Customer Solutions

Customer Solutions, "At Your Service".

The Customer Solutions Department functioning in the City Manager's office has been developed to enhance service provided by the City of Troy. The new department is designed to be the first point of contact for residents, businesses and visitors to obtain information and assistance from the City of Troy.

We are committed, as always, to achieving the highest level of customer satisfaction and will continually strive to create a positive and enjoyable experience for our customers as they interact with the City of Troy.

Since the official launch of the Customer Solutions department on February 19, 2008 we have received over 1,000 requests for service, information or assistance.

Our web page is ready for your visit at: www.troymi.gov/CustomerSolutions

This page has been designed as a virtual service center. The easy to navigate page provides you with links to city news and events, frequently asked questions, service directories, maps and more. One of the highlights is the forms and applications tab. You can access forms and applications available from all departments in one convenient location.

From the new page, you can contact the Customer Solutions department with a single mouse click and send us an email with your questions or concerns. You will also find a City of Troy customer service survey; we would love to hear your comments and suggestions.

We look forward to hearing from you!

Phone: (248) 524-3337
Email: CustomerSolutions@troymi.gov
US Mail: Customer Solutions
500 W. Big Beaver Rd.
Troy, MI 48084
Website: www.troymi.gov/CustomerSolutions
Visit our office at: 500 W. Big Beaver Rd. **City Manager's Suite*

A Customer Solutions Representative is available:

Monday through Friday 8:00am to 4:30pm

J-02a

Financial Summary

For the Year Ended June 30, 2008

City of Troy, Michigan

Fast Facts

Residential Population:
87,956
(Planning Department)

Workday Population:
125,000
(Real Estate & Economic Development)

Businesses:
5,741
(City Assessor's Office)

Area:
34.3 square miles

Taxable Value:
$5.6 billion

Council/Manager Form of Government

The Mayor and six members of the City Council are elected to staggered, four-year terms. The Council appoints a City Manager to oversee daily operations and administrative functions.

Services

Basic community services are the highest priority. These include police and fire protection, refuse collection, water and wastewater collection, street maintenance, public improvements, planning, zoning, and administrative services. Troy's quality of life is also enhanced by recreation and leisure facilities including the Troy Public Library, Troy Museum & Historic Village, Family Aquatic Center, Nature Center, Sylvan Glen and Sanctuary Lake Golf Courses, 900 acres of parkland, and the Community Center.

Education

Top-rated school systems reinforce Troy's community strength and property values. Troy School District (TSD) serves the majority of households with an enrollment of 12,165. Six other school districts also serve Troy citizens: Avondale, Birmingham, Bloomfield Hills, Lamphere, Royal Oak and Warren Consolidated. Higher education is available through local institutions like Cornerstone College, the Michigan State Management Education Center, University of Phoenix, Walsh College, and nearby Oakland Community College and Oakland University. Central Michigan University, Northwood Institute, Spring Arbor College and University of Michigan-Flint offer satellite courses in Troy.

Business Connection

Troy's corporate citizens span a full range of financial, retail, automotive, technology, hospitality, service and manufacturing industries.

- Troy Chamber of Commerce: (248)641-8151; www.troychamber.com
- Real Estate & Economic Development Department: (248)524-3498; www.troymi.gov/EconomicDevelopment
- Automation Alley: (248)457-3200; www.automationalley.org
- Oakland County Planning & Economic Development: (248)858-0720; www.oakgov.com/peds

SANCTUARY LAKE GOLF COURSE

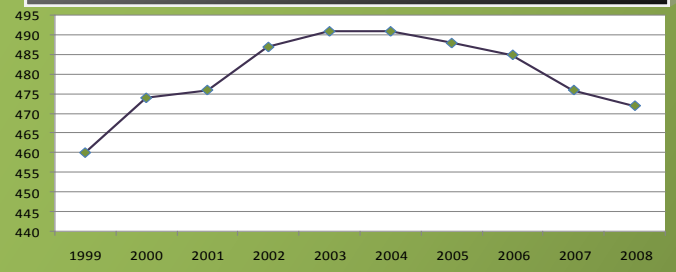
Have you played yet?

Opened in 2004, our **new course** offers one of the most unique golf experiences in all of Oakland County. This par 71 links-style setting has four sets of tees ranging from 4,750 to 6,555 yards, and boasts a course rating of 71.9 with a slope of 133.

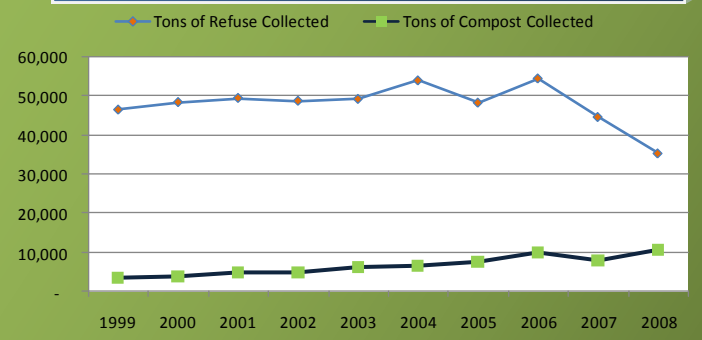
Sanctuary Lake is built on 190 acres of rolling landscape. The course features approximately 80 strategically placed bunkers, small and undulating bent grass greens, and a vast variety of wildlife species.

