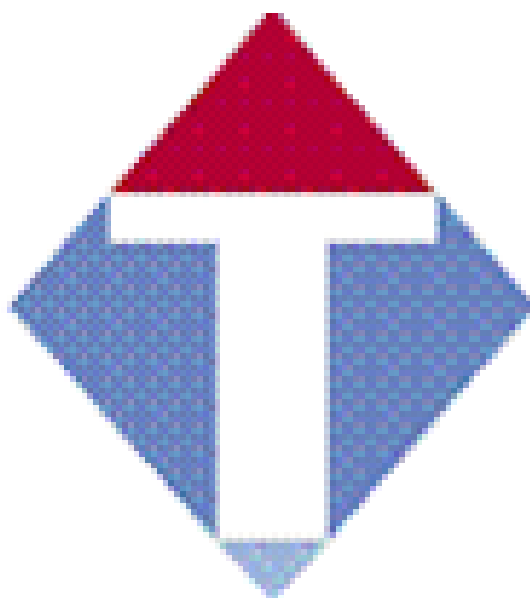


CITY OF TROTWOOD, OHIO



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009**

CITY OF TROTWOOD, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2009

**PREPARED BY:
DEPARTMENT OF FINANCE
PATRICIA A. SHIVELY
FINANCE DIRECTOR**

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INTRODUCTORY SECTION

October 27, 2010

To the Mayor, Members of
City Council and Citizens of
City of Trotwood, Ohio

We are pleased to present the comprehensive annual financial report of the City of Trotwood, Ohio, for the year ended December 31, 2009. Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures, rests with City management. To the best of our knowledge and belief, the information presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

THE REPORTING ENTITY AND ITS SERVICES

The City of Trotwood is located in Montgomery County on the western limits of the City of Dayton, Ohio. It is approximately seventy miles west of the state capitol, Columbus, and sixty miles north of Cincinnati. Interstate 70 and 75 intersect each other approximately five miles northeast of Trotwood.

The City is a political subdivision of the State of Ohio, incorporated as a village in 1901 and as a city in 1971. It is a home rule municipal corporation under Article XVIII of the Ohio Constitution utilizing the council-manager form of government. Governing direction is provided by the home rule charter first adopted in 1964 and subsequently amended.

On January 1, 1996, the City merged with Madison Township more than tripling its population and land area. The resulting community is the fourth most populous city in Montgomery County with 27,420 residents (based on the 2000 Census) and its land area (over 28 square miles) is surpassed only by the City of Dayton.

Trotwood City Council
Darreyl D. Davis,
Mayor
Joyce S. Sutton-Cameron,
District 1
Barbara J. Staggs,
At Large
Bettye L. Gales,
At Large
Rap Hankins,
District 2
Ron Vaughn,
District 3
Mary A. McDonald,
District 4
Lois M. Singleton,
Clerk of Council
Michael J. Lucking,
City Manager

Overall policy direction is the responsibility of the City Council which is composed of the Mayor and six Councilpersons, four elected from geographic districts and two elected at-large. The Mayor is directly elected at-large. The Mayor and all members of council are elected to staggered four-year terms, with elections every two years.

City Council is responsible, among other things, for passing ordinances, adopting the budget and hiring the City Manager, Law Director and Clerk of Council. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the City and appointing the directors of City departments.

The City provides many services for the benefit of its citizens including police protection, fire protection, emergency medical service, street maintenance and repair, parks maintenance, recreation programs, water and sewer utilities within a portion of the city, refuse collection, drainage and stormwater management, code enforcement, planning and zoning and other administrative services.

The financial reporting entity includes all the funds and account groups of the primary government (i.e., the City of Trotwood as legally defined). No other entities operating in the City and/or for the benefit of its citizens meet the criteria for inclusion in the reporting entity and are, thus, not included in this report.

ECONOMIC CONDITION AND OUTLOOK

The City of Trotwood is a major suburb within a diversified metropolitan economy characterized by above-average unemployment, modest job growth and a diversity of major employers. Nearby Wright Patterson Air Force Base employs approximately 22,000 making it the largest single-site employer in the State of Ohio. Good Samaritan Hospital and the Dayton Veterans Administration Center are major employers within Dayton close to Trotwood. Although none of these facilities are physically located in Trotwood, the City benefits by having these employment opportunities for the numerous Trotwood residents who work for these enterprises.

The City's Salem Avenue shopping district served as the commercial hub of northwest Montgomery County for many years. The former Salem Mall had previously been the anchor of the district, but due to rapidly declining occupancy, was acquired by the City in 2004 for redevelopment purposes and has been demolished. The adjacent Consumer Square shopping center is a major draw in the district, as are several "big box" retailers such as K-Mart, Lowe's, Target and Home Depot. Nearby, Hara Arena draws large crowds to its facilities for various shows, conferences and sporting activities.

The "Trotwood Connector," a limited access highway on a north-south axis through the center of the City was completed in 2000 and provides access for potential development of several large adjacent tracts.

The City in 2001 completed the installation of streets and utilities to make a 38-acre site west of the Connector with railroad access available as a light industrial park. An additional 30 acres adjacent to the Industrial Park were acquired in 2002 for future expansion. The O'Danny Boy ice cream distribution facility, the first occupant of the City's industrial park, was in full operation in 2006 with a 25 truck fleet based at this location. A major additional tenant was secured in late 2007 and additional land was acquired for further expansion (see MAJOR INITIATIVES for more details).

RELEVANT FINANCIAL POLICIES

In June of 2006, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2007 and will be eliminated by 2009. The tax on telephone and telecommunication property will begin being phased out in 2009 and will be eliminated by 2011. The tax is being phased out by reducing the assessment rate on the property each year. In the first five years, the City will be reimbursed fully for the lost revenue; in the following seven years, the reimbursements will be phased out.

MAJOR INITIATIVES

2008 will be remembered as a significant period in the City of Trotwood's industrial development history. In August of 2008, the James Group of Ohio began operations in a newly constructed 380,000 square foot logistics distribution facility. This \$32.5 million dollar state of the art facility serves as a worldwide distribution point of origination for General Motors parts, engines and subassemblies

It is anticipated that as a part of the General Motors restructuring that occurred during 2009, the James Group of Ohio facility will become significant participant in the General Motors supply chain distribution network. Current employment at the Trotwood, Ohio based James Group of Ohio facility currently stands at 190 employees and is expected to continue steady growth in future years.

In December 2008, the City of Trotwood entered into a professional services agreement with the Stonehenge Group of Ghanna, Ohio to assist in the development of a market based development plan for the former Salem Mall property. Specifically, the Stonehenge Group has been engaged to assist the City of Trotwood in developing a market driven plan for the redevelopment of a 60 acre site that will provide retail opportunities, recreational experiences and public sector services for the Northwest Corridor of Montgomery County, Ohio. This comprehensive planning process has continued throughout 2009.

Of equal importance is the collaborative agreement between the City of Trotwood and the Edison Materials Technology Center of Ohio (EMTEC) that was initiated in late 2008. EMTEC is a non-profit, member based organization serving Ohio that develops business and technology strategies, sponsors, coordinates and manages collaborative technology projects and programs leading to commercialization or new business. As a result of the collaboration between the City of Trotwood and EMTEC, it is believed that the partnership will position the City of Trotwood as a center for technological innovation and location in the 21st century.

INTERNAL ACCOUNTING AND BUDGETARY CONTROLS

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. It is management's belief that the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

The City of Trotwood adopts an Annual Appropriation Ordinance in accordance with Ohio law on a cash basis to provide spending authority and set the legal level of budgetary control. In addition, the government maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. The level of budgetary for the General Fund is at the budget center or department level (e.g., Police Patrol, Street Maintenance, Fleet Maintenance). The legal level of budgetary control for other funds is at the fund level.

The City also maintains an encumbrance accounting system as one method of maintaining budgetary control. Purchase orders which result in overruns of appropriations are not processed until additional appropriations are made available either by ordinance of City Council or administrative transfer from another appropriation. Open encumbrances are reported as reservations of fund balance at year-end.

DEBT ADMINISTRATION

At year-end, the City had seven debt obligations outstanding. These obligations included \$7,850,000 for two general obligation bond issues and \$10,185,000 for five one-year bond anticipation notes for a total of \$18,035,000. Of the total amount, \$12,015,000 was subject to direct debt limitations, and \$4,700,000 was exempt from direct debt limitations.

In addition the 10-year loan agreement that the City entered into with the Ohio Public Works Commission in 2001 to finance a sewer lift station renovation project has a \$14,059 principal balance as of December 31, 2009.

The liability of compensated absences experienced a net decrease of \$151,177 at December 31, 2009.

CASH MANAGEMENT

Temporarily idle cash during the year was invested in overnight repurchase agreements and the State Treasurer's investment pool (STAR Ohio). Total interest earned on the Statement of Activities by the City in 2009 amounted to \$7,348.

The aim of the City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, the majority of deposits and investments were either insured by federal depository insurance or collateralized.

RISK MANAGEMENT

By statute and court decisions, Ohio retains only limited tort immunity for local government. In addition to potential tort liabilities, the City is liable for employees' Workers' Compensation claims, plus the risk of casualty loss to real and personal property owned by the City, and must provide faithful performance bonds for certain City officials.

OTHER INFORMATION

Independent Audit. The State of Ohio requires an annual audit by either the Auditor of State or by an independent accounting firm. The general purpose financial statements of the City of Trotwood, Ohio for the fiscal year ended December 31, 2009 have been audited by Plattenburg and Associates, Inc. Their unqualified opinion has been included in this report.

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 Trotwood for its comprehensive annual financial report for the fiscal year ended December 31, 2008. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements. The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the Department, and other City departments as well, who assisted and contributed to the preparation of this report.

Finally, special acknowledgement is given to the Mayor and City Council for their continuing support and commitment to responsible fiscal reporting.

