



TROY CITY COUNCIL

REGULAR MEETING AGENDA

DECEMBER 4, 2023

CONVENING AT 7:30 P.M.

**Submitted By
The City Manager**

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 at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.



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:

In this packet, you will find the agenda for the City Council meeting. To help facilitate an informed discussion, the packet provides you with agenda items and additional details. The packet also contains recommended courses of action for your consideration and seeks to aid you in adopting sound policy decisions for the City of Troy.

This comprehensive agenda has been put together through the collaborative efforts of management and staff members. We have made all attempts to obtain accurate supporting information. It is the result of many meetings and much deliberation, and I would like to thank the staff for their efforts.

If you need any further information, staff is always available to provide more information and answer questions that may arise. You can contact me at CityManager@troymi.gov or 248.524.3330 with questions.

Respectfully,

Mark F. Miller,
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 14th day of November, 2022.

A blue ink signature of Mayor Ethan Baker, written in a cursive style.

Mayor Ethan Baker

A black ink signature of Council Member Edna Abraham, written in a cursive style.

Council Member Edna Abraham

A black ink signature of Mayor Pro Tem Rebecca Chamberlain-Creanga, written in a cursive style.

Mayor Pro Tem Rebecca Chamberlain-Creanga

A black ink signature of Council Member David Hamilton, written in a cursive style.

Council Member David Hamilton

A black ink signature of Council Member Theresa Brooks, written in a cursive style.

Council Member Theresa Brooks

A blue ink signature of Council Member Ann Erickson Gault, written in a cursive style.

Council Member Ann Erickson Gault

A black ink signature of Council Member Ellen Hodorek, written in a cursive style.

Council Member Ellen Hodorek



CITY COUNCIL AGENDA

December 4, 2023 – 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

or on Local Access Cable Channels

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

INVOCATION: De. Brigitte Bechtold from Beacon Unitarian Universalist Congregation

1

PLEDGE OF ALLEGIANCE:

1

A. CALL TO ORDER:

1

B. ROLL CALL:

1

C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:

1

- C-1 Certificate of Recognition and Congratulations to the Athens High School 2023 Boys Varsity Soccer Team MHSAA Division 1 State Champions (*Presented by: Mayor Ethan Baker*)

1

- C-2 Audit Presentation – City of Troy 2023 (*Presented by: Robert C. Maleszyk, Chief Financial Officer*)

1

- a) Independent Auditor's Communication With Those Charged With Governance 2023

1

- b) Independent Auditor's Communication – Single Audit Compliance for the Year Ended June 30, 2023

1

- c) Audit Presentation – City of Troy 2023

1

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1

- D-1 No Carryover Items

1

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INVOCATION: De. Brigitte Bechtold from Beacon Unitarian Universalist Congregation

PLEDGE OF ALLEGIANCE:

A. CALL TO ORDER:

B. ROLL CALL:

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

Excuse Absent Council Members:

Suggested Resolution

Resolution #2023-12-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **EXCUSES** the absence of _____ at the Regular City Council of December 4, 2023, due to _____.

Yes:

No:

C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:

C-1 Certificate of Recognition and Congratulations to the Athens High School 2023 Boys Varsity Soccer Team MHSAA Division 1 State Champions (*Presented by: Mayor Ethan Baker*)

C-2 Audit Presentation – City of Troy 2023 (*Presented by: Robert C. Maleszyk, Chief Financial Officer*)

- a) Independent Auditor's Communication With Those Charged With Governance 2023
- b) Independent Auditor's Communication – Single Audit Compliance for the Year Ended June 30, 2023
- c) Audit Presentation – City of Troy 2023

D. CARRYOVER ITEMS:

D-1 No Carryover Items

E. PUBLIC HEARINGS:**E-1 Public Hearing to Reprogram Community Development Block Grant (CDBG) Program Year 2018, 2019, 2020, 2021, 2022, and 2023 Funds**Suggested Resolution

Resolution #2023-12-

Moved by

Seconded by

WHEREAS, The City Council of the City of Troy, after conclusion of a Public Hearing on this date, December 4, 2023, **HAS DETERMINED** that reprogramming of Program year 2018 unexpended funds of \$65,401.20; 2019 unexpended funds of \$124,703; 2020 unexpended funds of \$126,120; 2021 unexpended funds of \$128,761; 2022 unexpended funds of \$120,310; and 2023 unexpended funds of \$120,310 from the Parks, Recreational Facilities account to the Remove Architectural Barriers account for the purpose of renovating and retrofitting the City Council Chambers at Troy City Hall to be ADA compliant.

BE IT RESOLVED, That Troy City Council hereby **AUTHORIZES** City Administration to reprogram funds from Program Year 2018, 2019, 2020, 2021, 2022, and 2023 totaling \$685,605.20 to the Remove Architectural Barriers account for the purpose of renovating and retrofitting the City Council Chambers at Troy City Hall to be ADA compliant.

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 – Downtown Development Authority, Global Troy Advisory Committee, Local Development Finance Authority, Planning Commission; b) City Council Nominations – Southeastern Michigan Council of Governments (SEMCOG)

a) Mayoral Nominations:

Suggested Resolution

Resolution #2023-11-

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:

Downtown Development Authority

Appointed by Mayor
13 Regular Members
4 Year Term

Current Members:

Last Name	First Name	App Res Expire	Appointment Expire	Notes 1	Notes 2
Baker	Ethan		City Council Term Expiration	At Large	
Blair	Timothy	6/17/2017	9/30/2027	In District	
Keisling	Laurence	9/11/2022	9/30/2024	At Large	
Kiriluk	Alan	9/29/2022	9/30/2024	In District	
Knollenberg	Martin	6/28/2021	9/30/2027	In District	
Koza	Kenny	9/18/2019	9/30/2025	In District	
Kuppa	Padma		9/30/2026	At Large	
MacLeish	Daniel	6/28/2023	9/30/2025	In District	
Reschke	Ernest	7/5/2024	9/30/2026	At Large	
Richards Jr.	John	2/13/2025	9/30/2026	Resident Member	
Stone	David	3/11/2023	9/30/2027	In District	
Tomcsik-Husak	Tara	9/22/2022	9/30/2024	In District	
Vacancy			9/30/2024	In District	Cheryl Bush resigned 9/22/21

Nominations to the Downtown Development Authority:

Unexpired Term Expiring:
9/30/2024

In District

Term currently held by: Vacancy-Cheryl Bush resigned 9/22/21

Interested Applicants:

Last Name	First Name	App Resume Expire	Notes 1	Notes 2
Battle	Timothy	10/28/2024	At Large	
Beyer	Joseph	12/13/2024	In District	
Dicker	Susanne F.	1/3/2025	At Large	
Faiz	Iqbal	6/7/2025	At Large	
Forster	Jeffrey	12/15/2024	At Large	Personnel Bd exp 4/30/24
Kenkre	Mahendra	1/19/2025	At Large	
Kornacki	Rosemary	2/24/2025	At Large	Brownfield Redev Auth exp 4/30/26

Pettinato	Jillian	11/27/2023	At Large	
Sekhri	Suneel	11/5/2023	At Large	
Thattai	Govindrajan	5/20/2024	At Large	
von Oeyen	Schuyler	7/20/2024	At Large	

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
Baker	Ethan		City Council Term Expiration	
Bica-Grodsky	Lisa	9/23/2022	10/30/2023	Requests Reappointment
Burrus	MiVida	7/15/2018	10/30/2025	
Cheriguene	Sadia	10/20/2024	10/30/2023	
Chezick	Edward	12/20/2024	10/30/2025	
Cicchini	Philippe	4/13/2023	10/30/2023	Requests Reappointment
Fakhoury	Awni	9/28/2023	10/30/2024	
Mohideen	Syeda	9/28/2023	10/30/2024	
Natcheva	Daniela	11/8/2021	10/30/2025	
Noguez-Ortiz	Carolina	12/20/2024	10/30/2025	
Sekhri	Suneel	11/5/2023	10/30/2024	
Swaminathan	Sharanya		7/31/2023	Student - Graduated 2023
Zhou	Yudong	12/7/2024	10/30/2025	

Nominations to the Global Troy Advisory Authority:

Term Expires: 10/30/2026

Term currently held by: Lisa Bica-Grodsky

Term Expires: 10/30/2026

Term currently held by: Sadia Cheriguene

Term Expires: 10/30/2026

Term currently held by: Philippe Cicchini

Term Expires: 7/31/2024

Term currently held by: Sharanya Swaminathan (graduated)

Interested Applicants:

Last Name	First Name	App Resume Expire	Notes 1
Comiskey	Ann M.	12/22/2024	
Dicker	Susanne Forbes	1/3/2025	
Emerson	Rosalyn	7/20/2024	
Haight	Michelle	10/8/2025	
Kadoura	Lailas M	9/24/2024	
Lee	Seojin Sarah	4/21/2025	Student - Graduates 2026
Malalahalli	Jayalakshmi	12/15/2024	
McGee	Timothy	12/19/2024	HDC exp 5/15/2024
Mehta	Susheilla	1/20/2025	
Wit	Callie	4/22/2024	

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. 11/8/27; DDA; GTAC, LDFA
Hodorek	Ellen		City Council Term	Alternate; City Council	City Council exp 11/10/2025
Rosenblum	Anthony	11/10/2024	6/30/2026	Resident Member	
Schmitz	Jim	9/14/2024	6/30/2024	Resident Member	
Smieliauskas	Fabrice	9/7/2025	6/30/2024	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	
Mudaliar	Vinodh Kumar	3/2/2024	
Vassallo	Joseph	12/20/2024	Brownfield Redev Auth exp 4/30/24

Planning Commission

Appointed by Mayor
 9 Regular Members
 3 Year Term

Current Members:

Last Name	First Name	App Res Expire	Appointment Expire	Notes 2	Notes 3
Buechner	Toby	8/31/2025	12/31/2023		Requests Reappointment
Faison	Carlton	9/11/2025	12/31/2023		
Fox	Tyler	6/15/2024	12/31/2025		
Hutson	Michael	9/30/2023	12/31/2024	Sust Design Rev Comm-Ad Hoc	Requests Reappointment
Krent	Thomas	12/7/2024	12/31/2025		
Lambert	Dave	9/30/2023	12/31/2024		
Malalahalli	Jayalakshmi	12/15/2022	12/31/2023		
Perakis	Marianna	12/9/2024	12/31/2025		
Tagle	John	9/30/2023	12/31/2024		

Nominations to the Planning Commission:**Term Expires: 12/31/2026**

Term currently held by: Toby Buechner

Term Expires: 12/31/2026

Term currently held by: Carlton Faison

Term Expires: 12/31/2026

Term currently held by: Jayalakshmi Malalahalli

Interested Applicants:

Last Name	First Name	App Resume Expire	Notes 1
Abdullah	Neharunnessa	1/19/2025	
Dahmer	Theresa	5/23/2024	
Eisenbacher	David	4/6/2024	
Hashmi	Amin	7/31/2025	
Kaltsounis	Andrew	8/28/2025	
Kenkre	Mahendra	1/19/2025	
Mudaliar	Vinodh Kumar	3/2/2024	
Rose	Justin	11/5/2023	
Shepherd	John Chuck	11/5/2025	
Tadepalli	Hemanth	11/7/2025	
Walters	Kelly	11/27/2023	

Yes:
No:

b) City Council Nominations:Suggested Resolution

Resolution #2023-11-

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:

Southeastern Michigan Council of Governments (SEMCOG)

Appointed by Council

1 Regular Member and 1 Alternate Member

Appointed Every Odd-Year Election

Nominations to the Southeastern Michigan Council of Governments (SEMCOG):**Term Expires: 11/2025**

Delegate

Term Expires: 11/2025

Alternate

Yes:

No:

I-3 No Closed Session Requested

I-4 City Council Appointment (*Introduced by: Lori Grigg Bluhm, City Attorney*)

a) Resolution to Appoint City Council Member

Suggested Resolution

Resolution #2023-12-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **APPOINTS** _____ to the vacant City Council Member office with the partial term expiring at 7:30PM, at the first Regular City Council Meeting following the Oakland County Board of Canvassers' certification of the August 6, 2024 Primary Election results.

Yes:

No:

b) Appointed City Council Member Oath of Office

I-5 Bid Waiver - Outdoor Gun Range Rental, Police Department (*Introduced by: Dan Galich, Police Sergeant*)

Suggested Resolution

Resolution #2023-12-

Moved by

Seconded by

RESOLVED; That in the best interest of the City, Troy City Council hereby **WAIVES** the bid process and **AWARDS** a contract to *Detroit Sportsmen's Congress of Utica, MI*, for outdoor gun range use as per the proposed rates of \$50 per hour and \$350 per day not to exceed budgetary limitations; contract expiring June 30, 2024.

Yes:

No:

J. CONSENT AGENDA:

J-1a Approval of "J" Items NOT Removed for Discussion

Suggested Resolution

Resolution #2023-11-
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 #2023-12-

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

- a) City Council Minutes-Draft – November 20, 2023

J-3 Proposed City of Troy Proclamations: None Submitted

J-4 Standard Purchasing Resolutions:

- a) **Standard Purchasing Resolution 4: MITN and MiDEAL Cooperative Purchasing Agreements – DPW Fleet Dump Trucks with Snow and Ice Removal Equipment**

Suggested Resolution
Resolution #2023-12-

RESOLVED, That Troy City Council hereby **APPROVES** a contract to purchase two (2) Ford F350 truck chassis from *Gorno Ford of Woodhaven, MI*, as per the MiDEAL Cooperative Purchasing Contract 071B7700181 for an estimated total cost of \$107,558.00; 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 and one (1) V-Bottom salt spreader 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 \$80,425.00; not to exceed budgetary limitations.

- b) **Standard Purchasing Resolution 4: Oakland County Extended Purchasing Contract – Farm Complex Remediation, Abatement and Removal of Contents**

Suggested Resolution
Resolution #2023-12-

RESOLVED, That in the best interest of the City, Troy City Council hereby **WAIVES** the bid process and **AWARDS** a contract to *Rightway Remediation of Saginaw, MI*, for the Farm Complex Remediation, Abatement and Removal of Contents for an estimated cost of \$31,500 as detailed in the attached proposals per the Oakland County Extended Purchasing Contract #008810; not to exceed budgetary limitations.

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.

c) Standard Purchasing Resolution 5: Approval to Expend Budgeted Funds – Temperature Monitoring System Installation for Parks Buildings

Suggested Resolution
Resolution #2023-12-

RESOLVED, That Troy City Council hereby **APPROVES** expending budgeted funds to *Vigilante Security, Inc. of Troy, MI*, (Resolution #2007-12-340), for the Temperature Monitoring System Installation for Park Buildings for an estimated cost of \$15,160 as detailed in the attached proposal; not to exceed budgetary limitations.

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.

J-5 Bid Waiver - Bus Transportation Services

Suggested Resolution
Resolution #2023-12-

RESOLVED, That in the best interest of the City, Troy City Council hereby **WAIVES** the bid process and **AWARDS** a contract to *First Student of Chicago, IL*, for Bus Transportation Services for the City of Troy Recreation Department Programs under new terms and conditions at \$63.44 per hour; for two (2) additional years; contract expiring December 31, 2025.

J-6 Private Agreement – Contract for Installation of Municipal Improvements – Proposed Warehouse on Piedmont – Project No. 23.908.3

Suggested Resolution
Resolution #2023-12-

RESOLVED, That Troy City Council hereby **APPROVES** the Contract for the Installation of Municipal Improvements (Private Agreement) between the City of Troy and Dokan Construction Inc for the installation of Fire Hydrant, Storm Sewer, Concrete Pavement, Sidewalk, Underground Biodetention System and Rain Gardens, and the Mayor and City Clerk are **AUTHORIZED** to execute the documents, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

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

N-1 No Council Referrals Submitted

O. REPORTS:

O-1 Minutes – Boards and Committees:

a) Traffic Committee-Final – September 20, 2023

O-2 Department Reports:

- a) Troy Historic Village Master Plan
 - b) Troy Nature Society Financial Statements and Annual Report for Fiscal Year Ending 2023
 - c) Troy Racquet Club 2022-2023 Overview
-

O-3 Letters of Appreciation: None Submitted

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

P. COUNCIL COMMENTS:

P-1 No Council Comments

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,

A handwritten signature in black ink, appearing to read "Mark F. Miller", with a long horizontal flourish extending to the right.

Mark F. Miller
City Manager

2023 SCHEDULED SPECIAL CITY COUNCIL MEETINGS:**2023 SCHEDULED REGULAR CITY COUNCIL MEETINGS:**

December 11, 2023 Regular Meeting

2024 SCHEDULED SPECIAL CITY COUNCIL MEETINGS:

April 15, 2024 Special Budget Study Meeting

April 17, 2024 Special Budget Study Meeting (as needed)

2024 SCHEDULED REGULAR CITY COUNCIL MEETINGS:

January 8, 2024 Regular Meeting

January 29, 2024 Regular Meeting

February 5, 2024 Regular Meeting

February 19, 2024 Regular Meeting

March 4, 2024 Regular Meeting

March 18, 2024 Regular Meeting

April 8, 2024 Regular Meeting

April 29, 2024 Regular Meeting

May 13, 2024 Regular Meeting

May 20, 2024 Regular Meeting

June 10, 2024 Regular Meeting

June 24, 2024 Regular Meeting

July 8, 2024 Regular Meeting

July 22, 2024 Regular Meeting

August 12, 2024 Regular Meeting

August 26, 2024 Regular Meeting

September 16, 2024 Regular Meeting

September 30, 2024 Regular Meeting

October 14, 2024 Regular Meeting

October 28, 2024 Regular Meeting

November 11, 2024 Regular Meeting

November 25, 2024 Regular Meeting

December 9, 2024 Regular Meeting

December 16, 2024 Regular Meeting

**CERTIFICATE OF RECOGNITION & CONGRATULATIONS
ATHENS HIGH SCHOOL 2023 BOYS VARSITY SOCCER TEAM
MHSAA DIVISION 1 STATE CHAMPIONS**

WHEREAS, The Athens High School 2023 Boys Varsity Soccer Team won the **Michigan High School Athletic Association Division 1 Boys Soccer Championship** on November 4, 2023 in Grand Ledge beating Brighton High School 2-1 in overtime for the title; and

WHEREAS, The come from behind win gave **Troy Athens** its second **State Championship** since 2019 and the sixth state title in Athens Soccer history. Athens dominated the overtime period, outshooting Brighton 10-1 overall and 8-0 on goal; and

WHEREAS, Special commendation is due to Captains Brody Fahnestock, Alex Marine, Manny Aigbedo; and team members Vansh Baxi, Jason Bouna, Charlie Ciak, Travis Claypool, Marc Delikat, Luke DiGiovanni, Fares El-Mahrouky, Adam Ethridge, Gavin Faro, Rodrigo Garcia, Jake Gruca, Braeden Hupman, JD Hupman, Luke Izzo, Daniel Kadiu, Dario Kadiu, Roshan Khan, Griffin LaBay, Ethan Liu, Nik Lulgjuraj, Joey Mendrick, Kevin Myrtollari, Ethan Rem, Brady Roskelly, Nick Rossi, Adriano Shauya, Miguel Ramirez Vanegas; and

WHEREAS, This has been an exciting, hard fought soccer season with a 20-3-2 record, and we are proud of the title you have earned and the winning reputation you have brought to our community and your school. There is no substitute for experience as the **Red Hawks** had 16 seniors. The **Red Hawks** had 13 shutouts for the season and allowed total of just 18 goals in 25 games. The team also came from behind in five out of seven playoff games; and

WHEREAS, We applaud and congratulate **Boys Varsity Soccer Head Coach Todd Heugh**, who took over in 2011 and is only the second coach in Athens' boys soccer history. With this victory, Coach Heugh has now won a State Championship as a player for Athens High (1989) and two as a coach. Also congratulations to Assistant Coaches Frank Mancini, Jason Fawcett, Tim Hickey, Chris Conklin; and Trainer Bryan "Troll" Baines for their commitment to the **Athens High Boys Varsity Soccer Team**;

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Troy commends the **Athens High School 2023 Boys Varsity Soccer Team** for their fine efforts, and extends this token of affection and admiration with which you are regarded in this City; and

BE IT FURTHER RESOLVED, That the City Council of the City of Troy, joins the citizens of this community in appreciation and celebration of the **2023 Athens High School Boys Varsity Soccer Team as the MHSSA Division 1 State Champions**.

Presented this 4th day of December, 2023.



November 28, 2023

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, Michigan (the City) as of and for the year ended June 30, 2023. 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 April 5, 2023. 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. No new accounting policies were adopted, and the application of existing policies was not changed during the year.

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.
- Leases receivable and the related deferred inflows of resources. The estimate is based on management's assessment of the likelihood of exercising renewal options and utilizing interest and discount rates.
- Net pension liability/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.

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.

A significant risk is an identified and assessed risk of material misstatement that, in the auditors' professional judgment, requires special audit consideration. Within our audit, we focused on the following areas.

- Management override of controls
- Improper revenue recognition
- Implementation of new accounting standard
- Information technology controls
- Termination of the VFIP Defined Benefit Pension Plan
- Prior period adjustment related to investments
- Terminated employees access to the system is not removed timely

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.

Implementation Guide No 2021-1, *Implementation Guidance Update-2021* has an amended response related to the capitalization of assets purchased as a group. Under the amended guidance, governments *should* capitalize individual items when the purchase in the aggregate is considered significant, even if the individual items are less than the capitalization threshold of the government. The effective date for implementation is for reporting periods beginning after June 15, 2023 (effectively, for the first year ended June 30, 2024 or later) and requires retroactive implementation.

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. Management has corrected all such misstatements except as discussed below.

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 Assets	Total Liabilities	Total Net Position	Revenues	Expenditures	Change in Net Position
Installment purchase agreement not recorded as long-term debt	\$ -	\$ (797,616)	\$ 797,616	\$ -	\$ -	\$ -
Description	Aggregate Remaining Funds					
	Over (Under) Stated					
	Total Assets	Total Liabilities	Total Net Position	Revenues	Expenditures	Change in Net Position
Contingent liability for IRS audit (related to prior year)	\$ -	\$ -	\$ -	\$ -	\$ 247,064	\$ (247,064)

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.

Emphasis of Matters in Independent Auditors' Report

Prior Period Adjustment

As described in Note 20 to the financial statements, the City restated the Governmental Activities beginning net position and the General Fund's beginning fund balance to correct an error. Our opinions are not modified with respect to this matter.

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, 2023



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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 28, 2023.

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
November 28, 2023

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, 2023. 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated November 28, 2023, 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
November 28, 2023

City of Troy, Michigan
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

	Assistance Listing Number	Federal or Pass-Through Grant Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Passed through Oakland County			
CDBG Entitlement Grants Cluster			
CDBG Entitlement Grant	14.218	172160-732170	\$ 53,374
U.S. Department of Justice			
Bulletproof Vest Partnership Program	16.607	N/A	6,102
Equitable Sharing Program	16.922	N/A	12,500
Total U.S. Department of Justice			18,602
U.S. Department of Transportation			
Passed through Michigan Department of Transportation			
Highway Planning and Construction	20.205	N/A	245,265
Passed through SMART			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	MI-2018-020	146,973
Total U.S. Department of Transportation			392,238
U.S. Department of Treasury			
Equitable Sharing	21.016	N/A	9,824
Passed through Oakland County			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP2640	8,690
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	1,342,584
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			1,351,274
Total U.S. Department of Treasury			1,361,098
Environmental Protection Agency			
Geographic Programs - Great Lakes Restoration Initiative	66.469	EPA-CEP-01	78,070
U.S. Office of National Drug Control Policy			
High Intensity Drug Trafficking Areas Program	95.001	N/A	6,100
U.S. Department of Homeland Security			
Homeland Security Grant Program	97.067	N/A	3,202
Total Expenditures of Federal Awards			\$ 1,912,684

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, 2023

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, 2023. 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	\$ 1,652,147
Add amounts not received within 60 days (unavailable)	<u>260,537</u>
Total expenditures of federal awards per the Schedule	<u><u>\$ 1,912,684</u></u>

Note 4 - Subrecipients

No amounts were provided to subrecipients.

City of Troy, Michigan
Schedule of Findings and Questioned Costs
June 30, 2023

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>
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, 2023

Section II – *Government Auditing Standards* Findings

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

Section III – Federal Award Findings

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

**City of Troy, Michigan
Summary Schedule of Prior Audit Findings
June 30, 2023**

Section IV – Prior Audit Findings

Government Auditing Standards Findings

There were no *Government Auditing Standards* findings for the year ended June 30, 2022.

Federal Award Findings

A single audit was not required for the fiscal year ended June 30, 2022, as total federal expenditures were less than \$750,000.

CITY OF TROY, MICHIGAN | 2022/2023

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2023





City of Troy, Michigan

Annual Comprehensive Financial Report

Year Ended June 30, 2023

City Council

**Mayor
Mayor Pro Tem
Council Members**

**Ethan Baker
Rebecca Chamberlain-Creanga
Edna Abraham
Theresa Brooks
Ann Erickson Gault
David Hamilton
Ellen Hodorek**

Prepared by:

The Department of Financial Services

City of Troy, Michigan

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INTRODUCTORY SECTION



November 28, 2023

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, 2023 is hereby submitted. The report represents a comprehensive and detailed picture of our financial transactions during fiscal year 2022/23 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 reached the low point in taxable value in the 2013 fiscal year at \$4.219 billion after Michigan Tax Tribunal and Board of Review adjustments. Since then, the City has experienced modest annual growth in taxable value averaging 3.72%. The City experienced growth in net taxable value for fiscal 2023 at 6.98% and was comprised of growth in residential properties of 5.29%, and growth in both commercial properties (14.86%) and industrial properties (8.04%). For Michigan cities, Troy ranked fourth for the largest taxable 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 and 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:

- Longhorn Steakhouse 86 W. 14 Mile Rd
- Heidi Denha Beauty Club 412 W. 14 Mile Rd
- Farm Bureau Insurance 1301 W. Long Lake
- Sprout 755 W. Big Beaver
- A&G Central Music 1080 E. Maple Road
- Precise Chiropractic 4101 John R Road
- bbq Chicken 435 E. Big Beaver
- Ancar Automotive 2360 Bellingham
- Pure Forge 501 Stephenson

It's estimated that these firms represent about 110 jobs and have invested over \$1,000,000.

Business Retention

Below is a synopsis of a few businesses that Troy has called on to retain and inform about investment assistance.

iMBRANDED: They do graphic design and millwork. That giant car sign you see covering Stellantis HQ off of I-75 periodically is designed by iMBRANDED and they do furniture design/manufacturing for auto dealerships. I think it's one of Troy's hidden gems. We were able to update the firm on some economic development assistance programs and possible opportunities for their high-end graphic work.

RIIS: They do software development for Drones and outsource IT services to several different business sectors. I had the Michigan Economic Development and Oakland County representative join me on this call. This is a highly technical operation with about 50 employees. We updated the firm on some economic development assistance programs, and I provided information on site selection services just in case they look to expand in Troy.

Penske Vehicle Services: Penske Troy provides customized solutions for OEMs which includes vehicle lifecycle management, mechanical enhancements and body/paint development. Team Troy discussed economic development assistance programs and got an update on any future plans which might include expansion within Oakland County. I did a site search for an additional 100,000 sq. ft., facility within Troy. The CEO at this location mentioned that he was pleased with Troy's police department because they have several high-end automotive vehicles in their parking lot which requires security.

These firms represent about 135 jobs with an estimated investment of over \$500,000.

Trends

The transformation from Internal Combustion Engine (ICE) to Electric Vehicle (EV) production has led to a more technological base business and worker. *EV battery production is something that makes sense for Troy at the Module Assembly size which is roughly:

- Jobs: 150
- Capital Investment: \$11 M
- Building Size: 80k SF

Workforce Needs

- Engineers
- Process Operators
- Equipment Operators
- Material Handling Technicians
- High Voltage Technicians

*Cushman Wakefield 2023

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**. One 2023 highlight is the Village of Troy Brownfield Development:

- 146 residential facilities
- 1,269 construction projects
- \$68M Capital Investment

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining internal control 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	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 for 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 \$19.6 million or 27.3% 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.

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, 2022.

This was the twenty sixth 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.

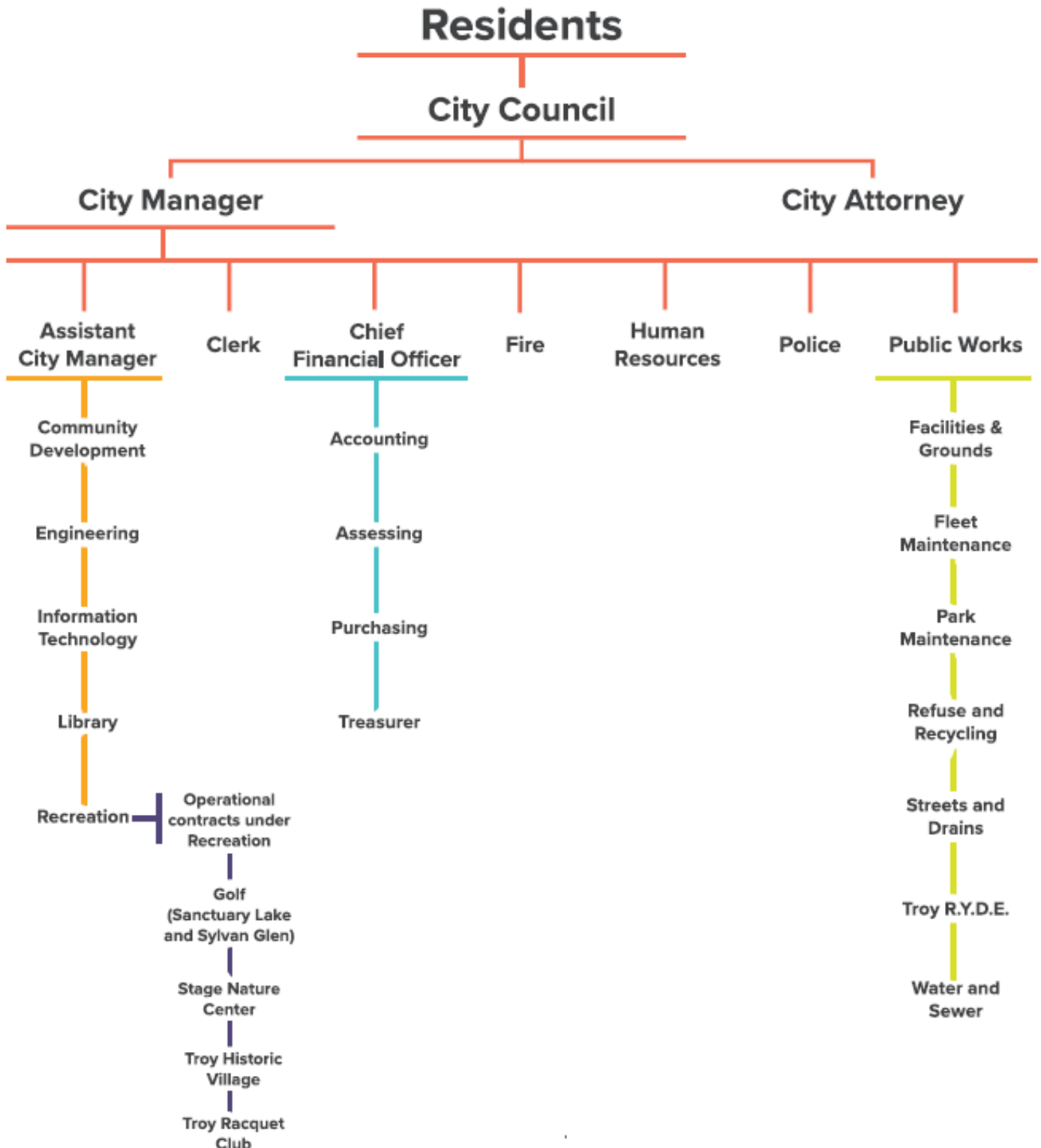


Mark F. Miller
City Manager



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, 2022

Christopher P. Morill

Executive Director/CEO

City of Troy, Michigan
Principal Officials
June 30, 2023

City Manager	Mark Miller
City Attorney	Lori Grigg Bluhm
Deputy City Manager	Robert Bruner
Assistant City Manager	Megan Schubert
Chief Financial Officer	Robert Maleszyk
Controller	Dee Ann Irby
City Assessor	Kelly Timm
City Clerk	Aileen Dickson
City Engineer	G. Scott Finlay
City Treasurer	Renee Hazen
Community Affairs Director	Cynthia Stewart
Community Development Director	Brent Savidant
Financial Compliance Manager	Kyle Vieth
Fire Chief	Peter Hullinger
Human Resources Director	Jeanette Menig
Information Technology Director	Alex Bellak
Library Director	Emily Dumas
Recreation Director	Brian Goul
Police Chief	Frank Nastasi
Public Works Director	Kurt Bovensiep
Purchasing Manager	Emily Frontera
Facilities and Grounds Manager	Dennis Trantham
Fleet Operations Manager	Brian Varney
Streets and Drains Operations Manager	Mike Verstraete
Water and Sewer Operations Manager	Paul Trosper

City of Troy, Michigan
Fund Organization Chart
June 30, 2023

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
- Volunteer Firefighter Incentive Plan
- 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison schedule 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.

Prior Period Adjustment

As described in Note 20 to the financial statements, the City restated the Governmental Activities beginning net position and the General Fund's beginning fund balance to correct an error. Our opinions are not modified with respect to this matter.

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 November 28, 2023 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
November 28, 2023

MANAGEMENT'S DISCUSSION & ANALYSIS

City of Troy, Michigan

Management's Discussion and Analysis

June 30, 2023

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, 2023. 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	\$499,665,669
• Change in total net position	16,347,312
• Fund balances, governmental funds	56,704,380
• Change in fund balances, governmental funds	(6,233,567)
• Unassigned fund balance, general fund	19,650,093
• Change in fund balance, general fund	(4,016,909)
• Installment debt outstanding	13,955,016
• Change in installment debt	(1,449,766)

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, 2023

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, 2023

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 \$16.3 million over the course of the fiscal year to a total of \$499.7 million. Net position of governmental activities increased \$17.7 million or 5.5%, and business-type activities decreased \$1.4 million or 0.8%. Explanations for those changes are described below under the governmental activities and business-type activities sections of this Management's Discussion and Analysis.

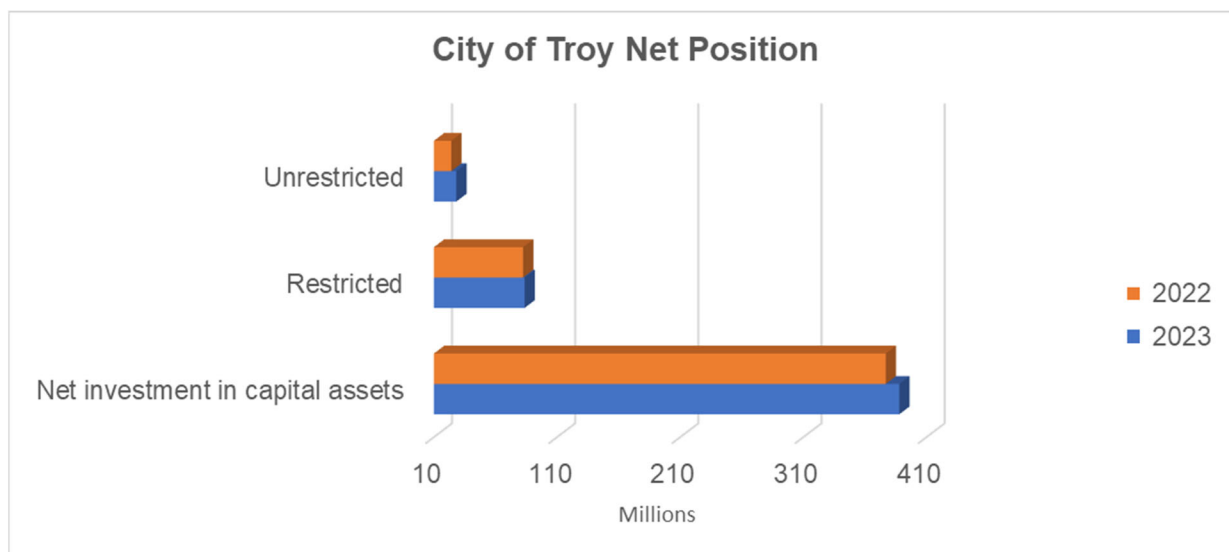
	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and other assets	\$ 153,662,844	\$ 152,534,931	\$ 18,315,186	\$ 24,637,111	\$ 171,978,030	\$ 177,172,042
Capital assets, net	241,377,704	233,727,362	153,986,478	148,523,307	395,364,182	382,250,669
	<u>395,040,548</u>	<u>386,262,293</u>	<u>172,301,664</u>	<u>173,160,418</u>	<u>567,342,212</u>	<u>559,422,711</u>
Deferred outflows of resources	6,641,835	21,359,777	574,365	1,171,525	7,216,200	22,531,302
Liabilities						
Long-term debt	16,821,282	17,311,014	4,413,336	5,278,891	21,234,618	22,589,905
Other liabilities	41,503,170	67,916,219	6,846,124	6,114,837	48,349,294	74,031,056
	<u>58,324,452</u>	<u>85,227,233</u>	<u>11,259,460</u>	<u>11,393,728</u>	<u>69,583,912</u>	<u>96,620,961</u>
Deferred inflows of resources	<u>4,761,657</u>	<u>1,513,224</u>	<u>547,174</u>	<u>501,471</u>	<u>5,308,831</u>	<u>2,014,695</u>
Net position						
Net investment in capital assets	238,472,631	233,277,547	149,413,653	143,593,325	387,886,284	376,870,872
Restricted	81,478,063	80,401,648	2,137,566	1,982,936	83,615,629	82,384,584
Unrestricted	<u>18,645,580</u>	<u>7,202,418</u>	<u>9,518,176</u>	<u>16,860,483</u>	<u>28,163,756</u>	<u>24,062,901</u>
Total net position	<u>\$ 338,596,274</u>	<u>\$ 320,881,613</u>	<u>\$ 161,069,395</u>	<u>\$ 162,436,744</u>	<u>\$ 499,665,669</u>	<u>\$ 483,318,357</u>

The largest portion of the City's net position (77.6%) reflects its investment in capital assets of \$387.9 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 \$83.6 million (16.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$28.2 million (5.7%) 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, 2023

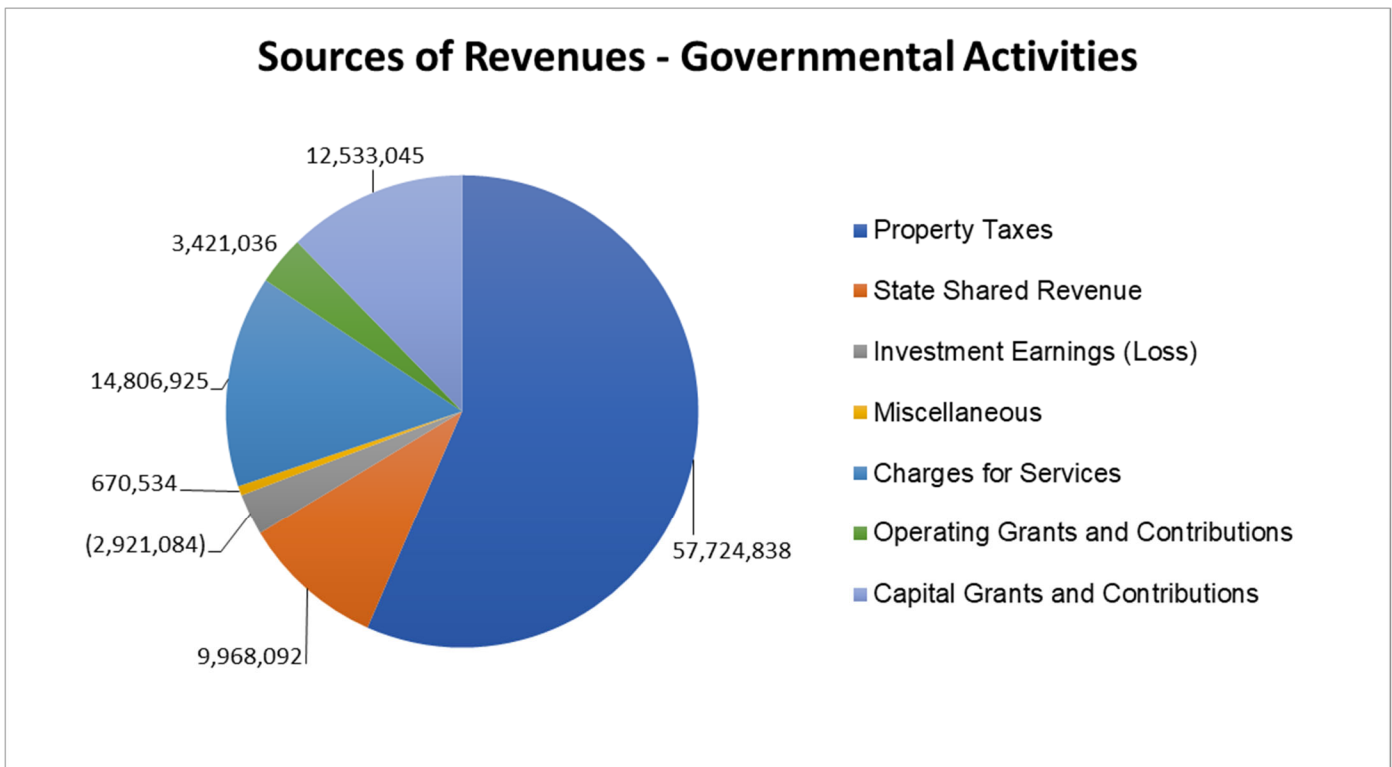
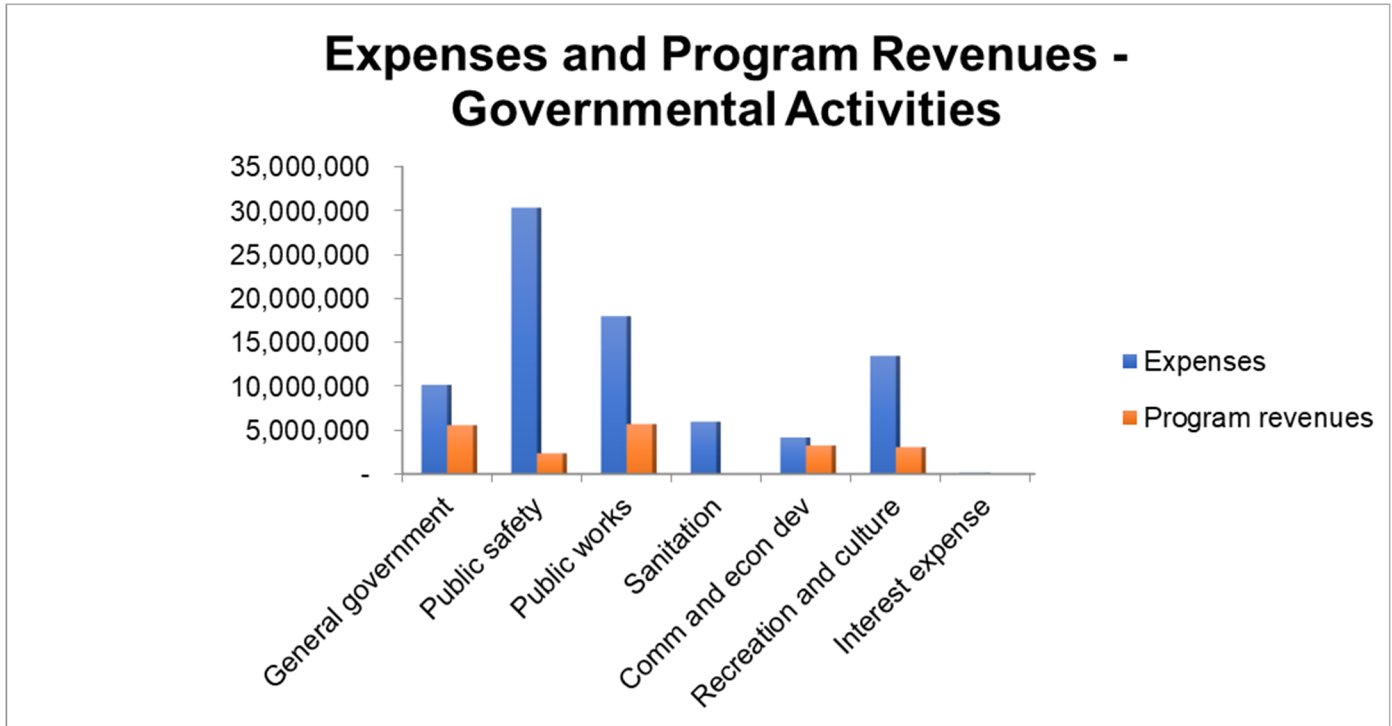


The following condensed financial information was derived from the government-wide statement of activities and reflects how the City's net position changed during the fiscal year:

	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Program revenues						
Charges for services	\$ 14,806,925	\$ 13,108,000	\$ 40,316,887	\$ 36,695,051	\$ 55,123,812	\$ 49,803,051
Operating grants and contributions	3,421,036	1,573,630	-	-	3,421,036	1,573,630
Capital grants and contributions	12,533,045	10,951,311	731,734	913,952	13,264,779	11,865,263
General revenues						
Property taxes	57,724,838	54,937,941	-	-	57,724,838	54,937,941
State-shared revenues	9,968,092	12,144,090	-	-	9,968,092	12,144,090
Investment earnings (loss)	(2,921,084)	(6,244,462)	304,614	(1,504,730)	(2,616,470)	(7,749,192)
Other revenue	670,534	231,865	35,361	-	705,895	231,865
Total revenues	<u>96,203,386</u>	<u>86,702,375</u>	<u>41,388,596</u>	<u>36,104,273</u>	<u>137,591,982</u>	<u>122,806,648</u>
Expenses						
General government	\$ 10,139,417	\$ 9,992,627	\$ -	\$ -	\$ 10,139,417	\$ 9,992,627
Public safety	30,335,955	34,285,696	-	-	30,335,955	34,285,696
Public works	17,976,458	21,100,594	-	-	17,976,458	21,100,594
Sanitation	5,950,274	5,656,929	-	-	5,950,274	5,656,929
Community and economic development	4,142,399	-	-	-	4,142,399	-
Recreation and culture	13,449,956	1,009,707	-	-	13,449,956	1,009,707
Interest expense	152,973	11,944,043	-	-	152,973	11,944,043
Water	-	167,576	22,129,369	20,927,528	22,129,369	21,095,104
Sanitary sewer	-	-	15,881,121	15,371,118	15,881,121	15,371,118
Aquatic center	-	-	589,748	706,923	589,748	706,923
Golf courses	-	-	4,155,707	3,790,897	4,155,707	3,790,897
Total expenses	<u>82,147,432</u>	<u>84,157,172</u>	<u>42,755,945</u>	<u>40,796,466</u>	<u>124,903,377</u>	<u>124,953,638</u>
Change in net position	<u>14,055,954</u>	<u>2,545,203</u>	<u>(1,367,349)</u>	<u>(4,692,193)</u>	<u>12,688,605</u>	<u>(2,146,990)</u>
Net position, beginning of year	320,881,613	318,336,410	162,436,744	167,128,937	483,318,357	485,465,347
Prior period adjustment	3,658,707	-	-	-	3,658,707	-
Net position - beginning of year, as restated	<u>324,540,320</u>	<u>318,336,410</u>	<u>162,436,744</u>	<u>167,128,937</u>	<u>486,977,064</u>	<u>485,465,347</u>
Net position, end of year	<u>\$ 338,596,274</u>	<u>\$ 320,881,613</u>	<u>\$ 161,069,395</u>	<u>\$ 162,436,744</u>	<u>\$ 499,665,669</u>	<u>\$ 483,318,357</u>

City of Troy, Michigan
Management's Discussion and Analysis
June 30, 2023

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



Total governmental revenue is reported at approximately \$96.2 million, an increase of \$8.5 million from the prior year. The increase is primarily due to a reduction of investment losses from approximately \$5.7 million to \$2.3 million, which is consistent with the current economic trends. Property tax revenues also saw a significant

City of Troy, Michigan
Management's Discussion and Analysis
June 30, 2023

increase of approximately \$2.8 million. Additionally, there were increased federal revenues of approximately \$1.5 million related to the ARPA and MDOT Grant Funds.