The course is located at 1450 E. South Blvd. Between John R. and Dequindre in Troy. For more information call: **(248)619-7671**

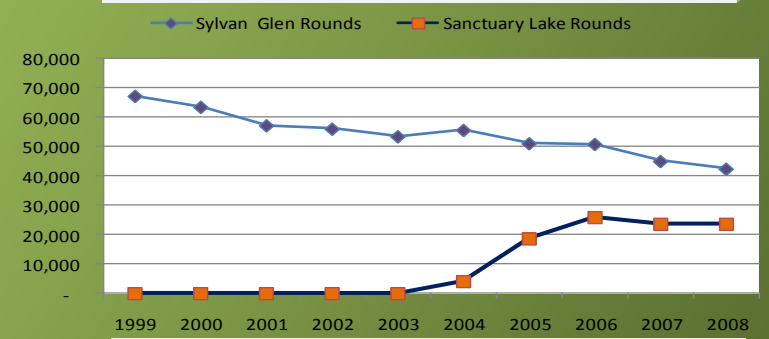
City Full-Time Staffing



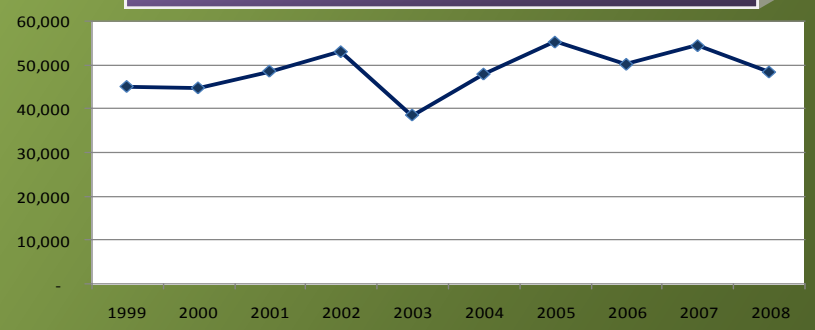
Refuse/Resource Recovery



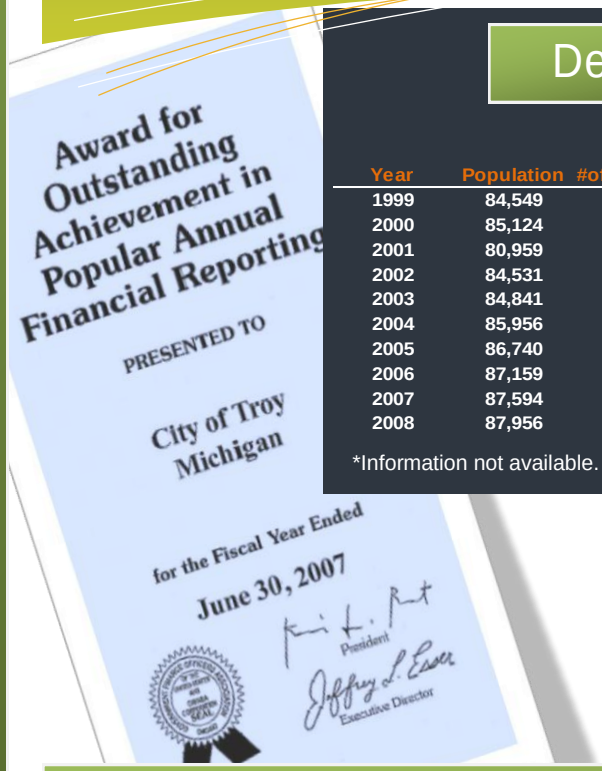
Golf Course



Aquatic Center Admissions



Community Profile



Demographics

Year	Population	#of Households	Median Household Buying income	Median Age
1999	84,549	30,434	60,004	*
2000	85,124	30,721	61,806	37.0
2001	80,959	30,872	65,642	38.1
2002	84,531	31,371	70,342	38.1
2003	84,841	31,504	65,625	38.1
2004	85,956	31,944	62,862	38.1
2005	86,740	32,281	64,630	38.0
2006	87,159	32,431	*	38.1
2007	87,594	32,596	*	41.7
2008	87,956	32,802	*	37.0

*Information not available.

Figure 1

GFOA Award for Outstanding Achievement

The Government Finance Officers Association of the United States of America and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Troy for its Popular Annual Financial Report for the fiscal year ended June 30, 2007. The award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, the contents of which conform to program standards of creativity, presentation, ease of understanding and reader appeal.

An award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of Troy has received a Popular Award for the last nine consecutive years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

City of Troy Economy

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

With 87,956 residents and the workday population exceeding 125,000, people constitute a strong market for the retail and service industries in Troy. These factors keep the City's unemployment rate below metro Detroit and state averages. See figure 4 to compare unemployment rates.