Respectfully submitted,

Michael J. Lucking
City Manager

Patricia A. Shively
Acting Finance Director

CITY OF TROTWOOD, OHIO
List of Elected and Appointed Officials
December 31, 2009

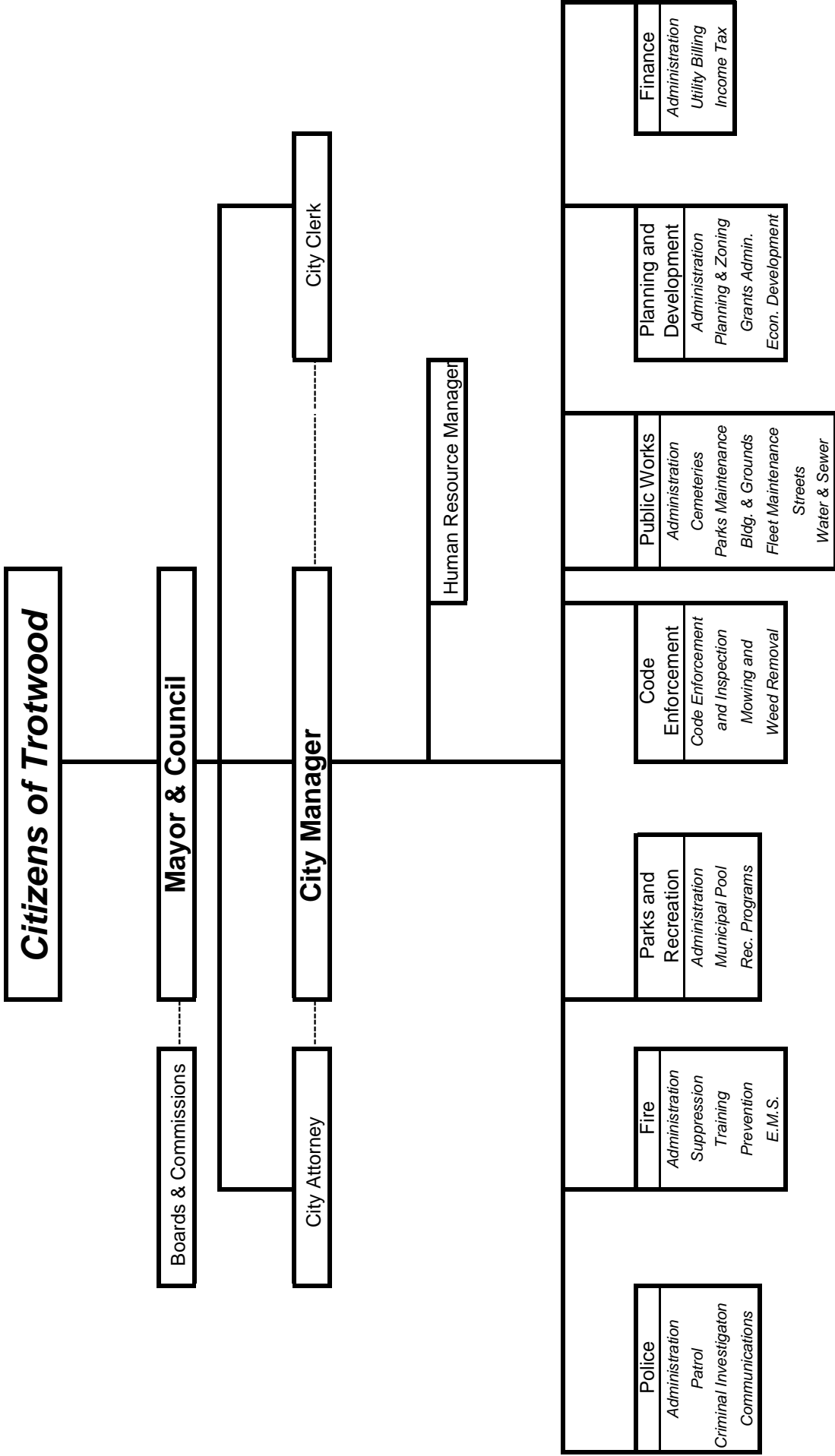
ELECTED OFFICIALS

Darreyl D. Davis	Mayor
Joyce Sutton-Cameron	Councilmember, Ward 1
Barbara J. Staggs	Councilmember At Large
Bettye Gales	Councilmember At Large
Rap Hankins	Councilmember, Ward 2
Charles R. Vaughn	Councilmember, Ward 3
Mary McDonald	Councilmember, Ward 4

APPOINTED OFFICIALS

Michael J. Lucking	City Manager
Lois M. Singleton	Clerk of Council
Patricia A. Shively	Acting Finance Director
Eugene Lutz	Fire Chief
Barbara Brooks	Human Resource Manager
Stephen M. McHugh	Law Director
Quincy Pope	Police Chief
Thomas Odenigbo	Public Works Director

CITY OF TROTWOOD, OHIO
 Organization Chart
 December 31, 2009



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Trotwood
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

FINANCIAL SECTION

City of Trotwood, Ohio
Statement of Net Assets
December 31, 2009

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Investments	\$3,085,405	\$781,059	\$3,866,464
Receivables:			
Taxes	6,779,773	0	6,779,773
Accounts	88,520	1,323,489	1,412,009
Intergovernmental	1,378,193	0	1,378,193
Special Assessments	149,111	1,043,536	1,192,647
Internal Balances	428,899	(428,899)	0
Nondepreciable Capital Assets	30,080,628	12,026	30,092,654
Depreciable Capital Assets, Net	27,094,626	17,627,331	44,721,957
Total Assets	69,085,155	20,358,542	89,443,697
Liabilities:			
Accounts Payable	275,840	794,193	1,070,033
Accrued Wages and Benefits	811,638	21,083	832,721
Accrued Interest Payable	142,766	457	143,223
Contracts Payable	108,944	0	108,944
Unearned Revenue	4,646,884	0	4,646,884
General Obligation Notes Payable	10,060,000	100,000	10,160,000
Long-Term Liabilities:			
Due Within One Year	1,117,855	18,122	1,135,977
Due In More Than One Year	7,365,638	12,131	7,377,769
Total Liabilities	24,529,565	945,986	25,475,551
Net Assets:			
Invested in Capital Assets, Net of Related Debt	39,438,652	17,525,298	56,963,950
Restricted for:			
Debt Service	40,802	0	40,802
Other Purposes	2,253,153	0	2,253,153
Unrestricted	2,822,983	1,887,258	4,710,241
Total Net Assets	\$44,555,590	\$19,412,556	\$63,968,146

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Statement of Activities
For the Fiscal Year Ended December 31, 2009

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$3,172,930	\$688,724	\$0	\$0
Public Safety	8,603,664	1,421,970	543,336	0
Leisure Time Activities	362,824	25,242	51,386	0
Community Development	600,620	85,627	1,020,150	559,301
Transportation and Street Repair	2,630,672	19,219	897,477	1,273,689
Interest and Fiscal Charges	629,723	0	0	0
Total Governmental Activities	16,000,433	2,240,782	2,512,349	1,832,990
Business-Type Activities:				
Water	1,576,732	1,407,494	0	0
Sewer	986,256	962,845	0	0
Refuse	1,493,178	1,513,051	0	0
Stormwater	603,839	701,665	0	0
Total Business-Type Activities	4,660,005	4,585,055	0	0
Totals	\$20,660,438	\$6,825,837	\$2,512,349	\$1,832,990

General Revenues:
Income Taxes
Property Taxes Levied for:
 General Purposes
 Special Revenue Purposes
 Debt Service Purposes
Grants and Entitlements not Restricted to Specific Programs - Unrestricted
Payment in Lieu of Taxes
Investment Earnings
Other Revenues
Transfers-Internal Activities

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$2,484,206)	\$0	(\$2,484,206)
(6,638,358)	0	(6,638,358)
(286,196)	0	(286,196)
1,064,458	0	1,064,458
(440,287)	0	(440,287)
(629,723)	0	(629,723)
(9,414,312)	0	(9,414,312)
0	(169,238)	(169,238)
0	(23,411)	(23,411)
0	19,873	19,873
0	97,826	97,826
0	(74,950)	(74,950)
(\$9,414,312)	(\$74,950)	(\$9,489,262)
4,785,979	0	4,785,979
1,896,060	0	1,896,060
2,422,963	0	2,422,963
140,976	0	140,976
1,328,460	0	1,328,460
243,735	0	243,735
5,950	1,166	7,116
578,038	34	578,072
20,000	(20,000)	0
11,422,161	(18,800)	11,403,361
2,007,849	(93,750)	1,914,099
42,547,741	19,506,306	62,054,047
\$44,555,590	\$19,412,556	\$63,968,146

City of Trotwood, Ohio
Balance Sheet
Governmental Funds
December 31, 2009

	General	Fire Levy	Rescue Levy	Salem Mall Tax Increment
Assets:				
Equity in Pooled Cash and Investments	\$748,892	\$119,432	\$123,029	\$391,076
Receivables:				
Taxes	3,142,390	2,595,558	548,046	0
Accounts	0	0	88,520	0
Intergovernmental	650,106	138,851	35,950	0
Special Assessments	126,509	0	0	0
Interfund	520,434	0	0	0
Total Assets	5,188,331	2,853,841	795,545	391,076
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	78,540	51,442	48,056	4,674
Accrued Wages and Benefits	492,296	163,006	122,318	0
Compensated Absences	15,328	0	0	0
Accrued Interest Payable	0	0	0	61,496
Contracts Payable	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	3,662,703	2,734,409	583,996	0
General Obligation Notes Payable	0	0	0	8,310,000
Total Liabilities	4,248,867	2,948,857	754,370	8,376,170
Fund Balances:				
Reserved for Encumbrances	170,941	27,175	12,261	12,748
Unreserved, Undesignated, Reported in:				
General Fund	768,523	0	0	0
Special Revenue Funds	0	(122,191)	28,914	0
Debt Service Funds	0	0	0	0
Capital Projects Funds	0	0	0	(7,997,842)
Total Fund Balances	939,464	(95,016)	41,175	(7,985,094)
Total Liabilities and Fund Balances	\$5,188,331	2,853,841	795,545	\$391,076

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$1,690,464	\$3,072,893
493,779	6,779,773
0	88,520
553,286	1,378,193
22,602	149,111
0	520,434
<u>2,760,131</u>	<u>11,988,924</u>
90,034	272,746
34,018	811,638
0	15,328
2,722	64,218
108,944	108,944
91,535	91,535
994,799	7,975,907
<u>1,750,000</u>	<u>10,060,000</u>
<u>3,072,052</u>	<u>19,400,316</u>
2,660,039	2,883,164
0	768,523
(1,280,409)	(1,373,686)
68,819	68,819
<u>(1,760,370)</u>	<u>(9,758,212)</u>
<u>(311,921)</u>	<u>(7,411,392)</u>
<u>\$2,760,131</u>	<u>\$11,988,924</u>

City of Trotwood, Ohio
Reconciliation of Total Governmental Fund Balance to
Net Assets of Governmental Activities
December 31, 2009

Total Governmental Fund Balance (57,411,392)

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

Capital assets used in governmental activities are not financial
resources and therefore are not reported in the funds. 57,175,254

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

Income Taxes	542,262	
Delinquent Property Taxes	1,056,008	
Intergovernmental	1,090,667	
Other	<u>640,086</u>	
		3,329,023

An internal service fund is used by management to charge
back costs to individual funds. The assets and
liabilities of the internal service fund are included in
governmental activities in the statement of net assets. 9,418

In the statement of net assets interest payable is accrued when
incurred, whereas in the governmental funds interest is
reported as a liability only when it will require the use of
current financial resources. (78,548)

Some liabilities reported in the statement of net assets do not
require the use of current financial resources and therefore
are not reported as liabilities in governmental funds.
Compensated Absences (791,563)

Long-term liabilities, are not due and payable in the current
period and therefore are not reported in the funds. (7,676,602)

