



# CITY OF XENIA, OHIO

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2017

PREPARED BY THE FINANCE DEPARTMENT



Neighborhood Night Out events take local government and community organizations to Xenia neighborhoods for community engagement and conversation in a relaxed and fun atmosphere.







# Dave Yost • Auditor of State

City Council  
City of Xenia  
107 East Main Street  
Xenia, Ohio 45385

We have reviewed the *Independent Auditor's Report* of the City of Xenia, Greene County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2017 through December 31, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Xenia is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

August 20, 2018

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# **CITY OF XENIA, OHIO**

**GREENE COUNTY**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2017**

Prepared by:  
Department of Finance

Ryan Duke  
Finance Director

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Michelle Johnson  
City Clerk



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GREENE COUNTY, OHIO**

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CITY OF XENIA, OHIO

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I

*INTRODUCTORY SECTION*





## DEPARTMENT OF FINANCE

107 E. Main Street • Xenia, OH 45385 • Phone (937)376-7241 • Fax (937) 347-1606

June 29, 2018

President of City Council,  
Honorable Mayor and Council  
City of Xenia, Ohio

Dear Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the City of Xenia, Ohio, for the fiscal year ended December 31, 2017, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City's Finance Department. To the best of our knowledge and belief, the enclosed data 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 City. All disclosures necessary to enable the reader to gain an understanding of the City of Xenia's financial activities have been included.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Xenia's MD&A can be found immediately following the independent auditors report.

Management of the City of Xenia is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government 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 goals are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

### **Auditor of State**

State statutes require an annual audit by the State Auditor's Office or, at the State Auditor's discretion, an independent certified public accounting firm. The City was assigned an independent certified public accounting firm, who will perform the City's audits for the fiscal years 2016-2020. The firm that was awarded the RFP was Plattenburg & Associates, Inc. The auditors' unmodified opinion is included in the Financial Section of this report.

### **Single Audit**

If \$750,000 or more in federal awards is expended in the fiscal year, the City of Xenia is required to undergo an annual single audit in conformity with the provisions of the 2 CFR Part 200 (Uniform Guidance). The City's expenditures of federal awards in 2017 did require that a single audit be performed.



## DEPARTMENT OF FINANCE

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As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation and internal audit by City management.

### **GOVERNMENT PROFILE**

Xenia is a City of nearly 26,000 located in southwest Ohio. Xenia was founded in 1803, incorporated in 1817, and became a city in 1834. The legislative authority is comprised of one Mayor and six City Council Members. A City Manager, Finance Director, and Law Director are appointed by the legislative authority and are responsible for day-to-day administration. The City of Xenia provides a full range of services. These services include police and fire protection; ambulance and paramedic services; water, sewer, stormwater, and sanitation services; the construction and maintenance of highways, streets and infrastructure; zoning and planning services; development functions; and recreational activities.

### **Budget**

According to the City Charter, City Council must provide a list of project priorities to the City Manager prior to July 1<sup>st</sup> of each year. The City Manager must then submit a budget for the ensuing fiscal year on or before October 31<sup>st</sup>. The Council will then review and discuss the budget with staff and amend the proposed budget. The City must then publish notice that the budget is available for inspection by the public and specify a time and place for a public hearing on the budget. After the hearing has been held Council may make amendments if they desire to do so and adopt the budget. The budget must be adopted prior to April 1<sup>st</sup> of the fiscal year covered by the budget.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the level of personnel services, operating expenses, capital outlay, and debt service through an appropriations ordinance passed by City Council. The appropriation ordinance controls expenditures by fund except for the general fund where it is controlled by department. Only City Council may transfer appropriations between those levels established in the appropriation ordinance. Such transfers must be made by amending the ordinance. In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriations budget approved by the City Council. Activities of all the City's funds are included in the appropriations budget. The City's budget accounts for transactions on a basis of cash receipts and cash disbursements rather than on the basis of generally accepted accounting principles that measure revenues and expenditures using the accrual or modified accrual basis of accounting. The City also maintains a purchase order and encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts carryover at year-end and are re-appropriated as part of the following year's budget.

## **ECONOMIC CONDITIONS**

### **Local Economy**

The City is seeing some improvement in the local economy. Unemployment has steadily fallen since 2012. In 2017 the rate dropped for a seventh straight year to 4.8%. Attracting higher paying jobs has proven to be difficult. The median household income in the most recent data provided by the US census bureau was \$38,426 in Xenia, which speaks to the need to improve the City's tax base. Despite challenges with the income demographic, the City's financial outlook is positive. The City has had a positive cash flow in each of the last few fiscal years. Moderate income tax growth has given City leadership reason for optimism. While income tax collections have been trending up there is still reason for concern given the State's propensity to reduce local government funding and the State's repeated attempts at undermining local government control of municipal income tax. The City holds an A-1 bond rating from Moody's, which has allowed the City access to low interest rate financing options for a variety of purposes. The City's reserve fund balance, quality management strategies, and a low debt ratio helped preserve an attractive bond rating.

### **Long-Term Financial Planning**

While recent income tax growth has most certainly improved the City's financial situation, administration recognizes numerous challenges in the coming years. The State has continually tweaked local income tax law and being that income taxes are the City's most important revenue source, there is a certain level of unrest. Other major concerns include the cost and regulation of health care, income demographics, increasing service demands, attracting and retaining quality employees, and improving an aging infrastructure. The City continues to pursue partnerships and joint service ventures in which parties can benefit from improved services and reduced costs. The City currently provides dispatching services to multiple agencies throughout the County. The City also provides Fire and EMS services to Central State University. These joint service ventures with the County, other Cities, Townships, and Universities are bringing value to Xenia residents and others throughout the County.

The City continues to focus on economic development and has launched "ED 360," a comprehensive set of strategies aimed at encouraging investment in Xenia. The plan focuses on areas such as workforce development; quality education and healthcare; marketing, branding, and image enhancement; business retention and expansion; and housing and neighborhood revitalization; just to name a few. The City offers multiple incentives such as an income tax rebate program and has an established Community Reinvestment Area (CRA) program. The City currently utilizes rural enterprise zone agreements, which give partial tax abatement for real property taxes. The City is seeking to increase the availability of suitable sites for economic development. The sites will be developed as environmentally clean industrial/commercial parks. One such park that has been developed is the OVCH South Industrial Park. The City has two certified shovel-ready sites that have spurred significant interest from several companies. Development of these industrial sites would mean job creation and improvements in the tax base that would be very meaningful.

The City's infrastructure is in need of great repair, and the passage of an income tax levy

in 2010 to fund capital improvement projects began addressing those needs. The City has continued to maintain, review, and update yearly a five-year capital improvement program that provides a framework for the maintenance and expansion of the infrastructure to meet current and future needs. The City Council has taken a strong leadership role in this area to ensure that public infrastructures are maintained and will be in place to facilitate continuing economic development. City streets have become a growing concern in the last few years. The City currently allocates more than \$500,000.00 annually for street rehab, however a greater investment will be needed to improve City streets to more acceptable levels.

The City will continue to seek grants to offset costs for infrastructure projects. One such program the City has used for many years is the State's Issue 2 and Local Transportation Improvement Program. This grant funding has helped to fund 24 such projects totaling \$7,072,209 since their inception.

### **Relevant Financial Policies**

The City has a policy to maintain at least a two-month operating reserve in its key operating funds. It is also expected that the key operating funds have a positive cash flow. That is, operating revenues should exceed operating expenses in those funds. To comply with these expectations, management has taken action and made tough decisions including the elimination of several positions. The City approves financial policies each year in conjunction with budget review and approval. These policies have allowed the City to meet all its obligations, maintain a respectable bond rating, and sustain a balance that can be utilized in the case of emergency. The City also has a debt policy, investment policy, and a local preference ordinance. A number of other policies such as those identified in the City's purchasing manual are in place to ensure compliance with the City Charter and State law and to maintain adequate internal controls.

### **MAJOR INITIATIVES**

#### **For 2017**

**City Facilities** – Renovations of the City's Justice Center were completed in 2017. The City's Municipal Court now utilizes the entire top floor of the building. The City Police Division gained much needed space in moving administrative offices, records, and the detective section to the main floor of the building. Much needed improvements to locker rooms and the booking were completed in the basement. The dispatch center has also been expanded in the basement accommodating the increased staffing needed as the City acquires contracts to provide dispatching services to other entities. The Law Department moved to the main floor to gain additional space, which was greatly needed for their operation.

**Street Improvements** – The City continued its annual street rehab program. The City paved Weaver St. (N. Detroit St. to Sutton Dr.), Rockwell Dr. (W. Second St. to Buckskin Trl.), Portsmouth Ave. (Salem Ln. to Amsterdam Dr.), Tennessee Dr. (Colorado Dr. to New Mexico Dr.), Joyce Dr. (Country Club Dr. to Wilson Dr.), Monroe Ct. (N. Monroe St. to Cul-de-sac), Glover Dr. (Omard Dr. to E. Richard Dr.), Orient Ave. (S. Monroe St. to S. Columbus St.), Alley (Lexington Ave. to N. Patton St.), and Bellbrook Ave. (Colorado Dr. to Maumee Dr.). The City also partnered with the State to



improve the intersection at the Hospitality and Main intersection.

**Towne Square Redevelopment** – The City purchased a building essentially buying out a lease on a piece of property owned by the City in the downtown. The City has demolished the building, which held little value, and is working with a developer to repurpose the site. A purchase agreement has been executed and the sale will be completed as environmental issues are adequately addressed at the site. Both the City and the developer are anxious to begin a redevelopment that will greatly enhance the Towne Square.

**Parks Improvements** – The City issued bonds and completed improvements at three City parks. A splash pad and new play area were installed at Xenia Station. These improvements have been welcomed with great enthusiasm. Pedestrian bridges and a new Frisbee golf course were installed at Sol Arnovitz Park, and a new basketball court, shelter, and walking path were installed at Sterling Green Park.

**Other Items to Note** – The City authorized a Community Reinvestment Area agreement for a new hotel. The hotel will improve hospitality accommodations and encourage tourism here in Xenia. The City was awarded a SAFER grant, and in late 2017, the daily staffing of its Fire Division was increased by one full-time employee per shift. This is an important grant and service enhancement as call volumes continue to escalate. The development of new housing units in Xenia, specifically in the Sterling Green subdivision, are significant and occurring in greater numbers than any time in recent past. New subdivisions are being approved as our City continues to grow. The City has liability for post closure care costs related to the City’s landfill, which has been closed for a couple of decades now. The City is working with the Ohio Environmental Protection Agency to ensure compliance with environmental regulations. The City is planning for significant expenditures related to gas migration and groundwater monitoring issues. These expenditures are being incorporated into the sanitation rate model.

## **For the Future**

**City Facilities** – The City is planning to replace its second fire station within the next five year period. The City is exploring various partnerships that would make the replacement of the station more economically feasible and operationally efficient. The current station lacks bays that fit certain City apparatus and is located to close to the City’s main fire station. Much of the City’s growth has occurred on its western side and the new station would be better positioned on that western end of town.

**Street Improvements** – In 2018 the City will focus its efforts on repairing the worst stretches of thoroughfares and other highly trafficked streets. The City has been awarded a grant to pave much of second street; that project will begin in 2019. The downtown safety project will be completed in 2018. This grant funded project will repave Detroit street through the downtown area, replace traffic and crossing signals, and create a dedicated bike line through the downtown. The project will calm traffic and make the downtown a safer place for pedestrians and bicyclists. S. Progress drive is also being repaved in 2018 with State grant dollars. The condition of City streets here locally is problematic and a streets panel has been created to bring recommendations to Council. It is likely that the recommendation will include a request for additional resources as a part of a ballot issue. Without additional resources it will be very difficult to maintain streets at an acceptable level.

**REACH Project** – The City began conversations with various stakeholders several years ago to address recreation programming here in Xenia. Out of those conversations a project has developed in which a group of partners including the City, the YMCA of Greater Dayton, the Adult Recreation and Services Center, Central State University, Clark State University, and the Kettering Health Network will build a new multi-use facility here in the Xenia community. The project will replace an outdated YMCA and Adult Recreation Services Center, expand access to higher education in the community, and keep important medical services here in Xenia for many years to come.

**Other Items to Note** – The City was awarded a HOPE VI grant for the rehabilitation of a downtown building into apartment units. The City hopes this will spur residential development in the downtown area. The project has taken some time to begin but construction of the units is expected in 2018. The City is recoating the interior and painting the exterior of two water towers in 2018. These improvements will extend the life of two of the City’s largest storage tanks. The City will also upgrade its 911 system in the near future to accept texts and other messages. Playground equipment at the City’s feature park (Shawnee Park) is scheduled for replacement in 2018. Improvements are also being made to the City’s sewer system at the City’s sewer plant were the influent diversion box is being replaced and at the Garcia lift station which is being upgraded in 2018.

## **ACKNOWLEDGMENTS**

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. I would like to express my appreciation to all members of the Finance Department and especially to the Assistant Finance Director.



## DEPARTMENT OF FINANCE

107 E. Main Street • Xenia, OH 45385 • Phone (937)376-7241 • Fax (937) 347-1606

In closing, without the leadership and support of the Mayor and City Council and support of the entire City staff, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in black ink that reads "Ryan Duke". The signature is written in a cursive style with a large, looped "R" and "D".

Ryan Duke  
Finance Director

**CITY OF XENIA, OHIO**

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***List of Principal Officials  
For the Year Ended December 31, 2017***

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**CITY COUNCIL**

Michael Engle	President
Wesley Smith	Vice President
Marsha Bayless	Mayor
Sarah Mays	
Dale Louderback	
Dr. Edgar Wallace	
Jeanne Mills	

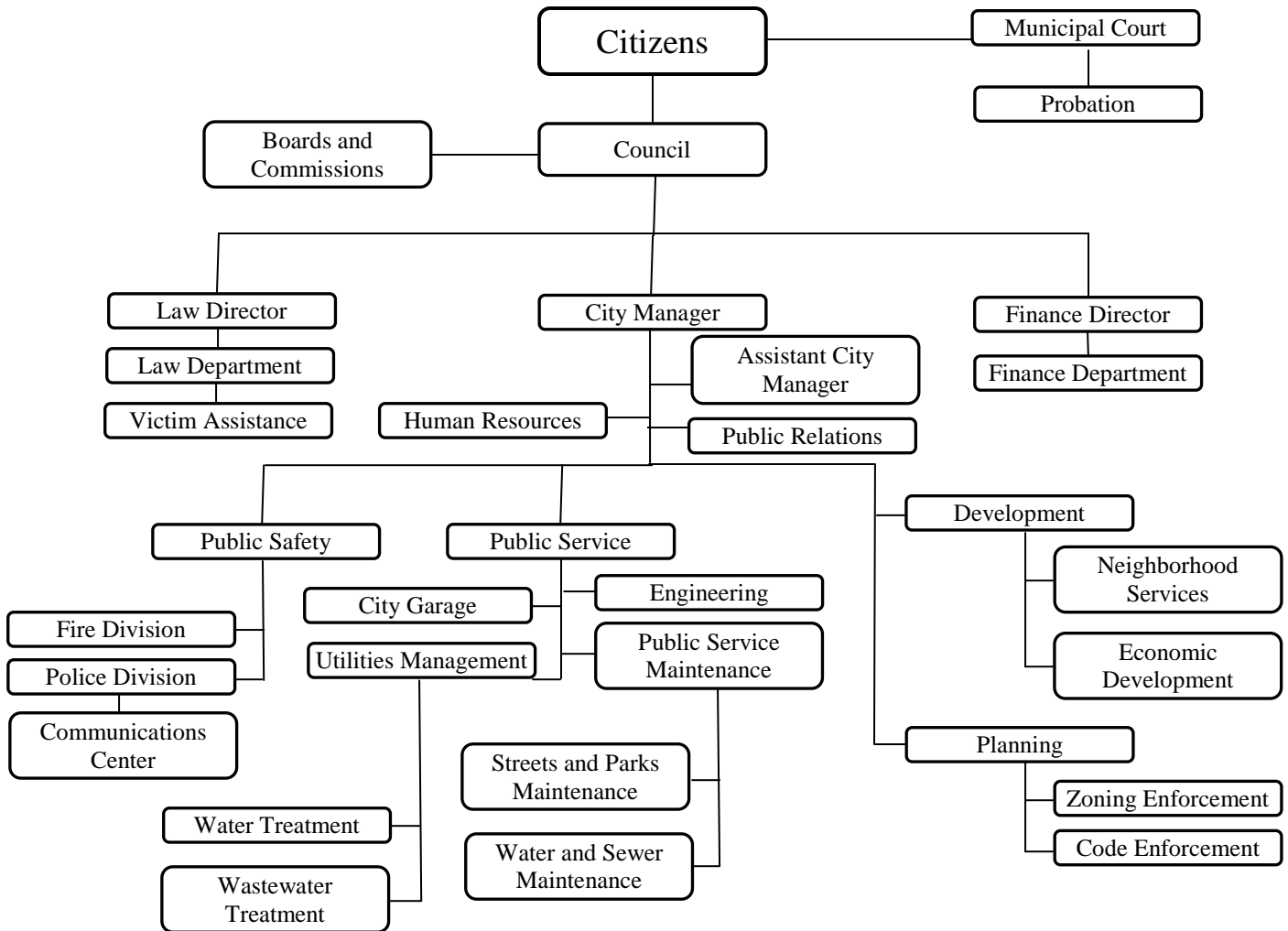
**APPOINTED OFFICIALS**

Donnette Fisher	Law Director
Ryan Duke	Finance Director
Brent W Merriman	City Manager

**DEPARTMENT OF FINANCE STAFF**

Ryan Duke	Finance Director
Jason Lake	Assistant Finance Director
Stephanie Hall	Accounts Receivable Manager
Edgar Cardenas	Information Technology Manager
Keith Padgett	Systems Administrator
Matt Lee	Network Administrator
Brandon Board	IT Technician
Michelle Johnson	City Clerk
Denise Estle	Finance Technician/Finance
Mary Ann Richardson	Finance Clerk/Accounts Payable
Bill McCarthy	Finance Clerk/Payroll
Dennis W. Evans	Finance Clerk/Accounts Receivable
Amy Lee	Finance Clerk/Accounts Receivable
Sarah Young	Finance Clerk/Accounts Receivable
Angela Ferrero	Finance Clerk/Accounts Receivable
Amanda Test	Finance Clerk/Accounts Receivable
Janette Reedy	Finance Clerk/Accounts Receivable
Megan Melvin	Finance Clerk/Accounts Receivable
Julie Willis	Finance Clerk/Accounts Receivable

**CITY OF XENIA, OHIO**

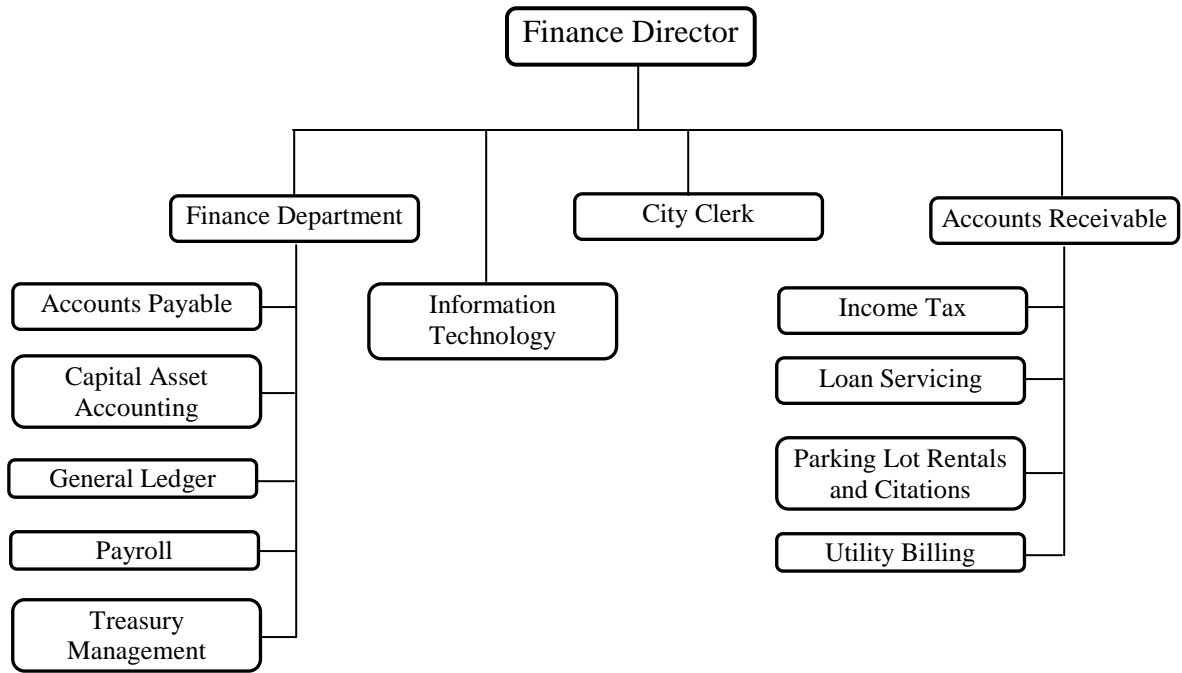


**Commissions**

- Records
- Traffic
- Civil Service
- Planning and Zoning

**Boards**

- Loan Trust
- Tax Appeals
- Zoning Appeals
- Recreation, Arts & Cultural Activities



II

*FINANCIAL SECTION*





## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Council and City Manager  
City of Xenia, Ohio

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Xenia (the City) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, State Gas & Vehicle License Fund, and Police & Fire Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedules of net pension liabilities and pension contributions to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2018, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
Dayton, Ohio  
June 29, 2018



***Management's Discussion and Analysis  
For the Year Ended December 31, 2017***

***Unaudited***

The discussion and analysis of Xenia City's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2017. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the City's financial performance.

**FINANCIAL HIGHLIGHTS**

**Key financial highlights for 2017 are as follows:**

The total change in the net position of Xenia City was \$(4,511,081). The net position of governmental activities decreased \$4,045,443, which represents an 12.8% decrease from 2016. The net position of business-type activities decreased by \$465,638 or 1.4% from 2016.

General revenues accounted for \$16.7 million or 48.8% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$17.5 million or 51.2% of total revenues of \$34.2 million.

The total net position of governmental activities decreased by \$4,045,443, due primarily to a loss on the disposal of an old school building and a lease arrangement for the REACH Project which will house the new YMCA, Senior Center, and extension offices for Clark State and Central State. Pension expense related to an increase in net pension liability also impacted the City's total net position. Cash and Cash Equivalents of governmental activities decreased significantly while Investments increased having a net impact of a decrease in total cash, cash equivalents, and investments of \$1,298,134 in comparison to last year. Most of that decrease can be attributed to the spending down of bond proceeds for the construction of the City Administration Building (CAB) and renovation of the City Justice Center. Capital assets increased \$332,058, the most significant change being the completion of the new CAB and Justice Center meaning that much of what had been previously reported as construction in progress was moved into buildings and improvements. The City's cash reserve experienced an increase in 2017. The City has had a positive cash flow in its key operating funds for the last two years now.

The City had \$26.7 million in expenses related to governmental activities; \$5.8 million of these expenses were offset by program-specific charges for services, grants or contributions. General revenues (primarily taxes) of \$16.9 million provided additional support for these programs.

The general fund had \$9.3 million in revenues, \$3.9 million in expenditures and transfers to other funds of \$5.4 million. Due to changes in GASB 54, balances, revenues, and expenses once recorded in a separate recreation fund are now reported in the general fund. The general fund balance decreased slightly from \$3,549,923 to \$3,535,535.

The net position for business-type activities decreased \$465,638. The Water, Sewer, Stormsewer, and CDBG & UDAG Revolving Loan funds all experienced increases in Net Position. The net position of the Sanitation, Loan, Parking Revenue, and Housing Rehabilitation Loan Funds each decreased. The Water and Sewer funds experienced increases of \$376,388 and 271,502 respectively. The Sanitation Fund had a decrease of \$1,196,677. There was relatively little change in the Storm Sewer, Loan, CDBG & UDAG Revolving Loan, Housing Rehabilitation Loan, and Parking Revenue funds from the previous year.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management’s discussion and analysis, the basic financial statements, required supplementary information, and an optional section that presents combining statements for nonmajor governmental funds, nonmajor enterprise funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

The Government-Wide Financial Statements – These statements provide both long-term and short-term information about the City’s overall financial status.

The Fund Financial Statements – These statements focus on individual parts of the City, reporting the City’s operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

### *Government-Wide Financial Statements*

The government-wide financial statements report information about the City as a whole, using accepted methods similar to those used by private-sector companies. The statement of net position includes all the government’s assets, deferred outflows, liabilities and deferred inflows. All the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide financial statements report the City’s net position and how it has changed. Net position is one way to measure the City’s financial health or standing.

Over time, increases or decreases in the City’s net position are an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the City, additional non-financial factors, such as property tax base and current property tax laws, as well as diversification in income tax base must be considered.

The government-wide financial statements of the City (primary government) are divided into two categories:

Governmental Activities – Most of the City’s programs and services are reported here including public safety, recreation, urban redevelopment and housing, economic development, highways and streets, and general government.

Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. All of the City’s enterprise activities are reported as business-type activities.

## CITY OF XENIA, OHIO

### *Fund Financial Statements*

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

**Governmental Funds** – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance City services and programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Proprietary Funds** – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. All of the City's fiduciary activities are reported in the separate Statement of Fiduciary Assets and Liabilities.

### **FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The following table shows a comparison of net position between 2017 and 2016.

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$15,575,430	\$17,339,721	\$16,972,141	\$16,125,841	\$32,547,571	\$33,465,562
Capital assets, net	48,179,093	47,847,035	27,701,906	28,319,271	75,880,999	76,166,306
Total assets	<u>63,754,523</u>	<u>65,186,756</u>	<u>44,674,047</u>	<u>44,445,112</u>	<u>108,428,570</u>	<u>109,631,868</u>
Deferred Outflows of Resources	6,451,649	6,667,976	2,069,373	1,629,213	8,521,022	8,297,189
Net pension liability	26,503,974	25,016,025	5,562,095	4,282,008	32,066,069	29,298,033
Long-term debt outstanding	13,157,538	12,801,969	6,964,468	6,243,755	20,122,006	19,045,724
Other liabilities	1,352,225	1,025,528	485,072	1,347,156	1,837,297	2,372,684
Total liabilities	<u>41,013,737</u>	<u>38,843,522</u>	<u>13,011,635</u>	<u>11,872,919</u>	<u>54,025,372</u>	<u>50,716,441</u>
Deferred Inflows of Resources	1,730,098	1,503,430	75,820	79,803	1,805,918	1,583,233
Net position						
Net Investment in Capital Assets	38,846,762	39,612,767	23,211,204	23,083,209	62,057,966	62,695,976
Restricted	6,196,767	8,580,380	0	0	6,196,767	8,580,380
Unrestricted	(17,581,192)	(16,685,367)	10,444,761	11,038,394	(7,136,431)	(5,646,973)
Total net position	<u>\$27,462,337</u>	<u>\$31,507,780</u>	<u>\$33,655,965</u>	<u>\$34,121,603</u>	<u>\$61,118,302</u>	<u>\$65,629,383</u>

**CITY OF XENIA, OHIO**

Change in Net Position – The following table shows the changes in net position for the fiscal year 2017 compared to 2016.

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for services and sales	\$4,446,820	\$4,462,100	\$11,676,137	\$11,257,765	\$16,122,957	\$15,719,865
Operating grants and contributions	396,011	475,852	20,000	75,000	416,011	550,852
Capital grants and contributions	934,178	93,097	17,600	16,000	951,778	109,097
<b>General Revenues:</b>						
Income taxes	12,514,453	12,728,800	0	0	12,514,453	12,728,800
Other local taxes	38,289	41,042	0	0	38,289	41,042
Property Taxes	1,442,899	1,442,144	0	0	1,442,899	1,442,144
Motor vehicle and gasoline taxes	1,698,281	1,459,326	0	0	1,698,281	1,459,326
Intergovernmental, unrestricted	940,280	1,003,737	0	0	940,280	1,003,737
Investment earnings	93,470	110,028	0	0	93,470	110,028
Miscellaneous	0	0	0	0	0	0
Total revenues	<u>22,504,681</u>	<u>21,816,126</u>	<u>11,713,737</u>	<u>11,348,765</u>	<u>34,218,418</u>	<u>33,164,891</u>
<b>Expenses</b>						
<b>Program Expenses</b>						
General government	7,971,980	3,928,893	0	0	7,971,980	3,928,893
Public safety	15,069,724	13,911,915	0	0	15,069,724	13,911,915
Highways and streets	2,329,146	1,968,786	0	0	2,329,146	1,968,786
Urban Redevelopment & Housing	181,975	121,281	0	0	181,975	121,281
Economic development & Assistance	328,022	605,816	0	0	328,022	605,816
Recreation	551,757	441,493	0	0	551,757	441,493
<b>Debt service:</b>						
Interest and fiscal charges	301,411	251,308	0	0	301,411	251,308
Water	0	0	3,754,839	3,663,222	3,754,839	3,663,222
Sewer	0	0	4,491,114	4,044,595	4,491,114	4,044,595
Sanitation	0	0	3,204,055	2,655,763	3,204,055	2,655,763
Storm Water	0	0	300,964	352,149	300,964	352,149
Other enterprise funds	0	0	244,512	330,380	244,512	330,380
Total expenses	<u>26,734,015</u>	<u>21,229,492</u>	<u>11,995,484</u>	<u>11,046,109</u>	<u>38,729,499</u>	<u>32,275,601</u>
Total change in net position before transfers	(4,229,334)	586,634	(281,747)	302,656	(4,511,081)	889,290
Transfers	183,891	183,998	(183,891)	(183,998)	0	0
Total change in net position	<u>(4,045,443)</u>	<u>770,632</u>	<u>(465,638)</u>	<u>118,658</u>	<u>(4,511,081)</u>	<u>889,290</u>
Beginning net position	<u>31,507,780</u>	<u>30,737,148</u>	<u>34,121,603</u>	<u>34,002,945</u>	<u>65,629,383</u>	<u>64,740,093</u>
Ending net position	<u><u>\$27,462,337</u></u>	<u><u>\$31,507,780</u></u>	<u><u>\$33,655,965</u></u>	<u><u>\$34,121,603</u></u>	<u><u>\$61,118,302</u></u>	<u><u>\$65,629,383</u></u>

**Governmental Activities**

Net position of the City’s governmental activities decreased by \$4,045,443. Income taxes decreased in 2017 by \$214,347 due primarily to changes in timing as a result of HB49. Investment earnings, other local taxes, intergovernmental revenue, and operating grants also decreased while property taxes capital



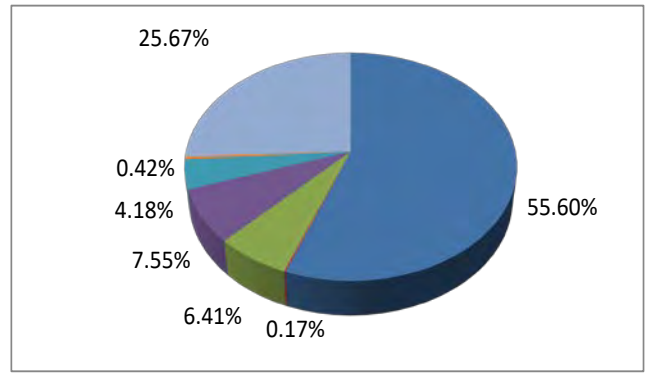
**CITY OF XENIA, OHIO**

grants, and motor vehicles and gasoline taxes increased. The most significant change in revenues was the increase in capital grants in the amount of \$841,081. Three grant funded street projects were responsible for the increase those being improvements to the intersection at Hospitality Drive and Main Street, safety improvements on Detroit Street through the downtown, and the paving of portions of Bellbrook Avenue. City operating expenses increased significantly. A large increase in public safety expenditures was the result of restoring several police and fire division positions that had been left unfilled in 2016. Increases in general government expenditures were primarily the result of losses on the disposal of capital assets. The City sold an old elementary school to a non-profit entity Simon Kenton Bridges of Hope for far less than its book value. Bridges of Hope will use the facility to provide shelter to the homeless, to provide addiction services, and to address poverty in the community. Another large increase in expenditures was a \$1,000,000.00 lease payment that was made in partnership with several entities on project called REACH. The REACH project will include a new YMCA, house a new Senior Center, and provide space for extension offices for Clark State University, and Central State University.