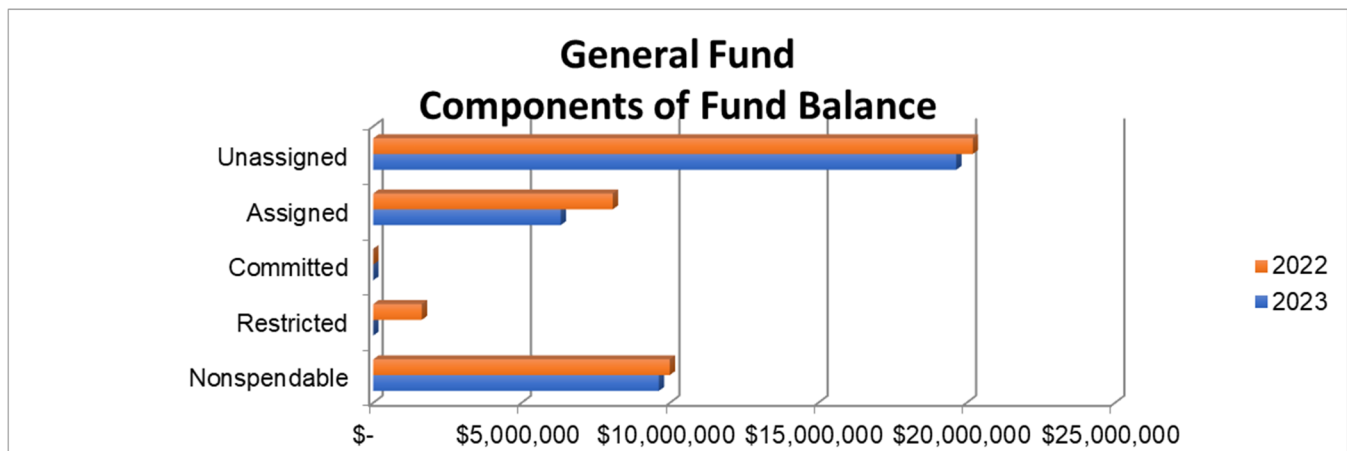
Total governmental expenses are reported at \$82.1 million, a decrease of \$2.1 million from the prior year. The decrease is primarily due to the change in investment performance related to pension and OPEB funds, offset by the VFIP payout of \$9.4 million.

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 \$1.4 million. This change is primarily due to increased costs of providing water and sewer services to our residents which out paced the rate increases charged to our residents, therefore resulting in rate increases for 2024.

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 \$56.7 million, a decrease of \$6.2 million compared to the prior year. Approximately 35% of this amount (\$19.7 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.

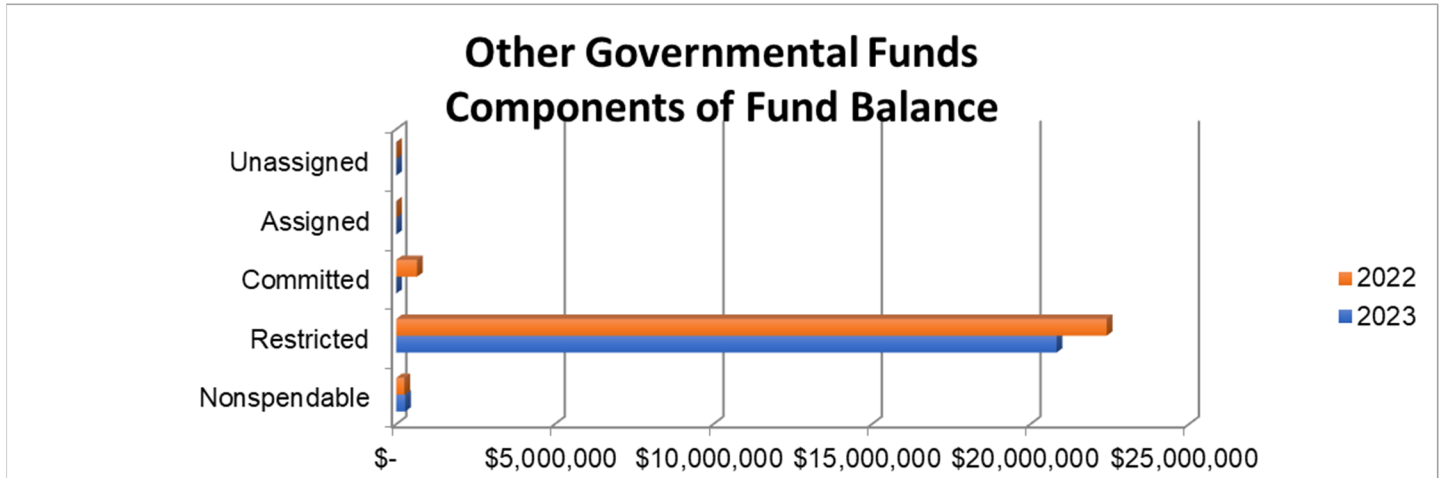


The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$19.7 million, while total general fund balance decreased \$4.0 million to \$35.6 million. The general fund fund balance was budgeted to decrease by \$14.5 million, however favorable results for expenditures coupled with a prior period adjustment resulted in a net decrease of \$4.0 million to the fund balance. 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 27.3% of total general fund expenditures, while total general fund balance represents approximately 49.4% of the same amount.

City of Troy, Michigan
Management's Discussion and Analysis
June 30, 2023

In the current fiscal year, revenues were approximately \$7.7 million less than total expenditures and transfers. Overall revenues increased by \$5.4 million primarily due to an increase in property tax revenues of \$2.3 million as well as a reduction in our investment losses of \$1.7 million from the prior year.

General fund expenditures (before transfers) of \$70.1 million increased \$12.0 million or 20.6%. The increase in general fund expenditures was primarily due to an increase of \$10.4 million in public safety expenses, of which \$9.4 million is related to the VFIP payout. Additionally, general government expenses increased by \$1.4 million primarily due to payment of insurance claims.



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 a decrease in fund balance of \$4.6 million during the current year for a total ending fund balance of \$8.3 million. Major capital projects included major street improvements of \$4.8 million and local street improvements of \$3.3 million. It should be noted that the general fund contributed \$2.0 million towards improvements to City Hall and the library fund contributed \$0.9 million towards renovations and maintenance. The major streets fund contributed \$2.5 million, and the local streets fund contributed \$2.0 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 \$6.4 million, and the sanitary sewer fund was \$9.1 million at the end of the current fiscal year. The Sanctuary Lake Golf Course had an unrestricted net deficit of \$10.3 million. The water fund total net position increased by \$0.3 million while the sanitary sewer fund decreased by \$2.0 million, and the Sanctuary Lake Golf Course increased by \$56K. This was due to an increase in our continued investment in our water and sewer infrastructure.

City of Troy, Michigan
Management's Discussion and Analysis
June 30, 2023

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 revenue in the current year were to increase State-Shared revenue by \$850K. The most significant amendments to expenditures were \$9.4 million for the VFIP payout, \$300K for street island maintenance, \$120K for First Responder contract services, and \$20K for the transfer to the Transit Center.

Actual revenues of \$64.4 million were \$1.0 million more than amended budget amounts. The variance was primarily due to the increase in the Local Community Stabilization Payment.

Actual expenditures of \$72.1 million were \$5.7 million under amended budget amounts. Public safety was under budget by \$2.9 million and general government was under budget by \$1.3 million.

Capital Assets and Debt Administration

Capital Assets. At June 30, 2023, the City had invested \$395.4 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.

	Capital Assets (Net of Accumulated Depreciation/Amortization)					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 37,815,194	\$ 37,462,124	\$ 6,738,504	\$ 6,738,504	\$ 44,553,698	\$ 44,200,628
Museum artifacts	2,082,845	2,082,845	-	-	2,082,845	2,082,845
Construction in progress	12,210,210	4,497,247	13,439,922	11,248,553	25,650,132	15,745,800
Infrastructure	132,790,550	137,446,250	-	-	132,790,550	137,446,250
Land improvements	5,111,650	4,708,209	4,830,840	5,091,919	9,942,490	9,800,128
Buildings and improvements	34,068,367	33,070,554	1,128,612	1,018,277	35,196,979	34,088,831
Miscellaneous equipment	5,021,821	4,536,638	1,201,696	1,188,448	6,223,517	5,725,086
Office equipment	506,561	537,047	504,043	-	1,010,604	537,047
Vehicles	9,969,194	6,712,916	-	588,049	9,969,194	7,300,965
Library books/audio visual	1,764,069	2,621,965	-	-	1,764,069	2,621,965
Water and sewer transmission and distribution system	-	-	126,142,861	122,649,557	126,142,861	122,649,557
Right to use assets	37,243	51,567	-	-	37,243	51,567
Total capital assets, net	\$ 241,377,704	\$ 233,727,362	\$ 153,986,478	\$ 148,523,307	\$ 395,364,182	\$ 382,250,669

Debt Administration. At the end of the current fiscal year, the City had total bonded debt outstanding of \$13.8 million. Of this amount, \$13.5 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.

	Long-term Debt					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 9,620,000	\$ 10,105,000	\$ 3,920,000	\$ 4,620,000	\$ 13,540,000	\$ 14,725,000
Public drains	235,804	397,840	-	-	235,804	397,840
Leases	-	51,975	179,212	281,942	179,212	333,917
Deferred amounts for issuance premiums	38,488	-	-	376,949	38,488	376,949
Compensated absences	5,529,578	5,331,374	314,124	-	5,843,702	5,331,374
Estimated self-insurance claims	1,397,412	1,424,825	-	-	1,397,412	1,424,825
Total capital assets, net	\$ 16,821,282	\$ 17,311,014	\$ 4,413,336	\$ 5,278,891	\$ 21,234,618	\$ 22,589,905

City of Troy, Michigan
Management's Discussion and Analysis
June 30, 2023

Economic Condition and Outlook

The following economic factors currently affect the City and were considered in developing the 2023/2024 through 2025/2026 three-year fiscal budget.

- The millage rate for the 2023/2024 fiscal year is 9.8966 mills which is unchanged from the 2022/2023 fiscal year. The total millage of 9.8966 mills includes general operating millage of 6.500 mills, capital projects of 1.2270 mills, refuse of 1.0900 mills, and library operations of 1.0796 mills.
- Total general fund revenues and other sources are expected to generate approximately \$66.7 million. This is an increase of \$3.4 million or 5.2% compared to the fiscal 2022/2023 budget of \$63.3 million. Property tax revenues which accounts for approximately 69.8% of total general fund revenues is expected to generate \$40.7 million. This is an increase of \$2.1 million or 5.3%.
- General fund expenditures and other uses are budgeted at \$69.8 million. This is an increase of \$2.6 million or 3.7% compared to fiscal 2022/2023 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 2023/2024 budget recognizes a stabilized sales volume of approximately 460,000 mcf. This is a leveling of sales volume compared to a steady decrease 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 \$48.40 per mcf. Sanitary sewer rates increased to \$32.70 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.

BASIC FINANCIAL STATEMENTS

City of Troy, Michigan
Statement of Net Position
June 30, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and investments	\$ 79,261,954	\$ 12,409,298	\$ 91,671,252	\$ 4,616,317
Receivables				
Accounts	1,282,679	9,696,105	10,978,784	-
Taxes	224,289	-	224,289	118,702
Leases receivable	623,929	372,523	996,452	-
Due from other units of government	3,696,908	-	3,696,908	-
Due from component unit	9,620,000	-	9,620,000	-
Internal balances	7,395,377	(7,395,377)	-	-
Inventories	883,476	775,391	1,658,867	-
Prepaid items	1,432,528	93,931	1,526,459	-
Long-term contracts receivable	-	284,848	284,848	-
Capital assets				
Right to use assets, net of amortization	37,243	-	37,243	-
Capital assets not being depreciated	52,108,249	20,178,426	72,286,675	-
Capital assets, net of accumulated depreciation	189,232,212	133,808,052	323,040,264	-
Net pension asset	49,241,704	2,078,467	51,320,171	-
Total assets	<u>395,040,548</u>	<u>172,301,664</u>	<u>567,342,212</u>	<u>4,735,019</u>
Deferred Outflows of Resources				
Bond refundings	80,262	290,758	371,020	-
Pension related	1,400,147	59,099	1,459,246	-
OPEB related	<u>5,161,426</u>	<u>224,508</u>	<u>5,385,934</u>	-
Total deferred outflows of resources	<u>6,641,835</u>	<u>574,365</u>	<u>7,216,200</u>	-
Liabilities				
Accounts payable	5,464,139	4,849,535	10,313,674	-
Payroll and other liabilities	1,485,283	1,171,283	2,656,566	-
Other liabilities	8,016,548	-	8,016,548	-
Interest payable	25,141	-	25,141	23,810
Unearned revenue	6,959,456	-	6,959,456	4,012
Noncurrent liabilities				
Debt due within one year	5,054,470	864,035	5,918,505	560,000
Debt due in more than one year	11,766,812	3,549,301	15,316,113	9,060,000
Net OPEB liability	<u>19,552,603</u>	<u>825,306</u>	<u>20,377,909</u>	-
Total liabilities	<u>58,324,452</u>	<u>11,259,460</u>	<u>69,583,912</u>	<u>9,647,822</u>
Deferred Inflows of Resources				
Lease related	623,929	372,523	996,452	-
OPEB related	<u>4,137,728</u>	<u>174,651</u>	<u>4,312,379</u>	-
Total deferred inflows of resources	<u>4,761,657</u>	<u>547,174</u>	<u>5,308,831</u>	-
Net Position				
Net investment in capital assets	238,472,631	149,413,653	387,886,284	-
Restricted for				
Debt service	9,594,859	-	9,594,859	-
Capital projects	8,363,800	-	8,363,800	-
Highways and streets	7,322,832	-	7,322,832	-
Sanitation services	1,130,046	-	1,130,046	-
Library services	2,832,267	-	2,832,267	-
Other services	1,371,063	-	1,371,063	-
Perpetual care:				
Nonexpendable	164,000	-	164,000	-
Expendable	57,345	-	57,345	-
Pension	50,641,851	2,137,566	52,779,417	-
Unrestricted (deficit)	<u>18,645,580</u>	<u>9,518,176</u>	<u>28,163,756</u>	<u>(4,912,803)</u>
Total net position (deficit)	<u>\$ 338,596,274</u>	<u>\$ 161,069,395</u>	<u>\$ 499,665,669</u>	<u>\$ (4,912,803)</u>

See Accompanying Notes to the Financial Statements

City of Troy, Michigan
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental activities								
General government	\$ 10,139,417	\$ 3,317,610	\$ 2,227,367	\$ -	\$ (4,594,440)	\$ -	\$ (4,594,440)	\$ -
Public safety	30,335,955	2,235,361	108,470	-	(27,992,124)	-	(27,992,124)	-
Public works	17,976,458	4,021,104	78,985	12,479,671	(1,396,698)	-	(1,396,698)	-
Sanitation	5,950,274	-	-	-	(5,950,274)	-	(5,950,274)	-
Community and economic development	4,142,399	2,534,219	645,444	53,374	(909,362)	-	(909,362)	-
Recreation and culture	13,449,956	2,698,631	360,770	-	(10,390,555)	-	(10,390,555)	-
Interest and fiscal charges on long-term debt	152,973	-	-	-	(152,973)	-	(152,973)	-
Total governmental activities	<u>82,147,432</u>	<u>14,806,925</u>	<u>3,421,036</u>	<u>12,533,045</u>	<u>(51,386,426)</u>	<u>-</u>	<u>(51,386,426)</u>	<u>-</u>
Business-type activities								
Sanctuary Lake Golf Course	2,546,170	2,601,183	-	-	-	55,013	55,013	-
Sylvan Glen Golf Course	1,609,537	1,932,909	-	-	-	323,372	323,372	-
Aquatic Center	589,748	587,452	-	-	-	(2,296)	(2,296)	-
Sewer	15,881,121	13,839,768	-	300,938	-	(1,740,415)	(1,740,415)	-
Water	22,129,369	21,355,575	-	430,796	-	(342,998)	(342,998)	-
Total business-type activities	<u>42,755,945</u>	<u>40,316,887</u>	<u>-</u>	<u>731,734</u>	<u>-</u>	<u>(1,707,324)</u>	<u>(1,707,324)</u>	<u>-</u>
Total primary government	<u>\$ 124,903,377</u>	<u>\$ 55,123,812</u>	<u>\$ 3,421,036</u>	<u>\$ 13,264,779</u>	<u>(51,386,426)</u>	<u>(1,707,324)</u>	<u>(53,093,750)</u>	<u>-</u>
Component units								
Brownfield Redevelopment Authority	\$ 394,088	\$ -	\$ -	\$ -	-	-	-	(394,088)
Downtown Development Authority	1,011,767	-	-	-	-	-	-	(1,011,767)
Local Development Finance Authority	177,161	-	-	-	-	-	-	(177,161)
Total component units	<u>\$ 1,583,016</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				<u>(1,583,016)</u>
General revenues								
Property taxes					57,724,838	-	57,724,838	2,641,064
Unrestricted state-shared revenue and other state grants					9,968,092	-	9,968,092	74,375
Unrestricted investment earnings (loss)					(2,921,084)	304,614	(2,616,470)	(169,641)
Gain on sale of capital assets					177,983	10,250	188,233	-
Miscellaneous					492,551	25,111	517,662	-
Total general revenues					<u>65,442,380</u>	<u>339,975</u>	<u>65,782,355</u>	<u>2,545,798</u>
Change in net position					<u>14,055,954</u>	<u>(1,367,349)</u>	<u>12,688,605</u>	<u>962,782</u>
Net position (deficit) - beginning of year					320,881,613	162,436,744	483,318,357	(5,875,585)
Prior period adjustment					<u>3,658,707</u>	<u>-</u>	<u>3,658,707</u>	<u>-</u>
Net position (deficit) - beginning of year, as restated					<u>324,540,320</u>	<u>162,436,744</u>	<u>486,977,064</u>	<u>(5,875,585)</u>
Net position (deficit) - end of year					<u>\$ 338,596,274</u>	<u>\$ 161,069,395</u>	<u>\$ 499,665,669</u>	<u>\$ (4,912,803)</u>

See Accompanying Notes to the Financial Statements

City of Troy, Michigan
Governmental Funds
Balance Sheet
June 30, 2023

	General	Debt Service Series 2013 & 2020	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 35,036,152	\$ -	\$ 17,725,508	\$ 11,366,815	\$ 64,128,475
Receivables:					
Accounts receivable, net	995,057	-	82,493	167,459	1,245,009
Taxes - delinquent, net	187,924	-	10,974	25,391	224,289
Leases receivable	606,588	-	17,341	-	623,929
Due from other governments	1,744,895	-	83,465	1,868,548	3,696,908
Due from component units	-	9,620,000	-	-	9,620,000
Inventories	537,300	-	-	-	537,300
Prepaid items	1,310,347	-	-	116,635	1,426,982
Advances to other funds	7,778,384	-	-	-	7,778,384
Total assets	<u>\$ 48,196,647</u>	<u>\$ 9,620,000</u>	<u>\$ 17,919,781</u>	<u>\$ 13,544,848</u>	<u>\$ 89,281,276</u>
Liabilities					
Accounts payable	\$ 1,839,771	\$ -	\$ 2,351,041	\$ 611,323	\$ 4,802,135
Accrued payroll	1,485,283	-	-	-	1,485,283
Other liabilities	7,611,939	-	348,637	55,972	8,016,548
Unearned revenue	120,494	-	6,838,962	-	6,959,456
Total liabilities	<u>11,057,487</u>	<u>-</u>	<u>9,538,640</u>	<u>667,295</u>	<u>21,263,422</u>
Deferred Inflows of Resources					
Unavailable revenue	936,252	9,620,000	107,902	25,391	10,689,545
Deferred lease amounts	606,588	-	17,341	-	623,929
Total deferred inflows of resources	<u>1,542,840</u>	<u>9,620,000</u>	<u>125,243</u>	<u>25,391</u>	<u>11,313,474</u>
Fund Balances					
Non-spendable	9,626,031	-	-	280,635	9,906,666
Restricted	-	-	8,255,898	12,571,527	20,827,425
Assigned	6,320,196	-	-	-	6,320,196
Unassigned	19,650,093	-	-	-	19,650,093
Total fund balances	<u>35,596,320</u>	<u>-</u>	<u>8,255,898</u>	<u>12,852,162</u>	<u>56,704,380</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 48,196,647</u>	<u>\$ 9,620,000</u>	<u>\$ 17,919,781</u>	<u>\$ 13,544,848</u>	<u>\$ 89,281,276</u>

City of Troy, Michigan
Governmental Funds
Reconciliation of Fund Balances of Governmental Funds
to Net Position of Governmental Activities
June 30, 2023

Total fund balances for governmental funds	\$ 56,704,380
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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.

Right to use assets, net of amortization	37,243
Capital assets not being depreciated	50,858,009
Capital assets, net of accumulated depreciation	180,672,338

Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	10,689,545
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Net pension asset not reported in the funds	49,241,704
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Deferred outflows (inflows) of resources.

Deferred outflows of resources resulting from net pension liability/asset	1,400,147
Deferred outflows of resources resulting from net OPEB liability	5,161,426
Deferred outflows of resources resulting from debt refunding	80,262
Deferred inflows of resources resulting from net OPEB liability	(4,137,728)

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

Accrued interest	(25,141)
Claims and judgments	(1,397,412)
Bonds, notes, premiums and discounts	(9,855,804)
Lease liabilities	(38,488)
Net OPEB liability	(19,552,603)

Internal service funds are included as part of governmental activities.	18,758,396
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Net position of governmental activities	<u>\$ 338,596,274</u>
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City of Troy, Michigan
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2023

	General	Debt Service Series 2013 & 2020	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 38,623,852	\$ -	\$ 6,852,592	\$ 12,269,440	\$ 57,745,884
Licenses and permits	2,778,942	-	-	-	2,778,942
Intergovernmental:					
Federal sources	94,389	-	1,504,384	53,374	1,652,147
State sources	11,728,889	-	105,101	11,282,448	23,116,438
Local sources	967,945	-	59,132	-	1,027,077
Charges for services	8,211,522	-	248,427	115,989	8,575,938
Fines and forfeitures	660,427	-	-	88,348	748,775
Investment loss	(1,187,036)	-	(672,587)	(465,302)	(2,324,925)
Other	2,559,106	630,395	15,383	148,831	3,353,715
Total revenues	<u>64,438,036</u>	<u>630,395</u>	<u>8,112,432</u>	<u>23,493,128</u>	<u>96,673,991</u>
Expenditures					
Current					
General government	10,235,463	-	-	114,101	10,349,564
Public safety	45,749,530	-	-	22,324	45,771,854
Public works	2,057,021	-	-	5,128,769	7,185,790
Sanitation	-	-	-	5,950,274	5,950,274
Community and economic development	4,092,723	-	-	53,374	4,146,097
Recreation and culture	7,964,705	-	-	4,432,739	12,397,444
Capital outlay	-	-	19,982,606	-	19,982,606
Debt service					
Principal	4,496	485,000	171,027	-	660,523
Interest and fiscal charges	914	145,395	689	-	146,998
Total expenditures	<u>70,104,852</u>	<u>630,395</u>	<u>20,154,322</u>	<u>15,701,581</u>	<u>106,591,150</u>
Excess (deficiency) of revenues over expenditures	<u>(5,666,816)</u>	<u>-</u>	<u>(12,041,890)</u>	<u>7,791,547</u>	<u>(9,917,159)</u>
Other financing sources (uses)					
Transfers in	1,200	-	7,404,545	1,510,000	8,915,745
Transfers out	(2,010,000)	-	-	(6,905,745)	(8,915,745)
Proceeds from the sale of capital assets	-	-	5,000	19,885	24,885
Total other financing sources and (uses)	<u>(2,008,800)</u>	<u>-</u>	<u>7,409,545</u>	<u>(5,375,860)</u>	<u>24,885</u>
Net change in fund balances	<u>(7,675,616)</u>	<u>-</u>	<u>(4,632,345)</u>	<u>2,415,687</u>	<u>(9,892,274)</u>
Fund balances - beginning of year	39,613,229	-	12,888,243	10,436,475	62,937,947
Prior period adjustment	<u>3,658,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,658,707</u>
Fund balances - beginning of year (restated)	<u>43,271,936</u>	<u>-</u>	<u>12,888,243</u>	<u>10,436,475</u>	<u>66,596,654</u>
Fund balances - end of year	<u>\$ 35,596,320</u>	<u>\$ -</u>	<u>\$ 8,255,898</u>	<u>\$ 12,852,162</u>	<u>\$ 56,704,380</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, 2023

Net change in fund balances - total governmental funds	\$ (9,892,274)
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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	(14,219,779)
Capital outlay	18,992,896
Sale of capital assets (net book value)	(148,962)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	(153,978)
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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 liabilities.

Net pension asset	12,584,864
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Expenses are recorded when incurred in the statement of activities.

Accrued interest	1,322
Claims and judgments	27,413
Deferred charge on bond refunding	(7,297)

The statement of net position reports the net pension liability and deferred outflows of resources and deferred inflows related to the net pension liability and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.

Net change in the net pension liability	13,483,864
Net change in the deferred outflow of resources related to the net pension liability/asset	(10,704,800)
Net change in the deferred inflow of resources related to the net pension liability	733,525

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	9,907,975
Net change in the deferred outflow of resources related to the net OPEB liability	(4,005,845)
Net change in the deferred inflow of resources related to the net OPEB liability	(3,785,624)

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	660,523
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Internal service funds are also included as governmental activities	582,131
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Change in net position of governmental activities	<u>\$ 14,055,954</u>
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City of Troy, Michigan
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes				
Property taxes	\$ 38,239,200	\$ 38,239,200	\$ 38,623,852	\$ 384,652
Licenses and permits	3,336,610	3,336,610	2,778,942	(557,668)
Intergovernmental:				
Federal sources	11,000	11,000	94,389	83,389
State sources	9,263,100	10,113,100	11,728,889	1,615,789
Local sources	557,860	857,860	967,945	110,085
Charges for services	7,457,050	7,457,050	8,211,522	754,472
Fines and forfeitures	706,000	706,000	660,427	(45,573)
Rental income	15,000	15,000	-	(15,000)
Investment earnings (loss)	436,000	436,000	(1,187,036)	(1,623,036)
Other	2,221,980	2,221,980	2,559,106	337,126
Transfers in	1,200	1,200	1,200	-
Total revenues	<u>62,245,000</u>	<u>63,395,000</u>	<u>64,439,236</u>	<u>1,044,236</u>
Expenditures				
General government				
Council and executive administration	5,786,198	6,286,198	5,828,839	(457,359)
Finance	3,655,082	3,655,082	3,006,873	(648,209)
Other	1,631,124	1,631,124	1,399,751	(231,373)
Total general government	<u>11,072,404</u>	<u>11,572,404</u>	<u>10,235,463</u>	<u>(1,336,941)</u>
Public safety				
Police	30,348,970	30,698,970	28,247,082	(2,451,888)
Fire	6,427,546	15,897,546	15,624,180	(273,366)
Building inspection	2,092,514	2,092,514	1,878,268	(214,246)
Total public safety	<u>38,869,030</u>	<u>48,689,030</u>	<u>45,749,530</u>	<u>(2,939,500)</u>
Public works				
Roads and streets	2,319,121	2,319,121	2,057,021	(262,100)
Community and economic development				
Engineering	3,406,284	3,406,284	3,057,859	(348,425)
Planning	1,244,260	1,244,260	1,034,864	(209,396)
Total community and economic development	<u>4,650,544</u>	<u>4,650,544</u>	<u>4,092,723</u>	<u>(557,821)</u>
Recreation and culture				
Parks	3,265,183	3,565,183	3,100,657	(464,526)
Recreation	4,549,668	4,549,668	4,445,482	(104,186)
Historical village and nature center	514,077	514,077	418,566	(95,511)
Total recreation and culture	<u>8,328,928</u>	<u>8,628,928</u>	<u>7,964,705</u>	<u>(664,223)</u>
Debt service				
Principal retirement	-	-	4,496	4,496
Interest and fiscal charges	-	-	914	914
Total debt service	<u>-</u>	<u>-</u>	<u>5,410</u>	<u>5,410</u>
Transfers out	2,000,000	2,020,000	2,010,000	(10,000)
Total expenditures	<u>67,240,027</u>	<u>77,880,027</u>	<u>72,114,852</u>	<u>(5,765,175)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,995,027)</u>	<u>(14,485,027)</u>	<u>(7,675,616)</u>	<u>6,809,411</u>
Fund balance - beginning of year	39,613,229	39,613,229	39,613,229	-
Prior period adjustment	3,658,707	3,658,707	3,658,707	-
Fund balance - beginning of year (restated)	<u>43,271,936</u>	<u>43,271,936</u>	<u>43,271,936</u>	<u>-</u>
Fund balance - end of year	<u>\$ 38,276,909</u>	<u>\$ 28,786,909</u>	<u>\$ 35,596,320</u>	<u>\$ 6,809,411</u>

See Accompanying Notes to the Financial Statements

City of Troy, Michigan
Proprietary Funds
Statement of Net Position
June 30, 2023

	Water	Sewer	Sanctuary Lake Golf Course	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets						
Current assets						
Cash and investments	\$ 2,969,861	\$ 7,601,157	\$ 312,101	\$ 1,526,179	\$ 12,409,298	\$ 15,133,479
Accounts receivable, net:						
Billed	3,400,369	-	12,832	104,392	3,517,593	37,670
Unbilled	3,687,299	2,491,213	-	-	6,178,512	-
Leases receivable, current	-	-	-	114,085	114,085	-
Inventories	577,202	26,831	102,020	69,338	775,391	346,176
Prepaid items	-	-	48,010	45,921	93,931	5,546
Total current assets	<u>10,634,731</u>	<u>10,119,201</u>	<u>474,963</u>	<u>1,859,915</u>	<u>23,088,810</u>	<u>15,522,871</u>
Noncurrent assets						
Long-term contracts receivable	10,031	270,623	4,194	-	284,848	-
Advances to other funds	-	-	-	3,344,230	3,344,230	-
Leases receivable, net of current portion	-	-	-	258,438	258,438	-
Capital assets not being depreciated	5,184,400	10,673,218	2,213,463	2,107,345	20,178,426	1,250,240
Capital assets, net of accumulated depreciation	86,628,874	40,005,339	5,248,139	1,925,700	133,808,052	8,559,874
Net pension asset	1,729,490	348,977	-	-	2,078,467	-
Total noncurrent assets	<u>93,552,795</u>	<u>51,298,157</u>	<u>7,465,796</u>	<u>7,635,713</u>	<u>159,952,461</u>	<u>9,810,114</u>
Total assets	<u>104,187,526</u>	<u>61,417,358</u>	<u>7,940,759</u>	<u>9,495,628</u>	<u>183,041,271</u>	<u>25,332,985</u>
Deferred Outflows of Resources						
Bond refundings	-	-	290,758	-	290,758	-
Pension related	49,176	9,923	-	-	59,099	-
OPEB related	186,813	37,695	-	-	224,508	-
Total deferred outflows of resources	<u>235,989</u>	<u>47,618</u>	<u>290,758</u>	<u>-</u>	<u>574,365</u>	<u>-</u>
Liabilities						
Current liabilities						
Accounts payable	3,405,378	1,197,178	23,277	223,702	4,849,535	662,004
Accrued liabilities	450,446	175,010	307,866	237,961	1,171,283	-
Compensated absences	-	-	-	-	-	3,417,560
Current portion of long-term liabilities	-	-	810,930	53,105	864,035	-
Total current liabilities	<u>3,855,824</u>	<u>1,372,188</u>	<u>1,142,073</u>	<u>514,768</u>	<u>6,884,853</u>	<u>4,079,564</u>
Noncurrent liabilities						
Compensated absences	-	-	-	-	-	2,112,018
Long-term liabilities	-	-	3,512,800	36,501	3,549,301	-
Advances from other funds	-	-	10,442,312	680,302	11,122,614	-
Net OPEB liability	686,736	138,570	-	-	825,306	-
Total noncurrent liabilities	<u>686,736</u>	<u>138,570</u>	<u>13,955,112</u>	<u>716,803</u>	<u>15,497,221</u>	<u>2,112,018</u>
Total liabilities	<u>4,542,560</u>	<u>1,510,758</u>	<u>15,097,185</u>	<u>1,231,571</u>	<u>22,382,074</u>	<u>6,191,582</u>
Deferred Inflows of Resources						
Deferred lease amounts	-	-	-	372,523	372,523	-
Deferred other postemployment benefit amounts	145,327	29,324	-	-	174,651	-
Total deferred inflows of resources	<u>145,327</u>	<u>29,324</u>	<u>-</u>	<u>372,523</u>	<u>547,174</u>	<u>-</u>
Net Position						
Net investment in capital assets	91,538,037	50,503,547	3,428,630	3,943,439	149,413,653	9,810,114
Restricted for						
Pension	1,778,666	358,900	-	-	2,137,566	-
Unrestricted (deficit)	6,418,925	9,062,447	(10,294,298)	3,948,095	9,135,169	9,331,289
Total net position (deficit)	<u>\$ 99,735,628</u>	<u>\$ 59,924,894</u>	<u>\$ (6,865,668)</u>	<u>\$ 7,891,534</u>	<u>160,686,388</u>	<u>\$ 19,141,403</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>383,007</u>	
Net position of business-type activities					<u>\$ 161,069,395</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, 2023

	Water	Sewer	Sanctuary Lake Golf Course	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenue						
Charges for services	\$ 20,385,364	\$ 13,839,768	\$ 2,601,183	\$ 2,068,878	\$ 38,895,193	\$ 10,468,089
Rental:						
Golf course	-	-	890	292,613	293,503	-
Restaurant	-	-	-	70,120	70,120	-
Hydrant	8,100	-	-	-	8,100	-
Building	-	-	-	-	-	268,285
Equipment	-	-	-	-	-	3,932,008
Tap and connection fees	472,820	-	-	-	472,820	-
Penalties	497,391	-	-	-	497,391	-
Other services	13,416	-	-	99,555	112,971	-
Other services to City Funds	-	-	-	-	-	463,964
Total operating revenue	<u>21,377,091</u>	<u>13,839,768</u>	<u>2,602,073</u>	<u>2,531,166</u>	<u>40,350,098</u>	<u>15,132,346</u>
Operating expenses						
Cost of sales and services	14,538,261	11,984,119	-	-	26,522,380	9,331,954
General and administrative	944,698	898,440	-	-	1,843,138	745,188
Operations	3,230,993	1,066,730	2,003,853	1,910,100	8,211,676	2,996,604
Depreciation	3,415,417	1,931,832	385,482	290,573	6,023,304	1,263,240
Total operating expenses	<u>22,129,369</u>	<u>15,881,121</u>	<u>2,389,335</u>	<u>2,200,673</u>	<u>42,600,498</u>	<u>14,336,986</u>
Operating income (loss)	<u>(752,278)</u>	<u>(2,041,353)</u>	<u>212,738</u>	<u>330,493</u>	<u>(2,250,400)</u>	<u>795,360</u>
Nonoperating revenue (expenses)						
Investment earnings (loss)	594,855	(277,051)	-	(21,290)	296,514	(494,610)
Gain on sale of capital assets	-	-	6,750	3,500	10,250	302,060
Interest expense	-	-	(163,436)	(12,690)	(176,126)	-
Total nonoperating revenues (expenses)	<u>594,855</u>	<u>(277,051)</u>	<u>(156,686)</u>	<u>(30,480)</u>	<u>130,638</u>	<u>(192,550)</u>
Income (loss) before contributions and transfers out	<u>(157,423)</u>	<u>(2,318,404)</u>	<u>56,052</u>	<u>300,013</u>	<u>(2,119,762)</u>	<u>602,810</u>
Capital contributions	<u>430,796</u>	<u>300,938</u>	<u>-</u>	<u>-</u>	<u>731,734</u>	<u>-</u>
Change in net position	<u>273,373</u>	<u>(2,017,466)</u>	<u>56,052</u>	<u>300,013</u>	<u>(1,388,028)</u>	<u>602,810</u>
Net position (deficit) - beginning of year	<u>99,462,255</u>	<u>61,942,360</u>	<u>(6,921,720)</u>	<u>7,591,521</u>		<u>18,538,593</u>
Net position (deficit) - end 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>
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>20,679</u>	
Change in net position of business-type activities					<u>\$ (1,367,349)</u>	

See Accompanying Notes to the Financial Statements

City of Troy, Michigan
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2023

	Water	Sewer	Sanctuary Lake Golf Course	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities						
Receipts from customers	\$ 20,562,112	\$ 13,462,998	\$ 2,650,868	\$ 2,655,891	\$ 39,331,869	\$ -
Receipts from interfund users	-	-	-	-	-	15,117,158
Payments to suppliers	(18,108,013)	(13,952,325)	(2,087,334)	(1,788,296)	(35,935,968)	(12,783,698)
Net cash provided (used) by operating activities	<u>2,454,099</u>	<u>(489,327)</u>	<u>563,534</u>	<u>867,595</u>	<u>3,395,901</u>	<u>2,333,460</u>
Cash flows from noncapital financing activities						
Advances from (to) other funds	-	-	500,000	(500,000)	-	-
Cash flows from capital and related financing activities						
Capital contributions	430,796	300,938	-	-	731,734	-
Purchases/construction of capital assets	(6,205,892)	(4,701,464)	(267,662)	(311,457)	(11,486,475)	(4,293,770)
Principal and interest paid on long-term debt	-	-	(919,475)	(64,055)	(983,530)	-
Proceeds from sale of capital assets	-	-	6,750	3,500	10,250	306,403
Net cash used by capital and related financing activities	<u>(5,775,096)</u>	<u>(4,400,526)</u>	<u>(1,180,387)</u>	<u>(372,012)</u>	<u>(11,728,021)</u>	<u>(3,987,367)</u>
Cash flows from investing activities						
Interest received (paid)	<u>594,855</u>	<u>(277,051)</u>	<u>-</u>	<u>(21,290)</u>	<u>296,514</u>	<u>(494,610)</u>
Net change in cash and investments	(2,726,142)	(5,166,904)	(116,853)	(25,707)	(8,035,606)	(2,148,517)
Cash and investments - beginning of year	<u>5,696,003</u>	<u>12,768,061</u>	<u>428,954</u>	<u>1,551,886</u>	<u>20,444,904</u>	<u>17,281,996</u>
Cash and investments - end 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>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (752,278)	\$ (2,041,353)	\$ 212,738	\$ 330,493	\$ (2,250,400)	\$ 795,360
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation and amortization expense	3,415,417	1,931,832	385,482	290,573	6,023,304	1,263,240
Changes in assets and liabilities						
Receivables (net)	(814,979)	(376,770)	48,795	238,811	(904,143)	(15,188)
Inventories	(92,184)	(4,139)	(45,639)	(24,378)	(166,340)	97,615
Prepaid items	935	-	11,352	437	12,724	130,311
Net pension asset	(442,012)	(89,189)	-	-	(531,201)	-
Pension related deferred outflows of resources	313,344	63,227	-	-	376,571	-
OPEB related deferred outflows of resources	135,164	27,274	-	-	162,438	-
Accounts payable	870,236	183,049	22,257	188,792	1,264,334	(65,715)
Accrued and other liabilities	35,488	(139,869)	(71,451)	(43,047)	(218,879)	(70,367)
Compensated absences	-	-	-	-	-	198,204
Net OPEB liability	(347,992)	(70,218)	-	-	(418,210)	-
Lease related deferred inflows of resources	-	-	-	(114,086)	(114,086)	-
OPEB related deferred inflows of resources	<u>132,960</u>	<u>26,829</u>	<u>-</u>	<u>-</u>	<u>159,789</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 2,454,099</u>	<u>\$ (489,327)</u>	<u>\$ 563,534</u>	<u>\$ 867,595</u>	<u>\$ 3,395,901</u>	<u>\$ 2,333,460</u>

See Accompanying Notes to the Financial Statements

City of Troy, Michigan
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2023

	Pension and Other Employee Benefit Trust Funds	Tax Collection Custodial Fund
Assets		
Cash and cash equivalents	\$ 4,832,849	\$ -
Investments:		
U.S. government securities and agencies	9,906,912	-
Asset backed securities	1,125,721	-
Corporate bonds and fixed income commingled funds	68,515,213	-
Common stocks and equity mutual funds	233,257,844	-
Real estate	5,139,192	-
Interest receivable	385,523	-
Total assets	<u>323,163,254</u>	<u>-</u>
Liabilities		
Accounts payable	76,159	-
Accrued liabilities	17,929	-
Total liabilities	<u>94,088</u>	<u>-</u>
Net Position		
Restricted for pension benefits	211,115,856	-
Restricted for other postemployment healthcare benefits	111,953,310	-
Total net position	<u>\$ 323,069,166</u>	<u>\$ -</u>

City of Troy, Michigan
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2023

	Pension and Other Employee Benefit Trust Funds	Tax Collection Custodial Fund
Additions		
Contributions		
Employer contributions	\$ 14,008,385	\$ -
Employee contributions	308,348	-
Total contributions	<u>14,316,733</u>	<u>-</u>
Investment earnings		
Interest	1,577,126	-
Dividends	7,810,662	-
Net adjustment in fair value of investments	30,642,380	-
Less: investment expense	<u>(769,340)</u>	<u>-</u>
Net investment earnings	<u>39,260,828</u>	<u>-</u>
Property tax collections for other governments	<u>-</u>	<u>227,696,018</u>
Total additions	<u>53,577,561</u>	<u>227,696,018</u>
Deductions		
Benefits	44,738,072	-
Administrative expenses	265,851	-
Payments of taxes to other governments	<u>-</u>	<u>227,696,018</u>
Total deductions	<u>45,003,923</u>	<u>227,696,018</u>
Change in net position	8,573,638	-
Net position - beginning of year	<u>314,495,528</u>	<u>-</u>
Net position - end of year	<u>\$ 323,069,166</u>	<u>\$ -</u>

See Accompanying Notes to the Financial Statements

City of Troy, Michigan
Component Units
Statement of Net Position
June 30, 2023

	Brownfield Redevelopment Authority	Downtown Development Authority	Local Development Finance Authority	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 710,608	\$ 3,810,128	\$ 95,581	\$ 4,616,317
Receivables				
Taxes	543	114,690	3,469	118,702
Total current assets	<u>711,151</u>	<u>3,924,818</u>	<u>99,050</u>	<u>4,735,019</u>
Liabilities				
Current liabilities				
Interest payable	-	23,810	-	23,810
Unearned revenue	543	-	3,469	4,012
Current portion of long-term liabilities	-	560,000	-	560,000
Total current liabilities	<u>543</u>	<u>583,810</u>	<u>3,469</u>	<u>587,822</u>
Noncurrent liabilities				
Long-term liabilities	<u>-</u>	<u>9,060,000</u>	<u>-</u>	<u>9,060,000</u>
Total liabilities	<u>543</u>	<u>9,643,810</u>	<u>3,469</u>	<u>9,647,822</u>
Net Position				
Unrestricted (deficit)	<u>\$ 710,608</u>	<u>\$ (5,718,992)</u>	<u>\$ 95,581</u>	<u>\$ (4,912,803)</u>

See Accompanying Notes to the Financial Statements

City of Troy, Michigan
Component Units
Statement of Activities
For the Year Ended June 30, 2023

	Brownfield Redevelopment Authority	Downtown Development Authority	Local Development Finance Authority	Total
General revenues				
Property taxes	\$ 215,702	\$ 2,278,828	\$ 146,534	\$ 2,641,064
State grants	-	-	74,375	74,375
Unrestricted investment loss	(31,240)	(132,930)	(5,471)	(169,641)
Total general revenues	<u>184,462</u>	<u>2,145,898</u>	<u>215,438</u>	<u>2,545,798</u>
Expenses				
Community and economic development	\$ 394,088	\$ 867,211	\$ 177,161	\$ 1,438,460
Interest and fiscal charges on long-term debt	-	144,556	-	144,556
Total expenses	<u>394,088</u>	<u>1,011,767</u>	<u>177,161</u>	<u>1,583,016</u>
Change in net position	(209,626)	1,134,131	38,277	962,782
Net position (deficit) - beginning of year	<u>920,234</u>	<u>(6,853,123)</u>	<u>57,304</u>	<u>(5,875,585)</u>
Net position (deficit) - end of year	<u>\$ 710,608</u>	<u>\$ (5,718,992)</u>	<u>\$ 95,581</u>	<u>\$ (4,912,803)</u>

NOTES TO THE FINANCIAL STATEMENTS

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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, 2023

and manages pension investments. The Board consists of eight members including the City Manager and Assistant City Manager/Finance and a non-voting retiree from the Defined Benefit Plan. Six members serve for three-year terms, three of which are appointed by City Council and three 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 Volunteer Firefighter Incentive Plan (VFIP) was a noncontributory incentive plan and trust established by resolution of the City Council covering its volunteer firefighters. The single-employer plan benefits were determined based on annual contribution amounts for each year of incentive service. The City Council approved the revised City of Troy Incentive Plan for Volunteer Firefighters and established the City of Troy Volunteer Firefighter Incentive Plan Board on April 4, 2016. The Volunteer Firefighter Incentive Plan Board served as general administration, management and responsibility for the proper operation of the Trust, consistent with applicable state and federal laws and regulations. The Volunteer Firefighter Incentive Plan Board consisted of seven members including the City Manager, the City Financial Services Director, two active volunteer firefighters and one retiree representative (appointed by the Volunteer Incentive Committee), one member of the Troy City Council (appointed by City Council), and one citizen of the City of Troy (appointed by the Mayor). Each member served a three-year term. As the City had a voting majority on the Board and VFIP was 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. The plan was terminated as of April 30, 2023.

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 eight 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

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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*.

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

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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.

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. 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.

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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.

All proprietary funds, 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

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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, 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. The City recognizes lease liabilities with an initial, individual value of \$10,000 or more.

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.

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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".

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.

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

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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 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 also reports deferred outflows of resources related to the net pension and other postemployment benefit liabilities.

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 reports deferred inflows of resources related to the net pension and other postemployment benefit liabilities. 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 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

City of Troy, Michigan
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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 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/liability, 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.

Upcoming Accounting and Reporting Changes

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. This statement is effective for the year ending June 30, 2024.

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.

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

City of Troy, Michigan
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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 as of June 30, 2023:

Sanctuary Lake Golf Course Fund	\$ (10,294,298)
Aquatic Center Fund	(192,147)

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.

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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, 2022	\$ (5,314,527)
Current year building permit revenue	<u>2,543,976</u>
Related expenses:	
Direct costs	1,878,268
Estimated indirect costs	<u>906,559</u>
Total construction code expenses	<u>2,784,827</u>
Net deficit for the year ended June 30, 2023	<u>(240,851)</u>
Cumulative shortfall at June 30, 2023	<u>\$ (5,555,378)</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, 2023:

	Primary Government	Component Units	Fiduciary Funds	Totals
Statement of net position				
Cash and investments	\$ 91,671,252	\$ 4,616,317	\$ -	\$ 96,287,569
Statement of fiduciary net position				
Pension and OPEB trust funds:				
Cash and cash equivalents	-	-	4,832,849	4,832,849
Investments	<u>-</u>	<u>-</u>	<u>317,944,882</u>	<u>317,944,882</u>
Total	<u>\$ 91,671,252</u>	<u>\$ 4,616,317</u>	<u>\$ 322,777,731</u>	<u>\$ 419,065,300</u>

Deposits and investments

Bank deposits:

Checking / savings accounts	\$ 10,255,349
Certificates of deposit (due in less than 1 year)	11,948,998

Investment in securities and mutual funds:

Pooled investments	78,843,158
Pension and OPEB investments	317,944,882
Cash on hand	<u>14,181</u>

Total \$ 419,006,568

City of Troy, Michigan
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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, \$24,708,369 of the City's bank deposits (certificates of deposit, checking, and cash) of \$26,682,528 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
Pooled investments		
U.S. Government or agency bond/note	\$ 59,877,672	8.1 years
Municipal bonds	11,740,075	7 years
Pension and OPEB investments		
U.S. Government or agency bond/note	11,032,633	16.9 years
Corporate bonds	35,506,595	4.4 years
Mutual funds - fixed income	33,008,618	7.1 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. As of year-end, the credit quality ratings of fixed income securities are as follows:

	Pooled	Pension and OPEB	
	Investments	Investments	Total
AAA	\$ 60,082,677	\$ 19,862,193	\$ 79,944,870
AA to AA-	6,393,604	5,563,604	11,957,208
A to A-	13,878,185	13,037,176	26,915,361
BBB to BBB-	-	32,512,971	32,512,971
B to B-	-	5,571,245	5,571,245
CCC or below	-	97,559	97,559
Not rated	785,866	3,247,691	4,033,557
	<u>\$ 81,140,332</u>	<u>\$ 79,892,439</u>	<u>\$ 161,032,771</u>

City of Troy, Michigan
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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.