Net Assets of Governmental Activities \$44,555,590

See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended December 31, 2009

	General	Fire Levy	Rescue Levy	Salem Mall Tax Increment
Revenues:				
Taxes	\$6,761,602	\$1,582,897	\$472,398	\$0
Fines, Licenses & Permits	387,209	0	0	0
Charges for Services	569,516	3,793	1,136,054	0
Investment Earnings	2,553	230	105	721
Intergovernmental	1,380,512	348,798	98,567	106,382
Special Assessments	30,533	0	0	0
Payment in Lieu of Taxes	3,577	0	0	239,002
Other Revenues	325,268	2,220	404	59,911
Total Revenues	9,460,770	1,937,938	1,707,528	406,016
Expenditures:				
Current:				
General Government	2,985,350	0	0	0
Public Safety	4,509,239	2,183,893	1,513,042	0
Leisure Time Activities	290,172	0	0	0
Community Development	451,836	0	0	14,626
Transportation and Street Repair	217,126	0	0	0
Capital Outlay	0	35,778	35,812	11,711
Debt Service:				
Principal Retirement	259,095	67,872	44,575	0
Interest and Fiscal Charges	251,064	5,327	4,810	240,046
Total Expenditures	8,963,882	2,292,870	1,598,239	266,383
Excess of Revenues Over (Under) Expenditures	496,888	(354,932)	109,289	139,633
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	1,323	23	0	0
Transfers In	20,000	429,200	81,800	0
Transfers (Out)	(511,000)	0	0	0
Total Other Financing Sources (Uses)	(489,677)	429,223	81,800	0
Net Change in Fund Balance	7,211	74,291	191,089	139,633
Fund Balance Beginning of Year	932,253	(169,307)	(149,914)	(8,124,727)
Fund Balance End of Year	\$939,464	(\$95,016)	\$41,175	(\$7,985,094)

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$479,451	\$9,296,348
94,459	481,668
0	1,709,363
2,341	5,950
3,784,991	5,719,250
19,219	49,752
1,156	243,735
190,234	578,037
4,571,851	18,084,103
0	2,985,350
27,049	8,233,223
4,989	295,161
121,947	588,409
845,270	1,062,396
2,421,812	2,505,113
148,824	520,366
135,000	636,247
3,704,891	16,826,265
866,960	1,257,838
0	1,346
0	531,000
0	(511,000)
0	21,346
866,960	1,279,184
(1,178,881)	(8,690,576)
(\$311,921)	(\$7,411,392)

City of Trotwood, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended December 31, 2009

Net Change in Fund Balance - Total Governmental Funds \$1,279,184

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

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

Capital assets used in governmental activities	1,720,895	
Depreciation Expense	<u>(1,410,984)</u>	309,911

Governmental funds only report the disposal of assets to the
 extent proceeds are received from the sale. In the statement
 of activities, a gain or loss is reported for each disposal. The
 amount of the proceeds must be removed and the gain or loss
 on the disposal of capital assets must be recognized. This is the
 amount of the difference between the proceeds and the gain or loss. (6,509)

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

Income Taxes	(122,103)	
Delinquent Property Taxes	71,733	
Intergovernmental	(184,431)	
Other	<u>138,980</u>	(95,821)

Repayment of bond principal is an expenditure in the
 governmental funds, but the repayment reduces long-term
 liabilities in the statement of net assets. 520,366

In the statement of activities interest expense is accrued when incurred,
 whereas in governmental funds an interest expenditure is reported
 when due. 6,524

Some expenses reported in the statement of activities do not require the
 use of current financial resources and therefore are not reported as
 expenditures in governmental funds.

Compensated Absences		96,088
----------------------	--	--------

The internal service fund used by management to charge back costs
 to individual funds is not reported in the district-wide statement of
 activities. Governmental fund expenditures and the related internal
 service fund revenues are eliminated. The net revenue (expense) of
 the internal service fund is allocated among the governmental activities. (101,894)

Change in Net Assets of Governmental Activities		<u><u>\$2,007,849</u></u>
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See accompanying notes to the basic financial statements.

City of Trotwood, Ohio
Statement of Net Assets
Proprietary Funds
December 31, 2009

Business-Type Activities -Enterprise Funds

	Water	Sewer	Refuse	Stormwater
Current Assets:				
Equity in Pooled Cash and Investments	\$0	\$0	\$0	\$781,059
Receivables:				
Accounts	513,075	360,044	316,526	133,844
Special Assessments	205,826	127,965	552,383	157,362
Total Current Assets	718,901	488,009	868,909	1,072,265
Nondepreciable Capital Assets	0	12,026	0	0
Depreciable Capital Assets, Net	378,702	422,294	0	16,826,335
Total Assets	1,097,603	922,329	868,909	17,898,600
Liabilities:				
Accounts Payable	396,649	272,297	108,104	17,143
Accrued Wages and Benefits	8,659	8,737	1,713	1,974
Compensated Absences	5,465	5,465	1,693	0
Accrued Interest Payable	306	151	0	0
Interfund Payable	13,476	175,734	239,689	0
General Obligation Notes Payable	100,000	0	0	0
Long-Term Liabilities Due Within One Year	0	5,499	0	0
Total Current Liabilities	524,555	467,883	351,199	19,117
Long-Term Liabilities:				
Compensated Absences	1,253	1,253	1,065	0
Bonds, Notes & Loans Payable	0	8,560	0	0
Total Liabilities	525,808	477,696	352,264	19,117
Net Assets:				
Invested in Capital Assets, Net of Related Debt	278,702	420,261	0	16,826,335
Unrestricted	293,093	24,372	516,645	1,053,148
Total Net Assets	\$571,795	\$444,633	\$516,645	\$17,879,483

See accompanying notes to the basic financial statements.

Total Business-Type Activities	Governmental Activities- Internal Service Fund
\$781,059	\$12,512
1,323,489	0
<u>1,043,536</u>	<u>0</u>
3,148,084	12,512
12,026	0
<u>17,627,331</u>	<u>0</u>
20,787,441	12,512
794,193	3,094
21,083	0
12,623	0
457	0
428,899	0
100,000	0
5,499	0
<u>1,362,754</u>	<u>3,094</u>
3,571	0
<u>8,560</u>	<u>0</u>
1,374,885	3,094
17,525,298	0
<u>1,887,258</u>	<u>9,418</u>
<u>\$19,412,556</u>	<u>\$9,418</u>

City of Trotwood, Ohio
Statement of Revenues, Expenses
and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended December 31, 2005

	Business-Type Activities -Enterprise Funds			
	Water	Sewer	Refuse	Stormwater
Operating Revenues:				
Charges for Services	\$1,407,494	\$962,845	\$1,513,051	\$701,665
Other Revenues	17	17	0	0
Total Operating Revenues	<u>1,407,511</u>	<u>962,862</u>	<u>1,513,051</u>	<u>701,665</u>
Operating Expenses:				
Personal Services	105,530	105,594	12,558	32,404
Contractual Services	1,206,808	728,849	1,223,654	121,687
Depreciation	66,923	29,971	0	409,793
Other Expenses	178,436	100,465	256,966	39,955
Total Operating Expenses	<u>1,557,697</u>	<u>964,879</u>	<u>1,493,178</u>	<u>603,839</u>
Operating Income (Loss)	<u>(150,186)</u>	<u>(2,017)</u>	<u>19,873</u>	<u>97,826</u>
Non-Operating Revenues (Expenses):				
Investment Earnings	14	0	26	1,126
Interest (Expense)	(19,035)	(21,377)	0	0
Total Non-Operating Revenues (Expenses)	<u>(19,021)</u>	<u>(21,377)</u>	<u>26</u>	<u>1,126</u>
Income (Loss) Before Contributions and Transfers	(169,207)	(23,394)	19,899	98,952
Transfers (Out)	<u>(10,000)</u>	<u>(10,000)</u>	<u>0</u>	<u>0</u>
Change in Net Assets	(179,207)	(33,394)	19,899	98,952
Net Assets Beginning of Year	<u>751,002</u>	<u>478,027</u>	<u>496,746</u>	<u>17,780,531</u>
Net Assets End of Year	<u>\$571,795</u>	<u>\$444,633</u>	<u>\$516,645</u>	<u>\$17,879,483</u>

See accompanying notes to the basic financial statements.

Total Business-Type Activities	Governmental Activities- Internal Service Fund
\$4,585,055	\$17,236
34	0
<u>4,585,089</u>	<u>17,236</u>
256,086	0
3,280,998	119,246
506,687	0
575,822	0
<u>4,619,593</u>	<u>119,246</u>
<u>(34,504)</u>	<u>(102,010)</u>
1,166	116
<u>(40,412)</u>	<u>0</u>
<u>(39,246)</u>	<u>116</u>
(73,750)	(101,894)
<u>(20,000)</u>	<u>0</u>
(93,750)	(101,894)
<u>19,506,306</u>	<u>111,312</u>
<u>\$19,412,556</u>	<u>\$9,418</u>

City of Trotwood, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended December 31, 2009

	Business-Type Activities -Enterprise Funds			
	Water	Sewer	Refuse	Stormwater
Cash Flows from Operating Activities:				
Cash Received from Customers	\$1,394,486	\$913,989	\$1,328,229	\$692,018
Cash Payments to Employees	(136,881)	(136,467)	(24,645)	(30,430)
Cash Payments to Suppliers	(1,258,484)	(743,316)	(1,303,610)	(405,029)
Net Cash Provided (Used) by Operating Activities	(879)	34,206	(26)	256,559
Cash Flows from Capital and Related Financing Activities:				
Debt Proceeds	200,000	0	0	0
Debt Principal Payments	(225,000)	(12,689)	0	0
Debt Interest Payments	(30,908)	(21,517)	0	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(55,908)	(34,206)	0	0
Cash Flows from Investing Activities:				
Earnings on Investments	14	0	26	1,126
Net Cash Provided (Used) by Cash Flows from Investing Activities	14	0	26	1,126
Net Increase (Decrease) in Cash and Cash Equivalents	(56,773)	0	0	257,685
Cash and Cash Equivalents Beginning of Year	56,773	0	0	523,374
Cash and Cash Equivalents End of Year	0	0	0	781,059
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(150,186)	(2,017)	19,873	97,826
Adjustments:				
Depreciation	66,923	29,971	0	409,793
Changes in Assets & Liabilities:				
(Increase) Decrease in Receivables	163,412	48,200	71,773	30,056
Increase (Decrease) in Payables	(49,677)	(11,075)	(79,585)	(283,090)
Increase (Decrease) in Accrued Liabilities	(31,351)	(30,873)	(12,087)	1,974
Net Cash Provided (Used) by Operating Activities	(\$879)	\$34,206	(\$26)	\$256,559

See accompanying notes to the basic financial statements.