The City receives an income tax, which is based on 2.25% of all salaries, wages, commissions and other compensation and on net profits earned from those living or working within the City.

Property taxes and income taxes made up 6.41% and 56.60% of revenues for governmental activities respectively for the City in fiscal year 2017. The City relies heavily on tax revenue for operations.

Revenue Sources	2017	Percent of Total
Municipal income taxes	\$12,514,453	55.60%
Other local taxes	38,289	0.17%
Property taxes	1,442,899	6.41%
Motor vehicle and gas taxes	1,698,281	7.55%
Intergovernmental, unrestricted	940,280	4.18%
Investment earnings	93,470	0.42%
Program revenues	5,777,009	25.67%
Total Revenue	\$22,504,681	100.00%



***Business-Type Activities***

Net position of the business-type activities decreased \$465,638. The most substantial changes in net position were in the Sanitation fund and the Water fund. The Sanitation fund decreased \$1,196,677, while the Water fund had an increase of \$376,388. The Sanitation decrease can be attributed to an increase in landfill post closure costs that were required. There were substantial increases in the Water and Sewer funds as well, where both funds also had significant increases in operating revenues. All other enterprise funds had insignificant changes in net position.

**CITY OF XENIA, OHIO**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

The City's governmental funds reported a combined fund balance of \$9,871,720, which is a decrease from last year's balance of \$12,200,677. The schedule below indicates the fund balance and the total change in fund balance as of December 31 in 2017 and 2016:

	Fund Balance December 31, 2017	Fund Balance December 31, 2016	Increase (Decrease)
General	\$3,535,535	\$3,549,923	(\$14,388)
State Gas and Vehicle License	519,109	516,987	2,122
Police & Fire Fund	1,157,090	1,799,991	(642,901)
Capital Improvements	1,178,039	1,498,873	(320,834)
Bond Construction	164,072	1,747,645	(1,583,573)
Other Governmental Funds	3,317,875	3,087,258	230,617
<b>Total</b>	<b>\$9,871,720</b>	<b>\$12,200,677</b>	<b>(\$2,328,957)</b>

*General Fund – Revenues:* General Fund revenues in 2017 increased approximately 1.1% compared to revenues in fiscal year 2016 as shown in the chart below. While other local taxes, intergovernmental grants, fines, costs, forfeitures, licenses, and permits, and miscellaneous receipts including interest grew, while municipal income tax, State shared taxes and permits, and charges for services were down.

	2017 Revenues	2016 Revenues	Increase (Decrease)
Municipal Income Taxes	\$5,656,146	\$5,665,087	(\$8,941)
Other Local Taxes	1,170,816	1,161,791	9,025
State Shared taxes and permits	904,070	954,403	(50,333)
Intergovernmental grants	67,425	0	67,425
Charges for services	93,393	95,865	(2,472)
Fines, costs, forfeitures, Licenses and permits	1,039,062	998,437	40,625
Miscellaneous receipts including interest earnings	332,526	282,769	49,757
<b>Total</b>	<b>\$9,263,438</b>	<b>\$9,158,352</b>	<b>\$105,086</b>

**CITY OF XENIA, OHIO**

*General Fund – Expenditures:* General Fund expenditures increased \$330,667 from the prior year. The most significant increase is to general government expenses caused primarily by increased court costs, law department costs, and operating costs related to the City new administration building. Other expense fluctuations in the fund were typical and insignificant.

	2017 <u>Expenditures</u>	2016 <u>Expenditures</u>	Increase <u>(Decrease)</u>
General Government	\$3,058,185	\$2,804,174	\$254,011
Public Safety	121,399	95,044	26,355
Highways and Streets	228,368	195,087	33,281
Urban Redevelopment & Housing	82,563	85,514	(2,951)
Economic Development & Assistance	114,130	109,592	4,538
Recreation	248,583	233,150	15,433
Total	<u>\$3,853,228</u>	<u>\$3,522,561</u>	<u>\$330,667</u>

The City’s budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

For the General Fund, final budget basis revenue of \$9.4 million did not change from the original budget figure. The final budgeted expenditures of \$4.73 million increased \$99,245 compared to original appropriations of \$4.63 million. The majority of the increase was related to an additional appropriation for the scanning of court documents. The City did make an adjustment from the original budget to the final budget of \$1,000,000.00 to advances in and advances out. The transfer was related to the REACH project. The largest variance among revenues between final budget amounts and actual revenues were in State Shared taxes and permits. This increase was not significant. When comparing 2017 budgeted expenses to actual, the variances are a small percentage of what was budgeted and can be attributed to ordinary contingencies budgeted on a regular basis. The General Fund had an adequate fund balance to cover expenditures.

**CITY OF XENIA, OHIO**

*Capital Improvement Fund* – The City’s Capital Improvement Fund revenues Increased by \$800,383 compared to 2016. The Increase can be attributed to enhanced capital grant proceeds.

	2017 <u>Revenues</u>	2016 <u>Revenues</u>	Increase <u>(Decrease)</u>
Income Taxes	\$1,397,962	\$1,406,890	(\$8,928)
Other Local Taxes	38,289	43,471	(5,182)
Intergovernmental Grants	885,020	93,097	791,923
Miscellaneous Receipts including interest earnings	134,311	111,741	22,570
	<u>\$2,455,582</u>	<u>\$1,655,199</u>	<u>\$800,383</u>

Capital improvement fund expenditures increased by \$1,276,472 in 2017. The major factor was a lease payment related to the REACH project.

	2017 <u>Expenditures</u>	2016 <u>Expenditures</u>	Increase <u>(Decrease)</u>
Capital Outlay	\$3,237,102	\$2,017,474	\$1,219,628
Debt Service:			
Principal retirement	196,214	152,164	44,050
Interest & Fiscal Charges	33,990	21,196	12,794
	<u>\$3,467,306</u>	<u>\$2,190,834</u>	<u>\$1,276,472</u>

The primary funding sources for the capital improvements fund are income tax revenue and Intergovernmental grants. In better rate environments, interest earnings are another significant source of revenue for the fund.

*Enterprise Funds* – The City’s enterprise funds reported a net position balance of \$33,418,082, which is an decrease from last year’s balance of \$34,041,490. The schedule below indicates the net position balance and the total change in net position by activity as of December 31 in 2017 and 2016. The change in net position in the Enterprise funds was an decrease of 1.83%.

	Net Position Balance <u>December 31, 2017</u>	Net Position Balance <u>December 31, 2016</u>	Increase <u>(Decrease)</u>
Water	\$12,404,681	\$12,028,293	\$376,388
Sewer	11,675,347	11,403,845	271,502
Sanitation	771,892	1,968,569	(1,196,677)
Storm Sewer	6,804,947	6,784,933	20,014
Other Enterprise	1,761,215	1,855,850	(94,635)
Total	<u>\$33,418,082</u>	<u>\$34,041,490</u>	<u>(\$623,408)</u>

Water and sewer operating and non-operating revenues and expenditures are shown below:

	<u>Water</u>			<u>Sewer</u>		
	2017	2016	Increase <u>(Decrease)</u>	2017	2016	Increase <u>(Decrease)</u>
Operating Revenues	\$4,134,613	\$3,848,058	\$286,555	\$4,747,882	\$4,817,316	(\$69,434)
Non-Operating Revenues	129,783	113,771	16,012	142,519	108,108	34,411
Total	<u>\$4,264,396</u>	<u>\$3,961,829</u>	<u>\$302,567</u>	<u>\$4,890,401</u>	<u>\$4,925,424</u>	<u>(\$35,023)</u>
Operating Expenses	\$3,789,334	\$3,597,933	\$191,401	\$4,404,744	\$3,916,951	\$487,793
Non-Operating Expenses	17,762	39,812	(22,050)	136,921	96,981	39,940
Total	<u>\$3,807,096</u>	<u>\$3,637,745</u>	<u>\$169,351</u>	<u>\$4,541,665</u>	<u>\$4,013,932</u>	<u>\$527,733</u>

**CITY OF XENIA, OHIO**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The City’s budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

During the year there was a \$99,245 increase in appropriations between the original and final amended budget, for various operating costs, primarily professional and contractual services. Transfers were made from the General Fund to several other funds to cover operating costs. The most significant transfer was to the Police and Fire Fund in an amount that equaled \$4.1 million and an additional \$838,321 to the Police and Fire Capital Fund. Transfers were also made to the Probation Services Fund, the State Gas and Vehicle License Fund, and the Victim Witness Fund to cover operating costs.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2017, the City had \$75,880,999 net of accumulated depreciation invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment, and infrastructure. Of this total, \$48,179,093 was related to governmental activities, and \$27,701,906 was related to business-type activities. The following table shows fiscal year 2017 and 2016 balances:

	Governmental Activities		Increase (Decrease)
	2017	2016	
Land	\$16,441,501	\$17,016,464	(\$574,963)
Land Improvements	4,322,036	3,350,286	971,750
Buildings and Improvements	16,184,264	10,224,786	5,959,478
Machinery and Equipment	12,139,467	11,336,947	802,520
Infrastructure	20,347,196	18,803,993	1,543,203
Construction In Progress	395,097	7,392,736	(6,997,639)
Less: Accumulated Depreciation	(21,650,468)	(20,278,177)	(1,372,291)
<b>Total</b>	<b>\$48,179,093</b>	<b>\$47,847,035</b>	<b>\$332,058</b>

	Business-Type Activities		Increase (Decrease)
	2017	2016	
Land	\$791,330	\$733,250	\$58,080
Land Improvements	918,153	918,153	0
Buildings and Improvements	10,886,593	10,588,832	297,761
Machinery and Equipment	58,470,083	57,951,181	518,902
Construction In Progress	2,058,032	1,793,034	264,998
Less: Accumulated Depreciation	(45,422,285)	(43,665,179)	(1,757,106)
<b>Total</b>	<b>\$27,701,906</b>	<b>\$28,319,271</b>	<b>(\$617,365)</b>

There was not a significant increase in governmental activities’ capital assets. The major change was a large decrease in construction in progress and an increase in buildings as the new City Administration Building construction and Justice Center remodel were completed. There was slight reduction in the asset value in Business-type activities.

Additional information on the City’s capital assets can be found in Note 8.

## CITY OF XENIA, OHIO

### Debt

At December 31, 2017 the City had \$9,757,315 in bonds outstanding, \$675,691 due within one year. The following table summarizes the City's debt outstanding as of December 31 in 2017 and 2016:

	2017	2016
Governmental Activities:		
General Obligation Bonds	\$9,706,094	\$9,247,308
Original Issue Premium	363,207	379,717
Capital Leases Payable	893,030	1,186,674
Local Government Innovation Fund	70,000	80,000
Compensated Absences	2,125,207	1,908,270
Net Pension Liability	26,503,974	25,016,025
Total Governmental Activities	\$39,661,512	\$37,817,994
Business-Type Activities:		
General Obligation Bonds	\$51,221	\$63,355
Landfill Liability	1,794,970	417,222
Compensated Absences	678,796	590,471
Capital Leases Payable	729,671	857,187
Loans Payable	3,709,810	4,315,520
Net Pension Liability	5,562,095	4,282,008
Total Business-Type Activities	\$12,526,563	\$10,525,763

Under current State statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. At December 31, 2017, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Notes 9, 11, 12, and 13.

### ECONOMIC FACTORS

The local economy in Xenia continues its slow but steady recovery. Unemployment rates have improved over the last few years but are still slightly higher than the national and State averages. The national unemployment rate at the end of 2017 was 3.9%. The State had an unemployment rate of 4.5%, the County 3.8%, and the City of Xenia 4.8%. The City's rate has decreased in each of the last six years from 8.9% in 2011. One area of concern for management is that there continues to be far too many households with little or no taxable income within the community. There are a very high percentage of households in the City that have a taxable income of less than \$20,000 and small percentage that exceed \$75,000. The median household income in Xenia is \$38,426. Despite some demographic issues that result in lower median household incomes there are some very positive signs here locally. New housing starts on the west end of the City are occurring at the highest rate the City has seen in several decades. These new homes have higher values than the average housing stock in the City thereby increasing the median value of housing units which is currently \$93,800.00. The City is also seeing a lot of investment on progress drive, one of the City's more active commercial areas. A new hotel, new medical facilities, the REACH project, and other retail are being built out in the area. Economic development and job creation continues to be a top priority for Council and City Management. The City is hopeful that an increased focus and investment in economic development will result in job creation and opportunity for City residents and businesses.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ryan Duke, Finance Director of Xenia City.

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**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Assets:</b>			
Cash and cash equivalents	\$ 2,315,135	\$ 3,700,053	\$ 6,015,188
Investments	6,514,242	10,411,315	16,925,557
Receivables:			
Taxes, including interest, penalties and liens	4,578,138	0	4,578,138
Intergovernmental	1,497,471	0	1,497,471
Accounts	552,503	1,620,904	2,173,407
Special assessments, including liens	338,145	25,029	363,174
Loans	0	805,481	805,481
Accrued interest	17,267	25,242	42,509
Grants	100,418	37,600	138,018
Allowance for uncollectible accounts	(573,529)	(15,480)	(589,009)
Interfund balances	(111,276)	111,276	0
Inventories	123,525	201,996	325,521
Prepaid items	223,391	48,725	272,116
Capital Assets Not being depreciated	16,836,598	2,849,362	19,685,960
Capital Assets, net of accumulated depreciation	31,342,495	24,852,544	56,195,039
<b>Total Assets</b>	<b>63,754,523</b>	<b>44,674,047</b>	<b>108,428,570</b>
<b>Deferred Outflows of Resources</b>			
Pension	6,451,649	2,069,373	8,521,022
<b>Total Deferred Outflows of Resources</b>	<b>6,451,649</b>	<b>2,069,373</b>	<b>8,521,022</b>
<b>Liabilities:</b>			
Accounts payable	311,261	240,769	552,030
Claims payable	180,377	0	180,377
Accrued payroll	824,551	228,679	1,053,230
Accrued interest payable	36,036	15,624	51,660
Long-term liabilities:			
Amounts due within one year	1,112,443	1,076,095	2,188,538
Amounts due in more than one year	12,045,095	5,888,373	17,933,468
Net Pension Liability	26,503,974	5,562,095	32,066,069
<b>Total Liabilities</b>	<b>41,013,737</b>	<b>13,011,635</b>	<b>54,025,372</b>
<b>Deferred Inflows of Resources</b>			
Pension	303,802	75,820	379,622
Property Taxes Levied for the Next Fiscal Year	1,426,296	0	1,426,296
<b>Total Deferred Inflows of Resources</b>	<b>1,730,098</b>	<b>75,820</b>	<b>1,805,918</b>



**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	<b>Primary Government</b>		<b>Total</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	
<b>Net Position:</b>			
Net Investment in Capital Assets	38,846,762	23,211,204	62,057,966
Restricted For:			
Capital Projects	2,846,515	0	2,846,515
Debt Service	109,593	0	109,593
General government programs	370,367	0	370,367
Safety programs	1,313,705	0	1,313,705
Street construction/maintenance	1,556,587	0	1,556,587
Unrestricted (Deficit)	(17,581,192)	10,444,761	(7,136,431)
<b>Total Net Position</b>	<b>\$ 27,462,337</b>	<b>\$ 33,655,965</b>	<b>\$ 61,118,302</b>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
Current:				
General government	7,971,980	1,835,340	271,585	0
Public safety	15,069,724	2,559,765	124,426	50,168
Highways and streets	2,329,146	13,011	0	306,774
Urban Redevelopment & Housing	181,975	4,299	0	0
Economic Development & Assistance	328,022	0	0	19,879
Recreation	551,757	34,405	0	557,357
Debt service:				
Interest and fiscal charges	301,411	0	0	0
<b>Total Governmental Activities</b>	<b>26,734,015</b>	<b>4,446,820</b>	<b>396,011</b>	<b>934,178</b>
<b>Business-Type Activities:</b>				
Water	3,754,839	4,264,396	0	0
Sewer	4,491,114	4,890,401	0	0
Sanitation	3,204,055	2,063,417	0	0
Storm Water	300,964	345,445	0	0
Loan	80,415	60,241	0	0
Parking Revenue	69,386	33,814	0	0
CDBG and UDAG Revolving Loan	16,600	555	0	17,600
Housing Rehabilitation Loan	78,111	17,868	20,000	0
<b>Total Business-Type Activities</b>	<b>11,995,484</b>	<b>11,676,137</b>	<b>20,000</b>	<b>17,600</b>
<b>Total primary government</b>	<b>\$ 38,729,499</b>	<b>\$ 16,122,957</b>	<b>\$ 416,011</b>	<b>\$ 951,778</b>

**General Revenues:**

Income taxes  
 Other local taxes  
 Property Taxes  
 Motor vehicle and gas taxes  
 Intergovernmental, unrestricted  
 Investment earnings

**Transfers**

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (5,865,055)	\$ 0	\$ (5,865,055)
(12,335,365)	0	(12,335,365)
(2,009,361)	0	(2,009,361)
(177,676)	0	(177,676)
(308,143)	0	(308,143)
40,005	0	40,005
<u>(301,411)</u>	<u>0</u>	<u>(301,411)</u>
<u>(20,957,006)</u>	<u>0</u>	<u>(20,957,006)</u>
0	509,557	509,557
0	399,287	399,287
0	(1,140,638)	(1,140,638)
0	44,481	44,481
0	(20,174)	(20,174)
0	(35,572)	(35,572)
0	1,555	1,555
0	(40,243)	(40,243)
<u>0</u>	<u>(281,747)</u>	<u>(281,747)</u>
<u>\$ (20,957,006)</u>	<u>\$ (281,747)</u>	<u>\$ (21,238,753)</u>
\$ 12,514,453	\$ 0	\$ 12,514,453
38,289	0	38,289
1,442,899	0	1,442,899
1,698,281	0	1,698,281
940,280	0	940,280
93,470	0	93,470
183,891	(183,891)	0
<u>16,911,563</u>	<u>(183,891)</u>	<u>16,727,672</u>
(4,045,443)	(465,638)	(4,511,081)
<u>31,507,780</u>	<u>34,121,603</u>	<u>65,629,383</u>
<u>\$ 27,462,337</u>	<u>\$ 33,655,965</u>	<u>\$ 61,118,302</u>

**CITY OF XENIA, OHIO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

	General	State Gas and Vehicle License	Police & Fire Fund
<b>Assets:</b>			
Cash and cash equivalents	\$ 757,847	\$ 73,865	\$ 240,004
Investments	2,132,343	207,846	675,355
Receivables:			
Taxes, including interest, penalties and liens	2,630,702	0	1,532,777
Intergovernmental	473,203	511,647	18,619
Accounts	10,876	0	517,528
Special assessments, including liens	338,145	0	0
Accrued interest	0	479	1,893
Grants	0	0	21,284
Allowance for uncollectible accounts	(293,250)	0	(280,279)
Interfund Receivable	0	0	0
Inventories	4,051	85,436	0
Prepaid items	32,918	3,795	48,522
<b>Total Assets</b>	<b>\$ 6,086,835</b>	<b>\$ 883,068</b>	<b>\$ 2,775,703</b>
<b>Liabilities:</b>			
Accounts payable	\$ 56,631	\$ 2,596	\$ 68,961
Accrued payroll	117,694	40,614	624,739
<b>Total Liabilities</b>	<b>174,325</b>	<b>43,210</b>	<b>693,700</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	1,210,197	0	151,324
Delinquent Property Tax Revenue Unavailable	47,028	0	7,976
Unavailable Revenue - Other	1,119,750	320,749	765,613
<b>Total Deferred Inflows of Resources</b>	<b>2,376,975</b>	<b>320,749</b>	<b>924,913</b>
<b>Fund Balances:</b>			
Nonspendable Fund Balance			
Inventories	4,051	85,436	0
Prepaid items	32,918	3,795	48,522
Restricted Fund Balance	0	429,878	1,108,568
Committed Fund Balance	0	0	0
Assigned Fund Balance	1,734,848	0	0
Unassigned Fund Balance	1,763,718	0	0
<b>Total Fund Balances</b>	<b>3,535,535</b>	<b>519,109</b>	<b>1,157,090</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 6,086,835</b>	<b>\$ 883,068</b>	<b>\$ 2,775,703</b>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

<u>Capital Improvements</u>	<u>Bond Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 258,728	\$ 53,712	\$ 846,755	\$ 2,230,911
727,990	151,138	2,382,598	6,277,270
347,226	0	67,433	4,578,138
0	0	494,002	1,497,471
0	0	19,668	548,072
0	0	0	338,145
7,620	1,909	5,099	17,000
20,619	0	58,515	100,418
0	0	0	(573,529)
30,449	0	0	30,449
0	0	0	89,487
0	0	49,513	134,748
<u>\$ 1,392,632</u>	<u>\$ 206,759</u>	<u>\$ 3,923,583</u>	<u>\$ 15,268,580</u>
\$ 27,889	\$ 41,882	\$ 53,230	\$ 251,189
0	0	36,458	819,505
<u>27,889</u>	<u>41,882</u>	<u>89,688</u>	<u>1,070,694</u>
0	0	64,775	1,426,296
0	0	2,658	57,662
186,704	805	448,587	2,842,208
<u>186,704</u>	<u>805</u>	<u>516,020</u>	<u>4,326,166</u>
0	0	0	89,487
0	0	49,513	134,748
1,178,039	164,072	2,978,091	5,858,648
0	0	290,271	290,271
0	0	0	1,734,848
0	0	0	1,763,718
<u>1,178,039</u>	<u>164,072</u>	<u>3,317,875</u>	<u>9,871,720</u>
<u>\$ 1,392,632</u>	<u>\$ 206,759</u>	<u>\$ 3,923,583</u>	<u>\$ 15,268,580</u>

**CITY OF XENIA, OHIO**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2017**

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**Total Governmental Fund Balances** \$ 9,871,720

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

Capital Assets used in governmental activities are not resources and  
therefore are not reported in the funds. 47,781,507

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

Delinquent Income Tax Revenue	1,670,038
Shared Revenues	1,107,875
Delinquent Property Tax Revenue	57,662
Grant Revenues	12,232
Special Assessment Revenue	44,895
Miscellaneous Revenue	7,168
	2,899,870

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

General Obligation Bonds Payable	(10,069,301)
Accrued Interest on Long-Term Debt	(36,036)
Capital Leases Payable	(823,143)
Loans Payable	(70,000)
Compensated Absences Payable- Government Activities	(2,092,990)
Net Pension Liability	(26,307,514)
	(39,398,984)

Deferred Outflows and Inflows of resources related to pensions are  
applicable to future periods and, therefore, are not reported in  
the funds

Deferred Outflows of resources related to pensions	6,373,973
Deferred Inflows of resources related to pensions	(297,718)
	6,076,255

The Internal Service Fund is used by management to charge the costs of  
various activities to individual funds. The assets and liabilities of the internal  
service fund is included in governmental activities in the statement of  
net position. These balances are recorded in the governmental activities  
activities.

City Garage Internal Service Fund	(14,636)
Information Technology Internal Service Fund	183,847
Self Insurance Internal Service Fund	62,758
	231,969

**Net Position of Governmental Activities** \$ 27,462,337

See accompanying notes to the basic financial statements



**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	General	State Gas and Vehicle License	Police & Fire Fund
<b>Revenues:</b>			
Municipal income tax	\$ 5,656,146	\$ 0	\$ 5,591,847
Other local taxes	1,170,816	0	189,974
State shared taxes and permits	904,070	960,349	27,676
Intergovernmental grants	67,425	0	75,477
Charges for services	93,393	0	2,146,725
Fines, costs, forfeitures, licenses and permits	1,039,062	0	0
Miscellaneous receipts and reimbursements, including interest	332,526	14,290	205,741
<b>Total Revenue</b>	<b>9,263,438</b>	<b>974,639</b>	<b>8,237,440</b>
<b>Expenditures:</b>			
Current:			
General government	3,058,185	0	0
Public safety	121,399	0	12,896,180
Highways and streets	228,368	1,048,463	0
Urban redevelopment & Housing	82,563	0	0
Economic Development & Assistance	114,130	0	0
Recreation	248,583	0	0
Capital outlay	0	0	84,161
Debt service:			
Principal retirement	0	0	0
Interest & fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>3,853,228</b>	<b>1,048,463</b>	<b>12,980,341</b>
Excess (deficiency) of revenues over expenditures	5,410,210	(73,824)	(4,742,901)
<b>Other financing sources (uses):</b>			
Proceeds from GO Bonds	0	0	0
Transfers in	0	90,000	4,100,000
Transfers out	(5,424,321)	0	0
<b>Total other financing sources (uses)</b>	<b>(5,424,321)</b>	<b>90,000</b>	<b>4,100,000</b>
Net change in fund balances	(14,111)	16,176	(642,901)
<b>Fund Balances at Beginning of Year</b>	<b>3,549,923</b>	<b>516,987</b>	<b>1,799,991</b>
Increase (decrease) in inventory reserve	(277)	(14,054)	0
<b>Fund Balances End of Year</b>	<b>\$ 3,535,535</b>	<b>\$ 519,109</b>	<b>\$ 1,157,090</b>

See accompanying notes to the basic financial statements



**CITY OF XENIA, OHIO**

<u>Capital Improvements</u>	<u>Bond Construction</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,397,962	\$ 0	\$ 0	\$ 12,645,955
38,289	0	71,707	1,470,786
0	0	426,873	2,318,968
885,020	0	340,673	1,368,595
0	0	4,733	2,244,851
0	0	376,256	1,415,318
<u>134,311</u>	<u>10,176</u>	<u>221,378</u>	<u>918,422</u>
<u>2,455,582</u>	<u>10,176</u>	<u>1,441,620</u>	<u>22,382,895</u>
0	0	781,871	3,840,056
0	0	164,891	13,182,470
0	0	145,204	1,422,035
0	0	12,150	94,713
0	0	21,741	135,871
0	0	0	248,583
3,237,102	1,593,749	909,521	5,824,533
196,214	0	650,339	846,553
33,990	0	277,608	311,598
<u>3,467,306</u>	<u>1,593,749</u>	<u>2,963,325</u>	<u>25,906,412</u>
(1,011,724)	(1,583,573)	(1,521,705)	(3,523,517)
1,025,000	0	0	1,025,000
0	0	1,752,322	5,942,322
<u>(334,110)</u>	<u>0</u>	<u>0</u>	<u>(5,758,431)</u>
<u>690,890</u>	<u>0</u>	<u>1,752,322</u>	<u>1,208,891</u>
(320,834)	(1,583,573)	230,617	(2,314,626)
1,498,873	1,747,645	3,087,258	12,200,677
<u>0</u>	<u>0</u>	<u>0</u>	<u>(14,331)</u>
<u>\$ 1,178,039</u>	<u>\$ 164,072</u>	<u>\$ 3,317,875</u>	<u>\$ 9,871,720</u>

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**Net Change in Fund Balances - Total Governmental Funds** \$ (2,314,626)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation.

Capital Assets used in Governmental Activities	4,409,565
Depreciation Expense	<u>(1,659,655)</u>
	2,749,910

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. This is the amount of the loss on the disposal of capital assets net of proceeds received. (2,431,153)

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

Income Tax Revenue	(131,502)
State Shared Revenue	319,593
Delinquent Property Taxes	10,402
Special Assessment Revenue	(6,985)
Intergovernmental Grant	(37,666)
Charges for Services	(34,459)
Miscellaneous Revenue	<u>3,143</u>
	122,526

Governmental funds report City pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

City Pension Contributions	1,873,548
Cost of Benefits earned net of employee contributions	<u>(3,694,563)</u>
	(1,821,015)

Principal Payments are recognized as an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position. 863,073

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term consumes current financial resources of governmental funds, however neither has any effect on net position. (1,025,000)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (6,323)

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 the governmental funds.

Compensated Absences Payable	(292,375)
Supplies Inventory	<u>(14,331)</u>
	(306,706)

The Internal Service Fund is used to charge the cost of services (e.g. insurance) to individual funds and is not included in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the City's Internal Service Fund is allocated among the governmental activities.