The community's growth in taxable valuation (TV) from 1995 to 2008 increased by 62% from $3,425,410,880 to $5,550,516,437 (see Figure 3). Within the state of Michigan, the city of Detroit is the only municipality with a higher taxable value than Troy.

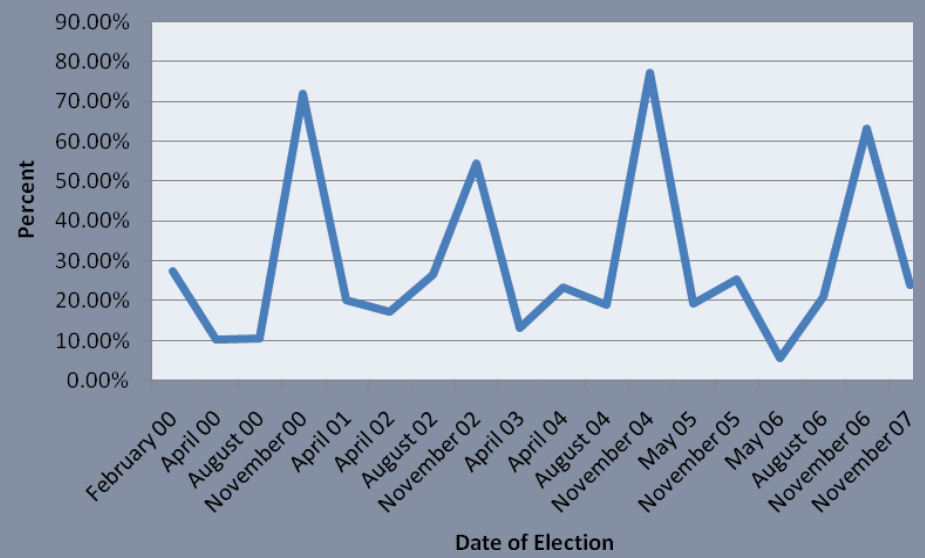
2008 Millage Rates

Community	Millage Rate	Rank (L=>H)
Troy	09.2800	1
Rochester Hills	09.7060	2
Novi	10.5416	3
Auburn Hills	10.5602	4
Royal Oak	11.4366	5
Farmington Hills	11.6072	6
Wixom	11.6314	7
Rochester	12.4304	8
Berkley	12.9957	9
Keego Harbor	13.1817	10
Birmingham	14.0936	11
Sylvan Lake	14.8179	12
South Lyon	14.8179	13
Farmington	15.4019	14
Pontiac	15.6342	15
Northville	16.3409	16
Southfield	16.3428	17
Clarkston	17.7079	18
Madison heights	18.1616	19
Pleasant Ridge	18.1928	20
Claw son	18.8075	21
Huntington Woods	21.8038	22
Hazel Park	23.4884	23
Ferndale	24.0664	24
Oak Park	24.6704	25

Figure 2

A State assessed value of $6.2 billion represents approximately 50% of estimated current market value. Taxable value is determined by the prior year's taxable value plus 5% or the consumer price index (whichever is less). Starting with the 1994 state equalized value as the base taxable value, the taxable value figure is multiplied by the tax rate to determine property tax revenue.

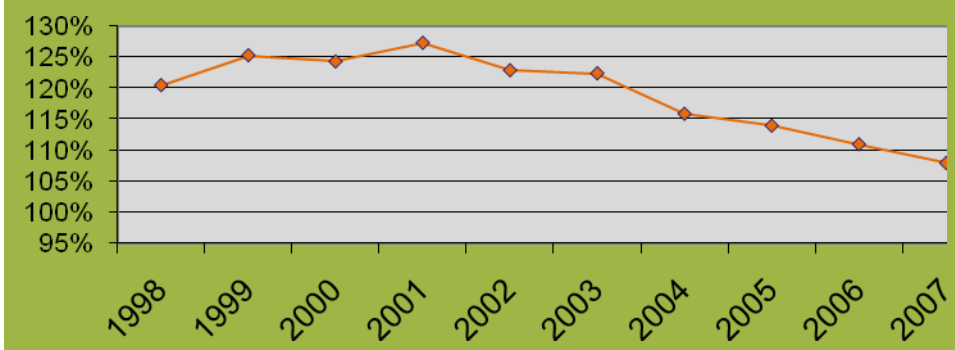
Voter Turnout



After 50 years of annual City Regular Elections being conducted in April, City Regular Elections were moved to odd-year Novembers in 2005. City Regular Elections in November have shown an increase in voter turnout

Figure 15

City of Troy Employees Retirement System Schedule of Funding Progress (Pension Benefit)



