companies - Active Free	0
<b>Companies that viewed the bid</b>	30
Troy Companies that viewed the bid	1

*MITN provides a resourceful online platform to streamline the procurement process, reduce costs, and make it easier and more transparent for vendors to do business with the City of Troy.*

**Active MITN** members with a current membership and paying annual dues receive automatic electronic notification which allows instant access to Bids, RFPS and Quote opportunities with the City.

**Active MITN non-paying** members are responsible to monitor and check the MITN website for opportunities to do business with the City.

**Inactive MITN member** status can occur when a company does not renew their account upon expiration. Inactive members cannot be notified of solicitations or access any bid information.

- One (1) Proposal response was received from *A & M Service Center, Inc. of Troy, MI*.



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM

### **Purchasing (continued)**

- Qualifying conditions of the Towing Services were:
  - Years in business
  - Experience providing Towing Services
  - Positive references for the firm.
  - Qualifications of Company and Personnel to perform work as specified.
  - Capacity of Company and Storage Facility
  - Response to questionnaire
- Committee Members from the Police Department reviewed and evaluated the proposal.
- The Committee Members were as follows:
  - Andrew Satterfield, Police Captain
  - David Quaiatto, Police Lieutenant
  - Daniel Langbeen, Police Sergeant
  - Russell Weipert, Police Impound Management Part-Time
- The Selection Committee completed an in-depth review of A & M's proposal.
- Based on the current performance provided by *A & M Service Center, Inc.* the Committee, in the best interest of the City unanimously recommends awarding a contract to the sole proposer; *A & M Service Center, Inc.* as a best value award.
- The Bid Tabulation is attached.

### **Financial**

Funds are budgeted and available in the Operating Budgets for the Police Department under account number 101.301.11.305.802.260 Contractual Services Towing for the 2025 fiscal year.

### **Recommendation**

City Management recommends awarding a three (3) year contract with an option to renew for three (3) additional years, to provide Towing and Storage Services for the City of Troy to *A & M Service Center, Inc. of Troy, MI* at unit prices contained in the bid tabulation dated October 24, 2024.

### **Legal Review**

This item was submitted to the City Attorney for review pursuant to City Charter Section 3.17.

CITY OF TROY  
 BID TABULATION  
 TOWING SERVICES

Vendor Name: A & M Service Center Inc.

City: Troy, MI

**PROPOSAL: PROVIDE THREE (3) YEAR REQUIREMENTS OF TOWING SERVICES WITH AN OPTION TO RENEW FOR THREE (3) ADDITIONAL YEARS**

**PROPOSAL A:**

ITEM	EST.	SERVICE- PRIVATE VEHICLES	UNIT COST
1	2,000	Vehicles up to 5,000 lbs. (Accidents and Impounds)	\$125.00
2	200	Vehicles over 5,001 lbs. (Accidents and Impounds)	\$125.00
3	5	Vehicles over 10,000 lbs.	\$225.00*
4	5	Accident Vehicles over 10,000 lbs.	\$225.00*
5	<b>Straight pick-ups (relocation of vehicles for snow removal or other purposes requiring a tow of less than 1/2 mile.</b>		
5a		Vehicles up to 10,000 lbs.	\$85.00*
5b		Vehicles over 10,001 lbs.	\$95.00*
6		Tows from and/or to locations more than 5 miles outside of the City of Troy: amount per mile in addition to the basic towing fee – Mileage may not be charged until it has exceeded the 5 miles outside the City and then, only from the point it exceeds that limit.	\$5.00 Per Mile** Outside of Troy
			*2 Hour Minimum
			**Tow cost per mile to/from locations outside of Troy
7	<b>Service calls within the City of Troy</b>		
7a		Vehicle jump-start	\$75.00
7b	50	Vehicle lock-out	\$75.00
7c	200	Return vehicle to roadway (only assessed for a vehicle that is fully off the roadway, paved area or shoulder, or where more than 15 feet of cable is used beyond the extension of the towing vehicle)	\$95.00
7d		Tire Change (per tire)	\$85.00
7e		Service call- other (separate cars, etc.)	\$85.00
8		Additional dolly (this charge is not allowed for flatbed or wheel lift hoist tows)	n/c
9		Labor charge per man hour for on scene, additional or standby personal	\$75.00 Per Man Hour
10	<b>Storage Fee Per Day</b>		
10a		Standard parking	\$25.00
10b		Oversized parking	\$40.00

Vendor Name: A & M Service Center Inc.  
 City: Troy, MI

**PROPOSAL: PROVIDE THREE (3) YEAR REQUIREMENTS OF TOWING SERVICES WITH AN OPTION TO RENEW FOR THREE (3) ADDITIONAL YEARS**

**PROPOSAL B:**

ITEM	EST.	SERVICE- CITY OWNED VEHICLES	UNIT COST
1	160	Vehicles up to 12,000 GVWR (includes accidents)	\$50.00
2	10	Vehicles 12,001-16,000 GVWR (includes accidents)	\$75.00*
3	10	Vehicles 16,001-80,000 GVWR Including Off Road Equipment (includes accidents)	\$95.00*
4	4	Remove Each Axle Shaft and/or Drive Shaft	Not Specified
5	7	Tows from and/or to locations more than <u>5 miles</u> outside of the City of Troy; amount per mile in addition to the basic towing fee	\$3.00 Per Mile
6	<b>Road Service Fees</b>		
6a	12	Within Troy city limits including jump start	\$50.00
6b		Additional dolly (this charge is not allowed for flatbed or wheel lift hoist tows)	Not Specified
6c		Labor charge per man hour for additional man-power	\$45.00 Per Man Hour
6d	15	On-road tire replacement (Road Call)	\$50.00/vehicles up to 12,000lbs
7	<b>Vehicle transport to outside Troy auction sites, dealers, etc. Price per mile in addition to the basic towing fee as follows:</b>		
7a		Cars, Vans and Pick-ups	\$3.00 Per Mile
7b		Vehicles/equipment from 12,000-16,000 GVWR	\$3.00 Per Mile
7c	4	Vehicles/equipment from 16,001 GVWR and over	\$3.00 Per Mile
8	<b>Vehicle requiring assistance to place back on roadway (ditch, stuck, etc.) as follows:</b>		
8a	6	Cars, Vans and Pick-ups	\$50.00
8b		Vehicles/equipment from 12,001-16,000 GVWR	\$75.00
8c	3	Vehicles/equipment from 16,001-80,000 GVWR including construction equipment	\$95.00*
9	1	Towing two (2) vehicles with one (1) Truck	\$55 x 2
			<i>*2 Hour Minimum</i>

Attended Pre Bid:	Y or N	Y
Vendor Questionnaire:	Y or N	Y
Insurance Met:	Y or N	Y
Payment Terms:		Not Specified
Exceptions:	Y or N	N
Acknowledgement:	Y or N	Y
Signed Addendum:	Y or N	Y
Forms:	Y or N	Y

ATTEST:

(\*Bid Opening conducted via a Zoom Meeting)

David Quaiatto  
Daniel Langbeen  
Brian Varney  
Andrew Chambliss  
Nellie Bert  
Dina Gates

Emily Frontera  
 Purchasing Manager



## **AGREEMENT FOR TOWING SERVICES**

This Agreement is entered into this 1<sup>st</sup> day of January, 2025, between the City of Troy, a Michigan municipal corporation, whose address is 500 W. Big Beaver Road, Troy, Michigan 48084, (hereinafter referred to as "CITY") and A & M Service Center, Inc. of Troy, MI, (hereinafter referred to as "CONTRACTOR").

### RECITALS

- A. WHEREAS, CITY finds it necessary to utilize the services of CONTRACTOR for towing and/or storage of vehicles where the Troy Police Department is on the scene either because of an accident or incident, or because a vehicle is interfering with the orderly flow of traffic; and
- B. WHEREAS, CITY desires that services and charges for towing and/or storage be consistent to vehicle owners, whether the owners desire that their vehicles are towed to CONTRACTOR'S vehicle storage yard and/or facility or a dealership or another location other than CONTRACTOR'S vehicle storage yard and/or facility; and
- C. WHEREAS, CITY will be recommending the CONTRACTOR for towing and/or storage services at the scene, and that, but for that recommendation, the CONTRACTOR might not be towing and/or storing the vehicle;
- D. WHEREAS, it is important for the reputation of the CITY and CONTRACTOR that prices charged for the towing and/or storage of a vehicle from a scene where a Troy police officer has recommended CONTRACTOR, be consistent for all referrals by the Troy Police Department and within the terms of this Agreement; and
- E. WHEREAS, the CITY wishes to engage CONTRACTOR to provide these services.

Now, therefore, in consideration of the covenants and agreements contained herein, CITY and CONTRACTOR agree as follows:

1. **SCOPE**. During the term of the Agreement, CONTRACTOR shall provide services as defined in CITY'S Request for Proposal (RFQ-RFP 24-23) and the Instructions and Specifications – Part 1 and Part II and CONTRACTOR'S response to Request for Proposal. Both documents are incorporated and made a part of this Agreement to the extent that their terms do not conflict with the terms herein. The CONTRACTOR shall furnish all labor, materials, and equipment necessary and perform all of the work as set forth in the Proposal and this Agreement in strict accordance with the scope of work and other documents which have been made a part of this contract in the manner, time, and place as therein set forth. The required services are generally described as follows:

A. Removal, impounding and/or storage of automobiles, abandoned or illegally parked vehicles, non-drivable vehicles at accident scenes; impounding vehicles related to arrest; towing of City owned vehicles for any reason; and the towing or storage of any vehicle as directed by the Troy Police Department or Troy Public Works Fleet Division.

B. Service calls for vehicle lock-outs, returning of vehicles to the roadway, tire replacement, jump starts and similar on road services.

C. Towing of vehicles to locations within and outside of the City as designated by CITY, the Troy Police Department, Troy Public Works Fleet Division or the owner/ operator of the vehicle being towed.

D. Clearing of all debris from the scene.

CITY shall have the complete discretion to determine whether or not to contact CONTRACTOR for services under this Agreement; however, if any of the services listed above are needed the Troy Police Department shall contact CONTRACTOR, unless a private citizen specifically requests the services of another provider, provided that the requested tow company responds in a timely manner as determined by Troy Police Department. CITY has the complete discretion to determine whether or not a vehicle is illegally parked, or abandoned.

**2. LOCATION OF STORAGE YARD AND/OR FACILITY.** CONTRACTOR shall maintain a storage yard and/or facility as stated in the proposal. This storage yard and/or facility shall not be relocated without the consent of the CITY.

**3. HOURS AND AVAILABILITY:** CONTRACTOR shall provide towing and/or storage services 24 hours per day, 7 days per week. Requests for services from the Troy Police Department shall have priority over all other calls for service. CONTRACTOR shall respond to the scene within twenty (20) minutes. If Contractor is unable to respond to the scene within twenty (20) minutes, the Contractor must inform the Officer, or the Department in charge at the scene, of this fact at the time of the initial call in. In cases where the Contractor states he/she is unable to respond within twenty (20) minutes, the Officer, or Department in charge at the scene, will have the right to obtain these services from a Secondary service provider. The Contractor will be charged the difference between his/her contracted rates and the rates charged by the Secondary service provider in the event of an upcharge.

If the Contractor does not respond within twenty (20) minutes and does not inform the Officer of the delay at time of the initial call in or while in route, the Officer, or Department in charge at the scene, has the right to call on the services of a Secondary provider. The Officer, or Department in charge at the scene, has the sole discretion to determine whether the required response time has been met barring any unforeseen circumstances. In the event the City has determined that the Contractor did not respond within the designated timeframe, the City in its sole discretion reserves the right to hold the Contractor in default of contract.

In cases of emergency as determined by the City in its sole discretion, or when the PRIMARY CONTRACTOR or Secondary service provider is unable to provide services as delineated in this Agreement, the CITY reserves the right to obtain services from other providers. The Primary CONTRACTOR will be charged the difference between the contracted rates and the rates charged by the other service providers in the event of an upcharge.

**4. POLICE OFFICER IN CHARGE AT SCENE:** Whenever CONTRACTOR is responding to a call from the Troy Police Department, the police officer in charge of the scene shall have supervision over the disposition of the vehicle(s) up to and including transportation of the vehicle(s) to CONTRACTOR'S or CITY'S storage yard and/or facilities or upon direction by City or Owner Operator of the vehicle to any other facility including those outside the City of Troy. CONTRACTOR, through its driver / operator, shall give full and complete cooperation to the officer(s) at the scene, unless dismissed by the officer(s), including, but not limited to officer(s) or owner /operators' directions concerning towing to a facility.

**5. PERSONNEL:** Wrecker operators shall be qualified, trained employees of CONTRACTOR. No less than two (2) wrecker operators shall be on duty and available between the hours of 7:00 a.m. and 2:00 a.m. Between the hours of 2:00 a.m. and 7:00 a.m. at least one (1) wrecker operator shall be on duty with at least one (1) other on call and available within thirty (30) minutes. CONTRACTOR'S employees shall act courteously, responsively and responsibly towards the vehicle's owner and/or agent of each vehicle towed, stored, and/or impounded at the direction of CITY.

CONTRACTOR'S employees shall cooperate with the CITY in handling inventory and recording of criminal evidence and personal property when requested by the Troy Police Department. When requested to do so, the employees shall communicate to the Troy Police Department information regarding any and all vehicles towed, stored or impounded by the Troy Police Department. A designated Troy Police Department representative shall have access to the storage yard and/or facility at all times. CONTRACTOR'S employees shall be required to wear identifiable clothing with a company logo and/or reflective vest.

CONTRACTOR'S employees shall ensure that no part is removed from any vehicle towed for the Troy Police Department unless the impounding officer or his/her designee specifically authorizes that removal.

The CONTRACTOR shall develop and implement a pre-employment interview and/or screening program for all employees who will be assigned to the contract. The screening program shall be designed to assist the CONTRACTOR in determining the employee's qualifications for work and who will be assigned to the City of Troy Contract. This procedure must be reviewed and approved in advance by the City of Troy to ensure compliance with any and all applicable federal and state laws, rules, ordinances and licensing permitting requirement applicable to providing Towing Services as per the RFP and the Contract, including, but not limited to:

Establishing tests acceptable to, and approved by, the City of Troy that are designed to determine the presence of illegal drugs, controlled substances, or alcohol. The CONTRACTOR shall conduct random and reasonable suspicion drug and alcohol testing for all safety sensitive employees according to Federal and Michigan law, rules and regulations and City of Troy policy. The CONTRACTOR shall have a zero-tolerance policy for testing positive to drugs and alcohol and shall immediately remove an employee if they refuse to submit to a drug test, tests positive for illegal drugs, controlled substances or alcohol or violates the law, possesses, sells or consumes illegal drugs, controlled substances or alcohol.

The CONTRACTOR shall be responsible for staffing each wrecker under their care and custody (including owned, leased, rented or sub-contracted) with an operator who shall:

- \* Not have possession or use of any alcohol, controlled substances, illegal drugs, firearms, knives or any other weapons;
- \* Meet all other checks as required by law;
- \* Be a legal citizen, conversant with the English language;
- \* Be free of any disabilities which would preclude him or her from performing the required tasks;
- \* Be trained in the proper handling of vehicles so as not to cause undue damage and be licensed to carry out the required tasks.

CONTRACTOR, upon request from the CITY, shall allow access to all driver qualification files as required under the provisions of the Commercial Drivers License statute.

CONTRACTOR shall also provide a detailed listing of all training received by each operator and a summary of their experience both with the CONTRACTOR and with previous employers. All personnel operating any vehicles for the CONTRACTOR under this Agreement shall comply with all State operator's licensing statues and regulation and / or City of Troy ordinances, including the Motor Vehicle Code and / or the Motor Carrier Safety Act, if applicable.

**6. EQUIPMENT:** CONTRACTOR shall have no less than two (2) wreckers available 24 hours per day 7 days per week. CONTRACTOR shall provide and maintain equipment as outlined below:

Minimum Number	Type of Vehicle	Response Time
1	Light Duty wrecker	20 minutes
2	Flat beds	20 minutes
2	Medium Duty wreckers	45 minutes
1	Heavy Duty wrecker	45 minutes

Equipment may be sub-contracted. Police Department and the DPW / Fleet Division must be notified at time of service if subcontracted wrecker will be used.

All vehicle shall be equipped as described in Request for Proposal - Instructions and Specifications – Part II.

CITY reserves the right to hire specialized equipment outside of this Agreement, when needed, including but not limited to, mobile cranes, or other heavy rescue equipment.

CONTRACTOR shall allow the Troy Police Department and the DPW / Fleet Division to conduct at least one annual safety inspection on each piece of equipment used to fulfill this Agreement and additional inspections at its discretion, if deemed necessary by the Troy Police Department.

**7. SERVICE CALL CANCELLATON:** CITY reserves the right to cancel a request for the services of the CONTRACTOR at any time, including up to the time of hook-up, without either CITY or owner/operator of the vehicle incurring any charges. If the owner of the vehicle arrives

on the scene before the vehicle is towed, and, in the opinion of the officer in charge of the scene, the vehicle can be safely moved by the owner, no charge will be made. CONTRACTOR agrees that the mere response to a service call scene without action does not constitute a service call for which charges are applicable.

**8. CONDITION OF THE SCENE:** CONTRACTOR shall be responsible for the clearing of vehicles and all other debris from the scene as directed by the officer in charge or as is necessary for the safety of other motor vehicles.

**9. VEHICLE STORAGE AND STORAGE YARD AND/OR FACILITY:** CONTRACTOR shall be responsible for all damages to and thefts from the vehicles while they are in the storage yard and/or facility or otherwise in its custody. All vehicles shall only be towed to, and stored in, the storage yard or facility specified in the proposal, unless CONTRACTOR'S employee is otherwise instructed by the officer in charge at the scene or by the owner/occupant of the vehicle.

Locations other than the storage yard / facility must be noted on impound form.

If a vehicle is not claimed within two (2) days of impound, storage fees shall begin to accumulate on the first full business day of impoundment as set out in paragraph I. Financial Arrangements. If a vehicle is claimed within 2 days from the day of impoundment, the owner shall not be charged for the first storage day.

All storage yards shall meet the following minimum requirements:

- A. The site shall be properly licensed and shall be operated in accordance with any federal, state, county or local laws and ordinances pertaining to the operation of such facilities.
- B. The site shall contain a minimum of two (2) contiguous acres of vehicle storage area.
- C. Vehicle storage or parking spaces shall have gravel surfaces or other surface acceptable to the City. All spaces shall have minimum dimensions of 10' x 20' which will be considered a standard parking space. If a vehicle exceeds the dimension of a standard space either by length or width, the vehicle may be charged a fee for an oversized space.

- D. A permanently installed 6' or higher fence shall surround the entire lot perimeter. The fence shall be securely locked at any time vehicles are stored as a result of a Law Enforcement related call, and after business hours.
- E. Driveways providing access to the vehicle storage area from the frontage street shall be paved in the same manner as off-street parking areas.
- F. The City of Troy Police Department's general order specifies that the CONTRACTOR'S office facilities provide for a 24 hour per day, seven (7) day per week operator/attendant who shall be responsible for the security of the yard and the administration of vehicles between the hours of 8:00 a.m. and 5:30 p.m., Monday thru Friday; 9:00 a.m. to 4:00 p.m. on Saturdays; and 9:00 a.m. to 1:00 p.m. on Sundays. The hours stated above are the minimum hours that will be acceptable to the City.
- G. Storage lots cannot be shared with any other non-police entity, regardless of their purpose.
- H. A tow company shall be held solely responsible for the security of the vehicles towed on behalf of the City of Troy Police Department to that company's impound yard.
- I. Any storage yard used by the successful bidder **shall** be located in the City of Troy or no more than a five (5) mile radius from the borders of the City of Troy and shall be in compliance with all local zoning and safety requirements. All yards to be used by the successful bidder must be stated in the vendor questionnaire, Section 5, #12 Vehicle Storage Facility.

**10. DISPOSAL OF VEHICLES.** CONTRACTOR shall allow CITY the space, access and time to set up a public viewing for purposes of accepting public bids for vehicles or groups of vehicles, at least quarterly, and at most monthly.

CONTRACTOR shall assist the Troy Police Department in the disposal of all unclaimed vehicles in accordance with federal, state, county and local laws and ordinances. The storage yard and/or facility shall be made available upon request of the Troy Police Department for



purposes of disposal of unclaimed vehicles and related equipment, including, but not limited to, public auctions. CONTRACTOR shall be entitled to receive from any such sale monies received from each individual vehicle/equipment sale up to an amount equal to towing and storage fees owed the CONTRACTOR for that vehicle/equipment. All monies received in excess of such fees shall be disbursed according to applicable State law (MCL 257.252, et. seq.)

CONTRACTOR agrees to pay all auctioneers' fees, if any, on any vehicle sold through auction. Contractor agrees to supply all needed manpower, as determined by the Troy Police Department, to conduct an auction at no cost to the CITY. However, CONTRACTOR will not pay the salaries of any City employees assigned by the City to assist with the auction. The City will have final approval of all auctioneers.

CITY shall set the minimum acceptable bid for public sale of any vehicle or group of vehicles, or equipment. If any vehicle or equipment is not sold and the CITY does not wish to take possession, or prepare the vehicle for a later auction date, CONTRACTOR shall become the owner of the vehicle, group of vehicles, or equipment and shall be responsible for the disposal.

**11. METHOD OF PAYMENT FOR TOWING AND/OR STORAGE.** CONTRACTOR shall make available to vehicle owners/operators, a method to receive payment by credit card or debit card. This service must be made available within ninety (90) days of the proposal award date. CONTRACTOR may charge an additional reasonable fee to the credit card user to cover the cost of using this type of transaction. These additional fees must be submitted to the Troy Police Department for approval and posted along with the fee schedule at the place of business. Credit cards must be allowed for payment on all tows other than arrests. Cash payments must be allowed for all tows.

**12. CONTRACTOR'S FEES AND ADMINISTRATIVE FEE.** CONTRACTOR shall collect from the vehicle's owner or agent for all towing and/or storage fees for vehicles towed, impounded or stored after removal from the scene at the request of the Troy Police Department.

CONTRACTOR has presented a list of service fees in its response to Request for Proposal. Those stated fees shall be charged to all vehicle operators/owners or their agents whether the vehicle is towed to CONTRACTOR'S storage yard and/or facility or to a different location designated by the vehicle operator/owner. Storage fees may only be charged if the vehicle is stored on the Contractor's lot. If the "Impound Vehicle Supp Report" reflects that the vehicle is to be towed to CONTRACTOR'S storage yard and/or facility, but the owner/operator subsequently gives instructions to CONTRACTOR or any of its employees, that the vehicle is to be towed to a different location, CONTRACTOR shall tow that vehicle to the location indicated by owner/operator, whether or not the vehicle is already physically on CONTRACTOR'S storage yard and/or facility, at the same price as set out in CONTRACTOR'S Response to Request for Proposal plus the mileage fees set out therein. The towing fees quoted herein shall also apply when the vehicle owner / operator directs the CONTRACTOR or any of its employees to tow the vehicle to a different location, no matter how long the vehicle has been physically present on the CONTRACTOR'S storage yard and/or facility. Further, if the vehicle operators/owners or their agents claim the vehicle the day of the tow (first day) to the CONTRACTOR'S storage yard and/or facility, they shall not be charged for storage. If vehicle operator/owners or their agents claim the vehicle the day after the tow (second day), they shall only be charged for one day of storage. Thereafter, if the vehicle is not claimed until the third day after the tow to CONTRACTOR'S storage yard and/or facility, CONTRACTOR may charge fees as set out in their Response to Request for Proposal from the first day of storage forward.

At the time a vehicle that is towed or impounded under this Agreement is released from custody, or at any other time when the tow bill is paid, the CONTRACTOR shall collect for the CITY an Administrative Fee in the amount set by City Council. The Administrative Fees collected on behalf of the City will be submitted to the Troy Police Department each quarter when invoiced from the City by the CONTRACTOR. The current fee is \$30.00. CONTRACTOR acknowledges that the Administrative Fee is subject to change by resolution of City Council at its

discretion. The Administrative Fee may be changed prior to the proposal opening date or anytime thereafter.

In cases where the Troy Police Department has merely been the intermediary in the summoning of aid on behalf of the vehicle's operator/owner or their agent, and the vehicle has not been taken into custody by the Troy Police Department, CONTRACTOR'S fees will be collected by CONTRACTOR directly from the vehicle operator/owner or their agent.

**13. RELEASE OF VEHICLE TO INSURANCE COMPANY AGENT.** CONTRACTOR shall not withhold a vehicle from any insurance company agent because of non-payment for towing and/or storage of a different vehicle insured by that company.

**14. COMPLAINT PROCEDURE.** The Troy Police Department shall forward to CONTRACTOR any oral or written complaints received by its employees and/or citizens regarding CONTRACTOR'S services or pricing. A copy of that complaint shall be mailed to CONTRACTOR at the storage yard and facility address within 3 days of receipt of the complaint. CONTRACTOR shall have 3 days to respond to the Troy Police Department regarding that complaint. An employee of the Troy Police Department will be named to carry out the complaint procedure. If the Troy Police Department is not satisfied with the response to the complaint, it will notify the CONTRACTOR of its failure to provide an adequate response and take whatever options are provided for under this Agreement.

CONTRACTOR shall be required to send the Troy Police Department copies of any complaints, whether oral or written, regarding its services with a written response about that complaint. The Troy Police Department will review the complaint and response, and take whatever action, if any, that is provided for under this Agreement.

**15. REPORTS AND RECORDS.** At the time of a towing and/or impound, CONTRACTOR'S wrecker operators shall accompany and assist the officer in a physical inspection of each vehicle towed and/or impounded. The standard "Impound Vehicle Supp Report" form shall be used for this purpose. When a vehicle is released by the CONTRACTOR, its employees shall complete an "Abandoned/Impounded Vehicle Disposition Report" form. Copies of those forms are attached to

this Agreement. A copy of all forms shall be forwarded to the Troy Police Department.

CONTRACTOR shall provide or complete all other forms, reports and/or documents that may otherwise be required or requested by the Troy Police Department. CONTRACTOR shall have the capability to transmit and receive data electronically, that is, by email, with the Troy Police Department.