Garage Internal Service Fund	8,688
Information Technology Internal Service Fund	(18,015)
Insurance Internal Service Fund	<u>133,198</u>
	123,871

**Change in Net Position of Governmental Activities** \$ (4,045,443)

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 5,739,216	\$ 5,739,216	\$ 5,749,694	\$ 10,478
Other Local Taxes	1,176,000	1,176,000	1,170,816	(5,184)
State Shared Taxes and Permits	1,008,496	1,008,496	900,927	(107,569)
Intergovernmental Grants	0	0	67,425	67,425
Charges for Services	101,500	101,500	93,393	(8,107)
Fines, Costs, Forfeitures, Licenses and Permits	1,010,700	1,010,700	1,036,199	25,499
Miscellaneous Receipts and Reimbursements, Including Interest	395,860	395,860	346,821	(49,039)
<b>Total Revenues</b>	<b>9,431,772</b>	<b>9,431,772</b>	<b>9,365,275</b>	<b>(66,497)</b>
<b>Expenditures:</b>				
General Government	3,642,253	3,732,624	3,202,588	530,036
Public Safety	153,523	173,886	138,428	35,458
Economic Development & Assistance:	124,630	124,630	112,407	12,223
Highways and Streets	300,219	300,219	231,199	69,020
Urban Redevelopment and Housing	92,106	92,106	81,810	10,296
Recreation	316,302	304,813	240,071	64,742
<b>Total Expenditures</b>	<b>4,629,033</b>	<b>4,728,278</b>	<b>4,006,503</b>	<b>721,775</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,802,739	4,703,494	5,358,772	655,278
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(5,523,500)	(5,523,500)	(5,424,321)	99,179
Advances In	1,400,000	2,400,000	400,000	(2,000,000)
Advances Out	(1,000,000)	(2,000,000)	0	2,000,000
<b>Total Other Financing Sources (Uses)</b>	<b>(5,123,500)</b>	<b>(5,123,500)</b>	<b>(5,024,321)</b>	<b>99,179</b>
Net Change in Fund Balance	(320,761)	(420,006)	334,451	754,457
Fund Balance at Beginning of Year	2,046,847	2,046,847	2,046,847	0
Prior Year Encumbrances	239,257	239,257	239,257	0
Fund Balance at End of Year	<b>\$ 1,965,343</b>	<b>\$ 1,866,098</b>	<b>\$ 2,620,555</b>	<b>\$ 754,457</b>

See accompanying note to the basic financial statements

**CITY OF XENIA, OHIO**

**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**STATE GAS AND VEHICLE LICENSE**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 975,000	\$ 975,000	\$ 965,545	\$ (9,455)
Charges for Services	4,000	4,000	0	(4,000)
Miscellaneous Receipts and Reimbursements, Including Interest	3,900	3,900	15,373	11,473
Total Revenues	<u>982,900</u>	<u>982,900</u>	<u>980,918</u>	<u>(1,982)</u>
<b>Expenditures:</b>				
Current:				
Highways and Streets	1,280,272	1,280,392	1,108,824	171,568
Total Expenditures	<u>1,280,272</u>	<u>1,280,392</u>	<u>1,108,824</u>	<u>171,568</u>
<b>Other Financing Sources (Uses):</b>				
Transfers In	150,000	150,000	90,000	60,000
Total Other Financing Sources (Uses)	<u>150,000</u>	<u>150,000</u>	<u>90,000</u>	<u>60,000</u>
Net Change in Fund Balance	(147,372)	(147,492)	(37,906)	109,586
Fund Balance at Beginning of Year	211,798	211,798	211,798	0
Prior Year Encumbrances	29,611	29,611	29,611	0
Fund Balance at End of Year	<u>\$ 94,037</u>	<u>\$ 93,917</u>	<u>\$ 203,503</u>	<u>\$ 109,586</u>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
POLICE AND FIRE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 5,804,500	\$ 5,804,500	\$ 5,685,395	\$ (119,105)
Other Local Taxes	200,000	200,000	189,974	(10,026)
State Shared Taxes and Permits	29,150	29,150	27,676	(1,474)
Intergovernmental Grants	325,710	325,710	78,417	(247,293)
Charges for Services	2,351,697	2,351,697	2,178,765	(172,932)
Fines, Costs, Forfeitures, Licenses and Permits	14,000	14,000	7,229	(6,771)
Miscellaneous Receipts and Reimbursements, Including Interest	224,000	224,000	207,939	(16,061)
Total Revenues	<u>8,949,057</u>	<u>8,949,057</u>	<u>8,375,395</u>	<u>(573,662)</u>
<b>Expenditures:</b>				
Current:				
Public Safety	14,117,757	14,117,757	12,934,822	1,182,935
Capital Outlay	94,812	102,463	99,963	2,500
Total Expenditures	<u>14,212,569</u>	<u>14,220,220</u>	<u>13,034,785</u>	<u>1,185,435</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,263,512)	(5,271,163)	(4,659,390)	611,773
<b>Other Financing Sources (Uses):</b>				
Transfers In	4,100,000	4,100,000	4,100,000	0
Total Other Financing Sources (Uses)	<u>4,100,000</u>	<u>4,100,000</u>	<u>4,100,000</u>	<u>0</u>
Net Change in Fund Balance	(1,163,512)	(1,171,163)	(559,390)	611,773
Fund Balance at Beginning of Year	1,015,245	1,015,245	1,015,245	0
Prior Year Encumbrances	187,274	187,274	187,274	0
Fund Balance at End of Year	<u>\$ 39,007</u>	<u>\$ 31,356</u>	<u>\$ 643,129</u>	<u>\$ 611,773</u>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2017**

	<i>Business-type activities - Enterprise Funds</i>		
	Water	Sewer	Sanitation
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 1,257,494	\$ 1,416,646	\$ 635,543
Investments	3,538,380	3,986,190	1,788,292
Receivables:			
Accounts	553,656	975,484	8,117
Special assessments, including liens	5,233	13,280	5,795
Loans	0	0	0
Accrued interest	7,956	9,597	5,061
Grants	0	0	0
Allowance for uncollectible accounts	(2,462)	(1,221)	(5,953)
Inventories	182,022	19,974	0
Prepaid items	28,147	13,931	2,577
<b>Total Current Assets</b>	<b>5,570,426</b>	<b>6,433,881</b>	<b>2,439,432</b>
<b>Noncurrent Assets:</b>			
<b>Unrestricted:</b>			
Loans receivable (net of current)	0	0	0
Capital Assets not being depreciated	1,616,659	883,995	250,898
Capital Assets (net of accumulated depreciation)	7,503,350	10,611,712	362,373
<b>Total Noncurrent Assets</b>	<b>9,120,009</b>	<b>11,495,707</b>	<b>613,271</b>
<b>Total Assets</b>	<b>14,690,435</b>	<b>17,929,588</b>	<b>3,052,703</b>
<b>Deferred Outflows of Resources</b>			
Pension	858,162	960,491	159,835
<b>Total Deferred Outflows of Resources</b>	<b>858,162</b>	<b>960,491</b>	<b>159,835</b>

**CITY OF XENIA, OHIO**

<i>Business-type activities - Enterprise Funds</i>			
<u>Storm Sewer</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
\$ 155,780	\$ 204,981	\$ 3,670,444	\$ 113,833
438,361	576,775	10,327,998	320,289
77,293	95	1,614,645	10,690
721	0	25,029	0
0	43,149	43,149	0
1,153	1,475	25,242	267
0	37,600	37,600	0
(567)	(5,277)	(15,480)	0
0	0	201,996	34,038
0	1,311	45,966	91,402
<u>672,741</u>	<u>860,109</u>	<u>15,976,589</u>	<u>570,519</u>
0	762,332	762,332	0
0	97,810	2,849,362	0
<u>6,281,260</u>	<u>81,954</u>	<u>24,840,649</u>	<u>409,481</u>
<u>6,281,260</u>	<u>942,096</u>	<u>28,452,343</u>	<u>409,481</u>
<u>6,954,001</u>	<u>1,802,205</u>	<u>44,428,932</u>	<u>980,000</u>
<u>69,433</u>	<u>21,452</u>	<u>2,069,373</u>	<u>74,245</u>
<u>69,433</u>	<u>21,452</u>	<u>2,069,373</u>	<u>74,245</u>

**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2017**

	<i>Business-type activities - Enterprise Funds</i>		
	Water	Sewer	Sanitation
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts payable	29,211	62,537	138,917
Claims payable	0	0	0
Accrued payroll	94,661	104,321	19,047
Interfund payable	0	0	0
Loan payable	0	623,117	0
Accrued interest payable	7,808	7,808	4
Compensated absences	18,286	21,147	3,720
Capital lease payable - current	66,647	66,647	0
GO Bonds - Current	5,623	5,623	576
Landfill liability - current	0	0	262,735
<b>Total Current Liabilities</b>	<b>222,236</b>	<b>891,200</b>	<b>424,999</b>
<b>Noncurrent Liabilities</b>			
Compensated absences	260,327	301,062	52,965
Capital lease payable	298,188	298,189	0
Loans payable	0	3,086,693	0
GO Bonds - Non Current	17,608	17,609	1,803
Landfill liability - noncurrent	0	0	1,532,235
Net Pension Liability	2,313,957	2,584,722	422,931
<b>Total Noncurrent Liabilities</b>	<b>2,890,080</b>	<b>6,288,275</b>	<b>2,009,934</b>
<b>Total Liabilities</b>	<b>3,112,316</b>	<b>7,179,475</b>	<b>2,434,933</b>
<b>Deferred Inflows of Resources</b>			
Pension	31,600	35,257	5,713
<b>Total Deferred Inflows of Resources</b>	<b>31,600</b>	<b>35,257</b>	<b>5,713</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	8,731,943	7,397,829	610,892
Unrestricted	3,672,738	4,277,518	161,000
<b>Total Net Position</b>	<b>\$ 12,404,681</b>	<b>\$ 11,675,347</b>	<b>\$ 771,892</b>

Adjustment to Consolidate Utility Billing Internal Service Fund to Net Position

Adjustment to Consolidate the allocated portion of the City Garage Internal Service Fund to Net Position

Adjustment to Consolidate the allocated portion of the Information Technology Service Fund to Net Position

Adjustment to Consolidate the allocated portion of the Self-Insurance Internal Service Fund to Net Position

Total Net Position per the government-wide Statement of Net position

See accompanying notes to the basic financial statements



**CITY OF XENIA, OHIO**

<i>Business-type activities - Enterprise Funds</i>			
<u>Storm Sewer</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
2,845	27	233,537	67,304
0	0	0	180,377
8,316	2,334	228,679	5,046
0	0	0	30,449
0	0	623,117	0
4	0	15,624	0
1,230	168	44,551	2,114
0	0	133,294	23,295
576	0	12,398	0
0	0	262,735	0
<u>12,971</u>	<u>2,529</u>	<u>1,553,935</u>	<u>308,585</u>
17,507	2,384	634,245	30,103
0	0	596,377	46,592
0	0	3,086,693	0
1,803	0	38,823	0
0	0	1,532,235	0
<u>183,723</u>	<u>56,762</u>	<u>5,562,095</u>	<u>196,459</u>
<u>203,033</u>	<u>59,146</u>	<u>11,450,468</u>	<u>273,154</u>
<u>216,004</u>	<u>61,675</u>	<u>13,004,403</u>	<u>581,739</u>
2,483	767	75,820	2,654
<u>2,483</u>	<u>767</u>	<u>75,820</u>	<u>2,654</u>
6,278,881	179,764	23,199,309	409,481
526,066	1,581,451	10,218,773	60,371
<u>\$ 6,804,947</u>	<u>\$ 1,761,215</u>	<u>\$ 33,418,082</u>	<u>\$ 469,852</u>
		126,607	
		(7,402)	
		99,889	
		18,789	
		<u>\$ 33,655,965</u>	

**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	<i>Business-type Activities - Enterprise Funds</i>		
	Water	Sewer	Sanitation
<b>Operating revenues:</b>			
Charges for services	\$ 4,134,613	\$ 4,747,882	\$ 1,900,626
<b>Operating expenses:</b>			
Personnel services	2,256,263	2,669,515	485,249
General operating	4,362	2,909	45
Claims	0	0	0
Contractual services	577,767	823,201	2,690,077
Materials and supplies	281,254	0	0
Depreciation	669,688	909,119	58,915
Non-governmental	0	0	0
Total expenses	3,789,334	4,404,744	3,234,286
Operating income (loss)	345,279	343,138	(1,333,660)
<b>Non-operating revenues:</b>			
Interest revenue	29,315	40,878	25,757
Other	100,468	101,641	137,034
Intergovernmental	0	0	0
Total Non-operating revenue	129,783	142,519	162,791
<b>Non-operating expenses:</b>			
Interest expense	17,762	136,921	63
Loss on disposal	0	0	0
Total Non-Operating Expenses	17,762	136,921	63
<b>Income (loss) before transfers and contributions</b>	457,300	348,736	(1,170,932)
Transfers In			
Transfers Out	(80,912)	(77,234)	(25,745)
<b>Total other financing sources (uses)</b>	(80,912)	(77,234)	(25,745)
<b>Change in Net Position</b>	376,388	271,502	(1,196,677)
<b>Net Position, beginning of year</b>	12,028,293	11,403,845	1,968,569
<b>Net Position, end of year</b>	\$ 12,404,681	\$ 11,675,347	\$ 771,892

Change in Net Position - total enterprise funds

Adjustments to consolidate Utility Billing Internal Service Fund activities

Adjustments to consolidate allocated portion of the City Garage Internal Service Fund activities

Adjustments to consolidate allocated portion of the Information Technology Internal Service Fund activities

Adjustments to consolidate allocated portion of the Self-Insurance Internal Service Fund activities

Total Change in net position of business-type activities

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

<u>Storm Sewer</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
\$ 331,807	\$ 105,610	\$ 11,220,538	\$ 3,208,169
180,448	60,281	5,651,756	201,740
0	1,956	9,272	112,462
0	0	0	1,017,762
4,576	28,285	4,123,906	1,185,874
0	2,025	283,279	468,894
140,344	5,464	1,783,530	24,531
0	146,702	146,702	0
<u>325,368</u>	<u>244,713</u>	<u>11,998,445</u>	<u>3,011,263</u>
6,439	(139,103)	(777,907)	196,906
5,627	6,463	108,040	0
8,011	405	347,559	92,266
0	37,600	37,600	0
<u>13,638</u>	<u>44,468</u>	<u>493,199</u>	<u>92,266</u>
63	0	154,809	0
0	0	0	7,531
<u>63</u>	<u>0</u>	<u>154,809</u>	<u>7,531</u>
20,014	(94,635)	(439,517)	281,641
		0	
0	0	(183,891)	0
0	0	(183,891)	0
20,014	(94,635)	(623,408)	281,641
6,784,933	1,855,850	34,041,490	188,211
<u>\$ 6,804,947</u>	<u>\$ 1,761,215</u>	<u>\$ 33,418,082</u>	<u>\$ 469,852</u>
		(623,408)	
		87,495	
		10,891	
		19,953	
		39,431	
		<u>\$ (465,638)</u>	

**CITY OF XENIA, OHIO**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$4,048,369	\$4,635,381	\$1,900,911
Cash Received from Interfund Services Provided	0	0	0
Cash Payments for Goods and Services	(859,899)	(863,345)	(2,224,441)
Cash Payments to Employees	(1,914,555)	(2,123,179)	(390,993)
Net Cash Provided (Used) by Operating Activities	<u>1,273,915</u>	<u>1,648,857</u>	<u>(714,523)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers Out to Other Funds	(80,912)	(77,234)	(25,745)
Advances to Other Funds	0	0	0
Other Non Operating Receipts	96,912	92,721	136,124
Net Cash Provided (Used) by Noncapital Financing Activities	<u>16,000</u>	<u>15,487</u>	<u>110,379</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(298,491)	(533,294)	(84,355)
Principal Paid on Loans	0	(605,711)	0
Principal Paid on Bonds	(5,504)	(5,504)	(563)
Interest Paid on All Debt	(19,129)	(138,287)	(64)
Capital Lease Payment	(63,758)	(63,758)	0
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(386,882)</u>	<u>(1,346,554)</u>	<u>(84,982)</u>
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	0	0	0
Purchase of Investments	(1,339,758)	(1,110,291)	(22,809)
Receipts of Interest	46,310	57,949	31,337
Net Cash Provided (Used) by Investing Activities	<u>(1,293,448)</u>	<u>(1,052,342)</u>	<u>8,528</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(390,415)	(734,552)	(680,598)
Cash and Cash Equivalents at Beginning of Year	<u>1,647,909</u>	<u>2,151,198</u>	<u>1,316,141</u>
Cash and Cash Equivalents at End of Year	<u>\$1,257,494</u>	<u>\$1,416,646</u>	<u>\$635,543</u>

*CITY OF XENIA, OHIO*

Storm Sewer	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$327,446	\$107,897	\$11,020,004	\$0
0	0	0	3,570,823
(1,891)	(114,138)	(4,063,714)	(2,657,175)
(160,467)	(42,425)	(4,631,619)	(172,997)
<u>165,088</u>	<u>(48,666)</u>	<u>2,324,671</u>	<u>740,651</u>
0	0	(183,891)	0
0	0	0	(408,480)
7,881	405	334,043	92,266
<u>7,881</u>	<u>405</u>	<u>150,152</u>	<u>(316,214)</u>
(245,661)	0	(1,161,801)	(49,727)
0	0	(605,711)	0
(563)	0	(12,134)	0
(64)	0	(157,544)	0
0	0	(127,516)	(23,295)
<u>(246,288)</u>	<u>0</u>	<u>(2,064,706)</u>	<u>(73,022)</u>
0	8,487	8,487	0
(60,335)	(115,144)	(2,648,337)	(277,042)
7,257	8,754	151,607	1,644
<u>(53,078)</u>	<u>(97,903)</u>	<u>(2,488,243)</u>	<u>(275,398)</u>
(126,397)	(146,164)	(2,078,126)	76,017
282,177	351,145	5,748,570	37,816
<u>\$155,780</u>	<u>\$204,981</u>	<u>\$3,670,444</u>	<u>\$113,833</u>

**CITY OF XENIA, OHIO**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$345,279	\$343,138	(\$1,333,660)
Adjustments to Reconcile Operating Income (Loss) to			
Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	669,688	909,119	58,915
Changes in Assets and Deferred Outflows and			
Liabilities and Deferred Inflows:			
(Increase) Decrease in Loans Receivable	0	0	0
(Increase) Decrease in Accounts Receivable	(85,695)	(108,935)	(147)
(Increase) Decrease in Special Assessments Receivabl	4,081	(2,292)	(244)
(Increase) Decrease in Allowance for Doubtful Accou	(4,630)	(1,274)	676
(Increase) Decrease in Prepaid Items	(2,033)	(767)	(147)
(Increase) Decrease in Deferred Outflows - Pension	(173,618)	(301,134)	(43,304)
(Increase) Decrease in Inventory	5,650	3,204	0
Increase (Decrease) in Landfill Liability	0	0	1,377,748
Increase (Decrease) in Accounts Payable	(135)	(39,672)	(911,920)
Increase (Decrease) in Accrued Payroll	38,138	43,910	9,059
Increase (Decrease) in Deferred Inflows - Pension	37,172	46,579	6,908
Increase (Decrease) in Net Pension Liability	403,158	726,822	102,546
Increase (Decrease) in Compensated Absences	36,860	30,159	19,047
Total Adjustments	<u>928,636</u>	<u>1,305,719</u>	<u>619,137</u>
Net Cash Provided (Used) by Operating Activities	<u>\$1,273,915</u>	<u>\$1,648,857</u>	<u>(\$714,523)</u>

Schedule of Noncash Investing, Capital and Financing Activities:

The fair market value of investments decreased in 2017 by \$20,899, \$21,477, \$7,173, \$2,042, and \$2,829 in the Water, Sewer, Sanitation, Storm Sewer, and Other Enterprise Funds respectfully.

The fair market value of investments decreased in Internal Service Funds by \$2,704

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

<u>Storm Sewer</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
\$6,439	(\$139,103)	(\$777,907)	\$196,906
140,344	5,464	1,783,530	24,531
0	68,593	68,593	0
(4,327)	5,395	(193,709)	358,628
207	0	1,752	0
(243)	0	(5,471)	0
0	(1,017)	(3,964)	15,371
(10,480)	(9,987)	(538,523)	(17,873)
0	0	8,854	(4,263)
0	0	1,377,748	0
2,686	(5,854)	(954,895)	120,735
3,527	1,237	95,871	447
2,585	1,136	94,380	3,096
23,004	24,557	1,280,087	41,837
1,346	913	88,325	1,236
<u>158,649</u>	<u>90,437</u>	<u>3,102,578</u>	<u>543,745</u>
<u>\$165,088</u>	<u>(\$48,666)</u>	<u>\$2,324,671</u>	<u>\$740,651</u>

**CITY OF XENIA, OHIO**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**DECEMBER 31, 2017**

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	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 104,057
Accounts Receivable	<u>210,000</u>
<b>Total Assets</b>	<u><u>314,057</u></u>
<b>Liabilities:</b>	
Accounts payable	267,570
Restricted deposits	<u>46,487</u>
<b>Total Liabilities</b>	<u><u>\$ 314,057</u></u>

See accompanying notes to the basic financial statements

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Xenia, Ohio, was incorporated in 1817, became a city in 1834, and operates under a Council-Manager form of government.

The financial statements are presented as of December 31, 2017 and for the year then ended, and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

**A. Reporting Entity**

The accompanying basic financial statements comply with the provisions of GASB No. 39 "Determining whether certain organization are component units" and No. 61 "The Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34" in that the financial statements include all organizations, activities, functions, and component units for which the City is financially accountable. Generally, component units are legally separate organizations for which the elected officials of the City are financially accountable. The City would consider an organization to be a component unit if:

1. The City appoints a voting majority of the organization's governing body AND (a) is able to impose its will on that organization OR (b) there is a potential for the organization to provide specific financial burdens on the City; OR
2. The organization is fiscally dependent upon the City; OR
3. The nature of the relationship between the City and the organization is such that the exclusion from the financial reporting entity would render the financial statements of the City misleading.

The City's financial reporting entity includes all applicable funds, agencies, boards, commissions and jointly governed organizations that include the following services: public safety (police and fire), highways and streets, water, sewer, sanitation, storm sewer, recreation, public improvements, planning and zoning, and general administrative services. No component unit is included in fiscal year 2017.

The City is party to three jointly governed organizations. Jointly governed organizations are governed by representatives from various participating organizations where the City has no ongoing financial interest or responsibility. The following jointly governed organizations are described in Note 15.

1. Xenia Township – City of Xenia JEDD-1 Joint Economic Development District
2. Miami Valley Regional Planning Commission
3. Greene County Agencies for Combined Enforcement (ACE Task Force)

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**A. Reporting Entity** (Continued)

The City also participates in the Public Entities Pool of Ohio, which is a local government risk sharing pool. The pool is discussed in Note 18.

**B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and deferred outflows, liabilities and deferred inflows, fund equity, revenues and expenditures or expenses.

The City reports the following major governmental funds:

*General Fund* - This fund is used to account for all financial resources except those 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 general laws of Ohio and the limitations of the City Charter.

*State Gas and Vehicle License Fund* – This fund is required by State law to account for that portion of gasoline tax and motor vehicle license fees designated for maintenance of streets within the City. Revenue sources in the fund include state shared taxes and permits, charges for services, and miscellaneous receipts and reimbursements including interest.

*Police and Fire Fund* - This fund is used to account for financial resources restricted for the City's Police department, Fire department, and Dispatch center. Certain revenue sources are required by State law or City ordinance to be spent on these functions. Revenue sources in the fund include municipal income tax; other local taxes; state shared taxes and permits; intergovernmental grants; charges for services such as emergency medical services and dispatching services; fines, costs, forfeitures, licenses, and permits; and miscellaneous receipts and reimbursements including interest. This fund also receives a subsidy from the City's general fund.

*Capital Improvements Fund* – This fund is used to account for financial resources restricted for the acquisition or construction of major capital facilities or equipment (other than those financed by proprietary funds or the Municipal Court Capital Improvements Fund). Revenue sources in the fund include municipal income tax, other local taxes, intergovernmental grants, charges for services, and miscellaneous receipts and reimbursements including interest.

*Bond Construction Fund* – This fund is used to account for financial resources restricted for the construction of a new City Administration Building and rehabilitation of the current City Hall into a Justice Center. Revenue sources in the fund include proceed from sale of general obligation bonds.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City reports the following major proprietary funds:

Water Fund – This fund is used to account for revenues and expenses related to providing water service to the City and surrounding areas.

Sewer Fund – This fund is used to account for revenues and expenses related to providing sewer service to the City and surrounding areas.

Sanitation Fund – This fund is used to account for revenues and expenses related to providing sanitation service to the City’s residents.

Storm Sewer Fund – This fund is utilized to account for revenues and expenses related to providing storm sewer service to the City’s residents.

Additionally, the City reports the following funds types:

Internal Service Funds - These funds are used to account for the financing of services provided for billing for utilities (water, sewer, sanitation, and storm sewer) servicing the vehicles of City departments, providing IT services to City Departments and account for self-insurance health benefits on a cost -reimbursement basis.

Fiduciary Funds – These funds are used to account for assets held by the City as an agent for individuals, private organizations, or other governmental units. The City’s fiduciary funds are all agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has four agency funds as follows:

- (1) Municipal Court Traffic, Criminal, Civil, and Small Claims Funds: These funds are used to account for assets held by the Court’s Traffic, Criminal, Civil, and Small Claims divisions. The Municipal Court is considered part of the reporting entity of the City. The Court handles court cases for the City and adjoining communities but the City controls the fiscal operations of Court, reviews and approves budget requests, and provides space for the Court and offices;
- (2) Imprest Cash Fund: This fund is used to account for petty cash;
- (3) Insurance Deposit Fund: This fund is used to account for assets held by the City for citizens to ensure that fire damaged property is repaired or demolished; and
- (4) LGIF Funds: This fund is used to account for assets held by the City for transactions related to a loan from the Local Government Innovation Fund entered into by the City and three other local governments. The City is responsible for collecting debt payments from those three local governments and making payment on behalf of those entities to the State of Ohio.

**C. Basis of Presentation – Financial Statements**

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary City, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements (Continued)**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. 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 and grants and contributions that are restricted to meeting the operational or capital requirements of 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** – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary and Internal Service funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements.

The governmental funds follow the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which the City considers to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and compensated absences, which are recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenues considered susceptible to accrual are intergovernmental grants, interest on investments, state shared taxes, fines and forfeitures, and municipal income tax. Other revenues, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded when received in cash, because generally these revenues are not measurable until received.

Property taxes measurable as of December 31, 2017 but which are not intended to finance 2017 operations are recorded as deferred inflows of resources.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred. Agency funds are custodial in nature (assets equals liabilities) and do not include measurement of results of its operations.

**E. Budgets and Budgetary Accounting**

The City follows procedures prescribed by State law in establishing the budgetary data shown in the financial statements, as follows:

1. The City must submit a budget of estimated cash receipts and disbursements for all governmental and proprietary funds to the County Budget Commission by July 20 of each year for the following calendar year.
2. The County Budget Commission certifies its actions by September 1, and issues a "Certificate of Resources" limiting the maximum amount the City may expend from a given fund during the year.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgets and Budgetary Accounting (Continued)**

3. About January 1, this Certificate is amended to include any unencumbered balances from the preceding year. The City must prepare its appropriations so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Resources.
4. A temporary appropriation measure is typically passed at the second City Council meeting in December. The permanent appropriation measure is passed at a Council meeting and filed at the County prior to March 31. The permanent appropriation may not exceed estimated resources certified by the County Budget Commission.
5. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances outstanding at year-end are carried forward to the next fiscal year.
6. All funds have annual budgets legally adopted by City Council.

The City Manager acts as budget officer for the City and submits a proposed operating budget to the City Council on an annual basis. Public hearings are held to obtain taxpayer comments. The Council enacts the budget through passage of an appropriations ordinance. The appropriations ordinance controls expenditures at the level of personnel services, operating and capital expenditures/expenses by fund except for the general fund where the control is by department within the general fund. Only City Council may transfer appropriations between personnel services and operating expenses, or between operating and capital outlay, or between capital outlay and personnel services. Supplemental appropriations are made to the budget and original appropriations ordinance during the year by Council passage of supplemental appropriations ordinances. Supplemental appropriations to the original appropriations ordinance were made during the year, but were not material in relation to the original appropriations.

While financial position, results of operations and changes in fund balances are reported 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 and disbursements. The Statements of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual - (Non-GAAP Budgetary Basis) for the general fund and each major special revenue fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

- (1) Revenues are recorded when received in cash (budget) as opposed to when they are both measurable and available (GAAP).
- (2) Expenditures are recorded when paid in cash or encumbered (budget) as opposed to when the liability is incurred (GAAP).
- (3) Advances in and Advances out are operating transactions (budget) as opposed to balance sheet (GAAP).

The adjustments necessary to convert the results of operations for the year ended December 31, 2017 on the GAAP basis to the budget basis are as follows:

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgets and Budgetary Accounting** (Continued)

	Net Change in Fund Balances		
	General Fund	State Gas and Vehicle License Fund	Police & Fire Fund
GAAP Basis (as reported)	\$ (14,111)	\$ 16,176	\$ (642,901)
Revenue Accrual	501,837	6,279	137,955
Expenditure Accrual	62,794	19,752	149,494
Outstanding Encumbrances	(216,069)	(80,113)	(203,938)
Budget Basis	\$ 334,451	\$ (37,906)	\$ (559,390)

**F. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from December 31, 2017. The City pools its cash, cash equivalents, and investments for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintains its own cash and investment accounts.

**G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value, except for nonparticipating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. During 2017, the Capital Improvements Fund was allocated approximately \$42,187 of investment earnings in excess of the amount the fund would have received if earnings were based on each fund's share of pooled investment.

**H. Inventory**

Inventory is valued at cost, using the first-in/first-out (FIFO) method. The proprietary fund inventories are recorded as expenses when used. Inventory in governmental funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased. Governmental inventories are equally offset by a fund balance classification that indicates they are not in spendable form.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed. Governmental prepaid items are equally offset by a fund balance classification that indicates they are not in spendable form.

**J. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000. Estimated historical costs for capital asset values were initially determined by identifying historical costs when such information was available.

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. Capital assets include land, land improvements, buildings, building improvements, machinery, equipment, construction in progress, and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives, as follows:

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Land Improvements	20 - 25
Buildings and Improvements	20 - 40
Machinery and Equipment	1 - 25
Infrastructure	10 - 50



*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. 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, compensated absences that will be paid from the governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment from current and available resources. Bonds, long-term loans and capital lease obligations are recognized as a liability on the fund financial statements when due.

**L. Compensated Absences**

Compensated absences are accrued as they are earned by employees if both of the following conditions are met:

1. The employee's rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employee for the benefits through paid time off or cash payment.

Compensated absences accumulated by governmental fund type and proprietary fund type employees are reported as an expense when earned in the government-wide financial statements. For governmental fund financial statements, compensated absences are only reported if unused reimbursable leave is still outstanding following an employee's resignation or retirement.

**M. Net Position**

Net position represents the difference between assets, plus deferred outflows of resources, and deferred inflows of resources, plus liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.

Net position is reported as restricted when there are limitations imposed on its 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 position is available

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Pensions**

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

**O. Interfund Activity**

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.

**P. Fund Balance**

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting*, the City classifies its fund balance based on the constraints placed upon the use of resources reported in governmental funds. The following are the five fund balance classifications:

1. **Nonspendable Fund Balance** - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.
2. **Restricted Fund Balance** - The restricted classification is used when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions (City Charter) or enabling legislation.
3. **Committed Fund Balance** - The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority, the Xenia City Council. Constraints are imposed on committed amounts by Council through ordinance or resolution.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

4. Assigned Fund Balance - Assigned fund balance includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. City Council may assign certain amounts through a motion but has also delegated authority to the City Manager, Finance Director, and Law Director to conduct City business which may include the assignment of fund balances.
5. Unassigned Fund Balance - Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In governmental funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. The City considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

**Q. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**R. 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.

**S. Allocation of Indirect Expenses**

The City allocates some personnel expenses over different funds based on City ordinance. These indirect costs have been included as part of program expenses reported for the functional activities.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**T. Provision for Loan Losses**

Potential losses on specific loans are charged to operations when management determines that there is a loss contingency. This evaluation includes consideration of various factors such as collateral, loan loss experience, lending policies, and current economic conditions.

**U. Self-Insurance**

As of December 31, 2017, the City is self-insured for employee health care benefits See Note 16 for additional information

**V. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported for pension amounts (See Note 9). The amounts are reported in the government-wide and proprietary statements of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for delinquent property taxes, income taxes, special assessments, grants and miscellaneous receipts, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide and proprietary funds statement of net position. See Note 9.

**CITY OF XENIA, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 2 – FUND BALANCES**

Fund Balances are classified as nonspendable, restricted, committed, assigned and unassigned. The Constraints placed on fund balances for major governmental funds and all other governmental funds are presented below.

Fund Balances	General	State Gas & Vehicle License	Police & Fire	Capital Improvements	Bond Construction	Other Governmental Funds
<b>Nonspendable:</b>						
Inventory	\$4,051	\$85,436	\$0	\$0	\$0	\$0
Prepays	32,918	3,795	48,522	0	0	49,513
Total Nonspendable	<u>36,969</u>	<u>89,231</u>	<u>48,522</u>	<u>0</u>	<u>0</u>	<u>49,513</u>
<b>Restricted for:</b>						
General Government	0	0	0	0	0	315,541
Public Safety	0	0	1,108,568	0	0	847,005
Highways & Streets	0	429,878	0	0	0	392,019
Capital Projects	0	0	0	1,178,039	164,072	1,325,620
Debt Service	0	0	0	0	0	97,906
Total Restricted	<u>0</u>	<u>429,878</u>	<u>1,108,568</u>	<u>1,178,039</u>	<u>164,072</u>	<u>2,978,091</u>
<b>Committed to:</b>						
General Governemnt	0	0	0	0	0	290,271
Total Committed	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>290,271</u>
<b>Assigned to:</b>						
Subsequent Year Appropriations	1,538,279	0	0	0	0	0
General Government	161,360	0	0	0	0	0
Public Safety	10,016	0	0	0	0	0
Highways & Streets	2,193	0	0	0	0	0
Urban Redevelopment & Housing	628	0	0	0	0	0
Economic Development & Asst	1,885	0	0	0	0	0
Recreation	20,487	0	0	0	0	0
Total Assigned	<u>1,734,848</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unassigned (Deficit)	1,763,718	0	0	0	0	0
Total Fund Balance	<u><u>\$3,535,535</u></u>	<u><u>\$519,109</u></u>	<u><u>\$1,157,090</u></u>	<u><u>\$1,178,039</u></u>	<u><u>\$164,072</u></u>	<u><u>\$3,317,875</u></u>

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 3 – DEPOSITS AND INVESTMENTS**

Xenia is a charter City and has adopted an investment policy through City ordinance. Ohio Revised Code Section 135 will govern investment policy and procedures when City policies or ordinance do not address an issue. State statute classify monies held by the City into three categories: active deposits, inactive deposits, and interim deposits.