The City had the following recurring fair value measurements as of June 30, 2023:

	Level 1	Level 2	Total
U.S. government obligations	\$ 9,906,911	\$ 9,660,621	\$ 19,567,532
State and municipal bonds	-	10,387,510	10,387,510
Corporate bonds and fixed income commingled funds	68,515,213	-	68,515,213
Common stocks and equity mutual funds	233,230,264	-	233,230,264
Asset backed securities	1,125,722	46,773,052	47,898,774
Total investments at fair value	\$ 312,778,110	\$ 66,821,183	379,599,293

Investments carried at net asset value (NAV)

Alternative investments	344,591
Pooled investments	9,522,584
Total investments	\$ 389,466,468

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

The City holds shares in Michigan CLASS 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 \$139,973. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period required. The

City of Troy, Michigan
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Michigan CLASS investment pool invests 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 program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases 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 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
Notes to the Financial Statements
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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
Governmental activities				
Capital assets not being depreciated/amortized				
Land	\$ 37,462,124	\$ 353,070	\$ -	\$ 37,815,194
Museum artifacts	2,082,845	-	-	2,082,845
Construction-in-progress	4,497,247	10,874,335	3,161,372	12,210,210
Total capital assets not being depreciated/amortized	<u>44,042,216</u>	<u>11,227,405</u>	<u>3,161,372</u>	<u>52,108,249</u>
Capital assets being depreciated/amortized				
Infrastructure				
Major/county/local roads	286,160,022	4,917,956	-	291,077,978
Local donated roads	33,551,524	-	-	33,551,524
Sidewalks	36,296,348	747,756	-	37,044,104
Drains	11,271,874	16,354	-	11,288,228
Land improvements	13,510,984	913,407	123,178	14,301,213
Buildings and improvements	89,354,005	2,648,641	657,325	91,345,321
Miscellaneous equipment	11,095,095	1,451,677	1,047,073	11,499,699
Office equipment	3,412,810	125,630	125,260	3,413,180
Vehicles	21,669,408	3,804,143	1,033,169	24,440,382
Library books/audio visual	5,890,386	595,069	560,431	5,925,024
Right to use asset - machinery and equipment	57,297	-	-	57,297
Total capital assets being depreciated/amortized	<u>512,269,753</u>	<u>15,220,633</u>	<u>3,546,436</u>	<u>523,943,950</u>
Less accumulated depreciation/amortization for				
Infrastructure				
Major/county/local roads	164,156,618	9,394,468	-	173,551,086
Local donated roads	32,231,716	228,513	-	32,460,229
Sidewalks	31,342,508	476,099	-	31,818,607
Drains	2,102,676	238,686	-	2,341,362
Land improvements	8,802,775	509,966	123,178	9,189,563
Buildings and improvements	56,283,451	1,603,104	609,601	57,276,954
Miscellaneous equipment	6,558,457	865,236	945,815	6,477,878
Office equipment	2,875,763	156,116	125,260	2,906,619
Vehicles	14,092,869	1,407,145	1,028,826	14,471,188
Library books/audio visual	4,132,044	589,362	560,451	4,160,955
Right to use asset - machinery and equipment	5,730	14,324	-	20,054
Total accumulated depreciation/amortization	<u>322,584,607</u>	<u>15,483,019</u>	<u>3,393,131</u>	<u>334,674,495</u>
Net capital assets being depreciated/amortized	<u>189,685,146</u>	<u>(262,386)</u>	<u>153,305</u>	<u>189,269,455</u>
Governmental activities net capital assets	<u>\$ 233,727,362</u>	<u>\$ 10,965,019</u>	<u>\$ 3,314,677</u>	<u>\$ 241,377,704</u>
Right to use leased assets				
Right to use assets, net of amortization	\$ 51,567	\$ (14,324)	\$ -	\$ 37,243
Capital assets				
Capital assets not being depreciated	44,042,216	11,227,405	3,161,372	52,108,249
Capital assets, net of depreciation	<u>189,633,579</u>	<u>(248,062)</u>	<u>153,305</u>	<u>189,232,212</u>
Net capital assets	<u>\$ 233,727,362</u>	<u>\$ 10,965,019</u>	<u>\$ 3,314,677</u>	<u>\$ 241,377,704</u>

City of Troy, Michigan
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	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 6,738,504	\$ -	\$ -	\$ 6,738,504
Construction-in-progress	11,248,553	10,232,191	8,040,822	13,439,922
Total capital assets not being depreciated	17,987,057	10,232,191	8,040,822	20,178,426
Capital assets being depreciated				
Water and sewer transmission and distribution system	230,497,097	8,772,556	-	239,269,653
Service connections	750,121	-	-	750,121
Land improvements	9,728,678	-	130,989	9,597,689
Buildings and improvements	8,007,053	288,526	91,385	8,204,194
Miscellaneous equipment	2,944,185	234,024	108,985	3,069,224
Vehicles	1,147,768	-	-	1,147,768
Furniture, fixtures and others	24,500	-	-	24,500
Total capital assets being depreciated	253,099,402	9,295,106	331,359	262,063,149
Less accumulated depreciation for				
Water and sewer transmission and distribution system	107,847,541	5,279,251	-	113,126,792
Service connections	750,121	-	-	750,121
Land improvements	4,636,759	261,079	130,989	4,766,849
Buildings and improvements	6,988,775	178,192	91,385	7,075,582
Miscellaneous equipment	1,755,737	220,776	108,985	1,867,528
Vehicles	559,719	84,006	-	643,725
Furniture, fixtures and others	24,500	-	-	24,500
Total accumulated depreciation	122,563,152	6,023,304	331,359	128,255,097
Net capital assets being depreciated	130,536,250	3,271,802	-	133,808,052
Business-type capital assets, net	<u>\$ 148,523,307</u>	<u>\$ 13,503,993</u>	<u>\$ 8,040,822</u>	<u>\$ 153,986,478</u>

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

Governmental activities

General government	\$ 1,227,564
Public safety	968,755
Public works	10,577,917
Community and economic development	83,903
Recreation and culture	1,361,640
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	1,263,240
Total governmental activities	<u>15,483,019</u>

Business-type activities

Sylvan Glen Golf Course Fund	215,445
Aquatic Center Fund	75,128
Sanctuary Lake Golf Course Fund	385,482
Sewer Fund	1,931,832
Water Fund	3,415,417
Total business-type activities	<u>6,023,304</u>

Total primary government \$ 21,506,323

City of Troy, Michigan
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Construction Commitments

As of June 30, 2023, the City had \$13,099,203 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, 2023:

Receivable Fund	Payable Fund	Amount
General Fund	Sanctuary Lake Golf Course Fund	\$ 7,098,082
Nonmajor Enterprise Funds in the Aggregate	Sanctuary Lake Golf Course Fund	3,344,230
General Fund	Nonmajor Enterprise Funds in the Aggregate	680,302
		<u>\$ 11,122,614</u>

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, 2023:

Funds Transferred From	Funds Transferred To	Amount
General Fund	Capital Projects Fund	\$ 2,000,000
General Fund	Nonmajor Governmental Funds in the Aggregate	10,000
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	5,404,545
		<u>\$ 8,915,745</u>

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 \$2,500,000 and \$2,000,000, respectively, representing partial funding for capital street improvements. In addition, the library fund transferred \$904,545 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.

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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%	\$ 17,341
AT&T Cell Tower	7/1/2022	5 years	39,996	3.00%	150,596
T-Mobile Cell Tower	10/8/2003	6 years	22,800	2.00%	85,873
Verizon Cell Tower	7/1/2022	5 years	27,360	2.00%	86,720
DMC Community Center	10/24/2022	5 years	32,700	3.00%	131,432
Gun Range	5/1/2021	5 years	9,264	1.01%	26,190
Flynn Park Roadway	11/7/2006	20 years	15,000	2.00%	49,676
Tennis Grounds	5/21/2018	10 years	51,996	1.01%	248,694
Camp Ticonderoga	5/1/2021	5 years	72,720	1.01%	199,930
					<u>\$ 996,452</u>

The City collected \$267,178 from the lessees for the year ended June 30, 2023, which includes \$248,022 in lease revenue and \$19,156 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
2024	\$ 149,811	\$ 114,085	\$ 263,896
2025	147,430	114,085	261,515
2026	141,627	102,262	243,889
2027	126,963	42,091	169,054
2028	58,098	-	58,098
Total	<u>\$ 623,929</u>	<u>\$ 372,523</u>	<u>\$ 996,452</u>

Lease Liability

Lease liability agreements are summarized as follows:

Description	Remaining Term	Payment Amount	Interest Rate	Total Lease Liability
Copiers	3 years	\$ 15,850	Various	<u>\$ 38,488</u>

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

Year Ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 14,179	\$ 1,670
2025	14,907	942
2026	9,402	218
	<u>\$ 38,488</u>	<u>\$ 2,830</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 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 \$749.8 million, which significantly exceeds the City's outstanding general obligation debt subject to limitation of \$13.5 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
Governmental activities									
Bonds and notes payable									
General obligation bonds									
Series 2013 & 2020 DDA Refunding	\$ 10,105,000	2034	0.32 - 2.17%	\$560,000 - \$1,075,000	\$ 10,105,000	\$ -	\$ 485,000	\$ 9,620,000	\$ 560,000
Notes from direct borrowings and direct placements									
GWK Series 2001C	2,102,682	2024	2.50%	131,609	260,021	-	128,412	131,609	131,609
GWK Series 2001D	81,089	2024	2.50%	3,392	6,845	-	3,453	3,392	3,392
GWK Series 2005	41,440	2026	1.63%	2,209 - 2,315	8,942	-	2,209	6,733	2,209
GWK Series 2007G	46,242	2028	1.63%	2,318 - 2,468	15,049	-	2,469	12,580	2,468
GWK Series 2008H	196,953	2029	2.50%	9,727 - 11,044	78,589	-	10,784	67,805	11,044
GWK Series 2016	190,572	2024	2.33%	13,685	28,394	-	14,709	13,685	13,685
Total notes from direct borrowings and direct placements					397,840	-	162,036	235,804	164,407
Total bonds and notes payable					10,502,840	-	647,036	9,855,804	724,407
Leases					51,975	-	13,487	38,488	14,179
Estimated self-insurance claims					1,424,825	9,288,699	9,316,112	1,397,412	898,324
Compensated absences					5,331,374	5,396,194	5,197,990	5,529,578	3,417,560
Total governmental activities					\$ 17,311,014	\$ 14,684,893	\$ 15,174,625	\$ 16,821,282	\$ 5,054,470
Business-type activities									
Bonds and notes payable									
General obligation bonds									
Golf Course Series 2022	\$ 4,620,000	2028	3.00 - 4.00%	\$695,000 - \$855,000	\$ 4,620,000	\$ -	\$ 700,000	\$ 3,920,000	\$ 695,000
Notes from direct borrowings and direct placements									
Sanctuary Lake Golf Course Note Payable	301,909	2025	2.72%	53,105 - 36,501	140,971	-	51,365	89,606	53,105
Sylvan Glen Golf Course Note Payable	301,909	2025	2.72%	53,105 - 36,501	140,971	-	51,365	89,606	53,105
Total notes from direct borrowings and direct placements					281,942	-	102,730	179,212	106,210
Issuance premiums					376,949	-	62,825	314,124	62,825
Total business-type activities					\$ 5,278,891	\$ -	\$ 865,555	\$ 4,413,336	\$ 864,035

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
2024	\$ 560,000	\$ 142,857	\$ 164,407	\$ 5,320	\$ 695,000	\$ 138,400	\$ 106,210	\$ 4,055
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	-	-
2029-2033	4,825,000	315,755	9,727	-	-	-	-	-
2034	835,000	9,072	-	-	-	-	-	-
	<u>\$ 9,620,000</u>	<u>\$ 978,682</u>	<u>\$ 235,804</u>	<u>\$ 8,440</u>	<u>\$ 3,920,000</u>	<u>\$ 399,050</u>	<u>\$ 179,212</u>	<u>\$ 4,563</u>

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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, 2023:

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Component units									
Downtown Development Authority									
Obligated tax captures									
City issued 2020 DDA Refinancing Debt	\$ 10,105,000	2034	0.32 - 2.17%	\$560,000 - \$1,075,000	\$ 10,105,000	\$ -	\$ 485,000	\$ 9,620,000	\$ 560,000

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, 2023 are as follows:

Year Ending June 30,	Component Unit - Downtown Development Authority Obligated Tax Captures	
	Principal	Interest
2024	\$ 560,000	\$ 142,857
2025	680,000	139,107
2026	805,000	133,284
2027	840,000	125,135
2028	1,075,000	113,472
2029-2033	4,825,000	315,755
2034	835,000	9,072
	<u>\$ 9,620,000</u>	<u>\$ 978,682</u>

City of Troy, Michigan
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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		
Right to use assets, net of amortization	\$ 37,243	\$ -
Capital assets not being depreciated	52,108,249	20,178,426
Capital assets, net of accumulated depreciation	<u>189,232,212</u>	<u>133,808,052</u>
Total capital assets	<u>241,377,704</u>	<u>153,986,478</u>
Less related debt		
General obligation bonds	(9,620,000)	(3,920,000)
Notes from direct borrowing and direct placements	(235,804)	(179,212)
Leases	(38,488)	-
Unamortized bond premiums	-	(314,124)
Deferred charge on bond refunding	80,262	290,758
Add back debt not related to capital assets	9,539,738	-
Retainage payable	<u>(2,668,024)</u>	<u>(450,247)</u>
Total related debt	<u>(2,942,316)</u>	<u>(4,572,825)</u>
Net investment in capital assets	<u>\$ 238,435,388</u>	<u>\$ 149,413,653</u>

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, 2023.

City of Troy, Michigan
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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
2021	\$ 1,182,030	\$ 9,412,368	\$ (9,182,093)	\$ 1,412,305
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

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 \$60,000,000 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 42.94% of the contested value may be refunded to that effect. As a result, the City has recorded a total liability of \$167,689 in the General Fund, \$28,120 in the Refuse Fund, \$27,852 in the Library Fund and \$31,655 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 1st on the taxable valuation of the property located within its boundaries as of the preceding December 31st. 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 2022-2023 levy was \$5,750,252,490. 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 1st to September 1st. Any real property taxes not paid by March 1st, 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.

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

City of Troy, Michigan
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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 four programs: The Industrial Facility Tax - Full Rate Program, the Industrial Facility Tax Half Rate Program, the Payment in Lieu of Taxes (PILOT) Program and the Brownfield Redevelopment Program. The Industrial Facility Tax - Full Rate Program provides tax abatements on real property to encourage investment in industrial property that is otherwise obsolete and/or requires rehabilitation. The Program is established under Michigan P.A. 198 of 1974 empowering local governments to establish such programs and/or districts. The Program qualifications are further defined under City Council Resolution 2002-05-273. The abatements equal 100 percent of the additional property tax resulting from the increase in taxable value as a result of the improvements, are administered as a reduction in the tax bill, and can last for up to 12 years after completion of the project. Abatements are obtained through application by the property owner prior to commencing the improvements and require subsequent provision by the owner of proof that the improvements have been made. There are no provisions for recapturing abated taxes. No other commitments were made by the City as part of those agreements.

The Industrial Facility Tax - Half Rate Program is much like the Full-Rate Program discussed above. It 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 - Full Rate	\$ 6,329
Industrial Facility Tax - Half Rate	16,818
Payment in Lieu of Taxes (PILOT)	169,106
Brownfield Redevelopment	61,022
Total tax abatements	<u>\$ 253,275</u>

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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, 2022, pension plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	343
Inactive employees entitled to, but not yet receiving benefits	4
Active employees	<u>24</u>
	<u><u>371</u></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.

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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, 2023, 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, 2023 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>
Investment rate of return			<u><u>6.50%</u></u>

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Rate of return. For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 12.55%. 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, 2022	\$ 162,067,090	\$ 200,271,196	\$ (38,204,106)
Changes for the year:			
Service cost	516,493	-	516,493
Interest	10,146,576	-	10,146,576
Differences between expected and actual experience	(295,313)	-	(295,313)
Employee contributions	-	90,425	(90,425)
Net investment income	-	23,584,208	(23,584,208)
Benefit payments, including refunds of employee contributions	(12,639,161)	(12,639,161)	-
Administrative expense	-	(190,812)	190,812
Net changes	(2,271,405)	10,844,660	(13,116,065)
Balances as of June 30, 2023	\$ 159,795,685	\$ 211,115,856	\$ (51,320,171)

Pension Plan Fiduciary Net Position. The plan's fiduciary net position as a percentage of the total pension liability was 132.12% at June 30, 2023.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2022 with a measurement and reporting date of June 30, 2023. 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	3.86%
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.

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

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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:

	Current Discount	
1% Decrease	Rate	1% Increase
\$ (35,719,493)	\$ (51,320,171)	\$ (64,600,396)

Pension Expense and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2023, the City recognized pension expense of \$(3,818,032). At June 30, 2023, the City reported pension-related deferred outflows of resources from the following sources:

	Deferred Outflows of Resources	Total to Amortize
Net difference between projected and actual earning on plan investments	\$ 1,459,246	\$ 1,459,246

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

Year ended June 30,	
2024	\$ (1,113,901)
2025	(2,181,330)
2026	6,950,601
2027	(2,196,124)
	<u>\$ 1,459,246</u>

Volunteer Firefighter Incentive Plan (VFIP)

The City of Troy has a noncontributory incentive plan and trust established by resolution of the City Council covering its volunteer firefighters. The single employer plan benefits are determined based on annual contribution amounts for each year of incentive service. The normal cost and amortization payment for the year ended June 30, 2023 was determined using an individual entry age funding method. The plan was terminated as of April 30, 2023. The City paid out the balances of all members, regardless of vesting, with contributions from the General Fund in addition to liquidation of plan assets.

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Contributions. The City made contributions to the plan through actuarially determined and recommended amounts by an independent actuary. Funding is established through City Council resolution during the budget process. The City's contribution to the plan for the year ended June 30, 2023 was \$11,002,713 and the actuarially determined contribution was \$1,652,713. The City also made contributions in excess of the ADC due to the final benefits payments related to the plan closure of \$9,350,000.

Investment allocation policy. The VFIP plan's policy for fiscal year ended June 30, 2023 in regard to the allocation of invested assets was established by city management until the formal VFIP Board was established. The Board has been dissolved as the plan was terminated as of April 30, 2023.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Global equities (domestic 40% and international 19%)	62.00%	5.70%	3.54%
Fixed income	26.00%	1.20%	0.31%
Real estate	7.00%	6.00%	0.42%
Cash	5.00%	1.00%	0.05%
	<u>100.00%</u>		<u>4.32%</u>
Inflation expectation			<u>2.18%</u>
Investment rate of return			<u><u>6.50%</u></u>

Rate of return. For the year ended June 30, 2023, the annual money-weighted rate of return on volunteer firefighter incentive plan investments, net of investment expenses, was 0.00%, as the plan was terminated as of year end. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The long-term estimated rate of return was 6.50%.

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2022	\$ 27,298,744	\$ 13,814,880	\$ 13,483,864
Changes for the year:			
Service cost	723,968	-	723,968
Interest	1,763,624	-	1,763,624
Differences between expected and actual experience	313,897	-	313,897
Employer contributions	-	11,002,713	(11,002,713)
Net investment income	-	1,024,022	(1,024,022)
Benefit payments, including refunds of employee contributions	(30,100,233)	(25,788,380)	(4,311,853)
Administrative expense	-	(53,235)	53,235
Net changes	<u>(27,298,744)</u>	<u>(13,814,880)</u>	<u>(13,483,864)</u>
Balances as of June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Troy, Michigan
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Pension Plan Fiduciary Net Position. The plan's fiduciary net position as a percentage of the total pension liability was 0.00% at June 30, 2023, as the plan was terminated as of April 30, 2023.

Actuarial assumptions. The total plan liability was determined by an actuarial valuation as of December 31, 2021 with a measurement and reporting date of June 30, 2023. The following actuarial assumptions were applied to all periods included in the measurement.

Actuarial cost method	Individual entry-age normal
Remaining amortization period	N/A - plan has been terminated
Inflation	N/A - plan has been terminated
Investment rate of return	6.50%
Mortality rates	PubG-2010 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 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 employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2072.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2023, the City recognized pension expense of (\$24,502,600). At June 30, 2023, the City reported no pension-related deferred outflows of resources and deferred inflows of resources as the plan was terminated as of June 30, 2023 and the remaining deferrals were fully expensed in the current year.

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 seven 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	133
	<u>512</u>

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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.

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, 2023, 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

City of Troy, Michigan
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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, 2023 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>
Investment rate of return			<u><u>6.50%</u></u>

Rate of return. For the year ended June 30, 2023, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expenses, was 14.41%. 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 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, 2022	<u>\$ 131,113,546</u>	<u>\$ 100,409,452</u>	<u>\$ 30,704,094</u>
Changes for the year:			
Service cost	957,813	-	957,813
Interest	8,348,417	-	8,348,417
Differences between expected and actual experience	(16,398,643)	-	(16,398,643)
Changes of assumptions	14,641,866	-	14,641,866
Employer contributions	-	3,005,672	(3,005,672)
On-behalf contributions	-	217,922	(217,922)
Net investment income	-	14,666,779	(14,666,779)
Benefit payments, including refunds of employee contributions	(6,310,530)	(6,310,530)	-
Administrative expense	-	(14,735)	14,735
Net changes	<u>1,238,923</u>	<u>11,565,108</u>	<u>(10,326,185)</u>
Balances as of June 30, 2023	<u><u>\$ 132,352,469</u></u>	<u><u>\$ 111,974,560</u></u>	<u><u>\$ 20,377,909</u></u>

OPEB Plan Fiduciary Net Position. The plan's fiduciary net position as a percentage of the total OPEB liability was 84.60% at June 30, 2023.

City of Troy, Michigan
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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, 2023. 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.

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:

Current Discount		
1% Decrease	Rate	1% Increase
<u>\$ 36,560,231</u>	<u>\$ 20,377,909</u>	<u>\$ 6,901,372</u>

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:

Current Healthcare		
Cost Trend Rate		
1% Decrease	Assumption	1% Increase
<u>\$ 5,861,280</u>	<u>\$ 20,377,909</u>	<u>\$ 37,750,555</u>

City of Troy, Michigan
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June 30, 2023

OPEB Expense Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2023, the City recognized OPEB expense of \$555,777. At June 30, 2023, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total to Amortize
Differences in experience	\$ -	\$ (4,312,379)	\$ (4,312,379)
Differences in assumptions	3,850,396	-	3,850,396
Net difference between projected and actual earning on plan investments	<u>1,535,538</u>	<u>-</u>	<u>1,535,538</u>
Total	<u>\$ 5,385,934</u>	<u>\$ (4,312,379)</u>	<u>\$ 1,073,555</u>

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

<u>Year ended June 30,</u>	
2024	\$ (643,214)
2025	(525,651)
2026	3,890,613
2027	<u>(1,648,193)</u>
	<u>\$ 1,073,555</u>

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

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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

Statements of Fiduciary Net Position

	Employee Retirement System	Volunteer Firefighter Incentive Plan	Retiree Healthcare Trust Fund	Total
Assets				
Cash and cash equivalents	\$ 4,309,153	\$ (326,490)	\$ 850,186	\$ 4,832,849
Investments, at fair value:				
U.S. government securities and agencies	8,243,559	-	1,663,353	9,906,912
Asset backed securities	780,075	-	345,646	1,125,721
Corporate bonds and fixed income commingled funds	44,983,433	-	23,531,780	68,515,213
Common stocks and equity mutual funds	147,843,423	-	85,414,421	233,257,844
Real estate	4,794,601	344,591	-	5,139,192
Interest receivable	216,349	-	169,174	385,523
Total assets	<u>211,170,593</u>	<u>18,101</u>	<u>111,974,560</u>	<u>323,163,254</u>
Liabilities				
Accounts payable	54,737	172	21,250	76,159
Accrued liabilities	-	17,929	-	17,929
Total liabilities	<u>54,737</u>	<u>18,101</u>	<u>21,250</u>	<u>94,088</u>
Net Position				
Restricted for:				
Pension benefits	211,115,856	-	-	211,115,856
Retiree healthcare benefits	-	-	111,953,310	111,953,310
Total net position	<u>\$ 211,115,856</u>	<u>\$ -</u>	<u>\$ 111,953,310</u>	<u>\$ 323,069,166</u>

City of Troy, Michigan
Notes to the Financial Statements
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Statements of Changes in Fiduciary Net Position

	Employee Retirement System	Volunteer Firefighter Incentive Plan	Retiree Healthcare Trust Fund	Total
Additions				
Contributions:				
Employer	\$ -	\$ 11,002,713	\$ 3,005,672	\$ 14,008,385
Plan members	90,426	-	217,922	308,348
Total contributions	90,426	11,002,713	3,223,594	14,316,733
Investment earnings (loss)				
Interest	899,445	170,443	507,238	1,577,126
Dividends	5,033,329	247,128	2,530,205	7,810,662
Net adjustment in fair value of investments	18,201,177	606,452	11,834,751	30,642,380
Investment expense	(549,727)	(31,160)	(188,453)	(769,340)
Net investment earnings	23,584,224	992,863	14,683,741	39,260,828
Total additions	23,674,650	11,995,576	17,907,335	53,577,561
Deductions				
Benefits - pension	12,639,161	25,788,381	-	38,427,542
Benefits - retiree healthcare	-	-	6,310,530	6,310,530
Administrative expenses	190,829	22,075	52,947	265,851
Total deductions	12,829,990	25,810,456	6,363,477	45,003,923
Change in net position	10,844,660	(13,814,880)	11,543,858	8,573,638
Restricted net position, beginning				
Pension benefits	200,271,196	13,814,880	-	214,086,076
Retiree healthcare benefits	-	-	100,409,452	100,409,452
Total restricted net position, beginning	200,271,196	13,814,880	100,409,452	314,495,528
Restricted net position, ending				
Pension benefits	211,115,856	-	-	211,115,856
Retiree healthcare benefits	-	-	111,953,310	111,953,310
Total restricted net position, ending	\$ 211,115,856	\$ -	\$ 111,953,310	\$ 323,069,166

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

Note 17 - Defined Contribution Pension Plan

The City maintains a defined contribution plan (DCP) administered by MissionSquare 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, 2023 was 388.

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, 2023, was \$29,927,718. The required contributions, which matched those actually made, were \$1,423,736 by employees and \$3,158,810 by the City, representing 5.0 percent and 11.0 percent of covered payroll, respectively.

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

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
Nonspendable				
Inventories	\$ 537,300	\$ -	\$ -	\$ 537,300
Prepaid items	1,310,347	-	116,635	1,426,982
Permanent fund corpus	-	-	164,000	164,000
Advance to Sanctuary Lake Golf Course	7,098,082	-	-	7,098,082
Advance to Aquatic Center	680,302	-	-	680,302
Total nonspendable	<u>9,626,031</u>	<u>-</u>	<u>280,635</u>	<u>9,906,666</u>
Restricted				
Special revenue funding source restrictions:				
Public safety	-	-	1,368,756	1,368,756
Highways and streets	-	-	7,322,832	7,322,832
Sanitation	-	-	1,120,591	1,120,591
Library	-	-	2,701,815	2,701,815
Other	-	-	188	188
Cemetery perpetual care	-	-	57,345	57,345
Capital improvements	-	7,897,957	-	7,897,957
Federal transportation	-	357,941	-	357,941
Total restricted	<u>-</u>	<u>8,255,898</u>	<u>12,571,527</u>	<u>20,827,425</u>
Assigned				
Insurance claims	3,000,000	-	-	3,000,000
Tax appeals	170,000	-	-	170,000
Subsequent years budget	3,150,196	-	-	3,150,196
Total assigned	<u>6,320,196</u>	<u>-</u>	<u>-</u>	<u>6,320,196</u>
Unassigned	<u>19,650,093</u>	<u>-</u>	<u>-</u>	<u>19,650,093</u>
Total fund balances	<u>\$ 35,596,320</u>	<u>\$ 8,255,898</u>	<u>\$ 12,852,162</u>	<u>\$ 56,704,380</u>

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.

City of Troy, Michigan
Notes to the Financial Statements
June 30, 2023

Note 20 - Prior Period Adjustment

The City reports a prior period adjustment in the General Fund and Governmental Activities of \$3,658,707. The prior period adjustment consists of an investment balance that was improperly omitted from the City's financial statements many years ago due to turnover of finance department staff. The investment balance was identified by the City in the current year and the fund balance/net position was properly restated. The City liquidated the entire investment balance as of June 30, 2023. The affect on fund balance/net position is described below.

	<u>General Fund</u>	<u>Governmental Activities</u>
Net position / fund balance at June 30, 2022	\$ 39,613,229	\$ 320,881,613
Adjustments		
Investments omitted from financial statements	<u>3,658,707</u>	<u>3,658,707</u>
Restated net position / fund balance at June 30, 2023	<u>\$ 43,271,936</u>	<u>\$ 324,540,320</u>

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, 2023

Fiscal year ended June 30,	2023	2022	2021	2020	2019
Total Pension Liability					
Service cost	\$ 516,493	\$ 713,220	\$ 832,121	\$ 892,618	\$ 919,922
Interest	10,146,576	10,248,059	10,081,514	10,166,772	10,145,675
Changes of benefit terms	-	-	-	-	-
Experience differences	(295,313)	(60,178)	1,144,561	(827,202)	1,345,828
Changes in assumptions	-	-	2,445,899	-	(701,730)
Benefit payments and refunds	(12,639,161)	(12,100,440)	(11,672,985)	(11,360,090)	(11,382,935)
Net change in total pension liability	(2,271,405)	(1,199,339)	2,831,110	(1,127,902)	326,760
Total pension liability - beginning	162,067,090	163,266,429	160,435,319	161,563,221	161,236,461
Total pension liability - ending (a)	<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>
Plan Fiduciary Net Position					
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Employee contributions	90,425	116,939	157,698	157,335	164,311
Net investment income (loss)	23,584,208	(30,347,862)	58,046,577	7,323,662	15,253,371
Benefit payments and refunds	(12,639,161)	(12,100,440)	(11,672,985)	(11,360,090)	(11,382,935)
Administrative expense	(190,812)	(186,316)	(136,183)	(220,079)	(147,374)
Net change in plan fiduciary net position	10,844,660	(42,517,679)	46,395,107	(4,099,172)	3,887,373
Plan fiduciary net position - beginning	200,271,196	242,788,875	196,393,768	200,492,940	196,605,567
Plan fiduciary net position - ending (b)	<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>
Net pension asset (a-b)	<u>\$ (51,320,171)</u>	<u>\$ (38,204,106)</u>	<u>\$ (79,522,446)</u>	<u>\$ (35,958,449)</u>	<u>\$ (38,929,719)</u>
Plan fiduciary net position as a percentage of total pension liability	132.12%	123.57%	148.71%	122.41%	124.10%
Covered payroll	\$ 2,688,816	\$ 3,461,432	\$ 4,429,886	\$ 4,714,838	\$ 4,695,195
Net pension asset as a percentage of covered employee payroll	(1,908.65%)	(1,103.71%)	(1,795.14%)	(762.67%)	(829.14%)

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, 2023

Fiscal year ended June 30,	2018	2017	2016	2015	2014
Total Pension Liability					
Service cost	\$ 915,316	\$ 951,388	\$ 993,515	\$ 966,066	\$ 985,140
Interest	10,153,512	10,180,968	10,251,205	9,626,619	9,635,941
Changes of benefit terms	-	-	(10,477)	-	-
Experience differences	176,027	(238,774)	(1,118,247)	1,874,178	286,868
Changes in assumptions	-	-	-	8,167,150	-
Benefit payments and refunds	(11,352,909)	(11,245,246)	(11,108,572)	(11,128,133)	(10,955,507)
Net change in total pension liability	(108,054)	(351,664)	(992,576)	9,505,880	(47,558)
Total pension liability - beginning	161,344,515	161,696,179	162,688,755	153,182,875	153,230,433
Total pension liability - ending (a)	<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>
Plan Fiduciary Net Position					
Employer contributions	\$ -	\$ 658,557	\$ 314,025	\$ 1,451,198	\$ 1,867,473
Employee contributions	159,830	163,907	166,434	165,624	174,214
Net investment income (loss)	19,495,709	23,674,177	(330,035)	6,229,392	35,667,991
Benefit payments and refunds	(11,352,909)	(11,245,246)	(11,108,572)	(11,128,133)	(10,955,507)
Administrative expense	(137,054)	(136,279)	(133,867)	(129,870)	(242,023)
Net change in plan fiduciary net position	8,165,576	13,115,116	(11,092,015)	(3,411,789)	26,512,148
Plan fiduciary net position - beginning	188,439,991	175,324,875	186,416,890	189,828,679	163,316,531
Plan fiduciary net position - ending (b)	<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>
Net pension asset (a-b)	<u>\$ (35,369,106)</u>	<u>\$ (27,095,476)</u>	<u>\$ (13,628,696)</u>	<u>\$ (23,728,135)</u>	<u>\$ (36,645,804)</u>
Plan fiduciary net position as a percentage of total pension liability	121.94%	116.79%	108.43%	114.58%	123.92%
Covered payroll	\$ 4,428,407	\$ 4,532,372	\$ 4,910,089	\$ 4,902,224	\$ 4,768,908
Net pension asset as a percentage of covered employee payroll	(798.69%)	(597.82%)	(277.57%)	(484.03%)	(768.43%)

City of Troy, Michigan
Required Supplementary Information
Employee Retirement System
Schedule of Net Pension Asset
For the Year Ended June 30, 2023

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
2014	\$ 153,182,875	\$ 189,828,679	\$ (36,645,804)	123.9%	\$ 4,768,908	-768.4%
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%

City of Troy, Michigan
Required Supplementary Information
Employee Retirement System
Schedule of Employer Contributions
For the Year Ended June 30, 2023

	Actuarially Determined		Contribution		Actual Contribution as	
Fiscal Year Ended	Contribution	Actual Contribution	Deficiency (Excess)	Covered Payroll	Percentage of Covered Payroll	
2014	\$ 1,845,880	1,867,473	(21,593)	\$ 4,768,908	39.2%	
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%	

Notes to Schedule of Contributions

Valuation Date: December 31, 2022

Notes: Actuarially determined contributions rates are calculated as of December 31st, 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 fair value
Inflation	2.5%; No explicit price inflation assumption is used in this valuation
Salary increases	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, Command Officers first used for the 1981 valuation; Non-Classified/Exempt General members first used for the 1986 valuation
Mortality	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.

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

Fiscal Year Ended June 30,	Annual Return % *
2014	22.20%
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%

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

City of Troy, Michigan
Required Supplementary Information
Volunteer Firefighter Incentive Plan
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2023

Fiscal year ended June 30,	2023	2022	2021	2020	2019
Total Pension Liability					
Service cost	\$ 723,968	\$ 686,005	\$ 734,992	\$ 570,840	\$ 545,049
Interest	1,763,624	1,667,518	1,588,789	1,336,338	1,272,457
Changes of benefit terms	(29,044,140)	-	-	2,924,680	-
Experience differences	313,897	154,125	(507,609)	34,319	(64,876)
Changes in assumptions	-	-	(369,007)	299,159	155,633
Benefit payments and refunds	(1,056,093)	(1,040,055)	(1,014,979)	(919,149)	(854,863)
Net change in total pension liability	(27,298,744)	1,467,593	432,186	4,246,187	1,053,400
Total pension liability - beginning	27,298,744	25,831,151	25,398,965	21,152,778	20,099,378
Total pension liability - ending (a)	<u>\$ -</u>	<u>\$ 27,298,744</u>	<u>\$ 25,831,151</u>	<u>\$ 25,398,965</u>	<u>\$ 21,152,778</u>
Plan Fiduciary Net Position					
Employer contributions	\$ 11,002,713	\$ 1,759,708	\$ 1,734,594	\$ 1,260,920	\$ 1,285,300
Net investment income (loss)	1,024,022	(1,846,100)	3,027,047	70,581	518,466
Benefit payments and refunds	(24,127,356)	(1,040,055)	(1,014,979)	(919,149)	(854,863)
Administrative expense	(53,235)	(15,015)	(14,495)	(18,165)	(12,180)
Other	(1,661,024)	-	-	-	-
Net change in plan fiduciary net position	(13,814,880)	(1,141,462)	3,732,167	394,187	936,723
Plan fiduciary net position - beginning	13,814,880	14,956,342	11,224,175	10,829,988	9,893,265
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ 13,814,880</u>	<u>\$ 14,956,342</u>	<u>\$ 11,224,175</u>	<u>\$ 10,829,988</u>
Net pension liability (a-b)	<u>\$ -</u>	<u>\$ 13,483,864</u>	<u>\$ 10,874,809</u>	<u>\$ 14,174,790</u>	<u>\$ 10,322,790</u>
Plan fiduciary net position as a percentage of total pension liability	N/A *	50.61%	57.90%	44.19%	51.20%
Covered payroll		N/A *	N/A *	N/A *	N/A *
Net pension liability as a percentage of covered employee payroll	N/A *	N/A *	N/A *	N/A *	N/A *

* Payroll is not a factor in this calculation. Further, the plan was terminated as of April 30, 2023.

City of Troy, Michigan
Required Supplementary Information
Volunteer Firefighter Incentive Plan
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2023

Fiscal year ended June 30,	2018	2017	2016	2015	2014
Total Pension Liability					
Service cost	\$ 549,611	\$ 512,549	\$ 464,863	\$ 463,508	\$ 447,479
Interest	1,191,740	1,124,731	1,077,246	1,033,632	819,211
Changes of benefit terms	-	-	-	-	1,727,859
Experience differences	353,853	126,281	(93,449)	270,606	-
Changes in assumptions	(27,953)	(238,964)	424,977	120,951	1,703,002
Benefit payments and refunds	(803,388)	(685,085)	(1,166,059)	(987,639)	(1,379,391)
Net change in total pension liability	1,263,863	839,512	707,578	901,058	3,318,160
Total pension liability - beginning	18,835,515	17,996,003	17,288,425	16,387,367	13,069,207
Total pension liability - ending (a)	<u>\$ 20,099,378</u>	<u>\$ 18,835,515</u>	<u>\$ 17,996,003</u>	<u>\$ 17,288,425</u>	<u>\$ 16,387,367</u>
Plan Fiduciary Net Position					
Employer contributions	\$ 1,712,500	\$ 1,113,496	\$ 1,100,632	\$ 3,078,500	\$ 1,078,500
Net investment income (loss)	628,552	399,329	152,770	100,516	286,663
Benefit payments and refunds	(803,388)	(685,085)	(1,166,059)	(987,639)	(1,379,391)
Administrative expense	(13,227)	(54,948)	(14,428)	(19,748)	(12,420)
Other	-	-	-	-	-
Net change in plan fiduciary net position	1,524,437	772,792	72,915	2,171,629	(26,648)
Plan fiduciary net position - beginning	8,368,828	7,596,036	7,523,121	5,351,492	5,378,140
Plan fiduciary net position - ending (b)	<u>\$ 9,893,265</u>	<u>\$ 8,368,828</u>	<u>\$ 7,596,036</u>	<u>\$ 7,523,121</u>	<u>\$ 5,351,492</u>
Net pension liability (a-b)	<u>\$ 10,206,113</u>	<u>\$ 10,466,687</u>	<u>\$ 10,399,967</u>	<u>\$ 9,765,304</u>	<u>\$ 11,035,875</u>
Plan fiduciary net position as a percentage of total pension liability	49.22%	44.43%	42.21%	43.52%	32.66%
Covered payroll	N/A *	N/A *	N/A *	N/A *	N/A *
Net pension liability as a percentage of covered employee payroll	N/A *	N/A *	N/A *	N/A *	N/A *

City of Troy, Michigan
Required Supplementary Information
Volunteer Firefighter Incentive Plan
Schedule of Net Pension Liability
For the Year Ended June 30, 2023

Fiscal Year Ended	Total Pension Liability	Plan Net Position	Net Pension (Asset) Liability	Plan Net Position as Percentage of Total Pension Liability	Covered Payroll	Net Pension Liability as Percentage of Covered Payroll
2014	\$ 16,387,367	\$ 5,351,492	\$ 11,035,875	32.7%	N/A *	N/A *
2015	17,288,425	7,523,121	9,765,304	43.5%	N/A *	N/A *
2016	17,996,003	7,596,036	10,399,967	42.2%	N/A *	N/A *
2017	18,835,515	8,368,828	10,466,687	44.4%	N/A *	N/A *
2018	20,099,378	9,893,265	10,206,113	49.2%	N/A *	N/A *
2019	21,152,778	10,829,988	10,322,790	51.2%	N/A *	N/A *
2020	25,398,965	11,224,175	14,174,790	44.2%	N/A *	N/A *
2021	25,831,151	14,956,342	10,874,809	57.9%	N/A *	N/A *
2022	27,298,744	13,814,880	13,483,864	50.6%	N/A *	N/A *
2023	-	-	-	N/A *	N/A *	N/A *

* Payroll is not a factor in this calculation. Further, the plan was terminated as of April 30, 2023.

City of Troy, Michigan
Required Supplementary Information
Volunteer Firefighter Incentive Plan
Schedule of Employer Contributions
For the Year Ended June 30, 2023

	Actuarially Determined		Contribution		Actual Contribution as	
Fiscal Year Ended	Contribution	Actual Contribution	Deficiency (Excess)	Covered Payroll	Percentage of Covered Payroll	
2014	\$ 858,472	\$ 1,078,500	\$ (220,028)	N/A *	N/A *	
2015	843,872	3,078,500	(2,234,628)	N/A *	N/A *	
2016	1,100,632	1,100,632	-	N/A *	N/A *	
2017	1,113,496	1,113,496	-	N/A *	N/A *	
2018	1,112,471	1,712,500	(600,029)	N/A *	N/A *	
2019	1,285,259	1,285,300	(41)	N/A *	N/A *	
2020	1,260,916	1,260,920	(4)	N/A *	N/A *	
2021	1,319,272	1,734,594	(415,322)	N/A *	N/A *	
2022	1,759,708	1,759,708	-	N/A *	N/A *	
2023	1,652,713	11,002,713	(9,350,000)	N/A *	N/A *	

* Payroll is not a factor in this calculation. Further, the plan was terminated as of April 30, 2023. The excess \$9,350,000 in fiscal year 2023 was in connection with the plan termination.

Notes to Schedule of Contributions

Valuation Date: December 31, 2022

Notes: Actuarially determined contributions rates are calculated as of December 31st, 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	Individual Entry-Age Normal
Amortization method	Level dollar, closed
Remaining amortization period	25 years
Asset valuation method	4-year smoothed fair value
Investment rate of return	6.50%
Retirement age	Age and experienced-based table of rates that are specific to the type of eligibility condition
Mortality	PubG-2010 Amount-weighted, General Employee, Healthy Retiree and Disabled Retiree Mortality tables for males and females with fully generational projection with the MP-2020 mortality improvement scale.

City of Troy, Michigan
Required Supplementary Information
Volunteer Firefighter Incentive Plan
Schedule of Investment Returns

Fiscal Year Ended June 30,	Annual Return % *
2014	4.79%
2015	1.04%
2016	1.79%
2017	4.14%
2018	6.42%
2019	5.54%
2020	0.98%
2021	27.19%
2022	-11.64%
2023	N/A *

* Annual money-weighted rate of return, net of investment expenses. Plan was terminated as of April 30, 2023.

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, 2023

Fiscal year ended June 30,	2023	2022	2021	2020	2019
Total OPEB Liability					
Service cost	\$ 957,813	\$ 932,797	\$ 746,215	\$ 785,891	\$ 838,659
Interest	8,348,417	8,219,713	7,293,289	7,611,207	8,918,237
Changes of benefit terms	-	-	1,038,759	-	-
Experience differences	(16,398,643)	(961,146)	9,872,511	(1,033,980)	(22,311,315)
Changes in assumptions	14,641,866	-	931,956	(6,841,243)	(1,719,651)
Benefit payments and refunds	(6,310,530)	(6,137,081)	(5,309,605)	(5,476,571)	(6,138,831)
Net change in total OPEB liability	1,238,923	2,054,283	14,573,125	(4,954,696)	(20,412,901)
Total OPEB liability - beginning	131,113,546	129,059,263	114,486,138	119,440,834	139,853,735
Total OPEB liability - ending (a)	<u>\$ 132,352,469</u>	<u>\$ 131,113,546</u>	<u>\$ 129,059,263</u>	<u>\$ 114,486,138</u>	<u>\$ 119,440,834</u>
Plan Fiduciary Net Position					
Employer contributions	\$ 3,005,672	\$ 3,891,675	\$ 5,061,539	\$ 5,914,107	\$ 6,000,551
On-behalf contributions	217,922	167,526	147,156	164,491	136,413
Net investment income (loss)	14,666,779	(19,811,720)	27,834,920	4,130,941	6,829,397
Benefit payments and refunds	(6,310,530)	(6,137,081)	(5,309,605)	(5,476,571)	(6,138,831)
Administrative expense	(14,735)	(12,555)	(56,032)	(32,654)	(43,298)
Net change in plan fiduciary net position	11,565,108	(21,902,155)	27,677,978	4,700,314	6,784,232
Plan fiduciary net position - beginning	100,409,452	122,311,607	94,633,629	89,933,315	83,149,083
Plan fiduciary net position - ending (b)	<u>\$ 111,974,560</u>	<u>\$ 100,409,452</u>	<u>\$ 122,311,607</u>	<u>\$ 94,633,629</u>	<u>\$ 89,933,315</u>
Net OPEB liability (a-b)	<u>\$ 20,377,909</u>	<u>\$ 30,704,094</u>	<u>\$ 6,747,656</u>	<u>\$ 19,852,509</u>	<u>\$ 29,507,519</u>
Plan fiduciary net position as a percentage of total OPEB liability	84.60%	76.58%	94.77%	82.66%	75.30%
Covered payroll	\$ 14,357,783	\$ 16,924,155	\$ 16,924,155	\$ 16,962,271	\$ 16,962,271
Net OPEB liability as a percentage of covered employee payroll	141.93%	181.42%	39.87%	117.04%	173.96%

Note: GASB Statement No. 75 was implemented for the fiscal year ended June 30, 2017 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

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, 2023

Fiscal year ended June 30,	2018	2017
Total OPEB Liability		
Service cost	\$ 1,166,226	\$ 1,285,223
Interest	8,761,601	8,476,587
Changes of benefit terms	-	-
Experience differences	(1,499,301)	-
Changes in assumptions	-	-
Benefit payments and refunds	(5,571,068)	(5,063,891)
Net change in total OPEB liability	2,857,458	4,697,919
Total OPEB liability - beginning	136,996,277	132,298,358
Total OPEB liability - ending (a)	<u>\$ 139,853,735</u>	<u>\$ 136,996,277</u>
Plan Fiduciary Net Position		
Employer contributions	\$ 4,812,375	\$ 4,668,805
On-behalf contributions	149,655	36,244
Net investment income (loss)	6,403,187	7,980,021
Benefit payments and refunds	(5,571,068)	(5,063,891)
Administrative expense	(39,518)	(4,214)
Net change in plan fiduciary net position	5,754,631	7,616,965
Plan fiduciary net position - beginning	77,394,452	69,777,487
Plan fiduciary net position - ending (b)	<u>\$ 83,149,083</u>	<u>\$ 77,394,452</u>
Net OPEB liability (a-b)	<u>\$ 56,704,652</u>	<u>\$ 59,601,825</u>
Plan fiduciary net position as a percentage of total OPEB liability	59.45%	56.49%
Covered payroll	\$ 17,101,107	\$ 17,101,107
Net OPEB liability as a percentage of covered employee payroll	331.58%	348.53%

City of Troy, Michigan
Required Supplementary Information
Other Postemployment Benefits - Retiree Healthcare
Schedule of Net OPEB Liability
For the Year Ended June 30, 2023

Fiscal Year Ended	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as Percentage of Total OPEB Liability	Covered Payroll	Net OPEB Liability as 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%

City of Troy, Michigan
Required Supplementary Information
Other Postemployment Benefits - Retiree Healthcare
Schedule of Employer Contributions
For the Year Ended June 30, 2023

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%

Notes to Schedule of Contributions

Valuation Date: December 31, 2020

Notes: 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.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Closed
Remaining amortization period	21 years for FY beginning July 1, 2022
Asset valuation method	Fair Value
Inflation	2.60%
Salary increases	3.50 - 8.00% including inflation
Investment rate of return	6.50%, net OPEB plan investment expense, including inflation
Retirement age	Experience-based table of rates that are specific to 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.

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

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%

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

GASB Statement No. 75 was implemented for the fiscal year ended June 30, 2017 and does not require retroactive implementation.

Data will be added as information is available until 10 years of such data is available.