CONTRACTOR shall keep accurate records on a daily basis for each towed, impounded, serviced and/or stored vehicle, including its license (registration plate) number, description, vehicle identification number (VIN), the tow origination point, and any subsequent tow(s), date and time the vehicle was placed into storage, location of the storage facility, any charges levied and the date and time it was returned to the owner.

CONTRACTOR shall maintain, for a period of three (3) years, accurate financial records of each towing, impound, service and/or storage transaction made at CITY'S request. CONTRACTOR shall have those records open to inspection by the CITY upon request. CITY reserves the right to conduct an audit of all bills and records relevant to this Agreement at least twice a year.

**16. TERM OF AGREEMENT:** This Agreement shall be in effect for three (3) years with an expiration date of December 31, 2027 unless terminated by CITY as otherwise set out herein. All CONTRACTOR'S prices for towing services shall not be changed during that three (3) year period. Within ninety (90) days of the expiration of this Agreement, the CITY may at its option renew this Agreement for a three (3) year period under the same prices, terms and conditions as set out in this Agreement upon mutual consent of both parties. A request by the City staff to determine the CONTRACTOR'S interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Council approval and a blanket purchase order issued.

**17. TERMINATION OF AGREEMENT:** CITY shall be the sole judge of inadequacy of performance under this Agreement. CITY reserves the right to take any or all of the following actions because of inadequate performance on the part of the CONTRACTOR.

- a. CITY MAY TERMINATE AGREEMENT. Before CITY exercises its right to terminate this Agreement, CITY will afford CONTRACTOR an opportunity to respond within seven (7) calendar days to allegations of inadequacy. The City Manager or designated City representative shall have absolute discretion to make a decision to terminate this Agreement, subject only to the approval of City Council. Written notification shall be given within thirty (30) days of termination.
- b. CITY MAY HAVE ANOTHER PARTY PROVIDE TOWING AND STORAGE OF VEHICLES. CONTRACTOR agrees to reimburse CITY or other party for damages and costs in the event the CITY exercises this right to have the Secondary service provider or another party tow or store vehicles due to CONTRACTOR'S inadequate performance. These damages and costs shall include, but are not limited to, labor costs, towing and storage fees and any other damages resulting from having another party perform the services under this Agreement.
- c. CITY MAY TAKE OVER CONTRACTOR'S EQUIPMENT AND/OR STORAGE YARD OR FACILITY. The City Manager or designated City representative may declare the CONTRACTOR in default of this Agreement, and so notify CONTRACTOR thereof, under the following circumstances:
  - i. Services or any part of the services to be provided under this Agreement have been abandoned or unnecessarily delayed;
  - ii. CONTRACTOR is intentionally violating any of the provisions of this Agreement;

- iii. CONTRACTOR is carrying out the provisions of this Agreement in bad faith;
- iv. CONTRACTOR has been adjudged as bankrupt;
- v. CONTRACTOR makes a general assignment for the benefit of its creditors.

If any one or more of the above events occur, CITY may then call upon another party to complete the services or may complete it by other means as described above. CITY may take over and use materials, equipment, and storage yard and facilities of CONTRACTOR and anything else necessary for the performance of services until such time as other services can be obtained. CITY may recover the cost of completing the services by deducting the amount thereof from any monies due or which may become due to the CONTRACTOR under this Agreement. When such monies are insufficient to pay such costs, the amount in excess shall be paid by the CONTRACTOR.

**18. INSURANCE REQUIREMENTS.** CONTRACTOR shall carry general liability insurance, automobile insurance, workers compensation, garage keepers legal liability insurance and employers' liability insurance for any actions, claims, liability or damages caused to others arising out of the performance of this Agreement in amounts approved by the CITY. CITY shall be named as an additional insured on the general liability, automobile and garage keepers legal liability policies using the following wording: "City of Troy, Troy Police Department, all elected and appointed officials, all employees and volunteers, those working as agents or on behalf of the City, boards, commissions and/or authorities, or board members, employees, and volunteers additional insured" on ISO form B or broader. CITY shall be notified of any cancellation of that insurance within 30 days. The cancellation clause shall read: "Should any of the above-described policies be canceled before the expiration date thereof, the issuing company will provide 30 days written notice to the additional insured." Cancellation or lapse of the insurance shall be considered a material breach of this contract and the contract shall become null and

void unless the Contractor immediately provides proof of renewal of continuous coverage to the CITY. All insurance carriers shall be licensed and admitted to do business in the State of Michigan and acceptable to the CITY. Proof of insurance meeting these requirements shall be provided to the CITY before execution of this contract.

CONTRACTOR is responsible for any deductibles to any of the policies. CONTRACTOR shall furnish three (3) complete copies of the acceptable Certificates of Insurance. If any of the policies expire during the term of the Agreement, CONTRACTOR shall deliver renewal certificates and/or policies to CITY, Purchasing Department, at least ten (10) days prior to the expiration date.

**19. WORK SAFETY.** CONTRACTOR is responsible for work environment safety, including but not limited to, all federal, state and local laws, ordinances and regulations.

**20. INDEMNIFICATION AND HOLD HARMLESS.** To the fullest extent permitted by law, CONTRACTOR agrees to defend, pay on behalf of, indemnify, and hold harmless the City of Troy, the Troy Police Department, its elected and appointed officials, employees and volunteers and others working on behalf of the City of Troy or the Troy Police Department, against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Troy, Troy Police Department, its elected and appointed officials, employees, volunteers or others working on behalf of the City of Troy or the Troy Police Department, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with the execution of activities by the CONTRACTOR as outlined in this Agreement or as relating to or resulting from those activities.

**21. ASSIGNMENT OF AGREEMENT / INDEPENDENT CONTRACTOR:** CONTRACTOR shall have no authority or power to assign, sublet and/or transfer any rights, privileges or interests under this Agreement without prior written consent from the CITY. CONTRACTOR acknowledges that it is an independent contractor with no authority to bind the CITY to any contracts or agreements, written or oral.

**22. NOTICE:** All written notices to be given under this Agreement shall be via first class mail to the other party at its last known address set forth herein.

**23. GOVERNING LAW AND JURISDICTION:** This Agreement is made in and shall be governed by the laws of the State of Michigan. Any lawsuits under this Agreement shall be filed in the Oakland County Circuit Court, Michigan.

**24. HEADINGS.** Pronouns and relative words herein used shall be read interchangeably in the masculine, feminine or neuter, singular or plural as the respective case may be.

**25. ENTIRE AGREEMENT.** The foregoing constitutes the entire Agreement between the parties and may be modified only by a written instrument signed by both parties.

**26. AUTHORITY TO EXECUTE:** By execution of this Agreement, the respective parties acknowledge that each has executed this Agreement with full and complete authority to do so.

**WITNESS:**

1. \_\_\_\_\_

2. \_\_\_\_\_

**TOWING OPERATOR:**

\_\_\_\_\_  
Mario Valente - A&M Towing

\_\_\_\_\_  
(Title)

**CITY OF TROY:**

By \_\_\_\_\_  
Ethan Baker, Mayor



\_\_\_\_\_  
Frank Nastasi, City Manager

\_\_\_\_\_  
Aileen Dickson, City Clerk

Resolution Number: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

By \_\_\_\_\_  
Lori Grigg Bluhm, City Attorney







**SECTION 9: PRICING**

**PROPOSAL B: PRICING**

ITEM	ANNUAL COUNT (Estimated)	SERVICE – CITY OWNED VEHICLES	UNIT COST
1.	160	Vehicles up to 12,000 GVWR (includes accidents)	\$ 50.00
2.	10	Vehicles 12,001 – 16,000 GVWR (includes accidents)	\$ 75.00 2 hour minimum
3.	10	Vehicles 16,001 – 80,000 GVWR Including Off Road Equipment (includes accidents)	\$ 95.00 2 hour minimum
4.	4	Remove Each Axle Shaft and / or Drive Shaft	\$
5.	7	Tows from and/or to locations more than <u>5 miles</u> outside of the City of Troy: amount per mile in addition to the basic towing fee	\$ 3.00 per mile
<b>6.</b>	<b>Road Service Fees</b>		
6a.	12	Within Troy city limits including jump start	\$ 50.00
6b.		Additional dolly (this charge is not allowed for flatbed or wheel lift hoist tows)	\$
6c.		Labor charge per man hour for additional man-power	\$ 45.00 per man hour
6d.	15	On-road tire replacement (Road Call)	\$ 50.00 vehicles up to 12,000lbs
<b>7.</b>	<b>Vehicle transport to outside Troy auction sites, dealers, etc. Price per mile in addition to the basic towing fee as follows:</b>		
7a.		Cars, Vans and Pick-ups	\$ 3.00 per mile
7b.		Vehicles/equipment from 12,000 to 16,000 GVWR	\$ 3.00 per mile
7c.	4	Vehicles/ equipment from 16,001 GVWR and over	\$ 3.00 per mile
<b>8.</b>	<b>Vehicle requiring assistance to place back on roadway (ditch, stuck, etc.) as follows:</b>		
8a.	6	Cars, Vans, and Pick-ups	\$ 50.00
8b.		Vehicles/ equipment from 12,001 - 16,000 GVWR	\$ 75.00
8c.	3	Vehicles/ equipment from 16,001 – 80,000 GVWR including construction equipment 2 hour minimum	\$ 95.00
9.	1	Towing two (2) vehicles with one (1) Truck	\$ 55 x 2

**IMPORTANT:** In order to fairly evaluate and score the pricing phase, only the items with an estimated annual count will be used.

COMPANY NAME: A&M Service Center Inc.



**SECTION 6: INSURANCE REQUIREMENTS**

Insurance requirements shall be in accordance with the attached **SAMPLE INSURANCE CERTIFICATE and ENDORSEMENT**. The required Insurance Certificate and Endorsement must be submitted to the city within 5 days of the verbal/ electronic request after the bid award. The Insurance Certificate and Endorsement may be faxed to the Purchasing Department at (248) 619-7608, and is the only bid document accepted in this format.

The contractor, or any of their subcontractors, shall not commence work under this contract until they have obtained the insurance required, and shall keep such insurance in force during the entire life of this contract. All coverage shall be with insurance companies licensed and admitted to business in the State of Michigan and acceptable to the City of Troy. The requirements below should not be interpreted to limit the liability of the Contractor. All deductibles and self-insured retentions (SIR's) are the responsibility of the Contractor.

- We can meet the specified insurance requirements. See Declaration Sheet
- We cannot meet the specified insurance requirements.
- We do not carry the specified limits but can obtain the additional insurance coverage of \$ \_\_\_\_\_, at the cost of \$ \_\_\_\_\_.  
**NOTE:** Please note the amendments on a sample insurance certificate and attach it to your bid proposal.
- Our proposal is reduced by \$ \_\_\_\_\_ if we lower the requirement to \$ \_\_\_\_\_.  
**NOTE:** Please note the amendments on a sample insurance certificate and attach it to your bid proposal.

**IMPORTANT:** A Certificate of Insurance on an ACORD Form showing present coverage as well as the required endorsements SHALL be attached to the proposal document at the time of submission of the proposal to the Office of the City Clerk.

**NOTE:** Failure on the part of any bidder to contact his/her insurance carrier to verify that the insurance carried by the bidder meets City of Troy specifications may result in this proposal being completed incorrectly.

**OTHER:** Sole proprietors must execute a certificate of exemption from Worker's Compensation requirements or provide proof of Worker's Compensation Insurance. All coverage shall be with insurance carriers licensed and admitted to do business in Michigan in accordance with all applicable statutes of the State of Michigan and acceptable to the City of Troy.

**INSURANCE VERIFICATION:**

A bidder shall complete the above portion, which details additional costs that may be incurred for specified coverage without purchasing the additional coverage prior to bid submission.

**WORKERS' COMPENSATION INSURANCE,** including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

**COMMERCIAL GENERAL LIABILITY INSURANCE** on an "Occurrence Basis" with limits of liability not less than \$1,000,000.00 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included; (E) Deletion of all Explosion, Collapse, and Underground (XCU) Exclusions, if applicable.

COMPANY NAME:     A&M Service Center Inc.

**SECTION 6: INSURANCE REQUIREMENTS – continued**

**AUTOMOBILE LIABILITY**, including Michigan No-Fault Coverages, with limits of liability not less than \$1,000,000.00 per occurrence combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

**ADDITIONAL INSURED:**

Commercial General Liability and Automobile Liability, as described in the attached SAMPLE shall include an Additional Insured Endorsement stating the following shall be ***Additional Insureds***: The City of Troy including all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and council members, including employees and volunteers thereof. It is understood and agreed by naming the City of Troy as additional insured, coverage afforded is considered to be primary and any other insurance the City of Troy may have in effect shall be considered secondary and/or excess.

**CANCELLATION NOTICE:**

All policies, as described above, shall include an endorsement stating that it is understood and agreed that Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be mailed to:

City of Troy  
Purchasing Manager  
500 West Big Beaver  
Troy, MI 48084

**PROOF OF INSURANCE COVERAGE:**

The Contractor shall provide the City of Troy, at the time that the contracts are returned by him/her for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above all shall be furnished, if so requested.

If any of the applicable coverages expire during the term of this contract, the Contractor shall deliver renewal certificates and endorsements to the City of Troy at least ten (10) days prior to the expiration date.

**LETTER VERIFICATION:**

The recommended bidder will be notified to submit a letter from the *insurance agent or carrier* that the insurance to be supplied will meet specifications. As an alternative, the recommended bidder may submit the certificate of insurance meeting specifications at this time at his/her option. ***The City must receive this letter or certificate within 5 business days after verbal / electronic notification has been delivered to the recommended bidder or the bidder will be considered non-responsive and the bid un-awardable.*** This process will occur before presentation of the award recommendation to the Troy City Council.

**FINAL INSURANCE CERTIFICATE SUBMISSION:**

After approval by Troy City Council, the City's Purchasing Manager will review the insurance certificates and endorsements to ensure all acceptable documents have been received and allow (5) additional business days after verbal / electronic notification to submit final insurance certificate(s) in accordance with specifications. The City of Troy reserves the right to WITHHOLD AND KEEP any bid surety for failure to comply. The company will be considered in default of contract and will be barred from doing business with the City of Troy for a minimum of three (3) years for failing to meet insurance requirements.

COMPANY NAME:     A&M Service Center Inc.



## **SECTION 7: PROPOSAL TERMS AND CONDITIONS**

### **CONTRACT FORMS:**

Bidders should complete the Legal Status of Bidder, Non-Collusion Affidavit, Certification regarding Debarment, the Certification regarding "Iran Linked Business" and the Familial Disclosure Forms and return with your bid proposal.

### **ADDITIONAL INFORMATION:**

For additional information or questions concerning this project, please contact Dan Langbeen at (248) 524-3556 or [impounds@troymi.gov](mailto:impounds@troymi.gov).

### **SIGNATURE:**

Each authorized representative of the company must sign the proposal with their usual signature and shall give their full business address. Proposals submitted by partnerships shall be signed with the partnership name by one of the members or by an authorized representative. Proposals by corporations shall be signed with the name of the corporation followed by the signature and designation of the President, Secretary, or other person authorized to bind it in the matter.

### **RETAIN PROPOSALS:**

The City reserves the right to retain all proposals submitted and to use any ideas in the proposals regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the company of the conditions contained in this RFQ/RFP, unless clearly and specifically noted in the proposal submitted and confirmed between the City of Troy and the company selected.

### **LAWS:**

All applicable State of Michigan and Federal laws, City and County ordinances, licenses and regulations of all agencies having jurisdiction shall apply to the award throughout and incorporated herein by reference.

### **AWARD OF CONTRACT:**

The evaluation and award of this proposal shall be a combination of factors including, but not limited to: the completion of all information requested and detailed in the RFQ / RFP, evaluation of the fee proposal, professional competence, storage facility location, references that include evidence of completion of at least three (3) towing contracts, understanding of the services required, and the correlation of the proposal submitted to the needs of the City of Troy and any other factors considered to be in the best interest of the City of Troy.

The intent of the award is to contract with one Primary towing service provider. In the event the Primary Service Provider is unable to provide the services as stated in Section 8 of the Request for Proposal document, it is the sole responsibility of the Primary Service Provider to Provide a Secondary Service Provider.

The City of Troy reserves the right to award to the company(s) providing the best value proposal, in whatever manner is deemed to be in the City's best interest; to reject a proposal which contains major deviations from specifications; to accept a proposal which has only minor deviations from specifications; or whatever is deemed to be in the City's best interest.

### **RIGHT TO REQUEST ADDITIONAL INFORMATION:**

The City reserves the right to request any additional information it deems necessary from any company responding to this RFQ / RFP after the documents have been received.

COMPANY NAME:     A&M Service Center Inc.

## **SECTION 7: PROPOSAL TERMS AND CONDITIONS – continued**

### **QUALIFICATIONS OF BIDDERS:**

The bidder may be required before the award of any contract to show to the complete satisfaction of the City of Troy that it has the necessary facilities, abilities, and financial resources to provide the services specified herein. The bidder may also be required to give a past history in order to satisfy the City of Troy in regard to the bidder's qualifications. The City of Troy may make reasonable investigations deemed necessary and proper to determine the ability of the bidder to perform the work, and the bidder shall furnish to the City of Troy all information for this purpose that may be requested.

### **PURCHASE ORDER:**

After the Troy City Council has approved the award, the City of Troy Purchasing Department will notify the successful bidder(s). The successful bidder(s) once notified, will be required to provide acceptable insurance certificate(s) and sign the final Agreement. A purchase order issued in conjunction with the final Agreement from the City of Troy will create a bilateral contract between the parties, and the successful bidder(s) shall commit to perform the contract in accordance with specifications.

### **INVOICING AND PAYMENT:**

The City of Troy reserves the right to select the invoicing option deemed to be in its best interest at the time of implementation of the contract. No additional costs will be incurred for the invoicing option selected.

Termination of service will be unacceptable for non-payment of a bill without the successful bidder contacting the designated City representative to resolve the problem. The City will have 45 days to resolve any billing problem from written notice to terminate services.

### **ESTIMATED QUANTITIES:**

Quantities stated are estimated and are not guaranteed. Quantities stated are for award purposes only. The quantities are estimated usages provided by those City employees who have been responsible for contract administration. Troy will not be penalized for requiring more or less service than the numbers provided. Although no quantity may be listed for some items listed above, a price is necessary since the City is establishing a price for this service if it should occur during the contract period.

### **DOWNPAYMENTS OR PREPAYMENTS:**

Any proposal submitted which requires a down-payment or prepayment for services prior to performance and acceptance as being in conformance with specifications will not be considered for award.

### **SAMPLE AGREEMENT:**

A "draft" sample agreement is attached to this proposal document. The City of Troy anticipates that the final agreement will be in substantial conformance with the Sample attached. Nevertheless, bidders are advised that any contract that may result from this proposal may deviate from the Sample Agreement attached. The successful bidder(s) will be required to sign the final Agreement Document.

### **SUBCONTRACTORS:**

The undersigned agrees to submit a list of proposed subcontractors, if applicable. It will be the successful bidder's responsibility to ensure that any subcontractor performing services under this contract is capable of doing the work as specified. The designated City representative retains the right to evaluate the services performed by or on behalf of the successful bidder and reserves the right to reject any service that is not in accordance with the specifications.

COMPANY NAME: A&M Service Center Inc.



**SECTION 7: PROPOSAL TERMS AND CONDITIONS – continued**

**SIGNATURE PAGE**

**PRICES**

Prices shall remain firm until proposal award, except the successful bidder(s) whose prices shall remain firm for the entire contract period which shall commence on the date of award and expire on December 31, 2027.

The contract may be renewed for three (3) years with mutual consent of both parties within 90 days of contract termination based upon the same prices, terms, and conditions as the original contract. The renewal may be subject to a favorable market survey and City Council approval. A request by City staff to determine a successful bidder's interest in renewing a contract in no way obligates the City. The option cannot be exercised without a blanket Purchase Order issued. The City of Troy may terminate this contract with 30 days written notice as delineated in Section 8 – M; Term of the Contract.

**SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE:** Mario Valente

**NOTE:** The undersigned has checked carefully the bid figures and understands that he/she shall be responsible for any error or omission in this offer and is in receipt of all addenda as issued.

TAX ID 38-3597600

COMPANY A&M Service Center Inc.

ADDRESS 2075 Austin CITY Troy STATE MI ZIP 48083

TELEPHONE NUMBER (248) 248-588-3640 FAX NUMBER ( ) \_\_\_\_\_

REPRESENTATIVE'S NAME Mario Valente

**SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE:** Mario Valente

(Print)

PAYMENT TERMS: \_\_\_\_\_ EMAIL: amservicecenter@aol.com

**EXCEPTIONS:**

Any exceptions, substitutions, deviations, etc. from City specifications and this proposal must be stated below. The reason(s) for the exception, substitution, and/or deviation are an integral part of this proposal offer:

**ACKNOWLEDGEMENT:** I, Mario Valente, certify that I have read Section 4, the **Instructions to Bidders** (3 Pages) and that the proposal documents contained herein were obtained directly from the City's Purchasing Department or MITN website, [www.mitn.info](http://www.mitn.info) and is an official copy of the Authorized Version.

**SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE:** Mario Valente

**IMPORTANT:** All City of Troy purchases require a **SAFETY DATA SHEET**, where applicable, in compliance with the **MIOSHA "Right to Know" Law**.

**NOTE:** The City of Troy, at their discretion, may require the bidder(s) to supply a Financial Report from an impartial Financial Credit Reporting Service before award of contract.

**U.S. FUNDS:** PRICES QUOTED SHALL BE IN U.S. CURRENCY.



**SECTION 5: VENDOR QUESTIONNAIRE**

DATE: 09/30/2024  
Month/Date/Year

COMPANY NAME: A&M Service Center Inc

ESTABLISHED: June 15 19 81 / 20\_\_ STATE: MI YEARS in BUSINESS 43

- TYPE OF ORGANIZATION: (Circle One)
- a. Individual
  - b. Partnership
  - c. Corporation
  - d. Joint Venture
  - e. Other \_\_\_\_\_

If applicable:

FORMER COMPANY NAME(S)

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Company is licensed by the Michigan Public Service Commission (MPSC) for transportation of wrecked or disabled vehicles within the City of Troy and other points within the State.

Copies of license(s) are attached and marked Exhibit A for identification.

NOTE: If additional space is needed throughout the questionnaire, please attach additional sheets numbered appropriately for identification.

1. What is this company's experience relative to towing services? A minimum of three (3) towing service contract examples are required. Examples provided should be contracts that have been completed in the last five (5) years. Be sure to include the average response time for each of the examples provided (i.e. 20 minute response 85% of time).

City of Troy	20 Minutes 95% of the time	Still in contract
City of Clawson	20 Minutes 95% of the time	Still in contract
City of Royal Oak	20 Minutes 95% of the time	Still in contract
City of Berkley	20 Minutes 95% of the time	Still in contract
Michigan State Police	20 minutes 95% of the time	Still in contract

2. Describe this company's capabilities specific to the scope of work within this RFP. Include total number of employees (wrecker drivers/operators and dispatchers) and work performed for other law enforcement agencies.

We offer 24 hour/ 7 day a week towing with 42 years of police towing. We have 21 state of the art trucks to serve the city: from a 1-ton wrecker to a 60-ton wrecker with rotator. We are a family owned and run with both owners involved in the day-to-day operations of the business, as well as 16 additional tow truck drivers and two dispatchers.

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**SECTION 5: VENDOR QUESTIONNAIRE – continued**

3. List all other cities, counties, regional or state governments with whom this company has worked including contact information.

ENTITY	CONTACT NAME	PHONE NUMBER	EMAIL
City of Berkley	Sargent Smith	248-658-3380	
City of Royal Oak	Stacey Sheldon/ Keylon Smith	248-246-3427	
City Of Clawson	Jason Rand	248-524-3477	

4. Personnel from this company who would be assigned to the City's account.

Please provide resumes, copies of certifications, licenses, and/or list any additional training classes taken to increase expertise in light, medium, heavy towing and recovery wrecker operations for the people listed in this section who will be assigned to the City of Troy account along with their responsibilities.

TITLE	NAME	LICENSE/ CERTIFICATION	EXPERIENCE/ YEARS	ROLE
President	Mario Valente		43	Day to day operations
Vice President	Antonio Valente		43	Day to day operations
Accounting	Marie Valente		20	Accounting

5. What towing services are provided in-house and what towing services are subcontracted to outside companies as it relates to this project. If outside companies will be used, include their resumes, stating experience and qualifications. Please also indicate the company's experience working with these individuals.

All services provided in house unless we need to call Service Towing for an extra heavy duty wrecker.

6. Provide the company's contact information below: Towing is 24 hours

HOURS OF OPERATION: MON – FRI 7am-6pm SAT 8am-2pm SUN Closed

CONTACT NAME: Mario Valente Cell phone # 248-640-1826

24 HOUR CONTACT/ DISPATCH NUMBER: 248-588-3640

7. Please check the method(s) of payment that this company currently accepts from customers. (Check all that apply)

Cash  Credit Card  Debit Card  Personal Check

Other Electronic Payment Methods: \_\_\_\_\_

8. List any motor club/roadside assistance programs you are currently affiliated with.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMPANY NAME: A&M Service Center Inc.

**SECTION 5: VENDOR QUESTIONNAIRE – continued**

9. List any Towing Associations you are currently affiliated with.

Michigan Towing Association

Are you a member in good standing? If not, why not.

Yes

10. Professional References – please list at least three (3) clients with whom you have completed towing contracts for within the past five (5) years that are similar in scope to the type of work described in this proposal. Contact names and the listed information are to be provided.

Entity Name	Address	Contact Name	Phone Number	E-Mail
<u>Same as Questionnaire #3 answers</u>				

11. List all contract commitments this company has been engaged to perform for 2024/2025. Give organization name, name of contract and value of contract.