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

Figure 17

Performance Data

Building Permits and Construction

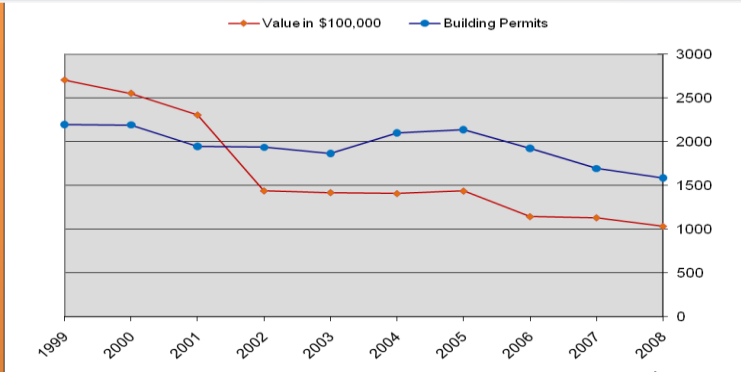


Figure 14

Troy's Building Department processes a wide range of construction permits each year. Despite some declines in total value of projects being built in Troy, the number of permits being pulled remains fairly high. This can be attributed to many smaller home and business improvement projects taking the place of major developments, as fewer parcels of land are available for large-scale projects.

Traffic Citations

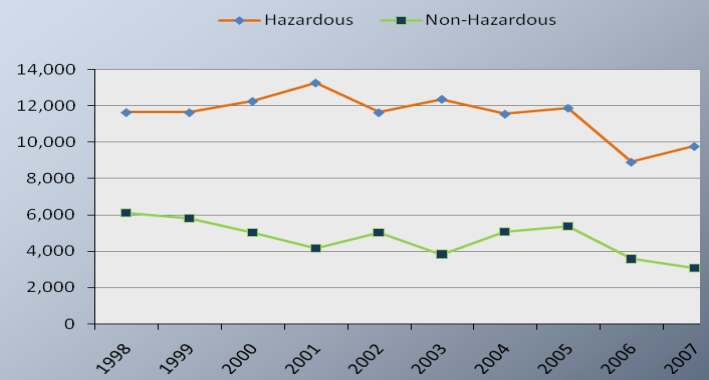


Figure 16

Above and beyond Troy's almost 88,000 residents, a large commuting population that travels our roadways puts a heavy responsibility on Troy Police Road Patrol.

Hazardous Citations are issued for violations that could cause an accident, like speeding. Non-hazardous traffic citations are for minor violations that break ordinances, but do not generally put property or person at risk of damage or injury, for example, out-of-date registration.

Taxable vs. Assessed Value

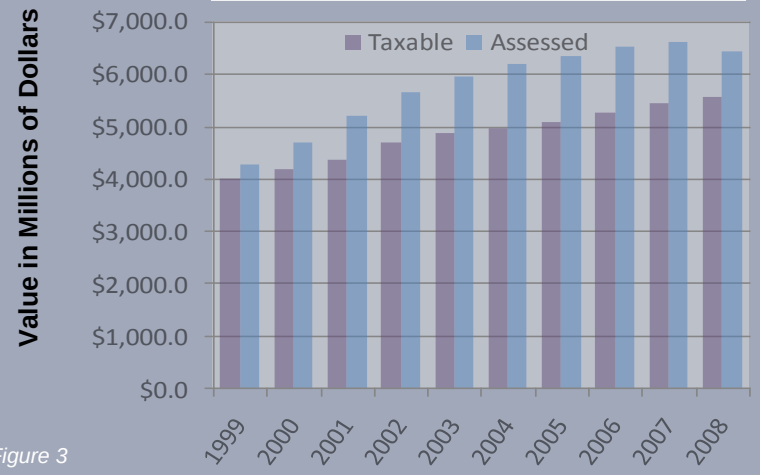


Figure 3

Unemployment Rates

Year	1990	2000	2008 (July)
Troy	3.5%	1.6%	6.4%
Metro Area*	7.6%	4.3%	8.3%
Michigan	7.6%	3.6%	8.4%
National	5.5%	4.0%	6.1%

*Metro Area includes Lapeer, Macomb, Monroe, Oakland, St. Clair and Wayne Counties

Figure 4

Millage Rate

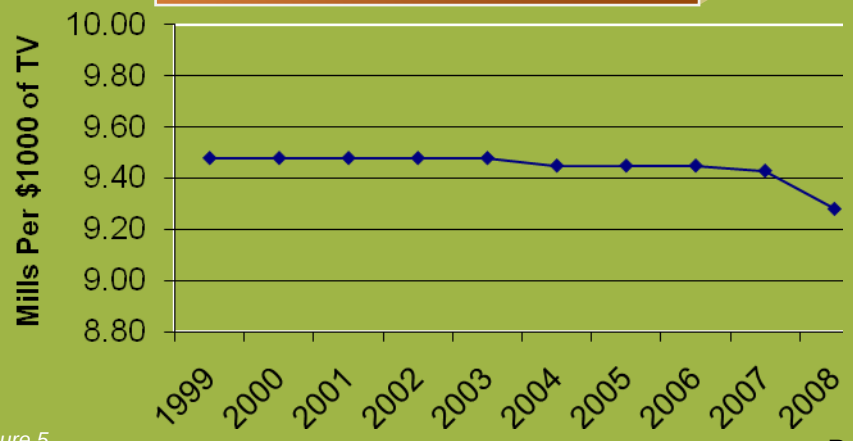


Figure 5

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. General Fund activities are financed by revenues from general property taxes, state shared revenues and other sources.