Active deposits are public deposits determined to be necessary to meet current demands upon the City's Treasury. Active monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Council has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies that are not needed for immediate use but will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates or deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Interim monies held by the City may be deposited or invested in the following securities:

1. Direct Obligations of U.S. Treasury  
Treasury Bills  
Treasury Notes and Bonds
2. Obligations of Federal Agencies and Instrumentalities  
Including but not limited to:  
Federal National Mortgage Association (FNMA)  
Federal Home Loan Bank (FHLB)  
Federal Farm Credit Bank (FFCB)  
Federal Home Loan Mortgage Corporation (FHLMC)  
Government National Mortgage Association (GNMA)  
Student Loan Marketing Association (SLMA)
3. Nonnegotiable Interest-Bearing Time Certificates of Deposit and Savings Accounts
4. Negotiable Interest-Bearing Certificates of Deposit covered by FDIC Insurance
5. Bankers Acceptances of banks in the top 100 based on asset size or Ohio-based banks with at least \$2 billion in assets
6. The State Treasury Asset Reserve of Ohio (STAR Ohio)

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

7. No-load money market mutual funds consisting exclusively of obligations listed in 1 and 2 above
8. Repurchase agreements under terms outlined in Safekeeping and Custody
9. NOW accounts (Interest Bearing Negotiable Order of Withdrawal Accounts)
10. Obligations of the State of Ohio and its political subdivisions (only insured obligations)

Investments not approved by the City policy are prohibited including stripped principal or interest obligations and reverse repurchase agreements and derivatives. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited.

The City may also invest any monies not required to be used for a period of six months or more in bonds of the State of Ohio, other political subdivisions of the State, or obligations of the City.

At December 31, 2017, the carrying amount of the City cash deposits was \$6,119,245 and the bank balance was \$7,415,772. FDIC Insurance covered \$250,000, per insured bank, for each account ownership category. At fiscal year-end, \$4,598,849 of the City's bank balance was exposed to custodial credit risk, because they were uninsured and collateralized with securities held by the pledging financial institution.

For any remaining bank balance not covered by depository insurance, the State of Ohio by statute has established a collateral pooling system for financial institutions acting as public depositories. The public depositories must pledge qualified securities with a market value at least equal to 105% of the total amount of all public deposits not covered by FDIC Insurance to be secured by the collateral pool. The securities so pledged provide the equivalent of a deposit insurance fund. This approach protects all public entities against a single public depository collapse. The state has implemented collateral pools to minimize the interest penalty to public entities for protecting public deposits. The cash deposits are held in interest-bearing demand deposit and savings accounts and were uninsured but collateralized with securities held by the pledging financial institution.

**CITY OF XENIA, OHIO**

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

The City's investments at December 31, 2017 are summarized below:

Investment Type	Total Fair Value	Credit Rating	Investment Maturities				% of Total Investments
			Less than 6 Months	6 Months to 1 Year	1 - 3 Years	3 - 5 Years	
FFCB	\$1,581,628	AAA	\$0	\$0	\$0	\$1,581,628	9.34%
FHLB	\$3,309,774	AAA	0	148,386	393,248	2,768,140	19.56%
FHLMC	\$789,688	AAA	0	0	395,076	394,612	4.67%
FNMA	\$1,958,320	AAA	0	0	1,179,668	778,652	11.57%
Certificate of Deposit	\$9,286,149	AA3	0	3,253,551	3,646,507	2,386,091	54.86%
<b>Total Investments</b>	<b>\$ 16,925,559</b>		<b>\$0</b>	<b>\$3,401,937</b>	<b>\$5,614,499</b>	<b>\$7,909,123</b>	<b>100.00%</b>

*Interest Rate Risk* – Interest rate risk is the risk that an interest rate change could adversely affect an investment’s fair value. State Regulations and City policy reduce exposure to declines in fair values by limiting the life of investments to five years. The reporting of effective duration in the table above quantifies, to the fullest extent possible, the interest rate risk of the City’s fixed income assets. The City does not have a formal policy regarding interest rate risk.

*Custodial Credit Risk* – Custodial credit risk is the risk that, in the event of a failure of a depository institution or counterparty to a transaction, the City will be unable to recover the value of deposits, investments, or collateral securities 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. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investment prior to delivery of securities representing such investment to the Fiscal Officer and qualified trustees.

*Credit Risk* – The Standard & Poor’s or Moody’s ratings of the City’s investment is listed in the table above. The City’s investment policy limits investments to those that are highly rated or issued by U.S. Government sponsored enterprises.

*Concentration of Credit Risk* – Concentration of credit risk is the risk of inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by a lack of diversification. The City portfolio must be invested in more than one type of financial instrument, in more than one financial institution, and at different maturity lengths according to cash flow needs. The City’s investment policy places no limits on the amount it may invest in any one issuer. The percentages that each investment represents to the total investments are listed in the preceding table.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

Fair Value Measurement

The City’s investments measured and reported at fair value are classified according to the following hierarchy:

- Level 1 - Investments reflect prices quoted in active markets.
- Level 2 - Investments reflect prices that are based on a similar observable asset either directly, or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 - Investments reflect prices based upon unobservable sources

The categorization of investments with the hierarchy is based upon the transparency of the instrument and should not be perceived as the particular investment’s risk. The City had the following reoccurring fair value measurements as of December 31, 2017.

		Identical Assets	Observable Inputs	Unobservable Inputs
Investment Type	Total	(Level 1)	(Level 2)	(Level 3)
FFCB	\$ 1,581,628	\$ -	\$ 1,581,628	\$ -
FHLB	3,309,774	-	3,309,774	-
FHLMC	789,688	-	789,688	-
FNMA	1,958,320	-	1,958,320	-
Certificate of Deposit	9,286,149	-	9,286,149	-
	<b>\$ 16,925,559</b>	<b>\$ -</b>	<b>\$ 16,925,559</b>	<b>\$ -</b>

Investments classified in Level 2 of the fair value hierarchy are valued using pricing sources as provided by the investment managers and advisors. The City’s investments in money market funds are measured at amortized cost and therefore are not classified based on the hierarchy above.

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 4 - TAXES**

**A. Property Taxes**

Property taxes consist of amounts levied against real and tangible property (used in business) located in the City. Real property taxes are levied each January 1 on the assessed value listed as of the prior January 1. Assessed values are established by the County Auditor at 35% of appraised market value. Property values are required to be updated every three years and revalued every six years. The last revaluation was completed in 2017.

The property tax calendar is as follows:

Lein date	January 1, 2016
Levy date	January 1, 2017
First installment payment due	February 20, 2017
Second installment payment due	July 24, 2017

The assessed values upon which 2017 tax receipts were based, are as follows:

	<u>Assessed Values</u>
	<u>January 1, 2016</u>
Residential and Agricultural	\$270,792,170
Commercial and Industrial	78,806,470
Public Utilities	<u>9,340,000</u>
Total	<u><u>\$358,938,640</u></u>

The County Treasurer collects property taxes on behalf of taxing districts in Greene County, including the City of Xenia. Property taxes may be paid in full in February or one-half may be paid in February and the other half in July. The County Auditor remits to the City, in April and August, its portion of taxes collected.

Ohio law prohibits taxation of property in excess of \$10.00 per \$1,000 (10.0 mills) of assessed value without a vote of the citizens. Under current procedures, the City's share is \$3.00 per \$1,000 (3.0 mills) of assessed value. The City also receives an additional .2 mills to pay debt service for our general obligation bonds.

An additional property tax levy of 3.5 mills was renewed by a vote of the citizens of Xenia in August, 2013. The additional levy is for five years, to be assessed for tax-duplicate years 2014 to 2018, and collected in the fiscal years 2015 through 2019.

Property taxes receivable represents real and public utility property taxes and outstanding delinquencies that were measurable as of December 31, 2017, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2017 operations is offset to deferred inflows of resources, i.e. property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis, the revenue has been reported as deferred inflows of resources, i.e. unavailable revenue.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 4 – TAXES (Continued)**

**B. Income Tax**

For the 2017 fiscal year the City collected income taxes at a rate of 2.25%. A 1.5% credit was allowed for those who work in another community and pay taxes to other municipalities on that income. 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 –RECEIVABLES**

Receivables at December 31, 2017, consisted of municipal income tax, property taxes, other local taxes, interfund, accounts, special assessments, loans, accrued interest, and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables with the exception of loans are considered fully collectible and will be received within one year with the exception of income taxes, property taxes, loans, and special assessments. Income taxes and property taxes, though ultimately collectible, include some portion of delinquents that will not be collected within one year.

**A. Intergovernmental Receivable**

A summary of intergovernmental receivables follows:

Governmental Activities:	Amount
Local Government	\$404,441
Homestead & Rollback	96,853
Motor Vehicle License Tax	583,677
Gasoline Tax	412,500
	\$1,497,471

**B. Loans Receivable**

The City operates three long-term enterprise fund loan programs including the Loan Fund, the Community Development Block Grant (CDBG) and Urban Development Action Grant (UDAG) Revolving Loan Fund, and the Housing Rehabilitation Loan Fund.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**B. Loans Receivable (Continued)**

Loans receivable at December 31, 2017 were:

Loan Type	Loan Fund	Housing Rehabilitation Loan Fund
Down payment assistance loans	\$0	\$1,257
Rehabilitation loans	0	198,953
Façade Loans	0	405,308
Homelessness Prevention Loans	0	3,724
Economic development loans	196,239	0
Total Loans receivable	<u>\$196,239</u>	<u>\$609,242</u>

Loan Fund – In 1983, the City assumed the assets, liabilities, and loan commitments of Xenia Environmental Neighborhood Improvement Association, Inc. (X.E.N.I.A., Inc.). X.E.N.I.A., Inc. provided mortgage grants and low or zero interest loans to encourage economic and neighborhood development. The City no longer issues mortgage grants from this fund. The City also assumed the assets, liabilities, and loan commitments of its component unit (Xenia Economic Development Corporation [XEGC]) in 2011 when the corporation was dissolved. Loans previously managed and issued by XEGC are now administered through the Loan Fund.

Housing Rehabilitation Loan Fund – In December 2009, the City received notice that it had been awarded a Tier II Downtown Building and Streetscape Grant. These grant dollars are required to be spent on downtown Xenia. Projects related to these grant dollars include the improvement of downtown buildings through a façade loan program, improvements to two municipal parking lots, curb and sidewalk improvements, the painting of several murals, and wayfinding and gateway signage. The City was also awarded a Tier III CDBG Discretionary Grant that complements the Tier II efforts to improve downtown facades. The first Tier III dollars were spent in 2012. In September 2006, the City was awarded a Community Housing Improvement Program (CHIP) Grant in the amount of \$556,000. The grant includes homelessness prevention, private rehabilitation, home or building repair, private rental rehab, fair housing, and general administration activities. The first expenditures related to this grant were made in 2007. The City was also awarded a \$600,000 CHIP Grant in August 1998, which ended in 2001. The program had similar activities to the 2006 grant as it offered deferred loans, direct low interest loans, or a combination thereof with various payoff dates. Some delinquencies from previous housing rehabilitation programs remain outstanding.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 6 - TRANSFERS**

Following is a summary of transfers in and out for all funds for 2017:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
<b>Governmental Funds:</b>		
General Fund	\$0	\$5,424,321
Police & Fire Fund	4,100,000	0
State Gas & Vehicle License Fund	90,000	0
Capital Improvement Fund	0	334,110
Other Governmental Funds	<u>1,752,322</u>	<u>0</u>
<b>Total Governmental Funds</b>	<b><u>5,942,322</u></b>	<b><u>5,758,431</u></b>
<b>Enterprise Funds</b>		
Water Fund	0	80,912
Sewer Fund	0	77,234
Storm Sewer Fund	0	25,745
<b>Total Enterprise Funds</b>	<b><u>0</u></b>	<b><u>183,891</u></b>
<b>Total Transfers</b>	<b><u><u>\$5,942,322</u></u></b>	<b><u><u>\$5,942,322</u></u></b>

There were three transfers from the General Fund to Other Governmental Funds. One transfer was to support operations in the Municipal Court Victim Fund, another to support operations in the Probation Services Fund, and the third was to the Police/Fire Capital Improvements Fund. The transfer from the General Fund to the Police and Fire Fund was to support operations related to those public safety functions. The General Capital Improvement Fund and Enterprise Fund transfers were to the 2015 General Obligation Bond Retirement Fund for the debt service payment for the 2015 Building Bonds.

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*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivable and payable balances at December 31, 2017 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental Funds:		
Capital Improvements Fund	\$30,449	
Internal Service Funds:		
City Garage Fund		\$30,449

Advances to the Garage Fund are for the purpose of acquiring capital assets. The Advance is then paid back to the Capital Improvement Fund as that asset depreciates.

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**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 8 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2017:

*Historical Cost:*

Class	December 31, 2016	Additions	Deletions	December 31, 2017
<i>Capital assets not being depreciated:</i>				
Land	\$17,016,464	\$11,387	(\$586,350)	\$16,441,501
Construction in Progress	7,392,736	351,696	(7,349,335)	395,097
Subtotal	<u>24,409,200</u>	<u>363,083</u>	<u>(7,935,685)</u>	<u>16,836,598</u>
<i>Capital assets being depreciated:</i>				
Land improvements	3,350,286	971,750	0	4,322,036
Buildings and improvements	10,224,786	7,842,858	(1,883,380)	16,184,264
Machinery and Equipment	11,336,947	983,150	(180,630)	12,139,467
Infrastructure	18,803,993	1,635,891	(92,688)	20,347,196
Subtotal	<u>43,716,012</u>	<u>11,433,649</u>	<u>(2,156,698)</u>	<u>52,992,963</u>
Total Cost	<u><u>68,125,212</u></u>	<u><u>11,796,732</u></u>	<u><u>(10,092,383)</u></u>	<u><u>69,829,561</u></u>

*Accumulated Depreciation:*

Class	December 31, 2,016	Additions	Deletions	December 31, 2,017
Land improvements	(1,312,336)	(155,965)	0	(1,468,301)
Buildings and improvements	(3,954,796)	(307,038)	47,085	(4,214,749)
Machinery and Equipment	(7,209,292)	(656,528)	180,630	(7,685,190)
Infrastructure	(7,801,753)	(564,655)	84,180	(8,282,228)
Total Depreciation	<u>(20,278,177)</u>	<u>(1,684,186)</u>	<u>311,895</u>	<u>(21,650,468)</u>
<i>Net Value:</i>	<u><u>\$47,847,035</u></u>	<u><u>\$10,112,546</u></u>	<u><u>(\$9,780,488)</u></u>	<u><u>\$48,179,093</u></u>

\* Depreciation expenses were charged to governmental functions as follows:

General Government	\$175,818
Public Safety	492,039
Highways and Streets	710,739
Urban Redevelopment & Housing	73,578
Recreation	207,481
Total Depreciation Expense recorded within the Governmental Activities	<u>1,659,655</u>
Amount of Depreciation Expense recorded in the Internal Service Fund	24,531
Total Additions to Accumulated Depreciation	<u><u>\$1,684,186</u></u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 8 - CAPITAL ASSETS (Continued)**

**B. Business-Type Activities Capital Assets**

Summary by Category at December 31, 2017:

***Historical Cost:***

Class	December 31, 2016	Additions	Deletions	December 31, 2017
<b><i>Capital assets not being depreciated:</i></b>				
Land	\$733,250	\$58,080	\$0	\$791,330
Construction in Progress	1,793,034	457,453	(192,455)	2,058,032
Subtotal	<u>2,526,284</u>	<u>515,533</u>	<u>(192,455)</u>	<u>2,849,362</u>
<b><i>Capital assets being depreciated:</i></b>				
Land improvements	918,153	0	0	918,153
Buildings and improvements	10,588,832	297,761	0	10,886,593
Machinery and Equipment	57,951,181	552,857	(33,955)	58,470,083
Total Cost	<u>71,984,450</u>	<u>1,366,151</u>	<u>(226,410)</u>	<u>73,124,191</u>

***Accumulated Depreciation:***

Class	December 31, 2,016	Additions	Deletions	December 31, 2,017
Land Improvements	(433,390)	(46,267)	0	(479,657)
Buildings and Improvements	(5,603,417)	(255,765)	0	(5,859,182)
Machinery and Equipment	(37,628,372)	(1,481,498)	26,424	(39,083,446)
Total Depreciation	<u>(\$43,665,179)</u>	<u>(\$1,783,530)</u>	<u>\$26,424</u>	<u>(\$45,422,285)</u>
<b><i>Net Value:</i></b>	<u>\$28,319,271</u>			<u>\$27,701,906</u>

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*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS**

*Net Pension Liability*

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City’s obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in accrued payroll on both the accrual and modified accrual bases of accounting.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS’ fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

Final average Salary (FAS) represents the average of the three highest years of earnings over a member’s career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member’s career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<b>State and Local</b>
<b>2017 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
<b>2017 Actual Contribution Rates</b>	
Employer:	
Pension	13.0 %
Post-employment Health Care Benefits	1.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$876,533 for 2017.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

*Plan Description – Ohio Police & Fire Pension Fund (OPF)*

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF 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. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

**CITY OF XENIA, OHIO**

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police	Firefighters
<b>2017 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2017 through December 31, 2017	12.25 %	12.25 %
<b>2017 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee:		
January 1, 2017 through December 31, 2017	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$1,395,238 for 2017.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension liability was measured as of December 31, 2016, and was determined by rolling forward the total pension liability as of January 1, 2016, to December 31, 2016. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS	OP&F	Total
Proportionate Share of the Net Pension Liability	\$12,697,822	\$19,368,247	\$32,066,069
Proportion of the Net Pension Liability-2017	0.055917%	0.305787%	
Proportion of the Net Pension Liability-2016	0.055075%	0.307138%	
Percentage Change	0.000842%	(0.001351%)	
Pension Expense	\$2,912,788	\$2,043,001	\$4,955,789

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$17,212	\$5,479	\$22,691
Changes of assumptions	2,014,027	0	2,014,027
Net difference between projected and actual earnings on pension plan investments	1,890,998	1,883,476	3,774,474
Change in Proportionate Share	0	438,059	438,059
City contributions subsequent to the measurement date	876,533	1,395,238	2,271,771
Total Deferred Outflows of Resources	<u>\$4,798,770</u>	<u>\$3,722,252</u>	<u>\$8,521,022</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$75,569	\$44,596	\$120,165
Change in Proportionate Share	95,954	163,503	259,457
Total Deferred Inflows of Resources	<u>\$171,523</u>	<u>\$208,099</u>	<u>\$379,622</u>

\$2,271,771 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Year Ending December 31:			
2018	1,532,256	777,597	2,309,853
2019	1,604,707	777,597	2,382,304
2020	669,181	606,913	1,276,094
2021	(55,430)	(65,515)	(120,945)
2022	0	20,986	20,986
2023	0	1,337	1,337
Total	<u>\$3,750,714</u>	<u>\$2,118,915</u>	<u>\$5,869,629</u>

**Actuarial Assumptions - OPERS**

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2016, using the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2016, the Board's actuarial consultants conducted an experience study for the period 2011 through 2015, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0% down to 7.5%, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Cost-of-Living Adjustments:	
Pre 1/7/2013 Retirees	3.00% Simple,
Post 1/7/2013 Retirees	3.00% Simple,
Through 2018, then	2.15%, Simple,
Investment Rate of Return	7.5 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates are based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS previously managed investments in four investment portfolios: the Defined Benefit portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 8.3% for 2016.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a longterm objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00 %	2.75 %
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other investments	18.00	4.92
Total	<u>100.00 %</u>	<u>5.66 %</u>

***Discount Rate*** The discount rate used to measure the total pension liability was 7.5 percent, post-experience study results, for the Traditional Pension Plan, Combined Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. A reduction in discount rate from 8% to 7.5% was adopted by the OPERS board in October of 2016 and significantly affected the City’s net pension liability reported in 2017 in comparison to that reported in the previous year.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

***Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*** The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
City's proportionate share of the net pension liability	\$19,401,551	\$12,697,822	\$7,056,177

**Ohio Public Employees Retirement System Changes in Benefit Terms and Assumptions**

There were no recent significant changes of benefit terms, investment policies, the size or composition of the population covered by the benefit terms impacting the actuarial valuation study for the year ended December 31, 2016.

In 2016, a five-year experience study was completed on the period January 1, 2011 through December 31, 2015. The Board adopted changes to both the demographic and economic assumptions as a result of the study. The most notable change in demographic assumptions is an increased life expectancy of the members and the most notable change in economic assumptions is the reduction in the actuarially assumed rate of return from 8.00% down to 7.50% for the defined benefit investments. The new assumptions are included in the 2016 actuarial valuation.

In 2016, OPERS, in conjunction with the Board’s investment consultants, also completed an asset liability study. Periodically, the System engages in a more comprehensive study that examines the nature of the pension liabilities we will ultimately pay and the characteristics of the asset allocation projections and the associated level of risk. As a result of this study, OPERS modified the asset allocation slightly, but not substantively.

***Actuarial Assumptions – OPF***

OPF’s total pension liability as of December 31, 2016 is based on the results of an actuarial valuation date of January 1, 2016, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation are presented below:

Valuation Date	January 1, 2016, with actual liabilities rolled forward to December 31, 2016
Experience Study	5 year period ending December 31, 2011
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumptions	
Investment Rate of Return	8.25%
Wage Inflation	3.25% plus productivity increase rate of .50%
Projected Salary Increases	4.25% to 11.00%
Cost of Living Adjustments	3.00% Simple; 2.60% simple for increases based on the lesser of the increase in CPI and 3.00%

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study of five years was completed in 2017 for the period 2012-2016.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2016 are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return **	30 Year Expected Real Rate of Return **
Cash and Cash Equivalents	0.00%	0.00%	0.00%
Domestic Equity	16.00%	4.46%	5.21%
Non-US Equity	16.00%	4.66%	5.40%
Core Fixed Income *	20.00%	1.67%	2.37%
Global Inflation Protected *	20.00%	0.49%	2.33%
High Yield	15.00%	3.33%	4.48%
Real Estate	12.00%	4.71%	5.65%
Private Markets	8.00%	7.31%	7.99%
Timber	5.00%	6.87%	6.87%
Master Limited Partnerships	8.00%	6.92%	7.36%
<b>Total</b>	<b>120.00%</b>		

\* levered 2x

\*\* numbers are net of expected inflation

Note: Assumptions are geometric

OPF’s Board of Trustees has incorporated the “risk parity” concept into OPF’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease 7.25%	Current Discount Rate 8.25%	1% Increase 9.25%
City's proportionate share of the net pension liability	\$25,796,207	\$19,368,247	\$13,920,460

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

**Ohio Police and Fire Pension Fund Changes in Benefit Terms and Assumptions**

In October 2017, the OP&F Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of January 1, 2017. The most significant change is a reduction in the discount rate from 8.25 percent to 8 percent. Although the exact amount of these changes is not known, it has the potential to impact the City's net pension liability.

**NOTE 10 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System ("OPERS")**

Plan Description – 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 health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. This trust is also used to fund health care for Member-Directed Plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, Member-Directed Plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 20 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 is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage 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 2017, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)**

**A. Ohio Public Employees Retirement System (“OPERS”) (Continued)**

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 1.0% during calendar year 2017. As recommended by OPERS’ actuary, the portion of employer contributions allocated to health care beginning January 1, 2018 decreased to 0.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the RMA for participants in the Member-Directed Plan for 2017 was 4.0%.

The City's contributions for health care to the OPERS for the years ending December 31, 2017, 2016, and 2015 were \$146,089, \$147,598, and \$147,749, respectively, which were equal to the required contributions for each year.

**B. Ohio Police and Fire Pension Fund (“OP&F”)**

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care 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 health care 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 health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F’s website at [www.op-f.org](http://www.op-f.org).

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. 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 ORC states that the employer contribution may not exceed 19.5% of 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.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 10 - POSTEMPLOYMENT BENEFITS (Continued)**

**B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)**

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an 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 the Section 401(h) account as the employer contribution for retiree health care benefits. For 2017, the portion of employer contributions allocated to health care was 0.5% of covered payroll for both police officers and firefighters. The amount of employer contributions allocated to the health care 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 health care 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.

The City's contributions for health care to the OP&F for the years ending December 31, 2017, 2016, and 2015 were \$16,901, \$17,091, and \$16,638 for police and \$16,021, \$15,791, and \$14,600 for firefighters, respectively, which were equal to the required contributions for each year.

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**CITY OF XENIA, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017**

**NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS**

Long-term debt and other long-term obligations of the City at December 31, 2017 were as follows:

			Balance December 31, 2016	Additions	(Reductions)	Balance December 31, 2017	Due Within One Year
<b>Business-Type Activities:</b>							
Loans Payable:							
2.79%	Sewer Loan Payable	1999	\$1,663,467	\$0	(\$458,932)	\$1,204,535	\$471,826
3.25%	Sewer Loan Payable	2010	1,364,780	0	(82,001)	1,282,779	84,688
2.80%	Sewer Loan Payable	2012	1,287,273	0	(64,777)	1,222,496	66,603
	Total Loans Payable		<u>4,315,520</u>	<u>0</u>	<u>(605,710)</u>	<u>3,709,810</u>	<u>623,117</u>
2.16%	G.O. Bond Payable		63,355	0	(12,134)	51,221	12,398
Net Pension Liability:							
	Ohio Public Employees Retirement System		4,104,332	1,282,211	0	5,386,543	0
	Ohio Police and Fire Pension System		177,676	0	(2,124)	175,552	0
	Total Net Pension Liability		<u>4,282,008</u>	<u>1,282,211</u>	<u>(2,124)</u>	<u>5,562,095</u>	<u>0</u>
	Capital Leases		857,187	0	(127,516)	729,671	133,294
	Landfill Liability		417,222	1,684,657	(306,909)	1,794,970	262,735
	Compensated Absences		590,471	678,796	(590,471)	678,796	44,551
	<b>Total Business Type Activities</b>		<u>\$10,525,763</u>	<u>\$3,645,664</u>	<u>(\$1,644,864)</u>	<u>\$12,526,563</u>	<u>\$1,076,095</u>
<b>Governmental Activities Long-Term Debt:</b>							
2.00- 3.10%	G.O. Bond Payable	2010	\$400,000	\$0	-\$100,000	\$300,000	\$100,000
2.16%	G.O. Bond Payable	2011	502,308	0	-96,214	406,094	98,293
2.00 - 4.00%	G.O. Bond Payable	2015	7,395,000	0	-270,000	7,125,000	275,000
2.49%	Park Imp. Bonds	2016	950,000	0	-100,000	850,000	100,000
2.31%	REACH Project Bond	2017	0	1,025,000	0	1,025,000	90,000
	Premium on G.O. Bond Payable	2015	379,717	0	-16,510	363,207	16,510
	Total G.O. Bonds Payable		<u>9,627,025</u>	<u>1,025,000</u>	<u>-582,724</u>	<u>10,069,301</u>	<u>679,803</u>
	Local Government Innovation Fund	2013	80,000	0	-10,000	70,000	10,000
Net Pension Liability:							
	Ohio Public Employees Retirement System		5,435,311	1,875,969	0	7,311,280	0
	Ohio Police and Fire Pension System		19,580,714	0	-388,020	19,192,694	0
	Total Net Pension Liability		<u>25,016,025</u>	<u>1,875,969</u>	<u>-388,020</u>	<u>26,503,974</u>	<u>0</u>
	Capital Leases Payable		1,186,674	0	-293,644	893,030	298,667
	Compensated Absences		1,908,270	2,125,207	-1,908,270	2,125,207	123,973
	<b>Total Governmental Activities</b>		<u>\$37,817,994</u>	<u>\$5,026,176</u>	<u>-\$3,182,658</u>	<u>\$39,661,512</u>	<u>\$1,112,443</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

**NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

**A. Principal and Interest Requirements**

Principal and Interest requirements to retire long-term obligations outstanding at December 31, 2017 are as follows:

Years	General Obligation Bond		Sewer Loans Payable		LGIF
	Principal	Interest	Principal	Interest	Principal
2018	\$675,691	\$303,614	\$623,117	\$105,113	\$10,000
2019	\$683,081	\$288,992	\$641,025	\$87,205	\$10,000
2020	\$690,523	\$273,245	\$408,368	\$68,780	\$10,000
2021	\$608,020	\$258,867	\$165,685	\$60,381	\$10,000
2022	\$495,000	\$245,682	\$170,782	\$55,283	\$10,000
2023-2027	\$2,315,000	\$1,021,376	\$936,074	\$194,253	\$20,000
2028-2032	\$1,550,000	\$697,550	\$764,759	\$51,330	\$0
2033-2037	\$1,885,000	\$363,300	\$0	\$0	\$0
2038-2042	\$855,000	\$45,150	\$0	\$0	\$0
Totals	<u>\$9,757,315</u>	<u>\$3,497,776</u>	<u>\$3,709,810</u>	<u>\$622,345</u>	<u>\$70,000</u>

**B. General Obligation Bond**

In 2000, the City issued \$1,400,000 of general obligations bonds to fund street improvements in our Industrial park and to pay off its unfunded police and fire pension liability. The City received a discount from the Police and Fire Pension Fund for paying off the unfunded police and fire pension obligation. The City had an option to call in the bonds after June 1<sup>st</sup> of 2010 and after carefully evaluating the options decided to do so. The City then in a refunding issued \$920,000 of new bonds at a lower rate for a 10-year period. The bonds mature at different times and rates. It is estimated that the debt refinance will save the City approximately \$113,000 over the 10-year period. In 2011, the City issued additional general obligation bonds in the amount of \$1,074,000. In this instance the bonds were privately placed with PNC bank rather than publicly offered. These bonds were issued for the purpose of making improvements to infrastructure at the City's feature park, and to purchase backup generators for City Hall and the Public Service Center.

In 2015, the City issued additional general obligation bonds in the amount of \$8,000,000. This was a public offering, for which the proceeds of the bonds were to be used in the construction of a new City Administration Building, as well as rehab the current City Hall into a Justice Center. In 2016, the City issued additional general obligation bonds in the amount of \$1,000,000. This issuance was a privately placed with Huntington bank. These bonds were issued for the purpose of making improvements to a number of the City's parks. In 2017 the City issued bonds in the amount of \$1,025,000 which were privately placed with Branch Banking and Trust Company (BB&T) Bank. The City used the bond proceeds to lease a portion of a new multiuse facility which will house a new YMCA, a new Senior and Adult Recreation Center, and facilities for Clark State and Central State Universities. The City entered into a lease agreement with the YMCA who will own the new facility for rights to certain space. The City then will sub-lease that space to the Senior and Adult recreation center.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

**NOTE 11 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

**C. Sewer Loans Payable**

The City has three loans outstanding with the Ohio Water Development Authority. The loans were used to make improvements at each of the City's two wastewater treatment plants. One

loan funded improvements made in 2001 while the more recent improvements began in 2010 and were completed in 2013.

**D. Local Government Innovation Fund**

In 2013 the City of Xenia acquired a zero interest loan from the State of Ohio as a part of a collaborative agreement with three other local government entities. The loan proceeds were to be used to fund a portion of a capital project to upgrade the dispatch center's radio system. The total loan amount was \$400,000, each entity receiving \$100,000. The loan will be repaid over a ten year period.

**NOTE 12 – LEASES**

**A. Capital Leases**

Under capital leases the City has leases for a fire pumper, communication center upgrades including radios and consoles, automated meter reading upgrades, information technology infrastructure, a 2016 medic unit, and a 2014 medic unit. The cost of these capital leases are related to Governmental Activities capital assets with the exception of the automated meter reading project which can be attributed to the Business Activities. The related liabilities are included in amounts due within one year and amounts due in more than one year. The original cost of the assets acquired under capital lease was \$3,648,577 and the book value at December 31, 2017 was \$2,197,024.18. The following is a schedule of future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of December 31, 2017:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>
2018	\$312,668	\$164,515
2019	312,667	164,516
2020	294,568	164,516
2021	0	164,516
2022	<u>0</u>	<u>164,516</u>
Minimum Lease Payments	919,903	822,579
Less amount representing interest at the City's incremental borrowing rate of interest	<u>-26,873</u>	<u>-92,908</u>
Present value of minimum lease payments	<u><u>\$893,030</u></u>	<u><u>\$729,671</u></u>

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 12 – LEASES (Continued)**

**B. Operating Leases**

The City leases office space, machinery and equipment, and janitorial and cleaning services under operating agreements that expire at various dates through 2021. Payments on operating leases were \$30,629.60 during 2017. The following is a schedule of future minimum rental payments of non-cancellable operating leases:

<u>Year Ending December 31,</u>	<u>Amount</u>
2018	\$41,223.00
2019	\$29,338.00
2020	\$26,204.00
2021	\$10,225.00

**NOTE 13 - SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

In 1991, the City stopped accepting waste at the City of Xenia Landfill. EPA required the City to place a final cover on the landfill site as well as perform certain maintenance and monitoring functions at the site for thirty years after closure. For the year ended December 31, 2017 the City re-evaluated the outstanding liability related to post closure care costs. The revaluation was conducted as the EPA issued findings and orders related to gas migration at the site. The City's new estimated accrued liability (per GASB 18) for post-closure costs related to the closed City landfill is \$1,794,970.00. These costs are funded by a component of the city Sanitation rate. The estimated costs of postclosure care are subject to changes corresponding to the effects of inflation, revision of laws and other variables.