Total Business-Type Activities	Governmental Activities- Internal Service Fund
\$4,328,722	\$17,236
(328,423)	0
<u>(3,710,439)</u>	<u>(121,746)</u>
<u>289,860</u>	<u>(104,510)</u>
200,000	0
(237,689)	0
<u>(52,425)</u>	<u>0</u>
<u>(90,114)</u>	<u>0</u>
<u>1,166</u>	<u>116</u>
<u>1,166</u>	<u>116</u>
200,912	(104,394)
<u>580,147</u>	<u>116,906</u>
<u>781,059</u>	<u>12,512</u>
(\$34,504)	(102,010)
506,687	0
313,441	0
(423,427)	(2,500)
<u>(72,337)</u>	<u>0</u>
<u>\$289,860</u>	<u>(\$104,510)</u>

City of Trotwood, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2009

NOTE 1 – DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City of Trotwood is a political subdivision incorporated in 1901 under the laws and constitution of the State of Ohio. The City is a suburb of Dayton located in Montgomery County in the southwestern portion of the state. Trotwood is located approximately 70 miles west of Columbus and sixty miles north of Cincinnati. Interstates 70 and 75 intersect approximately five miles northeast of the City.

Reporting Entity

The City is a home rule municipal corporation under Article XVIII of the Ohio Constitution utilizing the council-manager form of government. Governing direction is provided by the city charter first adopted in 1964 and subsequently amended. Overall policy direction is the responsibility of the City Council, which is composed of the Mayor and six Councilpersons, four elected from geographic districts and two at-large. The City provides many services for the benefit of its citizens including police protection, fire protection, emergency medical service, street maintenance and repair, parks maintenance, recreation programs, water distribution, sewage collection and refuse collection. On January 1, 1996, the City merged with Madison Township more than tripling its population and land area. The resulting community is the fourth most populous city in Montgomery County and is surpassed in land area only by the City of Dayton.

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

The City participates in three jointly governed organizations: The Miami Valley Regional Planning Commission, the Miami Valley Fire/EMS Alliance and the Economic Development/Government Equity Program are discussed in the Jointly Governed Organization footnote.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. For enterprise funds, the City has elected not to follow subsequent private-sector guidance. The most significant of the City's accounting policies are described below.

Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government. Eliminations have been made to minimize double counting of internal activities, but the interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

Fund Financial Statements

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

Fund Accounting

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

Governmental Funds

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

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

Fire Levy Fund – This special revenue fund accounts for property taxes levied for the provision of fire protection and prevention services within the City.

Rescue Levy Fund – To account for property taxes levied for the provisions of emergency medical services provided within the City of the Trotwood Rescue Unit.

Salem Mall Tax Increment Fund – This capital projects fund accounts for resources related to the Salem Mall Tax Increment.

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

Proprietary Funds

Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

Water Fund – To account for the provision of water services including maintenance of City-owned water lines. The City's water distribution system does not serve the entire City; Montgomery County provides water service to that portion of the City formerly known as Madison Township.

Sewer Fund – To account for the provision of sewer services including maintenance of City-owned sewer lines.

Refuse Fund – To account for the provision of refuse and recycling collection services for all residents in the City.

Stormwater Fund – To account for the provision of stormwater services.

Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on City vehicle repair services.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

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

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

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of the current year-end, but which were levied to finance future operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met because such amounts have not yet been earned.

Expenses/Expenditures

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

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

Equity in Pooled Cash and Investments

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

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

During the year, the City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for at year-end.

For purposes of the statement of cash flows and for presentation on the statement of net assets/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

Following Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenues during 2009 amounted to \$7,232. Interest revenue amounted to \$2,553 in the General fund, \$230 in the Fire Levy fund, \$105 in the Rescue Levy fund, \$721 in the Salem Mall Tax Increment fund, \$2,341 in Other Governmental funds, \$14 in the Water fund, \$26 in the Refuse fund, \$1,126 in the Stormwater fund, and \$116 in the Internal Revenue Service fund. .

Capital Assets

In 2006, the City of Trotwood applied the transition provisions for General Infrastructure Assets (streets, curbs, sidewalks, and culverts). The City reports current year additions and deletions for General Infrastructure Assets. The City has elected not to use the modified approach for reporting General Infrastructure Assets.

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

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

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20-45 years
Equipment	3-20 years
Infrastructure	20-75 years

Compensated Absences

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

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements a liability is recorded only for the portion of unpaid compensated absences that have matured. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

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

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

Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances are recorded as a reservation of fund balance.

Restricted Assets

Restricted assets consist of resources whose use is restricted by retainage for various contractors.

Net Assets

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the City's \$2,293,955 in restricted net assets, none were restricted by enabling legislation.

Operating Revenues and Expenses

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

Contributions of Capital

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

Interfund Activity

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

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

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

Estimates

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

NOTE 3 – EQUITY IN POOLED CASH AND INVESTMENTS

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

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

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

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

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

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

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

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

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2009, \$1,597,570 of the City's bank balance of \$1,915,934 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

Investments

As of December 31, 2009, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
STAROhio	\$2,342,769	0.17

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

Credit Risk – It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. Investments in STAROhio were rated AAAM by Standard & Poors. Repurchase Agreements which are unrated shall be transacted only through banks located within the State of Ohio with which the Finance Director has signed a master repurchase agreement as required by Ohio Revised Code 135.

Concentration of Credit Risk – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 100% of the City's investments in STAROhio.

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

NOTE 4 – RECEIVABLES

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

With the exception of certain special assessment receivables, no allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant. The City has evaluation of the collectability of special assessments receivables indicated that the recent downturn in the economy requires allowances for doubtful accounts as follows:

	As of December 31, 2009				
	General Fund	Water Fund	Sewer Fund	Refuse Fund	Stormwater Fund
Special Assessments Receivable	\$617,484	\$382,263	\$225,038	\$808,978	\$197,065
Allowance for Doubtful Accounts	(490,975)	(176,437)	(97,073)	(256,595)	(39,703)
Special Assessments Receivable, Net	<u>\$126,509</u>	<u>\$205,826</u>	<u>\$127,965</u>	<u>\$552,383</u>	<u>\$157,362</u>

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2009 for real and public utility property taxes represents collections of the 2008 taxes. Property tax payments received during 2009 for tangible personal property (other than public utility property) is for 2009 taxes.

The 2009 real property taxes are levied after October 1, 2009, on the assessed value as of January 1, 2009, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010 operations.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. The 2009 public utility property taxes became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2009 with real property taxes.

The 2009 tangible personal property taxes are levied after October 1, 2008, on the value as of December 31, 2008. Collections are made in 2009. Tangible personal property assessments are 25 percent of true value.

The tangible personal property tax is being phased out over a four-year period starting with tax year 2006 and ending in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing machinery and equipment first reported on the 2006 and subsequent year returns is not subject to the personal property tax.

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

	<u>Amount</u>
Real Property	\$327,506,030
Tangible Personal Property	<u>10,757,430</u>
Total	<u><u>\$338,263,460</u></u>

Real property taxes are payable annually or semi-annually. The first payment is due January 20 with the remainder payable by June 20.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30; with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred revenue.

Income Taxes

The City levies a 2.25% income tax on substantially all income earned within the City. In addition, residents are required to pay City income tax on income earned outside the City with a credit up to 2.25% allowed for income taxes paid to other municipalities. Additional increases in the income tax rate require voter approval.

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

NOTE 5 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Since October 2003,

the City has been a member in the Public Entities Pool of Ohio (PEP), established as a risk sharing self insurance pool for the purpose of enabling the subscribing political subdivisions to obtain liability insurance and providing a formalized, jointly administered self-insurance program for its members. PEP is a corporation governed by a seven member board of directors, consisting of representatives elected by the 230 participating governments.

The City pays an annual premium to the PEP. The agreement provides that the PEP will be self sustaining through member premiums and excess insurance. The types of coverages and deductibles per occurrences as follows:

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
Legal Liability for Third Party Claims	\$2,000,000	\$10,000
Automobile Liability	2,000,000	5,000
Law Enforcement Operations	2,000,000	25,000
Wrongful Acts (Public Officials)	2,000,000	10,000
Real and Personal Property	13,011,000	5,000
Vehicles	4,338,380	1,000
Miscellaneous Property	1,306,746	5,000
Data Processing	298,365	5,000

The Pool retains general, automobile, police professional and public official’s liability risks up to \$250,000 per claim. Claims exceeding \$250,000 are reinsured in an amount not to exceed \$1,750,000 per claim and \$2,000,000 in aggregate per year.

Automobile physical damage risks are retained by the Pool up to \$25,000 for each accident and location. Reinsurance coverage is provided at different levels depending on the type of vehicle.

All property risks, which include physical damage coverage on specialized-use vehicles (fire trucks and emergency vehicles), are fully reinsured. Property risks up to \$25,000 are reinsured on an individual member basis.

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

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NOTE 6 – CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$26,360,322	\$0	\$0	\$26,360,322
Construction in Progress	2,204,856	1,593,694	78,244	3,720,306
Total Capital Assets, not being depreciated	<u>28,565,178</u>	<u>1,593,694</u>	<u>78,244</u>	<u>30,080,628</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	8,227,637	87,367	0	8,315,004
Equipment	8,072,238	39,834	50,059	8,062,013
Infrastructure	40,881,362	78,244	0	40,959,606
Totals at Historical Cost	<u>85,746,415</u>	<u>1,799,139</u>	<u>128,303</u>	<u>87,417,251</u>
Less Accumulated Depreciation:				
Buildings and Improvements	2,268,379	212,119	0	2,480,498
Equipment	6,414,347	386,617	43,550	6,757,414
Infrastructure	20,191,837	812,248	0	21,004,085
Total Accumulated Depreciation	<u>\$28,874,563</u>	<u>\$1,410,984</u>	<u>\$43,550</u>	<u>\$30,241,997</u>
Governmental Activities Capital Assets, Net	<u>\$56,871,852</u>	<u>\$388,155</u>	<u>\$84,753</u>	<u>\$57,175,254</u>
Business-Type Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$12,026	\$0	\$0	\$12,026
<i>Capital Assets, being depreciated:</i>				
Equipment	302,920	0	0	302,920
Infrastructure	37,712,913	0	0	37,712,913
Totals at Historical Cost	<u>38,027,859</u>	<u>0</u>	<u>0</u>	<u>38,027,859</u>
Less Accumulated Depreciation:				
Equipment	233,541	20,558	0	254,099
Infrastructure	19,648,274	486,129	0	20,134,403
Total Accumulated Depreciation	<u>\$19,881,815</u>	<u>\$506,687</u>	<u>\$0</u>	<u>\$20,388,502</u>
Business-Type Activities Capital Assets, Net	<u>\$18,146,044</u>	<u>(\$506,687)</u>	<u>\$0</u>	<u>\$17,639,357</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$96,215
Public Safety	373,381
Leisure Time	55,595
Community Development	2,366
Transportation	883,427
Total Depreciation Expense	<u>\$1,410,984</u>

NOTE 7 – COMPENSATED ABSENCES

Employees earn vacation leave ranging from 10 to 25 days per year based on length of service, except for firefighters who earn vacation leave on a pro-rated basis utilizing a 2,912-hour work year. The maximum accrual, which can be carried forward in a year, is 160 hours or one year's accumulation, whichever is greater. The City is liable for all accrued vacation upon separation or retirement.