ORGANIZATION	CONTRACT	VALUE
<u>City of Royal Oak</u>	<u>Police Towing Contract</u>	
<u>City of Troy</u>	<u>Police Towing Contract</u>	
<u>City of Clawson</u>	<u>Police Towing Contract</u>	
<u>City of Berkley</u>	<u>Police Towing Contract</u>	
<u>Michigan State Police</u>	<u>Police Towing Contract</u>	

12. Where is your vehicle storage facility located? How long have you been operating at this facility?

Location 1: 2075 Austin, Troy # of years: 17  
Location 2: \_\_\_\_\_ # of years: \_\_\_\_\_

(X) Location 1 is located within Troy

( ) Location \_\_\_\_\_ is located outside of Troy - \_\_\_\_\_ miles from the borders of the City of Troy.

The successful bidder will be required to maintain and make the storage facility available to the City of Troy throughout the contract period. It is important and critical to the City of Troy to have access to a convenient storage facility within close proximity. Therefore, the site shall be located in the City of Troy or no more than a **five (5) mile** radius of the City.

13. Describe the size and location of the storage facility lot(s) and include a site plan.

Location #1 is 2.5 acres See Exhibit B

COMPANY NAME: A&M Service Center Inc.





October 4, 2024

**Addendum 1  
RFP-COT 24-23  
Towing Services  
Page 1 of 2**

To All Bidders:

Please be advised that as a result of the Mandatory Pre-Proposal Meeting conducted on Wednesday, October 2, 2024 at 2:00 PM E.D.T. the Purchasing Department for the City of Troy authorized the following clarification(s) and or change(s) to the specifications for **RFP-COT 24-23, Towing Services**. The clarification(s) and or change(s) will be considered an integral part of the original proposal document. The Mandatory Pre-Proposal Meeting was conducted at the City of Troy City Hall in the Lower Level Conference Room.

Items from the bid documents to be aware of and that were REVIEWED in the meeting:

- Sealed Proposals for **TOWING SERVICES** will be electronically received on the MITN Purchasing Group website by the City of Troy, 500 W. Big Beaver Road, Troy, MI 48084 until **THURSDAY, OCTOBER 24, 2024 at 10:00 AM, EDT** after which time they will be publicly opened via Zoom. Late proposal submittals will not be accepted or considered for award.
- Proposals documents are to be submitted as two separate PDF files:
  - Qualification documents to be combined & uploaded as one PDF file, named **QUALIFICATIONS**
  - Pricing/Fee pages to be combined & uploaded as one PDF file, named **FEE PROPOSAL**
- **Opening of Proposals:** At the specified time and date stated above, all submitted Proposals shall be opened. The names shall be read aloud.
- If further information regarding this proposal is required, please contact the Purchasing Manager and submit questions in writing to Emily Frontera, Purchasing Manager, [e.frontea@troymi.gov](mailto:e.frontea@troymi.gov).
- All bidders are required to examine the bid documents to determine the work to be done in accordance with the RFP specifications by attending the Mandatory Pre-Proposal Meeting that was scheduled for **WEDNESDAY, OCTOBER 2, 2024 at 2:00 PM EDT** located at Troy City Hall.
- **INSURANCE:** If awarded - Insurance shall be submitted to the City's Purchasing Manager, and approved prior to the start of the contract.
- **SIGNATURE PAGE** – Sign all three areas 1) Price Clause, 2) Company Info, & 3) Acknowledgement.
- **EXCEPTIONS:** Any exceptions, substitutions, deviations to the proposal need to be stated including the reason.

Since attendance at the Pre-Bid Meeting was **Mandatory**, everyone signed in. The following Firms were represented and in attendance:

A&M Towing

Introduced: Emily Frontera, Purchasing Manager  
Nellie Bert, Buyer  
David Quaiatto, Police Lieutenant  
Daniel Langbeen, Police Sergeant  
Russel Weipert, Police IT Assistant  
Brian Varney, Fleet Operations Manager

---

Clarifications were discussed as follows:

- Emily Frontera, Purchasing Manager gave a brief overview of the Request for Qualifications and the requirements for Bid Submission.
- Evaluation of Qualifications and Pricing was reviewed and weighted scale for each discussed.
- It is the proposers' responsibility to have examined and made themselves familiar with the Bid Specifications.
- Anticipated award date is November 25, 2024. Contract commencement January 1, 2025
- Police staff gave a brief overview of scope of work and any changes to requirements.

---

Emily Frontera gave everyone an additional opportunity to ask any other questions; which there were none. Further questions should be emailed directly to Emily; which if required will necessitate an additional Addendum; which would include the QUESTION and the ANSWER.

All Addendums will be posted on the MITN Purchasing Group website.

---

I, the undersigned bidder, have read this Addendum 1 and have integrated the clarification(s) and or change(s) into the *Invitation to bid* and *Specifications* for RFP-COT 24-23, Towing Services. All other items in the original RFP (Request for Proposal) remain the same. This Addendum 1 should be attached to the top of the Bid Proposal packet at the time of submission, on or before **Thursday, October 24, 2024 at 10:00 AM EDT.**

COMPANY:

A&M TOWING

NAME OF AUTHORIZED COMPANY REPRESENTATIVE:

MARIO VALENTE

SIGNATURE:

Mario Valente

ADDRESS:

2075 AUSTIN DR.

TROY, MI 48083

DATE:

10-10-24



**SECTION 11: FORMS**

Legal Status of Bidder:

The Bidder shall fill out the appropriate form and strike out the other two:

\_\_\_\_\_

A corporation duly organized and doing business under the laws of the State of Michigan  
for whom Mario Valente, bearing the office title of President,  
whose signature is affixed to this proposal, is duly authorized to execute contracts.

\_\_\_\_\_

~~A partnership, all members of which, with addresses, is:~~

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

\_\_\_\_\_

~~AN INDIVIDUAL, WHOSE SIGNATURE IS AFFIXED TO THE PROPOSAL:~~

_____	_____
-------	-------





**SECTION 11: FORMS**

**CITY OF TROY  
OAKLAND COUNTY, MICHIGAN  
NON-COLLUSION AFFIDAVIT**

TO WHOM IT MAY CONCERN:

Mario Valente, being duly sworn deposed, says that he  
(Print Full Name)

Is President. The party making the foregoing proposal or bid,  
(State Official Capacity in Firm)

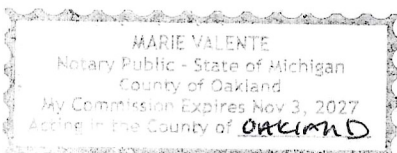
that such bid is genuine and not collusion or sham; that said bidder has not colluded, conspired, connived, or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding and has not in any manner directly or indirectly sought by agreement or collusion, or communication or conference, with any person to fix the bid price or affiant or any other bidder, or to fix any overhead, profit, or cost element of said bid price, or that of any other bidder, or to secure the advantage against the City of Troy or any person interested in the proposed contract; and that all statements contained in said proposal or bid are true.

*Mario Valente*  
SIGNATURE OF PERSON SUBMITTING BID

*Marie Valente*  
NOTARY'S SIGNATURE

Subscribed and sworn to before me this 18<sup>th</sup> day of October 2024  
in and for Oakland County.

My commission expires:  
11 | 03 | 2027





**SECTION 11: FORMS**

**CERTIFICATION REGARDING  
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

The prospective participant certifies, to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions under any non-procurement programs by any federal, state or local agency.
2. Have not, within the three year period preceding, had one or more public transactions (federal, state, or local) terminated for cause or default; and
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) and have not, within the three year period preceding the proposal, been convicted of or had a civil judgment rendered against it:
  - a. For the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction (federal, state, or local), or a procurement contract under such a public transaction;
  - b. For the violation of federal, or state antitrust statutes, including those proscribing price fixing between competitors, the allocation of customers between competitors, or bid rigging; or
  - c. For the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

I understand that a false statement on this certification may be grounds for the rejection of this proposal or the termination of the award. In addition, the general grant of this authority exists within the City's Charter, Chapter 12, Section 12.2- Contracts.

**I am able to certify to the above statements.**

A&M Service Center Inc.

Name of Agency/Company/Firm (Please Print)

Mario Valente President

Name and title of authorized representative (Please Print)

*Mario Valente*  
Signature of authorized representative

10-18-24

Date

**I am unable to certify to the above statements. Attached is my explanation.**



**SECTION 11: FORMS**

**VENDOR CERTIFICATION  
THAT IT IS NOT AN  
"IRAN LINKED BUSINESS"**

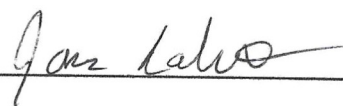
Pursuant to Michigan law, (the Iran Economic Sanctions Act, 2012 PA 517, MCL 129.311 et seq.), before accepting any bid or proposal, or entering into any contract for goods or services with any prospective Vendor, the Vendor must first certify that it is not an "IRAN LINKED BUSINESS", as defined by law.

<b>Vendor</b>	
Legal Name	A&M Service Cener Inc.
Street Address	2075 Austin
City	Troy
State, Zip	Michigan, 48083
Corporate I.D. Number/State	800199251 Michigan
Taxpayer I.D. #	38-2597600

The undersigned, with: 1.) full knowledge of all of Vendors business activities, 2.) full knowledge of the requirements and possible penalties under the law MCL 129.311 et seq. and 3.) the full and complete authority to make this certification on behalf of the Vendor, by his/her signature below, certifies that: the Vendor is NOT an "IRAN LINKED BUSINESS" as require by MCL 129.311 et seq., and as such that Vendor is legally eligible to submit a bid and be considered for a possible contract to supply goods and/or services to the City of Troy.

Signature of Vendor's Authorized Agent: 

Printed Name of Vendor's Authorized Agent: Mario Valente

Witness Signature: 

Printed Name of Witness: Jason Roberts



**SECTION 11: FORMS**

**Proposer's Sworn and Notarized Familial Disclosure**

*(To be provided by the Proposer)*

The undersigned, the owner or authorized officer of A&M Service Center Inc. (the "Proposer"), pursuant to the familial disclosure requirement provided in the Request for Proposal, hereby represent and warrant, except as provided below, that no familial relationships exist between the owner(s) or any employees of A&M Service Center Inc. and any member of the City of Troy City Council or City of Troy management.

**List any Familial Relationships:**

**BIDDER:**  
A&M Service Center Inc.

By: Mario Valente

Its: PRESIDENT

STATE OF MICHIGAN  
Notary Public ) ss.

COUNTY OF Oakland )

Mario Valente

This instrument was acknowledged before me on the 18<sup>th</sup> day of October, 2024, by

MARIO VALENTE





**SECTION 11: FORMS**

**CITY OF TROY  
INDEMNIFICATION (Hold Harmless) CLAUSE**

To the fullest extent permitted by law,

A&M Service Center Inc. agrees to defend, pay on  
(Name of Consultant / Organization)

behalf of, indemnify, and hold harmless the City of Troy, its elected and appointed officials, employees and volunteers and others working on behalf of the City of Troy against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Troy, its elected and appointed officials, employees, volunteers or others working on behalf of the City of Troy, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this contract/agreement.

City Towing Contract  
Contract / Agreement

*[Handwritten Signature]*  
Contractor/Vendor representative signature/date

\_\_\_\_\_  
Witness

\_\_\_\_\_  
City of Troy representative signature/date

\_\_\_\_\_  
Witness

**(Please complete and return at time of proposal submittal)**

A&M Service Center and Towing  
2075 Austin Drive  
Troy, MI 48083  
248-588-3640

EIN# 38-2597600

US Dot# 1554440

MPSC# L24612

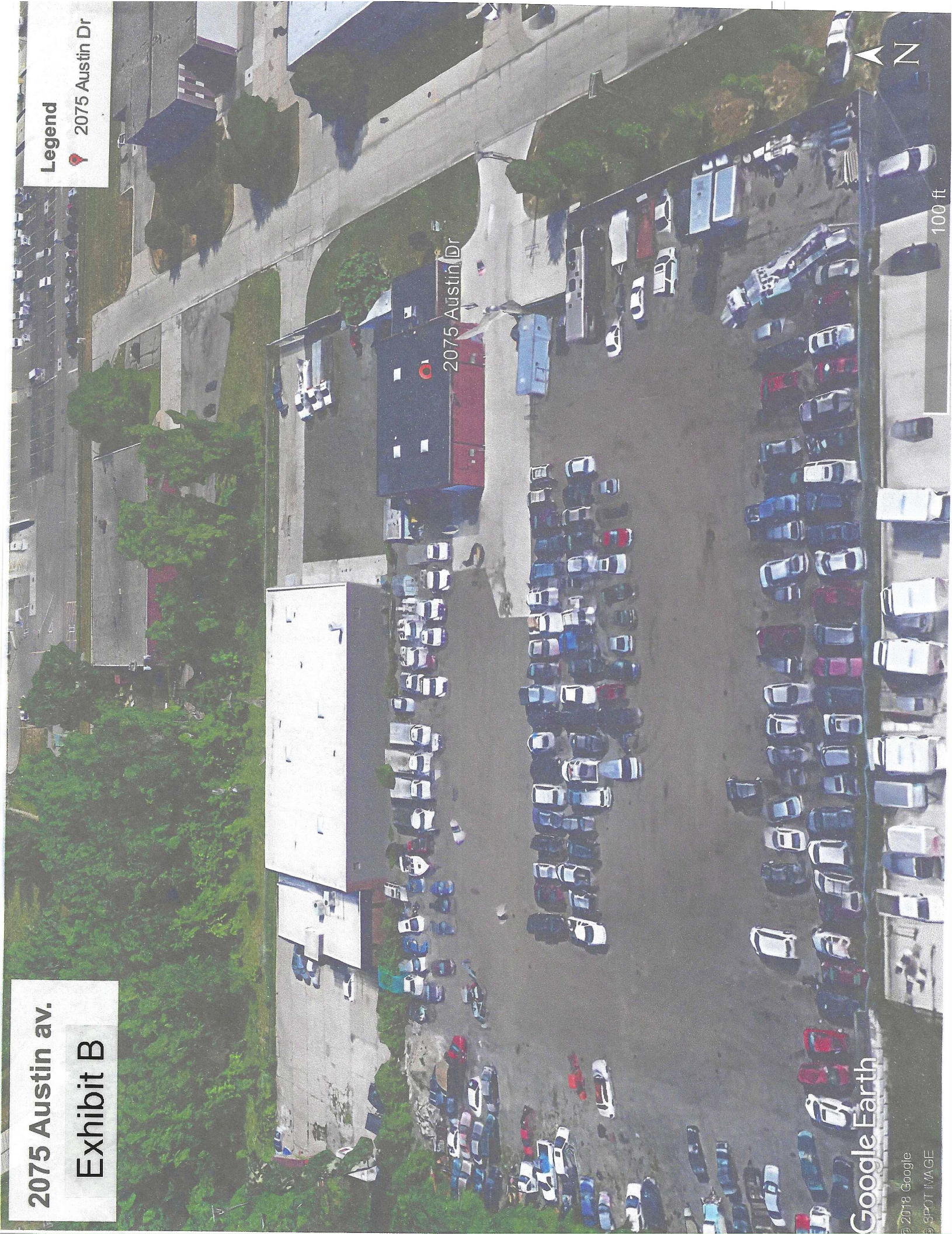
2075 Austin av.

Exhibit B

Legend



2075 Austin Dr



Google Earth

© 2018 Google

© SPOT IMAGE

100 ft

## Exhibit C

<u>-</u>	<u>A&amp;M #</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Capacity</u>
1	210	2014	Freightliner	Flatbed	14,000
2	211	2019	Freightliner	Flatbed	14,000
3	224	2000	GMC	3 yard Dump Truck	n/a
4	234	2013	Ford	Flatbed	12,000
5	237	2015	Dodge	Flatbed	12,000
6	238	2011	Chevy	Pickup	Emerg.Vehicle
7	240	2015	Chevy	Light Duty Wrecker	8,000
8	241	2015	Ford	Light to Medium Duty Wrecker	12,000
9	242	2016	Ford	F650 Wrecker	14,000
10	243	2016	Dodge	5500 Flatbed	12,000
11	244	2016	Dodge	5500 Flatbed	12,000
12	245	2016	Dodge	5500 Flatbed	12,000
13	246	2018	Dodge	5500 Flatbed	12,000
14	248	2019	Dodge	5500 Flatbed	12,000
15	249	2020	Ford	F650 Flatbed	12,000
16	250	2022	Ford	F650 Flatbed	12,000
17	252	2017	Peterbuilt	Medium to Heavy Duty Wrecker	25,000
18	255	2018	Dodge	5500 Flatbed	12,000
19	260	2020	Dodge	1 Ton Wrecker	10,000
20	265	2020	Dodge	1 Ton Wrecker	10,000
21	375	2015	Kenworth	Heavy Duty Wrecker	120,000
Additional Equipment:					
		2004	Ford	L30 Tractor	
		2010	Kubota	520 Loader	
		2014	Volvo	L-50 Loader	
		2000	Cat	914 Loader	







September 25, 2024

TO: All Prospective Bidders  
FROM: The City of Troy Purchasing Department  
RE: Request for Qualifications/ Proposal  
RFQ / RFP 24-23 Towing Services

The City of Troy Purchasing Department invites companies to review the attached Request for Qualifications (RFQ) and Request for Proposal (RFP) documents for Towing Services. The attached documents will be used to determine the most qualified vendor with the ability to provide these services.

The effective date of the resulting contract will be upon City Council approval. A Committee will make the decision as to the selection of the most qualified vendor. Their decision will be deemed in the City of Troy's best interest and will be final. There will be a **Mandatory Pre-Proposal Meeting** scheduled for Wednesday October 2, 2024 at 2:00 p.m. EDT in the Troy City Hall, 500 W. Big Beaver Road, Troy, MI – Lower Level Conference Room. All interested parties must attend. The City of Troy urges all interested parties to submit the enclosed Request for Qualifications and Request for Proposal documents.

Sincerely,

Emily Frontera  
Purchasing Manager



## SECTION 1: SECTION GUIDE

<b>Section 1:</b> Section Guide – 1 Page
<b>Section 2:</b> Request for Qualifications / Request for Proposal Content – 2 Pages
<b>Section 3:</b> Criteria for Selection – 1 Page
<b>Section 4:</b> Instructions To Bidders – 3 Pages
<b>Section 5:</b> Vendor Questionnaire – 4 Pages
<b>Section 6:</b> Insurance Requirements – 2 Pages
<b>Section 7:</b> Proposal Terms and Conditions – 3 Pages
<b>Section 8:</b> Instructions and Specifications – Part I – 8 Pages Instructions and Specifications – Part II – 2 Pages
<b>Section 9:</b> PRICING – To be submitted as a separate pdf named: Fee Proposal – 2 Pages
<b>Section 10:</b> Forms – 7 Pages
<b>Section 11:</b> Draft Agreement – 17 Pages
<b>Section 12: Attachments</b> Attachment 1: Sample Insurance Certificate – 4 Pages Attachment 2: Impound Vehicle Supp Report – 1 Page Attachment 3: Abandoned / Impounded Vehicle Disposition Report – 1 Page Attachment 4: Statement of No Bid – 1 Page



## **SECTION 2: REQUEST FOR QUALIFICATIONS / REQUEST FOR PROPOSAL CONTENT**

The City of Troy is requesting that all bidders complete the Request for Qualifications and Proposal documents attached to be considered for the Towing Services contract. Bidders must pass the Request for Qualifications Phase of the process in order to have their proposal considered. Please be sure to read and fully understand all sections of this Request for Proposal document.

### **1. QUALIFYING CONDITIONS OF THE COMPANY WHO WILL BE RESPONSIBLE FOR THE TOWING SERVICES CONTRACT:**

#### **A. YEARS IN BUSINESS**

The company will be required to be an established business with a minimum of five (5) years' experience in the towing services industry.

#### **B EXPERIENCE PROVIDING TOWING SERVICES**

The company submitting a Request for Proposal is required to enclose with their proposal at least three (3) comparable towing contract examples detailing the services provided within the last five (5) years. The company should have verifiable towing experience.

#### **C. POSITIVE REFERENCES FOR THE COMPANY**

The company will be required to have verifiable positive references, which may include but are not limited to ability, performance of previous contracts and services, integrity, character, reputation, judgment, experience, efficiency, delivery, professionalism, and timeliness. Each company submitting an RFQ / RFP will be required to submit a complete list of towing agreements or contracts their company has completed for other organizations within the last five years which shall include a minimum of three (3) agreements or contracts.

#### **D. QUALIFICATIONS OF COMPANY PERSONNEL TO PERFORM WORK AS SPECIFIED**

Each company submitting a RFQ / RFP will be required to provide information to the City demonstrating their company's ability to satisfy the requirements set forth in the specifications. Each company will submit a list of personnel, including their experience and responsibilities. Each company will be required to describe capabilities specific to the scope of work as specified.

#### **E. CAPACITY OF COMPANY**

The company shall clearly identify all available resources within their company including, but not limited to, storage facilities, towing related equipment and equipment capabilities.

#### **F. RESPONSE TO ATTACHED QUESTIONNAIRE**

The company will be required to provide detailed responses to questions asked in the enclosed vendor questionnaire.

## **SECTION 2: REQUEST FOR QUALIFICATION / REQUEST FOR PROPOSAL CONTENT – continued**

### **2. FINANCIAL INFORMATION**

The City of Troy reserves the right to require a bidder to show to the complete satisfaction of City staff that it has the necessary facilities, abilities, and financial resources to provide the service specified herein. The bidder may also be required to give a past history in order to satisfy the City of Troy in regard to the bidder's qualifications. The City of Troy may make a reasonable investigation deemed necessary and proper to determine the ability of the bidder to perform the work, and the bidder shall furnish to the City of Troy all information for this purpose that may be requested.

### **3. DOCUMENT SUBMITTAL – TWO (2) SEPARATELY SUBMITTED PDF DOCUMENTS**

- Documents should be uploaded as two separate PDFs:
  1. **Qualifications** to be combined into one file and named **QUALIFICATIONS – TOWING SERVICES**
  2. **Fee Proposals** to be combined into one file and named **FEE PROPOSAL – TOWING SERVICES**

The separate PDF document containing the pricing pages for each company will be disclosed only upon the company's successful completion of Phases 1 – 3, and only after all final evaluation forms/rating sheets have been submitted to the City's Purchasing Department.

### **PROCEDURAL INFORMATION**

#### **PUBLIC INFORMATION**

All submitted RFQ / RFP documents and information submitted as part of this proposal will become a public record upon their delivery to the City Clerk.

#### **ADDITIONAL INFORMATION AND RESPONSES TO QUESTIONS**

A company may submit written questions in order to clarify any matters relating to this RFP. Please contact Emily Frontera, Purchasing Manager, at [e.frontera@troymi.gov](mailto:e.frontera@troymi.gov). The City of Troy will provide written response to all questions and requests for clarification within two (2) business days after receipt of question. The company's question(s) and the City's answer(s) will become part of the public record and will be shared with all in the form of an Addendum and posted to the MITN website. ***Questions will only be accepted until Wednesday October 16<sup>th</sup>, 2024, end of business day.***



## SELECTION PROCESS

### SECTION 3: CRITERIA FOR SELECTION

The identified Committee will review the proposals. The City of Troy reserves the right to award this proposal to the company considered the most qualified based upon a combination of factors including but not limited to the following:

- A. Compliance with qualifications criteria
- B. Completeness of the proposal
- C. Financial strength and capacity of the company
- D. Correlation of the proposals submitted to the needs of the City of Troy
- E. Any other factors which may be deemed to be in the City's best interest
- F. Evaluation Process

#### Phase 1: Minimum Qualifications Evaluation (Pass / Fail)

Companies will be required to meet minimum established criteria in order to go to the second phase of the process. Minimum qualifications include: Completeness of Proposal, Years in Business, Experience, Positive References, Qualifications of Personnel, Capacity of Company, Response to Questionnaire.

#### Phase 2: Evaluation of Proposals (30%)

Each Committee member will independently use a weighted score sheet to evaluate the proposals; each Committee Member will calculate a weighted score. The scores of the Committee Members will be averaged into one score for each company for this phase of the process.

#### Phase 3: Site Visit Evaluation Process (30%)

The City Committee will use a weighted score sheet to evaluate the Company Facilities at the time of the site visit. Each Committee Member will calculate a weighted score. The scores of all the Committee Members will be averaged into one score for each bidder for this phase of the process.

#### Phase 4: Price (40%)

The pricing pages for each company will be disclosed only upon the company's successful completion of Phases 1 – 3, and only after all final evaluation forms / rating sheets have been submitted to the City's Purchasing Department. Purchasing will compile all scores to determine the highest rated company.

Points for price will be calculated as follows:

**FORMULA:  $\{1 - (\text{Proposal Price} - \text{Lowest Proposal Price}) / \text{lowest proposal price}\} \times \text{available points}$**

#### Phase 5: Final Scoring and Selection

The company with the highest final weighted score will be recommended to the Troy City Council for Award.