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 14 – COMMITMENTS**

**A. Contractual Commitments**

As of December 31, 2017, the City had the following commitments with respect to capital projects:

<u>Project:</u>	<u>Commitment Amount</u>
US 42/E. Church Intersection Improvements	\$50,286.77
Construction of new interview room including camera's/locks	7,548.77
XPD Security System	17,380.93
Fire Apparatus repair / Rebuild outriggers Ladder 31	15,000.00
Design/Modifications to City Hall Bldgs	10,862.19
Design/Modifications to City Hall Bldgs	34,943.39
City Admin Bldg Const Retainer	66,016.05
US 42/E. Church Intersection Improvements	53,402.54
S. Progress Dr. Improvements	129,024.48
Downtown Safety Project construction (ODOT PID 101212)	1,351,200.90
S. Progress Dr Improvements	366,964.52
Roof Repairs Station 1/2	8,500.00
XMC/Law Security System	8,319.72
Admin Bldg Security System	26,059.48
Design/Modifications to City Hall Bldgs	12,592.80
scada maint/updates	8,695.00
ACID motor & pump replacement	17,634.00
Design/Modifications to City Hall Bldgs	12,592.80
Painting of Clarifiers	91,000.00
Concrete Tank Repair	103,640.00
24" Sluice Gate Valve	9,091.00
sewer slip lining	22,076.76
submersible pump	5,805.00
Painting of Clarifiers	91,000.00
2nd court room audio system	21,447.87
Microwave Link Project	36,672.46
Access Control and Surveillance Systems at the Fire Stations	48,827.53

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS**

**Xenia Township – City of Xenia JEDD-1 Joint Economic Development District**

In 2010, an Economic Development District was created when the City of Xenia and Xenia Township entered into an agreement to create the JEDD, its purpose being to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the District. The district is comprised of two parcels owned by the Xenia Community School District. The Board is comprised of five members: one member being appointed by the City, one member appointed by the Township, one member appointed by the school district, one member representing those who work in the district, and one member appointed by the other four members.

The board was granted the authority to adopt a resolution to levy an income tax with the district in accordance with ORC 715.74. The City entered into an agreement with the board to collect the income tax. The City distributes semi-annually income tax revenue generated from the payroll of Xenia Community schools or contractual services for construction or repair of buildings. Income tax revenues

distributed to the JEDD Board, the Township, and the City are to be used to encourage and support the operations of the District, the Township, or the City, including, but not limited to, general governmental services, maintaining and improving infrastructure facilities, providing safety and health services, providing urban and economic development planning, engineering, counseling, consulting, marketing and financing services, and generally improving the environment for those working and residing in the District, the Township, or the City. Financial information can be obtained from JEDD-1 Treasurer Ryan K Duke, 107 E. Main Street, Xenia, Ohio 45385.

**Miami Valley Regional Planning Commission**

The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami, and Montgomery counties, and various cities residing within these counties. 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 recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses that 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 member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Payments to the Commission are made from the General Fund. The City contributed \$11,831 for the operation of the Commission during 2017. Financial information may be obtained by writing to Brian O. Martin, Executive Director, 10 N Ludlow Street, Suite 700, Dayton, Ohio 45402.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS (Continued)**

**Greene County Agencies for Combined Enforcement (ACE Task Force)**

The Greene County Agencies for Combined Enforcement (ACE Task Force) is a jointly governed organization comprised of the Greene County Sheriff's Office; the Beavercreek, Fairborn, Xenia, Yellow Springs and Sugarcreek Township Police Departments; and Greene County Prosecutor's Office. The ACE Task Force is a multi-jurisdictional, multi-disciplinary partnership to share information and resources in order to target the flow of illegal drugs and organized criminal activity into Ohio communities, ensuring the safety and security of Ohio's citizens. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. Payments to the Task Force are

made from the Law Enforcement Fund. The City contributed \$10,500 during 2017. Financial information can be obtained from Greene County Agencies for Combined Enforcement (ACE Task Force), Commander Scott J. Anger, 120 E. Main Street, Xenia, Ohio 45385.

**NOTE 16 - RISK MANAGEMENT**

The City of Xenia is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the City of Xenia participates in the Public Entities Pool of Ohio "PEP" (See Note 18) that provides property and liability coverage to public entities in the state of Ohio. There were no significant reductions in insurance coverage in any category of risk over the prior year. The amount of any settlements has not exceeded insurance coverage over the past three years.

The City is also exposed to a risk of loss related to employee health care costs. The City is self-insured for employee health care benefits. The program is administered by United Health Care, Inc., which provides claims review, processing services and maintains its own provider network. The self-insurance program is accounted for in the Self-Insurance Fund, which is an internal service fund. The City has recorded a liability for incurred by unreported claims at year end based on a Claim Lag Study Report by United Health Care, Inc. The City has purchased stop-loss insurance coverage with a specific deductible of \$100,000 per insured individual, with a plan aggregate limit of \$1,000,000, to limit the City's liability. The liability for unpaid health care claims after December 31, 2017 was \$180,377.

**NOTE 17 - CONTINGENCIES**

The City is defendant in various court actions, but it is either covered by insurance or the amount involved is not material in relation to the financial statements.

The City participates in several federally assisted programs (principally Community Development Block Grants and Urban Development Action Grants) which are subject to program compliance audits by the grantors or their representatives. The grantor agencies, at their option, may perform economy and efficiency audits, program results audits or conduct monitoring visits. Such audits and visits could lead to reimbursement to the grantor agencies. Management believes such reimbursements, if any, would not be material.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017***

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**NOTE 18 – PUBLIC ENTITIES POOL OF OHIO**

PEP is a local government risk pool that offers comprehensive liability and property coverages specifically tailored to meet the needs of Ohio public entities and provides an alternative to traditional insurance. PEP differs philosophically from traditional insurance programs in that PEP is owned by its members and serves only its members' interest. PEP is endorsed by the Association of Ohio Health Commissioners and the Ohio Parks and Recreation Association.

PEP is governed by a seven-member board elected by the members of PEP. The City pays annual premiums for the coverage it is provided based on rates established by PEP. Financial information may be obtained by writing to the Public Entities Pool of Ohio, 229 Riverside Drive, Dayton, Ohio 45402.

Changes in claims activity for employee health care benefits for 2017 is as follows:

Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
\$79,517	\$941,816	\$840,956	\$180,377

**NOTE 19 - SUBSEQUENT EVENTS**

On May 10, 2018 City Council authorized rehabilitation and painting of the West Second Street and Patton Street Water Towers. To facilitate this work, financing in the amount of \$1,066,662 will be secured via capital lease from U.S. Bank.

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*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2017*

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**NOTE 20 – IMPLEMENTATION OF NEW AACCOUNTING PRINCIPLES**

For the year ended December 31, 2017, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 80, “*Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*”, GASB Statement No. 81 “*Irrevocable Split Interest Agreements*”, and GASB Statement No. 82, “*Pension Issues – An Amendment of GASB Statements No. 67, No. 68 and No. 73*”.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of the Statement No. 39, “*Determining Whether Certain Organizations Are Component Units*”. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the City.

GASB Statement No. 81 improves accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the City.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by the employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the City.

**CITY OF XENIA, OHIO**

*Schedule of City's Proportionate Share of the Net Pension Liability  
Last Four Years*

**Ohio Public Employees Retirement System**

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City's proportion of the net pension liability (asset)	0.054554%	0.054554%	0.055075%	0.055917%
City's proportionate share of the net pension liability (asset)	\$6,431,206	\$6,579,822	\$9,539,641	\$12,697,822
City's covered-employee payroll	\$6,880,346	\$6,687,167	\$6,854,608	\$7,379,908
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	93.47%	98.39%	139.17%	172.06%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

**Ohio Police and Fire Pension Fund**

Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City's proportion of the net pension liability (asset)	0.3134450%	0.3134450%	0.307138%	0.305787%
City's proportionate share of the net pension liability (asset)	\$15,265,754	\$16,237,757	\$19,758,392	\$19,368,247
City's covered-employee payroll	\$6,836,505	\$6,433,998	\$6,562,778	\$7,324,395
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	223.30%	252.37%	301.07%	264.43%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.

Information prior to 2014 is not available.

The schedule is reported as of the measurement date of the Net Pension Liability.

See accompanying notes to the required supplementary information



**CITY OF XENIA, OHIO**

*Schedule of City Contributions  
Last Five Years*

**Ohio Public Employees Retirement System**

Year	2013	2014	2015	2016	2017
Contractually required contribution	\$894,445	\$802,460	\$822,553	\$885,589	\$876,533
Contributions in relation to the contractually required contribution	894,445	802,460	822,553	885,589	876,533
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0
City's covered-employee payroll	\$6,880,346	\$6,687,167	\$6,854,608	\$7,379,908	\$7,304,442
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%	12.00%	12.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

**Ohio Police and Fire Pension Fund**

Year	2013	2014	2015	2016	2017
Contractually required contribution	\$1,167,675	\$1,309,962	\$1,318,462	\$1,391,635	\$1,395,238
Contributions in relation to the contractually required contribution	1,167,675	1,309,962	1,318,462	1,391,635	1,395,238
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0
City's covered-employee payroll	\$6,836,505	\$6,433,998	\$6,562,778	\$7,324,395	\$6,584,452
Contributions as a percentage of covered-employee payroll	17.08%	20.36%	20.09%	19.00%	21.19%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 68 in 2015.  
Information prior to 2013 is not available.

See accompanying notes to the required supplementary information

*Notes to the Required Supplementary Information  
For the Year Ended December 31, 2017*

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**Note 1 – Pension Plans**

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**Ohio Police and Fire Pension Fund Changes in Benefit Terms and Assumptions**

There were no changes in benefit terms from the amounts reported for 2014-2017. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. See notes to the basic financial statements for the methods and assumptions in this calculation.

**Ohio Public Employees Retirement System Changes in Benefit Terms and Assumptions**

There were no recent significant changes of benefit terms, investment policies, the size or composition of the population covered by the benefit terms impacting the actuarial valuation study for the year ended December 31, 2016.

In 2016, a five-year experience study was completed on the period January 1, 2011 through December 31, 2015. The Board adopted changes to both the demographic and economic assumptions as a result of the study. The most notable change in demographic assumptions is an increased life expectancy of the members and the most notable change in economic assumptions is the reduction in the actuarially assumed rate of return from 8.00% down to 7.50% for the defined benefit investments. The new assumptions are included in the 2016 actuarial valuation.

In 2016, OPERS, in conjunction with the Board's investment consultants, also completed an asset liability study. Periodically, the System engages in a more comprehensive study that examines the nature of the pension liabilities we will ultimately pay and the characteristics of the asset allocation projections and the associated level of risk. As a result of this study, OPERS modified the asset allocation slightly, but not substantively.

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**C**OMBINING AND **I**NDIVIDUAL **F**UND  
**S**TATEMENTS AND **S**CHEDULES

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**T**HE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, NONMAJOR ENTERPRISE FUNDS, INTERNAL SERVICE FUNDS, AND FIDUCIARY FUNDS.

*Nonmajor Governmental Funds*

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***Special Revenue Funds***

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These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted or committed to expenditures for specified purposes.

**Indigent Driver Alcohol Treatment Fund**

To account for fine monies collected under DUI and driving under license suspension offenses cited under state law. The purpose of the fund is to provide funding for an indigent driver treatment program.

**Law Enforcement and Education Fund**

To account for fine monies collected under DUI offenses cited under state law. The purpose of the fund is to fund costs incurred while enforcing DUI laws and educate the public concerning DUI.

**Probation Services Fund**

To account for grant dollars received and fines and fees collected for probation service functions. Uses are restricted for community based corrections programs.

**State Route Repair Fund**

To account for the portion of gasoline tax and motor vehicle license fees required by state law to be used for maintenance of state highways within the City.

**City Motor Vehicle License Tax Fund**

To account for specific local street repairs approved by the City and funded by the permissive municipal motor vehicle license tax.

**County Motor Vehicle License Tax Fund**

To account for specific major street repairs approved by Greene County, Ohio and funded by the permissive County motor vehicle license tax.

**Special Miscellaneous Improvements Fund**

To account for revenues from lease of the Xenia Towne Square. Uses are restricted by local ordinance for permanent improvements.

**Tax Increment Equivalent Fund**

To account for state payments in lieu of property taxes in the Urban Renewal Zone (Xenia Towne Square). Uses are restricted by state law and local ordinance for improvements other than those directly benefiting the Urban Renewal zone.

(Continued)

***Special Revenue Funds***

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**911 Fund**

To account for 911 surcharges related to wireless communications. Uses are restricted by state law to design, upgrade, purchase, lease, program, install, test, or maintain various aspects of the communication center.

**Law Enforcement Fund**

To account for the proceeds from sales of contraband seized during arrests on felony charges. To be used for law enforcement functions.

**Drug Law Enforcement Fund**

To account for proceeds of drug offenses, fines, and bond forfeitures. To be used for law enforcement functions.

**Municipal Court Victim Fund**

To account for revenues and expenditures related to the special fee assessed and collected by the Court to provide funding for the Victim Advocate Program for Xenia Municipal Court.

***Debt Service Fund***

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**General Obligation Bond Payment Fund**

To account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

**2015 General Obligation Bond Retirement Fund**

To account for the accumulation of resources and payment of general obligation bond principal and interest for the 2015 City Administration Building construction and the Justice Center remodel. This fund was established during 2015.

***Capital Projects Funds***

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The Capital Projects Funds are used to account for the financial resources restricted for use for the acquisition or construction of major capital facilities other than those financed by proprietary or trust funds.

**Municipal Court Capital Improvements Fund**

To account for financial resources to be used for the acquisition or construction of major capital facilities or equipment associated with the Municipal Court. This fund was established during 1991.

**Issue II Fund**

To account for revenues and expenditures related to Issue II money, which is used for infrastructure projects funded and approved by the State of Ohio Public Works Commission. This fund was established during 1989.

**Police/Fire Capital Improvement Fund**

To account for financial resources to be used for the acquisition or construction of major capital facilities or equipment associated with the Public Safety. This fund was established during 2015.

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**CITY OF XENIA, OHIO**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and cash equivalents	\$ 471,003	\$ 25,641	\$ 350,111	\$ 846,755
Investments	1,325,301	72,164	985,133	2,382,598
Receivables:				
Taxes, including interest, penalties and liens	0	67,433	0	67,433
Intergovernmental	484,530	9,472	0	494,002
Accounts	19,668	0	0	19,668
Accrued interest	2,752	175	2,172	5,099
Grants	58,515	0	0	58,515
Prepaid items	49,513	0	0	49,513
<b>Total Assets</b>	<b>\$ 2,411,282</b>	<b>\$ 174,885</b>	<b>\$ 1,337,416</b>	<b>\$ 3,923,583</b>
<b>Liabilities:</b>				
Accounts payable	\$ 43,339	\$ 0	\$ 9,891	53,230
Accrued payroll	35,469	0	989	36,458
<b>Total Liabilities</b>	<b>78,808</b>	<b>0</b>	<b>10,880</b>	<b>89,688</b>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for the Next Fiscal Year	0	64,775	0	64,775
Delinquent Property Tax Revenue Unavailable	0	2,658	0	2,658
Unavailable Revenue - Other	438,125	9,546	916	448,587
<b>Total Deferred Inflows of Resources</b>	<b>438,125</b>	<b>76,979</b>	<b>916</b>	<b>516,020</b>
<b>Fund Balances:</b>				
Nonspendable Fund balance				
Prepaid items	49,513	0	0	49,513
Restricted Fund Balance	1,554,565	97,906	1,325,620	2,978,091
Committed Fund Balance	290,271	0	0	290,271
<b>Total Fund Balances</b>	<b>1,894,349</b>	<b>97,906</b>	<b>1,325,620</b>	<b>3,317,875</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 2,411,282</b>	<b>\$ 174,885</b>	<b>\$ 1,337,416</b>	<b>\$ 3,923,583</b>



**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Other local taxes	\$ 8,383	\$ 63,324	\$ 0	\$ 71,707
State shared taxes and permits	412,789	14,084	0	426,873
Intergovernmental grants	290,775	0	49,898	340,673
Charges for services	4,733	0	0	4,733
Fines, costs, forfeitures, licenses and permits	289,101	0	87,155	376,256
Miscellaneous receipts and reimbursements, including interest	164,274	2,888	54,216	221,378
<b>Total Revenue</b>	<b>1,170,055</b>	<b>80,296</b>	<b>191,269</b>	<b>1,441,620</b>
<b>Expenditures:</b>				
Current:				
General government	766,433	0	15,438	781,871
Public safety	164,661	230	0	164,891
Highways and streets	144,976	228	0	145,204
Urban redevelopment & Housing	12,150	0	0	12,150
Economic Development & Assistance	21,741	0	0	21,741
Capital outlay	490,358	0	419,163	909,521
Debt service:				
Principal retirement	32,500	337,500	280,339	650,339
Interest & fiscal charges	3,437	255,138	19,033	277,608
<b>Total Expenditures</b>	<b>1,636,256</b>	<b>593,096</b>	<b>733,973</b>	<b>2,963,325</b>
Excess (deficiency) of revenues over expenditures	(466,201)	(512,800)	(542,704)	(1,521,705)
<b>Other financing sources (uses):</b>				
Transfers in	396,000	518,001	838,321	1,752,322
<b>Total other financing sources (uses)</b>	<b>396,000</b>	<b>518,001</b>	<b>838,321</b>	<b>1,752,322</b>
Net change in fund balances	(70,201)	5,201	295,617	230,617
<b>Fund Balances at Beginning of Year</b>	<b>1,964,550</b>	<b>92,705</b>	<b>1,030,003</b>	<b>3,087,258</b>
<b>Fund Balances End of Year</b>	<b>\$ 1,894,349</b>	<b>\$ 97,906</b>	<b>\$ 1,325,620</b>	<b>\$ 3,317,875</b>

**CITY OF XENIA, OHIO**

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2017**

	Indigent Driver Alcohol Treatment	Law Enforcement and Education	Probation Service Fund	State Route Repair	City Motor Vehicle License Tax
<b>Assets:</b>					
Cash and cash equivalents	\$ 48,599	\$ 3,312	\$ 19,953	\$ 46,589	\$ 39,568
Investments	136,744	9,314	56,135	131,091	111,328
Receivables:					
Intergovernmental	0	0	0	41,017	91,214
Accounts	0	0	0	0	0
Accrued interest	356	24	71	306	234
Grants	0	0	16,973	0	0
Prepaid items	31,500	0	0	0	0
<b>Total Assets</b>	<b>\$ 217,199</b>	<b>\$ 12,650</b>	<b>\$ 93,132</b>	<b>\$ 219,003</b>	<b>\$ 242,344</b>
<b>Liabilities:</b>					
Accounts payable	\$ 2,650	\$ 150	\$ 4,816	\$ 875	\$ 9,217
Accrued payroll	0	0	18,734	1,383	0
<b>Total Liabilities</b>	<b>2,650</b>	<b>150</b>	<b>23,550</b>	<b>2,258</b>	<b>9,217</b>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Other	150	10	30	25,652	59,242
<b>Total Deferred Inflows of Resources</b>	<b>150</b>	<b>10</b>	<b>30</b>	<b>25,652</b>	<b>59,242</b>
<b>Fund Balances:</b>					
Nonspendable Fund Balance					
Prepaid items	31,500	0	0	0	0
Restricted Fund Balance	182,899	12,490	69,552	191,093	173,885
Committed Fund Balance	0	0	0	0	0
<b>Total Fund Balances</b>	<b>214,399</b>	<b>12,490</b>	<b>69,552</b>	<b>191,093</b>	<b>173,885</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 217,199</b>	<b>\$ 12,650</b>	<b>\$ 93,132</b>	<b>\$ 219,003</b>	<b>\$ 242,344</b>

**CITY OF XENIA, OHIO**

County Motor Vehicle License Tax	Special Miscellaneous Improvements	Tax Increment Equivalent	911 Fund	Law Enforcement	Drug Law Enforcement	Municipal Court Victim	Nonmajor Special Revenue Funds
\$ 7,083	\$ 78,017	\$ 8,727	\$ 128,532	\$ 77,851	\$ 10,165	\$ 2,607	\$ 471,003
19,929	219,538	24,559	361,669	219,067	28,599	7,328	1,325,301
352,299	0	0	0	0	0	0	484,530
0	0	0	19,668	0	0	0	19,668
50	0	0	878	757	69	7	2,752
0	0	0	0	0	0	41,542	58,515
0	0	5,245	470	10,500	0	1,798	49,513
<u>\$ 379,361</u>	<u>\$ 297,555</u>	<u>\$ 38,531</u>	<u>\$ 511,217</u>	<u>\$ 308,175</u>	<u>\$ 38,833</u>	<u>\$ 53,282</u>	<u>\$ 2,411,282</u>
\$ 0	\$ 6,905	\$ 8,505	\$ 159	\$ 7,604	\$ 0	\$ 2,458	\$ 43,339
0	379	0	4,259	0	0	10,714	35,469
0	7,284	8,505	4,418	7,604	0	13,172	78,808
352,320	0	0	370	319	29	3	438,125
352,320	0	0	370	319	29	3	438,125
0	0	5,245	470	10,500	0	1,798	49,513
27,041	0	24,781	505,959	289,752	38,804	38,309	1,554,565
0	290,271	0	0	0	0	0	290,271
27,041	290,271	30,026	506,429	300,252	38,804	40,107	1,894,349
<u>\$ 379,361</u>	<u>\$ 297,555</u>	<u>\$ 38,531</u>	<u>\$ 511,217</u>	<u>\$ 308,175</u>	<u>\$ 38,833</u>	<u>\$ 53,282</u>	<u>\$ 2,411,282</u>

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Indigent Driver Alcohol Treatment	Law Enforcement and Education	Probation Service Fund	State Route Repair	City Motor Vehicle License Tax
<b>Revenues:</b>					
Other local taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State shared taxes and permits	0	0	0	77,866	174,980
Intergovernmental grants	0	0	92,073	0	0
Charges for services	0	0	4,733	0	0
Fines, costs, forfeitures, licenses and permits	47,361	705	52,074	0	0
Miscellaneous receipts and reimbursements, including interest	1,553	108	5,158	1,079	952
<b>Total Revenue</b>	<b>48,914</b>	<b>813</b>	<b>154,038</b>	<b>78,945</b>	<b>175,932</b>
<b>Expenditures:</b>					
Current:					
General government	63,030	0	418,798	0	0
Public safety	0	2,116	0	0	0
Highways and streets	0	0	0	39,563	52,323
Urban redevelopment & Housing	0	0	0	0	0
Economic Development & Assistance	0	0	0	0	0
Capital outlay	0	0	0	0	50,000
Debt service:					
Principal retirement	0	0	0	0	32,500
Interest & fiscal charges	0	0	0	0	3,437
<b>Total Expenditures</b>	<b>63,030</b>	<b>2,116</b>	<b>418,798</b>	<b>39,563</b>	<b>138,260</b>
Excess (deficiency) of revenues over expenditures	(14,116)	(1,303)	(264,760)	39,382	37,672
<b>Other financing sources (uses):</b>					
Transfers in	0	0	306,000	0	0
<b>Total other financing sources (uses)</b>	<b>0</b>	<b>0</b>	<b>306,000</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	(14,116)	(1,303)	41,240	39,382	37,672
<b>Fund Balances at Beginning of Year</b>	<b>228,515</b>	<b>13,793</b>	<b>28,312</b>	<b>151,711</b>	<b>136,213</b>
<b>Fund Balances End of Year</b>	<b>\$ 214,399</b>	<b>\$ 12,490</b>	<b>\$ 69,552</b>	<b>\$ 191,093</b>	<b>\$ 173,885</b>

**CITY OF XENIA, OHIO**

County Motor Vehicle License Tax	Special Miscellaneous Improvements	Tax Increment Equivalent	911 Fund	Law Enforcement	Drug Law Enforcement	Municipal Court Victim	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 8,383	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,383
159,943	0	0	0	0	0	0	412,789
0	0	0	0	19,190	0	179,512	290,775
0	0	0	0	0	0	0	4,733
0	0	0	158,573	0	1,225	29,163	289,101
186	99,755	0	33,605	18,684	275	2,919	164,274
160,129	99,755	8,383	192,178	37,874	1,500	211,594	1,170,055
0	0	538	0	0	0	284,067	766,433
0	0	0	132,128	30,417	0	0	164,661
0	44,685	8,405	0	0	0	0	144,976
0	12,150	0	0	0	0	0	12,150
0	0	21,741	0	0	0	0	21,741
159,943	0	0	35,308	245,107	0	0	490,358
0	0	0	0	0	0	0	32,500
0	0	0	0	0	0	0	3,437
159,943	56,835	30,684	167,436	275,524	0	284,067	1,636,256
186	42,920	(22,301)	24,742	(237,650)	1,500	(72,473)	(466,201)
0	0	0	0	0	0	90,000	396,000
0	0	0	0	0	0	90,000	396,000
186	42,920	(22,301)	24,742	(237,650)	1,500	17,527	(70,201)
26,855	247,351	52,327	481,687	537,902	37,304	22,580	1,964,550
<u>\$ 27,041</u>	<u>\$ 290,271</u>	<u>\$ 30,026</u>	<u>\$ 506,429</u>	<u>\$ 300,252</u>	<u>\$ 38,804</u>	<u>\$ 40,107</u>	<u>\$ 1,894,349</u>

**CITY OF XENIA, OHIO**

**COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
DECEMBER 31, 2017**

	General Obligation Bond Payment	2015 General Obligation Bond Retirement	Total Debt Service Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 24,815	\$ 826	\$ 25,641
Investments	69,829	2,335	72,164
Receivables:			
Taxes, including interest, penalties and liens	67,433	0	67,433
Intergovernmental	9,472	0	9,472
Accrued interest	171	4	175
<b>Total Assets</b>	<b>\$ 171,720</b>	<b>\$ 3,165</b>	<b>\$ 174,885</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	64,775	0	64,775
Delinquent Property Tax Revenue Unavailable	2,658	0	2,658
Unavailable Revenue - Other	9,544	2	9,546
<b>Total Deferred Inflows of Resources</b>	<b>76,977</b>	<b>2</b>	<b>76,979</b>
<b>Fund Balances:</b>			
Nonspendable Fund balance			
Restricted Fund Balance	94,743	3,163	97,906
<b>Total Fund Balances</b>	<b>94,743</b>	<b>3,163</b>	<b>97,906</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 171,720</b>	<b>\$ 3,165</b>	<b>\$ 174,885</b>

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	General Obligation Bond Payment	2015 General Obligation Bond Retirement	Total Debt Service Funds
<b>Revenues:</b>			
Other local taxes	\$ 63,324	\$ 0	\$ 63,324
State shared taxes and permits	14,084	0	14,084
Miscellaneous receipts and reimbursements, including interest	665	2,223	2,888
<b>Total Revenue</b>	<b>78,073</b>	<b>2,223</b>	<b>80,296</b>
<b>Expenditures:</b>			
Current:			
Public safety	230	0	230
Highways and streets	228	0	228
Debt service:			
Principal retirement	67,500	270,000	337,500
Interest & fiscal charges	7,138	248,000	255,138
<b>Total Expenditures</b>	<b>75,096</b>	<b>518,000</b>	<b>593,096</b>
Excess (deficiency) of revenues over expenditures	2,977	(515,777)	(512,800)
<b>Other financing sources (uses):</b>			
Transfers in	0	518,001	518,001
<b>Total other financing sources (uses)</b>	<b>0</b>	<b>518,001</b>	<b>518,001</b>
Net change in fund balances	2,977	2,224	5,201
<b>Fund Balances at Beginning of Year</b>	<b>91,766</b>	<b>939</b>	<b>92,705</b>
<b>Fund Balances End of Year</b>	<b>\$ 94,743</b>	<b>\$ 3,163</b>	<b>\$ 97,906</b>

**CITY OF XENIA, OHIO**

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2017**

	Municipal Court Capital Improvements	Issue II	Police/Fire Capital	Total Nonmajor Capital Projects Funds
<b>Assets:</b>				
Cash and cash equivalents	\$ 104,459	\$ 239	\$ 245,413	\$ 350,111
Investments	293,917	673	690,543	985,133
Receivables:				
Accrued interest	707	0	1,465	2,172
<b>Total Assets</b>	<u>\$ 399,083</u>	<u>\$ 912</u>	<u>\$ 937,421</u>	<u>\$ 1,337,416</u>
<b>Liabilities:</b>				
Accounts payable	\$ 4,874	\$ 0	\$ 5,017	9,891
Accrued Payroll	\$ 989	\$ 0	\$ 0	989
<b>Total Liabilities</b>	<u>5,863</u>	<u>0</u>	<u>5,017</u>	<u>10,880</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Other	298	0	618	916
<b>Total Deferred Inflows of Resources</b>	298	0	618	916
<b>Fund Balances:</b>				
Nonspendable Fund Balance				
Restricted Fund Balance	392,922	912	931,786	1,325,620
<b>Total Fund Balances</b>	<u>392,922</u>	<u>912</u>	<u>931,786</u>	<u>1,325,620</u>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<u>\$ 399,083</u>	<u>\$ 912</u>	<u>\$ 937,421</u>	<u>\$ 1,337,416</u>



**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Municipal Court Capital Improvements	Issue II	Police/Fire Capital	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>				
Intergovernmental grants	\$ 0	\$ 0	\$ 49,898	\$ 49,898
Fines, costs, forfeitures, licenses and permits	87,155	0	0	87,155
Miscellaneous receipts and reimbursements, including interest	3,071	0	51,145	54,216
<b>Total Revenue</b>	<u>90,226</u>	<u>0</u>	<u>101,043</u>	<u>191,269</u>
<b>Expenditures:</b>				
Current:				
General government	15,438	0	0	15,438
Capital outlay	64,501	3	354,659	419,163
Debt service:				
Principal retirement	0	0	280,339	280,339
Interest & fiscal charges	0	0	19,033	19,033
<b>Total Expenditures</b>	<u>79,939</u>	<u>3</u>	<u>654,031</u>	<u>733,973</u>
Excess (deficiency) of revenues over expenditures	10,287	(3)	(552,988)	(542,704)
<b>Other financing sources (uses):</b>				
Transfers in	0	0	838,321	838,321
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>838,321</u>	<u>838,321</u>
Net change in fund balances	10,287	(3)	285,333	295,617
<b>Fund Balances at Beginning of Year</b>	<u>382,635</u>	<u>915</u>	<u>646,453</u>	<u>1,030,003</u>
<b>Fund Balances End of Year</b>	<u>\$ 392,922</u>	<u>\$ 912</u>	<u>\$ 931,786</u>	<u>\$ 1,325,620</u>