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, 2023

Special Revenue Funds

	Major Street	Local Street	Refuse	Transit Center	Drug Forfeiture	Library
Assets						
Cash and investments	\$ 2,566,202	\$ 3,013,254	\$ 1,434,294	\$ -	\$ 1,368,756	\$ 2,762,964
Accounts receivable	-	-	1,454	48,465	-	117,540
Taxes receivable	-	-	9,455	-	-	15,936
Due from other governments	1,328,506	521,392	-	-	-	-
Prepaid items	-	-	-	2,119	-	114,516
Total assets	<u>\$ 3,894,708</u>	<u>\$ 3,534,646</u>	<u>\$ 1,445,203</u>	<u>\$ 50,584</u>	<u>\$ 1,368,756</u>	<u>\$ 3,010,956</u>
Liabilities						
Accounts payable	\$ 75,164	\$ 31,358	\$ 287,037	\$ 48,277	\$ -	\$ 150,837
Other liabilities	-	-	28,120	-	-	27,852
Total liabilities	<u>75,164</u>	<u>31,358</u>	<u>315,157</u>	<u>48,277</u>	<u>-</u>	<u>178,689</u>
Deferred inflows of resources						
Unavailable revenue - property taxes and long-term receivables	-	-	9,455	-	-	15,936
Fund Balances						
Non-spendable	-	-	-	2,119	-	114,516
Restricted	<u>3,819,544</u>	<u>3,503,288</u>	<u>1,120,591</u>	<u>188</u>	<u>1,368,756</u>	<u>2,701,815</u>
Total fund balances	<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>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,894,708</u>	<u>\$ 3,534,646</u>	<u>\$ 1,445,203</u>	<u>\$ 50,584</u>	<u>\$ 1,368,756</u>	<u>\$ 3,010,956</u>

City of Troy, Michigan
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Special Revenue Fund	Permanent Fund	
	Community Development Block Grant	Cemetery Perpetual Care	Total Nonmajor Governmental Funds
Assets			
Cash and investments	\$ -	\$ 221,345	\$ 11,366,815
Accounts receivable	-	-	167,459
Taxes receivable	-	-	25,391
Due from other governments	18,650	-	1,868,548
Prepaid items	-	-	116,635
Total assets	<u>\$ 18,650</u>	<u>\$ 221,345</u>	<u>\$ 13,544,848</u>
Liabilities			
Accounts payable	\$ 18,650	\$ -	\$ 611,323
Other liabilities	-	-	55,972
Total liabilities	<u>18,650</u>	<u>-</u>	<u>667,295</u>
Deferred inflows of resources			
Unavailable revenue - property taxes and long-term receivables	<u>-</u>	<u>-</u>	<u>25,391</u>
Fund Balances			
Non-spendable	-	164,000	280,635
Restricted	-	57,345	12,571,527
Total fund balances	<u>-</u>	<u>221,345</u>	<u>12,852,162</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 18,650</u>	 <u>\$ 221,345</u>	 <u>\$ 13,544,848</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, 2023

Special Revenue Funds

	Major Street	Local Street	Refuse	Transit Center	Drug Forfeiture	Library
Revenues						
Property taxes	\$ -	\$ -	\$ 6,083,763	\$ -	\$ -	\$ 6,185,677
Intergovernmental						
Federal sources	-	-	-	-	-	-
State sources	7,832,511	3,072,448	86,058	-	-	291,431
Charges for services	-	-	404	105,465	-	7,745
Fines and forfeitures	-	-	-	-	72,763	15,585
Investment loss	(75,009)	(99,381)	(99,863)	-	(44,154)	(139,699)
Other	-	-	-	-	-	148,831
Total revenues	<u>7,757,502</u>	<u>2,973,067</u>	<u>6,070,362</u>	<u>105,465</u>	<u>28,609</u>	<u>6,509,570</u>
Expenditures						
Current						
General government	-	-	-	114,101	-	-
Public safety	-	-	-	-	22,324	-
Sanitation	-	-	5,950,274	-	-	-
Public works	2,705,796	2,422,973	-	-	-	-
Community and economic development	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	4,432,739
Total expenditures	<u>2,705,796</u>	<u>2,422,973</u>	<u>5,950,274</u>	<u>114,101</u>	<u>22,324</u>	<u>4,432,739</u>
Excess (deficiency) of revenues over expenditures	<u>5,051,706</u>	<u>550,094</u>	<u>120,088</u>	<u>(8,636)</u>	<u>6,285</u>	<u>2,076,831</u>
Other financing sources (uses)						
Transfers in	-	1,500,000	-	10,000	-	-
Transfers out	(4,000,000)	(2,000,000)	-	-	-	(904,545)
Sale of capital assets	-	-	-	-	19,885	-
Total other financing sources and (uses)	<u>(4,000,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>10,000</u>	<u>19,885</u>	<u>(904,545)</u>
Net change in fund balances	1,051,706	50,094	120,088	1,364	26,170	1,172,286
Fund balances - beginning of year	<u>2,767,838</u>	<u>3,453,194</u>	<u>1,000,503</u>	<u>943</u>	<u>1,342,586</u>	<u>1,644,045</u>
Fund balances - end 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>

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, 2023

	Special Revenue Fund	Permanent Fund	
	Community Development Block Grant	Cemetery Perpetual Care	Total Nonmajor Governmental Funds
Revenues			
Property taxes	\$ -	\$ -	\$ 12,269,440
Intergovernmental			
Federal sources	53,374	-	53,374
State sources	-	-	11,282,448
Charges for services	-	2,375	115,989
Fines and forfeitures	-	-	88,348
Investment loss	-	(7,196)	(465,302)
Other	-	-	148,831
Total revenues	<u>53,374</u>	<u>(4,821)</u>	<u>23,493,128</u>
Expenditures			
Current			
General government	-	-	114,101
Public safety	-	-	22,324
Sanitation	-	-	5,950,274
Public works	-	-	5,128,769
Community and economic development	53,374	-	53,374
Recreation and culture	-	-	4,432,739
Total expenditures	<u>53,374</u>	<u>-</u>	<u>15,701,581</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(4,821)</u>	<u>7,791,547</u>
Other financing sources (uses)			
Transfers in	-	-	1,510,000
Transfers out	-	(1,200)	(6,905,745)
Sale of capital assets	-	-	19,885
Total other financing sources and (uses)	<u>-</u>	<u>(1,200)</u>	<u>(5,375,860)</u>
Net change in fund balances	-	(6,021)	2,415,687
Fund balances - beginning of year	<u>-</u>	<u>227,366</u>	<u>10,436,475</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ 221,345</u>	<u>\$ 12,852,162</u>

City of Troy, Michigan
Other Supplementary Information
Budgetary Comparison Schedule
Major Street Fund
For the Year Ended June 30, 2023

	Budgeted Amounts			Actual Over (Under) Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental:				
State sources	\$ 7,500,000	\$ 7,500,000	\$ 7,832,511	\$ 332,511
Investment earnings (loss)	35,000	35,000	(75,009)	(110,009)
Total revenues	<u>7,535,000</u>	<u>7,535,000</u>	<u>7,757,502</u>	<u>222,502</u>
Expenditures				
Current				
Public works	3,409,002	3,409,002	2,705,796	(703,206)
Transfers out	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,000,000</u>	<u>-</u>
Total expenditures	<u>7,409,002</u>	<u>7,409,002</u>	<u>6,705,796</u>	<u>(703,206)</u>
Net change in fund balance	125,998	125,998	1,051,706	925,708
Fund balance - beginning of year	<u>2,767,838</u>	<u>2,767,838</u>	<u>2,767,838</u>	<u>-</u>
Fund balance - end of year	<u>\$ 2,893,836</u>	<u>\$ 2,893,836</u>	<u>\$ 3,819,544</u>	<u>\$ 925,708</u>

City of Troy, Michigan
Other Supplementary Information
Budgetary Comparison Schedule
Local Street Fund
For the Year Ended June 30, 2023

	Budgeted Amounts			Actual Over (Under) Final Budget
	Original	Final	Actual	
Revenues				
Intergovernmental:				
State sources	\$ 2,900,000	\$ 2,900,000	\$ 3,072,448	\$ 172,448
Investment earnings (loss)	32,000	32,000	(99,381)	(131,381)
Transfers in	1,500,000	1,500,000	1,500,000	-
Total revenues	<u>4,432,000</u>	<u>4,432,000</u>	<u>4,473,067</u>	<u>41,067</u>
Expenditures				
Current				
Public works	3,360,522	3,360,522	2,422,973	(937,549)
Transfers out	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>
Total expenditures	<u>5,360,522</u>	<u>5,360,522</u>	<u>4,422,973</u>	<u>(937,549)</u>
Net change in fund balance	(928,522)	(928,522)	50,094	978,616
Fund balance - beginning of year	<u>3,453,194</u>	<u>3,453,194</u>	<u>3,453,194</u>	<u>-</u>
Fund balance - end of year	<u>\$ 2,524,672</u>	<u>\$ 2,524,672</u>	<u>\$ 3,503,288</u>	<u>\$ 978,616</u>

City of Troy, Michigan
Other Supplementary Information
Budgetary Comparison Schedule
Refuse Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Property taxes	\$ 6,050,000	\$ 6,050,000	\$ 6,083,763	\$ 33,763
Intergovernmental:				
State sources	30,000	30,000	86,058	56,058
Charges for services	500	500	404	(96)
Investment earnings (loss)	10,000	10,000	(99,863)	(109,863)
Total revenues	6,090,500	6,090,500	6,070,362	(20,138)
Expenditures				
Current				
Sanitation	6,006,570	6,006,570	5,950,274	(56,296)
Net change in fund balance	83,930	83,930	120,088	36,158
Fund balance - beginning of year	1,000,503	1,000,503	1,000,503	-
Fund balance - end of year	<u>\$ 1,084,433</u>	<u>\$ 1,084,433</u>	<u>\$ 1,120,591</u>	<u>\$ 36,158</u>

City of Troy, Michigan
Other Supplementary Information
Budgetary Comparison Schedule
Transit Center Fund
For the Year Ended June 30, 2023

	Budgeted Amounts			Actual Over (Under) Final Budget
	Original	Final	Actual	
Revenues				
Charges for services	\$ 125,590	\$ 125,590	\$ 105,465	\$ (20,125)
Transfers in	-	20,000	10,000	(10,000)
Total revenues	125,590	145,590	115,465	(30,125)
Expenditures				
Current				
General government	125,590	125,590	114,101	(11,489)
Net change in fund balance	-	20,000	1,364	(18,636)
Fund balance - beginning of year	943	943	943	-
Fund balance - end of year	\$ 943	\$ 20,943	\$ 2,307	\$ (18,636)

City of Troy, Michigan
Other Supplementary Information
Budgetary Comparison Schedule
Drug Forfeiture Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Fines and forfeitures	\$ 131,000	\$ 131,000	\$ 72,763	\$ (58,237)
Investment earnings (loss)	10,000	10,000	(44,154)	(54,154)
Sale of capital assets	-	-	19,885	19,885
Total revenues	<u>141,000</u>	<u>141,000</u>	<u>48,494</u>	<u>(92,506)</u>
Expenditures				
Current				
Public safety	144,040	144,040	22,324	(121,716)
Transfers out	<u>500,000</u>	<u>500,000</u>	-	<u>(500,000)</u>
Total expenditures	<u>644,040</u>	<u>644,040</u>	<u>22,324</u>	<u>(621,716)</u>
Net change in fund balance	(503,040)	(503,040)	26,170	529,210
Fund balance - beginning of year	<u>1,342,586</u>	<u>1,342,586</u>	<u>1,342,586</u>	<u>-</u>
Fund balance - end of year	<u>\$ 839,546</u>	<u>\$ 839,546</u>	<u>\$ 1,368,756</u>	<u>\$ 529,210</u>

City of Troy, Michigan
Other Supplementary Information
Budgetary Comparison Schedule
Library Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Property taxes	\$ 6,100,000	\$ 6,100,000	\$ 6,185,677	\$ 85,677
Intergovernmental:				
State grants	194,000	194,000	291,431	97,431
Charges for services	1,250	1,250	7,745	6,495
Fines and forfeitures	2,000	2,000	15,585	13,585
Investments earnings (loss)	2,000	2,000	(139,699)	(141,699)
Other	8,000	8,000	148,831	140,831
Total revenues	<u>6,307,250</u>	<u>6,307,250</u>	<u>6,509,570</u>	<u>202,320</u>
Expenditures				
Current				
Recreation and culture	4,623,220	4,623,220	4,432,739	(190,481)
Transfers out	<u>2,593,000</u>	<u>2,593,000</u>	<u>904,545</u>	<u>(1,688,455)</u>
Total expenditures	<u>7,216,220</u>	<u>7,216,220</u>	<u>5,337,284</u>	<u>(1,878,936)</u>
Net change in fund balance	(908,970)	(908,970)	1,172,286	2,081,256
Fund balance - beginning of year	<u>1,644,045</u>	<u>1,644,045</u>	<u>1,644,045</u>	<u>-</u>
Fund balance - end of year	<u>\$ 735,075</u>	<u>\$ 735,075</u>	<u>\$ 2,816,331</u>	<u>\$ 2,081,256</u>

City of Troy, Michigan
Other Supplementary Information
Budgetary Comparison Schedule
Community Development Block Grant Fund
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
Revenues				
Intergovernmental:				
Federal grants	\$ 150,000	\$ 165,000	\$ 53,374	\$ (111,626)
Expenditures				
Current				
Community and economic development	45,000	60,000	53,374	(6,626)
Transfers out	105,000	105,000	-	(105,000)
Total expenditures	150,000	165,000	53,374	(111,626)
				-
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, 2023

	Sylvan Glen Golf Course	Aquatic Center	Total
Assets			
Current assets			
Cash and investments	\$ 841,538	\$ 684,641	\$ 1,526,179
Receivables			
Accounts receivable	93,937	10,455	104,392
Leases receivable	114,085	-	114,085
Inventories	69,338	-	69,338
Prepaid items	45,921	-	45,921
Total current assets	<u>1,164,819</u>	<u>695,096</u>	<u>1,859,915</u>
Noncurrent assets			
Advances to other funds	3,344,230	-	3,344,230
Leases receivable	258,438	-	258,438
Capital assets not being depreciated	1,894,552	212,793	2,107,345
Capital assets being depreciated, net	<u>1,617,948</u>	<u>307,752</u>	<u>1,925,700</u>
Total noncurrent assets	<u>7,115,168</u>	<u>520,545</u>	<u>7,635,713</u>
Total assets	<u>8,279,987</u>	<u>1,215,641</u>	<u>9,495,628</u>
Liabilities			
Current liabilities			
Accounts payable	17,731	205,971	223,702
Accrued liabilities	236,991	970	237,961
Current portion of notes payable	<u>53,105</u>	<u>-</u>	<u>53,105</u>
Total current liabilities	<u>307,827</u>	<u>206,941</u>	<u>514,768</u>
Noncurrent liabilities			
Notes payable	36,501	-	36,501
Advances from other funds	<u>-</u>	<u>680,302</u>	<u>680,302</u>
Total noncurrent liabilities	<u>36,501</u>	<u>680,302</u>	<u>716,803</u>
Total liabilities	<u>344,328</u>	<u>887,243</u>	<u>1,231,571</u>
Deferred Inflows of Resources			
Deferred lease amounts	<u>372,523</u>	<u>-</u>	<u>372,523</u>
Net Position			
Net investment in capital assets	3,422,894	520,545	3,943,439
Unrestricted (deficit)	<u>4,140,242</u>	<u>(192,147)</u>	<u>3,948,095</u>
Total net position	<u>\$ 7,563,136</u>	<u>\$ 328,398</u>	<u>\$ 7,891,534</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, 2023

	Sylvan Glen Golf Course	Aquatic Center	Total
Operating revenues			
Charges for services			
Customer fees	\$ 1,481,426	\$ 587,452	\$ 2,068,878
Rental:			
Golf course	292,613	-	292,613
Restaurant	70,120	-	70,120
Other	83,200	-	83,200
Other services	5,550	10,805	16,355
Total operating revenues	<u>1,932,909</u>	<u>598,257</u>	<u>2,531,166</u>
Operating expenses			
Operations	1,381,402	528,698	1,910,100
Depreciation	215,445	75,128	290,573
Total operating expenses	<u>1,596,847</u>	<u>603,826</u>	<u>2,200,673</u>
 Operating income (loss)	 <u>336,062</u>	 <u>(5,569)</u>	 <u>330,493</u>
Nonoperating revenue (expenses)			
Investment loss	-	(21,290)	(21,290)
Gain on sale of capital assets	3,500	-	3,500
Interest expense	(12,690)	-	(12,690)
Total nonoperating revenues (expenses)	<u>(9,190)</u>	<u>(21,290)</u>	<u>(30,480)</u>
 Change in net position	 326,872	 (26,859)	 300,013
 Net position - beginning of year	 <u>7,236,264</u>	 <u>355,257</u>	 <u>7,591,521</u>
 Net position - end of year	 <u><u>\$ 7,563,136</u></u>	 <u><u>\$ 328,398</u></u>	 <u><u>\$ 7,891,534</u></u>

City of Troy, Michigan
Other Supplementary Information
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2023

	Sylvan Glen Golf Course	Aquatic Center	Total
Cash flows from operating activities			
Receipts from customers	\$ 2,027,084	\$ 628,807	\$ 2,655,891
Payments to suppliers	(1,430,242)	(358,054)	(1,788,296)
Net cash provided by operating activities	<u>596,842</u>	<u>270,753</u>	<u>867,595</u>
Cash flows from noncapital financing activities			
Advances to other funds	<u>(500,000)</u>	<u>-</u>	<u>(500,000)</u>
Cash flows from capital and related financing activities			
Purchases/construction of capital assets	(98,664)	(212,793)	(311,457)
Principal and interest paid on long-term debt	(64,055)	-	(64,055)
Proceeds from sale of capital assets	3,500	-	3,500
Net cash used by capital and related financing activities	<u>(159,219)</u>	<u>(212,793)</u>	<u>(372,012)</u>
Cash flows from investing activities			
Investment loss	<u>-</u>	<u>(21,290)</u>	<u>(21,290)</u>
Net change in cash and investments	(62,377)	36,670	(25,707)
Cash and investments - beginning of year	<u>903,915</u>	<u>647,971</u>	<u>1,551,886</u>
Cash and investments - end of year	<u><u>\$ 841,538</u></u>	<u><u>\$ 684,641</u></u>	<u><u>\$ 1,526,179</u></u>
Reconciliation of operating income (loss) to net cash provided by operating activities			
Operating income (loss)	\$ 336,062	\$ (5,569)	\$ 330,493
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation and amortization expense	215,445	75,128	290,573
Changes in assets and liabilities			
Receivables (net)	208,261	30,550	238,811
Inventories	(24,378)	-	(24,378)
Prepaid items	226	211	437
Accounts payable	16,811	171,981	188,792
Accrued and other liabilities	(41,499)	(1,548)	(43,047)
Lease related deferred inflows of resources	(114,086)	-	(114,086)
Net cash provided by operating activities	<u><u>\$ 596,842</u></u>	<u><u>\$ 270,753</u></u>	<u><u>\$ 867,595</u></u>

City of Troy, Michigan
Other Supplementary Information
Combining Statement of Net Position
Internal Service Funds
June 30, 2023

	Compensated Absences	Unemployment Compensation	Custodial Services	Information Technology	Motor Equipment	Workers' Compensation	Total
Assets							
Current assets							
Cash and investments	\$ 5,649,562	\$ 35,355	\$ 1,487,456	\$ 1,959,866	\$ 4,195,730	\$ 1,805,510	\$ 15,133,479
Receivables							
Accounts receivable	-	-	-	29,652	8,018	-	37,670
Inventories	-	-	-	-	346,176	-	346,176
Prepaid items	-	-	-	5,546	-	-	5,546
Total current assets	<u>5,649,562</u>	<u>35,355</u>	<u>1,487,456</u>	<u>1,995,064</u>	<u>4,549,924</u>	<u>1,805,510</u>	<u>15,522,871</u>
Noncurrent assets							
Capital assets not being depreciated	-	-	-	-	1,250,240	-	1,250,240
Capital assets, net of accumulated depreciation	-	-	-	401,486	8,158,388	-	8,559,874
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>401,486</u>	<u>9,408,628</u>	<u>-</u>	<u>9,810,114</u>
Total assets	<u>5,649,562</u>	<u>35,355</u>	<u>1,487,456</u>	<u>2,396,550</u>	<u>13,958,552</u>	<u>1,805,510</u>	<u>25,332,985</u>
Liabilities							
Current liabilities							
Accounts payable	-	473	11,701	38,188	611,642	-	662,004
Compensated absences	<u>3,417,560</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,417,560</u>
Total current liabilities	<u>3,417,560</u>	<u>473</u>	<u>11,701</u>	<u>38,188</u>	<u>611,642</u>	<u>-</u>	<u>4,079,564</u>
Noncurrent liabilities							
Compensated absences	<u>2,112,018</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,112,018</u>
Total liabilities	<u>5,529,578</u>	<u>473</u>	<u>11,701</u>	<u>38,188</u>	<u>611,642</u>	<u>-</u>	<u>6,191,582</u>
Net Position							
Net investment in capital assets	-	-	-	401,486	9,408,628	-	9,810,114
Unrestricted	<u>119,984</u>	<u>34,882</u>	<u>1,475,755</u>	<u>1,956,876</u>	<u>3,938,282</u>	<u>1,805,510</u>	<u>9,331,289</u>
Total net position	<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>

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, 2023

	Compensated Absences	Unemployment Compensation	Custodial Services	Information Technology	Motor Pool	Workers' Compensation	Total
Operating revenues							
Charges for services	\$ 5,581,722	\$ -	\$ 1,602,820	\$ 2,517,508	\$ 27,550	\$ 738,489	\$ 10,468,089
Rental:							
Building	-	-	-	-	268,285	-	268,285
Equipment	-	-	-	-	3,932,008	-	3,932,008
Other services to City funds	-	3,639	-	-	458,709	1,616	463,964
Total operating revenues	<u>5,581,722</u>	<u>3,639</u>	<u>1,602,820</u>	<u>2,517,508</u>	<u>4,686,552</u>	<u>740,105</u>	<u>15,132,346</u>
Operating expenses							
Cost of sales and services	5,396,195	3,760	1,463,479	2,022,535	-	445,985	9,331,954
General and administrative	-	-	-	-	745,188	-	745,188
Operations	-	-	-	-	2,996,604	-	2,996,604
Depreciation	-	-	-	108,574	1,154,666	-	1,263,240
Total operating expenses	<u>5,396,195</u>	<u>3,760</u>	<u>1,463,479</u>	<u>2,131,109</u>	<u>4,896,458</u>	<u>445,985</u>	<u>14,336,986</u>
Operating income (loss)	<u>185,527</u>	<u>(121)</u>	<u>139,341</u>	<u>386,399</u>	<u>(209,906)</u>	<u>294,120</u>	<u>795,360</u>
Nonoperating revenue (expenses)							
Investment loss	(172,648)	(1,092)	(48,363)	(61,384)	(158,270)	(52,853)	(494,610)
Gain on sale of capital assets	-	-	-	-	302,060	-	302,060
Total nonoperating revenues (expenses)	<u>(172,648)</u>	<u>(1,092)</u>	<u>(48,363)</u>	<u>(61,384)</u>	<u>143,790</u>	<u>(52,853)</u>	<u>(192,550)</u>
Change in net position	12,879	(1,213)	90,978	325,015	(66,116)	241,267	602,810
Net position - beginning of year	<u>107,105</u>	<u>36,095</u>	<u>1,384,777</u>	<u>2,033,347</u>	<u>13,413,026</u>	<u>1,564,243</u>	<u>18,538,593</u>
Net position - end 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>

City of Troy, Michigan
Other Supplementary Information
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2023

	Compensated Absences	Unemployment Compensation	Custodial Services	Information Technology	Motor Equipment	Workers' Compensation	Total
Cash flows from operating activities							
Receipts from interfund users	\$ 5,581,722	\$ 3,639	\$ 1,602,820	\$ 2,502,610	\$ 4,686,262	\$ 740,105	\$ 15,117,158
Payments to suppliers	(5,197,991)	(3,725)	(1,472,578)	(2,044,053)	(3,730,862)	(334,489)	(12,783,698)
Net cash provided (used) by operating activities	<u>383,731</u>	<u>(86)</u>	<u>130,242</u>	<u>458,557</u>	<u>955,400</u>	<u>405,616</u>	<u>2,333,460</u>
Cash flows from capital and related financing activities							
Purchases/construction of capital assets	-	-	-	(125,630)	(4,168,140)	-	(4,293,770)
Proceeds from sale of capital assets	-	-	-	-	306,403	-	306,403
Net cash used by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,630)</u>	<u>(3,861,737)</u>	<u>-</u>	<u>(3,987,367)</u>
Cash flows from investing activities							
Investment loss	(172,648)	(1,092)	(48,363)	(61,384)	(158,270)	(52,853)	(494,610)
Net change in cash and investments	211,083	(1,178)	81,879	271,543	(3,064,607)	352,763	(2,148,517)
Cash and investments - beginning of year	<u>5,438,479</u>	<u>36,533</u>	<u>1,405,577</u>	<u>1,688,323</u>	<u>7,260,337</u>	<u>1,452,747</u>	<u>17,281,996</u>
Cash and investments - end of year	<u>\$ 5,649,562</u>	<u>\$ 35,355</u>	<u>\$ 1,487,456</u>	<u>\$ 1,959,866</u>	<u>\$ 4,195,730</u>	<u>\$ 1,805,510</u>	<u>\$ 15,133,479</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	\$ 185,527	\$ (121)	\$ 139,341	\$ 386,399	\$ (209,906)	\$ 294,120	\$ 795,360
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities							
Depreciation and amortization expense	-	-	-	108,574	1,154,666	-	1,263,240
Changes in assets and liabilities							
Receivables (net)	-	-	-	(14,898)	(290)	-	(15,188)
Inventories	-	-	-	-	97,615	-	97,615
Prepaid items	-	-	-	18,815	-	111,496	130,311
Accounts payable	-	35	(9,099)	(40,333)	(16,318)	-	(65,715)
Accrued and other liabilities	-	-	-	-	(70,367)	-	(70,367)
Compensated absences	<u>198,204</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,204</u>
Net cash provided (used) by operating activities	<u>\$ 383,731</u>	<u>\$ (86)</u>	<u>\$ 130,242</u>	<u>\$ 458,557</u>	<u>\$ 955,400</u>	<u>\$ 405,616</u>	<u>\$ 2,333,460</u>

City of Troy, Michigan
Other Supplementary Information
Statement of Net Position and Governmental Fund Balance Sheet
Component Unit - Downtown Development Authority
June 30, 2023

	Operating	Adjustments	Statement of Net Position
Assets			
Current assets			
Cash and investments	\$ 3,810,128	\$ -	\$ 3,810,128
Receivables			
Taxes receivable	114,690	-	114,690
Total current assets	<u>\$ 3,924,818</u>	<u>-</u>	<u>3,924,818</u>
Liabilities			
Current liabilities			
Interest payable	-	23,810	23,810
Current portion of long-term liabilities	-	560,000	560,000
Total current liabilities	-	583,810	583,810
Noncurrent liabilities			
Long-term liabilities	-	9,060,000	9,060,000
Total liabilities	-	9,643,810	9,643,810
Deferred Inflows of Resources			
Unavailable property taxes	114,690	(114,690)	-
Fund Balance			
Unassigned	3,810,128	(3,810,128)	-
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 3,924,818</u>		
Net Position			
Unrestricted (deficit)		<u>\$ (5,718,992)</u>	<u>\$ (5,718,992)</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, 2023

Fund balance - governmental fund	\$ 3,810,128
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.	114,690
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest	(23,810)
Bonds, notes, premiums and discounts	<u>(9,620,000)</u>
Net position of governmental activities	<u><u>\$ (5,718,992)</u></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 - Downtown Development Authority
For the Year Ended June 30, 2023

	Operating	Adjustments	Statement of Activities
Revenues			
Taxes	\$ 2,251,877	\$ 26,951	\$ 2,278,828
Investment loss	(132,930)	-	(132,930)
Total revenues	<u>2,118,947</u>	<u>26,951</u>	<u>2,145,898</u>
Expenditures / expense			
Current			
Community and economic development	867,211	-	867,211
Debt service			
Principal retirement	485,000	(485,000)	-
Interest and fiscal charges	144,895	(339)	144,556
Total expenditures / expense	<u>1,497,106</u>	<u>(485,339)</u>	<u>1,011,767</u>
Net change in fund balance / net position	621,841	512,290	1,134,131
Fund balance / net position (deficit) - beginning of year	<u>3,188,287</u>	<u>(10,041,410)</u>	<u>(6,853,123)</u>
Fund balance / net position (deficit) - end of year	<u>\$ 3,810,128</u>	<u>\$ (9,529,120)</u>	<u>\$ (5,718,992)</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, 2023

Net change in fund balances - total governmental fund	\$ 621,841
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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	26,951
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Expenses are recorded when incurred in the statement of activities.

Accrued interest	339
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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>485,000</u>
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Change in net position of governmental activities	<u>\$ 1,134,131</u>
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City of Troy, Michigan
Other Supplementary Information
Statement of Net Position and Governmental Fund Balance Sheet
Component Unit - Local Development Financing Authority
June 30, 2023

	Operating	Adjustments	Statement of Net Position
Assets			
Current assets			
Cash and investments	\$ 95,581	\$ -	\$ 95,581
Taxes receivable	3,469	-	3,469
Total current assets	<u>\$ 99,050</u>	<u>-</u>	<u>99,050</u>
Liabilities			
Unearned revenue	\$ 3,469	<u>-</u>	<u>3,469</u>
Fund Balance			
Unassigned	<u>95,581</u>	<u>(95,581)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 99,050</u>		
Net Position			
Unrestricted		<u>\$ 95,581</u>	<u>\$ 95,581</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, 2023

	<u>Operating</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues			
Taxes	\$ 146,534	\$ -	\$ 146,534
State grants	74,375	-	74,375
Investment loss	<u>(5,471)</u>	<u>-</u>	<u>(5,471)</u>
Total revenues	215,438	-	215,438
Expenditures / expense			
Current			
Community and economic development	<u>177,161</u>	<u>-</u>	<u>177,161</u>
Net change in fund balance / net position	38,277	-	38,277
Fund balance / net position - beginning of year	<u>57,304</u>	<u>-</u>	<u>57,304</u>
Fund balance / net position - end of year	<u>\$ 95,581</u>	<u>\$ -</u>	<u>\$ 95,581</u>

City of Troy, Michigan
Other Supplementary Information
Statement of Net Position and Governmental Fund Balance Sheet
Component Unit - Brownfield Redevelopment Authority
June 30, 2023

	Operating	Adjustments	Statement of Net Position
Assets			
Current assets			
Cash and investments	\$ 710,608	\$ -	\$ 710,608
Taxes receivable	543	-	543
Total current assets	<u>\$ 711,151</u>	<u>-</u>	<u>711,151</u>
Liabilities			
Current liabilities			
Unearned revenue	\$ 543	-	543
Fund Balance			
Unassigned	<u>710,608</u>	<u>(710,608)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ 711,151</u></u>		
Net Position			
Unrestricted		<u>\$ 710,608</u>	<u>\$ 710,608</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, 2023

	<u>Operating</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues			
Taxes	\$ 215,702	\$ -	\$ 215,702
Investment loss	<u>(31,240)</u>	<u>-</u>	<u>(31,240)</u>
Total revenues	184,462	-	184,462
Expenditures / expense			
Current			
Community and economic development	<u>394,088</u>	<u>-</u>	<u>394,088</u>
Net change in fund balance / net position	(209,626)	-	(209,626)
Fund balance / net position - beginning of year	<u>920,234</u>	<u>-</u>	<u>920,234</u>
Fund balance / net position - end of year	<u>\$ 710,608</u>	<u>\$ -</u>	<u>\$ 710,608</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.

		Page
Financial Trends	These schedules contain trend information to help the reader understand how the City's financial performance and wellbeing have changed over time.	113
Revenue Capacity	These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	122
Debt Capacity	These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	129
Demographic and Economic Information	These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	136
Operating Information	These schedules contain serve and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	141
Continuing Disclosures	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.	150

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
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Unaudited

	2014	2015	2016	2017	2018
Governmental activities					
Net investment in capital assets	\$ 168,722,287	\$ 178,865,098	\$ 194,299,483	\$ 202,939,709	\$ 209,330,214
Restricted	25,024,969	24,785,605	19,460,570	19,429,092	17,995,682
Unrestricted	<u>65,673,197</u>	<u>82,121,441</u>	<u>79,865,292</u>	<u>13,264,407</u>	<u>17,351,506</u>
Total governmental activities	<u>\$ 259,420,453</u>	<u>\$ 285,772,144</u>	<u>\$ 293,625,345</u>	<u>\$ 235,633,208</u>	<u>\$ 244,677,402</u>
Business-type activities					
Net investment in capital assets	\$ 118,730,653	\$ 119,825,109	\$ 127,611,126	\$ 129,220,049	\$ 128,565,431
Restricted	-	-	-	-	-
Unrestricted	<u>48,878,034</u>	<u>45,659,008</u>	<u>38,593,816</u>	<u>39,342,785</u>	<u>39,035,755</u>
Total business-type activities	<u>\$ 167,608,687</u>	<u>\$ 165,484,117</u>	<u>\$ 166,204,942</u>	<u>\$ 168,562,834</u>	<u>\$ 167,601,186</u>
Primary government					
Net investment in capital assets	\$ 287,452,940	\$ 298,690,207	\$ 321,910,609	\$ 332,159,758	\$ 337,895,645
Restricted	25,024,969	24,785,605	19,460,570	19,429,092	17,995,682
Unrestricted	<u>114,551,231</u>	<u>127,780,449</u>	<u>118,459,108</u>	<u>52,607,192</u>	<u>56,387,261</u>
Total primary government	<u>\$ 427,029,140</u>	<u>\$ 451,256,261</u>	<u>\$ 459,830,287</u>	<u>\$ 404,196,042</u>	<u>\$ 412,278,588</u>

City of Troy, Michigan
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Unaudited

	2019	2020	2021	2022	2023
Governmental activities					
Net investment in capital assets	\$ 211,012,892	\$ 211,643,485	\$ 230,145,408	\$ 233,277,547	\$ 238,472,631
Restricted	49,675,789	71,427,127	77,713,480	80,401,648	81,478,063
Unrestricted	5,617,794	6,622,679	10,477,522	7,202,418	18,645,580
Total governmental activities	<u>\$ 266,306,475</u>	<u>\$ 289,693,291</u>	<u>\$ 318,336,410</u>	<u>\$ 320,881,613</u>	<u>\$ 338,596,274</u>
Business-type activities					
Net investment in capital assets	\$ 128,316,680	\$ 132,389,502	\$ 142,141,489	\$ 143,593,325	\$ 149,413,653
Restricted	1,194,908	1,334,545	1,763,231	1,982,936	2,137,566
Unrestricted	38,588,206	32,607,856	23,224,217	16,860,483	9,518,176
Total business-type activities	<u>\$ 168,099,794</u>	<u>\$ 166,331,903</u>	<u>\$ 167,128,937</u>	<u>\$ 162,436,744</u>	<u>\$ 161,069,395</u>
Primary government					
Net investment in capital assets	\$ 339,329,572	\$ 344,032,987	\$ 372,286,897	\$ 376,870,872	\$ 387,886,284
Restricted	50,870,697	72,761,672	79,476,711	82,384,584	83,615,629
Unrestricted	44,206,000	39,230,535	33,701,739	24,062,901	28,163,756
Total primary government	<u>\$ 434,406,269</u>	<u>\$ 456,025,194</u>	<u>\$ 485,465,347</u>	<u>\$ 483,318,357</u>	<u>\$ 499,665,669</u>

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

	2014	2015	2016	2017	2018
Expenses					
Governmental activities					
General government	\$ 9,875,913	\$ 10,449,379	\$ 11,305,100	\$ 10,925,546	\$ 10,527,094
Public safety	28,860,117	35,744,673	31,023,545	29,403,916	29,357,164
Public works	15,478,239	17,224,145	16,269,932	16,553,537	18,123,198
Sanitation	4,267,388	4,606,627	4,517,499	4,889,569	5,007,584
Community and economic development	16,303,702	1,018,643	955,880	794,535	851,314
Recreation and culture	9,432,683	10,091,847	10,248,458	10,442,184	11,320,591
Interest on long-term debt	1,065,510	1,444,384	1,344,219	1,206,243	1,095,894
Total governmental activities	<u>85,283,552</u>	<u>80,579,698</u>	<u>75,664,633</u>	<u>74,215,530</u>	<u>76,282,839</u>
Business-type activities					
Water	15,479,500	15,767,708	18,508,493	18,992,183	20,809,872
Sewer	12,864,584	12,807,380	12,584,209	12,401,390	14,441,047
Sanctuary Lake golf course	1,735,921	1,733,846	1,900,990	1,917,677	1,930,551
Sylvan Glen golf course	1,096,974	1,130,082	1,143,351	1,114,618	1,082,544
Aquatic center	531,369	583,709	700,430	717,905	655,821
Total business-type activities	<u>31,708,348</u>	<u>32,022,725</u>	<u>34,837,473</u>	<u>35,143,773</u>	<u>38,919,835</u>
Total primary government expenses	<u>116,991,900</u>	<u>112,602,423</u>	<u>110,502,106</u>	<u>109,359,303</u>	<u>115,202,674</u>
Program revenues					
Governmental activities					
Charges for services					
General government	3,241,183	3,783,480	3,766,949	3,983,385	3,862,669
Public safety	4,076,054	4,691,450	4,451,076	4,612,475	4,975,806
Public works	2,634,542	3,364,953	3,335,490	2,916,921	3,082,359
Sanitation	6,358	6,590	8,630	8,199	25,923
Community and economic development	-	-	-	-	-
Recreation and culture	3,536,383	3,589,925	3,587,481	3,683,297	3,698,180
Operating grants and contributions	835,352	1,097,166	760,549	951,275	1,134,640
Capital grants and contributions	23,832,070	10,447,244	11,466,690	9,304,781	10,501,834
Total governmental activities	<u>38,161,942</u>	<u>26,980,808</u>	<u>27,376,865</u>	<u>25,460,333</u>	<u>27,281,411</u>
Business-type activities					
Charges for services					
Water	15,078,684	14,626,110	17,465,511	20,699,381	20,154,112
Sewer	12,451,888	11,900,157	12,470,724	13,513,930	13,335,048
Sanctuary Lake golf course	1,335,433	1,375,137	1,809,386	1,739,789	1,781,278
Sylvan Glen golf course	984,908	1,128,968	1,291,367	1,363,358	1,298,319
Aquatic center	532,293	431,141	728,589	591,389	578,108
Operating grants and contributions	-	19,153	-	-	-
Capital grants and contributions	262,237	285,963	1,104,132	2,681,660	738,252
Total business-type activities	<u>30,645,443</u>	<u>29,766,629</u>	<u>34,869,709</u>	<u>40,589,507</u>	<u>37,885,117</u>
Total primary government program revenues	<u>68,807,385</u>	<u>56,747,437</u>	<u>62,246,574</u>	<u>66,049,840</u>	<u>65,166,528</u>
Net (expense)/revenue					
Governmental activities	(47,121,610)	(53,598,890)	(48,287,768)	(48,755,197)	(49,001,428)
Business-type activities	(1,062,905)	(2,256,096)	32,236	5,445,734	(1,034,718)
Total primary government net expense	<u>(48,184,515)</u>	<u>(55,854,986)</u>	<u>(48,255,532)</u>	<u>(43,309,463)</u>	<u>(50,036,146)</u>
General revenues					
Governmental activities					
General revenues					
Property taxes	46,759,393	46,993,478	48,369,185	48,184,737	49,396,636
State-shared revenue	6,435,145	6,541,560	6,535,632	8,091,385	8,378,417
Grants and contributions not restricted	54,535	22,848	24,472	14,619	20,070
Unrestricted investment earnings (loss)	424,286	258,208	1,079,714	12,506	93,835
Miscellaneous	532,674	523,636	131,968	-	156,664
Total governmental activities	<u>54,206,033</u>	<u>54,339,730</u>	<u>56,140,971</u>	<u>56,303,247</u>	<u>58,045,622</u>
Business-type activities					
General revenues					
Unrestricted investment earnings (loss)	305,126	131,526	681,643	29,858	73,070
Miscellaneous	10,500	-	6,946	-	-
Total business-type activities	<u>315,626</u>	<u>131,526</u>	<u>688,589</u>	<u>29,858</u>	<u>73,070</u>
Total primary government	<u>54,521,659</u>	<u>54,471,256</u>	<u>56,829,560</u>	<u>56,333,105</u>	<u>58,118,692</u>
Change in net position					
Governmental activities	7,084,423	740,840	7,853,203	7,548,050	9,044,194
Business-type activities	(747,279)	(2,124,570)	720,825	5,475,592	(961,648)
Total primary government	<u>\$ 6,337,144</u>	<u>\$ (1,383,730)</u>	<u>\$ 8,574,028</u>	<u>\$ 13,023,642</u>	<u>\$ 8,082,546</u>

City of Troy, Michigan
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Unaudited

	2019	2020	2021	2022	2023
Expenses					
Governmental activities					
General government	\$ 9,161,093	\$ 6,511,152	\$ 7,630,092	\$ 9,992,627	\$ 10,139,417
Public safety	23,995,136	23,297,176	23,743,952	34,285,696	30,335,955
Public works	17,532,358	17,216,100	17,217,363	21,100,594	17,976,458
Sanitation	5,250,265	5,358,719	5,534,606	5,656,929	5,950,274
Community and economic development	305,789	275,784	805,526	1,009,707	4,142,399
Recreation and culture	11,114,884	9,982,617	8,396,449	11,944,043	13,449,956
Interest on long-term debt	975,567	843,586	637,086	167,576	152,973
Total governmental activities	<u>68,335,092</u>	<u>63,485,134</u>	<u>63,965,074</u>	<u>84,157,172</u>	<u>82,147,432</u>
Business-type activities					
Water	20,163,346	19,914,841	20,639,128	20,927,528	22,129,369
Sewer	14,545,633	14,590,131	15,063,368	15,371,118	15,881,121
Sanctuary Lake golf course	1,960,575	1,908,982	2,202,815	2,381,697	2,546,170
Sylvan Glen golf course	1,111,941	1,206,036	1,258,376	1,409,200	1,609,537
Aquatic center	699,130	515,238	473,997	706,923	589,748
Total business-type activities	<u>38,480,625</u>	<u>38,135,228</u>	<u>39,637,684</u>	<u>40,796,466</u>	<u>42,755,945</u>
Total primary government expenses	<u>106,815,717</u>	<u>101,620,362</u>	<u>103,602,758</u>	<u>124,953,638</u>	<u>124,903,377</u>
Program revenues					
Governmental activities					
Charges for services					
General government	3,953,495	3,792,227	4,115,452	3,445,352	3,317,610
Public safety	5,243,086	4,370,991	4,563,533	4,279,158	2,235,361
Public works	2,046,635	2,077,937	2,888,371	2,933,503	4,021,104
Sanitation	1,118	940	422	575	-
Community and economic development	-	-	-	-	2,534,219
Recreation and culture	3,756,819	2,183,119	1,054,435	2,449,412	2,698,631
Operating grants and contributions	810,436	964,952	6,042,781	1,573,630	3,421,036
Capital grants and contributions	11,438,685	9,903,857	11,003,755	10,951,311	12,533,045
Total governmental activities	<u>27,250,274</u>	<u>23,294,023</u>	<u>29,668,749</u>	<u>25,632,941</u>	<u>30,761,006</u>
Business-type activities					
Charges for services					
Water	19,679,644	19,189,709	20,488,367	19,088,120	21,355,575
Sewer	13,125,364	12,702,238	13,759,793	12,953,666	13,839,768
Sanctuary Lake golf course	1,782,237	1,684,938	2,310,026	2,253,407	2,601,183
Sylvan Glen golf course	1,269,017	1,339,293	1,800,034	1,614,615	1,932,909
Aquatic center	552,340	305,292	247,343	785,243	587,452
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	1,064,065	196,436	2,077,664	913,952	731,734
Total business-type activities	<u>37,472,667</u>	<u>35,417,906</u>	<u>40,683,227</u>	<u>37,609,003</u>	<u>41,048,621</u>
Total primary government program revenues	<u>64,722,941</u>	<u>58,711,929</u>	<u>70,351,976</u>	<u>63,241,944</u>	<u>71,809,627</u>
Net (expense)/revenue					
Governmental activities	(41,084,818)	(40,191,111)	(34,296,325)	(58,524,231)	(51,386,426)
Business-type activities	(1,007,958)	(2,717,322)	1,045,543	(3,187,463)	(1,707,324)
Total primary government net expense	<u>(42,092,776)</u>	<u>(42,908,433)</u>	<u>(33,250,782)</u>	<u>(61,711,694)</u>	<u>(53,093,750)</u>
General revenues					
Governmental activities					
General revenues					
Property taxes	51,108,963	52,975,285	53,623,652	54,937,941	57,724,838
State-shared revenue	8,535,476	8,346,267	9,601,689	12,144,090	9,968,092
Grants and contributions not restricted	18,188	18,210	27,884	25,153	-
Unrestricted investment earnings (loss)	2,635,494	2,003,122	(526,158)	(6,244,462)	(2,921,084)
Miscellaneous	415,770	235,043	212,377	206,712	670,534
Total governmental activities	<u>62,713,891</u>	<u>63,577,927</u>	<u>62,939,444</u>	<u>61,069,434</u>	<u>65,442,380</u>
Business-type activities					
General revenues					
Unrestricted investment earnings (loss)	1,466,100	949,431	(248,509)	(1,504,730)	304,614
Miscellaneous	40,466	-	-	-	35,361
Total business-type activities	<u>1,506,566</u>	<u>949,431</u>	<u>(248,509)</u>	<u>(1,504,730)</u>	<u>339,975</u>
Total primary government	<u>64,220,457</u>	<u>64,527,358</u>	<u>62,690,935</u>	<u>59,564,704</u>	<u>65,782,355</u>
Change in net position					
Governmental activities	21,629,073	23,386,816	28,643,119	2,545,203	14,055,954
Business-type activities	498,608	(1,767,891)	797,034	(4,692,193)	(1,367,349)
Total primary government	<u>\$ 22,127,681</u>	<u>\$ 21,618,925</u>	<u>\$ 29,440,153</u>	<u>\$ (2,146,990)</u>	<u>\$ 12,688,605</u>

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

	2014	2015	2016	2017	2018
General fund					
Nonspendable	\$ 4,417,528	\$ 5,287,206	\$ 5,669,290	\$ 6,260,979	\$ 6,885,751
Restricted	1,534,139	1,538,879	1,563,203	1,563,397	1,565,721
Committed	6,622,968	-	-	-	-
Assigned	3,162,000	8,075,520	5,312,270	4,561,613	6,326,870
Unassigned	<u>21,856,139</u>	<u>19,716,862</u>	<u>20,062,397</u>	<u>19,776,349</u>	<u>18,661,478</u>
Total general fund	<u>37,592,774</u>	<u>34,618,467</u>	<u>32,607,160</u>	<u>32,162,338</u>	<u>33,439,820</u>
All other governmental funds					
Nonspendable	224,977	200,512	196,900	293,680	187,299
Restricted	21,023,992	23,781,735	19,510,120	19,352,374	17,996,223
Committed	<u>3,776,000</u>	<u>803,358</u>	<u>2,720,822</u>	<u>945,425</u>	<u>132,263</u>
Total all other governmental funds	<u>25,024,969</u>	<u>24,785,605</u>	<u>22,427,842</u>	<u>20,591,479</u>	<u>18,315,785</u>
Total governmental funds	<u>\$ 62,617,743</u>	<u>\$ 59,404,072</u>	<u>\$ 55,035,002</u>	<u>\$ 52,753,817</u>	<u>\$ 51,755,605</u>

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

	2019	2020	2021*	2022	2023
General fund					
Nonspendable	\$ 7,215,136	\$ 8,084,436	\$ 9,779,366	\$ 9,994,166	\$ 9,626,031
Restricted	1,617,390	1,656,276	-	-	-
Committed	-	-	-	-	-
Assigned	5,895,860	5,801,438	7,149,823	8,075,027	6,320,196
Unassigned	19,674,536	17,486,669	22,737,062	21,544,036	19,650,093
Total general fund	<u>34,402,922</u>	<u>33,028,819</u>	<u>39,666,251</u>	<u>39,613,229</u>	<u>35,596,320</u>
All other governmental funds					
Nonspendable	268,684	249,339	246,425	256,177	280,635
Restricted	21,311,972	26,185,903	25,217,102	23,068,541	20,827,425
Committed	564,900	304,163	656,477	-	-
Total all other governmental funds	<u>22,145,556</u>	<u>26,739,405</u>	<u>26,120,004</u>	<u>23,324,718</u>	<u>21,108,060</u>
Total governmental funds	<u>\$ 56,548,478</u>	<u>\$ 59,768,224</u>	<u>\$ 65,786,255</u>	<u>\$ 62,937,947</u>	<u>\$ 56,704,380</u>

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

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

	2014	2015	2016	2017	2018
Revenues					
Property taxes	\$ 46,739,163	\$ 47,032,046	\$ 48,181,711	\$ 48,330,909	\$ 49,449,053
Licenses and permits	2,429,459	2,896,533	2,519,342	2,755,580	2,947,987
Intergovernmental - federal	3,189,800	1,909,795	2,492,626	564,401	419,889
Intergovernmental - state	12,238,420	14,532,201	14,016,525	15,102,588	17,266,839
Intergovernmental - local	31,209	587,902	1,401,455	1,624,744	1,227,514
Charges for services	8,378,616	9,375,710	9,636,700	9,198,024	9,328,352
Fines and forfeits	1,396,241	1,418,354	1,183,571	1,415,429	1,617,607
Investment earnings (loss)	348,625	224,322	865,229	10,795	70,137
Other	2,042,877	3,086,024	2,948,266	3,167,305	3,139,232
Total revenues	<u>76,794,410</u>	<u>81,062,887</u>	<u>83,245,425</u>	<u>82,169,775</u>	<u>85,466,610</u>
Expenditures					
Current					
General government	6,621,292	6,992,997	7,338,404	7,931,122	7,557,035
Public safety	28,082,145	31,108,472	28,611,021	29,860,208	31,427,553
Public works	5,675,847	5,638,918	5,372,214	5,441,176	6,184,744
Sanitation	4,267,898	4,606,610	4,517,910	4,890,106	5,008,258
Community and economic development	18,327,123	3,207,237	3,186,003	3,364,862	3,627,340
Recreation and culture	8,556,099	9,186,959	9,457,699	9,793,755	10,771,468
Debt service					
Principal	2,691,746	2,832,182	2,922,716	2,980,066	2,910,420
Lease principal	-	-	-	-	-
Interest and other charges	1,126,667	1,505,715	1,407,944	1,274,264	1,160,095
Bond issuance costs	-	-	-	-	-
Capital outlay	13,725,931	19,554,175	24,973,022	18,916,700	17,818,579
Total expenditures	<u>89,074,748</u>	<u>84,633,265</u>	<u>87,786,933</u>	<u>84,452,259</u>	<u>86,465,492</u>
Excess of revenues over (under) expenditures	<u>(12,280,338)</u>	<u>(3,570,378)</u>	<u>(4,541,508)</u>	<u>(2,282,484)</u>	<u>(998,882)</u>
Other financing sources (uses)					
Transfers in	13,742,158	15,247,847	18,223,266	15,568,422	14,583,366
Transfers out	(13,292,158)	(15,306,857)	(18,226,266)	(15,568,422)	(14,583,366)
Issuance of debt	14,945,000	-	-	-	-
Payments to escrow agent	-	-	-	-	-
Issuance of leases payable	-	-	-	-	-
Proceeds from the sale of capital assets	273,700	415,717	172,438	1,299	670
Total other financing sources (uses)	<u>15,668,700</u>	<u>356,707</u>	<u>169,438</u>	<u>1,299</u>	<u>670</u>
Net change in fund balances	<u>\$ 3,388,362</u>	<u>\$ (3,213,671)</u>	<u>\$ (4,372,070)</u>	<u>\$ (2,281,185)</u>	<u>\$ (998,212)</u>
Debt service as a percentage of noncapital expenditures	5.10%	6.70%	6.90%	6.50%	5.90%