Figure 6 shows the total revenue and expenditures of this fund from 1999 to 2008. An indicator of financial strength and stability is a positive fund balance in the General Fund. Since 1999, the General Fund fund balance had grown from $17.9 to $23.6 million. In 2002, 2003, 2007 and 2008 the revenue shortfall was covered by the Fund Balance.

The financial community has recognized the City's solid, diversified tax base and sound management. All three major rating agencies (Fitch IBCA, Moody's and Standard & Poor's) gave the City an "AAA" rating for unlimited tax general obligation bonds. This makes Troy one of the three highest rated municipalities in Michigan. High bond ratings translate to savings for the City and its taxpayers.

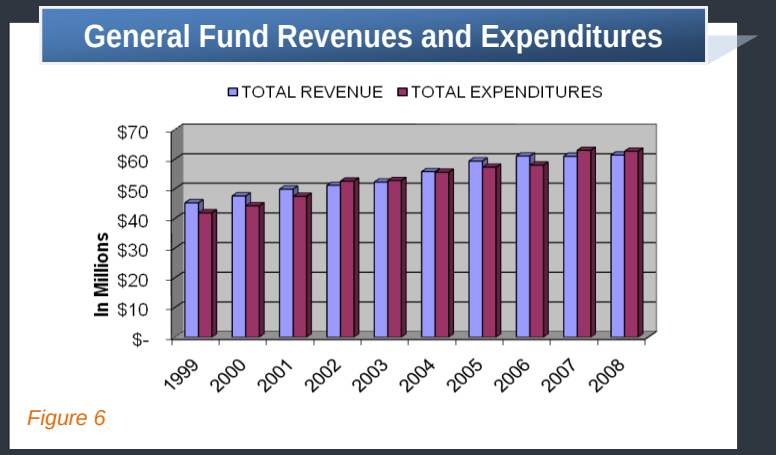


Figure 6

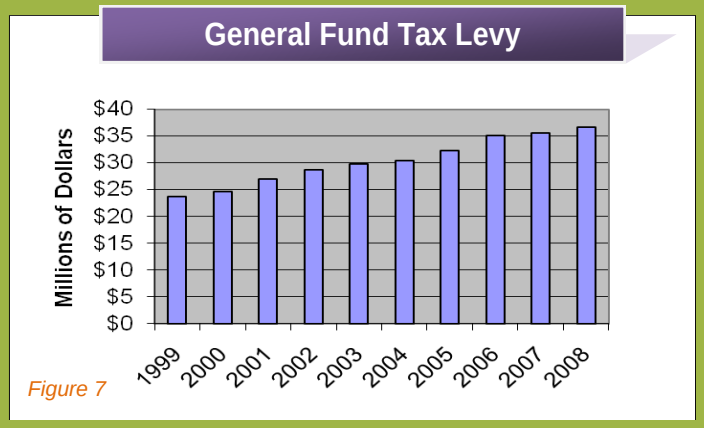
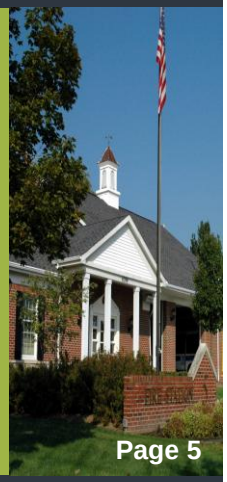


Figure 7



Getting More Information

City Awards and Accolades

Safest City – In November 2007, Morgan Quitno Press released their 14th annual analysis of FBI Crime reports that places Troy as the safest city in Michigan and among the top 25 safest cities in the United States.

Troy was one of four local cities identified as top performers for attracting and retaining entrepreneurial firms in a study by the University of Michigan – Dearborn School of Management for the second straight year.

The Troy Public Library ranked second in Michigan for public libraries of all sizes based on nationally gathered statistics.

Excellence in Procurement – The Troy Purchasing Department received the 2008 Achievement of Excellence in Procurement Award by the National Purchasing Institute for the 6th consecutive year.

GFOA Financial Reporting Awards – For the 9th consecutive year, the City of Troy received all three of the Government Finance Officers Association Awards for the City Budget Document, the Comprehensive Annual Financial Report and the City of Troy 2007 Financial Summary.

Troy has a AAA bond rating from Standard & Poor's, Fitch, IBCA and Moody's Investor Service, for its unlimited tax general obligation bonds.

2007 Life Safety Achievement Award – The Troy Fire Department has earned 12 Life Safety Achievement Awards, recognizing a continual effort of no fatalities in structure fires, in the past 12 years.

Outstanding Performance – Troy's Fleet Maintenance Division was named second best fleet in North America based on outstanding performance for fleet operations. They were also awarded the Blue Seal of Excellence through the Automotive Service Excellence Program, with 15 of the 17 Fleet Maintenance employees being ASE certified, several holding double master certifications in auto and medium/heavy truck.