**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>GENERAL FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Municipal Income Taxes	\$ 5,739,216	\$ 5,739,216	\$ 5,749,694	\$ 10,478
Other Local Taxes	1,176,000	1,176,000	1,170,816	(5,184)
State Shared Taxes and Permits	1,008,496	1,008,496	900,927	(107,569)
Intergovernmental Grants	0	0	67,425	67,425
Charges for Services	101,500	101,500	93,393	(8,107)
Fines, Costs, Forfeitures, Licenses and Permits	1,010,700	1,010,700	1,036,199	25,499
Miscellaneous Receipts and Reimbursements, Including Interest	395,860	395,860	346,821	(49,039)
Total Revenues	<u>9,431,772</u>	<u>9,431,772</u>	<u>9,365,275</u>	<u>(66,497)</u>
<b>Expenditures:</b>				
General Government:				
City Council and General Government:				
Personnel Services	36,474	36,474	35,620	854
General Operating Expenses	23,925	22,957	6,333	16,624
Contractual Services	109,296	109,296	107,624	1,672
Materials and Supplies	2,750	3,718	2,834	884
Contributions	96,379	96,379	90,517	5,862
Total City Council and General Government	<u>268,824</u>	<u>268,824</u>	<u>242,928</u>	<u>25,896</u>
Municipal Court:				
Personnel Services	1,014,626	1,014,626	965,075	49,551
General Operating Expenses	78,890	60,715	21,822	38,893
Contractual Services	186,971	262,988	247,386	15,602
Materials and Supplies	13,958	15,766	12,828	2,938
Contributions	31,000	38,800	36,426	2,374
Total Municipal Court	<u>1,325,445</u>	<u>1,392,895</u>	<u>1,283,537</u>	<u>109,358</u>
City Law Department:				
Personnel Services	168,964	148,964	146,415	2,549
General Operating Expenses	17,150	3,150	2,209	941
Contractual Services	42,563	72,063	53,388	18,675
Materials and Supplies	11,308	22,308	20,223	2,085
Total City Law Department	<u>239,985</u>	<u>246,485</u>	<u>222,235</u>	<u>24,250</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>GENERAL FUND</b>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>City Manager's Office:</b>				
Personnel Services	134,971	134,971	126,002	8,969
General Operating Expenses	14,650	9,490	6,644	2,846
Contractual Services	43,117	45,917	27,084	18,833
Materials and Supplies	2,614	4,974	2,325	2,649
<b>Total City Manager's Office</b>	<b>195,352</b>	<b>195,352</b>	<b>162,055</b>	<b>33,297</b>
<b>Personnel Office:</b>				
Personnel Services	24,619	27,530	27,528	2
General Operating Expenses	6,500	5,500	2,169	3,331
Contractual Services	64,000	66,550	38,825	27,725
Materials and Supplies	5,610	4,060	2,330	1,730
<b>Total Personnel Office</b>	<b>100,729</b>	<b>103,640</b>	<b>70,852</b>	<b>32,788</b>
<b>Finance Office:</b>				
Personnel Services	87,759	89,780	89,774	6
General Operating Expenses	7,525	2,156	1,500	656
Contractual Services	59,638	65,007	63,665	1,342
Materials and Supplies	3,751	3,751	2,844	907
<b>Total Finance Office</b>	<b>158,673</b>	<b>160,694</b>	<b>157,783</b>	<b>2,911</b>
<b>Income Tax:</b>				
Personnel Services	381,611	381,611	351,729	29,882
General Operating Expenses	24,395	22,395	3,028	19,367
Contractual Services	90,552	90,552	55,935	34,617
Materials and Supplies	7,076	9,076	6,938	2,138
<b>Total Income Tax</b>	<b>503,634</b>	<b>503,634</b>	<b>417,630</b>	<b>86,004</b>
<b>Municipal Building and General Services:</b>				
Personnel Services	16,609	16,609	12,576	4,033
General Operating Expenses	12,000	3,320	0	3,320
Contractual Services	227,097	229,559	169,099	60,460
Materials and Supplies	15,625	21,843	19,837	2,006
<b>Total Municipal Building and General Services</b>	<b>271,331</b>	<b>271,331</b>	<b>201,512</b>	<b>69,819</b>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>GENERAL FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Data Processing:				
Personnel Services	77,712	77,712	74,062	3,650
Total Data Processing	<u>77,712</u>	<u>77,712</u>	<u>74,062</u>	<u>3,650</u>
Clerk of City Council:				
Personnel Services	31,654	31,654	30,456	1,198
General Operating Expenses	3,165	3,165	55	3,110
Contractual Services	33,392	33,392	24,164	9,228
Materials and Supplies	2,639	2,639	2,525	114
Total Clerk of City Council	<u>70,850</u>	<u>70,850</u>	<u>57,200</u>	<u>13,650</u>
Public Affairs & CATV:				
General Operating Expenses	7,000	2,400	870	1,530
Contractual Services	45,098	52,744	46,084	6,660
Materials and Supplies	39,896	48,339	45,935	2,404
Total Public Affairs & CATV	<u>91,994</u>	<u>103,483</u>	<u>92,889</u>	<u>10,594</u>
Property Maintenance:				
Personnel Services	30,434	30,434	22,786	7,648
General Operating Expenses	44,245	44,745	740	44,005
Contractual Services	89,518	89,018	38,840	50,178
Materials and Supplies	1,272	1,272	285	987
Total Property Maintenance	<u>165,469</u>	<u>165,469</u>	<u>62,651</u>	<u>102,818</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>GENERAL FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Planning:</b>				
Personnel Services	117,368	117,368	109,043	8,325
General Operating Expenses	8,305	3,119	1,872	1,247
Contractual Services	45,490	50,516	45,719	4,797
Materials and Supplies	1,092	1,252	620	632
Total Planning	<u>172,255</u>	<u>172,255</u>	<u>157,254</u>	<u>15,001</u>
Total General Government	<u>3,642,253</u>	<u>3,732,624</u>	<u>3,202,588</u>	<u>530,036</u>
<b>Civil Defense:</b>				
General Operating Expenses	880	2,180	1,749	431
Contractual Services	20,997	20,997	14,228	6,769
Materials and Supplies	2,000	700	0	700
Total Civil Defense	<u>23,877</u>	<u>23,877</u>	<u>15,977</u>	<u>7,900</u>
<b>Engineering:</b>				
Personnel Services	34,278	34,278	30,070	4,208
General Operating Expenses	5,400	2,300	1,124	1,176
Contractual Services	49,336	72,149	55,667	16,482
Materials and Supplies	3,548	4,198	2,725	1,473
Total Engineering	<u>92,562</u>	<u>112,925</u>	<u>89,586</u>	<u>23,339</u>
<b>Construction Inspection:</b>				
Personnel Services	24,450	24,450	23,425	1,025
General Operating Expenses	1,470	850	110	740
Contractual Services	9,303	9,923	8,612	1,311
Materials and Supplies	1,861	1,861	718	1,143
Total Construction Inspection	<u>37,084</u>	<u>37,084</u>	<u>32,865</u>	<u>4,219</u>
Total Public Safety	<u>153,523</u>	<u>173,886</u>	<u>138,428</u>	<u>35,458</u>
<b>Economic Development &amp; Assistance:</b>				
Personnel Services	89,888	89,888	84,716	5,172
General Operating Expenses	5,600	5,600	0	5,600
Contractual Services	28,892	28,892	27,691	1,201
Materials and Supplies	250	250	0	250
Total Economic Development & Assistance	<u>124,630</u>	<u>124,630</u>	<u>112,407</u>	<u>12,223</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>GENERAL FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Highways and Streets:</b>				
<b>Street Lighting:</b>				
General Operating Expenses	10,000	10,000	0	10,000
Contractual Services	290,219	290,219	231,199	59,020
Total Highways and Streets	<u>300,219</u>	<u>300,219</u>	<u>231,199</u>	<u>69,020</u>
<b>Urban Redevelopment and Housing:</b>				
Personnel Services	72,952	72,952	71,717	1,235
General Operating Expenses	6,850	6,630	1,855	4,775
Contractual Services	11,572	11,632	7,441	4,191
Materials and Supplies	732	892	797	95
Total Urban Redevelopment & Housing	<u>92,106</u>	<u>92,106</u>	<u>81,810</u>	<u>10,296</u>
<b>Xenia Station:</b>				
General Operating Expenses	740	561	0	561
Contractual Services	13,676	13,676	9,034	4,642
Materials and Supplies	10,534	10,713	2,929	7,784
Total Xenia Station	<u>24,950</u>	<u>24,950</u>	<u>11,963</u>	<u>12,987</u>
<b>General Park Maintenance:</b>				
Personnel Services	138,690	138,690	102,891	35,799
General Operating Expenses	10,070	300	230	70
Contractual Services	107,969	111,379	104,730	6,649
Materials and Supplies	34,623	29,494	20,257	9,237
Total General Park Maintenance	<u>291,352</u>	<u>279,863</u>	<u>228,108</u>	<u>51,755</u>
Total Recreation	<u>316,302</u>	<u>304,813</u>	<u>240,071</u>	<u>64,742</u>
<b>Debt Service:</b>				
Total Expenditures	<u>4,629,033</u>	<u>4,728,278</u>	<u>4,006,503</u>	<u>721,775</u>
<b>Excess (Deficiency) of Revenues</b>				
Over (Under) Expenditures	4,802,739	4,703,494	5,358,772	655,278

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>GENERAL FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(5,523,500)	(5,523,500)	(5,424,321)	99,179
Advances In	1,400,000	2,400,000	400,000	(2,000,000)
Advances Out	(1,000,000)	(2,000,000)	0	2,000,000
Total Other Financing Sources (Uses)	<u>(5,123,500)</u>	<u>(5,123,500)</u>	<u>(5,024,321)</u>	<u>99,179</u>
Net Change in Fund Balance	(320,761)	(420,006)	334,451	754,457
Fund Balance at Beginning of Year	2,046,847	2,046,847	2,046,847	0
Prior Year Encumbrances	239,257	239,257	239,257	0
Fund Balance at End of Year	<u>\$ 1,965,343</u>	<u>\$ 1,866,098</u>	<u>\$ 2,620,555</u>	<u>\$ 754,457</u>



**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>STATE GAS AND VEHICLE LICENSE</b>				
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 975,000	\$ 975,000	\$ 965,545	\$ (9,455)
Charges for Services	4,000	4,000	0	(4,000)
Miscellaneous Receipts and Reimbursements, Including Interest	3,900	3,900	15,373	11,473
Total Revenues	<u>982,900</u>	<u>982,900</u>	<u>980,918</u>	<u>(1,982)</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Personnel Services	833,978	833,978	804,724	29,254
General Operating	32,070	25,419	171	25,248
Contractual Services	219,313	222,547	153,673	68,874
Materials and Supplies	190,911	194,328	146,136	48,192
Non-governmental	4,000	4,120	4,120	0
Total Expenditures	<u>1,280,272</u>	<u>1,280,392</u>	<u>1,108,824</u>	<u>171,568</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(297,372)	(297,492)	(127,906)	169,586
<b>Other Financing Sources (Uses):</b>				
Transfers In	150,000	150,000	90,000	60,000
Total Other Financing Sources (Uses)	<u>150,000</u>	<u>150,000</u>	<u>90,000</u>	<u>60,000</u>
Net Change in Fund Balance	(147,372)	(147,492)	(37,906)	109,586
Fund Balance at Beginning of Year	211,798	211,798	211,798	0
Prior Year Encumbrances	29,611	29,611	29,611	0
Fund Balance at End of Year	<u>\$ 94,037</u>	<u>\$ 93,917</u>	<u>\$ 203,503</u>	<u>\$ 109,586</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>POLICE AND FIRE FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Municipal Income Taxes	\$ 5,804,500	\$ 5,804,500	\$ 5,685,395	\$ (119,105)
Other Local Taxes	200,000	200,000	189,974	(10,026)
State Shared Taxes and Permits	29,150	29,150	27,676	(1,474)
Intergovernmental Grants	325,710	325,710	78,417	(247,293)
Charges for Services	2,351,697	2,351,697	2,178,765	(172,932)
Fines, Costs, Forfeitures, Licenses and Permits	14,000	14,000	7,229	(6,771)
Miscellaneous Receipts and Reimbursements, Including Interest	224,000	224,000	207,939	(16,061)
Total Revenues	<u>8,949,057</u>	<u>8,949,057</u>	<u>8,375,395</u>	<u>(573,662)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Police:				
Personnel Services	5,489,536	5,489,536	5,205,903	283,633
General Operating	175,661	160,024	37,256	122,768
Contractual Services	627,900	671,677	575,252	96,425
Materials and Supplies	178,076	149,936	137,277	12,659
Total Police	<u>6,471,173</u>	<u>6,471,173</u>	<u>5,955,688</u>	<u>515,485</u>
Fire:				
Personnel Services	4,898,202	4,898,202	4,636,918	261,284
General Operating	84,373	93,282	35,794	57,488
Contractual Services	546,257	524,848	454,251	70,597
Materials & Supplies	187,424	199,924	175,151	24,773
Total Fire	<u>5,716,256</u>	<u>5,716,256</u>	<u>5,302,114</u>	<u>414,142</u>
Communications:				
Personnel Services	1,677,793	1,677,793	1,500,183	177,610
General Operating Expense	40,800	31,057	6,398	24,659
Contractual Services	171,020	180,763	140,394	40,369
Materials & Supplies	40,715	40,715	30,045	10,670
Total Communications	<u>1,930,328</u>	<u>1,930,328</u>	<u>1,677,020</u>	<u>253,308</u>
Total Public Safety	<u>14,117,757</u>	<u>14,117,757</u>	<u>12,934,822</u>	<u>1,182,935</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>POLICE AND FIRE FUND</b>				
Capital Outlay:				
Capital Improvements	94,812	102,463	99,963	2,500
Total Expenditures	<u>14,212,569</u>	<u>14,220,220</u>	<u>13,034,785</u>	<u>1,185,435</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,263,512)	(5,271,163)	(4,659,390)	611,773
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>4,100,000</u>	<u>4,100,000</u>	<u>4,100,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>4,100,000</u>	<u>4,100,000</u>	<u>4,100,000</u>	<u>0</u>
Net Change in Fund Balance	(1,163,512)	(1,171,163)	(559,390)	611,773
Fund Balance at Beginning of Year	1,015,245	1,015,245	1,015,245	0
Prior Year Encumbrances	<u>187,274</u>	<u>187,274</u>	<u>187,274</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 39,007</u></u>	<u><u>\$ 31,356</u></u>	<u><u>\$ 643,129</u></u>	<u><u>\$ 611,773</u></u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**CAPITAL IMPROVEMENTS FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 1,434,800	\$ 1,434,800	\$ 1,421,349	\$ (13,451)
Other Local Taxes	54,850	54,850	40,807	(14,043)
Intergovernmental Grants	2,259,106	2,259,106	864,401	(1,394,705)
Miscellaneous Receipts and Reimbursements				
Including Interest	918,902	918,902	139,457	(779,445)
Total Revenues	<u>4,667,658</u>	<u>4,667,658</u>	<u>2,466,014</u>	<u>(2,201,644)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Contractual Services	719,942	1,892,889	1,725,498	167,391
Materials and Supplies	121,146	112,749	82,195	30,554
Capital Improvements	4,990,583	4,045,533	3,310,086	735,447
Debt Service:				
Principal Retirement	196,216	196,216	196,214	2
Interest and Fiscal Charges	34,036	34,036	33,990	46
Total Expenditures	<u>6,061,923</u>	<u>6,281,423</u>	<u>5,347,983</u>	<u>933,440</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,394,265)	(1,613,765)	(2,881,969)	1,268,204
<b>Other Financing Sources (Uses):</b>				
Proceeds from General Obligation Bonds	1,000,000	1,000,000	1,025,000	25,000
Transfers Out	(334,110)	(334,110)	(334,110)	0
Advances In	159,943	1,159,943	159,943	(1,000,000)
Advances Out	(159,943)	(1,159,943)	(159,943)	1,000,000
Total Other Financing Sources (Uses)	<u>665,890</u>	<u>665,890</u>	<u>690,890</u>	<u>25,000</u>
Net Change in Fund Balance	(728,375)	(947,875)	(2,191,079)	1,293,204
Fund Balance at Beginning of Year	792,997	792,997	792,997	0
Prior Year Encumbrances	571,418	571,418	571,418	0
Fund Balance at End of Year	<u>\$ 636,040</u>	<u>\$ 416,540</u>	<u>\$ (826,664)</u>	<u>\$ 1,293,204</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>BOND CONSTRUCTION</b>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Miscellaneous Receipts and Reimbursements,				
Including Interest	0	0	10,287	10,287
Total Revenues	<u>0</u>	<u>0</u>	<u>10,287</u>	<u>10,287</u>
<b>Expenditures:</b>				
Capital Outlay:				
Contractual Services	94,162	94,162	59,258	34,904
Materials and Supplies	0	0	0	0
Capital Improvements	1,785,864	1,785,864	1,776,876	8,988
Total Expenditures	<u>1,880,026</u>	<u>1,880,026</u>	<u>1,836,134</u>	<u>43,892</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,880,026)	(1,880,026)	(1,825,847)	54,179
Net Change in Fund Balance	(1,880,026)	(1,880,026)	(1,825,847)	54,179
Fund Balance at Beginning of Year	87,587	87,587	87,587	0
Prior Year Encumbrances	<u>1,792,776</u>	<u>1,792,776</u>	<u>1,792,776</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 337</u>	<u>\$ 337</u>	<u>\$ 54,516</u>	<u>\$ 54,179</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**INDIGENT DRIVER ALCOHOL TREATMENT**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 45,000	\$ 45,000	\$ 48,079	\$ 3,079
Miscellaneous Receipts and Reimbursements, Including Interest	1,200	1,200	2,159	959
Total Revenues	<u>46,200</u>	<u>46,200</u>	<u>50,238</u>	<u>4,038</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	32,294	32,294	28,794	3,500
Contributions	50,000	50,000	50,000	0
Total Expenditures	<u>82,294</u>	<u>82,294</u>	<u>78,794</u>	<u>3,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,094)	(36,094)	(28,556)	7,538
Net Change in Fund Balance	(36,094)	(36,094)	(28,556)	7,538
Fund Balance at Beginning of Year	198,907	198,907	198,907	0
Prior Year Encumbrances	5,294	5,294	5,294	0
Fund Balance at End of Year	<u>\$ 168,107</u>	<u>\$ 168,107</u>	<u>\$ 175,645</u>	<u>\$ 7,538</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>LAW ENFORCEMENT AND EDUCATION</b>				
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 1,200	\$ 1,200	\$ 765	\$ (435)
Miscellaneous Receipts and Reimbursements, Including Interest	100	100	150	50
Total Revenues	<u>1,300</u>	<u>1,300</u>	<u>915</u>	<u>(385)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	4,240	4,240	2,600	1,640
Materials and Supplies	4,000	4,000	1,321	2,679
Total Expenditures	<u>8,240</u>	<u>8,240</u>	<u>3,921</u>	<u>4,319</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,940)	(6,940)	(3,006)	3,934
Net Change in Fund Balance	(6,940)	(6,940)	(3,006)	3,934
Fund Balance at Beginning of Year	12,114	12,114	12,114	0
Prior Year Encumbrances	1,240	1,240	1,240	0
Fund Balance at End of Year	<u>\$ 6,414</u>	<u>\$ 6,414</u>	<u>\$ 10,348</u>	<u>\$ 3,934</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>PROBATION SERVICES</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Grants	\$ 125,000	\$ 125,000	\$ 106,392	\$ (18,608)
Charges for Services	7,000	7,000	4,733	(2,267)
Fines, Costs, Forfeitures, Licenses and Permits	85,000	85,000	54,191	(30,809)
Miscellaneous Receipts and Reimbursements, Including Interest	0	0	5,612	5,612
Total Revenues	<u>217,000</u>	<u>217,000</u>	<u>170,928</u>	<u>(46,072)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Personnel Services	408,505	408,505	346,100	62,405
General Operating	22,450	22,398	1,950	20,448
Contractual Services	84,131	84,300	82,840	1,460
Materials and Supplies	9,362	9,245	6,744	2,501
Capital Outlay	2,500	2,500	0	2,500
Total Expenditures	<u>526,948</u>	<u>526,948</u>	<u>437,634</u>	<u>89,314</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	(309,948)	(309,948)	(266,706)	43,242
<b>Other Financing Sources (Uses):</b>				
Transfers In	306,000	306,000	306,000	0
Total Other Financing Sources (Uses)	<u>306,000</u>	<u>306,000</u>	<u>306,000</u>	<u>0</u>
Net Change in Fund Balance	(3,948)	(3,948)	39,294	43,242
Fund Balance at Beginning of Year	(22,430)	(22,430)	(22,430)	0
Prior Year Encumbrances	26,431	26,431	26,431	0
Fund Balance at End of Year	<u>\$ 53</u>	<u>\$ 53</u>	<u>\$ 43,295</u>	<u>\$ 43,242</u>



**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>STATE ROUTE REPAIR</b>				
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 78,000	\$ 78,000	\$ 78,288	\$ 288
Miscellaneous Receipts and Reimbursements, Including Interest	750	750	3,854	3,104
Total Revenues	<u>78,750</u>	<u>78,750</u>	<u>82,142</u>	<u>3,392</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Personnel	32,023	32,023	23,973	8,050
Contractual Services	33,369	33,369	16,226	17,143
Materials and Supplies	89,800	89,800	55,979	33,821
Total Expenditures	<u>155,192</u>	<u>155,192</u>	<u>96,178</u>	<u>59,014</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(76,442)	(76,442)	(14,036)	62,406
Net Change in Fund Balance	(76,442)	(76,442)	(14,036)	62,406
Fund Balance at Beginning of Year	115,124	115,124	115,124	0
Prior Year Encumbrances	41,189	41,189	41,189	0
Fund Balance at End of Year	<u>\$ 79,871</u>	<u>\$ 79,871</u>	<u>\$ 142,277</u>	<u>\$ 62,406</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>CITY MOTOR VEHICLE LICENSE TAX</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 175,000	\$ 175,000	\$ 174,912	\$ (88)
Miscellaneous Receipts and Reimbursements, including Interest	1,000	1,000	1,613	613
Total Revenues	<u>176,000</u>	<u>176,000</u>	<u>176,525</u>	<u>525</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Contractual Services	100,000	100,000	100,000	0
Capital Outlay	50,000	50,000	50,000	0
Debt Service:				
Principal Retirement	32,500	32,500	32,500	0
Interest and Fiscal Charges	3,438	3,438	3,437	1
Total Expenditures	<u>185,938</u>	<u>185,938</u>	<u>185,937</u>	<u>1</u>
Net Change in Fund Balance	(9,938)	(9,938)	(9,412)	526
Fund Balance at Beginning of Year	<u>104,435</u>	<u>104,435</u>	<u>104,435</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 94,497</u>	<u>\$ 94,497</u>	<u>\$ 95,023</u>	<u>\$ 526</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>COUNTY MOTOR VEHICLE LICENSE TAX</b>				
<b>Revenues:</b>				
State Shared Taxes and Permits	159,943	159,943	159,943	0
Miscellaneous Receipt and Reimbursements, Including Interest	100	100	283	183
<b>Total Revenues</b>	<b>160,043</b>	<b>160,043</b>	<b>160,226</b>	<b>183</b>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Capital Outlay	159,943	159,943	159,943	0
<b>Total Expenditures</b>	<b>159,943</b>	<b>159,943</b>	<b>159,943</b>	<b>0</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	100	100	283	183
<b>Other Financing Sources (Uses):</b>				
Advances In	159,943	159,943	159,943	0
Advances Out	(159,943)	(159,943)	(159,943)	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balance	100	100	283	183
Fund Balance at Beginning of Year	26,912	26,912	26,912	0
Fund Balance at End of Year	<u>\$ 27,012</u>	<u>\$ 27,012</u>	<u>\$ 27,195</u>	<u>\$ 183</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**SPECIAL MISCELLANEOUS IMPROVEMENTS**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Miscellaneous Receipts and Reimbursements,				
Including Interest	\$ 89,577	\$ 89,577	\$ 101,029	11,452
Total Revenues	<u>89,577</u>	<u>89,577</u>	<u>101,029</u>	<u>11,452</u>
<b>Expenditures:</b>				
General Government - Current:				
Personnel Services	12,494	20,862	20,862	0
Contractual Services	40,650	38,056	26,426	11,630
Materials and Supplies	8,148	10,742	10,134	608
Total Expenditures	<u>61,292</u>	<u>69,660</u>	<u>57,422</u>	<u>12,238</u>
Net Change in Fund Balance	28,285	19,917	43,607	23,690
Fund Balance at Beginning of Year	222,671	222,671	222,671	0
Prior Year Encumbrances	25,648	25,648	25,648	0
Fund Balance at End of Year	<u>\$ 276,604</u>	<u>\$ 268,236</u>	<u>\$ 291,926</u>	<u>\$ 23,690</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>TAX INCREMENT EQUIVALENT</b>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Other Local Taxes	\$ 5,000	\$ 5,000	\$ 8,383	\$ 3,383
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>8,383</u>	<u>3,383</u>
<b>Expenditures:</b>				
General Government - Current:				
General Operating	5,580	5,580	4,665	915
Contractual Services	37,100	37,100	28,277	8,823
Materials and Supplies	1,596	1,596	560	1,036
Total Expenditures	<u>44,276</u>	<u>44,276</u>	<u>33,502</u>	<u>10,774</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,276)	(39,276)	(25,119)	14,157
Net Change in Fund Balance	(39,276)	(39,276)	(25,119)	14,157
Fund Balance at Beginning of Year	31,324	31,324	31,324	0
Prior Year Encumbrances	15,670	15,670	15,670	0
Fund Balance at End of Year	<u>\$ 7,718</u>	<u>\$ 7,718</u>	<u>\$ 21,875</u>	<u>\$ 14,157</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	911 FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 185,000	\$ 185,000	\$ 152,990	\$ (32,010)
Miscellaneous Receipts and Reimbursements, Including Interest	29,500	29,500	35,096	5,596
Total Revenues	<u>214,500</u>	<u>214,500</u>	<u>188,086</u>	<u>(26,414)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Personnel Services	96,168	96,168	91,493	4,675
General Operating	3,000	3,000	0	3,000
Contractual Services	36,022	36,022	15,528	20,494
Materials and Supplies	20,954	20,954	20,000	954
Capital Outlay	250,000	290,000	40,000	250,000
Total Expenditures	<u>406,144</u>	<u>446,144</u>	<u>167,021</u>	<u>279,123</u>
Net Change in Fund Balance	(191,644)	(231,644)	21,065	252,709
Fund Balance at Beginning of Year	468,876	468,876	468,876	0
Prior Year Encumbrances	1,476	1,476	1,476	0
Fund Balance at End of Year	<u>\$ 278,708</u>	<u>\$ 238,708</u>	<u>\$ 491,417</u>	<u>\$ 252,709</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>LAW ENFORCEMENT</b>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental Grants	\$ 9,000	\$ 9,000	\$ 19,190	\$ 10,190
Miscellaneous Receipts and Reimbursements, Including Interest	33,000	33,000	19,105	(13,895)
Total Revenues	<u>42,000</u>	<u>42,000</u>	<u>38,295</u>	<u>(3,705)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	39,025	39,025	23,930	15,095
Materials and Supplies	65,000	65,000	15,568	49,432
Capital Outlay	363,638	363,638	290,406	73,232
Total Expenditures	<u>467,663</u>	<u>467,663</u>	<u>329,904</u>	<u>137,759</u>
Net Change in Fund Balance	(425,663)	(425,663)	(291,609)	134,054
Fund Balance at Beginning of Year	342,071	342,071	342,071	0
Prior Year Encumbrances	187,262	187,262	187,262	0
Fund Balance at End of Year	<u>\$ 103,670</u>	<u>\$ 103,670</u>	<u>\$ 237,724</u>	<u>\$ 134,054</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2017**

**DRUG LAW ENFORCEMENT**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 1,250	\$ 1,250	\$ 1,225	\$ (25)
Miscellaneous Receipts and Reimbursements, Including Interest	200	200	410	210
Total Revenues	<u>1,450</u>	<u>1,450</u>	<u>1,635</u>	<u>185</u>
<b>Expenditures:</b>				
Public Safety - Current:				
General Operating	750	750	0	750
Contractual Services	10,000	10,000	0	10,000
Materials and Supplies	5,000	5,000	0	5,000
Total Expenditures	<u>15,750</u>	<u>15,750</u>	<u>0</u>	<u>15,750</u>
Net Change in Fund Balance	(14,300)	(14,300)	1,635	15,935
Fund Balance at Beginning of Year	<u>37,391</u>	<u>37,391</u>	<u>37,391</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 23,091</u>	<u>\$ 23,091</u>	<u>\$ 39,026</u>	<u>\$ 15,935</u>



**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>MUNICIPAL COURT VICTIM</b>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Intergovernmental Grants	\$ 184,097	\$ 184,097	\$ 165,539	\$ (18,558)
Fines, Costs, Forfeitures, Licenses and Permits	30,000	30,000	28,987	(1,013)
Miscellaneous Receipts and Reimbursements, Including Interest	600	600	2,984	2,384
Total Revenues	<u>214,697</u>	<u>214,697</u>	<u>197,510</u>	<u>(17,187)</u>
<b>Expenditures:</b>				
General Government - Current:				
Personnel Services	274,624	274,624	261,239	13,385
General Operating	8,850	6,875	6,042	833
Contractual Services	10,810	10,823	10,003	820
Materials and Supplies	5,962	7,924	6,740	1,184
Total Expenditures	<u>300,246</u>	<u>300,246</u>	<u>284,024</u>	<u>16,222</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(85,549)	(85,549)	(86,514)	(965)
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>0</u>
Net Change in Fund Balance	4,451	4,451	3,486	(965)
Fund Balance at Beginning of Year	(474)	(474)	(474)	0
Prior Year Encumbrances	533	533	533	0
Fund Balance at End of Year	<u>\$ 4,510</u>	<u>\$ 4,510</u>	<u>\$ 3,545</u>	<u>\$ (965)</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**GENERAL OBLIGATION BOND PAY**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Other Local Taxes	\$ 66,000	\$ 66,000	\$ 63,324	\$ (2,676)
State Shares Taxes and Permits	14,859	14,859	14,084	(775)
Miscellaneous Receipts and Reimbursements, Including Interest	500	500	1,004	504
Total Revenues	<u>81,359</u>	<u>81,359</u>	<u>78,412</u>	<u>(2,947)</u>
<b>Expenditures:</b>				
Public Safety:				
Police and Fire Pension				
Contractual Services	500	500	230	270
Total Public Safety	<u>500</u>	<u>500</u>	<u>230</u>	<u>270</u>
Highways and Streets:				
Streets				
Contractual Services	500	500	228	272
Total Highways and Streets	<u>500</u>	<u>500</u>	<u>228</u>	<u>272</u>
Debt Service:				
Principal Retirement	67,500	67,500	67,500	0
Interest and Fiscal Charges	7,140	7,140	7,138	2
Total Debt Service	<u>74,640</u>	<u>74,640</u>	<u>74,638</u>	<u>2</u>
Total Expenditures	<u>75,640</u>	<u>75,640</u>	<u>75,096</u>	<u>544</u>
Net Change in Fund Balance	5,719	5,719	3,316	(2,403)
Fund Balance at Beginning of Year	91,969	91,969	91,969	0
Fund Balance at End of Year	<u>\$ 97,688</u>	<u>\$ 97,688</u>	<u>\$ 95,285</u>	<u>\$ (2,403)</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

**2015 GENERAL OBLIGATION RETIREMENT**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Miscellaneous Receipts and Reimbursements, Including Interest	0	0	2,239	2,239
Total Revenues	<u>0</u>	<u>0</u>	<u>2,239</u>	<u>2,239</u>
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	270,000	270,000	270,000	0
Interest and Fiscal Charges	248,000	248,000	248,000	0
Total Debt Service	<u>518,000</u>	<u>518,000</u>	<u>518,000</u>	<u>0</u>
Total Expenditures	<u>518,000</u>	<u>518,000</u>	<u>518,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(518,000)	(518,000)	(515,761)	2,239
<b>Other Financing Sources (Uses):</b>				
Transfers In	518,001	518,001	518,001	0
Total Other Financing Sources (Uses)	<u>518,001</u>	<u>518,001</u>	<u>518,001</u>	<u>0</u>
Net Change in Fund Balance	1	1	2,240	2,239
Fund Balance at Beginning of Year	942	942	942	0
Fund Balance at End of Year	<u>\$ 943</u>	<u>\$ 943</u>	<u>\$ 3,182</u>	<u>\$ 2,239</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

<b>MUNICIPAL COURT CAPITAL IMPROVEMENTS FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	88,000	88,000	86,650	(1,350)
Miscellaneous Receipts and Reimbursements, Including Interest	2,500	2,500	4,499	1,999
Total Revenues	<u>90,500</u>	<u>90,500</u>	<u>91,149</u>	<u>649</u>
<b>Expenditures:</b>				
Capital Outlay:				
Personnel Services	16,035	16,035	15,438	597
Contractual Services	105,459	40,459	25,916	14,543
Materials and Supplies	3,500	68,500	49,141	19,359
Capital Improvements	46,500	46,500	0	46,500
Total Expenditures	<u>171,494</u>	<u>171,494</u>	<u>90,495</u>	<u>80,999</u>
Net Change in Fund Balance	(80,994)	(80,994)	654	81,648
Fund Balance at Beginning of Year	366,147	366,147	366,147	0
Prior Year Encumbrances	16,277	16,277	16,277	0
Fund Balance at End of Year	<u>\$ 301,430</u>	<u>\$ 301,430</u>	<u>\$ 383,078</u>	<u>\$ 81,648</u>

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	ISSUE II FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Grants	\$ 471,380	\$ 471,380	\$ 0	\$ (471,380)
Total Revenues	471,380	471,380	0	(471,380)
<b>Expenditures:</b>				
Capital Outlay:				
Capital Improvements	471,380	471,380	366,965	104,415
Total Expenditures	471,380	471,380	366,965	104,415
Net Change in Fund Balance	0	0	(366,965)	(366,965)
Fund Balance at Beginning of Year	918	918	918	0
Fund Balance at End of Year	\$ 918	\$ 918	\$ (366,047)	\$ (366,965)

**CITY OF XENIA, OHIO**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>POLICE/FIRE CAPITAL</b>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental Grants	225,000	225,000	49,898	\$ (175,102)
Miscellaneous Receipts and Reimbursements				
Including Interest	<u>78,906</u>	<u>78,906</u>	<u>84,798</u>	<u>5,892</u>
Total Revenues	<u>303,906</u>	<u>303,906</u>	<u>134,696</u>	<u>(169,210)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Contractual Services	114,803	114,803	26,517	88,286
Capital Improvements	588,300	698,300	387,774	310,526
Debt Service:				
Principal Retirement	310,342	310,342	310,339	3
Interest and Fiscal Charges	<u>19,037</u>	<u>19,037</u>	<u>19,033</u>	<u>4</u>
Total Expenditures	<u>1,032,482</u>	<u>1,142,482</u>	<u>743,663</u>	<u>398,819</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(728,576)	(838,576)	(608,967)	229,609
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>877,500</u>	<u>877,500</u>	<u>838,321</u>	<u>(39,179)</u>
Total Other Financing Sources (Uses)	<u>877,500</u>	<u>877,500</u>	<u>838,321</u>	<u>(39,179)</u>
Net Change in Fund Balance	148,924	38,924	229,354	190,430
Fund Balance at Beginning of Year	647,560	647,560	647,560	0
Prior Year Encumbrances	<u>11,800</u>	<u>11,800</u>	<u>11,800</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 808,284</u>	<u>\$ 698,284</u>	<u>\$ 888,714</u>	<u>\$ 190,430</u>

***Nonmajor Enterprise Funds***

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These funds are used to account for operations that are financed and operated in a manner similar to private business - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**Loan Fund**

In 1983, the City assumed all assets, liabilities, and loan commitments of Xenia Environmental Neighborhood Improvement Association, Inc. (X.E.N.I.A., Inc.). The City is collecting outstanding loans. Net income and loan repayments are used for similar economic development activities.