30% Proposal Score (100 point base)  
30% Site Visit Score (100 point base)  
40% Price Score (100 point base)  
100%

**Note: The City of Troy reserves the right to change the order or eliminate an evaluation phase if deemed in the City's best interest to do so.**



## **SECTION 4: INSTRUCTIONS TO BIDDERS**

Sealed Qualifications and Fee Proposals for **TOWING SERVICES** will be *electronically* received by the City of Troy, 500 W. Big Beaver Road, Troy, MI 48084 until **THURSDAY, OCTOBER 24, 2024 at 10:00 AM E.D.T.**, after which time they will be publicly opened and read in the specified Zoom Meeting listed on page 3 of the Instructions to Bidders. **Electronic Bid Submission only. Hardcopy, emailed, faxed and late submittals will not be accepted.**

### **REQUEST FOR QUALIFICATIONS AND FEE PROPOSALS MUST BE ENTERED ELECTRONICALLY INTO BIDNET (MITN) PROCURMENT SYSTEM ON OR BEFORE 10:00 AM, THURSDAY, OCTOBER 24, 2024.**

1. The following pages include a questionnaire and proposal pricing section to be completed by each vendor submitting a proposal. Each item must be completed with a response. Vendors not responding to the questions may be classified as unresponsive. The bidder must initial any corrections. The questionnaire and proposal are to be completed in legible form, preferably typewritten.
2. The response must follow this format. Supplemental information should be provided in additional sections following the same numbering scheme. The response should be concise and complete.
3. **RFQ / RFP Documents must be uploaded as two (2) separate PDF files.**
  - **Qualification Documents**, Questionnaire and Forms (RFQ) shall be combined and uploaded as a single PDF file and named: QUALIFICATIONS – TROY TOWING SERVICES
  - **Price Proposal** pages (RFP) shall be combined and uploaded as single PDF file and named: FEE PROPOSAL – TROY TOWING SERVICES
4. Any additional written material such as professional records, certifications, etc. your company may think important should be attached and submitted to augment the data included in the questionnaire and proposal. It is not necessary to include expensive custom binders, displays, or other materials unless the company believes such materials are necessary to the proposal. All costs incurred in the preparation and presentation of the proposal shall be wholly borne by the prospective bidder.
5. **MANDATORY PRE-PROPOSAL MEETING:** A pre-proposal meeting is scheduled for **WEDNESDAY, OCTOBER 2, 2024 at 2:00 P.M. EDT** in the Troy City Hall, 500 W. BIG BEAVER RD., TROY, MI 48084 –LOWER LEVEL CONFERENCE ROOM. All interested parties must attend. If a bidder does not attend the Pre-Bid Meeting, that bidder will be considered non-responsive and no longer eligible for award.
6. All information requested herein shall be submitted with the Request for Qualifications (RFQ) and Request for Proposal (RFP); failure to do so may result in rejection of the RFQ and/ or RFP as non-responsive and/or incomplete.
7. The City of Troy reserves the right to reject any and all RFQ/ RFP's, to waive any informality in any RFQ/ RFP received, and to accept any RFQ/RFP or part thereof, which shall be deemed to be most favorable to the interests of the City of Troy.
8. Any and all proposals submitted must be on the City of Troy request for proposal forms. If more than one proposal is submitted, a separate proposal form must be used for each. Forms are enclosed or obtainable at the City of Troy Purchasing Department or on the MITN Purchasing Group (MITN) website at [www.bidnetdirect.com//city-of-troy-mi](http://www.bidnetdirect.com//city-of-troy-mi).
9. Opening of Proposals: At the specified time and date stated above, all submitted Proposals will be opened. Only the names of the Companies submitting a proposal will be publicly read aloud. No immediate decision will be rendered. All information received will be confidential until after final action by the City of Troy, except as required by law.

#### **SECTION 4: INSTRUCTIONS TO BIDDERS – continued**

10. Municipalities are exempt from Michigan State Sales and Federal Excise taxes. Do not include such taxes in the proposal figure. The City will furnish the successful bidder(s) with tax exemption certificates when requested.
11. If further information regarding this proposal is required, please contact the Purchasing Department at (248) 524-3375 or (248) 680-7291.
12. VENDOR CHANGES OR ALTERATIONS TO RFP DOCUMENTS INCLUDING SPECIFICATIONS MAY RESULT IN A RFP BEING CONSIDERED NON-RESPONSIVE. The only authorized vendor changes to a RFP document will be in the areas provided for a bidder's response, including the "Exceptions" section of the proposal. If a change or alteration to the documents is undetected and the bidder is awarded a contract, the original terms, conditions, and specifications in the Authorized Version of the RFP document will be applicable during the term of the contract. The City of Troy shall accept NO CHANGES to the RFP document made by the Vendor unless those changes are set out in the "Exceptions" provision of the Authorized Version of the RFP document. It is the Vendor's responsibility to acquire knowledge of any changes, modifications or additions to the Authorized Version of the RFP document. Any Vendor who submits a proposal and later claims it had no knowledge of any changes, modifications or additions made by the City of Troy to the Authorized Version of the RFP document, shall be bound by the proposal, including any changes, modifications or additions to the Authorized Version.
13. If a proposal is awarded to a Vendor who claims that it had no knowledge of any changes, modifications or additions made by the City of Troy to the Authorized Version of the RFP, and that Vendor fails to accept the award, the City of Troy may pursue costs and expenses to re-bid the item from that Vendor. The Authorized Version of the RFP document shall be that document appearing on the MITN System with any amendments and updates.
14. The City of Troy officially distributes RFP documents from the Purchasing Department or through the MITN Purchasing Group (MITN) website. Copies of RFP documents obtained from any other source are not considered official copies. Only those vendors who obtain RFP documents from either the Purchasing Department or the MITN system are guaranteed access to receive addendum information, if such information is issued. If you obtained this document from a source other than the sources indicated, it is recommended that you register on the MITN website, [www.bidnetdirect.com//city-of-troy-mi](http://www.bidnetdirect.com//city-of-troy-mi), and obtain an official copy.
15. A successful bidder furnishing labor on City/public premises does agree to have his workers covered by Worker's Compensation, and furnish a certificate of insurance and endorsements showing coverage for bodily injury and property damage and worker's compensation to the Purchasing Manager within (5) five business days of a verbal request. The "Company Representative" does warrant that by signing the RFP document, the "**additional insured endorsement**" will be included in the Insurance Coverage supplied to the City as part of the specified requirements.
16. To the fullest extent permitted by law, the successful bidder agrees to defend, pay on behalf of, indemnify, and hold harmless the City of Troy, its elected and appointed officials, employees and volunteers and others working on behalf of the City of Troy against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Troy, its elected and appointed officials, employees, volunteers or others working on behalf of the City of Troy, by reason of personal injury, including bodily injury or death and/ or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this contract.
17. To the extent permitted by law, the City of Troy and the successful bidder waive all rights against each other and any of their subcontractors, sub-subcontractors, agents and employees, and the architect, architect's consultants, separate contractors, if any, and any of their subcontracts, subcontractors, sub-subcontractors, agents and employees, for damages caused by fire or other perils to the extent covered by property insurance obtained pursuant to this agreement or other property insurance applicable to the work. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged for this contract.



## **SECTION 4: INSTRUCTIONS TO BIDDERS – continued**

### **SPECIAL INSTRUCTIONS**

- All bidders are held to stated prices as accepted by the City until proposal award, except the successful companies whose prices shall remain firm through the duration of the contract.
- Final results will be posted on the MITN website after award. Please register to see the results – [www.mitn.info](http://www.mitn.info).
- Bids will be received electronically on the MITN Purchasing Group website, [www.bidnetdirect.com/city-of-troy-mi](http://www.bidnetdirect.com/city-of-troy-mi). Bid openings are being conducted in accordance with City Charter and Code utilizing Zoom. Bidders can attend bid openings utilizing the Zoom meeting information and code shown below. Please contact the Emily Frontera, Purchasing Manager, [e.frontera@troymi.gov](mailto:e.frontera@troymi.gov) with any questions regarding the bid opening.

### **BID OPENING**

Date & Time: Oct 24, 2024 10:00 AM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/89295295621?pwd=8HaGaPn7R9iz3rdaYw4cmCgrpRhNvr.1>

Meeting ID: 892 9529 5621

Passcode: 140929

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One tap mobile

+16469313860,,89295295621#,,,,\*140929# US

+13017158592,,89295295621#,,,,\*140929# US (Washington DC)

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Dial by your location

• +1 646 931 3860 US

• +1 301 715 8592 US (Washington DC)

• +1 305 224 1968 US

• +1 309 205 3325 US

• +1 312 626 6799 US (Chicago)

• +1 646 876 9923 US (New York)

• +1 719 359 4580 US

• +1 253 205 0468 US

• +1 253 215 8782 US (Tacoma)

• +1 346 248 7799 US (Houston)

• +1 360 209 5623 US

• +1 386 347 5053 US

• +1 408 638 0968 US (San Jose)

• +1 507 473 4847 US

• +1 564 217 2000 US

• +1 669 444 9171 US

• +1 669 900 6833 US (San Jose)

• +1 689 278 1000 US

Meeting ID: 892 9529 5621

Passcode: 140929

Find your local number: <https://us02web.zoom.us/j/89295295621?pwd=8HaGaPn7R9iz3rdaYw4cmCgrpRhNvr.1>



**SECTION 5: VENDOR QUESTIONNAIRE**

DATE: \_\_\_\_\_  
Month/Date/Year

COMPANY NAME: \_\_\_\_\_

ESTABLISHED: \_\_\_\_\_ 19\_\_\_\_ / 20\_\_\_\_ STATE: \_\_\_\_\_ YEARS in BUSINESS \_\_\_\_\_

TYPE OF ORGANIZATION: (Circle One)  
a. Individual  
b. Partnership  
c. Corporation  
d. Joint Venture  
e. Other \_\_\_\_\_

If applicable:  
FORMER COMPANY NAME(S)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Company is licensed by the Michigan Public Service Commission (MPSC) for transportation of wrecked or disabled vehicles within the City of Troy and other points within the State.

Copies of license(s) are attached and marked \_\_\_\_\_ for identification.

NOTE: If additional space is needed throughout the questionnaire, please attach additional sheets numbered appropriately for identification.

1. What is this company’s experience relative to towing services? A minimum of three (3) towing service contract examples are required. Examples provided should be contracts that have been completed in the last five (5) years. Be sure to include the average response time for each of the examples provided (i.e. 20 minute response 85% of time).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Describe this company’s capabilities specific to the scope of work within this RFP. Include total number of employees (wrecker drivers/operators and dispatchers) and work performed for other law enforcement agencies.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SECTION 5: VENDOR QUESTIONNAIRE – continued**

3. List all other cities, counties, regional or state governments with whom this company has worked including contact information.

ENTITY	CONTACT NAME	PHONE NUMBER	EMAIL
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

4. Personnel from this company who would be assigned to the City's account.  
Please provide resumes, copies of certifications, licenses, and/or list any additional training classes taken to increase expertise in light, medium, heavy towing and recovery wrecker operations for the people listed in this section who will be assigned to the City of Troy account along with their responsibilities.

TITLE	NAME	LICENSE/ CERTIFICATION	EXPERIENCE/ YEARS	ROLE
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

5. What towing services are provided in-house and what towing services are subcontracted to outside companies as it relates to this project. If outside companies will be used, include their resumes, stating experience and qualifications. Please also indicate the company's experience working with these individuals.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Provide the company's contact information below:

HOURS OF OPERATION: MON – FRI \_\_\_\_\_ SAT \_\_\_\_\_ SUN \_\_\_\_\_

CONTACT NAME: \_\_\_\_\_

24 HOUR CONTACT/ DISPATCH NUMBER: \_\_\_\_\_

7. Please check the method(s) of payment that this company currently accepts from customers. (Check all that apply)

- Cash       Credit Card       Debit Card       Personal Check
- Other Electronic Payment Methods: \_\_\_\_\_

8. List any motor club/roadside assistance programs you are currently affiliated with.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMPANY NAME: \_\_\_\_\_

**SECTION 5: VENDOR QUESTIONNAIRE – continued**

9. List any Towing Associations you are currently affiliated with.

\_\_\_\_\_

Are you a member in good standing? If not, why not.

\_\_\_\_\_

10. Professional References – please list at least three (3) clients with whom you have completed towing contracts for within the past five (5) years that are similar in scope to the type of work described in this proposal. Contact names and the listed information are to be provided.

Entity Name	Address	Contact Name	Phone Number	E-Mail
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

11. List all contract commitments this company has been engaged to perform for 2024/2025. Give organization name, name of contract and value of contract.

ORGANIZATION	CONTRACT	VALUE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

12. Where is your vehicle storage facility located? How long have you been operating at this facility?

Location 1: \_\_\_\_\_ # of years: \_\_\_\_\_  
Location 2: \_\_\_\_\_ # of years: \_\_\_\_\_

- ( ) Location \_\_\_\_ is located within Troy
- ( ) Location \_\_\_\_ is located outside of Troy - \_\_\_\_\_ miles from the borders of the City of Troy.

The successful bidder will be required to maintain and make the storage facility available to the City of Troy throughout the contract period. It is important and critical to the City of Troy to have access to a convenient storage facility within close proximity. Therefore, the site shall be located in the City of Troy or no more than a five (5) mile radius of the City.

13. Describe the size and location of the storage facility lot(s) and include a site plan.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

COMPANY NAME: \_\_\_\_\_





**SECTION 6: INSURANCE REQUIREMENTS**

Insurance requirements shall be in accordance with the attached **SAMPLE INSURANCE CERTIFICATE** and **ENDORSEMENT**. The required Insurance Certificate and Endorsement must be submitted to the city within 5 days of the verbal/ electronic request after the bid award. The Insurance Certificate and Endorsement may be faxed to the Purchasing Department at (248) 619-7608, and is the only bid document accepted in this format.

The contractor, or any of their subcontractors, shall not commence work under this contract until they have obtained the insurance required, and shall keep such insurance in force during the entire life of this contract. All coverage shall be with insurance companies licensed and admitted to business in the State of Michigan and acceptable to the City of Troy. The requirements below should not be interpreted to limit the liability of the Contractor. All deductibles and self-insured retentions (SIR's) are the responsibility of the Contractor.

- ( ) We can meet the specified insurance requirements.
- ( ) We cannot meet the specified insurance requirements.
- ( ) We do not carry the specified limits but can obtain the additional insurance coverage of \$ \_\_\_\_\_, at the cost of \$ \_\_\_\_\_.  
**NOTE:** Please note the amendments on a sample insurance certificate and attach it to your bid proposal.
- ( ) Our proposal is reduced by \$ \_\_\_\_\_ if we lower the requirement to \$ \_\_\_\_\_.  
**NOTE:** Please note the amendments on a sample insurance certificate and attach it to your bid proposal.

**IMPORTANT:** A Certificate of Insurance on an ACORD Form showing present coverage as well as the required endorsements SHALL be attached to the proposal document at the time of submission of the proposal to the Office of the City Clerk.

**NOTE:** Failure on the part of any bidder to contact his/her insurance carrier to verify that the insurance carried by the bidder meets City of Troy specifications may result in this proposal being completed incorrectly.

**OTHER:** Sole proprietors must execute a certificate of exemption from Worker's Compensation requirements or provide proof of Worker's Compensation Insurance. All coverage shall be with insurance carriers licensed and admitted to do business in Michigan in accordance with all applicable statutes of the State of Michigan and acceptable to the City of Troy.

**INSURANCE VERIFICATION:**

A bidder shall complete the above portion, which details additional costs that may be incurred for specified coverage without purchasing the additional coverage prior to bid submission.

**WORKERS' COMPENSATION INSURANCE,** including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Michigan.

**COMMERCIAL GENERAL LIABILITY INSURANCE** on an "Occurrence Basis" with limits of liability not less than \$1,000,000.00 per occurrence and aggregate. Coverage shall include the following extensions: (A) Contractual liability; (B) Products and Completed Operations; (C) Independent Contractors Coverage; (D) Broad Form General Liability Extensions or equivalent, if not already included; (E) Deletion of all Explosion, Collapse, and Underground (XCU) Exclusions, if applicable.

COMPANY NAME: \_\_\_\_\_

## **SECTION 6: INSURANCE REQUIREMENTS – continued**

**AUTOMOBILE LIABILITY**, including Michigan No-Fault Coverages, with limits of liability not less than \$1,000,000.00 per occurrence combined single limit for Bodily Injury, and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

### **ADDITIONAL INSURED:**

Commercial General Liability and Automobile Liability, as described in the attached SAMPLE shall include an Additional Insured Endorsement stating the following shall be ***Additional Insureds***: The City of Troy including all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and council members, including employees and volunteers thereof. It is understood and agreed by naming the City of Troy as additional insured, coverage afforded is considered to be primary and any other insurance the City of Troy may have in effect shall be considered secondary and/or excess.

### **CANCELLATION NOTICE:**

All policies, as described above, shall include an endorsement stating that it is understood and agreed that Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be mailed to:

City of Troy  
Purchasing Manager  
500 West Big Beaver  
Troy, MI 48084

### **PROOF OF INSURANCE COVERAGE:**

The Contractor shall provide the City of Troy, at the time that the contracts are returned by him/her for execution, a Certificate of Insurance as well as the required endorsements. In lieu of required endorsements, if applicable, a copy of the policy sections where coverage is provided for additional insured and cancellation notice would be acceptable. Copies or certified copies of all policies mentioned above all shall be furnished, if so requested.

If any of the applicable coverages expire during the term of this contract, the Contractor shall deliver renewal certificates and endorsements to the City of Troy at least ten (10) days prior to the expiration date.

### **LETTER VERIFICATION:**

The recommended bidder will be notified to submit a letter from the *insurance agent or carrier* that the insurance to be supplied will meet specifications. As an alternative, the recommended bidder may submit the certificate of insurance meeting specifications at this time at his/her option. ***The City must receive this letter or certificate within 5 business days after verbal / electronic notification has been delivered to the recommended bidder or the bidder will be considered non-responsive and the bid un-awardable.*** This process will occur before presentation of the award recommendation to the Troy City Council.

### **FINAL INSURANCE CERTIFICATE SUBMISSION:**

After approval by Troy City Council, the City's Purchasing Manager will review the insurance certificates and endorsements to ensure all acceptable documents have been received and allow (5) additional business days after verbal / electronic notification to submit final insurance certificate(s) in accordance with specifications. The City of Troy reserves the right to WITHHOLD AND KEEP any bid surety for failure to comply. The company will be considered in default of contract and will be barred from doing business with the City of Troy for a minimum of three (3) years for failing to meet insurance requirements.

COMPANY NAME: \_\_\_\_\_



## **SECTION 7: PROPOSAL TERMS AND CONDITIONS**

### **CONTRACT FORMS:**

Bidders should complete the Legal Status of Bidder, Non-Collusion Affidavit, Certification regarding Debarment, the Certification regarding "Iran Linked Business" and the Familial Disclosure Forms and return with your bid proposal.

### **ADDITIONAL INFORMATION:**

For additional information or questions concerning this project, please contact Dan Langbeen at (248) 524-3556 or [impounds@troymi.gov](mailto:impounds@troymi.gov).

### **SIGNATURE:**

Each authorized representative of the company must sign the proposal with their usual signature and shall give their full business address. Proposals submitted by partnerships shall be signed with the partnership name by one of the members or by an authorized representative. Proposals by corporations shall be signed with the name of the corporation followed by the signature and designation of the President, Secretary, or other person authorized to bind it in the matter.

### **RETAIN PROPOSALS:**

The City reserves the right to retain all proposals submitted and to use any ideas in the proposals regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the company of the conditions contained in this RFQ/RFP, unless clearly and specifically noted in the proposal submitted and confirmed between the City of Troy and the company selected.

### **LAWS:**

All applicable State of Michigan and Federal laws, City and County ordinances, licenses and regulations of all agencies having jurisdiction shall apply to the award throughout and incorporated herein by reference.

### **AWARD OF CONTRACT:**

The evaluation and award of this proposal shall be a combination of factors including, but not limited to: the completion of all information requested and detailed in the RFQ / RFP, evaluation of the fee proposal, professional competence, storage facility location, references that include evidence of completion of at least three (3) towing contracts, understanding of the services required, and the correlation of the proposal submitted to the needs of the City of Troy and any other factors considered to be in the best interest of the City of Troy.

The intent of the award is to contract with one Primary towing service provider. In the event the Primary Service Provider is unable to provide the services as stated in Section 8 of the Request for Proposal document, it is the sole responsibility of the Primary Service Provider to Provide a Secondary Service Provider.

The City of Troy reserves the right to award to the company(s) providing the best value proposal, in whatever manner is deemed to be in the City's best interest; to reject a proposal which contains major deviations from specifications; to accept a proposal which has only minor deviations from specifications; or whatever is deemed to be in the City's best interest.

### **RIGHT TO REQUEST ADDITIONAL INFORMATION:**

The City reserves the right to request any additional information it deems necessary from any company responding to this RFQ / RFP after the documents have been received.

COMPANY NAME: \_\_\_\_\_



**SECTION 7: PROPOSAL TERMS AND CONDITIONS – continued**

**QUALIFICATIONS OF BIDDERS:**

The bidder may be required before the award of any contract to show to the complete satisfaction of the City of Troy that it has the necessary facilities, abilities, and financial resources to provide the services specified herein. The bidder may also be required to give a past history in order to satisfy the City of Troy in regard to the bidder's qualifications. The City of Troy may make reasonable investigations deemed necessary and proper to determine the ability of the bidder to perform the work, and the bidder shall furnish to the City of Troy all information for this purpose that may be requested.

**PURCHASE ORDER:**

After the Troy City Council has approved the award, the City of Troy Purchasing Department will notify the successful bidder(s). The successful bidder(s) once notified, will be required to provide acceptable insurance certificate(s) and sign the final Agreement. A purchase order issued in conjunction with the final Agreement from the City of Troy will create a bilateral contract between the parties, and the successful bidder(s) shall commit to perform the contract in accordance with specifications.

**INVOICING AND PAYMENT:**

The City of Troy reserves the right to select the invoicing option deemed to be in its best interest at the time of implementation of the contract. No additional costs will be incurred for the invoicing option selected.

Termination of service will be unacceptable for non-payment of a bill without the successful bidder contacting the designated City representative to resolve the problem. The City will have 45 days to resolve any billing problem from written notice to terminate services.

**ESTIMATED QUANTITIES:**

Quantities stated are estimated and are not guaranteed. Quantities stated are for award purposes only. The quantities are estimated usages provided by those City employees who have been responsible for contract administration. Troy will not be penalized for requiring more or less service than the numbers provided. Although no quantity may be listed for some items listed above, a price is necessary since the City is establishing a price for this service if it should occur during the contract period.

**DOWNPAYMENTS OR PREPAYMENTS:**

Any proposal submitted which requires a down-payment or prepayment for services prior to performance and acceptance as being in conformance with specifications will not be considered for award.

**SAMPLE AGREEMENT:**

A "draft" sample agreement is attached to this proposal document. The City of Troy anticipates that the final agreement will be in substantial conformance with the Sample attached. Nevertheless, bidders are advised that any contract that may result from this proposal may deviate from the Sample Agreement attached. The successful bidder(s) will be required to sign the final Agreement Document.

**SUBCONTRACTORS:**

The undersigned agrees to submit a list of proposed subcontractors, if applicable. It will be the successful bidder's responsibility to ensure that any subcontractor performing services under this contract is capable of doing the work as specified. The designated City representative retains the right to evaluate the services performed by or on behalf of the successful bidder and reserves the right to reject any service that is not in accordance with the specifications.

COMPANY NAME: \_\_\_\_\_

**SECTION 7: PROPOSAL TERMS AND CONDITIONS – continued**

**SIGNATURE PAGE**

**PRICES**

Prices shall remain firm until proposal award, except the successful bidder(s) whose prices shall remain firm for the entire contract period which shall commence on the date of award and expire on December 31, 2027.

The contract may be renewed for three (3) years with mutual consent of both parties within 90 days of contract termination based upon the same prices, terms, and conditions as the original contract. The renewal may be subject to a favorable market survey and City Council approval. A request by City staff to determine a successful bidder's interest in renewing a contract in no way obligates the City. The option cannot be exercised without a blanket Purchase Order issued. The City of Troy may terminate this contract with 30 days written notice as delineated in Section 8 – M; Term of the Contract.

**SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE:** \_\_\_\_\_

**NOTE:** The undersigned has checked carefully the bid figures and understands that he/she shall be responsible for any error or omission in this offer and is in receipt of all addenda as issued.

TAX ID \_\_\_\_\_

COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

TELEPHONE NUMBER (\_\_\_\_) \_\_\_\_\_ FAX NUMBER (\_\_\_\_) \_\_\_\_\_

REPRESENTATIVE'S NAME \_\_\_\_\_  
(Print)

**SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE:** \_\_\_\_\_

PAYMENT TERMS: \_\_\_\_\_ EMAIL: \_\_\_\_\_

**EXCEPTIONS:**

Any exceptions, substitutions, deviations, etc. from City specifications and this proposal must be stated below. The reason(s) for the exception, substitution, and/or deviation are an integral part of this proposal offer:

\_\_\_\_\_  
\_\_\_\_\_

**ACKNOWLEDGEMENT:** I, \_\_\_\_\_, certify that I have read Section 4, the **Instructions to Bidders** (3 Pages) and that the proposal documents contained herein were obtained directly from the City's Purchasing Department or MITN website, [www.mitn.info](http://www.mitn.info) and is an official copy of the Authorized Version.

**SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE:** \_\_\_\_\_

**IMPORTANT:** All City of Troy purchases require a **SAFETY DATA SHEET**, where applicable, in compliance with the **MIOSHA** "Right to Know" Law.

**NOTE:** The City of Troy, at their discretion, may require the bidder(s) to supply a Financial Report from an impartial Financial Credit Reporting Service before award of contract.

**U.S. FUNDS:** PRICES QUOTED SHALL BE IN U.S. CURRENCY.



**SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART I**

**CITY OF TROY  
REQUEST FOR PROPOSAL  
TOWING SERVICES**

**A. PROPOSAL**

The City of Troy is accepting proposals for general towing services. These services include but are not limited to the removal, impounding and storage of:

- \* Abandoned or illegally parked vehicles;
- \* Non-drivable vehicles at accident scenes;
- \* Impounded vehicles stemming from an arrest;
- \* City owned vehicles for any reason;
- \* Any vehicle requiring removal as directed by the Troy Police department or the City of Troy DPW / Fleet Division.

The Contractor shall also be responsible to tow vehicles to and from locations within and outside the City of Troy as designated by the City.

**B. DEFINITIONS**

For the purposes of this request for proposal, the following definitions shall apply:

<b>Term</b>	<b>Definition</b>
City	Shall refer to the City of Troy and all of its employees
Contractor	Shall refer to the bidding company and any of its sub-contractors or sub-sub-contractors.
Operator	The Contractor’s employee that is responsible for the operation of the wrecker.
Police Department	Shall refer to the Troy Police Department and all of its employees.
Request for Proposal (RFP)	This document and all of the provisions herein including attachments.
Wrecker (light/medium/heavy)	A motor vehicle which has been altered or designed and equipped for, and exclusively used in the business of towing vehicles by means of a crane, hoist, flatbed hoist, tow sling, lowboy trailer, or dolly and used to render assistance to other vehicles. For purposes of this document, the size of the required wreckers is defined as and will conform to the following guidelines:  Light Duty Wrecker: GVWR between 10,000 to 19,500 pounds Flatbed: GVWR at least 14,500 pounds Medium Duty Wrecker: GVWR between 19,501 to 29,999 pounds Heavy Duty Wrecker: GVWR over 30,000 pounds

**C. SCOPE OF SERVICES REQUIRED**

The Police Department required the towing of approximately 2,000 vehicles in the year 2022, 1,960 vehicles in 2023 and 1,500 vehicles to date in 2024 to date. These numbers are intended to be used for comparison purposes only. They represent the volume of services required. The City of Troy will not be penalized for the volume of service required – either more or less. Any questions with respect to the specifications should be directed to Dan Langbeen at (248) 524-3556 or impounds@troymi.gov. Troy Police Department, 500 W. Big Beaver Rd., Troy MI., 48084.