Outstanding Commitment – The American Red Cross recognized the City of Troy's Community Blood Drive and the Troy City Employees with two platinum awards of excellence for outstanding commitment to its blood donation program.

Community Affairs Department

Community Affairs offers new and prospective residents and businesses information packets. Call to request a packet or other information at (248)524-1147 or email cindy.stewart@troymi.gov

City of Troy website

www.troymi.gov

Internet access creates a 24-hour, 7-day-a-week service window for citizens seeking information about the City of Troy.

What's online at www.troymi.gov?

- The ability to check your property tax bill balance
- Current bid items posted by the Purchasing department
- City job postings
- Community calendar
- Webcast of live Council meetings
- City Council meeting agendas & minutes
- Building permit applications
- Business license application forms (City Clerk)
- Troy Today, annual budgets, financial summaries and other City publications
- News releases
- City Code and Charter
- Email access to city administrators

Comprehensive Annual Financial Report (CAFR)

The information in this document has been drawn from the City of Troy Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2008. Complete financial statements of the City of Troy with additional demographic and economic information are published in the CAFR.

The City was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for its CAFR for the fiscal year ended June 30, 2007. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, the contents of which conform to program standards. The CAFR 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 our CAFR continues to conform to the Certificate of Achievement program requirements and we are submitting our CAFR for the current year to the GFOA.

To request a copy of the CAFR, contact: John M. Lamerato, Assistant City Manager/Finance & Administration by mail at: 500 W. Big Beaver, Troy MI 48084; email at: lameratojm@troymi.gov or call: (248)524-3330.

Evaluating the City's Financial Condition

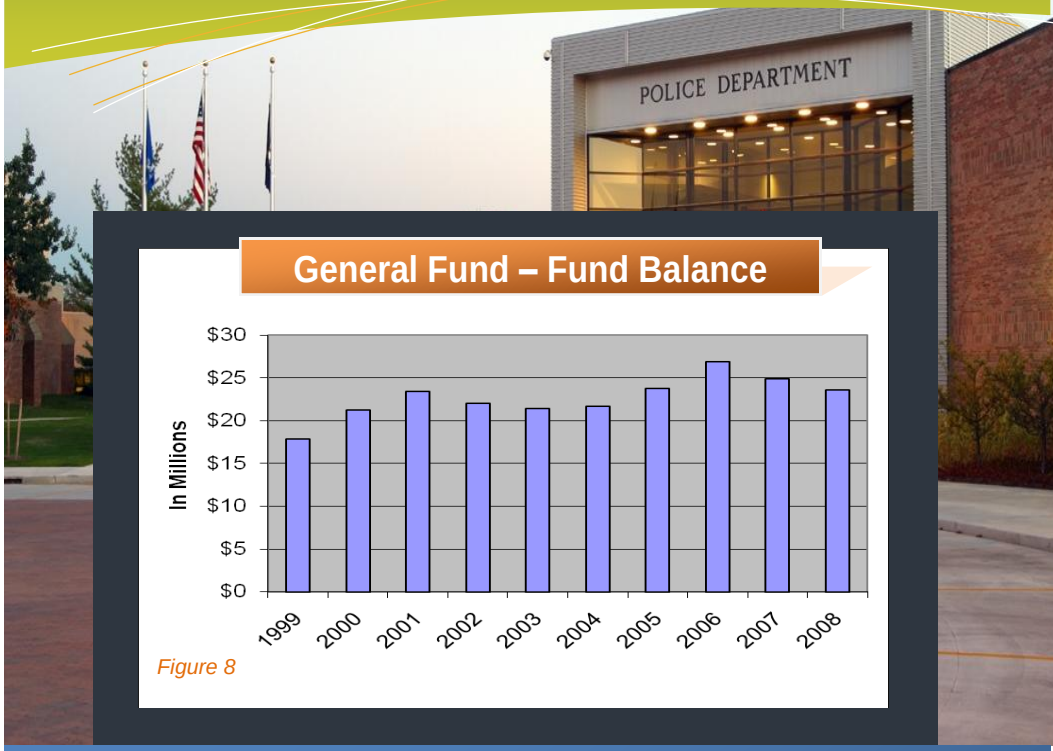


Figure 8

Revenues and Expenditures (Millions)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total Revenue	$45.3	$47.6	$49.9	$51.2	$52.3	$55.8	$59.4	$61.1	$61.0	$61.4
Total Expenditures	41.9	44.3	47.5	52.6	52.8	55.6	57.3	58	63	62.7
Excess (Shortfall)	3.4	3.3	2.4	-1.4	-0.5	0.2	2.1	3.1	-2	-1.3
Beginning Equity	14.5	17.9	21.2	23.4	22	21.5	21.7	23.8	26.9	24.9
Ending Equity	$17.9	$21.2	$23.6	$22.0	$21.5	$21.7	$23.8	$26.9	$24.9	$23.6
As a % of Revenue	39.51%	44.54%	47.29%	42.97%	41.11%	38.89%	40.07%	44.03%	40.82%	38.44%

Figure 9

Revenues

The City of Troy collects funding from five major sources. Beyond property taxes, other revenues include licenses and permits, state shared revenue, charges for services, fines and forfeitures, investments income, miscellaneous receipts, and operating transfers. See Figure 10 for a breakdown of what percentage each elements represents of the total revenue.