**Parking Revenue Fund**

To account for parking enforcement and the rental of parking lots owned by the City.

**CDBG and UDAG Revolving Loan Fund**

To account for monies received from the federal government under Community Development Block Grant (CDBG) and Urban Development Action Grant (UDAG) programs. The monies are used for economic development loans. Net income and loan repayments are used for similar economic development activities.

**Housing Rehabilitation Loan Fund**

To account for monies received from the federal government under Community Development Block Grant program. The monies are used for housing rehabilitation mortgage grants and low interest loans. Net income and loan repayments will be used for similar activities.

**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
DECEMBER 31, 2017**

	<u>Loan</u>	<u>Parking Revenue</u>	<u>CDBG &amp; UDAG Revolving Loan</u>	<u>Housing Rehabilitation Loan</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 137,407	\$ 2,426	\$ 12,580	\$ 52,568	\$ 204,981
Investments	386,640	6,819	35,396	147,920	576,775
Receivables:					
Accounts	0	95	0	0	95
Loans	24,000	0	0	19,149	43,149
Accrued interest	1,004	30	104	337	1,475
Grants	0	0	17,600	20,000	37,600
Allowance for uncollectible accounts	0	(5,277)	0	0	(5,277)
Prepaid items	138	174	999	0	1,311
<b>Total Current Assets</b>	<b>549,189</b>	<b>4,267</b>	<b>66,679</b>	<b>239,974</b>	<b>860,109</b>
<b>Noncurrent Assets:</b>					
<b>Unrestricted:</b>					
Loans receivable (net of current)	172,239	0	0	590,093	762,332
Capital Assets not being depreciated	0	97,810	0	0	97,810
Capital Assets (net of accumulated depreciation)	0	81,954	0	0	81,954
<b>Total Noncurrent Assets</b>	<b>172,239</b>	<b>179,764</b>	<b>0</b>	<b>590,093</b>	<b>942,096</b>
<b>Total Assets</b>	<b>\$ 721,428</b>	<b>\$ 184,031</b>	<b>\$ 66,679</b>	<b>\$ 830,067</b>	<b>\$ 1,802,205</b>
<b>Deferred Outflows of Resources</b>					
Pension	\$ 0	\$ 19,234	\$ 0	\$ 2,218	21,452
<b>Total Deferred Outflows of Resources</b>	<b>0</b>	<b>19,234</b>	<b>0</b>	<b>2,218</b>	<b>21,452</b>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	\$ 0	\$ 27	\$ 0	\$ 0	\$ 27
Accrued payroll	0	2,096	0	238	2,334
Compensated Absences	0	102	0	66	168
<b>Total Current Liabilities</b>	<b>0</b>	<b>2,225</b>	<b>0</b>	<b>304</b>	<b>2,529</b>
<b>Noncurrent Liabilities</b>					
Compensated Absences	0	1,451	0	933	2,384
Net Pension Liability	0	50,895	0	5,867	56,762
<b>Total Noncurrent Liabilities</b>	<b>0</b>	<b>52,346</b>	<b>0</b>	<b>6,800</b>	<b>59,146</b>
<b>Total Liabilities</b>	<b>0</b>	<b>54,571</b>	<b>0</b>	<b>7,104</b>	<b>61,675</b>
<b>Deferred Inflows of Resources</b>					
Pension	0	687	0	80	767
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>687</b>	<b>0</b>	<b>80</b>	<b>767</b>
<b>Net Position:</b>					
Net Investment in Capital Assets	0	179,764	0	0	179,764
Unrestricted	721,428	(31,757)	66,679	825,101	1,581,451
<b>Total Net Position</b>	<b>\$ 721,428</b>	<b>\$ 148,007</b>	<b>\$ 66,679</b>	<b>\$ 825,101</b>	<b>\$ 1,761,215</b>



**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Loan	Parking Revenue	CDBG & UDAG Revolving Loan	Housing Rehabilitation Loan	Total Nonmajor Enterprise Funds
<b>Operating revenues:</b>					
Charges for services	\$ 55,722	\$ 33,328	\$ 0	\$ 16,560	\$ 105,610
<b>Operating expenses:</b>					
Personnel services	0	53,829	0	6,452	60,281
General operating	0	0	1,952	4	1,956
Contractual services	5,415	8,222	14,648	0	28,285
Materials and supplies	0	2,025	0	0	2,025
Depreciation	0	5,464	0	0	5,464
Non-governmental	75,000	0	0	71,702	146,702
Total expenses	80,415	69,540	16,600	78,158	244,713
Operating income (loss)	(24,693)	(36,212)	(16,600)	(61,598)	(139,103)
<b>Non-operating revenues:</b>					
Interest revenue	4,511	154	555	1,243	6,463
Other	8	332	0	65	405
Intergovernmental	0	0	17,600	20,000	37,600
Total Non-operating revenue	4,519	486	18,155	21,308	44,468
<b>Change in Net Position</b>	(20,174)	(35,726)	1,555	(40,290)	(94,635)
<b>Net Position, beginning of year</b>	741,602	183,733	65,124	865,391	1,855,850
<b>Net Position, end of year</b>	\$ 721,428	\$ 148,007	\$ 66,679	\$ 825,101	\$ 1,761,215

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Loan	Parking Revenue	CDBG & UDAG Revolving Loan	Housing Rehabilitation Loan	Total Other Enterprise Funds
<b>Cash Flows from Operating Activities:</b>					
Cash Received from Customers	\$31,041	\$38,723	\$0	\$38,133	\$107,897
Cash Payments for Goods and Services	(80,423)	(16,112)	(17,599)	(4)	(114,138)
Cash Payments to Employees	0	(37,361)	0	(5,064)	(42,425)
Net Cash Provided (Used) by Operating Activities	<u>(49,382)</u>	<u>(14,750)</u>	<u>(17,599)</u>	<u>33,065</u>	<u>(48,666)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>					
Other Non Operating Receipts	8	332	0	65	405
Net Cash Provided by Noncapital Financing Activities	<u>8</u>	<u>332</u>	<u>0</u>	<u>65</u>	<u>405</u>
<b>Cash Flows from Investing Activities:</b>					
Sale of Investments	0	6,680	1,807	0	8,487
Purchase of Investments	(61,767)	0	0	(53,377)	(115,144)
Receipts of Interest	5,971	146	653	1,984	8,754
Net Cash Provided (Used) by Investing Activities	<u>(55,796)</u>	<u>6,826</u>	<u>2,460</u>	<u>(51,393)</u>	<u>(97,903)</u>
Net Change in Cash and Cash Equivalents	(105,170)	(7,592)	(15,139)	(18,263)	(146,164)
Cash and Cash Equivalents at Beginning of Year	242,577	10,018	27,719	70,831	351,145
Cash and Cash Equivalents at End of Year	<u>\$137,407</u>	<u>\$2,426</u>	<u>\$12,580</u>	<u>\$52,568</u>	<u>\$204,981</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Income (Loss)	(24,693)	(36,212)	(16,600)	(61,598)	(\$139,103)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:					
Depreciation Expense	0	5,464	0	0	5,464
Changes in Assets and Deferred Outflows and Liabilities and Deferred Inflows:					
(Increase) Decrease in Principal Receivable	(24,681)	0	0	93,274	68,593
(Increase) Decrease in Accounts Receivable	0	5,395	0	0	5,395
(Increase) Decrease in Prepaid Items	(8)	(10)	(999)	0	(1,017)
Increase (Decrease) in Deferred Outflows - Pension	0	(9,352)	0	(635)	(9,987)
Increase (Decrease) in Accounts Payable	0	(5,854)	0	0	(5,854)
Increase (Decrease) in Accrued Payroll	0	1,138	0	99	1,237
Increase (Decrease) in Deferred Inflows - Pension	0	1,038	0	98	1,136
Increase (Decrease) in Net Pension Liability	0	23,047	0	1,510	24,557
(Increase) Decrease in Compensated Absences	0	596	0	317	913
Total Adjustments	<u>(24,689)</u>	<u>21,462</u>	<u>(999)</u>	<u>94,663</u>	<u>90,437</u>
Net Cash Provided (Used) by Operating Activities	<u>(\$49,382)</u>	<u>(\$14,750)</u>	<u>(\$17,599)</u>	<u>\$33,065</u>	<u>(\$48,666)</u>

***Internal Service Funds***

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These funds are used to account for the financing of goods or services provided by one department to other departments in the City on a cost-reimbursement basis.

**Utility Billing Fund**

To account for utility billing services provided to the water, sewer, stormwater, and sanitation enterprise funds of the City.

**City Garage Fund**

To account for the monies received from other departments to cover the cost of servicing the vehicles of the City departments.

**Information Technology Fund**

To account for the monies received from other departments to cover the cost of information technology related expenditures of the City departments.

This fund was established in 2015.

**Self-Insurance Fund**

To account for the monies received from other departments to cover the cost of health insurance related expenditures of the City departments.

This fund was established in 2015.

**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2017**

	<u>Utility Billing</u>	<u>City Garage</u>	<u>Information Technology</u>	<u>Self Insurance</u>	<u>Total Internal Service Funds</u>
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 29,609	\$ 15,612	\$ 3	\$ 68,609	\$ 113,833
Investments	83,317	43,924	0	193,048	320,289
Receivables:					
Accounts	6,259	4,431	0	0	10,690
Accrued Interest	0	0	0	267	267
Inventories	0	34,038	0	0	34,038
Prepaid items	2,759	4,144	84,499	0	91,402
<b>Total Current Assets</b>	<u>121,944</u>	<u>102,149</u>	<u>84,502</u>	<u>261,924</u>	<u>570,519</u>
<b>Noncurrent Assets:</b>					
<b>Unrestricted:</b>					
Capital Assets (net of accumulated depreciation)	11,895	77,176	320,410	0	409,481
<b>Total Noncurrent Assets</b>	<u>11,895</u>	<u>77,176</u>	<u>320,410</u>	<u>0</u>	<u>409,481</u>
<b>Total Assets</b>	<u>133,839</u>	<u>179,325</u>	<u>404,912</u>	<u>261,924</u>	<u>980,000</u>
<b>Deferred Outflows of Resources</b>					
Pension	0	74,245	0	0	74,245
<b>Total Deferred Outflows of Resources</b>	<u>0</u>	<u>74,245</u>	<u>0</u>	<u>0</u>	<u>74,245</u>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	7,232	8,783	51,289	0	67,304
Claims payable	0	0	0	180,377	180,377
Accrued payroll	0	5,046	0	0	5,046
Capital lease payable	0	0	23,295	0	23,295
Interfund payable	0	30,449	0	0	30,449
Compensated Absences	0	2,114	0	0	2,114
<b>Total Current Liabilities</b>	<u>7,232</u>	<u>46,392</u>	<u>74,584</u>	<u>180,377</u>	<u>308,585</u>
<b>Noncurrent Liabilities</b>					
Capital lease payable	0	0	46,592	0	46,592
Compensated Absences	0	30,103	0	0	30,103
Net Pension Liability	0	196,459	0	0	196,459
<b>Total Noncurrent Liabilities</b>	<u>0</u>	<u>226,562</u>	<u>46,592</u>	<u>0</u>	<u>273,154</u>
<b>Total Liabilities</b>	<u>7,232</u>	<u>272,954</u>	<u>121,176</u>	<u>180,377</u>	<u>581,739</u>
<b>Deferred Inflows of Resources</b>					
Pension	0	2,654	0	0	2,654
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>2,654</u>	<u>0</u>	<u>0</u>	<u>2,654</u>
<b>Net Position:</b>					
Net Investment in Capital Assets	11,895	77,176	320,410	0	409,481
Unrestricted	114,712	(99,214)	(36,674)	81,547	60,371
<b>Total Net Position</b>	<u>\$ 126,607</u>	<u>\$ (22,038)</u>	<u>\$ 283,736</u>	<u>\$ 81,547</u>	<u>\$ 469,852</u>

**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Utility Billing	City Garage	Information Technology	Self Insurance	Total Internal Service Funds
<b>Operating revenues:</b>					
Charges for services	\$ 215,089	\$ 682,556	\$ 649,001	\$ 1,661,523	\$ 3,208,169
<b>Operating expenses:</b>					
Personnel services	0	201,740	0	0	201,740
General operating	2,978	2,187	5,897	101,400	112,462
Claims	0	0	0	1,017,762	1,017,762
Contractual services	117,085	107,123	509,703	451,963	1,185,874
Materials and supplies	0	343,800	124,160	934	468,894
Depreciation	0	14,457	10,074	0	24,531
Total expenses	120,063	669,307	649,834	1,572,059	3,011,263
Operating income (loss)	95,026	13,249	(833)	89,464	196,906
<b>Non-operating revenues:</b>					
Other	0	6,330	2,771	83,165	92,266
Total Non-operating revenue	0	6,330	2,771	83,165	92,266
<b>Non-operating expenses:</b>					
Loss on disposal	7,531	0	0	0	7,531
Total Non-operating expenses	7,531	0	0	0	7,531
<b>Income (loss) before transfers and contributions</b>	87,495	19,579	1,938	172,629	281,641
<b>Change in Net Position</b>	87,495	19,579	1,938	172,629	281,641
<b>Net Position, beginning of year</b>	39,112	(41,617)	281,798	(91,082)	188,211
<b>Net Position, end of year</b>	\$ 126,607	\$ (22,038)	\$ 283,736	\$ 81,547	\$ 469,852

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Utility Billing	City Garage	Information Technology	Self Insurance	Totals
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Interfund Services Provided	\$215,537	\$685,024	\$649,001	\$2,021,261	\$3,570,823
Cash Payments for Goods and Services	(120,290)	(475,041)	(590,644)	(1,471,200)	(2,657,175)
Cash Payments to Employees	0	(172,997)	0	0	(172,997)
Net Cash Provided (Used) by Operating Activities	<u>95,247</u>	<u>36,986</u>	<u>58,357</u>	<u>550,061</u>	<u>740,651</u>
<u>Cash Flows from Noncapital Financing Activities:</u>					
Advances to Other Funds	0	(8,480)	0	(400,000)	(408,480)
Non Operating Revenues from Other Sources	0	6,330	2,771	83,165	92,266
Net Cash Used by Noncapital Financing Activities	<u>0</u>	<u>(2,150)</u>	<u>2,771</u>	<u>(316,835)</u>	<u>(316,214)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Acquisition and Construction of Assets	(11,895)	0	(37,832)	0	(49,727)
Capital Lease Payment	0	0	(23,295)	0	(23,295)
Net Cash (Used) by Capital and Related Financing Activities	<u>(11,895)</u>	<u>0</u>	<u>(61,127)</u>	<u>0</u>	<u>(73,022)</u>
<u>Cash Flows from Investing Activities:</u>					
Purchase of Investments	(66,344)	(32,305)	0	(178,393)	(277,042)
Receipts of Interest	0	0	0	1,644	1,644
Net Cash Provided (Used) by Investing Activities	<u>(66,344)</u>	<u>(32,305)</u>	<u>0</u>	<u>(176,749)</u>	<u>(275,398)</u>
Net Increase in Cash and Cash Equivalents	17,008	2,531	1	56,477	76,017
Cash and Cash Equivalents at Beginning of Year	12,601	13,081	2	12,132	37,816
Cash and Cash Equivalents at End of Year	<u>\$29,609</u>	<u>\$15,612</u>	<u>\$3</u>	<u>\$68,609</u>	<u>\$113,833</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>					
<u>Provided (Used) by Operating Activities:</u>					
Operating Income (Loss)	\$95,026	\$13,249	(\$833)	\$89,464	\$196,906
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	0	14,457	10,074	0	24,531
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	448	(1,557)	0	359,737	358,628
(Increase) Decrease in Prepaid Items	97	(2,090)	17,364	0	15,371
(Increase) in Deferred Outflows - Pension	0	(17,873)	0	0	(17,873)
(Increase) in Inventory	0	(4,263)	0	0	(4,263)
Increase (Decrease) in Accounts Payable	(324)	(11,553)	31,752	100,860	120,735
Increase (Decrease) in Accrued Payroll	0	447	0	0	447
Increase (Decrease) in Deferred Inflows - Pension	0	3,096	0	0	3,096
Increase (Decrease) in Net Pension Liability	0	41,837	0	0	41,837
Increase (Decrease) in Compensated Absences	0	1,236	0	0	1,236
Total Adjustments	<u>221</u>	<u>23,737</u>	<u>59,190</u>	<u>460,597</u>	<u>543,745</u>
Net Cash Provided (Used) by Operating Activities	<u>\$95,247</u>	<u>\$36,986</u>	<u>\$58,357</u>	<u>\$550,061</u>	<u>\$740,651</u>

*Fiduciary Funds*

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*Agency Funds*

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**Municipal Court – Traffic and Criminal Fund**

The Municipal Court is considered part of the reporting entity of the City. The Court handles traffic, criminal, civil, and small claims cases for the City of Xenia and certain other cities and townships in Greene County. An elected judge appoints the Clerk of Courts who deposits and controls undistributed receipts (principally posted bonds). The City, however, controls the fiscal operations of the Court, reviews and approves budget requests and amendments, provides space, and owns all property used by the Court. The general fund includes Court operations, which are required by Ohio law to be paid by the City; the agency fund includes undistributed receipts held for entities and individuals outside the City's reporting entity.

**Municipal Court - Civil and Small Claims Fund**

The Municipal Court is considered part of the reporting entity of the City. The Court handles traffic, criminal, civil, and small claims cases for the City of Xenia and certain other cities and townships in Greene County. An elected judge appoints the Clerk of Courts who deposits and controls undistributed receipts (principally posted bonds). The City, however, controls the fiscal operations of the Court, reviews and approves budget requests and amendments, provides space, and owns all property used by the Court. The general fund includes Court operations, which are required by Ohio law to be paid by the City; the agency fund includes undistributed receipts held for entities and individuals outside the City's reporting entity.

**Imprest Cash Fund**

To account for petty cash.

**Insurance Deposit Fund**

This fund is used to account for assets held by the City for citizens to ensure that fire damaged property is cleaned up. The authority for this is found in Ohio Revised Code Section 3929.86(D).

**LGIF Fund**

This fund is used to account for assets held by the City for transactions related to a loan from the Local government innovation fund entered into by the City and three other local governments. The City is responsible for collecting debt payments from those three local governments and making payment on behalf of those entities to the State of Ohio.

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	Balance December 31, 2016	Additions	Deductions	Balance December 31, 2017
<b><u>Municipal Court - Traffic and Criminal:</u></b>				
Assets:				
Cash and Cash Equivalents	\$121,210	\$925,337	(\$955,105)	\$91,442
Total Assets	<u>\$121,210</u>	<u>\$925,337</u>	<u>(\$955,105)</u>	<u>\$91,442</u>
Liabilities:				
Accounts Payable	\$55,347	\$691,614	(\$694,061)	\$52,900
Restricted Deposits	\$65,863	\$233,723	(\$261,044)	\$38,542
Total Liabilities	<u>\$121,210</u>	<u>\$925,337</u>	<u>(\$955,105)</u>	<u>\$91,442</u>
<b><u>Municipal Court - Civil and Small Claims:</u></b>				
Assets:				
Cash and Cash Equivalents	\$14,751	\$567,222	(\$571,548)	\$10,425
Total Assets	<u>\$14,751</u>	<u>\$567,222</u>	<u>(\$571,548)</u>	<u>\$10,425</u>
Liabilities:				
Accounts Payable	\$8,276	\$540,589	(\$544,195)	\$4,670
Restricted Deposits	\$6,475	\$26,633	(\$27,353)	\$5,755
Total Liabilities	<u>\$14,751</u>	<u>\$567,222</u>	<u>(\$571,548)</u>	<u>\$10,425</u>
<b><u>Imprest Cash:</u></b>				
Assets:				
Cash and Cash Equivalents	\$2,190	\$0	\$0	\$2,190
Total Assets	<u>\$2,190</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,190</u>
Liabilities:				
Restricted Deposits	\$2,190	\$0	\$0	\$2,190
Total Liabilities	<u>\$2,190</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,190</u>
<b><u>Insurance Deposit:</u></b>				
Assets:				
Cash and Cash Equivalents	\$24,004	\$4,100	(\$28,104)	\$0
Total Assets	<u>\$24,004</u>	<u>\$4,100</u>	<u>(\$28,104)</u>	<u>\$0</u>
Liabilities:				
Restricted Deposits	\$24,004	\$4,100	(\$28,104)	\$0
Total Liabilities	<u>\$24,004</u>	<u>\$4,100</u>	<u>(\$28,104)</u>	<u>\$0</u>
<b><u>LGIF Loan:</u></b>				
Assets:				
Accounts Receivable	\$240,000	\$0	(\$30,000)	\$210,000
Total Assets	<u>\$240,000</u>	<u>\$0</u>	<u>(\$30,000)</u>	<u>\$210,000</u>
Liabilities:				
Accounts Payable	\$240,000	\$0	(\$30,000)	\$210,000
Total Liabilities	<u>\$240,000</u>	<u>\$0</u>	<u>(\$30,000)</u>	<u>\$210,000</u>
<b><u>Totals - All Agency Funds:</u></b>				
Assets:				
Cash and Cash Equivalents	\$162,155	\$1,496,659	(\$1,554,757)	\$104,057
Accounts Receivable	\$240,000	\$0	(\$30,000)	\$210,000
Total Assets	<u>\$402,155</u>	<u>\$1,496,659</u>	<u>(\$1,584,757)</u>	<u>\$314,057</u>
Liabilities:				
Accounts Payable	\$303,623	\$1,232,203	(\$1,268,256)	\$267,570
Restricted Deposits	\$98,532	\$264,456	(\$316,501)	\$46,487
Total Liabilities	<u>\$402,155</u>	<u>\$1,496,659</u>	<u>(\$1,584,757)</u>	<u>\$314,057</u>



III

*STATISTICAL SECTION*



**STATISTICAL TABLES**

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**T** HIS 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**

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**Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial position has changed over time. S 2 – S 11

**Revenue Capacity**

These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue sources, the income tax. S 12 – S 15

**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. S 16 – S 23

**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. S 24 – S 29

**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. S 30 – S 37

**Sources Note:**

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF XENIA, OHIO**

*Net Position by Component  
Last Ten Years  
(accrual basis of accounting)*

	2008	2009	2010	2011
<b>Governmental Activities:</b>				
Net Investment Capital Assets, Net of Related Debt	\$31,133,709	\$32,711,191	\$33,054,119	\$34,113,956
Restricted	5,630,788	4,179,524	6,100,965	8,188,065
Unrestricted	3,792,172	3,933,236	2,692,145	2,287,431
Total Governmental Activities Net Position	<u>\$40,556,669</u>	<u>\$40,823,951</u>	<u>\$41,847,229</u>	<u>\$44,589,452</u>
<b>Business-type Activities:</b>				
Net Investment Capital Assets, Net of Related Debt	\$21,529,277	\$21,442,195	\$21,637,865	\$22,250,312
Restricted	0	0	178,266	120,288
Unrestricted	7,409,830	7,538,994	9,830,432	9,820,160
Total Business-type Activities Net Position	<u>\$28,939,107</u>	<u>\$28,981,189</u>	<u>\$31,646,563</u>	<u>\$32,190,760</u>
<b>Primary Government:</b>				
Net Investment Capital Assets, Net of Related Debt	\$52,662,986	\$54,153,386	\$54,691,984	\$56,364,268
Restricted	5,630,788	4,179,524	6,279,231	8,308,353
Unrestricted	11,202,002	11,472,230	12,522,577	12,107,591
Total Primary Government Net Position	<u>\$69,495,776</u>	<u>\$69,805,140</u>	<u>\$73,493,792</u>	<u>\$76,780,212</u>

Source: City Finance Director's Office

**CITY OF XENIA, OHIO**

2012	2013	Restated 2014	Restated 2015	2016	2017
\$34,504,785	\$35,558,378	\$36,720,402	\$33,130,179	\$39,612,767	\$38,846,762
5,408,855	5,567,144	5,722,928	11,684,587	8,580,380	6,196,767
6,160,890	4,775,505	(12,913,033)	(14,077,618)	(16,685,367)	(17,581,192)
<u>\$46,074,530</u>	<u>\$45,901,027</u>	<u>\$29,530,297</u>	<u>\$30,737,148</u>	<u>\$31,507,780</u>	<u>\$27,462,337</u>
\$22,441,680	\$22,070,099	\$23,035,822	\$23,500,079	\$23,083,209	\$23,211,204
170,077	0	0	0	0	0
10,662,384	12,124,555	9,483,158	10,502,866	11,038,394	10,444,761
<u>\$33,274,141</u>	<u>\$34,194,654</u>	<u>\$32,518,980</u>	<u>\$34,002,945</u>	<u>\$34,121,603</u>	<u>\$33,655,965</u>
\$56,946,465	\$57,628,477	\$59,756,224	\$56,630,258	\$62,695,976	\$62,057,966
5,578,932	5,567,144	5,722,928	11,684,587	8,580,380	6,196,767
16,823,274	16,900,060	(3,429,875)	(3,574,752)	(5,646,973)	(7,136,431)
<u>\$79,348,671</u>	<u>\$80,095,681</u>	<u>\$62,049,277</u>	<u>\$64,740,093</u>	<u>\$65,629,383</u>	<u>\$61,118,302</u>

**CITY OF XENIA, OHIO**

*Changes in Net Position  
Last Ten Years  
(accrual basis of accounting)*

	2008	2009	2010	2011
<b>Expenses</b>				
Governmental Activities:				
General Government	\$3,913,536	\$3,474,135	\$3,577,856	\$3,677,014
Public Safety	11,372,519	11,984,216	11,311,480	12,065,050
Health	67,910	54,605	306,963	0
Highways and Streets	2,054,733	1,952,667	1,801,149	2,409,163
Urban Redevelopment & Housing	360,443	285,954	247,659	139,753
Economic Development & Assistance	0	0	0	151,523
Recreation	481,111	406,396	284,934	272,941
Interest and Fiscal Charges	129,250	126,203	104,977	67,642
<i>Total Governmental Activities Expenses</i>	<u>18,379,502</u>	<u>18,284,176</u>	<u>17,635,018</u>	<u>18,783,086</u>
Business-type Activities:				
Water	2,845,241	3,110,764	2,980,976	3,075,621
Sewer	4,187,892	4,191,056	3,883,632	4,346,983
Sanitation	1,643,058	1,644,491	1,577,458	1,642,102
Storm Water	164,575	187,640	277,359	324,722
Other Enterprise Funds	385,728	596,196	243,485	267,108
<i>Total Business-type Activities Expenses</i>	<u>9,226,494</u>	<u>9,730,147</u>	<u>8,962,910</u>	<u>9,656,536</u>
<i>Total Primary Government Expenses</i>	<u>\$27,605,996</u>	<u>\$28,014,323</u>	<u>\$26,597,928</u>	<u>\$28,439,622</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
General Government	\$1,676,228	\$1,359,765	\$1,388,914	\$1,398,435
Public Safety	2,130,089	1,866,335	2,307,856	1,851,179
Health	18,740	8,589	19,302	0
Highways and Streets	9,060	4,282	9,337	2,438
Urban Redevelopment & Housing	22,098	19,191	30,452	0
Economic Development & Assistance	0	0	0	0
Recreation	30,761	20,625	8,914	5,360
Operating Grants and Contributions	442,322	253,541	459,403	398,496
Capital Grants and Contributions	993,095	744,718	1,098,518	1,634,700
<i>Total Governmental Activities Program Revenues</i>	<u>5,322,393</u>	<u>4,277,046</u>	<u>5,322,696</u>	<u>5,290,608</u>

(continued)

**CITY OF XENIA, OHIO**

2012	2013	2014	2015	2016	2017
\$3,567,483	\$3,772,609	\$2,851,072	\$4,742,446	\$3,928,893	\$7,971,980
12,526,166	12,688,381	13,208,811	13,736,687	13,911,915	15,069,724
0	0	0	0	0	0
2,057,537	1,970,034	1,613,183	2,187,058	1,968,786	2,329,146
112,822	106,727	146,771	115,229	121,281	181,975
468,359	2,960,546	2,756,593	548,344	605,816	328,022
527,634	541,390	406,634	474,079	441,493	551,757
69,614	62,446	64,913	274,688	251,308	301,411
<u>19,329,615</u>	<u>22,102,133</u>	<u>21,047,977</u>	<u>22,078,531</u>	<u>21,229,492</u>	<u>26,734,015</u>
3,907,856	3,267,639	3,750,634	3,332,480	3,663,222	3,754,839
4,030,678	4,340,898	4,310,544	4,036,804	4,044,595	4,491,114
1,674,999	1,474,330	1,569,042	1,405,761	2,655,763	3,204,055
339,906	350,114	442,876	451,434	352,149	300,964
288,049	90,913	143,231	175,944	330,380	244,512
<u>10,241,488</u>	<u>9,523,894</u>	<u>10,216,327</u>	<u>9,402,423</u>	<u>11,046,109</u>	<u>11,995,484</u>
<u>\$29,571,103</u>	<u>\$31,626,027</u>	<u>\$31,264,304</u>	<u>\$31,480,954</u>	<u>\$32,275,601</u>	<u>\$38,729,499</u>
\$1,520,315	\$1,497,509	\$1,509,582	\$1,910,176	\$1,704,695	\$1,835,340
2,022,807	2,338,853	2,390,960	2,675,280	2,716,568	2,559,765
9,548	0	0	0	0	0
0	1,138	172,196	17,293	8,233	13,011
10,335	0	0	9,542	2,388	4,299
0	0	0	18	203	0
5,493	4,045	5,759	34,271	30,013	34,405
865,437	542,524	472,764	299,644	475,852	396,011
261,306	3,786,699	1,689,871	14,585	93,097	934,178
<u>4,695,241</u>	<u>8,170,768</u>	<u>6,241,132</u>	<u>4,960,809</u>	<u>5,031,049</u>	<u>5,777,009</u>

**CITY OF XENIA, OHIO**

*Changes in Net Position  
Last Ten Years  
(accrual basis of accounting)*

	2008	2009	2010	2011
<b>Business-type Activities:</b>				
<b>Charges for Services</b>				
Water	3,145,639	3,425,277	3,455,602	3,227,912
Sewer	4,100,610	4,090,886	4,958,089	3,563,646
Sanitation	1,850,488	1,774,993	1,917,987	2,012,065
Storm Water	149,908	144,933	319,870	344,240
Other Enterprise Funds	119,189	87,633	60,528	58,587
Operating Grants and Contributions	36,459	0	422,209	714,903
Capital Grants and Contributions	2,494,773	418,589	205,679	383,879
<i>Total Business-type Activities Program Revenues</i>	<u>11,897,066</u>	<u>9,942,311</u>	<u>11,339,964</u>	<u>10,305,232</u>
<i>Total Primary Government Program Revenues</i>	<u>17,219,459</u>	<u>14,219,357</u>	<u>16,662,660</u>	<u>15,595,840</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(13,057,109)	(14,007,130)	(12,312,322)	(13,492,478)
Business-type Activities	2,670,572	212,164	2,377,054	648,696
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$10,386,537)</u>	<u>(\$13,794,966)</u>	<u>(\$9,935,268)</u>	<u>(\$12,843,782)</u>
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental Activities:</b>				
Income Taxes	\$8,848,826	\$8,318,554	\$8,272,340	\$10,969,297
Other Local Taxes	2,106,148	44,590	39,052	36,655
Property Taxes	0	1,855,068	1,582,440	1,361,654
Motor Vehicle and Gas Tax	1,445,405	1,163,541	1,459,124	1,418,289
Inergovernmental, Unrestricted	1,608,619	2,048,476	1,755,690	1,895,351
Investment Earnings	294,596	264,225	80,055	63,913
Miscellaneous	341,238	409,876	209,174	385,043
Transfers	(10,000)	170,082	(62,275)	104,499
<i>Total Governmental Activities</i>	<u>14,634,832</u>	<u>14,274,412</u>	<u>13,335,600</u>	<u>16,234,701</u>
<b>Business-type Activities:</b>				
Investment Earnings	0	0	0	0
Transfers	10,000	(170,082)	62,275	(104,499)
Loss on Disposal of Capital Assets	0	0	0	0
<i>Total Business-type Activities</i>	<u>10,000</u>	<u>(170,082)</u>	<u>62,275</u>	<u>(104,499)</u>
<i>Total Primary Government</i>	<u>\$14,644,832</u>	<u>\$14,104,330</u>	<u>\$13,397,875</u>	<u>\$16,130,202</u>
<b>Change in Net Position</b>				
Governmental Activities	\$1,577,723	\$267,282	\$1,023,278	\$2,742,223
Business-type Activities	2,680,572	42,082	2,439,329	544,197
<i>Total Primary Government Change in Net Position</i>	<u>\$4,258,295</u>	<u>\$309,364</u>	<u>\$3,462,607</u>	<u>\$3,286,420</u>

Source: City Finance Director's Office

Note: Prior to 2009 property taxes were included in the other local taxes figure on the entity wide statements.