Sick leave is accrued at the rate of 1-1/4 days for each month of service completed; firefighters accrue sick leave at the rate of 1-3/4 days per month. Accumulated sick leave in excess of 600 hours may be converted to vacation time on a 3-to-1 basis with a maximum of 10 days in any calendar year or to pay on a 3-to-1 basis with a maximum of 10 days in any calendar year. Upon retirement from active service with the City, employees with 10 to 20 years of service may convert one-third of unused sick leave (maximum 125 days) to pay; employees retiring with over 20 years of active service may convert one-half unused sick leave (maximum 130 days).

Five personal days are granted to each full-time employee of the City. Personal days must be taken within the calendar year and may not be carried forward. Additional personal time may be earned by employees who do not use any sick leave.

NOTE 8 – NOTES PAYABLE

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

		Beginning Balance	Additions	Deletions	Ending Balance
Bond Anticipation Notes:					
Governmental Activities:					
Town Center Redevelopment, Series 2008	2.51%	\$1,905,000	\$0	(\$1,905,000)	\$0
Real Estate Acquisition, 2008A	3.33%	3,875,000	0	(3,875,000)	0
Real Estate Acquisition, 2008B	4.30%	2,530,000	0	(2,530,000)	0
Capital Improvement 2008A	3.63%	1,750,000	0	(1,750,000)	0
Town Center Redevelopment, Series 2009	3.00%	0	1,905,000	0	1,905,000
Various Purpose, Series 2009	2.25%	0	3,875,000	0	3,875,000
Various Purpose, Series 2009B	2.25%	0	4,280,000	0	4,280,000
Total Governmental Activities		<u>\$10,060,000</u>	<u>\$10,060,000</u>	<u>(\$10,060,000)</u>	<u>\$10,060,000</u>
Business-Type Activities:					
Various Purpose, 2008A Series (water/curbs) - BAN	2.49%	\$125,000	\$0	(\$125,000)	\$0
Various Purpose, 2009A Series (water/curbs) - BAN	2.33%	0	200,000	(100,000)	100,000
Total Business-Type Activities		<u>125,000</u>	<u>200,000</u>	<u>(225,000)</u>	<u>100,000</u>
Total Bond Anticipation Notes		<u>\$10,185,000</u>	<u>\$10,260,000</u>	<u>(\$10,285,000)</u>	<u>\$10,160,000</u>

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund which received the proceeds.

NOTE 9 – LONG-TERM DEBT

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

		Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities						
<u>Bonds Payable</u>						
2003 Various Purpose Bonds	5.11%	\$2,980,000	\$0	(\$190,000)	\$2,790,000	\$195,000
2007 Various Purpose Bonds	4.21%	4,870,000	0	(170,000)	4,700,000	170,000
Capital Leases		<u>346,968</u>	<u>0</u>	<u>(160,366)</u>	<u>186,602</u>	<u>161,782</u>
Total Long-Term Debt		8,196,968	0	(520,366)	7,676,602	526,782
Compensated Absences		<u>919,103</u>	<u>162,710</u>	<u>(274,922)</u>	<u>806,891</u>	<u>591,073</u>
Total Governmental Activities		<u>\$9,116,071</u>	<u>\$162,710</u>	<u>(\$795,288)</u>	<u>\$8,483,493</u>	<u>\$1,117,855</u>

		Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Business Type Activities						
<u>Loans</u>						
2001 OPWC Loan	3.00%	\$16,748	\$0	(\$2,689)	\$14,059	\$5,499
Compensated Absences		55,159	14,250	(53,215)	16,194	12,623
Total Business-Type Activities		\$71,907	\$14,250	(\$55,904)	\$30,253	\$18,122

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

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

Year Ending December 31	General Obligation Bonds		OPWC Loan	
	Principal	Interest	Principal	Interest
2010	\$365,000	\$336,231	\$5,499	\$298
2011	385,000	319,468	8,560	129
2012	400,000	301,736	0	0
2013	415,000	283,294	0	0
2014	430,000	264,141	0	0
2015-2019	1,785,000	1,057,270	0	0
2020-2024	1,630,000	672,782	0	0
2025-2029	1,300,000	325,538	0	0
2030-2032	780,000	67,150	0	0
Total	\$7,490,000	\$3,627,610	\$14,059	\$427

NOTE 10 – LEASES

A. Capital Leases

The City has entered into capital leases for a phone system, two dump trucks, a fire engine, and two medic units.

The City's lease obligations meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases", and have been recorded on the government-wide statements. The leased assets have been capitalized for the amount of the present value of the minimum lease payments at the inception of the lease. The following is a schedule of the future long-term minimum lease payments required under the capital lease, and the present value of the minimum lease payments is as follows:

Fiscal Year Ending December 31,	Long-Term Debt
2010	\$168,774
2011	25,856
Total Minimum Lease Payments	194,630
Less: Amount Representing Interest	(8,028)
Present Value of Minimum Lease Payments	<u>\$186,602</u>

Capital assets acquired under capital leases in accordance with Statement of Financial Accounting Standards No. 13 are as follows:

Equipment	\$892,482
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NOTE 11 – PENSION PLANS

Ohio Public Employees Retirement System

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans, a Traditional Pension Plan (TP), a Member-Directed Plan (MD) and a Combined Plan (CO). The TP Plan is a cost-sharing multiple-employer defined benefit pension plan. The MD Plan is a defined contribution plan in which member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings. The CO Plan is a cost sharing, multiple-employer defined benefit pension plan. Under the CO Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the TP and CO Plans. Members of the MD Plan do not qualify for the ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to the OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-5601 or 800-222-7377, or by visiting the OPERS website at www.opers.org.

The Ohio Revised Code provides statutory authority for member and employer contributions. Plan members and employer contributions rates were consistent across all three plans. Plan members are required to contribute 10% of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 14% of covered payroll. The contribution rates are determined actuarially. The City's required contributions to OPERS for the years ended December 31, 2009, 2008 and 2007 were \$354,876, \$384,908 and \$351,619, respectively. The full amount has been contributed for 2007 and 2008 and 90% has been contributed for 2009.

Ohio Police and Fire Pension Fund

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers (the City) are required to contribute 19.5% for police officers and 24.0% for firefighters. The City's contributions to OP&F for the years ending December 31, 2009, 2008 and 2007 were \$912,143, \$958,951, and \$966,998, respectively. The full amount has been contributed for 2007 and 2008 and 73% has been contributed for 2009.

NOTE 12 – POST EMPLOYMENT BENEFITS

Ohio Public Employees Retirement System

Plan Description

Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377, or by visiting the OPERS website at www.opers.org.

Funding Policy

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2009, the City contributed at 14% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care Plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determined the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contribution allocated to the health care plan was 7.0% from January 1 through March 31, 2009 and 5.5% from April 1 through December 31, 2009. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care coverage by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

Information from City's Records

The City's required contributions for the current year, which were used to fund postemployment benefits, were \$43,718 for the period of January 1 through March 31, 2009 and \$105,078 for the period of April 1 through December 31, 2009, \$192,454 for 2008, \$63,294 for the period of January 1 through June 30, 2007 and \$70,414 for the period of July 1 through December 31, 2007. The full amount (actual) has been contributed for 2007 and 2008 and 90% has been contributed for 2009.

OPERS Retirement Board Implements its Health Care Preservation Plan

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year 2006 to 2008, which allowed additional funds to be allocated to the health care plan.

Other Information

At December 31, 2009, the number of active contributing participants in the Traditional and Combined Plans totaled 357,584. The number of active contributing participants for both plans used in the December 31, 2008, actuarial valuation was 356,388.

The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2008, (the latest information available) were \$10.7 billion. Based on the actuarial cost method used, the Actuarial Valuations as of December 31, 2008, (the latest information available) reported the actuarially accrued liability and the unfunded actuarial accrued liability for OPEB at \$29.6 billion and \$18.9 billion, respectively.

Ohio Police and Fire Pension Fund

Plan Description

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

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164, or by visiting the OP&F website at www.op-f.org.

Funding Policy

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of the covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and Section 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the healthcare plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

Information from City's Records

The City's required contributions to OP&F were \$180,800 for police and \$109,478 for fire for the year ending December 31, 2009; \$200,482 for police and \$106,813 for fire for the year ending December 31, 2008; and \$237,929 for police and \$120,394 for fire for the year ending December 31, 2007, respectively, was allocated to the healthcare plan. The actual contributions for 2007 and 2008 were 100% and 73% has been contributed for 2009.

Other Information

The number of participants eligible to receive health care benefits as of December 31, 2008, the date of the last actuarial valuation available, are 14,567 for Police and 10,750 for Firefighters. OP&F's total health care expense for the year ending December 31, 2008, the date of the last actuarial valuation available, was \$96,472,398, which was net of member contributions of \$56,948,977.

NOTE 13 – JOINTLY GOVERNED ORGANIZATIONS

The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami and Montgomery Counties, the City of Dayton and the City of Huber Heights. The Commission prepares plans, including studies, maps, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreation facilities, water supply, sewage disposal, garbage disposal, civic centers and other public improvements and land uses which affect the development of the region. The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective counties, the representatives selected by each county caucus, a nongovernmental member and two at-large representatives. Payments to the Commission are made from the General Fund. The City contributed \$12,613 for the operation of the Commission during 2009.

The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren Counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters, which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS services by volunteers, two representatives appointed by the members who are provided Fire/EMS services by a combination of full-time employees and volunteers and a representative appointed by members who are provided Fire/EMS services by full-time employees. Payments to the Alliance are made from the Fire Levy Fund. The City contributed \$6,581 for the operation of the Alliance during 2009.

The Economic Development/Government Equity Program (ED/GE) was established pursuant to Ohio Revised Code Chapter 307 for the purpose of developing and promoting plans and programs designed to assure that County resources are efficiently used, economic growth is properly balanced and that County economic development is coordinated with that of the State of Ohio and other local governments. Members include villages, townships and cities within Montgomery County and the County itself. Cooperation and coordination between the members is intended to promote economic health and improve the economic opportunities of the people in Montgomery County by assisting in the establishment or expansion within the County of industrial, commercial or research facilities and by creating and preserving job and employment opportunities for the people of the County. The ED/GE Advisory Committee, made up of alternating member entities' representatives, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those in communities experiencing less economic growth. In 2000, the City agreed to be a member for an additional 10 years, ending December 31, 2011. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the General Fund. The City did not contribute to the operation of the ED/GE during 2009.