## **SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART I**

### **D. SERVICE**

The Contractor shall provide towing and storage services 24 hours per day, 7 days per week. The contractor shall provide all services described in this Request for Proposal. Requests for services from the Police Department shall have priority over other calls for service. The Police Department is required to only call a **SINGLE** location to obtain the Contractor's service. The Contractor must be capable of responding to the scene within twenty (20) minutes. In return, the Contractor shall be given first call for all towing services requested by the Police Department unless a private citizen specifically requests the services of another provider. If the Primary Contractor is unable to respond to the scene within twenty (20) minutes, the Contractor must inform the Officer, or the Department in charge at the scene, of this fact at the time of the initial call in. In cases where the Contractor states he/she is unable to respond within twenty (20) minutes, the Officer, or the Department in charge at the scene, will have the right to obtain these services from the Secondary Service Provider provided by the Primary Contractor. The Primary Contractor will be charged the difference between his/her contracted rates and the rates charged by the Secondary Service Provider in the event of an upcharge.

If the Contractor does not respond within twenty (20) minutes and does not inform the Officer of the delay at time of initial call in or while in route, the Officer or Department in charge at the scene, has the right to call on the services of the Secondary Provider. The Officer, or Department in charge at the scene, has the sole discretion to determine whether the required response time has been met barring any unforeseen circumstances.

If the Primary Contractor has not responded to requests for service under the terms of the contract, the City of Troy in its sole discretion reserves the right to consider that bidder in default of contract, and to use the Secondary Service Provider exclusively or award a contract to the next highest rated bidder if they are mutually agreeable to extending the proposal price received at the time of the original opening.

In cases of emergency as determined by the City in its sole discretion, or when the Primary Contractor or Secondary Service Provider is unable to provide services as delineated in the Agreement, the City reserves the right to obtain services from other providers. The Primary Contractor will be charged the difference between the contracted rates and rates charged by the other Service Providers in the event of an upcharge.

Whenever the Contractor is responding to a situation in which the Police Department has placed the call, the police officer in charge shall have supervision over the disposition of the vehicle(s) up to and including transportation of the vehicle(s) to the storage yard or other designated facility as may be requested by the vehicle operator. The Contractor shall give full and complete cooperation to the officer(s) at the scene, including all facilities of the wrecker and its operator, unless dismissed by the officer(s).

All tows, whether flatbed or wrecker will be charged at the same price.

### **E. PERSONNEL**

The Contractor shall have a minimum of five (5) years' experience in towing automobiles, motorcycles, and both light and heavy trucks. Wrecker operators shall be qualified, trained employees of the Contractor. In order to avoid delays, no less than two wrecker/operators shall be on duty and available between the hours of 7:00 a.m. and 2:00 a.m. Between 2:00 a.m. and 7:00 a.m., at least one operator shall be on duty with at least one other on call and available within thirty (30) minutes.

The Contractor's employees shall act courteously, responsively and responsibly towards the rightful owner or agent of each vehicle towed, stored, and/or impounded at the direction of the City.

The Contractor's employees shall cooperate with the City in handling inventory and recording of criminal evidence and personal property when requested. When requested to do so, the employees shall communicate to the Police Department information regarding any and all vehicles towed, stored or impounded by the department. A designated Police Department representative shall have access to the storage yard at all times. Contractor's employees shall be required to wear identifiable clothing with a company logo and/or reflective vest.

The Contractor's employees shall ensure that no part is removed from any vehicle towed for the Police Department unless the impounding officer or his/her designee specifically authorizes that removal.

## **SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART I**

### **E. PERSONNEL – continued**

The Contractor shall develop and implement a pre-employment interview and/or screening program for all employees who will be assigned to the contract. The screening program shall be designed to assist the Contractor in determining the employee's qualifications for work and who will be assigned to the City of Troy Contract. This procedure must be reviewed and approved in advance by the City of Troy to ensure compliance with any and all applicable federal and state laws, rules, ordinances and licensing permitting requirement applicable to providing Towing Services as per the RFP and the Contract, including, but not limited to:

Establishing tests acceptable to, and approved by, the City of Troy that are designed to determine the presence of illegal drugs, controlled substances, or alcohol. The Contractor shall conduct random and reasonable suspicion drug and alcohol testing for all safety sensitive employees according to Federal and Michigan law, rules and regulations and City of Troy policy. The Contractor shall have a zero tolerance policy for testing positive to drugs and alcohol and shall immediately remove an employee if they refuse to submit to a drug test, tests positive for illegal drugs, controlled substances or alcohol or violates the law, possesses, sells or consumes illegal drugs, controlled substances or alcohol.

The Contractor shall be responsible for staffing each wrecker under their care and custody (including owned, leased, rented or sub-contracted) with an operator who shall:

- \* Not have possession or use of any alcohol, controlled substances, illegal drugs, firearms, knives or any other weapons;
- \* Meet all other checks as required by law;
- \* Be a legal citizen, conversant with the English language;
- \* Be free of any disabilities which would preclude him or her from performing the required tasks;
- \* Be trained in the proper handling of vehicles so as not to cause undue damage and be licensed to carry out the required tasks.

The Contractor, upon a request from the City, shall allow access to all driver qualification files as required under the provisions of the Commercial Drivers License statute. The Contractor shall also provide a detailed listing of all training received by each operator and a summary of their experience both with the Contractor and with previous employers.

All personnel operating any vehicles for towing under this Agreement shall comply with all State operator's licensing statutes and regulations and / or City of Troy ordinances, including the Motor Vehicle Code and / or the Motor Carrier Safety Act, if applicable.

### **F. LICENSING**

The Contractor shall be licensed by the Michigan Public Service Commission (MPSC) for the transportation of wrecked or disabled vehicles within the City of Troy and other points within the state. The Contractor must also possess all other licenses or permits required by any other governmental unit for the operation of a wrecker or storage yard within the City of Troy or elsewhere as may be required to fulfill the contract.

The Contractor shall provide copies of any and all permits and/or licenses upon the request of the Police Department.

### **G. EQUIPMENT**

The Contractor shall provide and maintain equipment as outlined below:

<u>Minimum Number</u>	<u>Type of Vehicle</u>	<u>Response Time</u>
1	Light Duty wrecker	20 minutes
2	Flat beds	20 minutes
2	Medium Duty wreckers	45 minutes
1	Heavy Duty wrecker	45 minutes

## **SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART I**

### **G. EQUIPMENT-** continued

Equipment may be sub-contracted. Police Department and the DPW / Fleet Division must be notified at time of service if a subcontracted wrecker will be used. Contactor shall have no less than two (2) wreckers available 24 hours per day, 7 days per week.

(All vehicles shall be equipped as described in Part II of this proposal).

The City reserves the right to hire specialized equipment outside of this contract, when needed (i.e. mobile cranes, or other heavy rescue equipment).

The Contractor shall allow the Police Department and the DPW / Fleet Division to conduct at least one annual safety inspection on each piece of equipment used to fulfill this contract and additional inspections if deemed necessary by the Troy Police Department. Such inspections shall be done at the discretion of the Police Department or DPW / Fleet Division.

All vehicles operated for towing under the terms of this Agreement shall be in compliance with qualifications, equipment, size, weight and load restrictions of the Motor Vehicle Code and/or the Motor Carrier Safety Act, if applicable, and any State statutes or Troy ordinances. Failure to comply may result in the vehicle being placed out of service pursuant to State statute or City ordinance.

### **H. REPORTS AND RECORDS**

Operators shall accompany and assist the impounding officer in a physical inspection of each vehicle impounded at the time of impoundment. The standard electronic "IMPOUNDED VEHICLE SUPP REPORT" shall be used for this purpose.

When a vehicle is released by the Contractor, they shall complete an "ABANDONED / IMPOUNDED VEHICLE DISPOSITION REPORT" form listing each service performed and their appropriate charges. A copy shall be forwarded to the police department. The Contractor will also provide or complete all other forms, reports and/or documents that may otherwise be required. Copies of the above mentioned reports are attached hereto. The contractor should have the capability to transmit and receive data electronically, via email, with the Police Department.

The Contractor shall keep accurate records on a daily basis of each vehicle stored, its license (registration plate) number, description, vehicle identification number (VIN), the tow origination point, and any subsequent tow(s), date and time the vehicle was placed in storage, location, date and time returned to the owner, and any charges levied.

The Contractor shall maintain, for a period of three (3) years, accurate financial records of each towing, impound and/or storage transaction made at the City's request. The Contractor shall have those records open to inspection by the City upon request.

The City reserves the right to conduct an audit of all bills and records relevant to this contract at least twice a year.

### **I. FINANCIAL ARRANGEMENTS**

The Contractor will collect from the vehicle's owner or agent all towing and storage fees for vehicles towed or impounded at the direction of the City. At the time a vehicle impounded or towed under this contract is released from custody, or at any other time when the tow bill is paid, the Contractor shall collect for the City an Administrative Fee in the amount set by the City Council. The Administration fees collected on behalf of the City will be submitted each quarter when invoiced from the City by the successful bidder(s). **The current fee is \$30.00.** This fee is subject to change by resolution of the City Council at their discretion. This fee may be changed prior to the proposal opening date or anytime thereafter.

The Administrative fees shall be charged to all vehicle operators/owners or their agents whether the vehicle is towed to the Contractor's storage yard and/or facility or to a different location designated by the vehicle operator/owner.

## **SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART I**

### **I. FINANCIAL ARRANGEMENTS-** continued

In cases where the Police Department has merely been the intermediary in the summoning of aid on behalf of the vehicle's owner, operator or agent, and the vehicle has not been taken into custody by the Police Department, fees will be collected by the Contractor directly from the vehicle owner, operator or agent.

Vehicles may be requested to be towed from the scenes to repair facilities, owner's homes, or other locations. The contractor will make all efforts to deliver such vehicles prior to the close of business (when towing to a business). On such occasions that it is not possible to deliver the vehicle during regular business hours, the vehicle's driver or owner shall be told of any additional charges, and the amount of such charges to transport the vehicle at a later time. Fees to tow vehicles out of the impound facility must be made available to the public as well as the Police Department. Fees should be posted in such a way as to not be confusing or misleading.

If the **electronic "IMPOUNDED VEHICLE SUPP REPORT"** reflect that the vehicle is to be towed to Contractor's storage yard and/or facility, but the owner/operator subsequently gives instructions to the Contractor or any of its employees, that the vehicle is to be towed to a different location, the Contractor shall tow that vehicle to the location indicated by owner/operator, prior to the vehicle being taken to the Contractor's storage yard and/or facility, at the same price as set out in Contractor's Response to Request for Proposal plus the mileage fees set out therein. The towing fees quoted herein shall also apply when the vehicle owner / operator directs the Contractor or any of its employees to tow the vehicle to a different location, no matter how long the vehicle has been physically present on Contractor's storage yard and/or facility. Further, if the vehicle operators/owners or their agents claim the vehicle the day of the tow (first day) to Contractor's storage yard and/or facility, they shall not be charged for storage. If vehicle operator/owners or their agents claim the vehicle the day after the tow (second day), they shall only be charged for one day of storage. Thereafter, if the vehicle is not claimed until the third day after the tow to Contractor's storage yard and/or facility, Contractor may charge fees as set out in their Response to Request for Proposal from the first day of storage forward.

### **J. SERVICE CALL CANCELLATION**

The City reserves the right to cancel a request for the services of the Contractor at any time, including up to the time of hook-up, without either the City or the owner or operator of the vehicle incurring any charges. If the owner of the vehicle arrives on the scene before the vehicle is towed, and the vehicle can be safely moved by the owner, in the opinion of the officer in charge of the scene, no charge will be made. The Contractor agrees that the mere response to a service call scene without other action does not constitute a service call for which charges are applicable.

### **K. INSURANCE**

The Contractor shall not commence work under this contract unless it has obtained insurance in accordance with the attached SAMPLE INSURANCE DOCUMENT. It shall be the Contractor's responsibility to ensure all sub-contractors and sub sub-contractors utilized under this agreement are properly insured.

### **L. CONDITION OF THE SCENE**

The Contractor will be responsible for the clearing of cars and all other debris from the scene as directed by the officer in charge or as is necessary for the safety of other motor vehicles.

### **M. TERM OF THE CONTRACT**

The life of the contract entered into between the City and the Contractor(s) will be for a period of three (3) years. Prices during the contract period will be firm. The contract may be renewed for an additional three (3) years based upon mutual agreement of both parties within 90 days of contract expiration under the same prices, terms, and conditions. A request by City staff to determine a successful bidder's interest in renewing a contract in no way obligates the City. The option cannot be exercised without Troy City Council approval and a blanket purchase order issued.

The City shall be the sole judge of inadequacy of performance. The City reserves the right to take any or all of the following actions because of inadequate performance on the part of the Contractor:

## **SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART I**

### **M. TERM OF THE CONTRACT- continued**

1. Terminate the contract.

Before the City exercises its right to terminate the contract, the City will afford the Contractor an opportunity to respond within seven (7) calendar days to allegations of inadequacy. The City Manager or designated City representative shall be the depository of such contract termination powers. Termination is subject to the approval of the City Council. Written notification shall be given within 30 days of termination.

2. Have another party provide towing and storage of vehicles as needed.

The Contractor agrees to reimburse the City or other party for damages and costs in the event the City exercises this right to have the Secondary Service Provider or another party tow or store vehicles. These damages and costs shall include, but are not limited to, labor costs, towing and storage fees, and any other damages resulting from having another party perform the services.

3. Take over the Contractor's equipment and storage facilities.

The City Manager or designated City representative shall declare the Contractor in default of this agreement, and so notify them thereof, under the following circumstances:

- \* Services or any part of the services to be provided under the agreement have been abandoned or unnecessarily delayed;
- \* The Contractor is intentionally violating any of the provisions of the agreement;
- \* The Contractor is carrying out the provisions of the agreement in bad faith;
- \* The Contractor has been adjudged as bankrupt;
- \* The Contractor makes a general assignment for the benefit of their creditors.

The City may then call upon another party to complete the services or may complete it by other means as described above. The City may take over and use materials, equipment, and storage facilities of the Contractor and anything else necessary for the performance of services until such time as other services can be obtained. The City may recover the cost of completing the services by deducting the amount thereof from any monies due or which may become due the Contractor under this agreement. When such monies are insufficient to pay such cost, the amount in excess shall be paid by the Contractor.

### **N. VEHICLE STORAGE**

The Contractor, regardless of where the storage yard is located, shall be responsible for all damages to and thefts from the vehicles while they are in the yard or otherwise in their custody. All vehicles shall only be towed to, and stored, in the storage yard specified in the proposal documents, unless a Troy Police Department employee directs otherwise. Locations other than the storage yard/ facility must be noted on the impound form.

If a vehicle is not claimed within two (2) days of impound, storage fees shall begin to accumulate on the first full business day of impoundment as set out in paragraph I. Financial Arrangements. If a vehicle ***is*** claimed within 2 days from the day of impoundment, the owner shall not be charged for the first storage day.

All storage yards shall meet the following minimum requirements:

- a. The site shall be properly licensed and shall be operated in accordance with any federal, state, county or local laws and ordinances pertaining to the operation of such facilities.



## **SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART I**

### **N. VEHICLE STORAGE-** continued

- b. The site shall contain a minimum of two (2) contiguous acres of vehicle storage area.
- c. Vehicle storage or parking spaces shall have gravel surfaces or other surface acceptable to the City. All spaces shall have minimum dimensions of 10' x 20' which will be considered a standard parking space. If a vehicle exceeds the dimension of a standard space either by length or width, the vehicle may be charged a fee for an oversized space.
- d. A permanently installed 6' or higher fence shall surround the entire lot perimeter. The fence shall be securely locked at any time vehicles are stored as a result of a Law Enforcement related call, and after business hours.
- e. Driveways providing access to the vehicle storage area from the frontage street shall be paved in the same manner as off-street parking areas.
- f. The City of Troy Police Department's general order specifies that the office facilities to provide for an 24 hour per day, seven (7) day per week operator/attendant who shall be responsible for the security of the yard and the administration of vehicles between the hours of 8:00 a.m. and 5:30 p.m., Monday thru Friday; 9:00 a.m. to 4:00 p.m. on Saturdays; and 9:00 a.m. to 1:00 p.m. on Sundays. The hours stated above are the minimum hours that will be acceptable to the City.
- g. Storage lots cannot be shared with any other entity, except other Police agencies, regardless of their purpose.
- h. A tow company shall be held solely responsible for the security of the vehicles towed on behalf of the City of Troy Police Department to that company's impound yard.
- i. Any storage yard used by the successful bidder shall be located in the City of Troy or no more than a five (5) mile radius from the borders of the City of Troy and shall be in compliance with all local zoning and safety requirements. All yards to be used by the successful bidder must be stated in the vendor questionnaire, Section 5, #12 Vehicle Storage Facility.

### **O. DISPOSAL**

The Contractor shall allow the City space, access and time to set up a public viewing for purposes of:

1. Accepting public bids for vehicles or groups of vehicles, at least quarterly, and at most monthly. Public sales will be conducted in accordance with the applicable state law MCL 257.252.
2. Assisting the Police Department in the disposal of all unclaimed vehicles in accordance with federal, state, county and local laws and ordinances. The storage yard shall be made available upon request of the Police Department for purposes of disposal of unclaimed vehicles and related equipment, including public auctions. The Contractor shall be entitled to receive from any such sale monies received from each individual vehicle/equipment sale up to an amount equal to towing and storage fees owed the Contractor for that vehicle/equipment. All monies received in excess of such fees shall be disbursed according to applicable state law (MCL 257.252).
3. The Contractor agrees to pay all auctioneers' fees, if any, on any vehicle sold through auction. The Contractor agrees to supply all needed manpower, as determined by the Police Department, to conduct an auction at no cost to the City. The Contractor will, however, not pay the salaries of any City employee assigned by the City to assist with the auction. The City will have final approval of all auctioneers.

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**SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART I**

4. The City shall set the minimum acceptable bid for public sale of any vehicle or group of vehicles, or equipment. If any vehicle or equipment is not sold and the City does not wish to take possession, or prepare the vehicle for a later auction date, the Contractor shall become the owner of the vehicle, group of vehicles, or equipment and shall be responsible for the disposal.

**P. METHODS OF PAYMENT**

The Contractor shall make available a method to receive payment by credit/debit card from vehicle owners/operators. This service must be made available within 90 days of the award date. The Contractor may charge an additional reasonable fee to the credit card user to cover the cost of using this type of transaction. These additional fees must be submitted to the Police Department for approval and posted along with the fee schedule at the place of business. Credit/debit cards must be allowed for payment on all tows other than arrests. Cash payment must be allowed for any tows.

**Q. DAMAGE TO CITY VEHICLES**

The Contractor will be responsible for any damage to City vehicles that are caused by the Contractor's operator. All repair work on damaged City vehicles will be performed by the City of Troy DPW / Fleet Division or a City approved facility. If a City approved facility is utilized, the City of Troy DPW / Fleet Division will handle all necessary arrangements with the facility to accomplish the repairs. The City will invoice the Contractor for the City's cost to repair the vehicle(s) including all parts and labor.



## **SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART II**

### **A. STOPPING OR PARKING**

The operator of a wrecker may stop or park such wrecker upon a highway for the purpose of rendering assistance to a disabled vehicle, when it can be done safely and in compliance with applicable laws and ordinances.

### **B. NORMAL ROAD SERVICE DEFINED**

Normal road service shall include, but not be limited to, changing flat tires, quick start jumper service on dead batteries, gasoline, removing vehicles from below road grade (in a ditch) or in deep snow.

### **C. RETURN TO ROADWAY DEFINED**

A 'Return to Roadway' charge can be assessed only if a vehicle is fully off the roadway, paved area or shoulder, or where more than 15 feet of cable, measured from the edge of roadway or shoulder, is used beyond the extension of the towing vehicle. For contract purposes, fully off the roadway means that all four (4) vehicle tires are off the roadway, paved area or shoulder.

### **D. EQUIPMENT STANDARDS**

Minimum required equipment on light duty, medium duty and flatbed wreckers:

1. Dual rear wheels;
2. Quick start jumper cable equipment;
3. Boom (except flatbed) with working capacity that exceeds the GVWR of the wrecker within the manufacturer's safety recommendations;
4. Winch with working capacity that exceeds the GVWR of the wrecker within the manufacturer's safety recommendations;
5. 200' of cable with working capacity capable of meeting or exceeding the wrecker's GVWR rating;
6. Boom capable of extending 5' (except flat beds);
7. Safety chains with a working capacity that exceeds the GVWR of the wrecker within the manufacturer's safety recommendations;
8. At least two wreckers with dollies, flatbed hoist, or wheel lift devices;
9. Radio communications- operator to contractor's office.

Minimum required equipment on heavy duty wreckers:

10. Tandem axle with dual real wheels;
11. Boom with working capacity that exceeds the GVWR of the wrecker within the manufacturer's safety recommendations;
12. 200' of cable with working capacity capable of meeting or exceeding the wrecker's GVWR rating;
13. Boom capable of extending ten feet (10'), 20,000 lbs. lifting capacity when extended;
14. Safety chains with a working capacity that exceeds the GVWR of the wrecker within the manufacturer's safety recommendations;
15. Ability to operate air brakes of towed vehicle.

### **E. REAR LIGHT**

When a disabled vehicle blocks the view of the wrecker lights, the operator shall display a lighting device on the rear of the disabled vehicle. This device shall duplicate wrecker's taillights, stoplights, and turn signals on the rear of the towed vehicle. Such device shall be used in all cases, during darkness when the taillights of the towed vehicle cannot be lit or seen.

## **SECTION 8: INSTRUCTIONS AND SPECIFICATIONS – PART II**

### **F. OSCILLATING AMBER LIGHT**

Wrecker shall be equipped as required by law and ordinance, including an oscillating or flashing amber light mounted above the cab of the wrecker or above the crane hoist. With a load in place, the light shall be visible from any point on a horizontal circle with the wrecker as its center and a distance of 1,000 feet for 360 degrees. Such light(s) shall not be operated during normal towing on the roadway, unless the size or condition of the load is a hazard to other traffic on the roadway or such operation is required by law or ordinance.

### **G. WARNING DEVICES**

Every wrecker shall be equipped with not less than three red burning flares, capable of burning at least 15 minutes each, three portable reflectors, or three bi-directional reflective triangles, or three of any electronic flashing warning devices as provided in Act 300, Public Acts of 1949 of the State of Michigan, as amended. When a motor vehicle is disabled on the highway during darkness, the wrecker operator shall immediately upon arrival activate his/her oscillating amber light and position such additional warning devices as may be required by law, ordinance or reasonable caution. Each wrecker shall be equipped with at least two different types of warning devices. All warning lights must be federal and state highway approved lights.

### **H. MISCELLANEOUS EQUIPMENT**

Every wrecker shall carry at least the following equipment:

1. One or more serviceable brooms and a debris receptacle. The operator shall remove all glass, vehicle parts and other debris from the scene whenever a vehicle is towed.
2. One or more shovels and a sufficient supply of absorbent material. The operator shall spread dirt or other absorbent material on any fluids that do not require attention from the Fire Department. The operator shall have the option to request the Fire department to assist with larger spills. All used absorbent materials must be swept up and properly disposed.
3. One or more fire extinguishers of at least 10 lbs. capacity and a type capable of extinguishing an electrical or flammable fire (Class B and C fires).

### **I. WRECKER MARKINGS**

All vehicles used in the performance of this contract will be clearly and permanently marked with the Contractor's name and telephone number.



**SECTION 9: PRICING**

**DIRECTIONS: IMPORTANT**

Any page indicated as "PRICING" must be combined into a single file and SUBMITTED AS A SEPARATE PDF NAMED: "FEE PROPOSAL – TOWING SERVICES" to MITN on or before the RFP opening date and time.