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

	2019	2020	2021	2022	2023
Revenues					
Property taxes	\$ 51,118,782	\$ 52,847,967	\$ 53,699,190	\$ 54,891,265	\$ 57,745,884
Licenses and permits	2,930,791	2,684,369	2,575,884	2,499,549	2,778,942
Intergovernmental - federal	350,211	410,169	4,907,302	173,441	1,652,147
Intergovernmental - state	18,707,814	17,461,280	19,604,050	23,077,936	23,116,438
Intergovernmental - local	904,756	479,549	803,030	786,577	1,027,077
Charges for services	8,353,157	6,763,062	7,088,481	7,745,679	8,575,938
Fines and forfeits	1,557,399	1,097,965	943,594	858,936	748,775
Investment earnings (loss)	2,102,986	1,607,993	(427,806)	(5,137,848)	(2,324,925)
Other	3,261,326	3,022,060	6,106,702	2,778,135	3,353,715
Total revenues	<u>89,287,222</u>	<u>86,374,414</u>	<u>95,300,427</u>	<u>87,673,670</u>	<u>96,673,991</u>
Expenditures					
Current					
General government	8,241,232	8,436,783	8,879,688	9,012,053	10,349,564
Public safety	33,487,111	33,833,913	35,415,218	35,434,031	45,771,854
Public works	5,946,526	5,946,118	6,682,499	7,846,946	7,185,790
Sanitation	5,250,790	5,359,069	5,534,659	5,656,977	5,950,274
Community and economic development	3,977,888	3,854,144	3,610,414	4,218,892	4,146,097
Recreation and culture	11,088,389	10,193,878	8,808,681	11,004,020	12,397,444
Debt service					
Principal	3,095,470	3,136,159	3,385,338	640,145	660,523
Lease principal	-	-	-	5,322	-
Interest and other charges	1,042,658	910,498	568,454	172,297	146,998
Bond issuance costs	-	-	154,147	-	-
Capital outlay	12,587,681	11,596,804	13,195,645	16,603,584	19,982,606
Total expenditures	<u>84,717,745</u>	<u>83,267,366</u>	<u>86,234,743</u>	<u>90,594,267</u>	<u>106,591,150</u>
Excess of revenues over (under) expenditures	<u>4,569,477</u>	<u>3,107,048</u>	<u>9,065,684</u>	<u>(2,920,597)</u>	<u>(9,917,159)</u>
Other financing sources (uses)					
Transfers in	14,694,064	15,649,224	12,425,144	8,934,090	8,915,745
Transfers out	(14,694,064)	(15,649,224)	(12,425,144)	(8,934,090)	(8,915,745)
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	223,396	112,698	10,600	24,550	24,885
Total other financing sources (uses)	<u>223,396</u>	<u>112,698</u>	<u>(3,047,653)</u>	<u>72,289</u>	<u>24,885</u>
Net change in fund balances	<u>\$ 4,792,873</u>	<u>\$ 3,219,746</u>	<u>\$ 6,018,031</u>	<u>\$ (2,848,308)</u>	<u>\$ (9,892,274)</u>
Debt service as a percentage of noncapital expenditures	5.70%	5.70%	4.60%	1.10%	0.94%

City of Troy, Michigan
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
2014	\$ 29,591,708	\$ 4,647,626	\$ 2,982,973	\$ 6,526,304	\$ 3,010,782	\$ 46,759,393
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

City of Troy, Michigan
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year			Percentage of		Total Tax	Percentage of	Outstanding	Percentage of
Ended June 30,	Total Tax Levy	Current Tax	Current Taxes	Delinquent Tax	Collections to	Total Tax	Delinquent	Delinquent
		Collections	Collected	Collections	Date	Collections to	Taxes	Taxes to Total
						Total Tax Levy		Tax Levy
2014	\$ 45,071,690	\$ 44,160,748	97.98%	\$ 609,614	\$ 44,770,362	99.33%	\$ 301,328	0.67%
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%

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

City of Troy							Overlapping Governments	
Tax Year	General	Capital	Refuse	Debt	Library	Total	Troy School District	Oakland County
2013 H	6.50	1.53	1.05	0.70	0.70	10.48	10.51	4.65
2013 NH	6.50	1.53	1.05	0.70	0.70	10.48	22.95	4.65
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

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
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per \$1,000 of Assessed Valuation)
Unaudited

Overlapping Governments							
Oakland County							
Community	Intermediate						
College	School District	Oakland Transit	State Education	Zoo	Art	HCMA*	Total
1.58	3.37	0.59	6.00	0.10	0.20	-	37.48
1.58	3.37	0.59	6.00	0.10	0.20	-	49.92
1.58	3.37	0.59	6.00	0.10	0.20	-	37.08
1.58	3.37	0.59	6.00	0.10	0.20	-	49.96
1.58	3.37	1.00	6.00	0.10	0.20	-	37.36
1.58	3.37	1.00	6.00	0.10	0.20	-	49.99
1.58	3.36	1.00	6.00	0.10	0.20	-	36.98
1.58	3.36	1.00	6.00	0.10	0.20	-	49.87
1.57	3.34	0.99	6.00	0.10	0.20	-	37.42
1.57	3.34	0.99	6.00	0.10	0.20	-	49.80
1.56	3.11	0.99	6.00	0.10	0.20	-	37.07
1.56	3.11	0.99	6.00	0.10	0.20	-	49.44
1.53	3.25	0.99	6.00	0.10	0.19	-	36.74
1.53	3.25	0.99	6.00	0.10	0.20	-	49.87
1.52	3.23	0.99	6.00	0.10	0.19	-	36.36
1.52	3.23	0.99	6.00	0.10	0.19	-	49.69
1.51	3.20	0.98	6.00	0.10	0.19	0.21	35.02
1.51	3.20	0.98	6.00	0.10	0.19	0.21	49.63
1.49	3.17	0.98	6.00	0.10	0.19	0.21	34.68
1.49	3.17	0.98	6.00	0.10	0.19	0.21	49.61

City of Troy, Michigan
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	1,305,736,060	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
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%
6,194,962,650	(179,750)	6,194,782,900	9.90	8,138,288,970	76.12%

City of Troy, Michigan
Principal Property Taxpayers
Current Year and Ten Years Ago
Unaudited

Taxpayer	2014		
	Taxable Value	Rank	Percentage of Total City Taxable Value
Frankel Forbes Cohen	\$ 51,579,130	1	1.20%
UrbanCal - Oakland Mall	36,713,920	2	0.85%
Detroit Edison	33,483,940	3	0.78%
Nykel Management	25,039,520	4	0.58%
CC Troy Assoc.	20,025,150	5	0.46%
Osprey-Troy Officentre LLC	19,962,720	6	0.46%
Nemer Troy Place Realty	19,696,840	7	0.46%
Bank of America	17,840,330	8	0.41%
Kelly Services	17,480,210	9	0.41%
Delphi	17,010,500	10	0.39%
	<u>\$ 258,832,260</u>		<u>6.01%</u>

City of Troy, Michigan
Principal Property Taxpayers
Current Year and Ten Years Ago
Unaudited

Taxpayer	2023		
	Taxable Value	Rank	Percentage of Total City Taxable Value
Somerset Collections	\$ 63,920,120	1	1.03%
DTE Electric Co	50,052,990	2	0.81%
Lithia Real Estate Inc	44,085,040	3	0.71%
Troy Apts I-IV LLC	33,682,460	4	0.54%
Zen Troy LLC	30,730,160	5	0.50%
Midtown Place Troy LLC	28,540,680	6	0.46%
Pentrecentre LLC	25,925,890	7	0.42%
MK Oakland Mall LLC	25,352,410	8	0.41%
CC Troy Associates LLC	24,043,020	9	0.39%
Consumers Energy	23,419,270	10	0.38%
	<u>\$ 349,752,040</u>		<u>5.65%</u>

City of Troy, Michigan
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental	Business-type						
	Activities	Activities						
	General and Obligation	General	Less: Amounts					
	County Issued	Obligation	Total	Restricted to	Net Outstanding	Percentage of	Debt Per	
	Bonds and	Bonds and	Outstanding	Repaying	Debt	Personal Income	Debt Per Capita	Debt Per
	Notes	Notes	Debt	Principal				Taxable Value
2014	\$ 35,575,364	\$ 10,653,108	\$ 46,228,472	\$ -	\$ 46,228,472	1.35%	\$ 555	1.07%
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	20,655,661	7,702,575	28,358,236	(14,417,642)	13,940,594	0.85%	165	0.61%
2020	17,484,423	6,882,148	24,366,571	(14,278,604)	10,087,967	0.63%	120	0.52%
2021	11,142,985	6,073,573	17,216,558	(10,446,904)	6,769,654	0.41%	78	0.37%
2022	10,502,840	5,278,891	15,781,731	(10,011,625)	5,770,106	0.36%	65	0.34%
2023	9,855,804	4,413,336	14,269,140	(9,594,859)	4,674,281	1.05%	54	0.08%

City of Troy, Michigan
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
2014	\$ 2,480,000	\$ 1,090,225	\$ 3,570,225	\$ 75,062,875	4.76%
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%

City of Troy, Michigan
Computation of Direct and Overlapping Debt
June 30, 2023
Unaudited

Jurisdiction	Net General Bonded Debt Outstanding	Percentage Applicable to Troy	Amount Applicable to Troy
City of Troy - Direct debt	\$ 9,855,804	100%	\$ 9,855,804
City of Troy - Overlapping Debt			
Avondale School District	97,117,427	19.17%	18,617,411
Birmingham School District	251,670,000	3.57%	8,984,619
Bloomfield Hills School District	205,740,000	2.35%	4,834,890
Royal Oak School District	35,730,000	1.84%	657,432
Troy School District	271,570,000	100.00%	271,570,000
Warren School District	221,900,000	7.49%	16,620,310
Oakland County	181,894,707	8.27%	15,042,692
Oakland Intermediate School District	39,675,000	7.85%	3,114,488
Total overlapping debt	<u>1,305,297,134</u>		<u>339,441,842</u>
Total direct and overlapping debt	<u><u>\$ 1,315,152,938</u></u>		<u><u>\$ 349,297,646</u></u>

City of Troy, Michigan
Computation of Legal Debt Margin
June 30, 2023
Unaudited

	Annual Net Debt	Percentage of State Equalized Valuation	Legal Margin	
			Amount	Legal Debt Margin
General obligation debt	\$ 13,540,000	10.0%	\$ 749,764,409	\$ 736,224,409
Emergency bonds	-	37.5%	2,811,616,534	2,811,616,534
Special assessment bonds	-	12.0%	899,717,291	899,717,291
Total debt	<u>\$ 13,540,000</u>		<u>\$ 4,461,098,234</u>	<u>\$ 4,447,558,234</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 (\$7,156,234,730), 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
Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

	2014	2015	2016	2017	2018
Debt Limit	\$ 449,143,234	\$ 482,754,174	\$ 531,361,170	\$ 562,687,887	\$ 589,424,172
Total net debt applicable to limit	<u>(42,735,000)</u>	<u>(39,670,000)</u>	<u>(36,325,000)</u>	<u>(32,940,000)</u>	<u>(29,635,000)</u>
Legal debt margin	<u>\$ 406,408,234</u>	<u>\$ 443,084,174</u>	<u>\$ 495,036,170</u>	<u>\$ 529,747,887</u>	<u>\$ 559,789,172</u>
Total net debt applicable to the limit as a percentage of debt limit	9.51%	8.22%	6.84%	5.85%	5.03%

City of Troy, Michigan
Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt Limit	\$ 614,688,547	\$ 653,636,417	\$ 675,468,147	\$ 715,623,473	\$ 749,764,409
Total net debt applicable to limit	<u>(26,055,000)</u>	<u>(22,450,000)</u>	<u>(16,150,000)</u>	<u>(14,725,000)</u>	<u>(13,540,000)</u>
Legal debt margin	<u>\$ 588,633,547</u>	<u>\$ 631,186,417</u>	<u>\$ 659,318,147</u>	<u>\$ 700,898,473</u>	<u>\$ 736,224,409</u>
Total net debt applicable to the limit as a percentage of debt limit	4.24%	3.43%	2.39%	2.06%	1.81%

City of Troy, Michigan
Pledged Revenue Coverage
To Total General Governmental Expenditures
Last Ten Fiscal Years
Unaudited

Golf Course Bonds						
Fiscal Year Ended	Collections	Debt Service			Total	Coverage
		Principal	Interest			
2014	\$ 1,335,433	\$ 400,000	\$ 328,254	\$ 728,254	2	
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	

City of Troy, Michigan
Demographic Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Population (1)	Median Age (1)	Number of Households (1)	Average Household Size (1)	Income Per Capita (1)
2014	83,270	41.8	33,182	2.60	\$ 41,209
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

Source:

(1) Southeast Michigan Council of Governments (SEMCOG)

(2) U.S. Bureau of Labor Statistics

City of Troy, Michigan
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)
\$ 84,325	\$ 3,431	5.9	95	57	27
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

City of Troy, Michigan
Principal Employers by Industry
Current and Previous Four Years
Unaudited

Industry	2019			2020		
	Number of Parcels	Rank	Percent of Total Parcels	Number of Parcels	Rank	Percent of Total Parcels
Industrial, Light Manufacturing	637	1	39.08%	633	1	39.15%
Office	260	2	15.95%	258	2	15.96%
Retail Store (Mall, Plaza, Market, Whse, Discount)	154	3	9.45%	139	3	8.60%
Medical Office	85	4	5.21%	85	4	5.26%
Restaurant and Fast Food	76	5	4.66%	75	6	4.64%
Apartments	70	7	4.29%	74	7	4.58%
All other	72	6	4.42%	82	5	5.07%
Engineering	67	9	4.11%	67	8	4.14%
Service (Station, Garage, Booth, Convenience)	50	10	3.07%	49	10	3.03%
Loft (Multi Tenant Industrial)	40	11	2.45%	38	11	2.35%
Bank	33	12	2.02%	33	12	2.04%
Warehouse (Storage, Distribution, Transit)	68	8	4.17%	66	9	4.08%
Auto Dealership	18	13	1.10%	18	13	1.11%
Total commercial/industrial parcels	<u>1,630</u>		<u>100.00%</u>	<u>1,617</u>		<u>100.00%</u>

Source: City Assessor

City of Troy, Michigan
Principal Employers by Industry
Current and Previous Four Years
Unaudited

Industry	2021			2022		
	Number of Parcels	Rank	Percent of Total Parcels	Number of Parcels	Rank	Percent of Total Parcels
Industrial, Light Manufacturing	676	1	39.10%	685	1	40.75%
Office	259	2	14.98%	254	2	15.11%
Retail Store (Mall, Plaza, Market, Whse, Discount)	148	3	8.56%	170	3	10.11%
Medical Office	93	5	5.38%	94	4	5.59%
Restaurant and Fast Food	82	6	4.74%	80	5	4.76%
Apartments	74	8	4.28%	74	6	4.40%
All other	97	4	5.61%	74	8	4.40%
Engineering	71	9	4.11%	67	9	3.99%
Service (Station, Garage, Booth, Convenience)	55	10	3.18%	74	7	4.40%
Loft (Multi Tenant Industrial)	43	11	2.49%	38	10	2.26%
Bank	32	12	1.85%	30	11	1.78%
Warehouse (Storage, Distribution, Transit)	81	7	4.68%	23	12	1.37%
Auto Dealership	18	13	1.04%	18	13	1.07%
Total commercial/industrial parcels	<u>1,729</u>		<u>100.00%</u>	<u>1,681</u>		<u>100.00%</u>

City of Troy, Michigan
Principal Employers by Industry
Current and Previous Four Years
Unaudited

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

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

Function / Program	2014	2015	2016	2017	2018
Building Inspection					
Permits issued	2,297	2,369	2,404	3,197	2,988
Plans reviewed	2,641	3,051	3,301	3,817	3,750
Executive Administration					
City Manager's Office -					
GFOA awards/submittals	3	3	3	3	3
City Attorney's Office -					
District court appearances	7,871	8,289	8,059	8,241	8,357
Community Affairs:					
New resident packets distributed	790	801	940	790	801
Press releases sent	482	495	500	460	468
City Clerk's Office:					
Registered voters	56,630	57,400	57,163	58,333	57,619
Voter turnout% (November)	27%	51%	21%	80%	29%
Human Resources:					
Applications processed	1,274	1,120	809	1,261	1,044
Job postings	38	45	51	59	61
Labor contracts settled	3	2	4	0	0
Engineering					
Soil erosion inspections	812	1,089	640	744	779
Machine traffic counts	43	25	25	15	18
PASER ratings	6	5.7	5.5	5.3	5.2
Finance					
Accounting/Risk Management:					
Payroll checks processed	24,073	26,497	26,822	27,665	27,692
Invoices issued	10,635	10,121	10,119	10,307	10,193
Liability claims processed	103	344	84	41	55
Insurance certificates approved	365	385	619	693	730
Assessing:					
Residential appraisals	518	362	390	400	324
Reinspections	892	1,156	1,400	1,000	1,300
Purchasing:					
Value of goods/services purchased	\$34.0 mil	\$34.5 mil	\$37.8 mil	\$43.6 mil	\$45.8 mil
% of awards without dispute	100%	100%	100%	100%	100%
City Treasurer's Office:					
Tax bills processed	66,200	62,685	62,854	62,345	62,669
Water bills processed	102,510	102,807	103,118	104,418	107,054
Fire					
Fire Department responses	1,165	1,077	1,174	1,216	1,206
Inspections performed	2,988	2,398	2,815	2,348	2,096

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

Function / Program	2019	2020	2021	2022	2023
Building Inspection					
Permits issued	2,711	2,200	2,490	2,717	2,699
Plans reviewed	3,335	2,763	3,139	2,971	2,841
Executive Administration					
City Manager's Office -					
GFOA awards/submittals	3	3	3	3	2
City Attorney's Office -					
District court appearances	9,994	6,660	5,360	5,134	5,267
Community Affairs:					
New resident packets distributed	525	460	325	275	597
Press releases sent	475	480	400	385	398
City Clerk's Office:					
Registered voters	59,440	60,274	64,590	64,482	66,094
Voter turnout% (November)	66%	26%	77%	18%	62%
Human Resources:					
Applications processed	1,052	727	3,048	2,914	1,986
Job postings	67	31	89	119	122
Labor contracts settled	1	2	2	1	0
Engineering					
Soil erosion inspections	878	791	621	569	1,182
Machine traffic counts	14	20	23	25	16
PASER ratings	5.2	5.2	5.1	5.2	5.1
					continued...
Finance					
Accounting/Risk Management:					
Payroll checks processed	27,814	27,215	25,645	26,057	27,432
Invoices issued	10,157	9,678	9,135	8,423	8,524
Liability claims processed	74	80	80	79	85
Insurance certificates approved	759	750	558	638	644
Assessing:					
Residential appraisals	375	450	485	600	750
Reinspections	1,500	1,000	1,000	1,200	1,100
Purchasing:					
Value of goods/services purchased	\$48 mil	\$51.4 mil	\$50 mil	\$53.1 mil	\$60 mil
% of awards without dispute	100%	100%	100%	100%	100%
City Treasurer's Office:					
Tax bills processed	62,572	62,900	62,772	62,127	62,316
Water bills processed	104,890	105,710	106,892	106,274	106,244
Fire					
Fire Department responses	1,175	1,111	1,045	1,158	1,403
Inspections performed	1,721	1,070	1,910	2,119	3,597

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

Function / Program	2014	2015	2016	2017	2018
Other General Government					
Building Operations -					
Requests for service	18,550	16,280	18,150	18,630	18,240
Planning:					
Site plan reviews	17	17	15	18	17
Special use requests	3	2	6	5	6
Parks, Recreation and Culture					
ROW trees trimmed	3,300	3,976	2,611	4,323	1,849
Recreation programs	480	485	485	492	518
Library cards	46,400	49,656	56,961	61,362	58,598
Police					
Group A Crimes	1,512	1,419	1,451	1,358	1,288
Operate while impaired	473	419	350	392	352
Hazardous traffic citations	6,704	5,283	4,796	4,510	5,094
Non-hazardous traffic citations	3,168	4,750	3,736	3,315	3,722
Traffic crashes:					
Property damage	3,342	3,163	1,937	1,949	2,155
Personal injury	532	468	275	260	307
Fatal crash	4	5	3	4	2
Public Works					
Streets and Drains Division					
Requests for service	1,774	1,747	1,509	1,636	1,956
Water and Sewer Division					
Requests for service	4,434	4,140	2,482	2,776	2,627
Sanitary sewers cleaned in feet	1,630,417	1,250,000	1,151,056	835,683	350,269
Fleet Maintenance					
Work orders	2,532	2,165	2,443	2,477	2,380
Vehicle tires replaced	406	487	332	349	458
Refuse/Resource Recovery					
Tons of refuse collected	27,210	28,462	28,068	28,475	26,957
Tons of compost collected	9,743	9,174	9,104	9,580	8,806
Information Technology					
Help desk requests	3,079	3,018	2,811	3,136	3,389
Golf Course					
Sylvan Glen rounds of golf	37,737	42,887	49,988	49,044	45,848
Sanctuary Lake rounds of golf	30,283	31,840	43,416	41,459	41,700
Aquatic Center					
Admissions	49,066	36,021	42,481	34,741	36,492

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

Function / Program	2019	2020	2021	2022	2023
Other General Government					
Building Operations -					
Requests for service	6,958	6,089	5,640	5,751	5,890
Planning:					
Site plan reviews	13	10	9	12	11
Special use requests	15	8	2	5	2
Parks, Recreation and Culture					
ROW trees trimmed	3,358	2,500	2,931	2,750	2,694
Recreation programs	520	392	190	214	243
Library cards	52,282	57,144	60,135	65,650	60,190
Police					
Group A Crimes	1,227	790	955	807	2,606
Operate while impaired	372	291	219	197	228
Hazardous traffic citations	9,551	5,330	2,471	3,848	5,051
Non-hazardous traffic citations	4,946	2,799	2,476	1,856	1,119
Traffic crashes:					
Property damage	2,212	2,330	2,046	1,719	1,724
Personal injury	275	312	224	231	270
Fatal crash	2	5	4	3	0
Public Works					
Streets and Drains Division					
Requests for service	1,594	1,401	1,320	2,296	1,658
Water and Sewer Division					
Requests for service	2,301	2,490	1,655	2,521	2,348
Sanitary sewers cleaned in feet	398,000	593,505	853,737	1,249,895	594,580
Fleet Maintenance					
Work orders	2,945	2,322	2,256	2,270	2,452
Vehicle tires replaced	344	332	337	343	338
Refuse/Resource Recovery					
Tons of refuse collected	26,453	27,302	28,304	27,820	27,043
Tons of compost collected	10,033	10,654	9,955	9,981	10,355
Information Technology					
Help desk requests	3,048	2,836	2,302	2,252	2,368
Golf Course					
Sylvan Glen rounds of golf	44,112	46,043	58,017	49,295	52,757
Sanctuary Lake rounds of golf	40,315	40,293	51,720	43,002	46,081
Aquatic Center					
Admissions	41,681	31,146	12,859	46,908	33,748

City of Troy, Michigan
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
Unaudited

Function / Program	2014	2015	2016	2017	2018
Fire					
Stations	6	6	6	6	6
Police					
Stations	1	1	1	1	1
Streets					
Miles of improved	406	408	408	409	409
Miles of unimproved	4	4	4	4	4
Sewers					
Miles of combination storm/sanitary	10	6	6	6	6
Miles of sanitary	393	393	395	396	397
Miles of storm	631	529	519	535	540
Street Lights					
Detroit Edison owned poles	562	562	562	562	562
City owned poles	539	1,010	1,010	1,010	1,010
Water					
Annual distribution in million cubic feet	450	420	450	495	489
Miles of watermain	537	542	543	544	545
Number of hydrants	5,930	5,962	5,979	6,001	6,025
Parks and Recreation					
Number of developed parks	15	15	15	15	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
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
Unaudited

Function / Program	2019	2020	2021	2022	2023
Fire					
Stations	6	6	6	6	6
Police					
Stations	1	1	1	1	1
Streets					
Miles of improved	410	342	343	343	343
Miles of unimproved	4	3	3	3	3
Sewers					
Miles of combination storm/sanitary	6	6	6	6	6
Miles of sanitary	399	401	401	402	403
Miles of storm	546	548	547	550	551
Street Lights					
Detroit Edison owned poles	564	544	533	533	534
City owned poles	1,008	1,100	1,104	1,104	1,116
Water					
Annual distribution in million cubic feet	437	386	461	422	546
Miles of watermain	548	549	549	550	548
Number of hydrants	6,064	6,111	6,123	6,133	6,152
Parks and Recreation					
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
Building Construction
Last Ten Fiscal Years
Unaudited

2013 - 2014	2,297	permits	165,364,134	estimated value
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

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

Function / Program	2014		2015		2016		2017		2018	
	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime
Building Inspection										
Building Inspection	-	-	-	-	-	-	-	-	-	-
Executive Administration										
City Manager's Office	7	7	9	6	9	5	9	4	7	5
City Attorney's Office	7	-	7	-	6	-	7	-	7	1
City Clerk's Office	4	2	4	3	4	3	5	1	5	1
Human Resources	4	1	4	-	4	1	4	1	3	-
Community Affairs	-	-	-	-	-	-	-	-	1	-
Engineering										
Engineering	11	3	11	2	11	2	13	2	12	1
Finance										
Accounting/Risk Management	6	2	6	2	6	1	6	2	6	2
Assessing	7	1	6	1	7	-	6	-	6	-
Purchasing	2	1	2	1	2	1	2	1	3	-
City Treasurer's Office	3	1	4	-	4	-	4	-	4	1
Fire										
Fire	11	6	12	6	12	4	12	5	11	3
Library										
Library	9	82	9	83	9	75	11	75	11	78
Other General Government										
Building Operations	7	4	7	3	7	4	8	2	9	2
Planning	4	2	4	2	4	3	4	4	5	2
Police										
Sworn Police Officers	69	-	79	-	78	-	79	-	82	-
Command	21	-	23	-	23	-	22	-	24	-
Other	47	31	47	35	48	29	48	24	49	27
Parks and Recreation										
Parks	6	13	6	14	6	15	6	16	6	15
Recreation	5	182	6	185	6	183	5	181	7	166
Public Works										
Streets and Drains Division	23	9	25	11	24	9	25	10	24	6
Water and Sewer Division	33	6	32	6	31	7	34	6	31	7
Fleet Maintenance	12	6	14	6	15	2	16	-	16	2
Refuse/Resource Recovery	1	-	1	-	-	-	-	-	-	-
Information Technology										
Information technology	9	-	10	-	11	-	11	-	10	-
Aquatic Center										
Aquatic center	-	42	-	52	-	66	-	60	-	66
Total Employees	<u>307</u>	<u>401</u>	<u>327</u>	<u>418</u>	<u>327</u>	<u>410</u>	<u>337</u>	<u>394</u>	<u>339</u>	<u>385</u>

Source: City Department of Human Resources

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

Function / Program	2019		2020		2021		2022		2023	
	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime	Full Time	PartTime
Building Inspection										
Building Inspection	-	-	1	-	1	-	2	-	11	-
Executive Administration										
City Manager's Office	7	3	8	4	7	3	7	4	7	2
City Attorney's Office	7	-	7	-	7	-	7	-	7	1
City Clerk's Office	4	2	5	1	5	5	5	5	6	2
Human Resources	4	1	4	1	5	-	5	-	6	-
Community Affairs	1	-	1	1	1	1	1	-	-	-
Engineering										
Engineering	11	1	11	2	11	1	12	1	11	1
Finance										
Accounting/Risk Management	5	3	6	3	6	3	6	3	6	2
Assessing	7	-	7	-	7	-	7	-	7	1
Purchasing	2	1	2	1	2	1	2	1	2	2
City Treasurer's Office	4	-	4	-	4	-	4	-	4	1
Fire										
Fire	13	5	12	5	12	4	12	4	13	4
Library										
Library	12	73	11	69	18	62	21	60	26	64
Other General Government										
Building Operations	11	1	12	-	12	-	12	-	10	-
Planning	6	2	5	2	5	1	6	1	6	1
Police										
Sworn Police Officers	90	-	81	-	80	-	82	-	83	-
Command	24	-	23	-	26	-	24	-	25	-
Other	51	30	48	33	47	23	47	21	43	25
Parks and Recreation										
Parks	6	20	5	15	7	9	8	19	8	24
Recreation	7	214	8	204	7	182	8	157	11	177
Public Works										
Streets and Drains Division	24	7	23	-	22	-	23	1	23	4
Water and Sewer Division	33	6	34	-	30	1	33	2	27	2
Fleet Maintenance	15	1	16	1	15	1	14	1	16	2
Refuse/Resource Recovery	-	-	-	-	-	-	-	-	-	-
Information Technology										
Information technology	10	-	11	-	11	-	9	-	11	-
Aquatic Center										
Aquatic center	-	33	-	7	-	21	-	25	-	17
Total Employees	<u>354</u>	<u>403</u>	<u>345</u>	<u>349</u>	<u>348</u>	<u>318</u>	<u>357</u>	<u>305</u>	<u>369</u>	<u>332</u>

City of Troy, Michigan
State Shared Revenues
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30	State Shared Revenue
2014	\$ 6,435,145
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

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
Gas and Weight Taxes
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30	Type of Street		Total Gas and Weight Tax (Act 51) Receipts
	Major Road	Local Road	
2014	\$ 3,963,956	\$ 1,555,266	\$ 5,519,222
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

Source: City of Troy

City of Troy, Michigan
Labor Agreements
Unaudited

Name	Expiration Date	Number of Employees Covered
American Federation of State, County, and Municipal Employees, AFSCME - Public Works Employees	6/30/2025	61
Michigan Association of Police - Clerical, Police Services Aides	6/30/2023	38
Troy Command Officers Association - Command Police Officers	6/30/2024	25
Troy Police Officers Association - Police Officers	6/30/2023	83
Troy Firestaff Officers Association - Fire Career Professionals	6/30/2024	11
Troy Communication Supervisors Association - Civilian Communications Supervisors	6/30/2026	9

Source: City Department of Human Resources



500 West Big Beaver
Troy, MI 48084
troymi.gov

E-01

CITY COUNCIL AGENDA ITEM

Date: November 28, 2023

To: Mark F. Miller, City Manager

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

Subject: Public Hearing for December 4, 2023 to Reprogram Community Development Block Grant (CDBG) PY 2018, 2019, 2020, 2021, 2022, and 2023 Funds

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 \$124,703; 2020 unexpended funds of \$126,120; 2021 unexpended funds of \$128,761; 2022 unexpended funds of \$120,310; and 2023 unexpended funds of \$120,310 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 request is to hold a public hearing on Monday, December 4 to reprogram the unexpended funds from 2018, 2019, 2020, 2021, 2022, and 2023 into the Remove Architectural Barriers account for the purpose of renovating and retrofitting the City Council Chambers at Troy City Hall to be ADA compliant.

Unfortunately, after numerous environmental studies, it was recently determined that the land in Section 9 was not conducive for an all-inclusive park due to noise and land contamination.

Recommendation

It is recommended that City Council conduct a public hearing for Monday, December 4, 2023 at 7:30 pm or as soon thereafter as the agenda will permit for the purpose of hearing public comments on the reprogramming of Program year 2018 unexpended funds of \$65,401.20; 2019 unexpended funds of \$124,703; 2020 unexpended funds of \$126,120; 2021 unexpended funds of \$128,761; 2022 unexpended funds of \$120,310; and 2023 unexpended funds of \$120,310 from the Parks, Recreational Facilities account to the Remove Architectural Barriers account for the purpose of renovating and retrofitting the City Council Chambers at Troy City Hall to be ADA compliant.



500 West Big Beaver
Troy, MI 48084
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I-05

CITY COUNCIL AGENDA ITEM

Date: November 27, 2022

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
Dee Ann Irby, Controller
Frank Nastasi, Police Chief
Frank Shuler, Police Lieutenant
Dan Galich, Police Sergeant
Emily Frontera, Purchasing Manager

Subject: Bid Waiver: Outdoor Gun Range Rental, Troy Police Department (Introduced by: Dan Galich, Police Sergeant)

History

Troy Police Officers require regular annual training in firearms to maintain their proficiency as well as training and qualification for newly hired officers. This includes the use of pistols, shotguns and rifles. One of the essential needs for training is the use of an outdoor gun range as officers must shoot rifles at an outdoor range at least once per year. Although the police department has an indoor gun range, it is limited in size and space as well as the type of ammo that can be used due to safety reasons. Outdoor gun ranges offer a wide variety of advantages that includes training in natural light with greater distance targets, as well as providing more target lanes to accommodate the over 100 Troy Officers that must complete requirements on specified training days with certified instructors.

For over 15 years, the police department used the Detroit Sportsmen's Congress (DSC) outdoor gun range located in Shelby Township. The police department has explored the use of other outdoor gun ranges, but none has the facilities to accommodate the number of officers that need to be trained on specified days as well as avoid excessive travel time during those training days.

In the past, DSC rental expenses have been under \$10,000 per year. However, due to increased trainings for new hires and required remedial training, costs are projected to be in excess of \$14,000 in the 2024 fiscal year. This includes annual training use, new hire qualifications, Pistol Team and Tactical Support Team training.

Purchasing

Detroit Sportsmen's Congress of Utica, MI is currently the only gun range with facilities to meet the training needs specified for the Police Department and is located a couple miles outside of Troy. Alternate locations would require excessive travel time and provide limited accommodations with fewer training lanes and ranges. Rates for the 2024 Fiscal Year are \$50 per hour and \$350 daily. Projected total cost will be \$14,850.

Financial

Funds are available in the Troy Police Department operating budgets for the 2024 fiscal year under Education & Training account number 101.301.11.305.960.110.



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Recommendation

City Management recommends, in the best interest of the City, to waive the bid process and award a contract to *Detroit Sportsmen's Congress of Utica, MI* for outdoor gun range use at the proposed rates of \$50 per hour and \$350 per day for the 2024 fiscal year; not to exceed budgetary limitations.

Reverend Donald R. Veltman performed the Invocation. The Pledge of Allegiance to the Flag was given.

OATH OF OFFICE:

A. CALL TO ORDER:

A Regular Meeting of the Troy City Council was held on Monday, November 20, 2023, at City Hall, 500 W. Big Beaver Rd. Mayor Baker called the meeting to order at 7:48 PM.

B. ROLL CALL:

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

C. CERTIFICATES OF RECOGNITION AND SPECIAL PRESENTATIONS:

C-1 No Certificates of Recognition and Special Presentations

D. CARRYOVER ITEMS:

D-1 No Carryover Items

E. PUBLIC HEARINGS:

E-1 Public Hearing - Revised Preliminary Site Plan and Amendment to Conditional Rezoning Agreement (JPLN2023-0018) – Proposed Homestead Site Condominium, East Side of Livernois, North of Big Beaver (PIN 88-20-22-301-007, -008, and -009), Section 22, Zoned RT (One Family Attached Residential) Zoning District (*Introduced by R. Brent Savidant, Community Development Director*)

The Mayor opened the Public Hearing. The Mayor closed the Public Hearing after receiving no Public Comment.

Resolution #2023-11-158
Moved by Chamberlain-Creanga
Seconded by Brooks

WHEREAS, On September 19, 2022, City Council approved a conditional rezoning request from NN from R-1E (One Family Residential District) to RT (One Family Attached Residential District); and,

WHEREAS, The subject property is located on the east side of Livernois, north of Big Beaver, parcels 88-20-22-301-007, -008, -009, being approximately 9.54 acres in size; and,

WHEREAS, The applicant voluntarily offered a number of conditions, as per Section 16.04 of the City of Troy Zoning Ordinance; and,

WHEREAS, One of the conditions voluntarily submitted by the applicant was a site plan for a 30-unit condominium development, comprised of 30 attached units in 6 buildings; and,

WHEREAS, The applicant subsequently initiated a request to amend the conditional rezoning based on the developer's assessment of market conditions; and,

WHEREAS, The applicant seeks to amend the Conditional Rezoning Agreement by voluntarily offering to reduce the number of units from 30 to 14, with all 14 units being detached one family residential units; and,

WHEREAS, The application was considered by the Planning Commission following a public hearing; and,

WHEREAS, The Planning Commission recommends, by a vote of 8-1, approval of the revised conditions; and,

WHEREAS, The proposed amendment is supported by the Master Plan and advances the general and specific development policies of the Master Plan; and,

WHEREAS, The proposed site design mitigates potential impacts on adjacent properties;

THEREFORE, BE IT RESOLVED, Troy City Council hereby **APPROVES** the amended Conditional Rezoning Agreement and related attachments, including the Preliminary Site Plan.

BE IT FURTHER RESOLVED, That Troy City Council **AUTHORIZES** the Mayor and City Clerk to sign the amended Conditional Rezoning Agreement on behalf of the City of Troy.

Yes: Baker, Brooks, Chamberlain-Creanga, Gunn, Hamilton, Hodorek

No: None

MOTION CARRIED

E-2 Public Hearing – Community Development Block Grant (CDBG) 2024 Funds ***(Introduced by: Cindy Stewart, Community Affairs Director)***

The Mayor opened the Public Hearing. The Mayor closed the Public Hearing after receiving no Public Comment.

Resolution #2023-11-159

Moved by Hamilton

Seconded by Hodorek

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 20, 2023 for the purpose of receiving public comments regarding the proposed use of PY 2024 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 Name</u>	<u>Amount</u>
172170-731864	Street Improvements	\$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: Brooks, Chamberlain-Creanga, Gunn, Hamilton, Hodorek, Baker

No: None

MOTION CARRIED

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

Edward Ross	Commented that there should be interviews of applicants for the Council Member appointment to fill the vacancy; commented that he would like to be considered for the Council Member appointment.
Kelly Walters	Commented that she supports the appointment of Edward Ross for the Council Member appointment.
Todd Wodzinski	Commented that he supports the appointment of Edward Ross for the Council Member appointment.
Bob Dillaber	Commented that he supports the appointment of Edward Ross for the Council Member appointment.
Rouba Samman	Commented that he supports the appointment of Edward Ross for the Council Member appointment.
Tony Smith	Commented that he supports the appointment of Edward Ross for the Council Member appointment.
Rick Theuer	Commented that he supports the appointment of Edward Ross for the Council Member appointment.

Michael Ross	Commented on the process to appoint a replacement Council Member; commented in support of Edward Ross for the Council Member appointment.
Barb Yagley	Commented on political extremes and police
Hirak Chanda	Commented on his campaign for City Council; congratulated the newly elected members of City Council, and County Commissioner Erickson Gault; and commented that he would like to be considered for the Council Member appointment.
Janice Girling	Commented on the rise in crime; thanked Council Member Gunn for his public service; supports the appointment of Edward Ross for the Council Member appointment.
Deborah Wilkelis	Commented that she supports the appointment of Edward Ross for the Council Member appointment.
Kathleen OLaughlin	Commented that she supports the appointment of Edward Ross for the Council Member appointment.
Jeff Schaeper	Commented he supports the appointment of Edward Ross for the Council Member appointment.

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

Council Member Hamilton	Replied that crime in the City of Troy is down overall as of 2023.
City Attorney Bluhm	Replied that Charter Section 6.7 requires the Council Member election to be in August, 2024.

H. POSTPONED ITEMS:

H-1 No Postponed Items

I. REGULAR BUSINESS:

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

a) Mayoral Appointments:

Resolution #2023-11-160

Moved by Baker

Seconded by Hodorek

Brownfield Redevelopment Authority

Appointed by Mayor

6 Regular Members

3 Year Term

Nominations to the Brownfield Redevelopment Authority:

Term Expires: 4/30/2026**Hemanth Tadepalli**

Term currently held by: Rami Sweidan

Yes: Chamberlain-Creanga, Gunn, Hamilton, Hodorek, Baker, Brooks

No: None

MOTION CARRIEDb) **City Council Appointments:** None

I-2 Board and Committee Nominations: a) Mayoral Nominations – None; b) City Council Nominations – Nonea) **Mayoral Nominations:** Noneb) **City Council Nominations:** None

I-3 No Closed Session Requested

I-4 City Council Vacancy (Introduced by: Lori Grigg Bluhm, City Attorney)

Resolution #2023-11-161

Moved by Hamilton

Seconded by Chamberlain-Creanga

RESOLVED, That Troy City Council hereby **ACCEPTS** the resignation of Council Member Ann Erickson Gault from her term beginning in 2019 and ending in 2023.

BE IT FURTHER RESOLVED, That Troy City Council hereby **RECOGNIZES** the inability of Council Member Ann Erickson Gault to serve as a Troy City Council Member, because of her November 16, 2023 appointment to the Oakland County Board of Commissioners, since this would violate the Incompatible Offices Act, MCL 15.181 et. seq.

BE IT FURTHER RESOLVED, That Troy City Council hereby **DECLARES VACANT** the 2019-2023 City Council Member office held by Ann Erickson Gault, effective on the date of her appointment to the Oakland County Board of Commissioners on November 16, 2023.

BE IT FINALLY RESOLVED, That Troy City Council hereby **DECLARES VACANT** the 2023-2027 City Council Member office Ann Erickson Gault was elected to on November 7, 2023 effective November 20, 2023.

Yes: Gunn, Hamilton, Hodorek, Baker, Brooks, Chamberlain-Creanga

No: None

MOTION CARRIED

I-5 Adoption of the Proposed 2023-2024 City Council Rules of Procedure (*Introduced by: M. Aileen Dickson, City Clerk*)

Resolution #2023-11-162

Moved by Baker

Seconded by Hamilton

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: Hamilton, Hodorek, Baker, Brooks, Chamberlain-Creanga, Gunn

No: None

MOTION CARRIED

The Meeting **RECESSED** at 9:21 PM.

The Meeting **RECONVENED** at 9:31 PM.

I-6 2024 City Council Meeting Schedule (*Introduced by: Robert J. Bruner, Deputy City Manager*)

Resolution #2023-11-163

Moved by Baker

Seconded by Hamilton

RESOLVED, That Troy City Council **SHALL HOLD** Regular Meetings in calendar year 2024 on the following dates at 7:30 PM in the City Council Chambers or as otherwise provided by the City Council Rules of Procedure:

Monday, January 8 & 29
Monday, February 5 & 19
Monday, March 4 & 18
Monday, April 8 & 29
Monday, May 13 & 20
Monday, June 10 & 24
Monday, July 8 & 22
Monday, August 12 & 26
Monday, September 16 & 30
Monday, October 14 & 28
Monday, November 11 & 25
Monday, December 9 & 16

BE IT FURTHER RESOLVED, That Troy City Council **SHALL HOLD** Special Meetings for presentation of the proposed budget in calendar year 2024 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 15
Wednesday, April 17 (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: Hodorek, Baker, Brooks, Chamberlain-Creanga, Gunn, Hamilton

No: None

MOTION CARRIED

I-7 Bid Waiver – Updated Troy Pavilion Great Hall Furnishings (*Introduced by: Kurt Bovensiep, Public Works Director*)

Resolution #2023-11-164

Moved by Chamberlain-Creanga

Seconded by Brooks

RESOLVED, That Troy City Council **WAIVES** the bid process and **AUTHORIZES** the purchase of the pavilion great hall furnishings from *ISCG of Royal Oak, MI*, for an estimated expenditure of \$67,010 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 the award is **CONTINGENT** upon the submission of properly executed contract documents, including insurance certificates and all other specified requirements.

Yes: Baker, Brooks, Chamberlain-Creanga, Gunn, Hamilton, Hodorek

No: None

MOTION CARRIED

I-8 Budget Amendment and Standard Purchasing Resolution 2: Award to Low Bidder Meeting Specifications – Park Entrance Sign Replacement (*Introduced by: Dennis Trantham, Deputy Public Works Director*)

Resolution #2023-11-165

Moved by Baker

Seconded by Hodorek

RESOLVED, That Troy City Council hereby **AWARDS** a contract for Park Entrance Sign Replacement to the low bidder meeting specifications, *Blink Marketing Inc. DBA Blink Signs of Cleveland, OH*, for an estimated cost of \$72,390 with a 10% contingency at prices contained in the bid tabulation opened November 9, 2023, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FURTHER RESOLVED, That Troy City Council hereby **APPROVES** a budget amendment in the amount of \$80,000 to the Parks Maintenance Repair/Maintenance Supplies Equipment Expendable account 101.770.770.774.140 from the General Fund, Unassigned Fund Balance.

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

Yes: Brooks, Chamberlain-Creanga, Gunn, Hamilton, Hodorek, Baker
No: None

MOTION CARRIED

J. CONSENT AGENDA:

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

Resolution #2023-11-166-J-1a
Moved by Hamilton
Seconded by Brooks

RESOLVED, That Troy City Council hereby **APPROVES** all items on the Consent Agenda as presented.

Yes: Chamberlain-Creanga, Gunn, Hamilton, Hodorek, Baker, Brooks
No: None

MOTION CARRIED

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

J-2 Approval of City Council Minutes

Resolution #2023-11-166-J-2

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

- a) City Council Minutes-Draft – November 13, 2023

J-3 Proposed City of Troy Proclamations:

Resolution #2023-11-166-J-3

- a) Certificate of Recognition and Congratulations to Athens High School 2023 Boys Varsity Soccer Team MHSAA Division 1 State Champions

J-4 Standard Purchasing Resolutions:

- a) **Standard Purchasing Resolution 2: Award to Low Bidder Meeting Specifications – Portable Ventilation Fans – Fire Department**

Resolution #2023-11-166-J-4a

RESOLVED, That Troy City Council hereby **AWARDS** the purchase of six (6) Commando-Dual BlowHard PPV Fans to the low bidder meeting specifications, *MacQueen Equipment, LLC of St. Paul, MN*, for an estimated total cost of \$27,324.00, at the unit price of \$4,554.00 as contained in the bid tabulation opened November 9, 2023, 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, and all other specified requirements.

b) Standard Purchasing Resolution 2: Award to Low Bidder Meeting Specifications – Fire Extinguisher Maintenance and Service

Resolution #2023-11-166-J-4b

RESOLVED, That Troy City Council hereby **AWARDS** a contract for Fire Extinguisher Maintenance and Service to the low bidder meeting specifications, *Gallagher Fire Equipment of Livonia, MI*, at unit prices contained in the bid tabulation opened November 9, 2023, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; not to exceed budgetary limitations; contract to expire December 31, 2027.

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.

c) Standard Purchasing Resolution 4: State of Michigan MiDEAL Purchasing Cooperative – A/V Switches and Components Replacement – Troy Police Department

Resolution #2023-11-166-J-4c

RESOLVED, That in the best interest of the City, Troy City Council hereby **WAIVES** the bid process and **AWARDS** a contract to *Smart Homes, Inc. of Mason, MI*, for audio and video equipment replacement including labor for an estimated cost of \$67,383 with a \$2,600 contingency as detailed in the attached quote as per State of Michigan MiDEAL Purchasing Contract #190000001422, a copy of which shall be **ATTACHED** to the original Minutes of this meeting; not to exceed budgetary limitations.

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

J-5 Agreement for Emergency Medical Services Feasibility Study

Resolution #2023-11-166-J-5

BE IT RESOLVED, That in the best interest of the City, Troy City Council hereby **WAIVES** the formal bid process and **APPROVES** the attached Consulting Agreement with Fitch and

Associates in the amount of \$49,995; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

J-6 Cooperative Purchasing Programs Resolution

Resolution #2023-11-166-J-6

WHEREAS, City Administration recommends participation in the Cooperative Purchasing Programs when in the best interest of the City;

THEREFORE, BE IT RESOLVED, That Troy City Council **AUTHORIZES** participation in the Cooperative Purchasing Programs (listed below) to satisfy bid requirements when in the best interest of the City:

MiDEAL – State of Michigan

Oakland County Extended Purchasing Program

Suburban Library Cooperative

REMC – Regional Media Center Association of Michigan

Sourcewell - *formally* NJPA – National Joint Power Alliance

MiCTA – Michigan Collegiate Telecommunications Association

OMNIA Partners – *formally* National IPA – National Intergovernmental Purchasing Alliance, and NIGP – US Communities

BE IT FURTHER RESOLVED, That Troy City Council **APPROVES** *Blanket Authorizations(s)* to administratively approve purchases for operating supplies and services above the \$10,000 limit obtained through an approved Cooperative; **EXCEPT** for those Capital (401 Fund) purchases which shall be presented to Troy City Council for review and approval.

J-7 Postage Purchase for Early Voting Notification Postcard

Resolution #2023-11-166-J-7

RESOLVED, That Troy City Council hereby **AFFIRMS** the purchase for the printing and mailing of the early voting notification postcards to all Troy voters for the November 7, 2023 City General Election, as required by PA 81 of 2023 and the Agreement for Election Services Between Oakland County and City of Clawson and City of Troy, from *PrintMasters of Madison Heights, MI*, for a total cost of \$16,866.03.

J-8 School Property Tax Collection Authorization – Warren Consolidated Schools

Resolution #2023-11-166-J-8

WHEREAS, The City of Troy has collected 100% of the Warren Consolidated School millage levy on the summer property tax bill since the 1994-95 fiscal year; and,

WHEREAS, The Warren Consolidated School District requests that the City of Troy continue to collect 100% of their school millage levy on the summer property tax bill on an annual basis indefinitely;

THEREFORE, BE IT RESOLVED, That Troy City Council **AGREES** to continue to collect 100% of the Warren Consolidated School millage levy on the summer property tax bill on an annual basis indefinitely, unless this agreement is terminated by either party.