NOTE 14 – INTERFUND TRANSACTIONS

Interfund receivables, interfund payables, transfers in and transfers out are as follows for the current year:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$520,434	\$0	\$20,000	\$511,000
Fire Levy Fund	0	0	429,200	0
Rescue Levy Fund	0	0	81,800	0
Other Governmental Funds	0	91,535	0	0
Water Fund	0	13,476	0	10,000
Sewer Fund	0	175,734	0	10,000
Refuse Fund	0	239,689	0	0
Total All Funds	<u>\$520,434</u>	<u>\$520,434</u>	<u>\$531,000</u>	<u>\$531,000</u>

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

NOTE 15 – CONSTRUCTION AND OTHER COMMITMENTS

At year end, uncompleted construction contracts are as follows:

Description	Remaining Commitment
Various City Improvements	\$2,661,236

NOTE 16 – ACCOUNTABILITY AND COMPLIANCE

Accountability

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

Fund	Deficit
Special Revenue:	
Fire Levy	\$95,016
Capital Projects:	
Salem Mall Tax Increment	7,985,094
Park Acquisition and Development	68,201
Industrial Park	1,644,419
West Third Street Improvements	23,334

Compliance

Ohio Revised Code Sec. 5705.41B states that no subdivision or taxing unit is to expend money unless it has been appropriated. . At year end, the City had disbursements exceeding appropriations in the following funds: Street Fund and Law Enforcement Trust Fund.

Ohio Revised Code 5705.10 prohibits negative budgetary basis actual ending fund balances. At year end the City had several funds with negative Non-GAAP budgetary basis ending cash fund balances: Park Acquisition & Development Fund, West Third Street Improvement Fund, Water Fund, Sewer Fund and Refuse Fund.

Ohio Revised Code Section 5705.39 requires appropriations to be limited by estimated resources. During 2009 appropriations exceeded estimated resources for the Fire Levy Fund, Rescue Levy Fund, Park Acquisition & Development Fund and West Third Street Improvement Fund.

REQUIRED SUPPLEMENTARY INFORMATION

City of Trotwood, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2009

	General Fund			Variance from Final Budget
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$6,733,509	\$6,550,938	\$6,550,938	\$0
Fines, Licenses & Permits	398,000	387,209	387,209	0
Intergovernmental	1,497,959	1,457,344	1,457,344	0
Special Assessments	31,384	30,533	30,533	0
Charges for Services	585,388	569,516	569,516	0
Investment Earnings	2,624	2,553	2,553	0
Other Revenues	18,426	17,926	17,926	0
Total Revenues	9,267,290	9,016,019	9,016,019	0
Expenditures:				
Current:				
<u>General Government</u>				
Mayor and Council	202,178	208,358	200,396	7,962
City Manager	247,696	252,910	245,513	7,397
Finance	331,175	330,021	328,256	1,765
Utility Billing	116,135	119,074	115,111	3,963
Income Tax	401,135	402,786	397,599	5,187
Law Director	193,663	194,330	191,956	2,374
Public Works Administration	281,657	282,933	279,174	3,759
Building and Grounds	402,693	399,144	399,144	0
Fleet Maintenance	146,011	151,892	144,724	7,168
Personnel	107,666	114,601	106,717	7,884
Strategic Initiatives	29,083	28,827	28,827	0
Non-Departmental	192,756	197,024	191,057	5,967
Total General Government	2,651,848	2,681,900	2,628,474	53,426
<u>Public Safety</u>				
Police Administration	359,165	399,663	355,999	43,664
Police Patrol	3,234,718	3,292,408	3,206,206	86,202
Criminal Investigation	896,107	920,560	888,208	32,352
Police Communications	337,979	336,694	335,000	1,694
Total Public Safety	4,827,969	4,949,325	4,785,413	163,912
<u>Leisure Time Activities</u>				
Parks and Recreation Administration	10,611	10,517	10,517	0
Parks Maintenance	170,207	192,314	168,707	23,607
Municipal Pool	12,278	12,170	12,170	0
Cemeteries	60,223	65,012	59,692	5,320
Recreation Programs	72,254	74,681	71,617	3,064
Total Leisure Time Activities	325,573	354,694	322,703	31,991
<u>Community Development</u>				
Planning and Development Administration	155,157	153,789	153,789	0
Planning and Zoning	107,360	107,153	106,414	739
Code Enforcement and Inspection	170,000	173,698	168,502	5,196
Mowing and Weed Removal	37,773	37,440	37,440	0
Total Community Development	470,290	472,080	466,145	5,935

Continued

City of Trotwood, Ohio
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2009

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<u>Transportation & Street Repair</u>				
Street Lighting	239,630	238,200	237,518	682
Total Transportation & Street Repair	239,630	238,200	237,518	682
Capital Outlay	13,452	13,333	13,333	0
Debt Service:				
Principal Retirement	241,221	239,095	239,095	0
Interest and Fiscal Charges	253,297	251,064	251,064	0
Total Expenditures	9,023,280	9,199,691	8,943,745	255,946
Excess of Revenues Over (Under) Expenditures	244,010	(183,672)	72,274	255,946
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	1,360	1,323	1,323	0
Transfers (Out)	(515,544)	(511,000)	(511,000)	0
Total Other Financing Sources (Uses)	(514,184)	(509,677)	(509,677)	0
Net Change in Fund Balance	(270,174)	(693,349)	(437,403)	255,946
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,445,139	1,445,139	1,445,139	0
Fund Balance End of Year	<u>\$1,174,965</u>	<u>\$751,790</u>	<u>\$1,007,736</u>	<u>\$255,946</u>

See accompanying notes to the required supplementary information.

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2009

	Fire Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$1,616,231	\$1,582,897	\$1,582,897	\$0
Intergovernmental	356,143	348,798	348,798	0
Charges for Services	3,873	3,793	3,793	0
Investment Earnings	235	230	230	0
Other Revenues	2,267	2,220	2,220	0
Total Revenues	1,978,749	1,937,938	1,937,938	0
Expenditures:				
Current:				
Public Safety	2,360,544	2,278,366	2,212,540	65,826
Capital Outlay	38,208	35,812	35,812	0
Debt Service:				
Principal Retirement	72,412	67,872	67,872	0
Interest and Fiscal Charges	5,683	5,327	5,327	0
Total Expenditures	2,476,847	2,387,377	2,321,551	65,826
Excess of Revenues Over (Under) Expenditures	(498,098)	(449,439)	(383,613)	65,826
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	23	23	23	0
Transfers In	438,239	429,200	429,200	0
Total Other Financing Sources (Uses)	438,262	429,223	429,223	0
Net Change in Fund Balance	(59,836)	(20,216)	45,610	65,826
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	10,235	10,235	10,235	0
Fund Balance End of Year	(\$49,601)	(\$9,981)	\$55,845	\$65,826

See accompanying notes to the required supplementary information.

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2009

	Rescue Levy Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$422,618	\$472,398	\$472,398	\$0
Intergovernmental	88,180	98,567	98,567	0
Charges for Services	992,461	1,109,361	1,109,361	0
Investment Earnings	94	105	105	0
Other Revenues	361	404	404	0
Total Revenues	1,503,714	1,680,835	1,680,835	0
Expenditures:				
Current:				
Public Safety	1,539,979	1,587,489	1,550,354	37,135
Capital Outlay	35,572	35,812	35,812	0
Debt Service:				
Principal Retirement	44,277	44,575	44,575	0
Interest and Fiscal Charges	4,778	4,810	4,810	0
Total Expenditures	1,624,606	1,672,686	1,635,551	37,135
Excess of Revenues Over (Under) Expenditures	(120,892)	8,149	45,284	37,135
Other Financing Sources (Uses):				
Transfers In	73,180	81,800	81,800	0
Total Other Financing Sources (Uses)	73,180	81,800	81,800	0
Net Change in Fund Balance	(47,712)	89,949	127,084	37,135
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(60,618)	(60,618)	(60,618)	0
Fund Balance End of Year	(\$108,330)	\$29,331	\$66,466	\$37,135

See accompanying notes to the required supplementary information.

City of Trotwood, Ohio
Notes to the Required Supplementary Information
For The Year Ended December 31, 2009

NOTE 1 – BUDGETARY PROCESS

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

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

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

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).

4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, fire levy fund and rescue levy fund.

Net Change in Fund Balance

	<u>General</u>	<u>Fire Levy</u>	<u>Rescue Levy</u>
GAAP Basis	\$498,186	\$74,291	\$191,089
Revenue Accruals	(444,751)	0	(26,693)
Expenditure Accruals	(288,145)	34,906	19,251
Transfers In	(20,000)	0	0
Encumbrances	<u>(182,693)</u>	<u>(63,587)</u>	<u>(56,563)</u>
Budget Basis	<u><u>(\$437,403)</u></u>	<u><u>\$45,610</u></u>	<u><u>\$127,084</u></u>

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds: Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Street Construction, Maintenance and Repair - To account for the portion of the state gasoline taxes and motor vehicle registration fees designated for upkeep and maintenance of streets within the City, as well as property taxes likewise designated.

State Highway - To account for the remaining 7.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on state highways construction and improvements.

Motor Vehicle License Tax - To account for the \$5 license tax levied by the City. This money is used for street construction, maintenance and repair.

Permissive Use Tax - To account for the funding allocated by the County to the City for specific projects qualified by the County. State law requires that such funding be spent on street construction, maintenance and repair of the specified projects.

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

Curbs/Gutters/Sidewalks Assessment - To account for monies designated to be used for curb, gutter and sidewalk assessments.

Grants - To account for revenues received from federal, state and local grants such as Community Development Block Grants, State Issue II grants and grants from Montgomery County.

Local Law Enforcement Block - To account for grant payments from the Federal Local Law Enforcement Block Grant program required to be used for specified law enforcement purposes.

Enforcement and Education - To account for monies received from fines for operating a motor vehicle under the influence of alcohol or other mind altering substances. State law requires that these proceeds be used to enforce such laws or to educate the public about such laws.

Law Enforcement Trust - To account for the fines generated in the prosecution of those in possession of contraband and the proceeds gained from the sale of confiscated contraband. This money may be spent for any law enforcement activity.

Government Equity Program - To account for Montgomery County shared revenues from its Government Equity formula allocation program which is to be used for economic development activities.

Police Levy - To account for property taxes previously levied for the partial provision of police protection services within the City.

Debt Service Fund: The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessments levies when the government is obligated in some manner for payment.

Debt Retirement - To accumulate monies for the payment of long-term and short-term debt.

Capital Projects Funds: The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

Park Acquisition and Development - To account for residential subdivision fees paid in lieu of parkland dedication to be used for the acquisition and development of city parks, and for other resources designated for the same purposes.

Industrial Park - To account for site acquisition and infrastructure installation for an industrial park development project on Olive Road.

Fire Facility Improvements – To account for resources related to the Fire Facility Improvements.

West Third Street Improvement - To account for improvements to West Third Street.

Salem Corridor Street Improvement - To account for improvements associated with the Salem Avenue corridor.

Signature Sites TIF – To account for improvements to various signature sites throughout the city

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

Water Fund – To account for the provision of water services including maintenance of City-owned water lines. The City’s water distribution system does not serve the entire City; Montgomery County provides water service to that portion of the City formerly known as Madison Township.

Sewer Fund – To account for the provision of sewer services including maintenance of City-owned sewer lines.

Refuse - To account for the provision of refuse and recycling collection services for all residents in the City of Trotwood.

Stormwater - To account for the provision of stormwater services.