Property Taxes: $36.7 Million
The City's total tax rate of $9.28 includes the General Fund, Refuse Collection, Debt Service and Capital Projects activities. The City is at its tax rate capacity for general and capital activities. The General Fund tax levy is $6.50 mills of the 9.28 mills.

As indicated in figure 11, the City's tax rate represents just 27% of the total property tax bill for all taxing jurisdictions. Those tax dollars represent over half of the City's total revenue as illustrated in Figure 10.

Licenses and Permits: $1.4 Million
Are mainly made up of building permits and trade licenses and permits.

State-Shared Revenue: $6.8 Million
This money is revenue from the State of Michigan, mainly in the form of a return on sales tax revenue.

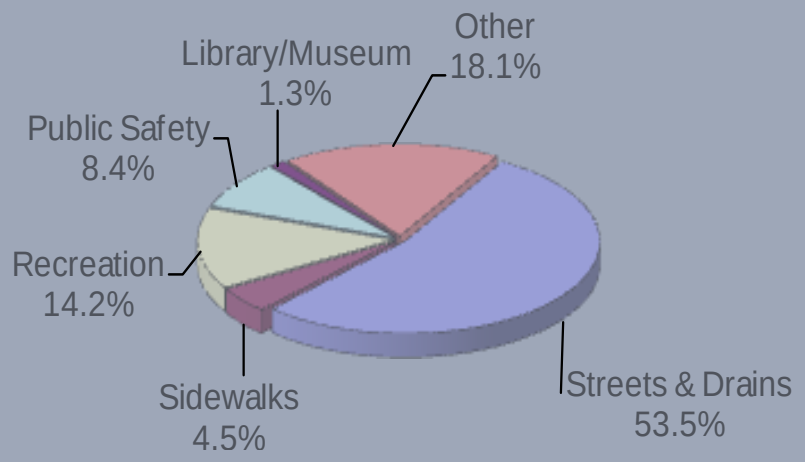
Charges for Services: $7.6 Million
Fees charged for services and sales.

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

Investment Income: $.8 Million
Generated from interest on investments.

Miscellaneous Revenue: $1.5 Million
Generated primarily by administrative fees and rent income.

Capital Expenditures



Capital expenditures are a disbursement of money that results in the acquisition of, or addition to fixed assets.

Figure 13

Streets & Drains: $8.3 Million
Streets and Drains improvements consisted of major road improvements: $6.2 million, local roads: $1.5 million and drains: $0.6 million.

Recreation: $2.2 Million
Park development projects: $0.6 million, and parkland acquisition: $1.4 million.

Public Safety: $1.3 Million
Expenditures related to communications and Fire Station improvements. The City has developed a plan to reserve funds over several years to accommodate for apparatus replacement due to the significant cost of fire fighting equipment.

Sidewalks: $0.7 Million
Expenditures for new and replacement sidewalk programs.

Other: $2.8 Million
Expenditures include technology improvements, general building renovations and Transit Center study.

Library/Museum: $0.2 Million
Expenditures were for the Historic Green improvement projects and Library general repairs.

Capital Expenditures

Other Funds Used to Manage City Dollars

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

Special Revenue Funds such as the Downtown Development Authority, Major Street, Local Street, Refuse and Community Development Block Grant Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Funds account for the accumulation of resources for the annual payment of principal, interest and fees in connection with certain long-term debt other than debt payable from operations of a proprietary fund.

The Capital Projects Fund tracks financial resources for the acquisition or construction of major capital facilities other than those financed by the operations of a proprietary fund.

Enterprise Funds like Water, Sanitary Sewer, Aquatic Center and Golf Course Funds are used to account for operations that are similar to private business. Tracking the net income of Enterprise Funds helps evaluate programs and direct financial administration.

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments of the government on a cost reimbursement basis.

For more detailed information where the totals are represented by function, you should review the Comprehensive Annual Financial Report (CAFR). Both this summary and the CAFR are available at the Troy Public Library, 510 West Big Beaver and the City's website at: www.troymi.gov. If necessary, call (248)524-3330 to request a copy.