**COMPANY NAME:** \_\_\_\_\_

The undersigned proposes to provide **THREE YEAR REQUIREMENTS OF TOWING SERVICES WITH AN OPTION TO RENEW FOR THREE ADDITIONAL YEARS** in accordance with the specifications and attachments contained herein. The specifications and attachments are to be considered an integral part of this proposal, at the following prices:

**PROPOSAL A: PRICING**

ITEM	ANNUAL COUNT (Estimated)	SERVICE – PRIVATE VEHICLES	UNIT COST
1.	2,000	Vehicles up to 5,000 lbs. (Accidents and Impounds)	\$
2.	200	Vehicles over 5,001 lbs. (Accidents and Impounds)	\$
3.	5	Vehicles over 10,000 lbs.	\$
4.	5	Accident vehicles over 10,000 lbs.	\$
<b>5.</b>	<b>Straight pick-ups (re-location of vehicles for snow removal or other purposes requiring a tow of less than ½ mile)</b>		
<b>5a.</b>		Vehicles up to 10,000 lbs.	\$
<b>5b.</b>		Vehicles over 10,001 lbs.	\$
6.		Tows from and/or to locations more than 5 miles outside of the City of Troy: amount per mile in addition to the basic towing fee – Mileage may not be charged until it has exceeded the 5 miles outside the City and then, only from the point it exceeds that limit.	\$ Per mile
<b>7.</b>	<b>Service calls within the City of Troy</b>		
<b>7a.</b>		Vehicle jump-start	\$
<b>7b.</b>	50	Vehicle lock-out	\$
<b>7c.</b>	200	Return vehicle to roadway (Only assessed for a vehicle that is fully off the roadway, paved area or shoulder, or where more than 15 feet of cable is used beyond the extension of the towing vehicle).	\$
<b>7d.</b>		Tire change (per tire)	\$
<b>7e.</b>		Service call- other (separate cars, etc.)	\$
8.		Additional dolly (this charge is not allowed for flatbed or wheel lift hoist tows).	\$
9.		Labor charge per man hour for on scene, additional or standby personnel	\$ per man hour
<b>10.</b>	<b>Storage fee per day</b>		
<b>10a</b>		Standard parking	\$
<b>10b.</b>		Oversize parking	\$



**SECTION 9: PRICING**

**PROPOSAL B: PRICING**

ITEM	ANNUAL COUNT (Estimated)	SERVICE – CITY OWNED VEHICLES	UNIT COST
1.	160	Vehicles up to 12,000 GVWR (includes accidents)	\$
2.	10	Vehicles 12,001 – 16,000 GVWR (includes accidents)	\$
3.	10	Vehicles 16,001 – 80,000 GVWR Including Off Road Equipment (includes accidents)	\$
4.	4	Remove Each Axle Shaft and / or Drive Shaft	\$
5.	7	Tows from and/or to locations more than <u>5 miles</u> outside of the City of Troy: amount per mile in addition to the basic towing fee	\$ per mile
<b>6.</b>	<b>Road Service Fees</b>		
6a.	12	Within Troy city limits including jump start	\$
6b.		Additional dolly (this charge is not allowed for flatbed or wheel lift hoist tows)	\$
6c.		Labor charge per man hour for additional man-power	\$ per man hour
6d.	15	On-road tire replacement (Road Call)	\$
<b>7.</b>	<b>Vehicle transport to outside Troy auction sites, dealers, etc. Price per mile in addition to the basic towing fee as follows:</b>		
7a.		Cars, Vans and Pick-ups	\$ per mile
7b.		Vehicles/equipment from 12,000 to 16,000 GVWR	\$ per mile
7c.	4	Vehicles/ equipment from 16,001 GVWR and over	\$ per mile
<b>8.</b>	<b>Vehicle requiring assistance to place back on roadway (ditch, stuck, etc.) as follows:</b>		
8a.	6	Cars, Vans, and Pick-ups	\$
8b.		Vehicles/ equipment from 12,001 - 16,000 GVWR	\$
8c.	3	Vehicles/ equipment from 16,001 – 80,000 GVWR including construction equipment	\$
9.	1	Towing two (2) vehicles with one (1) Truck	\$

**IMPORTANT:** In order to fairly evaluate and score the pricing phase, only the items with an estimated annual count will be used.

COMPANY NAME: \_\_\_\_\_



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**SECTION 11: FORMS**

Legal Status of Bidder:

The Bidder shall fill out the appropriate form and strike out the other two:

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A corporation duly organized and doing business under the laws of the State of \_\_\_\_\_  
for whom \_\_\_\_\_, bearing the office title of \_\_\_\_\_,  
whose signature is affixed to this proposal, is duly authorized to execute contracts.

---

A **partnership**, all members of which, with addresses, is:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

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**AN INDIVIDUAL, WHOSE SIGNATURE IS AFFIXED TO THE PROPOSAL:**

_____	_____
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**SECTION 11: FORMS**

**CITY OF TROY  
OAKLAND COUNTY, MICHIGAN  
NON-COLLUSION AFFIDAVIT**

TO WHOM IT MAY CONCERN:

\_\_\_\_\_, being duly sworn deposed, says that he  
(Print Full Name)

Is \_\_\_\_\_. The party making the foregoing proposal or bid,  
(State Official Capacity in Firm)

that such bid is genuine and not collusion or sham; that said bidder has not colluded, conspired, connived, or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding and has not in any manner directly or indirectly sought by agreement or collusion, or communication or conference, with any person to fix the bid price or affiant or any other bidder, or to fix any overhead, profit, or cost element of said bid price, or that of any other bidder, or to secure the advantage against the City of Troy or any person interested in the proposed contract; and that all statements contained in said proposal or bid are true.

\_\_\_\_\_  
**SIGNATURE OF PERSON SUBMITTING BID**

\_\_\_\_\_  
**NOTARY'S SIGNATURE**

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_  
in and for \_\_\_\_\_ County.

**My commission expires:**  
\_\_\_\_\_





**SECTION 11: FORMS**

**CERTIFICATION REGARDING  
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

The prospective participant certifies, to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions under any non-procurement programs by any federal, state or local agency.
2. Have not, within the three year period preceding, had one or more public transactions (federal, state, or local) terminated for cause or default; and
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) and have not, within the three year period preceding the proposal, been convicted of or had a civil judgment rendered against it:
  - a. For the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction (federal, state, or local), or a procurement contract under such a public transaction;
  - b. For the violation of federal, or state antitrust statutes, including those proscribing price fixing between competitors, the allocation of customers between competitors, or bid rigging; or
  - c. For the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

I understand that a false statement on this certification may be grounds for the rejection of this proposal or the termination of the award. In addition, the general grant of this authority exists within the City’s Charter, Chapter 12, Section 12.2- Contracts.

**[ ] I am able to certify to the above statements.**

---

Name of Agency/Company/Firm *(Please Print)*

---

Name and title of authorized representative *(Please Print)*

---

Signature of authorized representative Date

**[ ] I am unable to certify to the above statements. Attached is my explanation.**



**SECTION 11: FORMS**

**VENDOR CERTIFICATION  
THAT IT IS NOT AN  
“IRAN LINKED BUSINESS”**

Pursuant to Michigan law, (the Iran Economic Sanctions Act, 2012 PA 517, MCL 129.311 et seq.), before accepting any bid or proposal, or entering into any contract for goods or services with any prospective Vendor, the Vendor must first certify that it is not an “IRAN LINKED BUSINESS”, as defined by law.

<b>Vendor</b>	
Legal Name	
Street Address	
City	
State, Zip	
Corporate I.D. Number/State	
Taxpayer I.D. #	

The undersigned, with: 1.) full knowledge of all of Vendors business activities, 2.) full knowledge of the requirements and possible penalties under the law MCL 129.311 et seq. and 3.) the full and complete authority to make this certification on behalf of the Vendor, by his/her signature below, certifies that: the Vendor is NOT an “IRAN LINKED BUSINESS” as require by MCL 129.311 et seq., and as such that Vendor is legally eligible to submit a bid and be considered for a possible contract to supply goods and/or services to the City of Troy.

Signature of Vendor’s Authorized Agent: \_\_\_\_\_

Printed Name of Vendor’s Authorized Agent: \_\_\_\_\_

Witness Signature: \_\_\_\_\_

Printed Name of Witness: \_\_\_\_\_



**SECTION 11: FORMS**

**Proposer’s Sworn and Notarized Familial Disclosure**

*(To be provided by the Proposer)*

The undersigned, the owner or authorized officer of \_\_\_\_\_ (the “Proposer”), pursuant to the familial disclosure requirement provided in the Request for Proposal, hereby represent and warrant, except as provided below, that no familial relationships exist between the owner(s) or any employees of \_\_\_\_\_ and any member of the City of Troy City Council or City of Troy management.

**List any Familial Relationships:**

**BIDDER:**

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF MICHIGAN

) ss.

COUNTY OF \_\_\_\_\_)

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2024, by

\_\_\_\_\_



---

**SECTION 11: FORMS**

**CITY OF TROY  
INDEMNIFICATION (Hold Harmless) CLAUSE**

To the fullest extent permitted by law,

\_\_\_\_\_ agrees to defend, pay on  
(Name of Consultant / Organization)

behalf of, indemnify, and hold harmless the City of Troy, its elected and appointed officials, employees and volunteers and others working on behalf of the City of Troy against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Troy, its elected and appointed officials, employees, volunteers or others working on behalf of the City of Troy, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this contract/agreement.

\_\_\_\_\_  
Contract / Agreement

\_\_\_\_\_  
Contractor/Vendor representative signature/date

\_\_\_\_\_  
Witness

\_\_\_\_\_  
City of Troy representative signature/date

\_\_\_\_\_  
Witness

**(Please complete and return at time of proposal submittal)**





**SECTION 12: DRAFT AGREEMENT**

**DRAFT**

**Subject to Amendment Prior to Signing**

**AGREEMENT FOR TOWING SERVICES**

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2024, between the City of Troy, a Michigan municipal corporation, whose address is 500 W. Big Beaver Road, Troy, Michigan 48084, (hereinafter referred to as "CITY") and Vendor, (hereinafter referred to as "CONTRACTOR").

**RECITALS**

- A. WHEREAS, CITY finds it necessary to utilize the services of CONTRACTOR for towing and/or storage of vehicles where the Troy Police Department is on the scene either because of an accident or incident, or because a vehicle is interfering with the orderly flow of traffic; and
- B. WHEREAS, CITY desires that services and charges for towing and/or storage be consistent to vehicle owners, whether the owners desire that their vehicles are towed to CONTRACTOR'S vehicle storage yard and/or facility or a dealership or another location other than CONTRACTOR'S vehicle storage yard and/or facility; and
- C. WHEREAS, CITY will be recommending the CONTRACTOR for towing and/or storage services at the scene, and that, but for that recommendation, the CONTRACTOR might not be towing and/or storing the vehicle;
- D. WHEREAS, it is important for the reputation of the CITY and CONTRACTOR that prices charged for the towing and/or storage of a vehicle from a scene where a Troy

police officer has recommended CONTRACTOR, be consistent for all referrals by the Troy Police Department and within the terms of this Agreement; and

E. WHEREAS, the CITY wished to engage CONTRACTOR to provide these services.

Now, therefore, in consideration of the covenants and agreements contained herein, CITY and CONTRACTOR agree as follows:

**1. SCOPE.** During the term of the Agreement, CONTRACTOR shall provide services as defined in CITY'S Request for Proposal (RFQ-RFP 24-23) and the Instructions and Specifications – Part 1 and Part II and CONTRACTOR'S response to Request for Proposal. Both documents are incorporated and made a part of this Agreement to the extent that their terms do not conflict with the terms herein. The CONTRACTOR shall furnish all labor, materials, and equipment necessary and perform all of the work as set forth in the Proposal and this Agreement in strict accordance with the scope of work and other documents which have been made a part of this contract in the manner, time, and place as therein set forth. The required services are generally described as follows:

A. Removal, impounding and/or storage of automobiles, abandoned or illegally parked vehicles, non-drivable vehicles at accident scenes; impounding vehicles related to arrest; towing of City owned vehicles for any reason; and the towing or storage of any vehicle as directed by the Troy Police Department.

B. Service calls for vehicle lock-outs, returning of vehicles to the roadway, tire replacement, and similar on road services.

C. Towing of vehicles to locations within and outside of the City as designated by CITY or the Troy Police Department or the owner/ operator of the vehicle being towed.

D. Clearing of all debris from the scene.

CITY shall have the complete discretion to determine whether or not to contact CONTRACTOR for services under this Agreement; however, if any of the services listed above are needed the Troy Police Department shall contact CONTRACTOR, unless a private citizen specifically requests the services of another provider. CITY has the complete discretion to determine whether or not a vehicle is illegally parked, or abandoned.

**2. LOCATION OF STORAGE YARD AND/OR FACILITY**. CONTRACTOR shall maintain a storage yard and/or facility as stated in the proposal. This storage yard and/or facility shall not be relocated without the consent of the CITY.

**3. HOURS AND AVAILABILITY**: CONTRACTOR shall provide towing and/or storage services 24 hours per day, 7 days per week. Requests for services from the Troy Police Department shall have priority over all other calls for service. CONTRACTOR shall respond to the scene within twenty (20) minutes. If Contractor is unable to respond to the scene within twenty (20) minutes, the Contractor must inform the Officer, or the Department in charge at the scene, of this fact at the time of the initial call in. In cases where the Contractor states he/she is unable to respond within twenty (20) minutes, the Officer, or Department in charge at the scene, will have the right to obtain these services from the Secondary service provider. The Contractor will be charged the difference between his/her contracted rates and the rates charged by the Secondary service provider in the event of an upcharge.

If the Contractor does not respond within twenty (20) minutes and does not inform the Officer of the delay at time of the initial call in or while in route, the Officer, or Department in charge at the scene, has the right to call on the services of the Secondary provider. The Officer, or Department in charge at the scene, has the sole discretion to determine whether the required response time has been met barring any unforeseen circumstances. In the event the City has determined that the Contractor did not respond within the designated timeframe, the City in its sole discretion reserves the right to hold the Contractor in default of contract.



In cases of emergency as determined by the City in its sole discretion, or when the PRIMARY CONTRACTOR or Secondary service provider is unable to provide services as delineated in this Agreement, the CITY reserves the right to obtain services from other providers. The Primary CONTRACTOR will be charged the difference between the contracted rates and the rates charged by the other service providers in the event of an upcharge.

**4. POLICE OFFICER IN CHARGE AT SCENE:** Whenever CONTRACTOR is responding to a call from the Troy Police Department, the police officer in charge of the scene shall have supervision over the disposition of the vehicle(s) up to and including transportation of the vehicle(s) to CONTRACTOR'S or CITY'S storage yard and/or facilities. CONTRACTOR, through its driver / operator, shall give full and complete cooperation to the officer(s) at the scene, unless dismissed by the officer(s), including, but not limited to officer(s) or owner /operators directions concerning towing to a facility.

**5. PERSONNEL:** Wrecker operators shall be qualified, trained employees of CONTRACTOR. No less than two (2) wrecker operators shall be on duty and available between the hours of 7:00 a.m. and 2:00 a.m. Between the hours of 2:00 a.m. and 7:00 a.m. at least one (1) wrecker operator shall be on duty with at least one (1) other on call and available within thirty (30) minutes. CONTRACTOR'S employees shall act courteously, responsively and responsibly towards the vehicles owner and/or agent of each vehicle towed, stored, and/or impounded at the direction of CITY.

CONTRACTOR'S employees shall cooperate with the CITY in handling inventory and recording of criminal evidence and personal property when requested by the Troy Police Department. When requested to do so, the employees shall communicate to the Troy Police Department information regarding any and all vehicles towed, stored or impounded by the Troy Police Department. A designated Troy Police Department representative shall have access to

the storage yard and/or facility at all times. CONTRACTOR'S employees shall be required to wear identifiable clothing with a company logo and/or reflective vest.

CONTRACTOR'S employees shall ensure that no part is removed from any vehicle towed for the Troy Police Department unless the impounding officer or his/her designee specifically authorizes that removal.

The CONTRACTOR shall develop and implement a pre-employment interview and/or screening program for all employees who will be assigned to the contract. The screening program shall be designed to assist the CONTRACTOR in determining the employee's qualifications for work and who will be assigned to the City of Troy Contract. This procedure must be reviewed and approved in advance by the City of Troy to ensure compliance with any and all applicable federal and state laws, rules, ordinances and licensing permitting requirement applicable to providing Towing Services as per the RFP and the Contract, including, but not limited to:

Establishing tests acceptable to, and approved by, the City of Troy that are designed to determine the presence of illegal drugs, controlled substances, or alcohol. The CONTRACTOR shall conduct random and reasonable suspicion drug and alcohol testing for all safety sensitive employees according to Federal and Michigan law, rules and regulations and City of Troy policy. The CONTRACTOR shall have a zero tolerance policy for testing positive to drugs and alcohol and shall immediately remove an employee if they refuse to submit to a drug test, tests positive for illegal drugs, controlled substances or alcohol or violates the law, possesses, sells or consumes illegal drugs, controlled substances or alcohol.

The CONTRACTOR shall be responsible for staffing each wrecker under their care and custody (including owned, leased, rented or sub-contracted) with an operator who shall:

- \* Not have possession or use of any alcohol, controlled substances, illegal drugs, firearms, knives or any other weapons;
- \* Meet all other checks as required by law;

- \* Be a legal citizen, conversant with the English language;
- \* Be free of any disabilities which would preclude him or her from performing the required tasks;
- \* Be trained in the proper handling of vehicles so as not to cause undue damage and be licensed to carry out the required tasks.

CONTRACTOR, upon request from the CITY, shall allow access to all driver qualification files as required under the provisions of the Commercial Drivers License statute.

CONTRACTOR shall also provide a detailed listing of all training received by each operator and a summary of their experience both with the CONTRACTOR and with previous employers. All personnel operating any vehicles for the CONTRACTOR under this Agreement shall comply with all State operator's licensing statues and regulation and / or City of Troy ordinances, including the Motor Vehicle Code and / or the Motor Carrier Safety Act, if applicable.

**6. EQUIPMENT:** CONTRACTOR shall have no less than two (2) wreckers available 24 hours per day 7 days per week. CONTRACTOR shall provide and maintain equipment as outlined below:

Minimum Number	Type of Vehicle	Response Time
1	Light Duty wrecker	20 minutes
2	Flat beds	20 minutes
2	Medium Duty wreckers	45 minutes
1	Heavy Duty wrecker	45 minutes

Equipment may be sub-contracted. Police Department and the DPW / Fleet Division must be notified at time of service if subcontracted wrecker will be used.

All vehicle shall be equipped as described in Request for Proposal - Instructions and Specifications – Part II.

CITY reserves the right to hire specialized equipment outside of this Agreement, when needed, including but not limited to, mobile cranes, or other heavy rescue equipment.

CONTRACTOR shall allow the Troy Police Department and the DPW / Fleet Division to conduct at least one annual safety inspection on each piece of equipment used to fulfill this Agreement and additional inspections at its discretion, if deemed necessary by the Troy Police Department.

**7. SERVICE CALL CANCELLATION:** CITY reserves the right to cancel a request for the services of the CONTRACTOR at any time, including up to the time of hook-up, without either CITY or owner/operator of the vehicle incurring any charges. If the owner of the vehicle arrives on the scene before the vehicle is towed, and, in the opinion of the officer in charge of the scene, the vehicle can be safely moved by the owner, no charge will be made. CONTRACTOR agrees that the mere response to a service call scene without action does not constitute a service call for which charges are applicable.

**8. CONDITION OF THE SCENE:** CONTRACTOR shall be responsible for the clearing of vehicles and all other debris from the scene as directed by the officer in charge or as is necessary for the safety of other motor vehicles.

**9. VEHICLE STORAGE AND STORAGE YARD AND/OR FACILITY:** CONTRACTOR shall be responsible for all damages to and thefts from the vehicles while they are in the storage yard and/or facility or otherwise in its custody. All vehicles shall only be towed to, and stored in, the storage yard or facility specified in the proposal, unless CONTRACTOR'S employee is otherwise instructed by the officer in charge at the scene or by the owner/occupant of the vehicle. Locations other than the storage yard / facility must be noted on impound form.

If a vehicle is not claimed within two (2) days of impound, storage fees shall begin to accumulate on the first full business day of impoundment as set out in paragraph I. Financial Arrangements. If a vehicle **is** claimed within 2 days from the day of impoundment, the owner shall not be charged for the first storage day.

All storage yards shall meet the following minimum requirements:

- A. The site shall be properly licensed and shall be operated in accordance with any federal, state, county or local laws and ordinances pertaining to the operation of such facilities.
- B. The site shall contain a minimum of two (2) contiguous acres of vehicle storage area.
- C. Vehicle storage or parking spaces shall have gravel surfaces or other surface acceptable to the City. All spaces shall have minimum dimensions of 10' x 20' which will be considered a standard parking space. If a vehicle exceeds the dimension of a standard space either by length or width, the vehicle may be charged a fee for an oversized space.
- D. A permanently installed 6' or higher fence shall surround the entire lot perimeter. The fence shall be securely locked at any time vehicles are stored as a result of a Law Enforcement related call, and after business hours.
- E. Driveways providing access to the vehicle storage area from the frontage street shall be paved in the same manner as off-street parking areas.
- F. The City of Troy Police Department's general order specifies that the office facilities to provide for an 24 hour per day, seven (7) day per week operator/attendant who shall be responsible for the security of the yard and the administration of vehicles between the hours of 8:00 a.m. and 5:30 p.m., Monday thru Friday; 9:00 a.m. to 4:00 p.m. on Saturdays; and 9:00 a.m. to 1:00 p.m. on Sundays. The hours stated above are the minimum hours that will be acceptable to the City.
- G. Storage lots cannot be shared with any other entity, regardless of their purpose.
- H. A tow company shall be held solely responsible for the security of the vehicles towed on behalf of the City of Troy Police Department to that company's impound yard.
- I. Any storage yard used by the successful bidder **shall** be located in the City of Troy or no more than a five (5) mile radius from the borders of the City of Troy and shall be in compliance with all local zoning and safety requirements. All yards to be used by the

successful bidder must be stated in the vendor questionnaire, Section 5, #12 Vehicle Storage Facility.

**10. DISPOSAL OF VEHICLES**. CONTRACTOR shall allow CITY the space, access and time to set up a public viewing for purposes of accepting public bids for vehicles or groups of vehicles, at least quarterly, and at most monthly.

CONTRACTOR shall assist the Troy Police Department in the disposal of all unclaimed vehicles in accordance with federal, state, county and local laws and ordinances. The storage yard and/or facility shall be made available upon request of the Troy Police Department for purposes of disposal of unclaimed vehicles and related equipment, including, but not limited to, public auctions. CONTRACTOR shall be entitled to receive from any such sale monies received from each individual vehicle/equipment sale up to an amount equal to towing and storage fees owed the CONTRACTOR for that vehicle/equipment. All monies received in excess of such fees shall be disbursed according to applicable State law (MCL 257.252, et. seq.)

CONTRACTOR agrees to pay all auctioneers' fees, if any, on any vehicle sold through auction. Contractor agrees to supply all needed manpower, as determined by the Troy Police Department, to conduct an auction at no cost to the CITY. However, CONTRACTOR will not pay the salaries of any City employees assigned by the City to assist with the auction. The City will have final approval of all auctioneers.

CITY shall set the minimum acceptable bid for public sale of any vehicle or group of vehicles, or equipment. If any vehicle or equipment is not sold and the CITY does not wish to take possession, or prepare the vehicle for a later auction date, CONTRACTOR shall become the owner of the vehicle, group of vehicles, or equipment and shall be responsible for the disposal.

**11. METHOD OF PAYMENT FOR TOWING AND/OR STORAGE**. CONTRACTOR shall make available to vehicle owners/operators, a method to receive payment by credit card. This service

must be made available within ninety (90) days of the proposal award date. CONTRACTOR may charge an additional reasonable fee to the credit/debit card user to cover the cost of using this type of transaction. These additional fees must be submitted to the Troy Police Department for approval and posted along with the fee schedule at the place of business. Credit/debit cards must be allowed for payment on all tows other than arrests. Cash payments must be allowed for all tows.

**12. CONTRACTOR'S FEES AND ADMINISTRATIVE FEE.** CONTRACTOR shall collect from the vehicle's owner or agent for all towing and/or storage fees for vehicles towed, impounded or stored after removal from the scene at the request of the Troy Police Department. CONTRACTOR has presented a list of service fees in its response to Request for Proposal. Those stated fees shall be charged to all vehicle operators/owners or their agents whether the vehicle is towed to CONTRACTOR'S storage yard and/or facility or to a different location designated by the vehicle operator/owner. Storage fees may only be charged if the vehicle is stored on the Contractor's lot. If the electronic "Impounded Vehicle Supp Report" reflects that the vehicle is to be towed to CONTRACTOR'S storage yard and/or facility, but the owner/operator subsequently gives instructions to CONTRACTOR or any of its employees, that the vehicle is to be towed to a different location, CONTRACTOR shall tow that vehicle to the location indicated by owner/operator, whether or not the vehicle is already physically on CONTRACTOR'S storage yard and/or facility, at the same price as set out in CONTRACTOR'S Response to Request for Proposal plus the mileage fees set out therein. The towing fees quoted herein shall also apply when the vehicle owner / operator directs the CONTRACTOR or any of its employees to tow the vehicle to a different location, no matter how long the vehicle has been physically present on the CONTRACTOR'S storage yard and/or facility. Further, if the vehicle operators/owners or their agents claim the vehicle the day of the tow (first day) to the CONTRACTOR'S storage yard and/or facility, they shall not be charged for storage. If vehicle

operator/owners or their agents claim the vehicle the day after the tow (second day), they shall only be charged for one day of storage. Thereafter, if the vehicle is not claimed until the third day after the tow to CONTRACTOR'S storage yard and/or facility, CONTRACTOR may charge fees as set out in their Response to Request for Proposal from the first day of storage forward.

At the time a vehicle that is towed or impounded under this Agreement is released from custody, or at any other time when the tow bill is paid, the CONTRACTOR shall collect for the CITY an Administrative Fee in the amount set by City Council. The Administrative Fees collected on behalf of the City will be submitted to the Troy Police Department each quarter when invoiced from the City by the CONTRACTOR. The current fee is \$30.00. CONTRACTOR acknowledges that the Administrative Fee is subject to change by resolution of City Council at its discretion. The Administrative Fee may be changed prior to the proposal opening date or anytime thereafter.

In cases where the Troy Police Department has merely been the intermediary in the summoning of aid on behalf of the vehicle's operator/owner or their agent, and the vehicle has not been taken into custody by the Troy Police Department, CONTRACTOR'S fees will be collected by CONTRACTOR directly from the vehicle operator/owner or their agent.

**13. RELEASE OF VEHICLE TO INSURANCE COMPANY AGENT.** CONTRACTOR shall not withhold a vehicle from any insurance company agent because of non-payment for towing and/or storage of a different vehicle insured by that company.

**14. COMPLAINT PROCEDURE.** The Troy Police Department shall forward to CONTRACTOR any oral or written complaints received by its employees and/or citizens regarding CONTRACTOR'S services or pricing. A copy of that complaint shall be mailed to CONTRACTOR at the storage yard and facility address within 3 days of receipt of the complaint. CONTRACTOR shall have 3 days to respond to the Troy Police Department regarding that complaint. An employee of the Troy Police Department will be named to carry out the complaint procedure. If the Troy Police Department is



not satisfied with the response to the complaint, it will notify the CONTRACTOR of its failure to provide an adequate response and take whatever options are provided for under this Agreement.

CONTRACTOR shall be required to send the Troy Police Department copies of any complaints, whether oral or written, regarding its services with a written response about that complaint. The Troy Police Department will review the complaint and response, and take whatever action, if any, that is provided for under this Agreement.