BE IT FURTHER RESOLVED, That the Mayor and City Clerk of the City of Troy are **AUTHORIZED** to execute the attached agreement between the City of Troy and the Warren Consolidated School District concerning the collection of school taxes on the summer property tax bill; a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

BE IT FINALLY RESOLVED, That the City Clerk of the City of Troy **SHALL FORWARD** a certified copy of this Resolution, and a fully executed original agreement to the Warren Consolidated School District.

J-9 Request for Acceptance of a Permanent Easement from Christopher Benjamin and Lisa Nieddu, Sidwell #88-20-03-252-005

Resolution #2023-11-166-J-9

RESOLVED, That Troy City Council **ACCEPTS** a permanent easement for storm sewers and surface drainage from Christopher Benjamin and Lisa Nieddu, owners of the property having Sidwell #88-20-03-252-005.

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.

K. MEMORANDUMS AND FUTURE COUNCIL AGENDA ITEMS:

K-1 Announcement of Public Hearings:

- a) December 4, 2023 – Public Hearing to Reprogram Community Development Block Grant (CDBG) PY 2018, 2019, 2020, 2021, 2022, and 2023 Funds

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

N-1 No Council Referrals Submitted

O. REPORTS:

O-1 Minutes – Boards and Committees: None Submitted

O-2 Department Reports:

- a) Sustainability Update
- b) Master Plan 63-Day Public Review Comments
- c) November 7, 2023 City General Election Recap
Noted and Filed

O-3 Letters of Appreciation:

- a) To DPW Staff from Cathy Grube Regarding Excellence Service from Staff
Noted and Filed

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

P. COUNCIL COMMENTS:

P-1 Council Comments

Council Member Hamilton welcomed Council Member Gunn to Troy City Council, and he also thanked him for his service to our country.

Council Member Brooks congratulated and welcomed Council Member Gunn to Troy City Council. She congratulated Mayor Baker on his reelection. She wished everyone a Happy Thanksgiving, and encouraged everyone to get their vaccine boosters.

Mayor Pro Tem Hodorek welcomed Council Member Gunn to Troy City Council, and said she looks forward to working together. She wished everyone a Happy Thanksgiving. She commented on Troy Police Department's social media post reminding everyone to be safe during the pre-Thanksgiving celebrations, especially when alcohol is involved.

Council Member Chamberlain-Creanga welcomed Council Member Gunn to Troy City Council, and said she is looking forward to working together. She wished everyone a safe and Happy Thanksgiving. She commented that Council needs to decide on a new appointment to SEMCOG, and Council Member Hamilton replied that he may be able to take on that role.

Council Member Hamilton congratulated Mayor Baker and Council Member Brooks on their reelection.

Council Member Gunn thanked everyone on their well wishes and he looks forward to working with the City and its residents.

Mayor Baker congratulated Council Member Gunn and welcomed him to Troy City Council. He commented that now that the election is winding down, he is looking forward to moving the City of Troy forward while also honoring the City's history. He commented on the upcoming strategy session that will help guide how things will be prioritized and budgeted in the coming years. He wished everyone a Happy Thanksgiving, and encouraged everyone to be aware of and reach out to those hurting or struggling with mental health issues.

Mayor Baker announced the annual Christmas Tree Lighting Ceremony on Friday, December 1, 2023 at 6:30 PM in the Veterans Plaza.

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:

The Meeting **ADJOURNED** at 10:03 PM.

Mayor Ethan Baker

M. Aileen Dickson, MMC, MiPMC II
City Clerk

2023 SCHEDULED SPECIAL CITY COUNCIL MEETINGS:

December 2, 2023.....Special Meeting – Troy Advance

2023 SCHEDULED REGULAR CITY COUNCIL MEETINGS:

December 4, 2023.....Regular Meeting

December 11, 2023.....Regular Meeting



500 West Big Beaver
Troy, MI 48084
troymi.gov

J-04a

CITY COUNCIL AGENDA ITEM

Date: November 28, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
Rob Maleszyk, Chief Financial Officer
Dee Ann Irby, 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 – DPW Fleet Dump Trucks with Snow and Ice Removal Equipment

History

- The two (2) trucks being purchased replace current fleet trucks that are used on a daily basis by the DPW for snow plowing roads and parking lots, material hauling and daily operations.
- These trucks have reached their intended life expectancy.
- The two (2) obsolete vehicles will be removed from service and sold at auction for the estimated total proceeds of \$8,000.00.
- The new dump trucks will have current technology which is very effective and efficient for snow and ice removal.
- The V-bottom salt spreader being purchased will be compatible with current and new 3-yard dump trucks.
- This purchase replaces existing vehicles and does not increase the size of the existing Department of Public Works motor pool fleet.

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.



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Purchasing (continued)

- 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;
- 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.
- Wolverine Freightliner-Eastside, Inc. of Mt. Clemens, MI* and *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 November 20, 2023 (Resolution#2023-11-166-J-6)

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 Two (2) 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 2024 Fiscal Year.
- Expenditures of \$187,983.00 will be charged to Account Number 661.571.565.981.

Qty.		Vendor	Unit Cost	Total Cost	Project#
2	F350 Ford Truck Chassis	Gorno Ford	\$53,779.00	\$107,558.00	2024C0094
2	Dump Body & Snow Equipment	Truck & Trailer Specialties	\$35,175.00	\$70,350.00	2024C0094
1	V-Bottom Salt Spreader	Truck & Trailer Specialties	\$10,075.00	\$10,075.00	2024C0104
Grand Total				\$187,983.00	

Recommendation

City Management requests authorization to purchase two (2) Ford F350 truck chassis from *Gorno Ford of Woodhaven, MI* as per the MiDEAL Cooperative Purchasing Contract 071B7700181 for an estimated total cost of \$107,558.00 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 and one (1) V-bottom salt spreader 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 \$80,425.00 as detailed above; not to exceed budgetary limitations.



500 West Big Beaver
Troy, MI 48084
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CITY COUNCIL AGENDA ITEM



Ford F350 Incomplete Chassis Vehicle (Not Actual Vehicle Example Only)



Dump Body with Snow Plow (Not Actual Vehicle Example Only)



V-Bottom Salt Spreader

EDDIE WILLIAMS
GOVERNMENT SALES
GORNO FORD
WOODHAVEN, MI
PH 734-671-4893, CELL 313-319-3431

10/02/23

BRIAN VARNEY email brian.varney@troymi.gov
CITY OF TROY
PH 248-524-3390, FAX 248-680-7281

ALL UNITS LISTED COME WITH POWER GROUP & POWER MIRRORS,
KEYLESS ENTRY, A/C & HEAT, CRUISE CONTROL, AM/FM STEREO, &
BLUETOOTH, MIDEAL CONTRACT "MIDEAL #071B7700181"

2024 F350 4X4 CHASSIS, 60" CA, 145" WB, ORANGE EXT 7.3L V8-GAS
ADD, SNOW PLOW PREP, STEP BOARDS, 4.30 L/S, DUAL BATTERIES, BACK
UP CAMERA, (6) LT 245 X 17 A/T TIRES, CHROME BUMPER & FOG LAMPS, 350
AMP ALTERNATOR
MUNI PRICE \$53,779.00

2024 FORD TRANSIT T350, 148" WB, MID ROOF, WHITE EXT., 3.5L V6-GAS
9500 GVW, BACK UP CAMERA, 4:10 L/S, SPARE TIRE, TOW PKG, TRAILER
BRAKE CONTROLLER, VINYL FLOORING W/LOAD PROT. PKG, DUAL
BATTERIES, LONG ARM MIRRORS, (4) KEYS, 110V/150 WATT INVERTER,
BACK UP ALARM, SYNC 3 W/4" DISPLAY, FRT OVERHEAD SHELF, SIDE
DOOR STEP BOARD, D PILLAR ASSIST HANDLES,
MUNI PRICE \$54,012.00

2024 FORD F150 SUPER CAB 4X2 W/6.5' BED, WHITE EXT. 2.7L V6-GAS
CHROME BUMPERS, PRIVACY GLASS, 3.73 L/S, CLASS III HITCH, TRAILER
BRAKE CONTROLLER, 6365 GVW PKG, 40/20/40 FRT BENCH SEAT, SYNC 4
W/12" DISPLAY
MUJNI PRICE \$41,373.00

2024 TRANSIT T350, LOW ROOF, WAGON, BLACK-EST, 3.5L V6-GAS
12 PASSENGER CAPACITY, REAR A/C & HEAT, 4.10 L/S REAR AXLE, REVERSE
SENSING SYSTEM, SYNC 3 W/4" DISPLAY, PRIVACY GLASS, TOW PKG
W/HITCH, SIDE DOOR STEP BOARD, DUAL BATTERIES, 110/150 WATT
INVERTER
MUNI PRICE \$55,978.00

WE APPRECIATE YOUR BUSINESS

SINCERELY,
EDDIE WILLIAMS
GOV'T SALES
GORNO FORD

TRUCK & TRAILER *Specialties, Inc.*

900 Grand Oaks Drive | Howell, MI 48843 | www.ttspec.com | ph: (517) 552-3855 | fx: (517) 552-3666

November 28, 2023

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:

2024 Ford F-350, Reg Cab, 4x4, 145" WB, 60" CA, gas, upfitter switches, brake controller, factory 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
¼ integral straight 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 LB510 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
Remount factory backup camera

TRUCK & TRAILER *Specialties, Inc.*

900 Grand Oaks Drive | Howell, MI 48843 | www.ttspec.com | ph: (517) 552-3855 | fx: (517) 552-3666

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 light
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. WT4410541V)

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

Above installed and painted pricing: \$35,175.00 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: 180-210 days ARO, depending on chassis arrival

Thank you for the opportunity to quote.

Respectfully submitted by,
Jon Luea/Brian Bouwman

TRUCK & TRAILER *Specialties, Inc.*

900 Grand Oaks Drive | Howell, MI 48843 | www.ttspec.com | ph: (517) 552-3855 | fx: (517) 552-3666

November 17, 2023

City of Troy
4693 Rochester Road, Troy, MI 48085
Attn: Brian Varney, ph: (248) 524-3390
HQ0003881

Equipment Quotation

The following pricing will be based on City of Rochester Hills RFP-RH-20-023 contract awarded September 2020

Chassis information: Ford F350 with 9' Dump

Install Boss VBX9000 Poly V-box Auger Spreader including the following:

Poly construction, 304 stainless steel trough (mo. VBS15300C)
Hopper length 107", height 49", width 48", overall spreader length 122"
Weighs 710 lbs. empty
3.0 cubic yard capacity
Helical 6" OD x 9" pitch full-length auger feed system with inverted-V
14.5" poly spinner assembly with adjustable deflector
Electric drive
Dual variable speed controller includes auto-reverse for auger and overload protection
Dual variable speed box vibrators to prevent tunneling
LCD screen in-cab controller is backlit for clear visibility
Dual 55-watt halogen work lights
CHMSL (center high mount stop light)
Includes top screen
Includes VCP tarp with integral hopper tie-down kit
Four (4) winch straps for tie-down
Supply three (3) SoundOff Pinnacle (mo. EPL7PDPC) amber/green mini lightbars

Above installed equipment pricing: \$10,075.00 ea.

Minimum full 1-year warranty on parts and labor on all equipment.

Payment Terms: Net 30 days. Pricing effective for 30 days.

FOB: City of Troy

Delivery: 7-14 days ARO

Thank you for the opportunity to quote.

Respectfully submitted by,
Jon Luea/Brian Bouwman



500 West Big Beaver
Troy, MI 48084
troymi.gov

J-04b

CITY COUNCIL AGENDA ITEM

Date: November 27, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
Rob Maleszyk, Chief Financial Officer
Dee Ann Irby, Controller
Kurt Bovensiep, Public Works Director
Dennis Trantham, Deputy Public Works Director
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 4: Oakland County Extended Purchasing Contract – Farm Complex Remediation, Abatement and Removal of Contents

History

- The City of Troy purchased the Troy Farm property in 1970 that includes 70 acres of open farm land for the Troy Nature Center and the Troy Farm Park.
- In 1973 the City of Troy purchased an additional 5.45 acres of land that includes the farmstead structures.
- In 1978 the City of Troy constructed a restroom facility to mimic a barn and installed a modular classroom and a gravel parking lot.
- The amenities were used from 1975 through the mid 1990's by the Troy Parks and Recreation Department for a youth summer camp, Camp Kish-Ka-Ko and by the Stage Nature Center for seasonal Junior Naturalist Classes.
- During the 1980's the Parks and Recreation Department planted pumpkins in the field along South Blvd, and installed raised bed gardens for senior citizens. In the 1990's, at the request of the seniors using the gardens, a fence was constructed around the senior gardens to exclude the deer.
- The large farmhouse has been largely unoccupied and used for storage throughout much of the city's ownership, except from 1981-1985 when a Stage Nature Center Employee lived there.
- The smaller farmhouse was used by summer interns hired by the Troy Parks and Recreation Department, but has not been occupied since the 1990's.
- The Garage/Workshop has only been used for storage and a workshop since ownership.
- The small and large farmhouses, garage/workshop, classroom, and restroom facility have fallen into disrepair as a result of their lack of use and maintenance since the recession.
- Demolition of this property has been included in the 2024 fiscal year capital budget and the utilities have been disconnected. The abatement and disposal of contents are the last step before issuing a bid for the demolition of this property.



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Troy, MI 48084
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CITY COUNCIL AGENDA ITEM

Purchasing

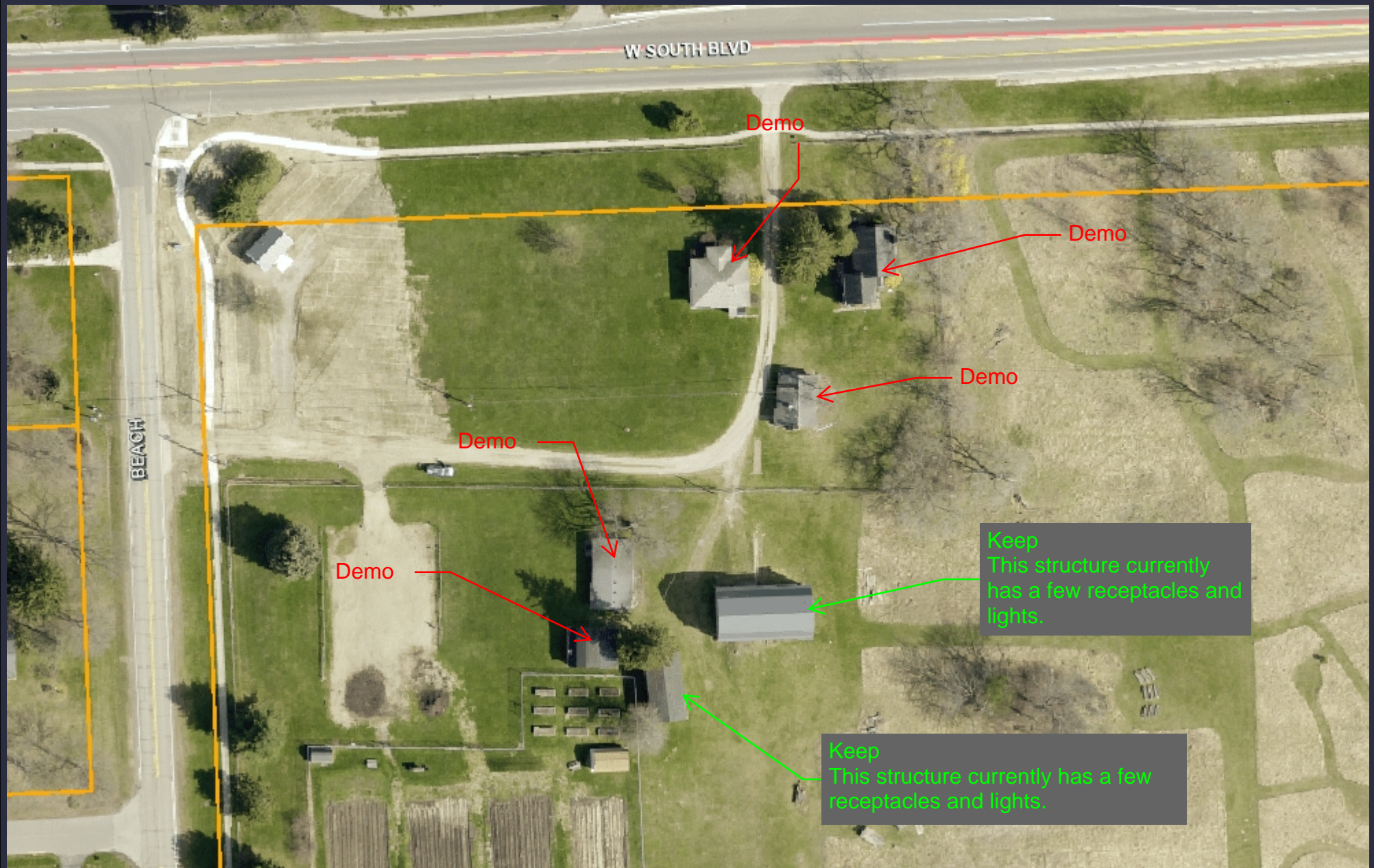
- Pricing to provide the labor, materials, and equipment for the Farm Complex Remediation, Abatement and Removal of Contents has been secured from *Rightway Remediation, of Saginaw, MI* through the Oakland County Extended Purchasing Contract #008810 as detailed in the attached proposals dated November 13, 2023.
- City Council authorized participation in the Cooperative Purchasing Programs on November 20, 2023 (Resolution #2023-11-166-J-6).

Financial

Funds are budgeted and available in the Parks Division Capital Fund under Project Number 2024C0042 for the 2024 fiscal year. Expenditures will be charged to account number 401.770.771.974.070.

Recommendation

City Management is requesting the bid process be waived and a contract be awarded to *Rightway Remediation, of Saginaw, MI* for the Farm Complex Remediation, Abatement and Removal of Contents for an estimated amount of \$31,500 per the Oakland County Extended Purchasing Contract #008810; not to exceed budgetary limitations.



216 0 108 216Feet



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.

Rightway Remediation LLC

4407 Center St., Saginaw, MI 48604

Phone 989.600.0055 Fax 989.401.5353 email officerightway@gmail.com

11/13/2023

CITY OF TROY

OAKLAND COUNTY 008810

Quote

Site: 3325 West South Boulevard, Troy, Michigan

Scope of work: Set up criticals, decon area, negative pressure containment
double bag for disposal, perform air clearance

LINE ITEM: 43706 CAT # 72103003 lump sum remediation & abatement

Remove all acm containing materials in all bldgs. Listed in asbestos survey

Big House:	\$17,000.00
Small house:	\$10,000.00
Garage:	\$800.00
Shool House:	\$100.00

All Federal Rules & Regulations will be followed.

All ACM materials should be properly dispose of in a Class II Landfill.

Payment upon Completion	TOTAL:	\$27,900.00
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Please indicate your acceptance of this quote and payment terms by signing below.

Authorized Signature _____

Date _____

Rightway Remediation LLC

4407 Center St., Saginaw, MI 48604

Phone 989.600.0055 Fax 989.401.5353 email officerightway@gmail.com

11/13/2023

CITY OF TROY

Quote

Site: 3325 W. SOUTH BOULEVARD, TROY, MI

Scope of work: REMOVE CONTENTS FROM THE BLDGS. BIG HOUSE,
SMALL HOUSE, GARAGE, BATH HOUSE AND SCHOOLHOUSE

DUMPSTER RENTAL: \$1,800.00

LABOR TO CLEAN OUT BLDGS. \$1,800.00

OAKLAND COUNTY CONTRACT 008810

Payment terms : Upon completion	Total	\$3,600.00
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Please indicate your acceptance of this quote and payment terms by signing below.

Authorized Signature _____

Date _____



500 West Big Beaver
Troy, MI 48084
troymi.gov

J-04c

CITY COUNCIL AGENDA ITEM

Date: November 27, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
Robert C. Maleszyk, Chief Financial Officer
Dee Ann Irby, Controller
Kurt Bovensiep, Public Works Director
Dennis Trantham, Deputy Public Works Director
Emily Frontera, Purchasing Manager

Subject: Standard Purchasing Resolution 5: Approval to Expend Budgeted Funds – Temperature Monitoring System Installation for Park Buildings

History

The Facilities and Grounds Division of the Department of Public Works oversees and maintains over 550 acres of developed park land and athletic fields consisting of 2 Mini Parks, 5 Neighborhood Parks, 9 Community Parks, and 3 Special Purpose Parks. Community Parks are designed for community-based recreation needs while preserving unique landscapes and open spaces. These parks usually serve two or more neighborhoods within a 1 to 2-mile radius. A reoccurring theme in the Parks and Recreation Master Plan, has been the community's desire for outdoor winter recreation opportunities.

The Global Pandemic further highlighted the need for more outdoor recreation opportunities during the traditional off season of our local parks. The Facilities and Grounds Division began looking for opportunities to heat the restrooms, thus allowing their use throughout the year. During fiscal year 2022, the Facilities and Grounds Division installed electric unit heaters in the restrooms at Beach Road Park, Daisy Knight Dog Park, and Milverton Park as well as making necessary repairs to the heating unit in the Boulan Park South restroom allowing it to function again. During fiscal year 2023 the Facilities and Grounds Division worked with consumers energy to install natural gas services to Boulan Park North, Brinston Park, Firefighters Park, Jaycee Park South, and Raintree Park to allow for the installation of gas fired forced air furnaces.

During fiscal year 2023 the Sylvan Glen Lake Park restroom was constructed and included in-floor radiant heat as part of the design.

Recognizing that freezing temperatures are the enemy of water and the idea that the restrooms will be available outside of the normal working hours, we needed a means of monitoring the space temperatures to ensure that pipes and fixtures do not freeze leading to infrastructure damage. The solution was to utilize Vigilante Security of Troy, MI to provide a remote temperature monitoring system that will notify staff if the building temperature falls below 42 degrees for longer than 10



500 West Big Beaver
Troy, MI 48084
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CITY COUNCIL AGENDA ITEM

minutes. The notification will dispatch staff to address the failure in the heating system and take the necessary precautions to protect the property from significant water damage.

Purchasing

- Pricing for the Temperature Monitoring System Installation for Park Buildings has been secured from *Vigilante Security, Inc.* of *Troy, MI* as detailed in the attached proposal.
- Vigilante has provided Alarm Installation, Monitoring and Maintenance for the City of Troy since 1994.
- City Council authorized a bid waiver for Vigilante Security, Inc. on December 3, 2007 (Resolution #2007-12-340).

Financial

Funds are budgeted and available in the following Capital Fund Project numbers:

Location	Project Number	Account	Amount
Boulton Park North	2022C0143	401.770.771.975.135	\$1,895
Boulton Park South	2022C0143	401.770.771.975.135	\$1,895
Brinston Park	2022C0065	401.770.771.975.135	\$1,895
Firefighters Park	2022C0145	401.770.771.975.135	\$1,895
Jaycee Park	2022C0144	401.770.771.975.135	\$1,895
Raintree Park	2022C0066	401.770.771.975.135	\$1,895
Daisy Knight Dog Park	2023C0043	401.770.771.975.135	\$1,895
Sylvan Glen Lake Park	2023C0043	401.770.771.975.135	\$1,895

Total= \$15,160

Funds for the monthly monitoring fees are available in the Parks operating budget.

Recommendation

City Management recommends granting the authority to expend budgeted capital funds to *Vigilante Security, Inc.* of *Troy, MI* for the Temperature Monitoring System Installation for Park Buildings for an estimated cost of \$15,160 as detailed in the attached proposal; not to exceed budgetary limitations.



2681 Industrial Row Drive Troy, Michigan 48084
248-559-7100 800-589-7100 Fax: 248-559-1322
www.vigilantesecurity.com

November 13, 2023

Mr. Dennis Trantham
Deputy Public Works Director
City of Troy
500 W. Big Beaver Road
Troy, Michigan 48084
586-219-7461 cell / dennis.trantham@troymi.gov

RE: Air temperature monitoring for remote city park buildings.

Dear Dennis,

Per your request, enclosed is our proposal for the installation of new equipment to monitor the drop of temperature at desired location(s) within the city park buildings for the following.

Boulan Park - North - 3671 Crooks
Boulan Park - South - 3671 Crooks
Brinston Park - 2262 Brinston
Firefighters Park - 1800 W Square Lake
Jaycee Park - 1755 E Long Lake
Raintree Park - 3775 John R
Sylvan Glen Lake Park - 5501 Rochester
Daisy Knight Dog Park - 3410 Livernois

Please go over these materials at your leisure. If you have any questions, or if you wish, we can set up a time to get together to go over everything in detail.

Very truly yours,

Steve Vansteel, SET

Fire & Security Consultant/Engineer
Senior Engineering Technician
N.I.C.E.T. Level IV - Certification # 87851
National Institute For Certification In Engineering Technologies
Fire Protection Engineering Technology/Fire Alarm Systems/IV

PROPOSAL

AIR TEMPERATURE ALERT WITH CENTRAL STATION MONITORING

Overview-	Furnish and install the equipment and materials below in each remote city park building. Once the lower threshold <u>preset</u> limit of 45 degrees has been reached and maintained for 10 minutes, the system will activate and provide both an on premise alert on the system keypad and transmit this event by way of cellular radio to the central station for call list notification.
Control Panel-	(1) DMP, XT-50 alarm control panel.
Standby Power-	(1) Yuasa, 12VDC 7a/h battery.
Keypad-	(1) DMP, Touch screen keypad installed adjacent the control panel location.
Radio-	(1) DMP, Radio cellular communication transmitter
Siren-	No siren at this time.
Wireless Receiver-	(1) DMP, Wireless high powered receiver module installed in or at the control panel location.
Temperature Sensor-	(3) DMP, Wireless temperature sensors for the following location(s). (1) Control panel (1) Women's restroom (1) Men's restroom
Miscellaneous-	Wiring and installation materials System programming and testing checkout Provide seminar of system operation

INSTALLED (each building)	\$	1,895.00
Monthly central station radio monitoring (each building)	\$	42.50

Please read and understand all proposal notes listed at the end of the proposal.

OPTIONAL PROTECTION

Option # 1

Virtual Keypad Remote Interactive Services



Overview-

In today's digital era, it has become increasingly important to utilize technological advancements to ease the use of your alarm system. DMP's new Virtual Keypad™ Remote Services solutions actually pave the way for you to do this with your smart phone or computer.

With Virtual Keypad, you can take advantage of all the amazing benefits next-generation digital technology has to offer - including enhanced communication and the ability to stay connected to your homes and businesses from anywhere in the world.

By logging on to a secure website, you can with the proper plan:

Control (arm, disarm, bypass, add or change alarm codes) your security system via a virtual keypad using any internet browser on a PC or via SMS on a smart phone or cell phone.

Receive important e-mail notifications (alarms, troubles, arms / disarms and by who) via cell phone, laptop, or any other web-enabled smart phone

Administrate user codes on your system

This feature can be added to your existing Virtual Keypad account you have for Troy Historic Village to provide smart-phone notification and system control.

The remote services listed below are in addition to the central station monitoring fee.

Virtual Keypad App (Base price per month, per building)

\$ 10.00

Option # 2

Intrusion Alarm

Overview-

At any time, additional alarm detection devices can be added to any installed system / building listed in this proposal to provide Intrusion Detection. An additional survey would need to be performed so that a proper proposal can be written and delivered to you for review.

PROPOSAL NOTES:

1.

This proposal is valid for ninety (90) days and includes the specified materials and labor for our specified services based upon information provided to Vigilante Security, Inc. If changes are necessary, including additional quantities or devices, this proposal will be modified accordingly. Any additional pass-through charges that may be incurred, including, but not limited to sales tax, permit fees and/or municipal testing will be reflected on your invoice. The entire installation, including parts and labor provided by Vigilante Security, is warranted for one year from date of installation.

2.

Our non-union labor involvement in the installation of the system proposed above has been determined by our standard Monday through Friday 8:00am to 4:30pm rates, should you desire the installation to be performed during hours outside our standard work schedule, additional fees would be required and should be discussed prior to proposal acceptance.

3.

This proposal does NOT contain any option for municipal involvement on our part. Should municipal plan engineering, submittal or permitting be required or desired, a electronic cad file in the DWG format of the most recent floor plan (s) of the property would be necessary to perform these services as an additional cost. These required files to be delivered without any associated fees for our use. Additional fees would become necessary or our rejection to honor this proposal should these files be unavailable. Municipal fees for plan review, permits or inspections are NOT included.

4.

A dedicated electrical circuit with locked beaker is suggested but a single available electrical receptacle to be provided at control panel location at no expense to Vigilante Security.

5.

Installation and/or Monitoring Agreement will be created and delivered electronically through "DocuSign" for your review and signature endorsement. These agreements must be executed and returned along with the required deposit of 30% of the accepted sale or installation amount prior to the start of any engineering, submittal or preparation of work. Another 30% will be required upon commencement of installation, with the final balance due upon completion, or prior to any municipal acceptance test. Deposits, progress and final payments must be via checking account ACH, or check. Credit card payments for installations will be assessed a 4% processing fee. All recurring monitoring charges must be paid by automatic pre-approved payment either as a checking account ACH or by credit card.



500 West Big Beaver
Troy, MI 48084
troymi.gov

J-05

CITY COUNCIL AGENDA ITEM

Date: November 28, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan Schubert, Assistant City Manager
Dee Ann Irby, Controller
Brian Goul, Recreation Director
Emily Frontera, Purchasing Manager

Subject: Bid Waiver – Bus Transportation Services

History

- The City of Troy has used the Troy School District buses for transportation services for 25 years.
- In 2011 the School District privatized their bus services and secured a contract with First Student.
- First Student has been used by the City since then for transportation for field trips, for programs and for the ski program.
- These transportation services have provided us the ability to continue many long running programs that require transportation, and create new programs for the community.
- On December 4, 2017, Troy City Council approved a two (2) year contract for Bus Transportation Services, with an option to renew for two (2) additional years based on mutual consent of both parties with *First Student of Chicago, IL*; contract expiring December 31, 2019 (Resolution #2017-12-192-J-5).
- November 11, 2019 City Council approved a two (2) year extension of the contract under the same terms and conditions as the original bid, contract expiring December 31, 2021, (Resolution #2019-11-133-J-6).
- November 8, 2021 City Council approved a (2) year extension of the contract under the same terms and conditions as the original bid, contract expiring December 31, 2023. (Resolution #2021-11-164)
- In 2022, the City spent nearly \$25,000 on bus services for the Recreation Department Programs.

Purchasing

The transportation services market was surveyed and is summarized below. First Student continues to offer the most economical choice. First Student is able to continue to provide bussing services for our programs for the below rate. They do not charge any additional fees, including cancelation fees. The other companies charge cancelation fees.

Company	Fees	Day of Cancellation Policy
First Student	\$63.44/hr.	No fee
Trinity Bus Service	\$80/hr.	\$100 cancellation fee
Servicar	\$90/hr.	No refunds, must pay all fees



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CITY COUNCIL AGENDA ITEM

Purchasing Continued

First Student has done an excellent job providing bus transportation services in the past and has met all contract terms and conditions. First Student has also expressed an interest in continuing to provide bus transportation services for the City under the following terms and conditions: the last bid was \$57.75/hr., but fees have increased to \$63.44/hr. It is in the best interest of the City to waive the bid process and renew the contract with First Student for two (2) additional years under the new terms and conditions at \$63.44 per hour.

Financial

Funds are available in the various Recreation operating accounts and is paid entirely through user fees.

Recommendation

City Management recommends it is in the best interest of the City to waive the bid process and renew the contract with *First Student of Chicago, IL* for Bus Transportation Services for the City of Troy Recreation Department Programs under the new terms and conditions for two (2) additional years at \$63.44 per hour.



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CITY COUNCIL AGENDA ITEM

Date: November 20, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
R. Brent Savidant, Community Development Director
G. Scott Finlay, City Engineer

Subject: Private Agreement – Contract for Installation of Municipal Improvements
Proposed Warehouse on Piedmont - Project No. 23.908.3

History

Dokan Construction Inc proposes to develop a warehouse building located on the north side of Piedmont Ave., south side of Wheaton Ave., Section 26.

The preliminary site plan was administratively approved on July 17th, 2023.

Site grading and utility plans for this development were reviewed and recently approved by the Engineering Department. The plans include municipal improvements, which will be constructed by Dokan Construction Inc on behalf of the City of Troy including: Fire Hydrant, Storm Sewer, Concrete Pavement, Sidewalk, Underground Biodetention System and Rain Gardens. The required fees and refundable escrow deposits in the form of a Performance Bond and 10% Cash, that will assure completion of the municipal improvements, have been provided by Dokan Construction Inc (see attached Private Agreement).

Financial

See attached summary of required deposits and fees for this Private Agreement.

Recommendation

Approval of the Contract for Installation of Municipal Improvements (Private Agreement) is recommended.

City Of Troy

Contract for Installation of Municipal Improvements (Private Agreement)

Project No.: **23.908.3**

Project Location: **NW 1/4 Section 26**

Resolution No: _____

Date of Council Approval: _____

This Contract, made and entered into this 17 day of November, 2023 by and between the City of Troy, a Michigan Municipal Corporation of the County of Oakland, Michigan, hereinafter referred to as "City" and Dokan Construction Inc whose address is 42690 Woodward Ave., Suite 180, Bloomfield Hills, MI 48304 and whose telephone number is 248-977-3044 hereinafter referred to as "Owners", provides as follows:

FIRST: That the City agrees to permit the installation of Fire Hydrant, Storm Sewer, Concrete Pavement, Sidewalk, Underground Biodetention System and Rain Gardens in accordance with plans prepared by GK Consulting Inc whose address is 5644 Middlebelt Road, Garden City, MI 48135 and whose telephone number is 313-377-9449 and approved prior to construction by the City in accordance with City of Troy specifications.

SECOND: That the Owners agree to provide the following securities to the City prior to the start of construction, in accordance with the Detailed Summary of Required Deposits & Fees (attached hereto and incorporated herein):

Refundable escrow deposit equal to the estimated construction cost of \$ 148,329.00. This amount will be deposited with the City in the form of (check one):

Cash/Check	<input type="checkbox"/>	} 10% Cash <u>\$14,832.90</u>
Certificate of Deposit & 10% Cash	<input type="checkbox"/>	
Irrevocable Bank Letter of Credit & 10% Cash	<input type="checkbox"/>	
Performance Bond & 10% Cash	<input checked="" type="checkbox"/>	

Refundable cash deposit in the amount of \$ 54,727.00. This amount will be deposited with the City in the form of (check one):

Cash	<input type="checkbox"/>	Check	<input checked="" type="checkbox"/>
------	--------------------------	-------	-------------------------------------

Non-refundable cash fees in the amount of \$ 650.00. This amount will be paid to the City in the form of (check one):

Cash	<input type="checkbox"/>	Check	<input checked="" type="checkbox"/>
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Said refundable escrow deposits shall be disbursed to the Owners after approval by the City. The City reserves the right to retain a minimum of ten (10) percent for each escrowed item until the entire site/development has received final inspection and final approval by all City departments. Refundable cash deposits shall be held until final approval has been issued. Disbursements shall be made by the City within a reasonable time, after request for refund of deposits is made by the Owners.

City Of Troy

Contract for Installation of Municipal Improvements (Private Agreement)

THIRD: The owners shall contract for construction of said improvement with a qualified contractor. Owners, or their agents, and contractor(s) agree to arrange for a pre-construction meeting with the City Engineer prior to start of work. All municipal improvements must be completely staked in the field under the direct supervision of a registered civil engineer or registered land surveyor, in accordance with the approved plans. Revisions to approved plans required by unexpected or unknown conflicts in the field shall be made as directed by the City.

FOURTH: Owners agree that if, for any reason, the total cost of completion of such improvements shall exceed the sums detailed in Paragraph SECOND hereof, that Owners will immediately, upon notification by the City, remit such additional amounts in accordance with Paragraph SECOND hereof. In the event the total cost of completion shall be less than the sums as detailed in Paragraph SECOND hereof, City will refund to the Owners the excess funds remaining after disbursement of funds.

FIFTH: Owners agree to indemnify and save harmless City, their agents and employees, from and against all loss or expense (including costs and attorneys' fees) by reason of liability imposed by law upon the City, its agents and employees for damages because of bodily injury, including death, at any time resulting therefrom sustained by any person or persons or on account of damage to property, including work, provided such injury to persons or damage to property is due or claimed to be due to negligence of the Owner, his contractor, or subcontractors, employees or agents, Owner further agrees to obtain and convey to the City all necessary easements and/or right-of-way for such public utilities as required by the City Engineer.

City Of Troy
Contract for Installation of Municipal Improvements
(Private Agreement)

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in duplicate on this 16th day of Nov, 2023.

OWNERS

By: 

ALI ABDULLAH

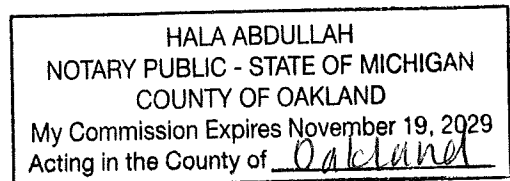
*
Its: PRESIDENT

Please Print or Type

*
Its: _____

Please Print or Type

STATE OF MICHIGAN, COUNTY OF OAKLAND



On this 16th day of November, A.D. 2023, before me personally appeared Ali Abdullah known by me to be the same person(s) who executed this instrument and who acknowledged this to be his/her/their free act and deed.



NOTARY PUBLIC, Oakland, Michigan

My commission expires: Nov. 19, 2029
Acting in Oakland County, Michigan

City Of Troy
Contract for Installation of Municipal Improvements
(Private Agreement)

CITY OF TROY

By:

Ethan Baker, Mayor

M. Aileen Dickson, City Clerk

STATE OF MICHIGAN, COUNTY OF OAKLAND

On this _____ day of _____, A.D.20_____, before me personally
appeared _____ known by me
to be the same person(s) who executed this instrument and who acknowledged this to be
his/her/their free act and deed.

NOTARY PUBLIC, _____, Michigan

My commission expires: _____
Acting in _____ County, Michigan



Project Construction

Permit No: PPC23.908.3

Engineering Department

TO SCHEDULE INSPECTION CALL

INSPECTION LINE: (248) 680-7221

500 W. Big Beaver Road

Troy, Michigan 48084

Hours: Mon-Fri 8am - 4:30pm

Fax: (248) 524-1838

www.troymi.gov

NOTE: A Minimum of 24 hour notice for inspection shall be provided prior to construction.

Location

88-20-26-154-017 Lot:
Subdivision:
Project No:

Permittee/Owner

DOKAN CONSTRUCTION INC
42690 WOODWARD AVE STE 18
BLOOMFIELD HILLS MI 48304

Issued: 11/20/2023 Expires:

Applicant

FOR INFORMATION REGARDING THE ISSUANCE OF THIS
PERMIT, CONTACT THE CITY OF TROY ENGINEERING
DEPARTMENT AT (248) 524-3383

42690 WOODWARD AVE STE 180
BLOOMFIELD HILLS MI 48304

Work Description: PROPOSED WAREHOUSE ON PIEDMONT

Stipulations: UNDERGROUND DETENTION SYSTEM

Work will meet all codes and inspections.

Category	Permit Item	Acreage/Qty
Escrow Deposits	Sanitary Sewers	19,830.00
Escrow Deposits	Water Mains	45,000.00
Escrow Deposits	Storm Sewers	41,848.00
Escrow Deposits	Pavement	6,956.00
Escrow Deposits	Grading	10,000.00
Escrow Deposits	Detention Basin	23,695.00
Escrow Deposits	Temporary Access Road	1,000.00
Cash Fees (Non-Refundable)	Water Main Testing/Chlorination PA2	90.00
Cash Deposits (Refundable)	Sidewalks	4,159.00
Cash Deposits (Refundable)	ROW Restoration	400.00
Cash Deposits (Refundable)	Repair & Maintenance-Public Streets	2,500.00
Cash Deposits (Refundable)	Punchlist & Restoration	148,329.00
Cash Deposits (Refundable)	Construction Engineering (CE)	148,329.00
Cash Deposits (Refundable)	Construction Engineering (CE)	168,067.00

Amount Due: **0.00**
PAID IN FULL



Project Construction

- 1) Secure a permit from the City of Troy prior to the commencement of construction or maintenance operations. If a subcontractor is to perform the construction or maintenance entailed in this application, he shall be responsible, along with the applicant, for any provisions of this application and plans which apply to him.
 - 2) Any and all construction proposed under this application will meet all requirements of the City, together with the Supplemental Specifications set forth on this application for permit.
 - 3) Save harmless the City against any and all claims for damage arising from operations covered by this application and furnish proof of insurance coverage for the term of the permit issued. Insurance coverage shall be for general liability, property damage and workman's compensation at limits deemed acceptable to the City of Troy. The City of Troy to be named as additional insured on the general liability.
 - 4) Surrender the permit herein applied for and surrender all rights there under whenever notified to do so by the City of Troy because of its need for the area covered by the permit or because of a default in any of the conditions of this permit.
 - 5) Immediately remove, alter, relocate or surrender the facility of which this application is granted if requested by the City of Troy to do so upon termination of this application and upon failure to do so, will reimburse the City of Troy for the cost of removing, altering or relocating the facility.
- SUPPLEMENTAL SPECIFICATIONS:**

- 1) **INTENT:** Since a permit will have to be secured from the City prior to the start of any construction or maintenance operations proposed by this application, it is the intent of these supplemental specifications to be incorporated as part of the plans or specifications required for this proposed work.
- 2) **EXCAVATION AND DISPOSAL OF EXCAVATED MATERIAL:** The City shall specify if trenches or excavations under or adjacent to the road surface shall be sheeted, shored and/or braced in such a manner as to prevent caving, loss, or settlement of foundation material supporting the pavement. Excavated material shall be stocked in such locations that it does not obstruct vision on the traveled portion of the road and in such a manner that it will interfere as little as possible with the flow of traffic. Sod and topsoil shall be stocked separately from other excavated material. The applicant shall dispose of all surplus and unsuitable material outside of the limits of the highway unless the permit provides for disposal at approved locations within the right-of-way. In the latter case, the material shall be leveled and trimmed in an approved manner.
- 3) **BACKFILLING AND COMPACTING BACKFILL:** All trenches, holes and pits, where specified, shall be filled with sound earth or with sand-gravel if so provided, placed in successive layers not more than six (6) inches in depth, loose measure, and each layer shall be thoroughly compacted by tamping and all backfill subject to check by the Controlled Density Method (minimum 95%). Grass shall be restored with sod and topsoil in accordance with the City of Troy Standard Specifications for Turf Restoration.

Sand-gravel backfill material shall consist of approved bank-run sand or gravel or a mixture of approved sand or stone screenings in the mixture. All of the material shall be of such size that it will pass through a screen having two and one-half (2 ½) inch square openings, unless otherwise authorized.

Any excavation within the right-of-way, outside the traveled portion of the road, must be maintained until all settlement has occurred and must be re-shaped and temporarily seeded for soil erosion control. Grass areas shall be restored in accordance with the City of Troy Standard Specifications for Turf Restoration.

All excavation within the traveled portion of the road must be backfilled with sand and compacted. Special requirements are to be determined by the surface type.

- 4) **CROSSING ROADBED BY TUNNELING:** When the pipe is installed by tunneling, boring or jacking without cutting the existing pavement, the backfill shall be made by tamping a dry mix of lean concrete into place so as to completely fill any voids, remaining around the installation. The concrete shall be composed of one (1) part Portland cement and ten (10) parts sand-gravel by volume. Sand-gravel shall conform to the requirements given in Paragraph 3.
- 5) **CROSSING BY CUTTING GRAVEL ROAD:** All trenches are to be backfilled with approved material to within twelve (12) inches of the surface within the limits of the roadbed. Backfill methods will be as described in Paragraph 3. All surplus excavated material will be disposed of as described in Paragraph 2. The top twelve (12) inches within the roadbed will be backfilled with eight (8) inches of 4A limestone or slag topped with four (4) inches of processed road gravel (MDOT 22A). Trenches outside of the roadbed will be backfilled in accordance with Paragraph 3.
- 6) **CROSSING BY CUTTING PAVEMENT AND TRENCHING:** When this method is used, the pavement shall be cut back so that the opening is at least twelve (12) inches wider on each side than the width of the trench. In all concrete surfaces or bases, edges of trenches shall be formed by the use of a concrete saw. The pavement shall be broken in such a manner as to allow the reinforcing steel, if any, to protrude a sufficient distance for lapping or tying with similar reinforcement in the pavement patch. Backfill shall be in accordance with Paragraph 3. After the backfill has been thoroughly compacted, the pavement shall be replaced with processed road gravel (MDOT 22A) stabilized with chloride until such time as the pavement can be replaced with new pavement by the permit licensee. Maintenance of the temporary pavement will be assumed by the City if the contractor fails to do so and cost incurred will be deducted from the permit licensee's deposit.
- 7) **DEPTH OF COVER MATERIAL:** Pipes shall be placed to a depth that will provide not less than four (4) feet of cover between the top of roadway surface and the pipe.
- 8) **TREE TRIMMING OR REMOVAL:** A special permit will be required for any proposed tree trimming or removal.
- 9) Any proposed operation in the right-of-way not covered in the above specifications, submitted with this application shall be done in accordance with additional specifications or instructions deemed necessary by the City or its duly authorized representatives.
- 10) The following must be attached to the application when applicable: a} Map; b} Plans, specifications and location of facility; c} Traffic plan in cases of street closure; d} Proof of insurance; e} City Council resolution granting a franchise or permit to operate a cable television system, telecommunications system or to install other public utilities in the City of Troy.



PROPOSED
WAREHOUSE ON
PIEDMONT



Traffic Committee Minutes – September 20, 2023**FINAL**

A regular meeting of the Troy Traffic Committee was held Wednesday, September 20, 2023 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: Shama Kenkre
Richard Kilmer
Cindy Nurak
Al Petrulis
Abi Swaminathan
Pete Ziegenfelder

Absent: Cynthia Wilsher

Also present: G. Scott Finlay, City Engineer
Sgt. Brian Warzecha, Police Department
Deputy Fire Chief, Paul Firth, Fire Department
Merissa Clark, Administrative Assistant

2. Minutes – June 21, 2023 & July 19, 2023 Traffic Committee

Resolution # 2023-09-09

Moved by Petrulis

Seconded by Kilmer

To approve the June 21, 2023 & July 19, 2023 minutes as printed.

Yes: Kenkre, Kilmer, Nurak, Petrulis, Swaminathan, Ziegenfelder

No: None

Absent: Wilsher

MOTION CARRIED**PUBLIC HEARINGS****3. Request for Sidewalk Waiver – 6910 Donaldson (Sidwell # 88-20-03-126-049)**

Paul Dodson with Newmark Homes of Michigan requests a sidewalk waiver for the sidewalk at 6910 Donaldson (Sidwell # 88-20-03-126-049). Mr. Dodson states:

- 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.

Michael Barry of 6875 Donaldson is against sidewalks going in, it does not fit the area on Donaldson.

The homeowner at 6899 Donaldson also stated he is against it; his home does not have sidewalks and it would not look good to have it at 6910 Donaldson.

Danelle Chandra-Sekhar of 6972 Donaldson is against the sidewalk going in, she stated it would not lead anywhere.

The traffic committee did not discuss this item any further.

Resolution # 2023-09-10
Moved by Kilmer
Seconded by Swaminathan

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, Paul Dodson with Newmark Homes of Michigan 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 6910 Donaldson (Sidwell # 88-20-03-126-049) contingent upon receipt of a cash deposit, commensurate with the cost of sidewalk construction.

Yes: Kenkre, Kilmer, Nurak, Petrulis, Swaminathan, Ziegenfelder

No: None

Absent: Wilsher

MOTION CARRIED

4. Request for Sidewalk Waiver – 2368, 2376, & 2384 Vermont (Sidwell # 88-20-25-351-074 thru 076)

Gary Abitheria with GFA Homes requests a sidewalk waiver for the sidewalk at 2368, 2376 & 2384 Vermont (Sidwell # 88-20-25-351-074 thru 076). Mr. Abitheria states:

- 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.*
- b. *There are several new construction homes in the subdivision and none of them have sidewalks.*

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.

THIS ITEM WAS REMOVED BY THE APPLICANT

REGULAR BUSINESS

5. Request for Traffic Control – Booth Rd. at Donaldson Rd.

Bretagne Whitford of 263 Booth Rd. requests that the intersection of Booth Rd. and Donaldson Rd. be reviewed for purposes of traffic control on Donaldson Rd. at the intersection. She states: I live in Troy at the intersection Booth Road and Donaldson Road. If you go south on Donaldson and you pass Booth, there is a dangerous low-visibility, curvy section ahead. I often find people speed out of that curvy section heading north across Booth Road. It is a long stretch without a stop sign. I live right at that corner and have three elementary aged children and it makes me nervous. Their bus stop is also at that same intersection; and again, it is nerve wrecking for them to stand at that corner. I would like to put in a request for a stop sign to be installed at that intersection.

Hello-

My name is Jode Michael, I am at 270 Booth right at the intersection in question.

I find a four way stop to be unnecessary and honestly a little dramatic of the resident requesting it.

This intersection I would consider low traffic and I've never witnessed any incidents take place. My house has a front row view.

I hope this helps in the matter. If you have any questions or need any further statement from me, please see free to reach out via this email or my direct cell number: (586)846-1352.

Jode Michael

Good morning Mr. G. Scott Finlay,

I am unable to attend the September 20th meeting but would like to add my opinion on the Booth Rd and Donaldson Rd intersection matter.