Where the City Gets its Revenue

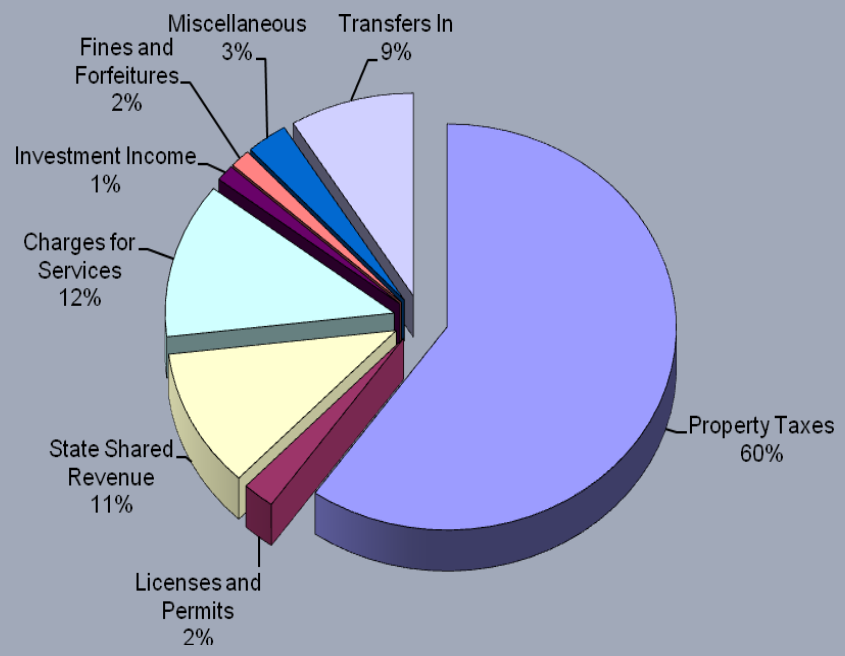


Figure 10

Where Does Your Tax Dollar Go?

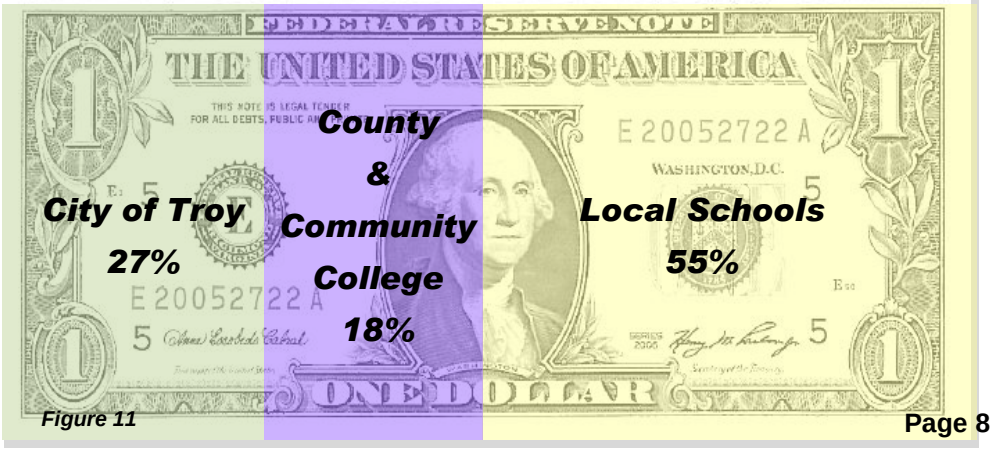


Figure 11

General Government: $9.2 Million
The General Government group of expenditures is broken down into the following areas: City Council, City Manager, City Attorney, City Assessor, City Clerk, Elections, Accounting, Human Resources, Purchasing, Treasurer, Community Affairs, Planning, Real Estate & Economic Development, City Hall and services.

Public Safety: $30.8 Million
Police, Fire Protection and Building Inspection.

Public Works: $8.3 Million
Maintenance costs for major, local and county roads. Costs associated with Engineering, and Storm Drain Maintenance.

Recreation & Culture: $14.4 Million
Costs to provide recreation, library and museum activities.

Expenditures

General Fund Expenditures

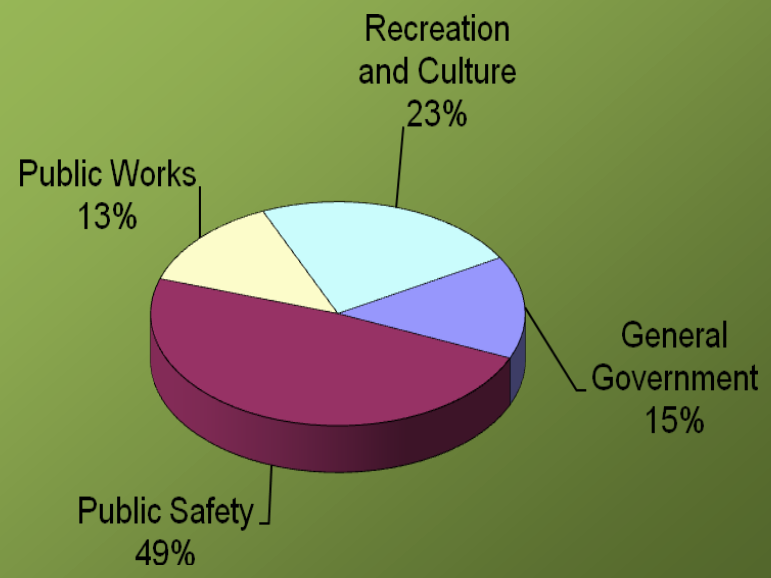


Figure 12

The General Fund major program activities are summarized in four areas: General Government, Public Safety, Public Works and Recreation & Culture. See Figure 12 for a breakdown of their percentages of total expenditure.