**15. REPORTS AND RECORDS.** At the time of a towing and/or impound, CONTRACTOR'S wrecker operators shall accompany and assist the officer in a physical inspection of each vehicle towed and/or impounded. The standard electronic "Impounded Vehicle Supp Report" form shall be used for this purpose. When a vehicle is released by the CONTRACTOR, its employees shall complete an "Abandoned/Impounded Vehicle Disposition Report" form. Copies of those forms are attached to this Agreement. A copy of all forms shall be forwarded to the Troy Police Department. CONTRACTOR shall provide or complete all other forms, reports and/or documents that may otherwise be required or requested by the Troy Police Department. CONTRACTOR shall have the capability to transmit and receive data electronically, that is, by email, with the Troy Police Department.

CONTRACTOR shall keep accurate records on a daily basis for each towed, impounded, serviced and/or stored vehicle, including its license (registration plate) number, description, vehicle identification number (VIN), the tow origination point, and any subsequent tow(s), date and time the vehicle was placed into storage, location of the storage facility, any charges levied and the date and time it was returned to the owner.

CONTRACTOR shall maintain, for a period of three (3) years, accurate financial records of each towing, impound, service and/or storage transaction made at CITY'S request.

CONTRACTOR shall have those records open to inspection by the CITY upon request. CITY

reserves the right to conduct an audit of all bills and records relevant to this Agreement at least twice a year.

**16. TERM OF AGREEMENT:** This Agreement shall be in effect for three (3) years with an expiration date of December 31, 2027 unless terminated by CITY as otherwise set out herein. All CONTRACTOR'S prices for towing services shall not be changed during that three (3) year period. Within ninety (90) days of the expiration of this Agreement, the CITY may at its option renew this Agreement for a three (3) year period under the same prices, terms and conditions as set out in this Agreement upon mutual consent of both parties. A request by the City staff to determine the CONTRACTOR'S interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Council approval and a blanket purchase order issued.

**17. TERMINATION OF AGREEMENT:** CITY shall be the sole judge of inadequacy of performance under this Agreement. CITY reserves the right to take any or all of the following actions because of inadequate performance on the part of the CONTRACTOR.

- a. CITY MAY TERMINATE AGREEMENT. Before CITY exercises its right to terminate this Agreement, CITY will afford CONTRACTOR an opportunity to respond within seven (7) calendar days to allegations of inadequacy. The City Manager or designated City representative shall have absolute discretion to make a decision to terminate this Agreement, subject only to the approval of City Council. Written notification shall be given within thirty (30) days of termination.
- b. CITY MAY HAVE ANOTHER PARTY PROVIDE TOWING AND STORAGE OF VEHICLES. CONTRACTOR agrees to reimburse CITY or other party for damages and costs in the event the CITY exercises this right to have the Secondary service provider or another party tow or store vehicles due to

CONTRACTOR'S inadequate performance. These damages and costs shall include, but are not limited to, labor costs, towing and storage fees and any other damages resulting from having another party perform the services under this Agreement.

c. CITY MAY TAKE OVER CONTRACTOR'S EQUIPMENT AND/OR STORAGE YARD OR FACILITY. The City Manager or designated City representative may declare the CONTRACTOR in default of this Agreement, and so notify CONTRACTOR thereof, under the following circumstances:

- i. Services or any part of the services to be provided under this Agreement have been abandoned or unnecessarily delayed;
- ii. CONTRACTOR is intentionally violating any of the provisions of this Agreement;
- iii. CONTRACTOR is carrying out the provisions of this Agreement in bad faith;
- iv. CONTRACTOR has been adjudged as bankrupt;
- v. CONTRACTOR makes a general assignment for the benefit of its creditors.

If any one or more of the above events occur, CITY may then call upon another party to complete the services or may complete it by other means as described above. CITY may take over and use materials, equipment, and storage yard and facilities of CONTRACTOR and anything else necessary for the performance of services until such time as other services can be obtained. CITY may recover the cost of completing the services by deducting the amount thereof from any monies due or which may become due to the CONTRACTOR under this Agreement. When such monies are insufficient to pay such costs, the amount in excess shall be paid by the CONTRACTOR.

**18. INSURANCE REQUIREMENTS.** CONTRACTOR shall carry general liability insurance, automobile insurance, workers compensation, garage keepers legal liability insurance and employers' liability insurance for any actions, claims, liability or damages caused to others arising out of the performance of this Agreement in amounts approved by the CITY. CITY shall be named as an additional insured on the general liability, automobile and garage keepers legal liability policies using the following wording: "City of Troy, Troy Police Department, all elected and appointed officials, all employees and volunteers, those working as agents or on behalf of the City, boards, commissions and/or authorities, or board members, employees, and volunteers additional insured" on ISO form B or broader. CITY shall be notified of any cancellation of that insurance within 30 days. The cancellation clause shall read: "Should any of the above-described policies be canceled before the expiration date thereof, the issuing company will provide 30 days written notice to the additional insured." Cancellation or lapse of the insurance shall be considered a material breach of this contract and the contract shall become null and void unless the Contractor immediately provides proof of renewal of continuous coverage to the CITY. All insurance carriers shall be licensed and admitted to do business in the State of Michigan and acceptable to the CITY. Proof of insurance meeting these requirements shall be provided to the CITY before execution of this contract.

CONTRACTOR is responsible for any deductibles to any of the policies. CONTRACTOR shall furnish three (3) complete copies of the acceptable Certificates of Insurance. If any of the policies expire during the term of the Agreement, CONTRACTOR shall deliver renewal certificates and/or policies to CITY, Purchasing Department, at least ten (10) days prior to the expiration date.

**19. WORK SAFETY.** CONTRACTOR is responsible for work environment safety, including but not limited to, all federal, state and local laws, ordinances and regulations.

**20. INDEMNIFICATION AND HOLD HARMLESS.** To the fullest extent permitted by law, CONTRACTOR agrees to defend, pay on behalf of, indemnify, and hold harmless the City of

Troy, the Troy Police Department, its elected and appointed officials, employees and volunteers and others working on behalf of the City of Troy or the Troy Police Department, against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed or recovered against or from the City of Troy, Troy Police Department, its elected and appointed officials, employees, volunteers or others working on behalf of the City of Troy or the Troy Police Department, by reason of personal injury, including bodily injury or death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with the execution of activities by the CONTRACTOR as outlined in this Agreement or as relating to or resulting from those activities.

**21. ASSIGNMENT OF AGREEMENT / INDEPENDENT CONTRACTOR:** CONTRACTOR shall have no authority or power to assign, sublet and/or transfer any rights, privileges or interests under this Agreement without prior written consent from the CITY. CONTRACTOR acknowledges that it is an independent contractor with no authority to bind the CITY to any contracts or agreements, written or oral.

**22. NOTICE:** All written notices to be given under this Agreement shall be via first class mail to the other party at its last known address set forth herein.

**23. GOVERNING LAW AND JURISDICTION:** This Agreement is made in and shall be governed by the laws of the State of Michigan. Any lawsuits under this Agreement shall be filed in the Oakland County Circuit Court, Michigan.

**24. HEADINGS.** Pronouns and relative words herein used shall be read interchangeably in the masculine, feminine or neuter, singular or plural as the respective case may be.

**25. ENTIRE AGREEMENT.** The foregoing constitutes the entire Agreement between the parties and may be modified only by a written instrument signed by both parties.

**26. AUTHORITY TO EXECUTE:** By execution of this Agreement, the respective parties acknowledge that each has executed this Agreement with full and complete authority to do so.

**WITNESS:**

1. \_\_\_\_\_

2. \_\_\_\_\_

**TOWING OPERATOR:**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

**CITY OF TROY:**

By \_\_\_\_\_  
Ethan Baker, Mayor

\_\_\_\_\_  
Aileen Dickson, City Clerk

\_\_\_\_\_  
City Manager or Designee

Resolution Number: \_\_\_\_\_

**APPROVED AS TO FORM AND LEGALITY:**

By \_\_\_\_\_

\_\_\_\_\_  
Lori Grigg Bluhm, City Attorney



Sample Additional Insured / Completed Operations Endorsement

POLICY NUMBER: 00-00-00-00

COMMERCIAL GENERAL LIABILITY  
CG 2037 0413

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS- COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations

Information required to complete this Schedule if not shown above, **will** be shown in the Declarations.

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The Insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we **will** pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED  
PRIMARY AND NON-CONTRIBUTORY INSURANCE**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

**Effective Date:** 00/00/00

**Name of Person or Organization (Additional Insured):**

The Member, all elected and appointed officials, all employees and volunteers, agents, all boards, commissions, and/or authorities and board members, including employees and volunteers

**SECTION II - WHO IS AN INSURED** is amended to include as an additional insured the person(s) or organization(s) shown in the endorsement Schedule, but only with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" arising out of or relating to your negligence in the performance of "your work" for such person(s) or organization(s) that occurs on or after the effective date shown in the endorsement Schedule.

This insurance is primary to and non-contributory with any other insurance maintained by the person or organization (Additional Insured), except for loss resulting from the sole negligence of that person or organization.

This condition applies even if other valid and collectible insurance is available to the Additional Insured for a loss or "occurrence" we cover for this Additional Insured.

The Additional Insured's limits of insurance do not increase our limits of insurance, as described in **SECTION III - LIMITS OF INSURANCE.**

All other terms, conditions, and exclusions under the policy are applicable to this endorsement and remain unchanged.

Sample Cancellation Endorsement

**INTERLINE  
ILD 90 07 03 11**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**NOTICE OF CANCELLATION TO THIRD PARTY**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
TRADEMAN'S ADVANTAGE CONTRACTORS' POLICY

**SCHEDULE**

Name of Person or Organization and Mailing Address	Number of Days Notice
Member Name	30

The following is added:

If we cancel this policy, we will endeavor to mail written notice of cancellation:

1. At least 10 days before the effective date of cancellation for nonpayment of premium; or
  2. The number of days shown in the Schedule before the effective date of cancellation for any other reason;
- to the person or organization shown in the Schedule above, but failure to do so shall impose no obligation or liability of any kind upon us.

We will mail the notice of cancellation to the mailing address shown in the Schedule above by regular mail.

# Troy Police Department

## Impounded Vehicle Supp. Report

### Incident / Tow Details:

<b>Incident Number</b> 2400XXXXX	<b>Officer</b> PATROL (500)
-------------------------------------	--------------------------------

<b>Date/Time</b> 12/01/24 08:00	<b>Reason for Impound</b> TOWED	<b>Impound ID</b> XXXXXX
------------------------------------	------------------------------------	-----------------------------

**Incident Location**  
TROY

<b>Tow Company</b> YOUR COMPANY NAME	<b>Location Towed To</b> TROY IMPOUND LOT
---	--

**Tow Driver Name**

### Vehicle:

**Year / Make / Model / Body Style / Color**  
2024 / FORD / F150 / PICKUP / WHITE

<b>License No / State / Year / VIN</b> MICH 1 / MI / 2025 / 1FXTF12W9XNC11181	<b>Plate Improper?</b> NO
--	------------------------------

**Plate Status - NONE / MISSING / IMPROPER**  
NO / NO / NO

### Owner:

**Name & Address**  
ANNIE DRIVER  
1234 MAIN ST, LANSING, MI 49176-0200

### Driver:

**Name & Address**  
N/A N/A N/A  
N/A, N/A, N/A N/A

**Phone Nbr / Cell Phone Nbr**  
N/A / N/A

### Items:

Description	Notes	Description	Notes
CD'S/TAPES (QTY)		IN DASH AUDIO DEVICE	
KEYS		WHEELCOVERS/CT R HUBS (QTY)	

**Private Property Complaint**  
NO

### Personal Property:

### Vehicle Damage:

MULTIPLE POINTS OF DAMAGE. RUST, FLAT TIRE, SCRATCHES, DENTS.

### Tow Truck Driver:

### Notes:

# ABANDONED/IMPOUNDED VEHICLE DISPOSITION REPORT

01	DATE	DAY						YEAR	INCIDENT #
----	------	-----	--	--	--	--	--	------	------------

VEHICLE: \_\_\_\_\_

LOCATION TOWED FROM: \_\_\_\_\_

IMPOUND I.D. # : \_\_\_\_\_

**CHARGES:**

Towing \$ \_\_\_\_\_

Storage \$ \_\_\_\_\_

Other \$ \_\_\_\_\_ Explanation \_\_\_\_\_

Process \$ \_\_\_\_\_

TOTAL: \$

**LEIN CANCELLATION:**

DATE :  
BADGE # :

THE UNDERSIGNED (RELEASOR AND RELEASEE), HEREBY AGREE THAT THE ABOVE LISTED VEHICLE AND PROPERTIES ARE BEING RELEASED IN THE CONDITION IN WHICH THEY WERE IMPOUNDED.

THE ABOVE LISTED VEHICLE WAS RELEASED TO : \_\_\_\_\_ PRINT NAME

SIGNATURE: \_\_\_\_\_

DRIVERS LICENSE/ID # : \_\_\_\_\_

COMMENTS: \_\_\_\_\_

RELEASED BY: \_\_\_\_\_ DATE: \_\_\_\_\_

			REVIEWED BY
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**STATEMENT OF NO BID  
CITY OF TROY**

**BID NUMBER: RFP-COT 24-23**  
**TITLE: Towing Services**

**Please Send or Fax To:**

City of Troy Purchasing Department  
 500 W. Big Beaver Rd.  
 Troy, MI 48084

FAX NUMBER: (248) 619-7608

We, the undersigned, have declined to bid on the subject bid for the following reasons:

Check All That Apply	REASON
	Our company does not handle the type of product / service
	We cannot meet the specifications nor provide an approved alternate – please explain below
	Our company is not interested in bidding at this time
	Job is too small
	Job is too large
	Cannot be competitive
	Liability Issues such as insurance, bonding, indemnification, hold harmless
	Insufficient time to respond – please explain below
	Our company’s schedule would not permit performance of the specifications
	Other – describe below

REMARKS: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**COMPANY INFORMATION:**

Please retain \_\_\_\_\_ on the bid list for the item described above.

(COMPANY NAME)

SIGNATURE OF AUTHORIZED COMPANY REPRESENTATIVE: \_\_\_\_\_

TITLE: \_\_\_\_\_

COMPANY: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_ TELEPHONE NUMBER: \_\_\_\_\_

**IMPORTANT NOTE:**

To qualify as a respondent to the proposal, the vendor must submit a proposal or return this completed form.

**VENDOR REGISTRATION:** The City of Troy uses the MITN website for vendor registration, bid and tabulation posting, award information and other processes. Final bid results will be posted on the MITN website after award. Please register to see results – [www.mitn.info](http://www.mitn.info)



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

J-04e

## CITY COUNCIL AGENDA ITEM

Date: November 14, 2024

To: Honorable Mayor and City Council Members

From: Frank A. Nastasi, City Manager  
Robert J. Bruner, Deputy City Manager  
Robert Maleszyk, Chief Financial Officer  
Cheryl Rivera, Office Manager



Subject: Standard Purchasing Resolution 10: Travel Authorization and Approval to Expend Funds for Troy City Council Member Travel – 2025 US Conference of Mayors 93<sup>rd</sup> Winter Meeting

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### **History**

In advance of conferences and workshops city council members have expressed interest, management prepares a standard purchasing resolution that will authorize the travel expenses that may be incurred.

### **Purchasing**

Administrative memo 1-PU-9 "Travel Authorization and Approval to Expend Funds for Troy City Council Members' Travel Requests – Standard Purchasing Resolution 10" requires approval by resolution of travel by council members.

### **Financial**

The registration fee for this event is \$1,500.00. Airfare or mileage, car rental, lodging and food are additional expenses that may be incurred. Funds are available in the 2024/25 General Fund – City Council – Education and Training account.

### **Recommendation**

It is recommended that City Council authorize and approve the expenditure of funds on travel expenses for Council Members who wish to attend this event.



THE UNITED STATES CONFERENCE OF MAYORS

# 93<sup>rd</sup> WINTER MEETING

WASHINGTON, DC • January 17-19, 2025

Below is all of the pricing information for the event.

## Admission Items

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### Event Registration

Member Mayor

**\$1,500.00**

Changes to **\$2,000.00** after Friday, Jan. 3, 2025

[Refund policy](#)

Non Member Mayor

**\$2,500.00**

Changes to **\$2,800.00** after Friday, Jan. 3, 2025

[Refund policy](#)



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

  
**CITY COUNCIL AGENDA ITEM**

Date: November 19, 2024

To: Frank Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager  
Rob Maleszyk, Chief Financial Officer  
Emily Frontera, Purchasing Manager  
Kyle Vieth, Controller  
M. Aileen Dickson, City Clerk

Subject: Request to Affirm Purchase of Early Voting Postcard

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**History**

In anticipation of the November Presidential Election, the City Clerk worked with the City Manager's Office to prepare updated "Vote Your Way" postcards, and obtain quotes from printing companies. After considering quotes, the City Clerk chose the vendor offering the lowest quote, PrintMasters of Madison Heights, MI, to print and mail postcards to all voter households in Troy.

The City Clerk's Office budgeted for the printing and mailing of the postcards prior to the November election. However, the postage costs for the early voting postcard exceeded \$9,000 when the invoice was received in October. Therefore, City Management is requesting that City Council affirm the printing and postage costs of the Vote Your Way postcard.

**Purchasing**

The printing and mailing of the Vote Your Way postcard is budgeted, but due to unexpected postage costs causing the invoice total to exceed \$10,000, it is necessary for City Council to affirm the purchase amount of \$12,361.81 paid to PrintMasters of Madison Heights, MI.

**Financial**

Funds for the Vote Your Way postcard printing and postage are budgeted and available in the General Fund for Elections and charged to Elections-Printing 101.262.901 and Elections-Postage 101.262.730.

**Recommendation**

City Management requests that City Council affirm the printing and mailing of the Vote Your Way postcards from *PrintMasters of Madison Heights, MI* for a total cost of \$12,361.81.





**MORE WAYS**

★ ★ ★ **TO** ★ ★ ★

**VOTE**



QUOTE NO.

129615

**MAILING SERVICES \$1195.00**  
**POSTAGE ADDITIONAL**

**October 02, 2024**

**To: COURTNEY**  
**Account: CITY OF TROY**  
**500 W. BIG BEAVER RD**  
**TROY, MI 48084**  
**Phone: 248.315.0900**

**Description: VOTING POSTCARDS 4/4**  
**6 X 9 W/ BLEEDS**

**Finish Size: 6.0000 x 9.0000**

**Proofing: COLOR PROOF HI RES**

**Paper: 100# EUROART GLOSS COVER/IN STOCK WHITE**

**Ink: 4 COLOR PROCESS & FLOOD GLOSS AQUEOUS**  
**Bindery: CUT TO 6 X 9**

**Shipping: Customer Pickup**

<b>Quantity</b>	<b>Total Price</b>	<b>Price/1000</b>
<b>33,000</b>	<b>1,880.00</b>	<b>56.97</b>



# PrintMasters

PRINTING COMPANY

26039 Dequindre

Madison Heights, MI 48071

Tel: (248) 548-7100 • Fax: (248) 548-7102

INVOICE NO.

217581

TO

CITY OF TROY  
500 W. BIG BEAVER RD  
TROY, MI 48084

SHIP TO

CITY OF TROY  
500 W. BIG BEAVER RD  
TROY, MI 48084  
248.315.0900

ACCOUNT NO.	ORDERED BY	PURCHASE ORDER	SHIP VIA	DATE SHIPPED	TERMS	INV. DATE
5245	COURTNEY		OUR TRUCK	10-10-2024	NET 30 DAYS	10-10-2024

QTY. ORDERED	QTY. SHIPPED	DESCRIPTION	UNIT PRICE	AMOUNT
29500	29500	VOTING POSTCARDS	1,840.00	1,840.00
		MAILING SERVICE	1,060.00	1,060.00
		POSTAGE	9,461.81	9,461.81

**WE PRINT ON PAPER:**

Business Cards  
Flyers  
Brochures  
Stationery  
Scratch Pads  
Sales Forms

Letterheads  
Special Promotion Packages  
Insert & Mail  
Carbon Snap-outs  
Carbonless Forms  
Computer Paper

Envelopes  
Tickets  
Tags  
Invoices  
Membership Cards  
Labels

Padded Forms  
Purchase Orders  
Statement Systems  
Presentation Folders  
Software Compatible Forms

Please Pay  
This Amount



<b>SUBTOTAL</b>	\$12,361.81
<b>SALES TAX</b>	\$0.00
<b>SHIPPING</b>	\$0.00
<b>TOTAL</b>	\$12,361.81

**Thank you for your Business!**



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

# CITY COUNCIL AGENDA ITEM



Date: November 19, 2024

To: Frank Nastasi, City Manager

From: Robert J. Bruner, Deputy City Manager  
 Kyle Vieth, Controller  
 Kurt Bovensiep, Public Works Director  
 Dennis Trantham, Deputy Public Works Director  
 Emily Frontera, Purchasing Manager

Subject: Contract Amendment – Tree and Stump Maintenance Services

## History

- On May 8, 2023, Troy City Council awarded a three (3) year contract with an option to renew for two (2) additional years with *J.H. Hart Urban Forestry of Sterling Heights, MI* for Tree and Stump Maintenance services. (Resolution 2023-05-079-J-4a)
- The current contract includes all labor, tools, equipment, and transportation for tree maintenance services.
- These services include preventative tree trimming maintenance, tree removal, storm damage removal, and tree stump removal.
- The addition of the Albach Diamant 2000 will be another tool in our tool box to safely address storm tree and debris removal.
- The Albach chipper has a self-feeding telescopic grapple, which safely and easily loads the side-mounted infeed. The large 6 knife drum makes quick work of all species of wood and has a chipping capacity of up to 40”.
- This service will be included in future bid opportunities as a line item.

## Purchasing

J.H. Hart continues to satisfactorily provide tree and stump maintenance services meeting all contract requirements and expectations. It is in the City’s best interest to amend the contract to include the additional service tool for the remainder of the contract, at the proposed hourly rates, as detailed in the attached Forestry Contract Addendum; contract expiring June 30, 2028.

## Financial

Funds are available in the various Grounds and Streets Division operating budgets.

## Recommendation

City Management recommends amending the current contract with *J.H. Hart Urban Forestry of Sterling Heights, MI* to include the following line items:

- Albach Diamant 2000 and operator at \$600.00/hour during normal operating hours
- Albach Diamant 2000 and operator at \$630.00/hour during overtime hours
- Albach Diamant 2000 and operator at \$660.00/hour on Sundays or Holidays

## “Storm Debris Disposal” Addendum to Forestry Contract

Occasionally, there are instances of significant weather events that impact the city. These events can create tree debris beyond the capacity of our traditional contract chippers and dump trucks. An additional subcontracted piece of equipment is available for these circumstances. The Albach Diamant 2000 can be subcontracted through Kappan Tree Service.

Pricing (includes both machine and operator):

- \$600/Hour for Regular Time.
- \$630/Hour for Overtime.
- \$660/Hour for Double Time.

In addition to the Albach machine, we offer JHHart semi-trucks with operator for \$150/Hour to ensure efficient disposal of debris.

A description, according to “Baileys” the western US dealer for the Albach Diamant 2000:

The Albach Diamant 2000 is unmatched in mobility and performance when it comes to whole tree chipping. The Diamant is highly mobile and can travel up to 45 mph, allowing for quick set up and breakdown situations. The Albach chipper has a self-feeding telescopic grapple, which easily loads the side mounted infeed. The large 6 knife drum makes quick work of all species of wood and has a chipping capacity of up to 40". The chipper also comes complete with a retractable wood screw to break down larger logs.



A regular meeting of the Troy Traffic Committee was held Wednesday, September 18, 2024 in the Lower Level Conference Room at Troy City Hall. Pete Ziegenfelder called the meeting to order at 7:30 p.m.

## 1. Roll Call

Present: Dale Christiansen  
Shama Kenkre (Late for first vote)  
Cindy Nurak  
Justin Rose  
Abi Swaminathan  
Pete Ziegenfelder

Absent: Al Petrulis  
Deputy Fire Chief, Michael Koehler  
Angela Zhou, Student Representative

Also present: G. Scott Finlay, City Engineer  
Merissa Clark, Administrative Assistant  
Sgt. Brian Warzecha, Police Department

## 2. Minutes – June 19, 2024 Traffic Committee

Resolution # 2024-09-15  
Moved by Rose  
Seconded by Swaminathan

RESOLVED, that the Traffic Committee approve the June 19, 2024 minutes as presented.

Yes: Christiansen, Nurak, Rose, Swaminathan, Ziegenfelder  
No: None  
Absent: Petrulis

## MOTION CARRIED

## PUBLIC HEARINGS

### 3. Request for Sidewalk Waiver – 6970 Donaldson (Sidwell # 88-20-03-126-048)

Harsha & Danelle Chandra-Sekhar, homeowners request a sidewalk waiver for the sidewalk at 6970 Donaldson (Sidwell # 88-20-03-126-048). The homeowners state:

*a. There are no other sidewalks in the subdivision. This would be the only sidewalk and property on both sides as well as across the street have no sidewalks. A sidewalk would literally be a sidewalk to nowhere.*

The Department of Public Works (DPW) recommends approving the waiver request and not requiring the installation of sidewalk “*Due to the lack of sidewalk on the surrounding parcels and the open drainage ditches of the area*”, subject to the submission of a cash deposit for future construction to assure consent and participation in any future sidewalk installation.

Danelle introduced herself and her husband Harsha, they are looking to get the sidewalk waiver because none of the neighboring properties have sidewalk, and most of the street does not have it either.

Pete Ziegenfelder states that he is in favor of sidewalk always, because it will eventually lead somewhere.

Cindy Nurak pointed out that South Blvd also does not have sidewalk, so Donaldson would not be getting sidewalk until further down the road.

Abi Swaminathan agreed.

Justin Rose stated that it doesn’t seem like the subdivision will be having a lot of new homes constructed in the near future either.