City of Trotwood, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,507,361	\$68,819	\$114,284	\$1,690,464
Receivables:				
Taxes	320,579	173,200	0	493,779
Intergovernmental	541,756	11,530	0	553,286
Special Assessments	22,602	0	0	22,602
Total Assets	2,392,298	253,549	114,284	2,760,131
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	90,034	0	0	90,034
Accrued Wages and Benefits	34,018	0	0	34,018
Accrued Interest Payable	0	0	2,722	2,722
Contracts Payable	108,944	0	0	108,944
Interfund Payable	0	0	91,535	91,535
Deferred Revenue	810,069	184,730	0	994,799
General Obligation Notes Payable	0	0	1,750,000	1,750,000
Total Liabilities	1,043,065	184,730	1,844,257	3,072,052
Fund Balances:				
Reserved for Encumbrances	2,629,642	0	30,397	2,660,039
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	(1,280,409)	0	0	(1,280,409)
Debt Service Funds	0	68,819	0	68,819
Capital Projects Funds	0	0	(1,760,370)	(1,760,370)
Total Fund Balances	1,349,233	68,819	(1,729,973)	(311,921)
Total Liabilities and Fund Balances	\$2,392,298	\$253,549	\$114,284	\$2,760,131

City of Trotwood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

	Street Construction Maintenance and Repair	State Highway	Motor Vehicle License Tax	Permissive Use Tax	Drug Law Enforcement
Assets:					
Equity in Pooled Cash and Investments	\$552,017	\$164,788	\$106,378	\$19,091	\$27,349
Receivables:					
Taxes	320,579	0	0	0	0
Intergovernmental	448,038	35,151	0	0	0
Special Assessments	262	0	0	0	0
Total Assets	<u>1,320,896</u>	<u>199,939</u>	<u>106,378</u>	<u>19,091</u>	<u>27,349</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	56,662	12,307	3,185	0	0
Accrued Wages and Benefits	32,302	1,716	0	0	0
Contracts Payable	108,944	0	0	0	0
Deferred Revenue	699,625	29,537	0	0	0
Total Liabilities	<u>897,533</u>	<u>43,560</u>	<u>3,185</u>	<u>0</u>	<u>0</u>
Fund Balances:					
Reserved for Encumbrances	310,283	12,990	2,469	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	<u>113,080</u>	<u>143,389</u>	<u>100,724</u>	<u>19,091</u>	<u>27,349</u>
Total Fund Balances	<u>423,363</u>	<u>156,379</u>	<u>103,193</u>	<u>19,091</u>	<u>27,349</u>
Total Liabilities and Fund Balances	<u>\$1,320,896</u>	<u>\$199,939</u>	<u>\$106,378</u>	<u>\$19,091</u>	<u>\$27,349</u>

Curbs/Gutters/ Sidewalks Assessment	Grants	Local Law Enforcement Block	Enforcement and Education	Law Enforcement Trust	Government Equity Program	Police Levy
\$102,852	\$274,201	\$75	\$8,099	\$185,155	\$65,322	\$2,034
0	0	0	0	0	0	0
0	58,567	0	0	0	0	0
22,340	0	0	0	0	0	0
<u>125,192</u>	<u>332,768</u>	<u>75</u>	<u>8,099</u>	<u>185,155</u>	<u>65,322</u>	<u>2,034</u>
0	17,820	0	0	41	19	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
22,340	58,567	0	0	0	0	0
<u>22,340</u>	<u>76,387</u>	<u>0</u>	<u>0</u>	<u>41</u>	<u>19</u>	<u>0</u>
0	2,258,751	0	0	45,149	0	0
102,852	(2,002,370)	75	8,099	139,965	65,303	2,034
102,852	256,381	75	8,099	185,114	65,303	2,034
<u>\$125,192</u>	<u>\$332,768</u>	<u>\$75</u>	<u>\$8,099</u>	<u>\$185,155</u>	<u>\$65,322</u>	<u>\$2,034</u>

Continued

City of Trotwood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2009

	Total Nonmajor Special Revenue Funds
Assets:	
Equity in Pooled Cash and Investments	\$1,507,361
Receivables:	
Taxes	320,579
Intergovernmental	541,756
Special Assessments	<u>22,602</u>
Total Assets	<u><u>2,392,298</u></u>
Liabilities and Fund Balances:	
Liabilities:	
Accounts Payable	90,034
Accrued Wages and Benefits	34,018
Contracts Payable	108,944
Deferred Revenue	<u>810,069</u>
Total Liabilities	<u>1,043,065</u>
Fund Balances:	
Reserved for Encumbrances	2,629,642
Unreserved, Undesignated, Reported in: Special Revenue Funds	<u>(1,280,409)</u>
Total Fund Balances	<u>1,349,233</u>
Total Liabilities and Fund Balances	<u><u>\$2,392,298</u></u>

City of Trotwood, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2009

	Park Acquisition and Development	Industrial Park	Fire Facility Improvements	West Third Street Improvement	Salem Corridor Street Improvement
Assets:					
Equity in Pooled Cash and Investments	\$0	\$108,303	\$5,981	\$0	\$0
Total Assets	<u>0</u>	<u>108,303</u>	<u>5,981</u>	<u>0</u>	<u>0</u>
Liabilities and Fund Balances:					
Liabilities:					
Accrued Interest Payable	0	2,722	0	0	0
Interfund Payable	68,201	0	0	23,334	0
General Obligation Notes Payable	0	1,750,000	0	0	0
Total Liabilities	<u>68,201</u>	<u>1,752,722</u>	<u>0</u>	<u>23,334</u>	<u>0</u>
Fund Balances:					
Reserved for Encumbrances	0	30,397	0	0	0
Unreserved, Undesignated, Reported in: Capital Projects Funds	(68,201)	(1,674,816)	5,981	(23,334)	0
Total Fund Balances	<u>(68,201)</u>	<u>(1,644,419)</u>	<u>5,981</u>	<u>(23,334)</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$0</u>	<u>\$108,303</u>	<u>\$5,981</u>	<u>\$0</u>	<u>\$0</u>

Signature Sites TIF	Total Nonmajor Capital Projects Funds
\$0	\$114,284
0	114,284
0	2,722
0	91,535
0	1,750,000
0	1,844,257
0	30,397
0	(1,760,370)
0	(1,729,973)
\$0	\$114,284

City of Trotwood, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2005

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$342,401	\$137,050	\$0	\$479,451
Fines, Licenses & Permits	92,859	0	1,600	94,459
Investment Earnings	1,762	148	431	2,341
Intergovernmental	2,168,736	28,627	1,587,628	3,784,991
Special Assessments	19,219	0	0	19,219
Payment in Lieu of Taxes	0	0	1,156	1,156
Other Revenues	48,847	2,803	138,584	190,234
Total Revenues	2,673,824	168,628	1,729,399	4,571,851
Expenditures:				
Current:				
Public Safety	27,049	0	0	27,049
Leisure Time Activities	4,639	0	350	4,989
Community Development	105,657	0	16,290	121,947
Transportation and Street Repair	845,270	0	0	845,270
Capital Outlay	1,068,071	0	1,353,741	2,421,812
Debt Service:				
Principal Retirement	33,824	115,000	0	148,824
Interest and Fiscal Charges	17,136	60,316	57,548	135,000
Total Expenditures	2,101,646	175,316	1,427,929	3,704,891
Net Change in Fund Balance	572,178	(6,688)	301,470	866,960
Fund Balance Beginning of Year	777,055	75,507	(2,031,443)	(1,178,881)
Fund Balance End of Year	\$1,349,233	\$68,819	(\$1,729,973)	(\$311,921)

City of Trotwood, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2005

	Street Construction Maintenance and Repair	State Highway	Motor Vehicle License Tax	Permissive Use Tax	Drug Law Enforcement
Revenues:					
Taxes	\$184,631	\$0	\$157,770	\$0	\$0
Fines, Licenses & Permits	0	0	0	0	969
Investment Earnings	842	235	184	29	43
Intergovernmental	929,694	71,535	0	0	0
Special Assessments	0	0	0	0	0
Other Revenues	16,915	0	0	0	0
Total Revenues	1,132,082	71,770	157,954	29	1,012
Expenditures:					
Current:					
Public Safety	0	0	0	0	2,500
Leisure Time Activities	0	0	0	0	0
Community Development	0	0	0	0	0
Transportation and Street Repair	794,060	51,210	0	0	0
Capital Outlay	204,708	0	198,127	0	0
Debt Service:					
Principal Retirement	33,824	0	0	0	0
Interest and Fiscal Charges	17,136	0	0	0	0
Total Expenditures	1,049,728	51,210	198,127	0	2,500
Net Change in Fund Balance	82,354	20,560	(40,173)	29	(1,488)
Fund Balance Beginning of Year	341,009	135,819	143,366	19,062	28,837
Fund Balance End of Year	\$423,363	\$156,379	\$103,193	\$19,091	\$27,349

Curbs/Gutters/ Sidewalks Assessment	Grants	Local Law Enforcement Block	Enforcement and Education	Law Enforcement Trust	Government Equity Program	Police Levy
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	685	91,205	0	0
143	0	0	22	221	40	3
0	1,034,129	45,991	0	0	87,387	0
19,219	0	0	0	0	0	0
0	0	0	0	4,680	27,252	0
<u>19,362</u>	<u>1,034,129</u>	<u>45,991</u>	<u>707</u>	<u>96,106</u>	<u>114,679</u>	<u>3</u>
0	4,189	0	0	20,360	0	0
0	4,639	0	0	0	0	0
0	53,093	0	0	0	52,564	0
0	0	0	0	0	0	0
0	665,236	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>727,157</u>	<u>0</u>	<u>0</u>	<u>20,360</u>	<u>52,564</u>	<u>0</u>
19,362	306,972	45,991	707	75,746	62,115	3
83,490	(50,591)	(45,916)	7,392	109,368	3,188	2,031
<u>\$102,852</u>	<u>\$256,381</u>	<u>\$75</u>	<u>\$8,099</u>	<u>\$185,114</u>	<u>\$65,303</u>	<u>\$2,034</u>

Continued

City of Trotwood, Ohio
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balance
 Nonmajor Special Revenue Funds
 For the Fiscal Year Ended December 31, 2005

	Total Nonmajor Special Revenue Funds
Revenues:	
Taxes	\$342,401
Fines, Licenses & Permits	92,859
Investment Earnings	1,762
Intergovernmental	2,168,736
Special Assessments	19,219
Other Revenues	48,847
	<hr/>
Total Revenues	2,673,824
	<hr/>
Expenditures:	
Current:	
Public Safety	27,049
Leisure Time Activities	4,639
Community Development	105,657
Transportation and Street Repair	845,270
Capital Outlay	1,068,071
Debt Service:	
Principal Retirement	33,824
Interest and Fiscal Charges	17,136
	<hr/>
Total Expenditures	2,101,646
	<hr/>
Net Change in Fund Balance	572,178
	<hr/>
Fund Balance Beginning of Year	777,055
	<hr/>
Fund Balance End of Year	<u>\$1,349,233</u>