I was pleased to learn that a resident had submitted this request. I have observed drivers speeding through that intersection and have also witnessed a few close calls from those approaching from the Ottawa Rd direction. Also, there is a bus stop at that intersection and drivers should be forced to slow down for the childrens' safety.

I believe a 4-way stop is a necessary for the intersection.

Thank you for your time and consideration.

Sincerely,

Kristy Nagle (287 Booth Rd)

Hello,

I am writing in response to the notification that I received, regarding the request, to make the intersection of Donaldson Rd and Booth, a 4 way stop.

We live two houses from that corner and have not seen any accidents or safety problems in the 35 yrs that we have lived here. The volume of traffic has not seemed to have increased and there is no planned building of homes in the area.

There are, also, a lot of other stop signs in the vicinity of that spot, which keeps traffic at slow speeds.

Therefore, my husband and I, are against adding another stop sign there, to make it a 4 way stop.

Thank you for your consideration,

Nancy and Hank Thoenes

6371 Donaldson

Troy

Bretagne Whitford at 263 Booth Rd is concerned for the residents that are walking in the street with the speeding cars. The bus stop is at the corner of Booth and Donaldson and is very unsafe. The bus stop has 2 school districts picking up and dropping off at this stop so it has a lot of traffic every day. She is concerned for her three small children, as well as the children that live in the sub and continue to move in.

Mike Berry at 6875 Donaldson is in support of the stop sign, he states he sees a lot of speeding on Donaldson.

Jennifer Gillre at 212 Booth is in support of the stop sign.

Sgt. Brian Warzecha added that it would not hurt.

Al Petrulis pointed out that OHM's study did suggest that no changes be made.

Bretagne asked why the report stated that, and Pete explained how the study was done. Bretagne also added that there are two large bushes at the intersection that make it hard to see.

Richard Kilmer brought up that the streets near Donaldson have 4-way stops and he is very unsure on what decision to make and believes that all of troy is busy since we are a very populated city.

Jennifer Gillre at 212 Booth stated that the reason this stop sign is so important is because they want the children to all be safe at the bus stop, no other reason but that.

Cindy Nurak stated that she is not a fan of unnecessary stop signs but the safety of the kids is huge and she works with young kids and understands how important it is.

Al Petrulis explained that the studies have shown people are more likely to speed when they think signs are unnessicary and that it can be an added danger, because people assume it's clear but the bus stop being at the intersection does change things.

Resolution # 2023-09-11
Moved by Nurak
Seconded by Kilmer

RESOLVED, that the intersection of Booth Rd. at Donaldson Rd be **MODIFIED** from UNCONTROLLED, to STOP CONTROLLED.

Yes: Kenkre, Kilmer, Nurak, Petrulis, Swaminathan, Ziegenfelder
No: None
Absent: Wilsher

6. Public Comment

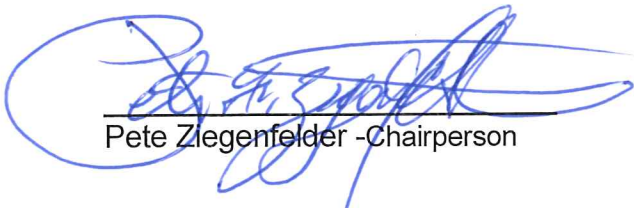
There was no further public comment at the meeting.

7. Other Business

Michael Berry asked when sidewalk would be installed on Donaldson, G. Scott Finlay explained to him the SAD process.

8. Adjourn

The meeting adjourned at 7:53 PM.



Pete Ziegenfelder -Chairperson



G. Scott Finlay, City Engineer/Traffic Engineer



500 West Big Beaver
Troy, MI 48084
troymi.gov

O-02a

CITY COUNCIL AGENDA ITEM

Date: November 27, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
Brian Goul, Recreation Director
Jen Peters, Troy Historical Society Executive Director

Subject: Troy Historic Village Master Plan

The Troy Historical Society, established as a 501.c.3 nonprofit corporation in 1966, administers the Troy Historic Village for the City of Troy through a renewable management agreement. The Troy Historical Society engages the community and enables life-long exploration of history by sharing and preserving our stories, artifacts, and buildings through creative, meaningful experiences. It views the Village as a tool to enrich lives in the Troy community and beyond. Utilizing professional staff, Troy Historical Society provides engaging education and enrichment programs for all ages. Nearly 30,000 guests visit the Village each year including more than 12,000 students, chaperones, and teachers from public, private and charter schools in southeast Michigan.

The Troy Historical Society provides a welcoming environment that:

- Engages visitors in positive learning experiences and social interactions by embracing innovative and creative programs for individuals and the community.
- Promotes stewardship of and adherence to the highest standards of historic preservation, managing resources with integrity and transparency.
- Respects the significance of history as we seek knowledge, understanding, perspective, and relevance in our lives.
- Recognizes artifacts as social objects and catalysts for sharing information and ideas.
- Encourages civil discussion, objective analysis, and critical thinking.
- Treats all people with dignity and respect and strives to make buildings, artifacts, and programs accessible to all.

In August of 2022, OHM Advisors was hired to be a consultant to create an updated master plan for the Troy Historic Village. On July 17, 2023 the Troy Historical Society Board voted 15-1 to approve the new plan. On September 18, 2023, the Troy Historic District Commission voted unanimously to approve the master plan.

The Troy Historic Village Master Plan is attached with the highlights listed below.

Why Create a Master Plan?

- The Master Plan explores opportunities for the future of this historical asset.
- The 2010 plan was ambitious in scope and vision, with few components remaining sustainable.



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

- Staff describes the site as being “building rich, but space poor”.
- The update considers the site’s existing conditions and utilizes community engagement to develop a blueprint for the next several years.

Scope of the Master Plan?

- Assess current conditions.
- Define goals.
- Strategize near and long-term improvements.
- Develop project phases and opinions of cost to implement improvements.

Plan Goals

- Improve site circulation and the visitor experience.
- Address the need for additional parking with considerations for safety, visibility, and placemaking.
- Identify underutilized spaces and opportunities for activation.
- Ensure that infrastructure improvements incorporate accessibility and sustainability.
- Encourage greater community understanding of the Troy Historic Village.
- Strategize implementation phases based on funding availability.
- Clarify funding, operations, and maintenance roles for improvements.
- Provide sufficient and appropriate space for staff, programming, and collections storage in a proposed new Visitor Center.

Project Background

- The Historic Village contains 11 buildings (eight relocated, two recreated, one built).
- The Village is a field trip destination for student groups with additional programs and events scheduled largely on afternoons, evenings, and some weekends.
- The Village is available as a rental venue at all other times (primarily weekends).
- Nearly 30,000 visitors and school children annually; the Master Plan update explores opportunities to attract more visitors through strategic site improvements.

Public Engagement

- Consisted of two surveys (located on-site, social media, and e-newsletter) and an open house-style listening session for interested neighbors.
- Focus group consisted of Village staff, City staff, Troy elected officials, and Troy Historical Society board members.

Recommendations

- Prominent entrance signage and increased visibility.
- Improved parking and visual continuity.
- Enhanced visitor circulation and connectivity.
- Relocation of the log cabin.
- New visitor center.
- Expanded flexible use of outdoor spaces.
- Permanent outdoor space at existing buildings.
- Multi-use covered outdoor space at the visitor center.



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CITY COUNCIL AGENDA ITEM

- Enhancements to wayfinding, signage, and exhibits.
- Bury overhead electrical lines.
- Address grading issues and flood intrusion challenges.
- Redirection of stormwater.
- Update campus infrastructure (lighting and electrical).
- Tree removal, relocation, and tree survey.
- Parking lot landscaping and tree protection.

Phasing Strategy

- Phase 1 (short-term) shovel-ready or critical incremental pieces that pave the way for Phase 2 projects.
- Phase 2 (long-term) may involve engaging consultants for specific design aspects or feasibility studies and involve substantial capital investment.

The Recreation and Facilities and Grounds Departments will continue to work with the Historical Society to focus on implementing the plan while following budgeting guidelines from City Management.

The Troy Historical Society may desire to explore creative funding in the form of grants or capitol campaigns. It will do so only in coordination with the City on individual project implementation and overall site management.

An aerial photograph of the Troy Historic Village. The scene features a large, white, two-story house with a grey shingled roof and a small chimney. To the left of the house is a large, green lawn with a winding stone path. In the background, there is a smaller, white, two-story house and a log cabin. A garden with several raised beds is visible in the center. The area is surrounded by lush green trees and foliage.

Troy Historic Village Master Plan

July 2023 | Troy Historical Society | City of Troy | OHM Advisors

ACKNOWLEDGMENTS

We would like to thank the many passionate Troy Historical Society members, Troy Historic Village staff, and volunteers who have cared deeply about this place through its history. Thank you to Troy council members, staff, and residents for collaboration and inspiration in support of the Master Plan update.

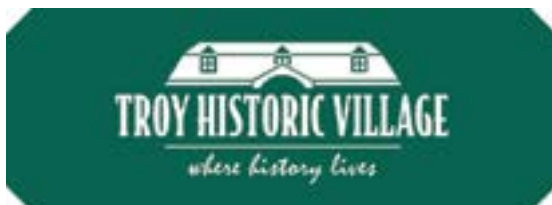
Troy City Council

Ethan Baker, Mayor
Rebecca Chamberlain Creanga, Mayor Pro Tem
Ellen Hodorek, Council Member
Edna Abraham, Council Member
Theresa Brooks, Council Member
Ann Erickson Gault, Council Member
David Hamilton, Council Member

Steering Committee

Jen Peters, Troy Historic Village Executive Director
Bob Bruner, City of Troy Assistant City Manager
Brian Goul, City of Troy Recreation Director
Dennis Trantham, City of Troy Facilities and Grounds Operations Manager

Prepared for: Troy Historical Society and the City of Troy Recreation Department



Prepared by: OHM Advisors



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23 Recommendations

EXECUTIVE SUMMARY

Why create a Master Plan for this site?

The Troy Historic Village Master Plan explores opportunities for the future of this local historic asset. The study is initiated by the City of Troy and the Troy Historical Society to consider community and operating budget changes since the last master plan's completion in 2010, and to build upon the momentum of the Niles-Barnard House restoration in 2021, a major project identified by the 2010 Master Plan.

While the 2010 Master Plan was ambitious in scope and vision, few of its components remain suitable. Staff describe the site as being “building rich, but space poor,” which inhibits their ability to grow event and program participation. The Troy Historic Village is programmed year-round, however there are operational limitations due to lack of adequate infrastructure, parking, building capacity, and underutilized outdoor space.

The Master Plan update considers the site's existing conditions and utilizes community engagement to develop a blueprint for the Troy Historic Village staff, Troy Historical Society, and City of Troy to act on over the next several years. Additional recommendations will be included for consideration in subsequent years and as funding becomes available.

The scope of the Master Plan is:

- Assess current conditions
- Define goals
- Strategize near-term and long-term improvements with specific recommendations by area
- Develop project phases and opinions of construction cost to implement recommendations

Plan Goals

The following goals were identified by stakeholders early in the planning process. The goals were used to organize the existing conditions assessment and Master Plan recommendations.

- Improve site circulation and the visitor experience
- Address the need for additional parking with considerations for safety, visibility, and placemaking
- Identify underutilized spaces and opportunities for activation
- Ensure that infrastructure improvements incorporate accessibility and sustainability
- Encourage a greater community understanding of the Troy Historic Village
- Strategize implementation phases based on funding availability
- Clarify funding, operations, and maintenance roles for the proposed improvements
- Provide sufficient and appropriate space for staff, programming, and collections storage in a proposed new Visitor Center

How to use the Plan

The Project Background section describes the previous planning efforts and existing conditions taken into consideration to develop the Master Plan.

The Public Engagement section provides a summary of the feedback received through surveys and focus groups to guide the development of the Master Plan recommendations.

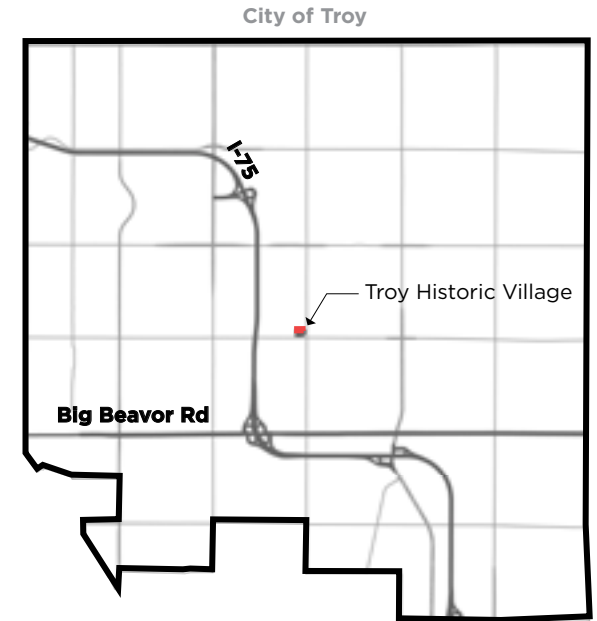
The Recommendations section contains conceptual maps with project phasing and implementation strategies, including opinion of construction cost ranges. The Master Plan provides a framework for decision-making in the near- and long-term.



PROJECT BACKGROUND

The Troy Historic Village is located at the intersection of Wattles and Livernois Road in the heart of Troy, Michigan. Troy was settled in the 1820s and by the 1880s, was thriving as an agricultural community. The parcels where the Village is located were forest, then farmland, prior to use as the Township Hall location. After the Township Hall was built in 1927 incorporating pieces of historic structures, ten (10) more structures would join to make the Village what it is today. Eight (8) of those buildings were relocated, two (2) were recreated, and the former Township Hall now serves as the visitor center and staff offices. Each of the 11 buildings represent a distinct time period and contain collections and stories from the 1800s up to 1920, representing Troy's early farming community. In 1966, the Troy Historical Society was formed to steward the site in collaboration with the City of Troy.

As the surrounding landscape transformed to residential and commercial uses, the Troy Historic Village has remained a unique educational campus. Other than its primary function as a display of historic local buildings and collections, the Troy Historic Village is a field trip destination for student groups. This is reflected by the site's operating hours, weekdays only from 10 am – 3 pm. Additional programs and events are scheduled largely on afternoons and evenings. Some programs occur on weekends, but the Village is often available as a rental venue. The Troy Historic Village receives an estimated 30,000 visitors and school children annually. The Master Plan update explores opportunities to attract more visitors to the site through strategic site improvements, such as utilization of available outdoor spaces, expanded parking capacity, infrastructure enhancements, relocation of the Log Cabin, and construction of a new Visitor Center.



Location Map



Previous Planning Efforts

An assessment of prior plans and survey data served as a starting point to understand where a Master Plan update should begin. The topics previously discussed in the Strategic Plan, Master Plan, and City of Troy resident surveys are a foundation to guide the Master Plan update. While recommendations at the individual building level are outside of the scope of this Master Plan, the Facilities Condition Assessment (FCA) completed in 2018 also provided a view into the improvements necessary to preserve the Village's structures.

The following documents were reviewed:

- Troy Historical Society Strategic Plan (2022 – 2027)
- City of Troy Resident Surveys (2021)
- Troy Museum and Historic Village Interpretive Master Plan (2010)

Troy Historical Society Strategic Plan (2022 – 2027)

The Troy Historical Society is the nonprofit organization responsible for administering, operating, and programming the Troy Historic Village for the City of Troy through a renewable management agreement. Following the disruption from the COVID-19 pandemic, the Troy Historical Society engaged in the strategic planning process to form a key operational and business plan for the next five (5) years, including defined measures of success and budget considerations to improve short-term and long-term performance. The internal goals and strategies established by the Board, staff, leaders, and the community will guide actions and decisions related to the Troy Historic Village from 2022 through 2027. The plan also provides some insight into how staff navigated the COVID-19 pandemic, lessons learned, and which programs adopted during the pandemic will continue in the foreseeable future.

2021 Resident Survey Results

The City of Troy hired a national research non-profit to engage 2,000 randomly-selected residents in two benchmarking surveys, one focused on budget items and the other on engagement and satisfaction with City services. The resident budget priorities survey asked about satisfaction with City facilities and infrastructure, including the Troy Historic Village. The resident engagement and priority survey provided insights into preferred ways to communicate with the City, behavioral use of amenities, and willingness to increase taxes to support certain improvements. Compared to other City amenities and infrastructure, the Village takes low priority in City budgets. However, there is opportunity to grow residents' appreciation for this amenity by offering more community collaboration and event space.

Troy Museum and Historic Village Interpretive Master Plan (2010)

The purpose of the Interpretive Master Plan was three-fold: to identify core interpretive messages from the historical buildings at the Village; to improve visitor orientation, site circulation, and wayfinding through three (3) different onsite interpretive zones; and to identify the resources needed to make improvements to the landscape and the interiors and exteriors of buildings. The Interpretive plan also provided insight into annual visitation, school program offerings, monthly and seasonal events, and staff structure. The 2010 Master plan was ambitious in scope and vision and showed what the Troy Historic Village could become, although few of the plan components have come to fruition.



2010 master plan concept for future land uses.

Existing Conditions Analysis | Overall

In order to build the foundation of knowledge required to plan future improvements, the site's existing conditions were inventoried and analyzed. Specific methods included on-site observation, desktop surveying, and engagement with facility stakeholders. While the primary assets of the site include the Village's buildings, the analysis considered the full scope of built and natural landscape to ensure a holistic campus experience. Below are the key findings and the following pages illustrate the analysis in further detail:

Key Findings

Overall site function. Most of the buildings contain historic collections of different sizes and offer interpretation of early life in Troy. The Old City Hall Building is used for staff offices and storage, but does not function well as an entry point for school groups. The Niles-Barnard House is used for Village rentals, as well as some staff operations, but can't operate well as a Visitor Center. Further, the location of the Niles-Barnard House feels disconnected from the rest of the Village due to underutilized space north of the building. The fence line will need to be adjusted to include additional space acquired in 2008 and 2022.

Accessibility and visitor experience. The current orientation of the parking lot minimizes the Village's presence from passersby and is insufficient for days of high-activity use. Additional spaces with a clear and cohesive flow would greatly benefit visitors. There is also potential to expand accessible walkways into underutilized parts of the Village to enhance interpretive amenities and the visitor experience.

Outdoor spaces and programming. More covered outdoor areas are needed for multi-purpose use by volunteers, school groups, event rentals, and patrons.

Infrastructure and sustainability. Improved WiFi is considered a need to grow the site's capacity to host virtual programming, on-site presentations, and hybrid events from more parts of the Village. Gaps in lighting around the Village pedestrian pathway need to be addressed to completely illuminate the area during evening events. Existing storage space is scarce, and future storage needs will need to accommodate additional exhibit collections as the Troy Historic Village grows its offerings.

Landscape maintenance and operations. The Village's landscape is characterized by lawn, simple garden demonstrations, and trees of varying health conditions. Minimal tree removal is desired but may be necessary pending further assessment. Spaces for additional trees will be considered. Lawn and general site maintenance are performed by the City of Troy Facilities and Grounds Operations. Other garden maintenance is performed by volunteers. Underutilized green space can be activated for passive use and stormwater management. The City of Troy Facilities and Grounds Operations will defer to a necessary contractor to maintain green stormwater infrastructure (GSI).

Existing Conditions



Existing Conditions Analysis | Accessibility and Visitor Experience

- 1** There are two main driveways to enter the Village parking areas from Wattles Road. A horseshoe driveway connects the two parking lots and provides an approach to the Village visitor entrance gate west of the Old City Hall Building. The horseshoe driveway is where school buses enter to drop off student groups, but shuttles have to pull up in a different location to bring senior visitors or visitors with mobility challenges to an accessible sidewalk. It is also used as a fire lane in the event of emergency and a lane for other service vehicles, such as postal delivery trucks. While original to the Old City Hall, there is moderate signage clutter and significant underutilized space due to the horseshoe driveway and current parking configuration.
- 2** The parking lot next to the Niles-Barnard House is at the same grade as most of the site, making it much more visible than the other parking area east of the Old City Hall Building, which is slightly depressed and easily missed by cars following the curvature of the horseshoe driveway.
- 3** The current layout contributes to the Village feeling far removed from Wattles Road and confuses some visitors regarding where they should pull in and park. When school groups arrive, they walk from the entrance gate next to the Old City Hall Building to their first tour destination, the Church building on the eastern side of the Village. One staff priority is offering a different entrance experience through a new visitor center, a recommendation explored in the Master Plan.
- 4** While the Village's pedestrian circulation routes are largely accessible, some buildings present barriers to accessibility. The plan graphic reflects buildings with entrance ramps for those using mobility assistance devices, however, some buildings have second floors that would be entirely inaccessible. While the analysis did not include a comprehensive accessibility audit, Master plan recommendations were formulated to prioritize accessibility within the planning process. Any multi-level buildings added to the site, such as the new Visitor Center, should be fully accessible with an elevator.

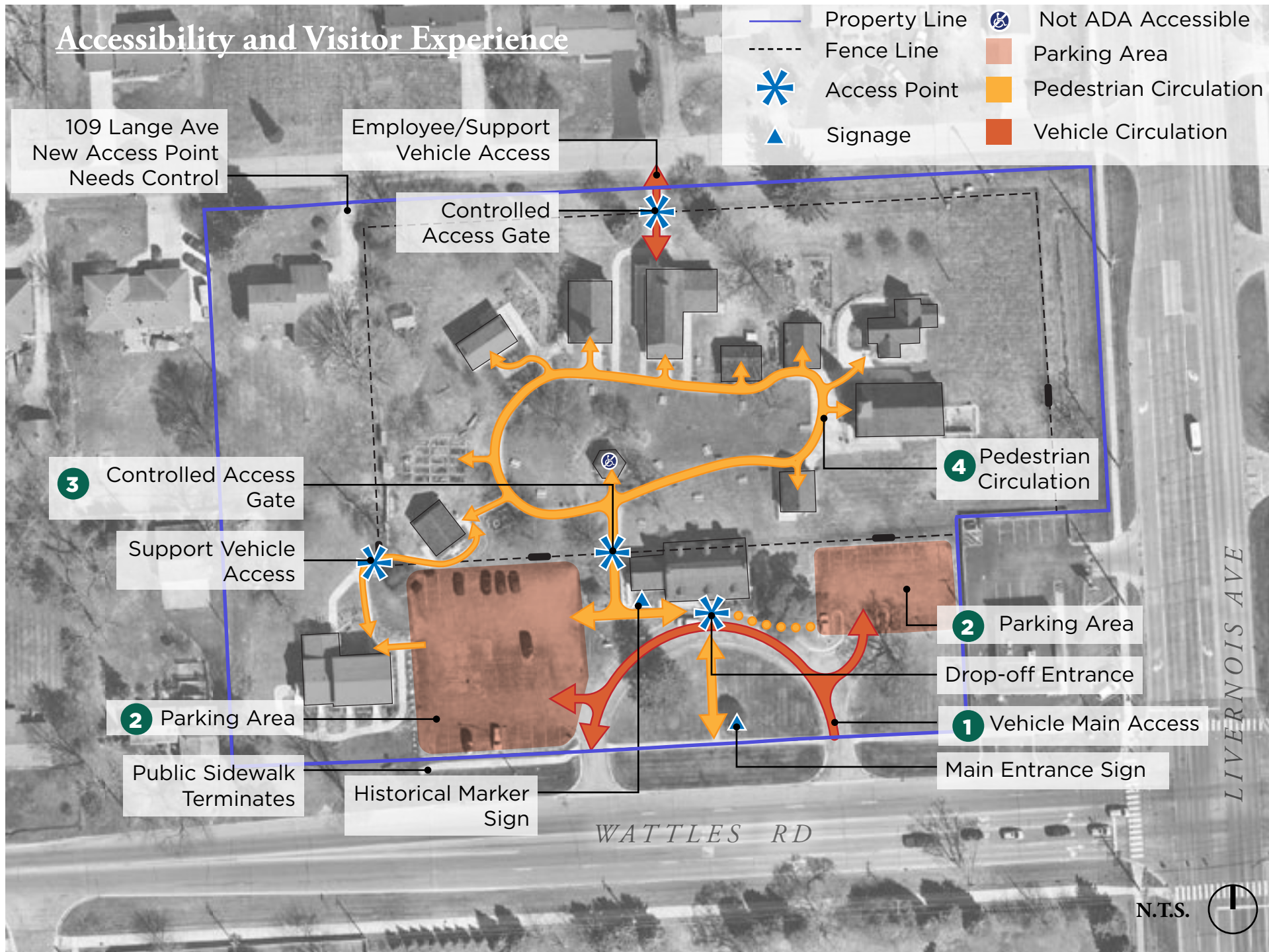


A northeast perspective of the circular driveway from outside of the Old City Hall Building.



The sidewalk approach to the Niles-Barnard House is not connected with the pedestrian path along Wattles Road.

Accessibility and Visitor Experience



Existing Conditions Analysis | Outdoor Spaces and Programming

An essential goal of the Master Plan is to make the most out of the outdoor space available to the Troy Historic Village. Each space offers different levels of functionality for events and programming.

Village Green

The Village Green is the highest utilized space on site. It is characterized by open lawn, circulating walks, some shade trees, lighting, and a variety of seating options, including benches and chairs.

Main Entrance and Parking

As illustrated through studying site circulation, the parking areas are heavily used and serve a critical function for the Village. However, the parking lot contributes to the Village feeling disconnected from Wattles Road and doesn't utilize space to maximize parking and circulation. The space is generally characterized by pavement, with intermittent landscaping.

Blacksmith's Yard

This large area currently serves as storage and display for farm-related exhibit collections and programming material.

Garden and Flex Space

This space is primarily used for outdoor yoga programming and a volunteer garden.

Pioneer Garden

A twelve-bed garden with several fruit trees utilized as part of the interpretive landscape.

Underprogrammed Open Space

These spaces are primarily open lawn and do not house permanent or temporary site programs.



The Village Green is often activated with events and programming.



The fire pit located between the Old City Hall Building and the Log Cabin.

Outdoor Spaces and Programming



Existing Conditions Analysis | Infrastructure and Sustainability

1 Site Grading and Drainage - West Lawn

There are grading concerns in a few areas that need to be addressed. The West Lawn area experiences challenges with the current grading and drainage patterns; water stands after rain events behind the Niles Barnard House, and regrading is required to improve functionality and integrate the former 109 Lange Avenue property. Original foundation material remains mounded onsite for potential reuse in landscaping or building; using or rehousing this material will also improve functionality.



The excavation "mound" behind the Niles-Barnard House.

2 Water Intrusion - Church and Old City Hall

Water intrusion has been reported by staff in the Church basement and Old City Hall building basement, affecting exhibit collections and their storage areas. The grading issues behind the Church Building will be the most challenging and costly to correct. There are existing bioswales in the right-of-way along Lange Avenue and Livernois Avenue to retain stormwater collected onsite.

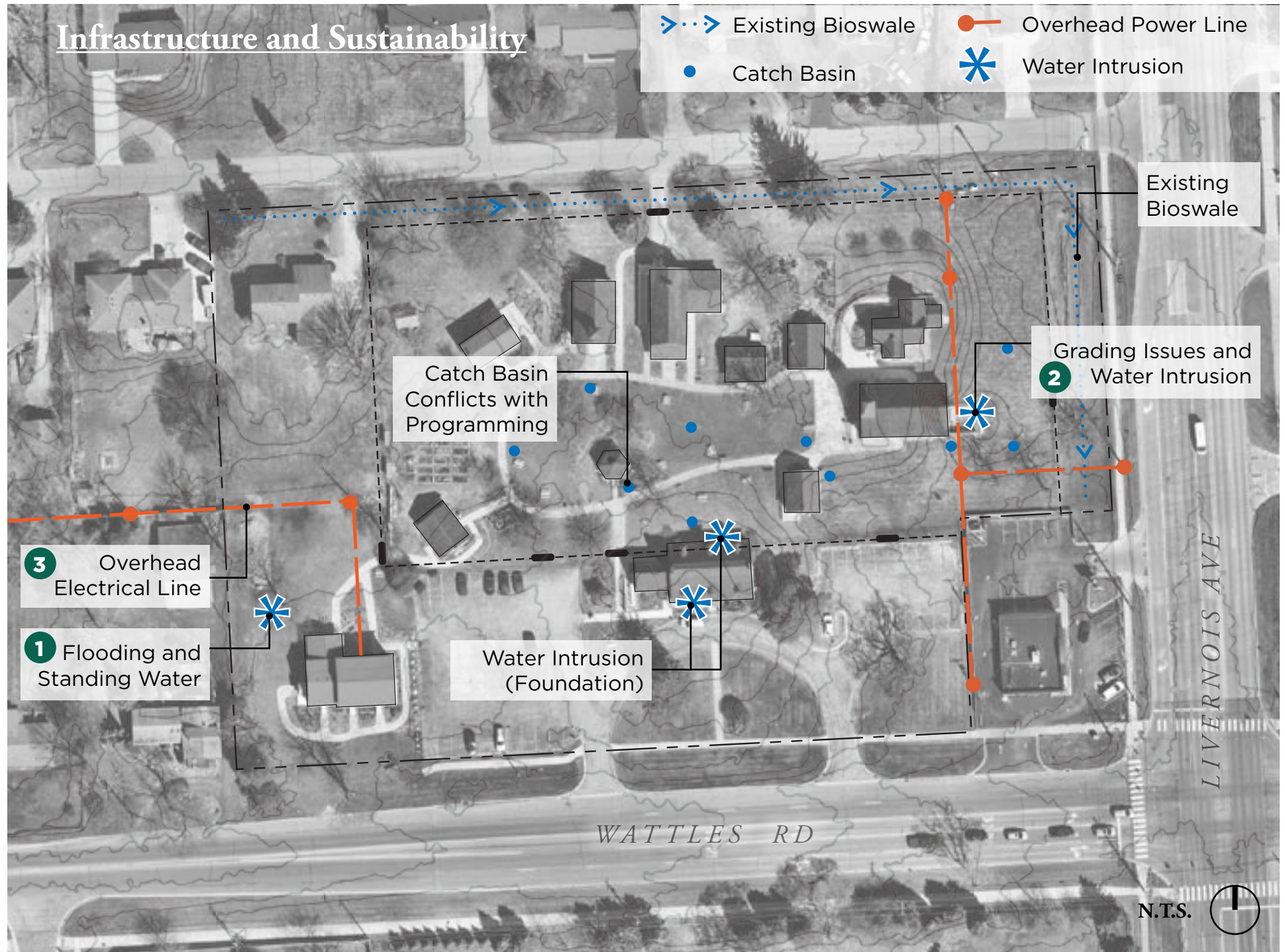


A westward perspective of the grading challenges behind the Church.

3 Overhead Electrical Utilities

There are existing electrical utilities visible on-site. The City of Troy also provided the locations of underground utilities to guide decision-making. The stability of the power pole located behind the Niles-Barnard House is a concern. Another general concern is the current capability of the site to generate enough electricity to support specific programs and events, specifically rentals.

Infrastructure and Sustainability



Existing Conditions Analysis | Landscape Maintenance and Operations

The Troy Historic Village staff and volunteers, Troy Garden Club volunteers, and City of Troy Facilities & Grounds Operations all share varying levels of responsibility for maintaining the onsite vegetation. While Facilities & Grounds Operations hold the primary responsibility for landscape maintenance, which includes tasks such as mowing and site repairs, the other volunteer groups contribute by maintaining numerous gardens. The focus of Village staff is on direct programming, so there is heavy reliance on volunteers for the maintenance and improvement of gardens (which add a great deal to aesthetics and sometimes provide indirect programming in the Village). The loss of any of these volunteers directly impacts the ability to maintain gardens. Considerations for maintaining and expanding these volunteer relationships is crucial to the continued level of this additional site landscaping which falls outside the City's responsibility and the staff's time and availability.



The Village's pioneer demonstration garden.

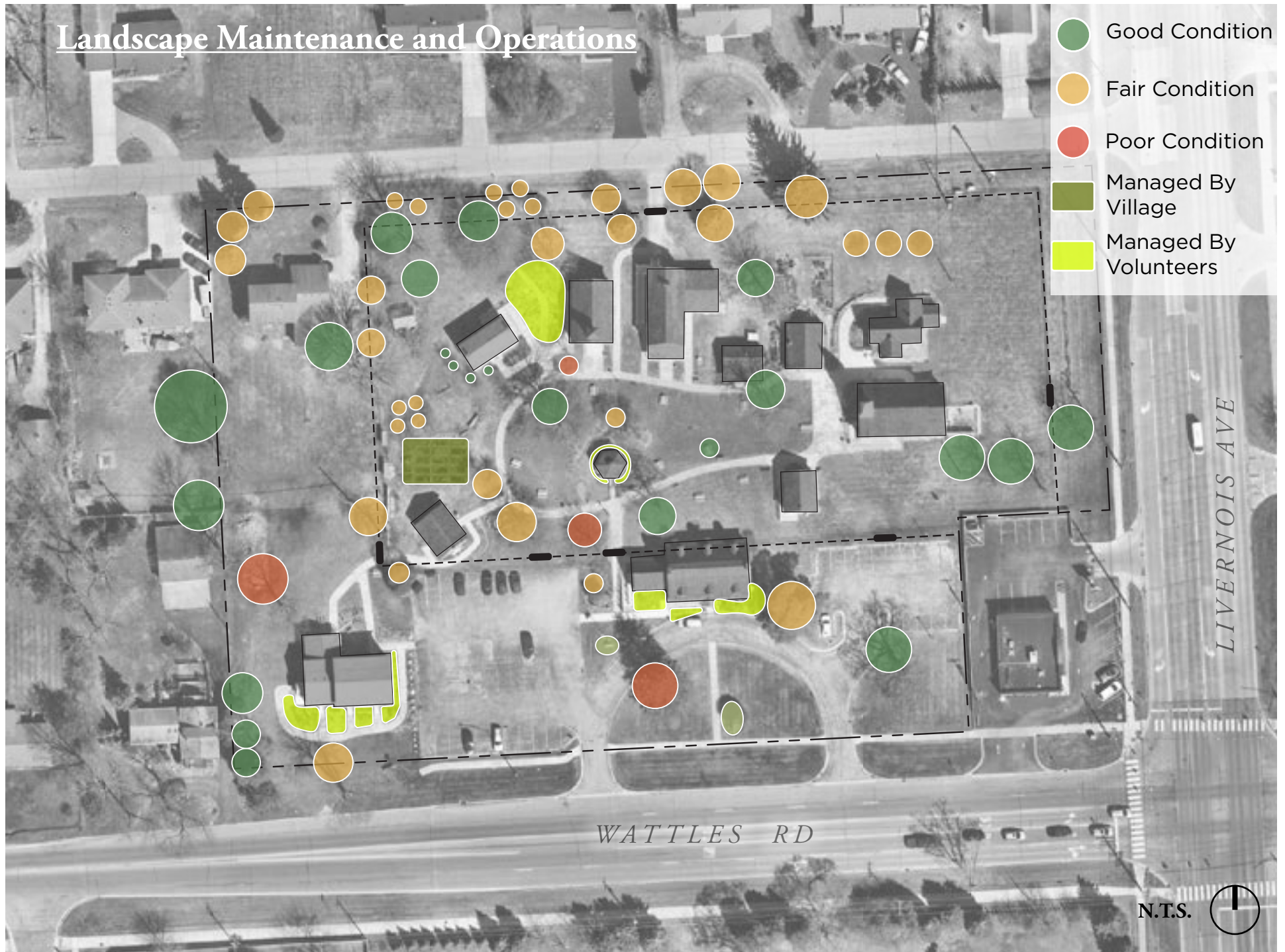
The following page includes a diagram depicting the conditions of existing trees, as determined by Village staff. A detailed tree assessment conducted by an arborist is warranted before final decisions regarding actions for tree maintenance, removal and/or care.



Volunteer-maintained gardens by the Caswell house and gazebo.



Landscape Maintenance and Operations





PUBLIC ENGAGEMENT

The public engagement component of the Master Plan update sought to gather years, and even decades, of institutional knowledge from site stakeholders, coupled with feedback from visitors and the community at large. The project team sought feedback from Troy Historic Village visitors through two surveys (available online and in print) advertised on-site, shared on the Village's social media channels, and available to subscribers via the Village's e-newsletter. A focus group, consisting of Troy Historic Village Staff, City of Troy staff and elected officials, and Troy Historical Society board members, was also assembled by the project team to provide feedback specifically focused on recommendations other than those identified by the survey.

Key Themes

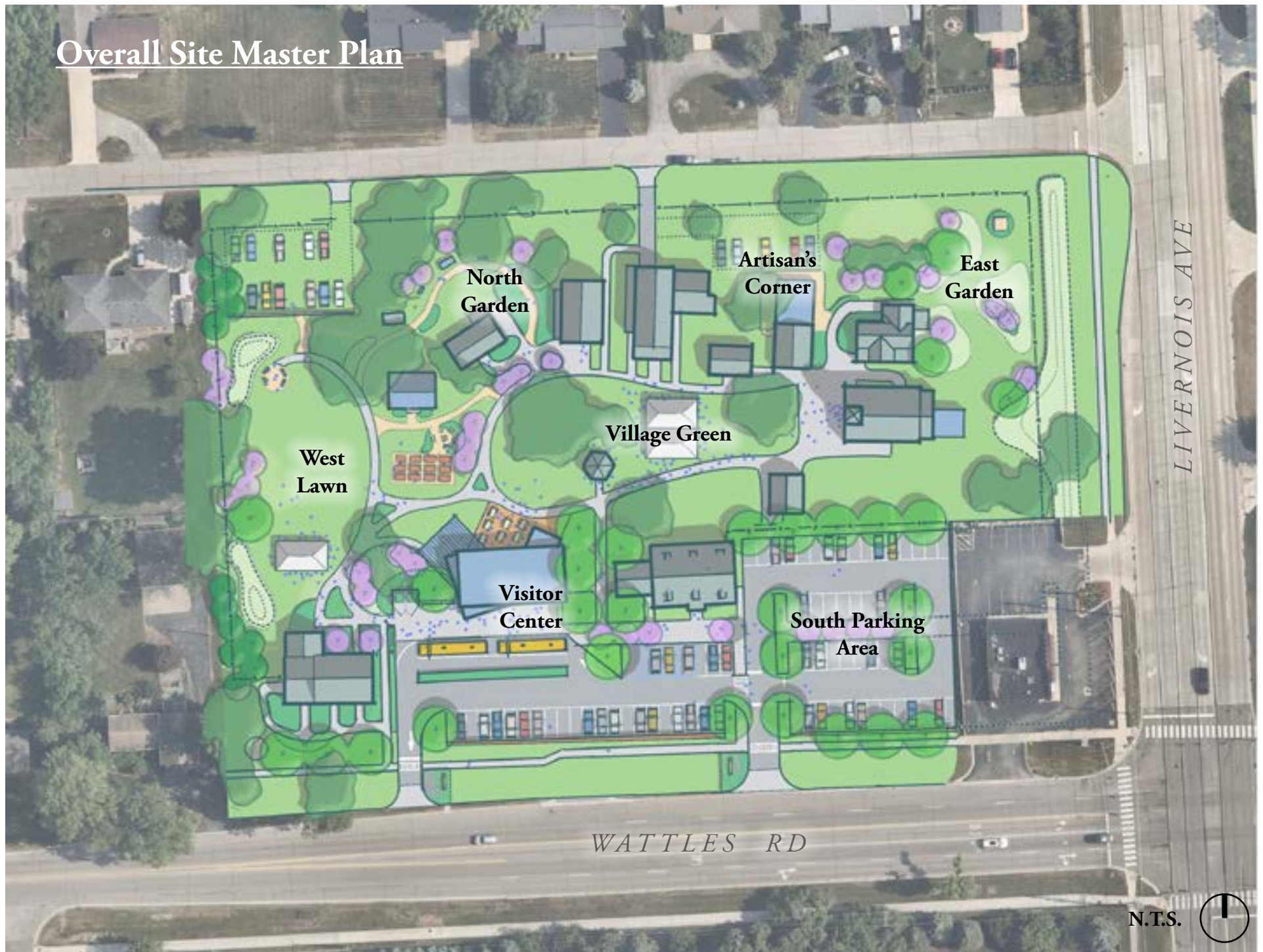
- » Survey 1 reflected community support for adding covered outdoor spaces, creating more parking areas, funding a new Visitor Center, and dedicating indoor flexible space to individual or group use, particularly for school programming activities and eating indoors.
- » The priorities identified through the focus group include the aforementioned, as well as stormwater management in flood-prone areas and to mitigate the impacts of adding more paved parking area, upgrading infrastructure to better support programming and volunteer or public events, increasing curb appeal through landscaping treatments with updated entrance signage, site accessibility improvements, and developing new Visitor Center design concepts.
- » Survey 2 gathered more targeted feedback on the draft site improvements from the neighborhoods around the Village, Village staff, Historical Society members, and City staff. 46% of Survey 2's respondents live within a 0.5-mile radius of the Village. Notably, they expressed support for relocating a historic silo or water tower to the northeast corner of the Village as a visual point of interest. There was also support to bury overhead electrical lines on the site for maintenance and aesthetics purposes. Some neighbors expressed Village events and rentals can create a noticeable amount of noise that affects immediate neighbors, demonstrating the need for more vegetative buffers along the perimeter for sound attenuation. Neighbors also expressed concerns with the option to create bus parking directly off of Lange Avenue.



RECOMMENDATIONS

The Troy Historic Village Master Plan has been developed in response to the priorities, objectives, and feedback received from stakeholders and the community, over a period of nine months. The plan was developed through an iterative process, incorporating input from stakeholders and undergoing necessary revisions. Building upon the site's collection of historical buildings, the plan aims to create a holistic campus experience that enhances its overall appeal and cultural enrichment. The plan addresses key aspects such as the entrance and parking experience, introducing innovative learning and interpretive spaces, implementing effective stormwater management strategies on-site, and seamlessly integrating the new open space at 109 Lange Avenue. With the addition of a Visitor Center creating additional event and rental space, and enhancements to parking and pedestrian circulation, the Troy Historic Village Master Plan will possess a diverse array of options to further elevate its cultural significance and solidify its position within the community.

Overall Site Master Plan



RECOMMENDATIONS | Accessibility and Visitor Experience

The Troy Historic Village Master Plan project places a strong emphasis on improving accessibility and enhancing the overall visitor experience. By strategically addressing signage, parking, circulation, and the placement of key facilities, the plan aims to create a more inviting and engaging environment for all visitors.

Prominent Entrance Signage and Increased Visibility

To increase visibility and awareness, the plan proposes redesigning and reconstructing the parking lot to make the Village entrance signage more prominent. This redesigned signage can also serve as a platform for sharing rental information, upcoming programs, and events. Additionally, relocating the State of Michigan historic marker signage closer to main roads will ensure greater visibility for passing motorists. The plan further suggests incorporating a tall structure, such as a historic water tower or silo, in the East Garden to serve as both signage and a visual attraction.

Improved Parking and Visual Continuity

The proposed plan maintains the main visitor parking area along Wattles Road with two entrance points. To optimize parking efficiency and visual continuity, the plan suggests realigning the parking lot entrances, necessitating curb cut adjustments. By removing the circular horseshoe driveway, more dedicated parking spaces can be created, while landscaped islands and buffers compensate for the green space lost. Study at the master plan scale suggests an improved lot capacity of ±68 spaces if designed per current City of Troy code requirements. Additional study and potential deviation from City standards could yield additional parking spaces. The plan ensures that the parking lot can still accommodate bus drop-offs, trash removal vehicles, and event parking. Furthermore, it recommends establishing parking agreements with nearby entities to accommodate additional parking needs.

Enhanced Visitor Circulation and Connectivity

A vital aspect of the visitor experience is improved circulation and connectivity throughout the Village. The plan proposes adding comfortable pathways in underutilized areas, such as the West Lawn, North Garden, and East Garden, which would connect visitors to various buildings, landscapes, gardens, and interpretive amenities across the campus. It also reconsiders connecting sidewalk gaps around the perimeter of the Village that would create a more welcoming atmosphere.

Relocation of the Log Cabin and New Visitor Center

To accommodate the construction of a new Visitor Center, the plan recommends relocating the existing Log Cabin to a spot southeast of the Caswell House. This new location aligns with the historical context and establishes a node along the main walking path, surrounded by gardens, a relocated fire pit, and seating areas. The Visitor Center itself is envisioned to be situated on the north edge of the parking lot, providing a clear entry point to the campus. The building, spanning approximately 3,000 square feet, will feature a basement for additional exhibit storage, a second floor for staff offices and gathering spaces, and possibly flexible gathering spaces or classrooms, restrooms, storage, and a small kitchen on the first floor to cater to visiting school groups.

RECOMMENDATIONS | Outdoor Spaces and Programming

The Troy Historic Village Master Plan prioritizes the enhancement of visitor experiences through the introduction of multiple programming areas that offer unique and engaging activities. The Niles-Barnard House, the new Visitor Center, and the Old City Hall building will serve as central hubs for various events, volunteer activities, and rentals, creating a dynamic and ever-evolving experience for visitors.

Expanded Flexible Use of Outdoor Spaces

To accommodate programming, volunteer activities, and events, the master plan designates additional space for flexible use of outdoor areas, allowing for the incorporation of temporary tents as needed. The first designated site is located north of the Niles-Barnard House, while the second encompasses the Village Green outside Town Hall and the Church. The Village Green tents will be pitched for events only, while the West Lawn tent will remain pitched as a multi-use outdoor programming and event space adjacent to the Niles-Barnard House. These versatile spaces provide ample room and shelter for a wide range of activities, enriching the visitor experience.

Permanent Outdoor Space at Existing Buildings

The master plan also includes the addition of permanent covered space to the Wagon Shop. This expansion will create a dedicated workspace for smithing instructors and volunteers, ensuring the availability of a suitable environment for their activities. Architectural concepts for this structure, as well as the Native American outdoor classroom, could be sourced from architecture capstone courses offered by Lawrence Tech University and the University of Michigan, ensuring innovative and well-designed spaces.

Multi-Use Covered Outdoor Space at the Visitor Center

The new Visitor Center will incorporate multi-use covered outdoor space, further enhancing the visitor experience. This addition will allow for the inclusion of food trucks, providing flexibility for community picnics, weddings, and events, while preserving the distinctive character and quality of the grounds. The presence of food trucks will not only cater to visitors but also add vibrancy and a sense of excitement to the overall atmosphere of the Troy Historic Village.

Enhancements to Wayfinding, Signage, and Exhibits

As part of future improvements, the master plan recommends updating wayfinding and interpretive signage throughout the Troy Historic Village. These enhancements will assist visitors in navigating the site more easily and provide them with valuable information about its historical significance. Additionally, the plan includes the creation of a new exhibit that reflects the identity and diversity of the Troy community from 1920 to 2020, offering visitors a comprehensive understanding of the region's history and heritage, and fostering a deeper connection with the site.

RECOMMENDATIONS | Infrastructure and Sustainability

Addressing infrastructure and utilities is crucial in realizing the Troy Historic Village Master Plan. By prioritizing the burying of overhead electrical lines and resolving grading and flood intrusion challenges, the site's aesthetic appeal, resilience, and functionality can be significantly enhanced. These infrastructure improvements are vital for preserving the historical authenticity, creating versatile spaces for events, and safeguarding valuable collections stored on-site.

Burying Overhead Electrical Lines

Not only would burying all overhead electrical lines contribute to the Troy Historic Village feeling period-appropriate, but it will also make the site more resistant to wind and ice damage. By burying the overhead electrical lines behind the Niles-Barnard House, a visually pleasing backdrop is created for event rentals. Moreover, this infrastructure improvement opens up the West Lawn, creating an inviting and open space suitable for various activation and programming activities.

Addressing Grading Issues and Flood Intrusion Challenges

The Troy Historic Village faces grading issues and flood intrusion, particularly around the Niles-Barnard House and the Church. Resolving these challenges is essential to ensure the preservation of the site and the protection of its valuable assets. By implementing effective solutions, such as appropriate grading and drainage systems, the risk of flood intrusion can be mitigated, safeguarding the integrity of the structures and the collections they house.

Redirection of Stormwater

To reduce flood risk to the collections stored in the Church's basement, a recommended solution involves constructing an angled roof extension at the rear of the building. This design alteration will redirect stormwater away from the basement.

Other Campus Infrastructure

Other infrastructure issues that should be addressed include lighting and electrical. An assessment of current outdoor light levels would identify dark spots that are potential safety hazards and help inform a more uniform lighting plan. Similarly, an electrical assessment could create a better electric grid for indoor and outdoor Village programming.

RECOMMENDATIONS | Landscape Maintenance and Operations

Within the Troy Historic Village Master Plan, landscape enhancements play a crucial role in enriching the visitor experience and managing stormwater runoff. While landscape and planting design will be conducted at a more detailed level, there is significant opportunity to incorporate functional gardens to create a more immersive environment. Additionally, the implementation of various projects may necessitate select tree removal and relocation, requiring adherence to city regulations and the development of a Tree Protection Plan. These landscape recommendations will contribute to the overall success of the Master Plan, enhancing aesthetics, functionality, and environmental sustainability.

Enhancing Flexibility and Functionality

The West Lawn and Village Green are designated open, flexible lawn areas essential for programming. These spaces provide opportunities to engage visitors and host various activities. Expanding the groundcover garden to form the North Garden offers further potential for creating a cohesive and visually appealing landscape. Moreover, adding vegetative buffers to specific areas such as the west fence line, south of the staff parking area, and south of the Church will enhance both the visual appeal and environmental sustainability of the Village.