Resolution # 2024-09-16

Moved by Christiansen

Seconded by Rose

Yes: Christiansen, Kenkre, Nurak, Rose, Swaminathan, Ziegenfelder

No: None

Absent: Petrulis

WHEREAS, City of Troy Ordinances, Chapter 34, allows the Traffic Committee to grant waivers of the City of Troy Design Standards for Sidewalks upon a demonstration of necessity; and

WHEREAS, Harsha & Danelle Chandra-Sekhar, homeowners of 6970 Donaldson has requested a waiver of the requirement to construct sidewalk based on lack of sidewalk on surrounding parcels; and

WHEREAS, the Traffic Committee has determined the following:

- a. A waiver will not impair the public health, safety or general welfare of the inhabitants of the City and will not unreasonably diminish or impair established property values within the surrounding area, and
- b. A strict application of the requirements to construct a sidewalk would result in practical difficulties to, or undue hardship upon, the owners, and
- c. The construction of a new sidewalk would lead nowhere and connect to no other walk, and thus will not serve the purpose of a pedestrian travel-way.

NOW THEREFORE, BE IT RESOLVED, that the Traffic Committee **GRANTS** a waiver of the sidewalk requirement for 6970 Donaldson (Sidwell # 88-20-03-126-048) contingent upon receipt of a cash deposit, commensurate with the cost of sidewalk construction.

**4. Request for Sidewalk Waiver – 934 Marengo (Sidwell # 88-20-03-279-034)**

Bahaa Kizy, Builder, homeowner request a sidewalk waiver for the sidewalk at 934 Marengo (Sidwell # 88-20-03-279-034). The homeowners state:

*a. There are no other sidewalks in the subdivision. This would be the only sidewalk and property on both sides as well as across the street have no sidewalks. A sidewalk would literally be a sidewalk to nowhere.*

The Department of Public Works (DPW) recommends approving the waiver request and not requiring the installation of sidewalk “*Due to the lack of sidewalk on the surrounding parcels and the open drainage ditches of the area*”, subject to the submission of a cash deposit for future construction to assure consent and participation in any future sidewalk installation.

Adriane Kizy introduced herself, and her husband Bahaa Kizy, they own the property, she is the real estate agent and he is the builder. She pointed out that there is no sidewalk in the subdivision and it would like very out of place if they were to install it. Bahaa had a few different neighbors approach them stating that they did not want the sidewalk installed either. Adriane mentioned if the city were to try and pave it, most of the residents in the area would not vote to approve it/have sidewalk installed. Bahaa explained that it is cheaper to install the sidewalk at his cost, then the deposit is, but thinks it will look better without sidewalk as well.

Cindy Nurak commented that she sees how having sidewalk might make it harder to sell.

Dale Christiansen wanted clarify the applicant can change their mind if they wanted.

Scott Finlay said that is an option.

Justin Rose asked if permits and/or a Certificate of Insurance is required for the work.

Scott Finlay explained the Engineering Departments requirements for Right of Way permit, and Sidewalk/Approach permits.

Bahaa Kizy asked if the site plan would need to be revised to show the sidewalk being installed, currently no sidewalk is shown.

Scott Finlay said yes.

Resolution # 2024-09-17  
Moved by Nurak  
Seconded by Rose



Yes: Christiansen, Kenkre, Nurak, Rose, Swaminathan, Ziegenfelder  
No: None  
Absent: Petrulis

WHEREAS, City of Troy Ordinances, Chapter 34, allows the Traffic Committee to grant waivers of the City of Troy Design Standards for Sidewalks upon a demonstration of necessity; and

WHEREAS, Bahaa Kizy, Builder, homeowner of 934 Marengo has requested a waiver of the requirement to construct sidewalk based on lack of sidewalk on surrounding parcels; and

WHEREAS, the Traffic Committee has determined the following:

- a. A waiver will not impair the public health, safety or general welfare of the inhabitants of the City and will not unreasonably diminish or impair established property values within the surrounding area, and
- b. A strict application of the requirements to construct a sidewalk would result in practical difficulties to, or undue hardship upon, the owners, and
- c. The construction of a new sidewalk would lead nowhere and connect to no other walk, and thus will not serve the purpose of a pedestrian travel-way.

NOW THEREFORE, BE IT RESOLVED, that the Traffic Committee **GRANTS** a waiver of the sidewalk requirement for 934 Marengo (Sidwell # 88-20-03-279-034) contingent upon receipt of a cash deposit, commensurate with the cost of sidewalk construction.

**REGULAR BUSINESS**

**5. No Regular Business**

**7. Public Comment**

No public comment.

**8. Other Business**

Scott Finlay let the Committee know we will not be having an October meeting.

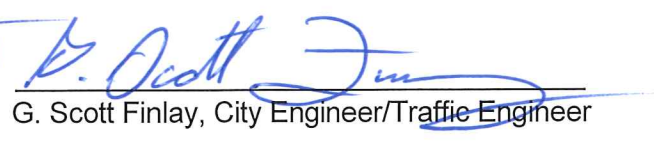
Sgt. Warzecha & Scott Finlay discussed that the signs on Northfield Parkway have been installed near Troy High School.

**9. Adjourn**

The meeting adjourned at 7:50 PM.



Pete Ziegenfelder - Chairperson



G. Scott Finlay, City Engineer/Traffic Engineer

G:\Traffic\aaa Traffic Committee\2024\18\_September\_2024\0918\_Minutes\_Traffic Committee FINAL



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

O-02a

## CITY COUNCIL AGENDA ITEM

Date: November 21, 2024

To: Honorable Mayor and Troy City Council Members

From: Frank Nastasi, City Manager  
Lori Grigg Bluhm, City Attorney

Subject: Review of Chapter 14-A- Elected and Appointed Persons' Ethics Ordinance

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Chapter 14-A, the Elected and Appointed Persons' Ethics Ordinance, requires that the members of the Troy City Council annually review the Ordinance at the first regular meeting in November (Section 14.3 (D)). According to this provision, City Council "*may evaluate past operations and consider recommendations and make any necessary revisions.*"

November 25, 2023 is the City Council organizational meeting in November, which is modified by a State law election change. The Ordinance is attached and included as a report in the Agenda packet, allowing for City Council's review.

Under Section 14.3 (B), all elected officials are also required to sign a statement, affirming that they have read and understood the Ordinance and agree to be bound by its provisions. This written attestation must occur prior to the start of the first official meeting after the conclusion of the election, which is after the certification of the election winners by the Oakland County Board of Canvassers.

City Administration will have an attestation form prepared for all elected City Council members to sign in compliance with this provision. City Council may also desire a future review of Chapter 14A- Elected and Appointed Persons' Ethics Ordinance. City Administration is happy to accommodate the consensus of the Troy City Council.

## Chapter 14A – Elected and Appointed Persons’ Ethics Ordinance

---

**14.1 Purpose.** This Code of Ethics is adopted to allow all public officials to construe and implement ethical standards and guidelines, and require elected and appointed official’s conduct be above reproach. Troy’s elected and appointed officials shall carefully and conscientiously avoid any conduct that undermines public confidence, guided by the following principles:

- *Public interest.* City officials are delegated power from the public and are obliged to exercise that power as trustees of the public. The power and resources of government service therefore shall be used only to advance the public interest.
- *Objective judgment.* Loyalty to the public interest requires that all matters shall be decided with independent, objective judgment, free from avoidable conflicts of interest, improper influences, and competing loyalties.
- *Accountability.* Government affairs shall be conducted in an open, efficient, fair and honorable manner, which enables citizens to make informed judgments and to hold officials accountable.
- *Democratic leadership.* All City officials shall honor and respect the principles of representative democracy and will scrupulously observe the spirit as well as the letter of the law.
- *Respectfulness.* All City officials shall safeguard public confidence by being honest, fair and respectful of all persons and property with whom they have contact, by maintaining nonpartisanship in all official acts, and by avoiding conduct which may tend to undermine respect for City officials and employees and for the City as an institution.

**14.2 Definitions.** The following words and phrases shall have the following meaning:

*City official* is a person elected, appointed or otherwise serving in any capacity involving the exercise of a public power, trust or duty.

*Compensation* is any money, property, thing of value or benefit received by any person in return for services rendered.

*Confidential Information* is information obtained by a Public Official or Employee by reason of his or her position that is not available to members of the public pursuant to the Michigan Freedom of Information Act or other applicable laws, regulations, or procedures.

*Conflict of interest* is either a personal interest or a duty or loyalty to a third party that competes with or is adverse to a City official's duty to the public interest in the exercise of official duties or official actions.

*Entity* means any agents, agency, contractors, vendors, or entities operated for economic gain, whether professional , industrial, or commercial, and whether established to produce or deal with a product or service, including but not limited to entities operated in the form of a corporation, limited liability company, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, activity or other entities which is organized for profit.

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*Gift* means any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, travel, lodging, and honoraria for speaking engagements related to or attributable to government employment or an official position of an official. Gift does not include small tokens of a nominal value, or any reportable campaign contributions pursuant to State law.

*Governmental decision* means a determination, action, vote, or disposition upon a motion, proposal, recommendation, resolution, ordinance, or measure on which a vote by the members of a legislative or governing body, including a board, commission, committee, subcommittee, authority, or council, which is empowered to exercise authority or perform an official action, or formulate or effectuate public policy.

*Immediate Family Member* shall mean Public Official's spouse, significant other, parent, parent -in- law, step- parent, sibling, child, step -child, grandchild, step-grandchild or grandparent or any relative sharing the same household.

*Official* means a person who holds office, by election or appointment within the City, regardless of whether they are compensated for service in an official capacity, including individuals appointed to a City board or commission. It does not include City employees for the purposes of this Ordinance.

*Official duties* or *official actions* are failures to act or decisions, recommendations, approvals, disapprovals or other actions which involve the use of discretionary authority.

*Pecuniary Interest* means the opportunity, directly or indirectly, to profit or share in any profit derived from a transaction.

*Prohibited source* means any person or entity who:

Is seeking official action by an official;

Does business or seeks to do business with the official;

Conducts activities regulated by the official or by a City employee, or another employee directing that employee; or

Has interests that may be substantially affected by the performance or nonperformance of the official duties of the official.

*Publicly Disclose* shall mean to disclose in such a manner as to ensure all involved in considering the decision, action or contract are aware of the conflict of interest or other situation requiring disclosure and the nature of same.

*Relative* means any relationship established by blood, marriage, or legal action.

*Unethical Conduct* means a violation of any prohibited conduct as described in this Ordinance or under State law.

### 14.3 **Annual Training and Acknowledgement.**

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- A. This Ethics Ordinance is intended to be self-enforcing and therefore becomes most effective when everyone is thoroughly familiar with and embraces its provisions. For this reason, ethical standards shall be included in the regular orientation for newly elected and appointed officials.
- B. Prior to attending the first official meeting after election or appointment, City officials shall sign a statement affirming they have read and understood this Ethics Ordinance and agree to be bound by its provisions.
- C. City officials shall participate in annual ethics training provided by City Administration or a qualified outside contractor.
- D. This Ordinance shall be annually reviewed by the Troy City Council at the first regular meeting in November. At that time, Council may evaluate past operations and consider recommendations and make any necessary revisions.

### **14.4 Principal Ethical Responsibilities.**

- A. City Officials are bound to uphold the Constitution of the United States and the Constitution of the State and to carry out impartially and comply with the laws of the United States, State of Michigan, and the City.
- B. City officials shall communicate only truthful and complete information. Public officials shall not knowingly make false or misleading statements or use false or misleading information as a basis to support a decision.
- C. City officials shall conduct themselves with respect and civility, and as role models for residents, business people and other stakeholders. City officials shall support the maintenance of a positive and constructive workplace environment for City employees, citizens and businesses dealing with the City.
- D. City officials agree to conduct public deliberations and processes openly, unless such deliberations are lawfully closed to the public. City officials also agree to become informed concerning the issues to be considered at each meeting.
- E. City officials shall exercise the public trust for the common good, and not for personal gain. City officials shall be guided by the principle that all official decisions and all official actions are intended to improve the quality of life in the community.
- F. Because of the value of independent advice of boards, commissions and committees to the public decision-making process, members of the Troy City Council shall refrain from using their official positions to unduly influence the deliberations, outcomes or recommendations of any other City board, commission or committee proceedings. To that end, City Council members shall not attend any board or committee meeting where the board or committee members are appointed or approved by the Troy City Council. However, this does not prevent a City Council member who is duly appointed to a board or committee from attending and participating at those board or committee

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meetings.

- G. When a City Council member represents the City on a regional or multijurisdictional board or commission and is confronted with an issue that pits or could pit the City's interests against the greater interests of the broader board or commission, the City Council representative shall make significant efforts to obtain direction and guidance from Troy City Council in advance of any required vote, in accordance with the Open Meetings Act provisions.
- H. In their official, professional and personal lives, City officials shall observe proper decorum, and not engage in offensive behavior or take any action that results in an appearance of impropriety. City officials should avoid the use of derogatory or denigrating language. While recognizing First Amendment rights, all City officials should refrain from abusive conduct and personal charges or verbal attacks upon the character or motives of other City officials, residents, employees, contractors, and officials from other governmental entities.
- I. City officials shall support official Council or Board or Committee actions, resolutions, decisions, policies or positions. This does not preclude City officials from presenting individual opinions and positions in certain situations, as long as City officials explicitly state that they do not represent the Council, Board or Committee or the City as a whole.
- J. City officials must not exceed their authority or breach the law or ask others to do so.
- K. City officials shall safeguard public confidence by being honest, fair and respectful of all persons and property with whom they have contact, by maintaining non-partisanship in all official acts, and by avoiding official conduct which may tend to undermine respect for Public Officials and Employees and for the City as an institution.
- L. City officials shall work with other City officials to establish effective policies.
- M. City officials shall delegate the authority for the running of the City to the City’s Administrative staff.
- N. City officials should encourage free expression of opinion by all other City officials.
- O. City officials should render decisions in a fair and impartial manner, based on the available facts and independent judgment, rather than succumbing to the influence of individual or special interest groups.
- P. City officials should make every effort to attend all meetings.
- Q. City officials should use the same care and caution when using electronic media as would be exercised when speaking face to face or through written memorandum or other communication.

**14.5 Gifts**

- A. City officials shall not intentionally solicit or accept any gift or loan of money, goods, services or other things of value from any prohibited source or which is otherwise prohibited by law or ordinance. The following are not prohibited by law or ordinance:
1. Any contribution that is lawfully made under the Campaign Finance Laws of the State of Michigan.
  2. Opportunities, benefits, and services that are extended to all participants in an event or activity that is open to the public.
  3. Acceptance of promotional or logo material with a nominal value not exceeding \$25.00.
  4. Anything for which the public official pays the fair market value.
  5. A gift from an immediate family member or significant other.
  6. Perishable or consumable gifts with a nominal value not exceeding \$25.00.
  7. Anything provided by an individual on the basis of a personal friendship unless the recipient has reason to believe that, under the circumstances, the gift was provided because of the official position of the recipient and not because of the personal friendship. In determining whether a gift is provided on the basis of personal friendship, the recipient shall consider the circumstances under which the gift was offered, such as: (i) the history of the relationship between the individual giving the gift and the recipient of the gift, including any previous exchange of gifts between those individuals; (ii) whether to the actual knowledge of the recipient the individual who gave the gift personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and (iii) whether the individual who gave the gift also at the same time gave the same or similar gifts to other public officials.
  8. Food, refreshments, lodging, transportation, and other benefits resulting from a City official’s attendance at a relevant educational or training conference, such as a Michigan Municipal League conference, unless the recipient has reason to believe that, under the circumstances, the gift was provided because of the unique official position of the recipient and not extended to other similarly situated officials.
  9. Admission to a charitable or non-profit event or fundraiser when the City official is attending as a representative of the City or for which other public officials of other local governments have similarly been provided complimentary admission due to their status as governmental officials.
  10. Admission to events honoring another public official or governmental official when the City Official is attending as a representative of the City or for which other public servants or officials of other local governments have similarly been provided complimentary admission due to their status as governmental officials.
  11. Intra-governmental and inter-governmental gifts. An intra-governmental gift means any gift given to a City official from another official or



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employee, and an inter-governmental gift means any gift given to an official by an official or employee of another governmental entity.

- B. A City official does not violate this section if they explain the City’s policy against the acceptance of gifts and promptly take reasonable action to return a gift from a prohibited source or donate said gift to a non-profit organization.

### **14.6 Disclosure of Confidential Information.**

A City official who acquires information in the course of his or her official duties, which by law or policy is confidential, shall not prematurely divulge shall not divulge that information to an unauthorized person, nor use the information to further the private interest of the City official or any third party.

### **14.7 Public resources.**

A public official shall use personnel resources, property, and funds under their care and control judiciously and solely in accordance with prescribed constitutional, statutory, and regulatory procedures and not for personal or political gain.

### **14.8 Personal Profit.**

- A. No City official shall intentionally take or refrain from taking any official action, or induce or attempt to induce any other City official from taking any official action on any matter before the City which would result in a financial benefit for the City official, an immediate family member, an outside employer, any business in which the City official or an immediate family member has a financial interest, or any business with which the City official or immediate family member is negotiating or seeking prospective employment or other business or other professional relationship.
- B. No City Official shall use or attempt to use his or her official position to secure or request any special consideration, privilege, exemption, advantage, contract or preferential treatment for himself, herself, or others, beyond that which is available to every other citizen.
- C. No City Official shall acquire any financial benefit in or accept any employment concerning any project which has been granted approval by the City within one year of the Public Official' s participation in any manner in considering or recommending the approval or disapproval of said project.

### **14.9 Incompatibility of Office and Conflicts of Interest**

- A. A City official shall not engage in or accept employment or render services for a private or public interest when that employment or service is incompatible or in conflict with the discharge of the official's duties or when that employment may tend to impair his or her independence of judgment or action in the performance of official duties.

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- B. The simultaneous holding of more than one public position under certain circumstances is contrary to the requirements of the Incompatible Public Offices Act, MCL 15.181 et seq. However, the simultaneous holding of certain public positions is permitted where specifically authorized by the Michigan Constitution of 1963 or state statute.
- C. There is a rebuttable presumption that there is no prohibited conflict of interest when a City official is a member or serves on a board, without compensation, which is substantially affiliated with or controlled by the City or 501C(3) not-for-profit organization. However, the City official shall make a disclosure of his or her affiliation prior to any action on the matter.
- D. City officials should err on the side of disclosure when there is a potential or perceived conflict of interest. Where there is any question about a potential conflict of interest, even though it may not be an actual conflict, City officials should discuss the particular situation with the City Manager, City Attorney, City Clerk and/or City staff liaison to the board or committee (City Administration) in advance of any meeting concerning the matter. If after such discussion, City Administration recommends disclosure, considering the interests of the City and those of the individual involved, the City official would then be responsible to publicly disclose the potential conflict or situation to the entire Council, board or committee before any presentation or discussion on the matter. This process allows for the Council, board or committee to take affirmative action to recuse the public official from further participation upon the determination when it determines that there is a conflict of interest.

### **14.10 Annual Disclosure Statements**

- A. The Mayor and all members of the Troy City Council, and all candidates for these elected positions; as well as all members of the Troy Planning Commission and all applicants; all members of the Board of Zoning Appeals and all applicants; and all members of the Troy Liquor Committee and all applicants are required to timely file an Annual Disclosure Statement with the Troy City Clerk. The mandated Annual Disclosure Statement shall provide the information required Section 6.4 and 6.12 of the Troy Charter.
- B. Any candidate for the elected offices of Mayor or City Council who fails to file the required full disclosure statement prior to the deadline for completing all other acts necessary to have his or her name placed on the ballot shall be ineligible to have his or her name placed upon said ballot.
- C. Any applicant being considered for appointment to the Troy Planning Commission or the Board of Zoning Appeals or the Liquor Control Committee who fails to file a full disclosure statement prior to his or her official appointment shall be ineligible to serve on the board or committee.
- D. Any elected or appointed City official that fails to timely submit the required full disclosure statement shall be subject to removal from office for misconduct. In such a case, the City Clerk shall send an official notice to the City official, giving

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them at least ten days to comply, and setting a date for a removal hearing at a regular Troy City Council meeting. If the City official fails to timely file the required full disclosure statement by the scheduled deadline, then the Troy City Council shall hold a hearing in order to provide the City official with an opportunity to present proof of compliance prior to being removed from office. There is a presumption of misconduct in office if the City Clerk states under oath that he or she has not timely received the required full disclosure statement from the City official. The City official will have the opportunity to rebut this presumption, and present all material factual evidence and testimony and/or cross examine witnesses. The City official can be represented by legal counsel at the hearing. If the City official failing to timely file the required full disclosure statement is a City Council member, they shall not participate in any decision. At the close of the hearing, a simple majority of the participating City Council members shall determine if removal from office is appropriate (exclusive of any member whose removal is being considered).

- E. A City official shall not participate, in the course of official duties, in any transaction which subsequently would be required to be disclosed in an annual disclosure statement or which would constitute a conflict of interest without disclosing the interest in the transaction prior to participating in the transaction.

### **14.11 Personal and financial interests**

A City official shall not participate in the negotiation or execution of contracts, making of loans, granting of subsidies, fixing of rates, issuance of permits or certificates, or other regulation or supervision relating to any entity in which the City official has a financial interest, personal interest, or a *fiduciary duty*. For the purposes of this section *fiduciary duty* means the responsibility to act on behalf of a beneficiary as a director or executive board member of a corporation, for profit or otherwise.

### **14.12 Political Activities**

- A. A City official or candidate for City Council shall not solicit contributions or endorsements from City appointees, employees, contractors or volunteers during the course of their official duty. This provision is not intended to interfere with an individual or group's right to endorse or contribute on their own, or to prohibit soliciting contributions or endorsements outside of the course of an official duty.
- B. City resources shall not be used for political benefit in accordance with the restrictions of the Michigan Campaign Finance Act, MCL 169.257 et. seq.. This does not prevent a City official or candidate’s use of City property or facilities that are available to the general public on an equal basis, as long as due consideration is paid. A knowing violation of Section 57 of the Campaign Finance Act is a misdemeanor offense according to MCL 169.257(4).
- C. Any candidate or committee, as defined in the Michigan Campaign Finance Act, MCL 169.257 et. seq., Act 388, Public Acts of Michigan, 1976, as amended, who receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of electors of the City in City elections shall timely file the statements or reports required to be filed in accordance with the Michigan Campaign Finance Act. Any candidate may file a duplicate copy of any

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such statement or report with the Troy City Clerk to supplement the information required by the annual disclosure statement.

### **14.13 Anti-Nepotism**

No City official shall cause the employment or any favorable employment action of an immediate family member. No City official shall participate in any employment decision about that family member. This section shall not prevent a City official from preparing or approving a budget which includes compensation for an immediate family member, so long as that immediate family member receives the same treatment as others in his/her classification.

### **14.14 Retaliation**

- A. A Public Official or Employee who reports or is about to report a violation of this Ordinance or who requests an advisory opinion shall not be retaliated against in any manner for such action or participation. Additional protections for City officials and employees who act as Whistleblowers are found in the State Ethics Act MCL 15.341 et. seq., and the Whistleblowers’ Protection Act, 1980 PA 469, MCL 15.361 et. seq..
- B. Any person who reports an alleged violation or files a complaint alleging a violation of this Ordinance, knowing that material information provided therein is not true or provides information in reckless disregard for the truth may be required to reimburse reasonable costs incurred by the City in investigating or responding to the allegations.

### **14.15 Violations**

- A. Any person who believes that a City official has engaged in unethical conduct, in violation of this Ordinance or State law, can submit a written complaint to the Troy City Clerk, Troy City Manager, or Troy City Attorney.
- B. Within five days of receipt, the Troy City Clerk, Troy City Manager or Troy City Attorney will review the complaint and verify that there is procedural compliance with this Ordinance and jurisdiction over the matter and the individual identified in the Complaint, and if so, will forward a written notification of the suspected violation to the City official who allegedly violated the Ordinance and/or the proper investigating authority. This notification shall offer an opportunity to submit a written response to the allegations contained in the Complaint, and provide a deadline for any such response.
- C. When any person has a question or a complaint as to the applicability of any provision of this Ordinance to a particular situation, that question or complaint can also be submitted in writing to the Troy City Clerk, Troy City Manager, or Troy City Attorney.
- D. After the response deadline, the Troy City Clerk, Troy City Manager, or Troy City Attorney shall provide any complaint of a violation of this Ordinance or any

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request for an advisory opinion to the Troy City Council, in addition to all documentation submitted, including but not limited to any response.

- E. The Troy City Council, upon receipt or a request for an advisory opinion or a complaint that a City official engaged in unethical conduct, has the responsibility for determining the sufficiency of the complaint. To that end, the Troy City Council has all the following powers:
- a. Refer the matter to an appropriate law enforcement agency or other authority authorized to act. If such action is taken, then the Troy City Council shall stay any further proceedings until there is a final adjudication.
  - b. Authorize the retention of an outside attorney to investigate the matter and make a recommendation to the Troy City Council.
  - c. Hold a public due process hearing where the City official will have the opportunity to refute the charges of unethical conduct. Any such hearing shall be held as quickly as possible, but not less than fourteen days after written notification of the due process hearing date. The alleged offending City official will have the ability to be represented by legal counsel at any such due process hearing.
  - d. Request assistance or opinion from Troy City Administration.
  - e. Issue an advisory opinion, either with or without identifying the named City official.
  - f. Provide guidance to the named City official.
  - g. Propose and monitor an ongoing program of education of City officials regarding ethical issues and concerns.
  - h. Declare no action is required.
  - i. Issue a written reprimand to the named City official.
  - j. Issue a formal censure to the named City official.
  - k. Pursue removal proceedings against the named City official. If it becomes necessary to seek the removal of a City official, the City Council shall follow the requirements for removal in accordance with the laws of the State of Michigan.
  - l. Impose any other authorized sanction on the offending City official.
- F. In addition to any action by the Troy City Council, a violation of this Ethics ordinance or a violation of State law may also be prosecuted by the appropriate law enforcement agency. Any violation of this Ordinance is a misdemeanor, punishable by imprisonment of up to 90 days and/or a fine of \$500, in the discretion of the Court.

(Rev. 10-25-2021; Eff. 11-04-2021)