City of Trotwood, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended December 31, 2005

	Park Acquisition and Development	Industrial Park	Fire Facility Improvements	West Third Street Improvement	Salem Corridor Street Improvement
Revenues:					
Fines, Licenses & Permits	\$1,600	\$0	\$0	\$0	\$0
Investment Earnings	0	422	9	0	0
Intergovernmental	0	1,254,789	0	46,666	286,173
Payment in Lieu of Taxes	0	1,156	0	0	0
Other Revenues	0	33,146	98,705	0	0
Total Revenues	1,600	1,289,513	98,714	46,666	286,173
Expenditures:					
Current:					
Leisure Time Activities	350	0	0	0	0
Community Development	0	16,290	0	0	0
Capital Outlay	0	1,067,568	0	0	286,173
Debt Service:					
Interest and Fiscal Charges	0	57,548	0	0	0
Total Expenditures	350	1,141,406	0	0	286,173
Net Change in Fund Balance	1,250	148,107	98,714	46,666	0
Fund Balance Beginning of Year	(69,451)	(1,792,526)	(92,733)	(70,000)	0
Fund Balance End of Year	(\$68,201)	(\$1,644,419)	\$5,981	(\$23,334)	\$0

Signature Sites TIF	Total Nonmajor Capital Projects Funds
\$0	\$1,600
0	431
0	1,587,628
0	1,156
6,733	138,584
6,733	1,729,399
0	350
0	16,290
0	1,353,741
0	57,548
0	1,427,929
6,733	301,470
(6,733)	(2,031,443)
\$0	(\$1,729,973)

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2009

	Street Construction Maintenance and Repair Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$184,631	\$184,631	\$0
Intergovernmental	930,157	930,157	0
Investment Earnings	842	842	0
Other Revenues	16,915	16,915	0
Total Revenues	<u>1,132,545</u>	<u>1,132,545</u>	<u>0</u>
Expenditures:			
Current:			
Transportation & Street Repair	1,048,523	1,058,117	(9,594)
Capital Outlay	418,508	418,476	32
Debt Service:			
Principal Retirement	33,824	33,824	0
Interest and Fiscal Charges	17,136	17,136	0
Total Expenditures	<u>1,517,991</u>	<u>1,527,553</u>	<u>(9,562)</u>
Net Change in Fund Balance	(385,446)	(395,008)	(9,562)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>475,645</u>	<u>475,645</u>	<u>0</u>
Fund Balance End of Year	<u>\$90,199</u>	<u>\$80,637</u>	<u>(\$9,562)</u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$71,574	\$71,574	\$0
Investment Earnings	235	235	0
Total Revenues	71,809	71,809	0
Expenditures:			
Current:			
Transportation & Street Repair	99,995	76,391	23,604
Total Expenditures	99,995	76,391	23,604
Net Change in Fund Balance	(28,186)	(4,582)	23,604
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	144,185	144,185	0
Fund Balance End of Year	\$115,999	\$139,603	\$23,604

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Motor Vehicle License Tax Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$157,770	\$157,770	\$0
Investment Earnings	184	184	0
Total Revenues	<u>157,954</u>	<u>157,954</u>	<u>0</u>
Expenditures:			
Current:			
Transportation & Street Repair	76,254	76,254	0
Capital Outlay	<u>224,810</u>	<u>219,016</u>	<u>5,794</u>
Total Expenditures	<u>301,064</u>	<u>295,270</u>	<u>5,794</u>
Net Change in Fund Balance	(143,110)	(137,316)	5,794
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>238,040</u>	<u>238,040</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$94,930</u></u>	<u><u>\$100,724</u></u>	<u><u>\$5,794</u></u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Permissive Use Tax Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$29	\$29	\$0
Total Revenues	29	29	0
Expenditures:			
Current:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	29	29	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	19,062	19,062	0
Fund Balance End of Year	\$19,091	\$19,091	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Drug Law Enforcement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$969	\$969	\$0
Investment Earnings	43	43	0
Total Revenues	1,012	1,012	0
Expenditures:			
Current:			
Public Safety	10,370	2,500	7,870
Total Expenditures	10,370	2,500	7,870
Net Change in Fund Balance	(9,358)	(1,488)	7,870
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	28,837	28,837	0
Fund Balance End of Year	\$19,479	\$27,349	\$7,870

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2009

	Curbs/Gutters/ Sidewalks Assessment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$19,219	\$19,219	\$0
Investment Earnings	143	143	0
Total Revenues	<u>19,362</u>	<u>19,362</u>	<u>0</u>
Expenditures:			
Current:			
Transportation & Street Repair	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	19,362	19,362	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>83,490</u>	<u>83,490</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$102,852</u></u>	<u><u>\$102,852</u></u>	<u><u>\$0</u></u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,034,129	\$1,034,129	\$0
Total Revenues	1,034,129	1,034,129	0
Expenditures:			
Current:			
Public Safety	4,512	4,512	0
Leisure Time Activities	4,639	4,639	0
Community Development	94,710	94,707	3
Capital Outlay	749,450	727,157	22,293
Total Expenditures	853,311	831,015	22,296
Net Change in Fund Balance	180,818	203,114	22,296
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(18,848)	(18,848)	0
Fund Balance End of Year	\$161,970	\$184,266	\$22,296

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Local Law Enforcement Block Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$45,991	\$45,991	\$0
Total Revenues	45,991	45,991	0
Expenditures:			
Current:			
Public Safety	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	45,991	45,991	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(45,916)	(45,916)	0
Fund Balance End of Year	\$75	\$75	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Enforcement and Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$685	\$685	\$0
Investment Earnings	22	22	0
Total Revenues	707	707	0
Expenditures:			
Current:			
Public Safety	550	0	550
Total Expenditures	550	0	550
Net Change in Fund Balance	157	707	550
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	7,392	7,392	0
Fund Balance End of Year	\$7,549	\$8,099	\$550

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Law Enforcement Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$91,205	\$91,205	\$0
Investment Earnings	221	221	0
Other Revenues	4,680	4,680	0
Total Revenues	96,106	96,106	0
Expenditures:			
Current:			
Public Safety	40,010	39,888	122
Capital Outlay	881	45,972	(45,091)
Total Expenditures	40,891	85,860	(44,969)
Net Change in Fund Balance	55,215	10,246	(44,969)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	129,719	129,719	0
Fund Balance End of Year	\$184,934	\$139,965	(\$44,969)

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Government Equity Program Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$87,387	\$87,387	\$0
Investment Earnings	40	40	0
Other Revenues	27,252	27,252	0
Total Revenues	114,679	114,679	0
Expenditures:			
Current:			
Community Development	100,000	52,591	47,409
Total Expenditures	100,000	52,591	47,409
Net Change in Fund Balance	14,679	62,088	47,409
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,234	3,234	0
Fund Balance End of Year	\$17,913	\$65,322	\$47,409

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Police Levy Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$3	\$3	\$0
Total Revenues	3	3	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	3	3	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,031	2,031	0
Fund Balance End of Year	\$2,034	\$2,034	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Debt Retirement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$137,050	\$137,050	\$0
Intergovernmental	28,627	28,627	0
Investment Earnings	148	148	0
Other Revenues	2,803	2,803	0
Total Revenues	168,628	168,628	0
Expenditures:			
Debt Service:			
Principal Retirement	115,000	115,000	0
Interest and Fiscal Charges	60,318	60,316	2
Total Expenditures	175,318	175,316	2
Net Change in Fund Balance	(6,690)	(6,688)	2
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	75,507	75,507	0
Fund Balance End of Year	\$68,817	\$68,819	\$2

City of Trotwood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2009

	Salem Mall Tax Increment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$106,382	\$106,382	\$0
Investment Earnings	721	721	0
Payment in Lieu of Taxes	239,002	239,002	0
Other Revenues	59,911	59,911	0
Total Revenues	<u>406,016</u>	<u>406,016</u>	<u>0</u>
Expenditures:			
Current:			
Community Development	123,630	120,583	3,047
Capital Outlay	71,762	71,756	6
Debt Service:			
Principal Retirement	8,310,000	8,310,000	0
Interest and Fiscal Charges	299,650	298,908	742
Total Expenditures	<u>8,805,042</u>	<u>8,801,247</u>	<u>3,795</u>
Excess of Revenues Over (Under) Expenditures	<u>(8,399,026)</u>	<u>(8,395,231)</u>	<u>3,795</u>
Other Financing Sources (Uses):			
Issuance of Debt	8,315,064	8,315,064	0
Total Other Financing Sources (Uses)	<u>8,315,064</u>	<u>8,315,064</u>	<u>0</u>
Net Change in Fund Balance	(83,962)	(80,167)	3,795
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>453,821</u>	<u>453,821</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$369,859</u></u>	<u><u>\$373,654</u></u>	<u><u>\$3,795</u></u>

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Park Acquisition and Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$1,600	\$1,600	\$0
Total Revenues	1,600	1,600	0
Expenditures:			
Current:			
Leisure Time Activities	350	350	0
Total Expenditures	350	350	0
Net Change in Fund Balance	1,250	1,250	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(69,451)	(69,451)	0
Fund Balance End of Year	(\$68,201)	(\$68,201)	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Industrial Park Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$452,919	\$452,919	\$0
Investment Earnings	422	422	0
Payment in Lieu of Taxes	1,156	1,156	0
Other Revenues	33,146	33,146	0
Total Revenues	487,643	487,643	0
Expenditures:			
Current:			
Community Development	17,840	17,840	0
Capital Outlay	558,876	488,839	70,037
Debt Service:			
Principal Retirement	1,750,000	1,750,000	0
Interest and Fiscal Charges	65,630	63,261	2,369
Total Expenditures	2,392,346	2,319,940	72,406
Excess of Revenues Over (Under) Expenditures	(1,904,703)	(1,832,297)	72,406
Other Financing Sources (Uses):			
Issuance of Debt	1,750,000	1,750,000	0
Total Other Financing Sources (Uses)	1,750,000	1,750,000	0
Net Change in Fund Balance	(154,703)	(82,297)	72,406
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	160,203	160,203	0
Fund Balance End of Year	\$5,500	\$77,906	\$72,406

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Fire Facility Improvements Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$9	\$9	\$0
Other Revenues	54,318	54,318	0
Total Revenues	54,327	54,327	0
Expenditures:			
Current:			
Public Safety	54,318	54,318	0
Total Expenditures	54,318	54,318	0
Net Change in Fund Balance	9	9	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,972	5,972	0
Fund Balance End of Year	\$5,981	\$5,981	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	West Third Street Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$46,666	\$46,666	\$0
Total Revenues	46,666	46,666	0
Expenditures:			
Current:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	46,666	46,666	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	(70,000)	(70,000)	0
Fund Balance End of Year	(\$23,334)	(\$23,334)	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Salem Corridor Street Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Capital Outlay	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

City of Trotwood, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended December 31, 2009

	Signature Sites TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
General Government	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

STATISTICAL SECTION

STATISTICAL SECTION

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

Contents

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

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

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

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

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

Sources - Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.