Tree Removal, Relocation, and Tree Survey

The implementation of recommended projects within the Master Plan may involve the removal and/or relocation of select trees, including those in poor health. Conducting a comprehensive tree survey is necessary to assess the overall health of existing trees and determine the environmental impact of their removal. Specifically, one tree in the circular drive will be removed, and two trees will be removed or relocated to accommodate the redesigned parking lot.

Parking Lot Landscaping and Tree Protection

The detailed design concept for the parking lot must adhere to Article 13 (Site Design Standards), specifically Item C (Parking Lot Landscaping Standards), outlined in the City of Troy Zoning Ordinance. Compliance requires the planting of one tree per eight parking spaces, with a total of nine trees for an estimated 68-space parking lot. Additionally, the greenbelt buffer between the parking lot and the sidewalk should have one deciduous tree planted every 30 feet. To facilitate these changes, a Tree Protection Plan in accordance with Chapter 28, Tree Regulations, is required by the City of Troy.

PHASING AND IMPLEMENTATION STRATEGY

The success of the Troy Historic Village Master Plan relies on careful phasing and implementation strategies. The recommendations outlined in the plan are divided into two phases: Phase 1 (short-term) and Phase 2 (long-term). While all elements of the Master Plan hold importance, Phase 1 projects are identified as “shovel-ready,” “low-hanging fruit,” or critical incremental pieces that pave the way for Phase 2 projects. It is essential to recognize that some Phase 1 projects are necessary and practical, while others are innovative ideas generated during the Master Plan process. Although Phase 1 projects are expected to be implemented sooner, it is equally crucial to begin planning and designing Phase 2 projects in the present. This may involve engaging consultants for specific design aspects or feasibility studies.

Flexibility and Resource Allocation: Adaptability of Project Priorities

With the right resources, intent, and consensus, any project can become a high priority. The alignment of project priorities with ongoing site improvements is crucial for successful implementation. Additionally, the Troy Historic Village and the City of Troy must develop a strategy to meet the increased maintenance needs of existing and future buildings and landscaping. Adequate consideration of maintenance requirements should be incorporated into the strategy and funding for each physical project. This approach allows the Troy Historic Village to strengthen its organizational capacity while maintaining programming and events aligned with the vision outlined in the Strategic Plan.

Organizational Goals and Project Areas: Recommendations Alignment

The recommendations in the Master Plan are further organized according to the goals of the plan and the specific areas where improvements will take place. This organization ensures a clear alignment between the goals and the corresponding recommendations. Cost estimates are provided for each recommendation, giving an indication of the anticipated financial considerations associated with their implementation.

Phase I Improvements

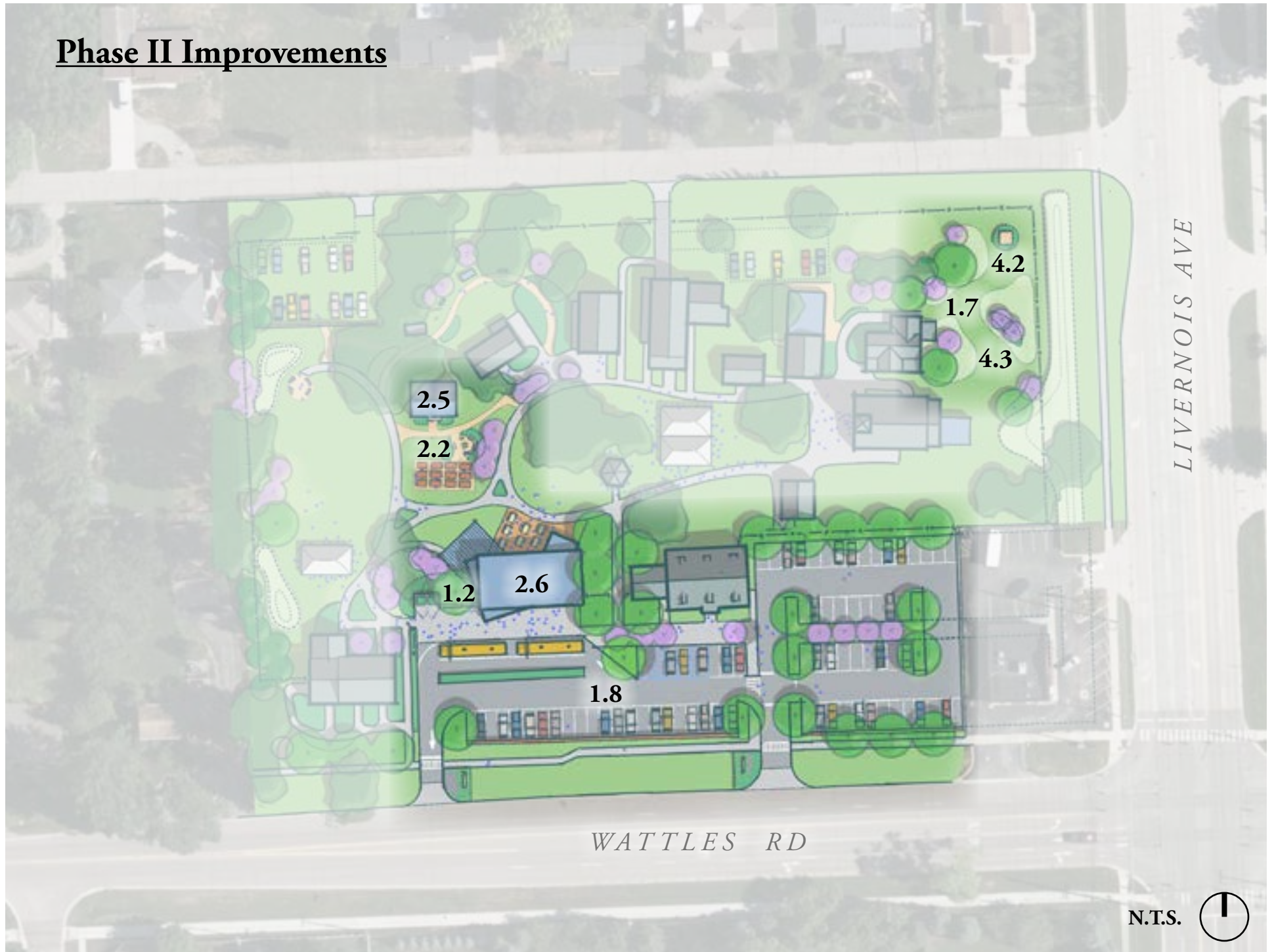


WATTLES RD

LIVERNOIS AVE

N.T.S. 

Phase II Improvements



PHASING AND IMPLEMENTATION STRATEGY

ID	Improvement	Area	Phase	Cost
1	Improve Site Accessibility and Visitor Experience			
1.1	Create staff, volunteer and maintenance vehicle grass parking area on newly vacant 109 Lange Ave	West Lawn	Phase I	\$ (seed) \$\$ (sod)
1.2	Adjust fence line on north, west, and southern sides to incorporate 109 Lange Ave property, the Niles-Barnard House, and new Visitor Center * Add privacy fence and landscaping to buffer events and activities; add motorized gate to the staff parking lot	Full site * West Lawn	Phase II	\$\$\$
1.3	Fill sidewalk gap from Wattles Road to Niles-Barnard House	West Lawn	Phase I	\$
1.4	Extend pathway behind Niles-Barnard House to reconfigure West Lawn area	West Lawn	Phase I	\$\$
1.5	Create service-only drive access with motorized gate behind General Store	Artisan's Corner	Phase I	\$\$
1.6	Extend pathway behind Caswell House to create North Garden area	North Garden	Phase I	\$\$
1.7	Extend natural garden behind Parsonage Building and Church to create East Garden Area	North Garden	Phase II	\$\$
1.8	Reconstruct visitor parking lot, access drive, walkways, and landscaping	South Parking Area	Phase II	\$\$\$\$ - \$\$\$\$\$
2	Activate Underutilized Spaces			
2.1	Construct permanent covered outdoor space behind Blacksmith Shop	Artisan's Corner	Phase I	\$\$ - \$\$\$
2.2	Relocate fire pit	North Garden	Phase II	\$
2.3	Acquire seasonal tents for programming and events after completion of utility (3.2) and grading (3.3) work.	West Lawn Village Green	Phase II	\$ - \$\$ (permanent supports + tent purchase)
2.4	Complete groundcover garden with relocated fire pit	North Garden	Phase II	\$
2.5	Relocate Log Cabin	North Garden	Phase II	\$\$\$
2.6	Construct new visitor center	Visitor Center	Phase II	\$\$\$\$\$

Opinions of Cost Estimates

\$ = < \$20,000

\$\$ = \$20,000 - \$99,999

\$\$\$ = \$100,000 - \$499,999

\$\$\$\$ = \$500,000 - \$999,999

\$\$\$\$\$ = > \$1 million

ID	Improvement	Area	Phase	Cost
3	Infrastructure and Sustainability			
3.1	Conduct photometric analysis of site lighting across Village; implement lighting improvements as needed	Full Site	Phase I	\$\$
3.2	Bury overhead power lines north of Niles-Barnard House	West Lawn	Phase I	TBD
3.3	Regrade area behind Niles-Barnard to create improved drainage	West Lawn	Phase I	\$\$
3.4	Regrade area behind Church to improve drainage	East Garden	Phase I	\$
3.5	Construct overhead structure behind Church to redirect water away from the building basement	East Garden	Phase II	\$\$ - \$\$\$
3.6	Remove and relocate trees as necessary	Full Site	Phase II	\$\$ to remove (with potential to increase for relocation)
4	Enhance Community Understanding			
4.1	Implement Native American outdoor classroom	West Lawn	Phase I	\$\$
4.2	Source historic water tower/silo and install in northeast corner	East Garden	Phase II	TBD
4.3	Relocate Memorial	East Garden	Phase II	\$ - \$\$
5	Consideration of Operations and Maintenance			
5.1	Formalize bus parking agreement with Community Center, neighboring church, and daycare	Off Site	Phase I	TBD
5.2	Expand WiFi for virtual programming in other buildings	Full Site	Phase I	TBD
5.3	Develop an on-site and off-site storage plan to meet the Village's needs as the new visitor center with storage space is added to the site	Full Site	Future Considerations	TBD
5.4	Acquire 1920 - 2020 Troy exhibit collection to reflect the current community identity and diversity	Old City Hall	Future Considerations	TBD
5.5	Explore the need for a wayfinding and interpretive signage plan, including "historic point of interest" signs throughout Troy and cohesive interpretive and wayfinding signage site wide	Full Site	Future Considerations	\$\$ (consulting fee only)

Opinions of Cost Estimates

\$ = < \$20,000

\$\$ = \$20,000 - \$99,999

\$\$\$ = \$100,000 - \$499,999

\$\$\$\$ = \$500,000 - \$999,999

\$\$\$\$\$ = > \$1 million





500 West Big Beaver
Troy, MI 48084
troymi.gov

O-02b

CITY COUNCIL AGENDA ITEM

Date: November 27, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
Brian Goul, Recreation Director

Subject: Troy Nature Society Financial Statements and Annual Report for Fiscal Year Ending 2023

The Troy Nature Society a 501(c)(3) non-profit organization has a contract with the City to handle daily operations of the Nature Center. The Nature Society Activities at the nature center include nature inspired public programs designed for families, children and senior adults. In addition, they conduct programming for school and community groups along with guided nature walks and targeted school outreach nature studies.

The nature preserve is a valuable community asset offering a quiet retreat to solitary observers, couples, Scout groups, families, and school children who come to enjoy the natural beauty of the preserve. Some people come to sit on a bench, some to count bluebirds – others test water quality, monitor pond life, or tap the sugar maples. Many take the opportunity to capture photos of the wildlife for their own use and to enhance the society's marketing initiatives.

Attached is the Troy Nature Society's Financial Statements and Annual Report for Fiscal Year Ending 2023.



2 0 2 3 ANNUAL REPORT



The Troy Nature Society (TNS) is a nonprofit organization conducting educational nature programs for individuals of all ages at the Stage Nature Center. The organization promotes knowledge of our natural world and good stewardship of our environment.

6685 Coolidge Hwy, Troy, MI 48098

Ph: 248.688.9703

www.stagenaturecenter.org

A Message from Scott Hunter, President of the Troy Nature Society

On behalf of TNS Board of Directors, staff and volunteers, we wish to extend a thank you to the Troy City Council and city administrators for their continued partnership with the Troy Nature Society in managing the Stage Nature Center.

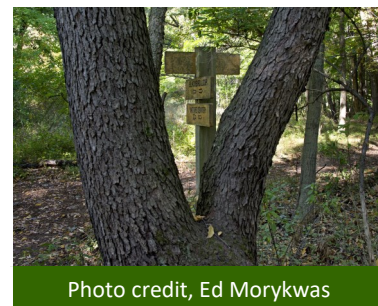


Photo credit, Ed Morykwas

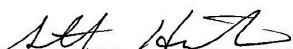
The Society offers a variety of programs and events for people of all ages to participate in and learn about the natural world. By supporting our organization, the community helps ensure that these programs and events are available to help foster a love and appreciation of the natural world.

We are most thankful to our hard-working staff and volunteers who've managed educational programs for the children and adults of our community and region. They continue to work hard to expand educational programs for students of all ages. Additionally, we wish to thank those generous individuals who continue to provide financial support for TNS programs and activities. Additionally, we very much appreciate contributions designated in support of our adopted owls. Visiting these magnificent owls in their wonderful enclosure is a must-see when you visit the nature center.

Some of the significant highlights from the past year include:

1. We value our Board members, this past year we have recruited new Board members that filled out our Board of Directors' experience in finance, business, fundraising & environmental stewardship. These new board members come to us with fresh ideas for future growth of the nature center. Qualified individuals interested in serving on the TNS Board of Directors may inquire by reaching out to our Executive Director.
2. TNS Board of Directors have remained steadfast in our mission to provide resources and education to inspire the appreciation and preservation of nature. Continuing our solid partnership with the City of Troy, the nature center programs and activities continue to grow, with over 31,000 individuals attending programs, participating in healthy outdoor activities and visiting the preserve in FY2023.
3. What a year it has been for the TNS staff. During 2023 fiscal year, we hired Michelle Goyette as our Special Events Coordinator from among the TNS educational program staff. Michelle stepped in just before the 2022 Nature Uncorked event and has been doing a fine job managing fundraising events and writing proposals for funding for the nature center. Also, Debbie Williams, a 26-year employee of the nature center under the city's management and another 12 years as the Lead Naturalist with the Troy Nature Society retired in May of this year. Debbie devoted a total of 38 years to nature education at our nature center. Upon Debbie's retirement, we were pleased to promote Christina Funk to Lead Naturalist. The Society was also fortunate to have one of our long-term goals come to fruition, with the addition of a second Assistant Naturalist position. We are extremely pleased to have Danielle Durham and Keaton Mette serving in these vital educational positions. Their experience and support are contributing to growth and expansion in the variety of our program offerings.
4. Our popular Kowalski Pavilion is constantly booked for rent from May through October for graduation parties, showers and group activities.
5. Our 2022 fundraisers were very successful. The "Nature Uncorked Wine & Beer Tasting" event raised nearly \$35,000 and the "2023 Run for Nature" event raised its highest amount to date, over \$13,000 in revenue for our programs and activities.

Going forward, we are looking for new ways to raise funds to help maintain and improve our top-notch programming. Your membership and participation can help us expand our outreach to the local community. Make sure to visit the Stage Nature Center and enjoy this major, green asset in our community.



Scott Hunter
President, TNS Board of Directors

In The Beginning

Land for the Stage Nature Center (SNC) was originally purchased by the City of Troy in the 1970s and is located at 6685 Coolidge Hwy. in Troy, just south of South Blvd. At the time of acquisition, there was an older home on the property that was initially used as the nature center building. In 2002, the old structure was demolished and the current 8,200 square foot interpretive nature center building was constructed using funds received from a government grant to the City of



Photo credit, Ed Morykwas

Troy. This center for learning contains classrooms, a public research library, an observation bee hive, a wildlife viewing area and an exhibition lobby with a live reptile and amphibian display. The headwaters of the Rouge River flow through this unique 100-acre preserve. More than 145 plant and animal species may be viewed throughout the grounds. An outdoor play area features climbing boulders, and a paved path provides wheelchair access to the streamside forest. Within the nature center boundaries are two miles of trails, which pass through upland forest, meadows, streamside wetlands, cattail marsh and a Monarch Butterfly Way Station constructed in 2017.

In 2010, in response to the planned closure of the Stage Nature Center by the City of Troy, a small but devoted group of citizens came together to create the Troy Nature Society, a 501(c)(3) nonprofit organization. Members of the Board of Directors immediately began raising funds to support operations. The Society assumed management oversight of the nature center on July 1, 2011 and immediately began offering educational nature and science programs. This was a critical time in the transition of this valued community resource from city government to nonprofit management and funding. The Troy Nature Society sought members, volunteers and financial supporters to ensure our community would continue to enjoy the benefits of time spent in the out-of-doors. During the first fiscal year of operations, TNS had one full time employee and provided services for 8,253 visitors, students and program participants.

The family of Roger and Susie Kowalski provided an exciting addition to the nature center during the 2019 fiscal year. Roger and Susie's children along with their spouses provided the funds to build and dedicate a



Photo credit, Tina Catron

new outdoor pavilion in honor of their parents. Susie's passing in April 2019, left a large void in our hearts for this remarkable wife, mother, grandmother and community activist who had a special passion for the nature center. The Society has been especially appreciative for the construction of the Roger and Susie Kowalski Pavilion since the start of the pandemic. The shelter provides us with many venue options including outdoor space for public and scouting programs, Day Camp programs, rentals for wedding ceremonies, family reunions along with casual group gatherings.

Activities at the nature center include public programs geared toward families, toddlers and senior adults. Additionally, we conduct programming for school and community groups along with guided nature walks and targeted school outreach nature studies. The preserve is a valuable community asset offering quiet retreat to solitary observers, couples, Scout groups, families, and school children who come to enjoy the natural beauty of the preserve. Many take the opportunity to capture photos of the wildlife for their own use and to enhance the Society's publicity materials.

The Society has seen tremendous growth across all program areas and performed diligently in financial stewardship since its founding in 2011. The Society served more than 31,000 individuals attending programs and visitors enjoying the beauty of the preserve during the fiscal year ended June 30, 2023, an increase of 16% over the previous year. The organization:

- Conducted 112 school field trips/school outreach/organized group programs. These programs served a total of 6,387 students and Scouts who were provided with hands-on experience in nature.
- Conducted 319 public programs and events for children, adults and miscellaneous groups at the nature center. These programs served 7,591 individuals (ages two years old through senior adult) with age-appropriate programs and activities designed to enhance learning in a natural environment.
- Maintained a dedicated corps of 225 individuals who volunteered an amazing 4,833 hours in support of TNS programs, activities and initiatives. Comprising 98% of our work force, these devoted volunteers donated time and effort to help with such activities as: educational program assistance; trail maintenance and clean-up projects; the annual Maple Syrup event; fundraising events, blue bird monitoring; front desk reception and administrative support.
- In partnership with the City of Troy, the Society along with its friends and supporters reached its financial goal of \$145,000 to complete construction of a Raptor House. In June 2021, a dedication of the new enclosure for the rehabilitated owls adopted in 2018 by the Society was held. The structure is home to these magnificent birds of prey and for any future raptors not able to survive for themselves in the wild. The public can view the owls daily in their permanent home from dawn to dusk.

In November 2021, the organization was awarded \$112,360 in funds from Oakland County to support the TNS Mindfulness at Stage initiative. TNS staff, in conjunction with mental health care representatives from Core-



Photo credit, Christina Funk

well Health, DMC Children's Hospital and Henry Ford Health have developed and are conducting nature-based mindfulness programming at the Stage Nature Center for individuals and family groups. During the project timeline, that ended April 2023, more than 1,440 individuals participated in complimentary mindfulness programs designed towards reducing the effects of stress, anxiety, depression and isolation on individuals of our community attributed to the pandemic. Additional funding is being sought to continue this important complimentary program designed to increase the participant's awareness of nature-based mindfulness practices and its benefits to the participants' well-being.

Leadership

The Troy Nature Society is supported by volunteer Board members comprised of educators, administrators, those with backgrounds in municipal governance, wildlife preservation, environmental activism, business management, fundraising, marketing, IT and finance. Financial support is a Board requirement for which 100% of the Society's Board Members comply. Board members serve on at least one of six board committees; Board Development, Financial Oversight, Fundraising, Educational Programming /Parks & Facility Management, Operations and Marketing & Communications. All members are involved in governance, policy oversight, strategic planning, fundraising and program development.

FY2024 Officers	FY2024 Board of Directors
Scott Hunter – President Dan Glombowski – Vice President David Lambert – President Emeritus Catherine McNamara - Treasurer Rebecca Seguin-Skrabucha - Secretary	Nicole Betzler Theresa Brooks Matthew Burrell Donovan Miller Fran Stage Shreyas Mirle—Student Board Representative

The administration of the Society includes an Executive Director responsible for oversight and fundraising activities with over twenty-five years nonprofit management experience. The Society has a Lead Naturalist and two Assistant Naturalists employed full time, all with extensive backgrounds in nature education: organizing, executing and evaluating educational nature and science programs. A Program Support Assistant provides administrative support for program staff along with acting as the organization's Volunteer Coordinator. Four program instructors are employed "as needed" to help support the many TNS educational programs as they are offered throughout the year. Part-time staff include a Special Events Coordinator, Accountant and a Marketing Specialist who manages the organization's website and promotes awareness of the organization's programs and activities through social media and the local press.

FY2024 TNS Staff	FY2024 TNS Educational Program Staff
Carla Reeb – Executive Director Louise McCormick-Glazier - Program Support Asst. Michelle Goyette—Special Events Coordinator Cindy Wymer - Accountant Neha Saigal – Marketing Specialist	Christina Funk – Lead Naturalist Danielle Durham – Assistant Naturalist Keaton Mette—Assistant Naturalist Lori Brown Genia Connell Linda Friedman Nancy Klein

Volunteer Corps

The Society has a dedicated corps of 200+ volunteers. Comprising 98% of our work force, these devoted individuals, ages 14+, donate time and effort to help with such activities as: educational program assistance, trail maintenance and clean-up projects, Maple Syrup programming, fundraising events, blue bird monitoring, front desk reception and administrative support.

Members

The organization currently has 200+ members supporting its mission. All membership revenues help underwrite the programs and activities of the Society. Membership benefits includes voting rights at the annual meeting and discounted fees when participating in certain TNS programs.

Mission

Our overarching mission is to provide resources and education to inspire the appreciation and preservation of nature. Specifically, the objectives of the Society are to:

- Provide healthy outdoor experiences and educational activities for individuals of all ages
- Create an understanding of the value and necessity of stewardship of our natural environment
- Preserve and protect the Stage Nature Center for future generations

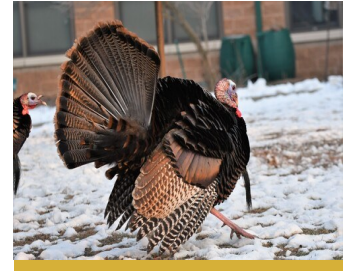


Photo credit, Dragon Nikolic

Our Vision

The Troy Nature Society will become the exemplary community resource for nature education and preservation in the Troy area. We believe in making learning fun! While striving to achieve our vision, the Society will continue to assess our performance in the following areas:

Education

- Offer innovative programs developed from current research, national trends and community needs
- Provide a wide range of program offerings for people to view and interact with the natural environment
- Act as a resource to the community for nature related questions

Preservation

- Maintain and improve the Stage Nature Center
- Provide a physically safe, peaceful and well-maintained environment for visitors of the Stage Nature Center

Collaborative Relationships

- Cultivate relationships with community organizations
- Participate in the community as a forward thinking and challenging leader
- Develop a vibrant and involved support base
- Cultivate relationships with organizations having similar purposes

Program Benefits

Along with providing educational programming, our nature center and its activities provide numerous benefits including:

- Natural features and spaces important to defining community image and distinctive character
- A facility that contributes to educational and cultural benefits
- Protection for important natural systems
- Active and passive recreational opportunities
- Healthy lifestyles enhancement by facilitating improvements in physical fitness through exercise, and also by facilitating positive emotional, intellectual and social experiences

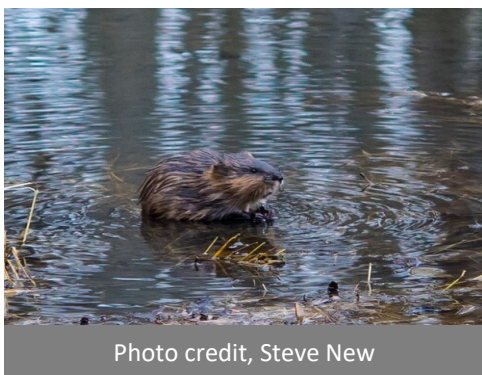


Photo credit, Steve New

Non-Discrimination Policy

The Troy Nature Society affirms a policy of non-discrimination with regards to persons on the basis of race (including but not limited to hair texture and protective hairstyles), color, religion, sex, gender, pregnancy, national origin, age, physical or mental disability, genetic information, height, weight, sexual orientation, gender identity or expression, marital status, military status or other protected status in accordance with applicable federal, state and local laws. This policy shall pertain to staff, applicants, volunteers, teens, members and guests.

Making a Positive Difference In Our Community

Public Programs

An extensive variety of educational nature and science programs is offered to the public on a year-round basis. These programs are geared for individuals of all ages - toddlers to senior adults and are designed to help children and adults increase their understanding and stewardship of our natural environment. We accomplish this by interpreting the natural world around us and acting as an educational resource in biology, ecology and natural history for all our students, young and old. Some of our most popular public programs include our various week-long Day Camps offered to reinforce children's learning experience during the summer months. Additionally we partner with such groups as Michigan DNR to provide classroom facilities for public outdoor education programs.



Photo credit, Bobby Lewis

School / School Outreach Programming

As the 2023-2024 school year proceeds, educators are eagerly scheduling school field trips to the nature center for their students that were curtailed during the height of the pandemic. TNS offers educators a wide selection of science programs that meet public, private and home-schooled students' academic needs. Programs are developed to provide students with hands-on experience in nature and are designed to enhance the school's core curriculum. We utilize animal mounts, pelts, skulls, shells and other materials to ensure a first-class view of the world around us. Programs engage participants in interactive nature and science experiences which include classroom instruction followed by a guided hike through the preserve. We also offer various outreach programs that fulfill the instructional and educational needs of the school. Just like the programs held at the nature center, all outreach programs are designed to enhance the school's core curriculum and include hands-on interaction with mounts, pelts and other biofacts.

Scouts/Groups

As a support to organized troops and groups, we offer programs that meet requirements for members to come and complete their nature-related badge or achievement. Current programs include those geared toward Boy Scouts, Cub Scouts and Girl Scouts.

Live Owl Programming

The Society offers opportunities for the public to meet live owls and learn about these fascinating birds of prey that act as the organization's Educational Ambassadors. Housed at the nature center's Raptor House, these special owls are the nature center's most popular live exhibit. Additionally, the Society has developed educational programs featuring these Michigan owls for the public and other organized groups. Fees collected from the programs act as a source of revenue to support the feeding, care and medical expenses that is vital to the livelihood of these amazing rehabilitated raptors.

Family Nature Explorers

This monthly program is offered year-round allows the whole family (parent and child) to participate in hands-on, outdoor experiences that inspire curiosity and create a connection to nature. A different nature topic is featured each month.

Maple Syrup Event

March is a special time for the nature center and the families of our community. TNS holds its annual Maple Syrup Time for three consecutive Saturdays every March. This fun and educational family event is typically attended by nearly 1,000 guests who venture into the woods on a guided tour, visit an historic sugar camp to learn how maple trees are tapped and see for themselves how the sap is harvested. Participants learn about the extraordinary effort it takes to make sap into maple syrup. This unique seasonal event receives extensive local television and media coverage every year.

Public Awareness

TNS reaches out to our community through mailings, local distribution of brochures, public service announcements (PSAs), media events, TNS website, social media sites and participation in local community events to increase awareness of TNS. We also partner with the Troy Historical Village and other organizations serving similar populations. Public program announcements are advertised in the “Troy Rec”, the city’s premiere magazine which is distributed to approximately 32,000 households and businesses quarterly.



Photo credit, Dawn Vezina

TNS school and school outreach program offerings are distributed annually to nearly 500 schools and school districts across the tri-county area. PSA’s are distributed monthly to local papers to create community awareness of TNS programs, activities and volunteer opportunities which are also advertised on the organization’s social media sites and website.

Additionally, the Executive Director and program staff speak at local community groups throughout the tri-county area and provide programs to create awareness of sponsorship opportunities and programs offered at the nature center.

Program Attendance

ATTENDANCE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 2023	
Group Visitations (Schools/Scouts/Senior Groups/Home School Groups)	2,781
Outreach Programs & Lectures	3,606
Birthday Parties (Educational) and Facility Rentals	7,591
Walk-In Visitations	17,515
Grand Total	31,493



Photo credit, TNS Staff

Program Evaluation

Post-program quizzes from pre-selected students participating in school programs are collected and evaluated. Educators also provide important feedback on TNS programs for academic effectiveness. Teacher comments provide both quantitative and qualitative information regarding the overall impact of programs along with providing direction for future programs that promote education, healthy lifestyles and good stewardship of our environment.

Funding

Funding for the organization's programs and activities comes from individuals, foundations, local government, corporations, membership fees, program fees, fundraising events and facility rental fees. Contributors providing financial support at the \$1,000 level and above during the 2023 fiscal year include:

Terence and Jennifer Adderley Fund	Coldwell Banker-Karen Greenwood	Christal Lewandowski
Anonymous (2)	William Davy	Oakland County-Oakland Together
Automotive Authority, Inc.	East Michigan Native Plant Sales	Starbuck's Foundation
Michael and Pam Brady	Filmer Memorial Trust	Sweetgreen
Dr. Karol Carter	Independent Bank	Troy Auto and Truck Center
City of Troy	William Hamilton	Troy Community Foundation

In addition, we have a well established annual fundraisers including a Wine and Beer Tasting and a Run for Nature event. Currently there are approximately 225 TNS Members proving financial support our programs and activities.

Financials

In 2011, the Society entered into an operating agreement with the City of Troy. The agreement calls for approximately \$46,000 annually in city support of services, building maintenance and supplies for the nature center. The current agreement with the City of Troy runs through the fiscal year 2027. In 2018, the Troy Nature Society established an endowment fund through the Troy Community Foundation. The fund is valued at \$24,766 as of June 30, 2023.

Revenue & Expenses	FYE 6/30/2022	FYE 6/30/2023
Donations & Grants	\$ 171,894	\$ 78,348
Fundraising Events	35,890	36,065
Membership Dues	11,247	10,090
Program Fees	70,492	93,164
In-Kind	11,890	9,812
Other	35,434	486
City Investment*	100,000	100,000
Total Revenue	\$ 436,847	\$ 327,965
Wages & Payroll Taxes	226,721	245,284
Contract Services	25,985	34,405
Program Expenses	52,772	65,959
Administrative Expenses	37,861	37,986
Total Expenses	\$ 343,339	\$ 383,634

*Figures do not include \$46,000/annually for other city services and supplies provided in support of maintaining the nature center.

FREQUENTLY ASKED QUESTIONS



Photo credit, Xinqiao Wang

How is the Society funded? TNS operates on contributions it receives from membership fees, foundation gifts, program fees, local government funding, corporations, individuals, community organizations, fundraising events and facility rentals.

What kinds of programs does TNS offer at the nature center? High quality nature and science programs are offered year-round to the public, local schools along with programs for Scouts and other organization groups. All programs are offered for a minimal fee.

How is the organization staffed? Currently, the organization employs an Executive Director who oversees operations and fundraising activities; a Lead Naturalist and two Assistant Naturalists oversee all educational programming and four on-call program instructors assist with programs as they are scheduled. A Program Support Assistant provides support service for all programs and manages the recruiting, training and scheduling of volunteers. Additional part-time staff include a Special Events Coordinator, Accountant and Marketing Specialist.

What types of volunteer help do you need? Individuals offer support in areas such as educational program assistance, various support committees, trail maintenance, trail clean-up projects, our annual maple syrup event, fundraising, blue bird monitoring, photography club, front desk help and administrative support.

Is there a fee to visit the center? There is no fee to walk the trails or visit the nature center building with its exhibit hall which includes a mastodon dig, children's play area, research library, live amphibian and reptile display and observation bee hive. Donations are accepted and greatly appreciated.

What are the hours of operation? Trails are open to the public daily year-round from dawn to dusk. The nature center's owls are available for public viewing in their permanent enclosure daily. The nature center's exhibit hall is open Tuesday through Friday from 9:00 am to 3:00 pm and Saturday 10:00 am to 4:00 pm and is also open when special programs or classes are offered. (Holidays excluded).



*The Stage Nature Center is managed by the
Troy Nature Society (TNS), a non-profit organization*
Troy Nature Society
P.O. Box 99302
Troy MI, 48099
PH: (248) 688-9703 | Fax: (248) 879-9241
www.stagenaturecenter.org



Photo credit, Steve New

All photos contained in this report were taken at the Stage Nature Center.

Troy Nature Society

Financial Report

June 30, 2023

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Independent Auditor's Report

To the Board of Directors of
Troy Nature Society

Opinion

We have audited the accompanying financial statements of Troy Nature Society (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Troy Nature Society as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Troy Nature Society 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 opinion.

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 Troy Nature Society's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 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, including omissions, 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, 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 Troy Nature Society'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 Troy Nature Society'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.

Zerbo Consulting Group, P.C.

September 19, 2023

Statement of Financial Position

As of June 30, 2023

Assets**Current Assets**

Cash and cash equivalents	\$ 102,211
Total Current Assets	<u>102,211</u>

Property and Equipment

Office equipment	3,798
Outdoor equipment	<u>3,989</u>
Total Cost	<u>7,787</u>
Less accumulated depreciation	<u>(4,727)</u>
Property and Equipment - Net	3,060

Other Assets

Beneficial Interest in Assets Held at Community Foundation (Note 2)	<u>24,766</u>
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Total Assets	<u><u>\$ 130,037</u></u>
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Liabilities and Net Assets**Current Liabilities**

Accounts payable	\$ 3,692
Accrued payroll and payroll taxes	9,190
Deferred revenue	<u>6,845</u>
Total Current Liabilities	<u>19,727</u>

Net Assets

Without donor restrictions	
Undesignated	(38)
Board Designated (Note 2)	10,230
With donor restrictions (Note 2)	<u>100,118</u>
Total Net Assets	<u>110,310</u>

Total Liabilities and Net Assets	<u><u>\$ 130,037</u></u>
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Statement of Activities and Changes In Net Assets

Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Other Support			
Program activities	\$ 93,164	\$ -	\$ 93,164
Donations and grants	20,390	57,958	78,348
Local government support (Note 3)	100,000	-	100,000
Fundraising events	36,065	-	36,065
Membership	10,090	-	10,090
In-kind (Note 7)	9,812	-	9,812
Other income (Note 5)	4	482	486
Net assets released from restrictions	90,997	(90,997)	-
Total Revenue and Other Support	<u>360,522</u>	<u>(32,557)</u>	<u>327,965</u>
Operating Expenses			
Program activities	287,838	-	287,838
Management and general	54,192	-	54,192
Fundraising	41,604	-	41,604
Total Expenses	<u>383,634</u>	<u>-</u>	<u>383,634</u>
Change in Net Assets	(23,112)	(32,557)	(55,669)
Net Assets - Beginning of year	<u>33,304</u>	<u>132,675</u>	<u>165,979</u>
Net Assets - End of year	<u>\$ 10,192</u>	<u>\$ 100,118</u>	<u>\$ 110,310</u>

Statement of Functional Expenses

Year Ended June 30, 2023

	Program Activities	Management and General	Fundraising	Total
Salaries and wages	\$ 173,904	\$ 26,095	\$ 27,623	\$ 227,622
Payroll taxes	13,570	1,901	2,191	17,662
Contracted services	34,405	-	-	34,405
Bank service charges	2,568	602	-	3,170
Computer	-	3,078	3,021	6,099
Office and postage	-	4,550	-	4,550
Supplies	21,436	-	-	21,436
Advertising and promotion	1,577	-	-	1,577
Professional Fees	-	6,500	-	6,500
Insurance	-	4,392	-	4,392
Telephone and internet	-	3,284	-	3,284
Owl care and feeding	6,606	-	-	6,606
Events	-	-	8,769	8,769
Depreciation	105	-	-	105
In-kind	33,667	-	-	33,667
Miscellaneous	-	3,790	-	3,790
Total Expenses	\$ 287,838	\$ 54,192	\$ 41,604	\$ 383,634

Statement of Cash Flows

Year Ended June 30, 2023

Cash flows from Operating Activities:

Change in net assets	\$ (55,669)
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation	105
Net realized gain on beneficial interest in assets held at Community Foundation	(482)
Contributions for beneficial interest in assets held at Community Foundation	(5,000)
Changes in operating assets and liabilities that provided (used) cash:	
Accounts receivable	28,090
Accounts payable	(5,171)
Accrued liabilities	(246)
Deferred revenue	(2,840)
Net cash used in operating activities	(41,213)

Cash flows from Investing Activities:

Purchase of property and equipment	(3,165)
Net cash flows used in investing activities	(3,165)

Net decrease in cash and cash equivalents (44,378)

Cash and cash equivalents - Beginning of year 146,589

Cash and cash equivalents - End of year \$ 102,211

June 30, 2023

Note 1 – Nature of Activities and Significant Accounting Policies

Organization

Troy Nature Society (the Organization) is tax exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as an organization that is not a private foundation. The Organization's mission is to provide resources and education to inspire the appreciation and preservation of nature. The Organization's objectives include providing healthy outdoor experiences and educational activities for individuals of all ages, creating an understanding of the value and necessity of stewardship of the natural environment, and the preservation and protection of the Lloyd A. Stage Nature Center (the Center) located in Troy, Michigan, for future generations.

The City of Troy has a contract with the Organization that allows the Organization non-exclusive use of the Center. The City of Troy maintains oversight of the facility, which includes building maintenance, security, utilities, and custodial services. See Note 3.

Nature of Activities

The Organization develops and offers nature-related public educational programs to children and families, school fieldtrips, scout troops, and senior citizen centers. The Organization operates the Center and maintains the accompanying reserve trails, which are available to the public on specific days. Fees are charged for most educational and group-taught programs. Other sources of income include local government support, donations, and various fundraising events.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed there by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Use of Estimates

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

Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments with maturities of three months or less when purchased are considered cash equivalents and recorded at cost, which approximates fair value.

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)***Property and Equipment***

Property and equipment is carried at cost or, if donated, at fair market value at the time of donation. Depreciation is provided on a straight-line basis over the estimated useful lives of 3 to 27.5 years. The Organization's policy is to capitalize acquisitions of \$1,000 or more. For the year ended June 30, 2023, depreciation expense was \$105.

Revenue and Other Support

Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received and are measured at fair value. The Organization receives support in the form of local government, corporate, and individual grants and contributions. Management has determined that these grants and contributions are from arrangements for which there is no commensurate benefit provided to the resource providers. Therefore, all of this support is considered to be contribution revenue. Contributions that are restricted by the donor are reported as an increase in net assets without donor restriction if the restriction expires in the reporting period in which the contributions are recognized. Contributions with donor-imposed time or purpose restrictions are reported as support with donor restrictions. All other contributions are reported as support without donor restrictions.

Unconditional promises to give with payments due in future periods are assumed to have an implicit time restriction. Those restrictions are released as contributions when collected or when allocations or grants are made to recipient organizations based on those future collections. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. There were no conditional promises to give recognized as of June 30, 2023.

The Organization offers program related experiences where the performance obligation is delivery of the program. Fees for these programs are based on the type of program and the number of participants in each program. These revenues are treated as exchange transactions and are recognized as revenue after delivery of the program has occurred.

The Organization conducts special fundraising events in which the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event. The performance obligation is delivery of the event, and revenue is recognized after the event has taken place. Any funds received in excess of proceeds paid by participants would represent contribution revenue to the Organization. There were no proceeds deemed to be contributions at any held events for the year ended June 30, 2023.

Concentrations of Credit Risk

The Organization derives most of its revenues from local government support, donations, and various fundraising events. For the year ended June 30, 2023, local government support was approximately 30% of total revenues.

Functional Allocation of Expenses

Costs of providing the program, management and general, and fundraising services have been reported on a functional basis in the statement of functional expenses. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses required allocation on a reasonable basis that is consistently applied. Depreciation is allocated on the basis of the program or support service that uses the fixed asset. Costs have been allocated between the various programs and support services based on estimates determined by management. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Note 1 – Nature of Activities and Significant Accounting Policies (Continued)***Subsequent Events***

The financial statements and related disclosures include evaluation of events up through and including September 19, 2023, which is the date the financial statements were available to be issued.

Note 2 – Endowment Funds with North Woodward Community Foundation and Fair Value Measurement***Endowment Funds with North Woodward Community Foundation***

Effective March 29, 2018, The Organization is the beneficiary under an agency endowment agreement with the North Woodward Community Foundation (the Community Foundation) by a reciprocal transfer of funds to the Community Foundation. The Community Foundation has the power to retain, invest, and reinvest the assets of the endowment to further the charitable or other exempt purposes of the Organization.

The Community Foundation also has variance power over the endowment in that the Community Foundation's principles and procedures for advised funds provide that the commitments, grants, or expenditures from the funds shall be made to the Organization at such time or times and in such amount or amounts as determined by the Community Foundation. The Organization is the Community Foundation's sole beneficiary. If the Organization ceases to exist or no longer performs its functions under the provision of the agreement, the Community Foundation shall continue to administer and disburse fund assets in a manner deemed appropriate.

The agency funds are included as beneficial interest in assets held on the Statement of Financial Position of the Organization. At inception of the agreement, the Organization transferred \$10,230 of the Organization's net assets without donor restrictions that were approved by the board of directors to be transferred to the Community Foundation for endowment purposes. The Community Foundation also provided matching funds as a related donor and for the benefit of the Organization upon inception. Investment income of the fund, net of expenses, and any net realized and unrealized gains and losses are included in Other Income in the Statement of Activities and Changes in Net Assets.

The Organization may from time to time submit to the Community Foundation recommendations regarding specific purposes or amounts for distributions to the Organization. All recommendations from the Organization are to be advisory, and the Community Foundation may accept or reject them, applying reasonable standards and guidelines with regard thereto.

Fair Value Measurement

The Organization reports the fair value of the endowment fund as the Beneficial Interest in Assets Held in Community Foundation on the Statement of Financial Position.

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following table presents information about the Organization's assets measured at fair value on a recurring basis at June 30, 2023 and the valuation techniques used by the Organization to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organization has the ability to access.

June 30, 2023

Note 2 – Endowment Funds with North Woodward Community Foundation and Fair Value Measurement (Continued)

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The following table presents information about the Organization's assets measured at fair value on a recurring basis at June 30, 2023:

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2023	
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Balance at June 30, 2023
Beneficial interest in assets held at North Woodward Community Foundation:		
Cash and cash equivalents	\$ 1,706	\$ 1,706
Fixed income securities	5,301	5,301
Equity securities	17,759	17,759
Total beneficial interest at fair value	<u>\$ 24,766</u>	<u>\$ 24,766</u>

The Organization reports changes in endowment fund value as gains or losses or as donations with donor restrictions (as applicable) on the Statement of Activities and Changes in Net Assets. Changes in the endowment for the year ended June 30, 2023 are as follows:

Balance as of July 1, 2022	\$ 19,284
Donations	5,000
Net realized/unrealized gain	482
Balance as of June 30, 2023	<u>\$ 24,766</u>

For the year ended June 30, 2023, as a practical expedient, \$10,230 transferred by the board of directors upon agreement inception is classified in net assets without donor restrictions – board designated while the remaining fair value of \$14,536 is recorded in net assets with donor restrictions on the Statement of Financial Position.

June 30, 2023

Note 3 – City of Troy

In June 2017, the City of Troy approved an operational agreement with the Organization to operate the Lloyd A. Stage Nature Center located in Troy, Michigan, effective July 1, 2017, which allows the Organization non-exclusive use of the property. The agreement expires on June 30, 2027.

In conjunction with this agreement, the City of Troy includes the Organization in its annual budget within the City's Park and Recreation Department for building and ground routine maintenance as well as an annual appropriation for Organization operations. For the year ended June 30, 2023, the City of Troy provided the Organization with an appropriation for organizational operations in the amount of \$100,000.

The appropriation in the amount of \$100,000 is recorded as Local Government Support on the Statement of Activities and Changes in Net Assets for the year ended June 30, 2023.

Note 4 – Owl Fund

The Organization supports and cares for five owls, and the Owl Fund supports owl related expenses including but not limited to owl food, veterinary care, and routine habitat maintenance. The Owl Fund donations totaled \$40,848 for the year ended June 30, 2023, which is approximately 52% of Organization donations. Owl Fund donations are included within Donations with donor restrictions on the Statement of Activities and Changes in Net Assets.

Note 5 – In-kind Donations

The Organization received various in-kind donations for its wine tasting fundraiser, Nature Uncorked, held in November 2022. The in-kind donations were used at the fundraiser, and there were no donor-imposed restrictions associated with the contributed non-financial assets. Fair value of the contributed non-financial assets was determined based on the market value cost of a given item. In-kind donations for the year-ended June 30, 2023 are as follows:

Description	Value
Vendor food and beverages (including bottles of wine, beer, and food)	\$ 1,020
Silent auction Items (various items including but not limited to gift baskets and gift cards)	8,792
Total	<u>\$ 9,812</u>

Note 6 – Liquidity and Availability of Financial Resources

The Organization has \$102,211 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of cash and cash equivalents and accounts receivable. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date with the exception of funds to be used for Organization programs and funds as described in Notes 1, 2, and 4. The Organization has a goal to maintain financial assets, which consist of cash and cash equivalents and accounts receivable, on hand to meet 60 days of normal operating expenses, which are, on average approximately \$64,000. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.



500 West Big Beaver
Troy, MI 48084
troymi.gov

O-02c

CITY COUNCIL AGENDA ITEM

Date: November 27, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
Brian Goul, Recreation Director

Subject: Troy Racquet Club 2022-2023 Overview

The Troy Racquet Club, an indoor tennis facility with 8 courts, has been in operation for over 40 years. Air structures are erected over the City of Troy outdoor tennis courts every September, giving Club members an indoor winter retreat until the bubbles come down in May. This is a club featuring great lighting and background, locker rooms with showers & towels, a lounge with TV & fireplace, child care, ice & vending machines, and a filtered water bottle filler. In 2018, the courts were completely re-surfaced, and new air structures with sky-lights were erected.

The Troy Racquet Club leases the land from the City of Troy and makes updates and repairs to the facility.

Attached is the Troy Racquet Club overview for the 2023 fiscal year.

From: [Michele Shoan](#)
To: [Brian Goul](#)
Subject: TRC Annual Report
Date: Friday, October 20, 2023 7:20:38 AM

CAUTION: This email did not originate from within the City of Troy. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good morning Brian.

Below is our update for the 2022-2023 Season.

Please let us know if you have any questions or would like to get together to discuss.

Best regards,
Michele

Troy Racquet Club Overview.

The 2022-2023 season was busy and productive. Membership increased, participation in programs continued to be strong, and our facility received a facelift.

Club Manager

Kathy Del Dotto has retired after 25+ years at TRC! Luckily, Cathy Curtis-White joined us in mid-August as our new Club Manager. Would you please add her to your contact list; cathy@troystennis.com.

Membership

Overall membership has grown to just over 1,000 (approximately 50% are Troy residents):

35%	Family
42%	Individual Adult
18%	Junior
5%	Pickleball Only

Leagues

Continued interest and sign-ups for league play.

- Coordinated sixteen 2022-2023 leagues, including men's, women's, mixed doubles, and pickleball.
- Organized 5 Suburban teams.
- Hosted 30 USTA teams.

Lessons

Steady enrollment for instruction. Unfortunately, not enough room to satisfy the demand.

- Troy Racquet Club Academy "TRCA" continues to serve both children (as young as 4 years old) and adults, beginners through intermediate. Approximately 80% of TRCA students are Troy residents.

We offered up to 80 classes per session. During the indoor session, we had as many as 575 students and 480 during the outdoor session. It is not uncommon during any given session, for our program to be instructing 24 adults who are *new* to the sport of tennis!

- Several weekly sign-up drills for advanced beginners to intermediate level players, available to both members and non-members.
- Began developing monthly match play opportunities for juniors in middle school and high school.

Improvements

Happy to have completed several renovations last season:

- Manager/Pro offices and the Multi-purpose room were completely updated including new cabinets, counters, lighting, and floors. This provides more effective work surfaces and brighter overall space.
- Cleaned out and improved storage spaces, installing sturdy shelving to use the limited space more efficiently.
- Created a kitchenette area with new cabinets, counters, lighting, floor, and appliances for use by Members, staff, and guests.
- Revamped the men's locker-room to accommodate the kitchenette, which allowed for shelving for towel service, reducing clutter and improving walk flow in the lobby.
- Installed new icemaker.
- Installed new server and improved network security.

Summary

Our primary challenge continues to be limited capacity. We require more courts to accommodate the needs of our Members, Pros, Troy Racquet Club Academy, and Pickleball enthusiasts. TRC entered into discussions with the Troy School District and received Troy School Board approval on a proposal to invest in a tennis facility partnership at Troy High School. We've encountered some delays/hurdles we hope will be resolved soon. If not, plan to revisit TRC proposal presented to City of Troy Recreation Director & City Manager to add additional courts adjacent to our current facility or at an alternate property within the City of Troy.