**CITY OF XENIA, OHIO**

2012	2013	2014	2015	2016	2017
3,321,936	3,533,324	3,504,940	3,715,562	3,961,826	4,264,396
4,250,051	4,384,154	4,546,060	4,538,119	4,925,424	4,890,401
1,982,788	1,954,056	1,970,172	1,996,550	1,973,814	2,063,417
340,317	337,467	338,546	340,799	342,741	345,445
60,610	161,317	83,972	51,063	53,960	112,478
490,531	126,156	119,450	174,487	75,000	20,000
0	11,100	158,801	144,542	16,000	17,600
<u>10,446,233</u>	<u>10,507,574</u>	<u>10,721,941</u>	<u>10,961,122</u>	<u>11,348,765</u>	<u>11,713,737</u>
<u>15,141,474</u>	<u>18,678,342</u>	<u>16,963,073</u>	<u>15,921,931</u>	<u>16,379,814</u>	<u>17,490,746</u>
(14,634,374)	(13,931,365)	(14,806,845)	(17,117,722)	(16,198,443)	(20,957,006)
204,745	983,680	505,614	1,558,699	302,656	(281,747)
<u>(\$14,429,629)</u>	<u>(\$12,947,685)</u>	<u>(\$14,301,231)</u>	<u>(\$15,559,023)</u>	<u>(\$15,895,787)</u>	<u>(\$21,238,753)</u>
\$12,276,122	\$11,732,328	\$11,756,681	\$11,952,647	\$12,728,800	\$12,514,453
37,308	40,137	40,362	41,395	41,042	38,289
1,807,780	986,812	1,524,924	1,324,503	1,442,144	1,442,899
1,225,059	1,474,430	1,139,791	1,194,461	1,459,326	1,698,281
1,283,809	1,811,934	827,164	1,033,930	1,003,737	940,280
38,295	27,308	138,931	2,246	110,028	93,470
329,715	367,822	411,511	106	0	0
(878,636)	63,167	(367,017)	74,734	183,998	183,891
<u>16,119,452</u>	<u>16,503,938</u>	<u>15,472,347</u>	<u>15,624,022</u>	<u>16,969,075</u>	<u>16,911,563</u>
0	0	0	0	0	0
878,636	(63,167)	367,017	(74,734)	(183,998)	(183,891)
0	0	0	0	0	0
<u>878,636</u>	<u>(63,167)</u>	<u>367,017</u>	<u>(74,734)</u>	<u>(183,998)</u>	<u>(183,891)</u>
<u>\$16,998,088</u>	<u>\$16,440,771</u>	<u>\$15,839,364</u>	<u>\$15,549,288</u>	<u>\$16,785,077</u>	<u>\$16,727,672</u>
\$1,485,078	\$2,572,573	\$665,502	(\$1,493,700)	\$770,632	(\$4,045,443)
1,083,381	920,513	872,631	1,483,965	118,658	(465,638)
<u>\$2,568,459</u>	<u>\$3,493,086</u>	<u>\$1,538,133</u>	<u>(\$9,735)</u>	<u>\$889,290</u>	<u>(\$4,511,081)</u>

**CITY OF XENIA, OHIO**

*Fund Balances, Governmental Funds  
Last Ten Years  
(modified accrual basis of accounting)*

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Fund				
Nonspendable				\$59,044
Assigned				\$188,601
Unassigned				\$1,872,104
Reserved	\$294,705	\$213,890	\$167,371	\$0
Unreserved	3,913,707	4,286,603	1,875,461	0
<i>Total General Fund</i>	<u>4,208,412</u>	<u>4,500,493</u>	<u>2,042,832</u>	<u>2,119,749</u>
All Other Governmental Funds				
NonSpendable				140,563
Restricted				6,042,733
Committed				117,026
Assigned				1,952,407
Reserved	953,204	428,075	1,440,549	0
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,744,102	1,731,786	4,578,277	0
Capital Projects Funds	2,347,725	1,501,554	740,547	0
<i>Total All Other Governmental Funds</i>	<u>5,045,031</u>	<u>3,661,415</u>	<u>6,759,373</u>	<u>8,252,729</u>
<i>Total Governmental Funds</i>	<u><u>\$9,253,443</u></u>	<u><u>\$8,161,908</u></u>	<u><u>\$8,802,205</u></u>	<u><u>\$10,372,478</u></u>

Source: City Finance Director's Office  
(1) The City Implemented GASB 54 in 2011

*CITY OF XENIA, OHIO*

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$53,487	\$51,992	\$45,190	\$28,405	\$35,628	\$36,969
\$1,662,830	\$240,208	\$1,649,569	\$1,412,584	\$7,001	\$1,734,848
\$1,096,424	\$3,509,005	\$1,883,547	\$1,398,034	\$3,507,294	\$1,763,718
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
<u>2,812,741</u>	<u>3,801,205</u>	<u>3,578,306</u>	<u>2,839,023</u>	<u>3,549,923</u>	<u>3,535,535</u>
209,783	221,393	451,803	219,964	188,205	187,266
5,173,704	5,919,266	4,970,908	11,504,299	8,215,198	5,858,648
149,778	219,170	154,522	249,694	247,351	290,271
2,130,590	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>7,663,855</u>	<u>6,359,829</u>	<u>5,577,233</u>	<u>11,973,957</u>	<u>8,650,754</u>	<u>6,336,185</u>
<u>\$10,476,596</u>	<u>\$10,161,034</u>	<u>\$9,155,539</u>	<u>\$14,812,980</u>	<u>\$12,200,677</u>	<u>\$9,871,720</u>

**CITY OF XENIA, OHIO**

*Changes in Fund Balances, Governmental Funds  
Last Ten Years  
(modified accrual basis of accounting)*

	2008	2009	2010	2011
<b>Revenues:</b>				
Municipal Income Tax	\$8,973,379	\$8,418,354	\$8,262,780	\$10,933,675
Other Local Taxes	2,106,148	1,899,658	1,619,094	1,400,707
State Shared Taxes and Permits	3,479,048	3,296,472	3,097,393	3,109,036
Special Assessments	0	0	0	0
Intergovernmental Grants	1,333,417	908,950	1,522,973	2,100,211
Charges for Services	1,712,640	1,669,891	1,766,578	1,485,407
Fines, Costs, Forfeitures, Licenses and Permits	1,723,130	1,422,179	1,418,432	1,357,962
Miscellaneous Receipts and Reimbursements, including Interest	1,122,768	909,516	881,195	835,290
<b>Total Revenue</b>	<b>20,450,530</b>	<b>18,525,020</b>	<b>18,568,445</b>	<b>21,222,288</b>
<b>Expenditures:</b>				
Current:				
General Government	3,702,693	3,119,824	3,136,271	3,383,703
Public Safety	10,853,395	11,456,004	10,721,657	11,502,926
Health	64,843	51,780	48,257	0
Highways and Streets	1,641,621	1,425,152	1,353,816	1,295,688
Urban Redevelopment & Housing	344,549	289,694	248,432	130,324
Economic Development & Assistance	0	0	0	146,663
Recreation	390,777	319,544	169,228	158,251
Capital Outlay	2,420,322	2,498,161	1,739,237	3,443,902
Debt Service:				
Principal Retirement	381,681	433,103	1,315,647	433,131
Interest and Fiscal Charges	132,540	128,364	112,635	70,461
<b>Total Expenditures</b>	<b>19,932,421</b>	<b>19,721,626</b>	<b>18,845,180</b>	<b>20,565,049</b>
Excess (Deficiency) of Revenues Over Expenditures	518,109	(1,196,606)	(276,735)	657,239
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources - Capital Leases	448,251	190,080	0	0
General Obligation Bonds Issued	0	0	927,531	953,712
Premium on General Obligation Bonds	0	0	0	0
Transfers In	694,000	234,001	7,512,071	5,370,000
Transfers Out	(704,000)	(247,000)	(7,528,071)	(5,391,500)
<b>Total Other Financing Sources (Uses)</b>	<b>438,251</b>	<b>177,081</b>	<b>911,531</b>	<b>932,212</b>
<b>Net Change in Fund Balance</b>	<b>\$956,360</b>	<b>(\$1,019,525)</b>	<b>\$634,796</b>	<b>\$1,589,451</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	2.97%	3.42%	8.08%	2.92%

Source: City Finance Director's Office

**CITY OF XENIA, OHIO**

2012	2013	2014	2015	2016	2017
\$11,599,673	\$11,582,587	\$11,716,273	\$11,922,714	\$12,699,537	\$12,645,955
1,293,188	1,472,542	1,514,437	1,453,040	1,505,940	1,470,786
2,707,651	3,007,312	2,247,433	2,243,246	2,395,052	2,318,968
0	0	0	0	0	0
1,142,233	3,920,886	2,295,026	324,867	519,051	1,368,595
1,635,508	1,918,720	2,038,845	2,337,256	2,295,450	2,244,851
1,435,372	1,358,049	1,364,666	1,314,750	1,416,278	1,415,318
808,439	979,786	1,268,957	1,024,070	797,219	918,422
<u>20,622,064</u>	<u>24,239,882</u>	<u>22,445,637</u>	<u>20,619,943</u>	<u>21,628,527</u>	<u>22,382,895</u>
3,490,798	3,478,462	3,634,660	3,838,344	3,561,137	3,840,056
11,927,807	12,264,065	12,677,453	13,020,511	12,034,571	13,182,470
0	0	0	0	0	0
1,290,424	1,365,466	1,590,916	1,231,105	1,196,747	1,422,035
91,730	82,763	117,762	92,427	91,215	94,713
153,967	191,046	190,432	173,560	164,240	135,871
166,091	166,868	208,422	259,657	233,150	248,583
2,829,747	8,029,355	4,841,290	3,568,604	7,219,724	5,824,533
538,820	402,837	480,251	854,648	811,734	846,553
74,378	56,112	68,328	232,664	310,623	311,598
<u>20,563,762</u>	<u>26,036,974</u>	<u>23,809,514</u>	<u>23,271,520</u>	<u>25,623,141</u>	<u>25,906,412</u>
58,302	(1,797,092)	(1,363,877)	(2,651,577)	(3,994,614)	(3,523,517)
0	1,371,415	183,486	106	194,470	0
0	0	0	8,000,000	1,000,000	1,025,000
0	0	0	412,736	0	0
4,546,000	4,825,000	5,330,000	5,788,051	5,444,627	5,942,322
<u>(4,569,000)</u>	<u>(4,825,000)</u>	<u>(5,330,000)</u>	<u>(5,713,317)</u>	<u>(5,260,629)</u>	<u>(5,758,431)</u>
<u>(23,000)</u>	<u>1,471,415</u>	<u>183,486</u>	<u>8,487,576</u>	<u>1,378,468</u>	<u>1,208,891</u>
<u>\$35,302</u>	<u>(\$325,677)</u>	<u>(\$1,180,391)</u>	<u>\$5,835,999</u>	<u>(\$2,616,146)</u>	<u>(\$2,314,626)</u>
3.58%	2.09%	2.74%	5.32%	3.21%	3.07%

**CITY OF XENIA, OHIO**

*Income Tax Revenues by Source, Governmental Funds  
Last Ten Years*

<b>Tax year</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Income Tax Rate	1.75%	1.75%	1.75%	2.25%
Total Tax Collected	\$8,863,480	\$8,263,057	\$8,354,222	\$10,310,172
Income Tax Receipts				
Withholding	6,870,315	6,425,740	6,377,354	8,075,838
Percentage	77.51%	77.76%	76.34%	78.33%
Direct (Individual & Business)	1,993,165	1,837,317	1,976,868	2,234,334
Percentage	22.49%	22.24%	23.66%	21.67%

Note: Estimated Personal Income and Income Tax by Business Type  
is not available for any of these years.

Source: City Income Tax Department

*CITY OF XENIA, OHIO*

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<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
\$11,595,945	\$11,634,384	\$11,739,338	\$11,725,621	\$12,828,479	\$13,131,194
8,533,750	8,310,102	8,486,386	8,537,908	9,173,973	9,340,086
73.59%	71.43%	72.29%	72.81%	71.51%	71.13%
3,062,195	3,324,282	3,252,952	3,187,713	3,654,506	3,791,108
26.41%	28.57%	27.71%	27.19%	28.49%	28.87%

**CITY OF XENIA, OHIO**

*Income Tax Collections  
Current Year and Seven Years Ago*

Calendar Year 2017				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	5,796	49.83%	\$34,294,063	9.33%
20,000 - 49,999	3,241	27.86%	107,868,307	29.38%
50,000 - 74,999	1,296	11.14%	78,840,567	21.47%
75,000 - 99,999	661	5.68%	57,092,838	15.55%
Over 100,000	639	5.49%	89,109,847	24.27%
<b>Total</b>	<b>11,633</b>	<b>100.00%</b>	<b>\$367,205,622</b>	<b>100.00%</b>

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to the City of Xenia	\$6,347,035
Taxes Credited to Other Municipalities	1,915,091
	<b>\$8,262,126</b>

Calendar Year 2010				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	6,610	53.55%	\$38,370,137	10.83%
20,000 - 49,999	3,227	26.15%	106,859,964	30.17%
50,000 - 74,999	1,306	10.58%	79,396,170	22.42%
75,000 - 99,999	661	5.36%	56,745,488	16.02%
Over 100,000	538	4.36%	72,821,668	20.56%
<b>Total</b>	<b>12,342</b>	<b>100.00%</b>	<b>\$354,193,427</b>	<b>100.00%</b>

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to the City of Xenia	\$4,455,807
Taxes Credited to Other Municipalities	1,742,578
	<b>\$6,198,385</b>

Source: City Finance Director's Office





**CITY OF XENIA, OHIO**

*Ratio of Outstanding Debt By Type  
Last Ten Years*

	2008	2009	2010	2011
<b>Governmental Activities</b> <sup>(1)</sup>				
General Obligation Bonds Payable	\$1,005,000	\$945,000	\$920,000	\$1,803,712
Original Issue Premium	\$0	\$0	\$0	\$0
Capital Leases	1,772,837	1,589,809	1,219,167	856,036
Local Government Innovation Fund	0	0	0	0
<b>Business-type Activities</b> <sup>(1)</sup>				
Ohio Water Development Authority Loans Payable	\$5,430,029	\$4,894,544	\$6,226,960	\$5,509,733
General Obligation Bonds Payable	0	0	0	120,288
Capital Leases	1,697,182	1,607,731	1,514,227	1,416,485
<b>Total Primary Government</b>	<b>\$9,905,048</b>	<b>\$9,037,084</b>	<b>\$9,880,354</b>	<b>\$9,706,254</b>
<b>Population</b> <sup>(2)</sup>				
City of Xenia	24,164	27,357	25,719	25,915
Outstanding Debt Per Capita	\$410	\$330	\$384	\$375
<b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	466,800	518,470	493,702	497,464
Percentage of Personal Income	2.12%	1.74%	2.00%	1.95%

**Sources:**

- (1) City Finance Director's Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis information is only available through 2007 for the presentation of 2008 statistics, the City is using the latest information available.
  - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

**CITY OF XENIA, OHIO**

2012	2013	2014	2015	2016	2017
\$1,642,248	\$1,478,916	\$1,288,677	\$8,756,488	\$9,247,308	\$9,706,094
\$0	\$0	\$0	\$396,227	\$379,718	\$363,207
478,680	1,610,590	1,504,064	1,191,605	1,186,674	893,030
0	100,000	100,000	90,000	80,000	70,000
\$6,555,052	\$6,006,280	\$5,449,918	\$4,877,571	\$4,315,520	\$3,709,810
109,383	98,243	86,863	75,236	63,355	51,221
1,314,314	1,207,514	1,095,874	979,174	857,187	729,671
<u>\$10,099,677</u>	<u>\$10,501,543</u>	<u>\$9,525,396</u>	<u>\$16,366,301</u>	<u>\$16,129,762</u>	<u>\$15,523,033</u>
25,983	25,879	25,911	25,976	26,002	26,562
\$389	\$406	\$368	\$630	\$620	\$584
515,659	514,733	531,383	532,716	546,796	580,831
1.96%	2.04%	1.79%	3.07%	2.95%	2.67%

*Ratios of General Bonded Debt Outstanding  
Last Ten Years*

Year	2008	2009	2010	2011
<b>Population</b> <sup>(1)</sup>	24,164	27,357	25,719	25,915
<b>Assessed Value</b> <sup>(2)</sup>	\$380,225,360	\$399,918,650	\$401,707,460	\$376,284,220
<b>General Bonded Debt</b> <sup>(3)</sup>				
General Obligation Bonds	\$1,005,000	\$945,000	\$920,000	\$1,924,000
<b>Resources Available to Pay Principal</b> <sup>(4)</sup>	\$0	\$0	\$0	\$0
<b>Net General Bonded Debt</b>	\$1,005,000	\$945,000	\$920,000	\$1,924,000
<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	0.26%	0.24%	0.23%	0.51%
<b>Net Bonded Debt per Capita</b>	\$41.59	\$34.54	\$35.77	\$74.24

**Source:**

- (1) U.S. Bureau of Census of Population
- (2) Greene County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes.  
There were no General Obligation Bonds prior to 1999.
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

CITY OF XENIA, OHIO

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2012	2013	2014	2015	2016	2017
25,983	25,879	25,911	25,976	26,002	26,562
\$369,340,160	\$371,635,110	\$357,886,080	\$357,304,480	\$358,938,640	\$380,189,780
\$1,751,631	\$1,577,159	\$1,375,540	\$8,831,724	\$9,310,663	\$9,757,315
\$0	\$0	\$0	\$0	\$0	\$0
\$1,751,631	\$1,577,159	\$1,375,540	\$8,831,724	\$9,310,663	\$9,757,315
0.47%	0.41%	0.38%	2.47%	2.59%	2.57%
\$67.41	\$60.94	\$53.09	\$340.00	\$358.07	\$367.34

**CITY OF XENIA, OHIO**

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2017*

2017			
<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Xenia</u>	<u>Amount Applicable to the City of Xenia</u>
<b>Direct:</b>			
City of Xenia	\$11,032,331	100.00%	\$11,032,331
<b>Overlapping:</b>			
Greene County	\$92,481,474	9.28%	8,585,089
Xenia Community School District	\$33,540,000	56.75%	19,033,189
Greene County Career Center	\$0	9.15%	0
		Subtotal	<u>27,618,278</u>
		Total	<u><u>\$38,650,609</u></u>

**Source:** City of Xenia Finance Office  
Greene County Auditor  
Xenia Community Schools  
Greene County Career Center



**CITY OF XENIA, OHIO**

*Debt Limitations  
Last Ten Years*

<b>Collection Year</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Total Debt</b>				
Net Assessed Valuation	\$380,225,360	\$399,918,650	\$401,707,460	\$376,284,220
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	39,923,663	41,991,458	42,179,283	39,509,843
City Debt Outstanding (2)	1,005,000	945,000	920,000	1,924,000
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>1,005,000</u>	<u>945,000</u>	<u>920,000</u>	<u>1,924,000</u>
Overall Legal Debt Margin	<u><u>\$38,918,663</u></u>	<u><u>\$41,046,458</u></u>	<u><u>\$41,259,283</u></u>	<u><u>\$37,585,843</u></u>
<b>Unvoted Debt</b>				
Net Assessed Valuation	\$380,225,360	\$399,918,650	\$401,707,460	\$376,284,220
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	20,912,395	21,995,526	22,093,910	20,695,632
City Debt Outstanding (2)	1,005,000	945,000	920,000	1,924,000
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>1,005,000</u>	<u>945,000</u>	<u>920,000</u>	<u>1,924,000</u>
Overall Legal Debt Margin	<u><u>\$19,907,395</u></u>	<u><u>\$21,050,526</u></u>	<u><u>\$21,173,910</u></u>	<u><u>\$18,771,632</u></u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds

Source: City Finance Director's Office



*CITY OF XENIA, OHIO*

2012	2013	2014	2015	2016	2017
\$369,340,160	\$371,635,110	\$357,886,080	\$357,304,480	\$358,938,640	\$380,189,780
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
38,780,717	39,021,687	37,578,038	37,516,970	37,688,557	39,919,927
1,751,631	1,577,159	1,375,540	8,831,724	9,310,663	9,757,315
0	0	0	0	0	0
<u>1,751,631</u>	<u>1,577,159</u>	<u>1,375,540</u>	<u>8,831,724</u>	<u>9,310,663</u>	<u>9,757,315</u>
<u>\$37,029,086</u>	<u>\$37,444,527</u>	<u>\$36,202,498</u>	<u>\$28,685,246</u>	<u>\$28,377,894</u>	<u>\$30,162,612</u>
\$369,340,160	\$371,635,110	\$357,886,080	\$357,304,480	\$358,938,640	\$380,189,780
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
20,313,709	20,439,931	19,683,734	19,651,746	19,741,625	20,910,438
1,751,631	1,577,159	1,375,540	8,831,724	9,310,663	9,757,315
0	0	0	0	0	0
<u>1,751,631</u>	<u>1,577,159</u>	<u>1,375,540</u>	<u>8,831,724</u>	<u>9,310,663</u>	<u>9,757,315</u>
<u>\$18,562,078</u>	<u>\$18,862,772</u>	<u>\$18,308,194</u>	<u>\$10,820,022</u>	<u>\$10,430,962</u>	<u>\$11,153,123</u>

**CITY OF XENIA, OHIO**

*Demographic and Economic Statistics  
Last Ten Years*

Calendar Year	2008	2009	2010	2011
<b>Population</b> (2) (a)				
City of Xenia	24,164	27,357	25,719	25,915
Greene County	148,607	159,823	161,573	163,219
<b>Income</b> (2) (a)				
Total Personal (in thousands)	466,800	518,470	493,702	497,464
Per Capita	19,318	18,952	19,196	19,196
<b>Unemployment Rate</b> (3)				
Federal	7.1%	9.7%	9.1%	8.3%
State	7.7%	10.7%	9.2%	7.6%
Greene County	7.0%	10.6%	9.2%	7.3%
<b>Civilian Work Force Estimates</b> (3)				
State	5,931,600	5,884,900	5,874,200	5,762,000
Greene County	78,200	79,700	79,900	79,000
<b>Employment Distribution by Occupation</b> (2) (a)				
Agriculture, forestry, fishing, hunting, and mining	29	29	89	99
Construction	701	701	628	530
Manufacturing	1,952	1,952	1,351	1,019
Wholesale trade	240	240	281	213
Retail trade	1,511	1,511	1,342	1,410
Transportation, warehousing, and utilities info.	448	448	700	638
Information	190	190	297	191
Finance, insurance, real estate, rental and leasing	436	436	512	499
Professional, scientific, management, administrative, and waste management	713	713	1,203	925
Educational, health, and social services	2,389	2,389	3,153	2,705
Arts, Entertainment, recreation, accomodation and food services	828	828	1,096	1,274
Other Services	641	641	621	669
Public Administration	843	843	742	836
<b>Daytime Population</b> (1)	22,424	22,424	22,424	22,424

**Sources:**

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis information prior to 2007 is not available, the City used the latest information available.
- (a) Per Capita Income was obtained from the US Census Bureau American Fact Finder Website.
- (3) State Department of Labor Statistics

*CITY OF XENIA, OHIO*

2012	2013	2014	2015	2016	2017
25,983	25,879	25,911	25,976	26,002	26,562
163,852	163,204	163,820	164,427	164,192	166,752
515,659	514,733	531,383	532,716	546,796	580,831
19,846	19,890	20,508	20,508	21,029	21,867
7.6%	6.5%	5.4%	4.8%	4.5%	3.9%
6.6%	6.6%	4.7%	4.6%	4.7%	4.5%
6.4%	6.2%	4.2%	4.1%	4.1%	3.8%
5,701,000	5,728,000	5,697,000	5,693,000	5,674,000	5,732,000
77,600	76,800	79,500	80,700	80,300	83,100
66	56	23	23	10	11
566	656	619	619	604	547
1,185	1,004	1,000	1,000	1,069	1,092
174	231	136	136	143	188
1,341	1,714	1,725	1,725	1,778	1,934
568	528	479	479	416	415
206	197	230	230	198	151
509	410	393	393	405	417
770	742	506	506	556	756
2954	2534	2730	2730	2942	2921
1154	1020	833	833	900	933
606	603	534	534	573	460
748	794	748	748	652	689
22,424	22,424	24,442	24,442	24,442	24,442

**CITY OF XENIA, OHIO**

*Principal Employers  
Current Year and Eight Years Ago*

Employer	Nature of Business	2017		
		Number of Employees	Rank	Percentage of Total Employment
Greene County	Government	1405	1	6.05%
Kettering Med Center Network	Health Care	1052	2	4.53%
Xenia Community School Dist	Education	737	3	3.17%
Wal-mart Associates Inc	Retail	525	4	2.26%
Express Personnel Services	Other Services	402	5	1.73%
Kroger Limited Ptr	Grocery	388	6	1.67%
CBS Personnel Services, LLC	Other Services	277	7	1.19%
Department of Defense	Government	255	8	1.10%
Hospitality Operating East, LLC	Health Care	252	9	1.09%
City of Xenia	Government	249	10	1.07%
Total		<u>5,542</u>		
Total Employment within the City		<u><u>23,225</u></u>		

Employer	Nature of Business	2010		
		Number of Employees	Rank	Percentage of Total Employment
Greene County	Government	1,478	1	7.05%
Xenia Community Schools	Education	1,013	2	4.83%
Greene Memorial Hospital	Health Care	878	3	4.19%
Walmart	Retail	505	4	2.41%
City of Xenia	Government	275	5	1.31%
Department of Defense	Government	268	6	1.28%
Super Valu	Distribution	252	7	1.20%
Mcdonalds Restaurants	Food Services	246	8	1.17%
Kroger	Grocery	245	9	1.17%
Bob Evans Farm	Food Services	215	10	1.03%
Total		<u>5,375</u>		
Total Employment within the City		<u><u>20,967</u></u>		

**Sources:**

City of Xenia Income Tax Department

**CITY OF XENIA, OHIO**

*Principal Property Tax Payers  
Current Year and Five Years Ago*

2017			
Property Tax Payers	Assessed Value	Rank	Percentage of Total Assessed Value
DP&L	7,831,450	1	2.06%
Deer Creek Community LLC	4,969,760	2	1.31%
City of Xenia	4,488,110	3	1.18%
Ohio Valley Prpoerty Management	2,633,710	4	0.69%
Wal-Mart Real Estate Business	2,530,160	5	0.67%
Traditions at Xenia	2,409,640	9	0.63%
Lowes Home Centers Inc	1,939,340	6	0.51%
Vectren Energy Delivery	1,916,810	7	0.50%
Wood Xnia Center LLC	1,788,340	8	0.47%
Xenia Bellbrook LLC	1,509,490	10	0.40%
Total Principal Property Tax Payers	<u>32,016,810</u>		
Total Assessed Value	<u><u>380,189,780</u></u>		

2012			
Employer	Assessed Value	Rank	Percentage of Total Assessed Value
DP&L	7,600,370	1	1.86%
Deer Creek Community LLC	5,086,570	2	1.25%
City of Xenia	4,416,680	3	1.08%
Wal-Mart Real Estate Business	4,359,310	4	1.07%
Traditions at Xenia	2,621,720	5	0.64%
Lowes Home Centers Inc	2,212,860	6	0.54%
Supervalu Holdings	2,088,620	7	0.51%
Campus Crusade for Christ Inc	1,763,700	8	0.43%
Legacy Ministries International	1,419,740	9	0.35%
Xenia Nominee LP	1,405,990	10	0.34%
Total Principal Property Tax Payers	<u>32,975,560</u>		
Total Assessed Value	<u><u>380,957,080</u></u>		

**Sources:**

Greene County Auditor's Office

Data is not available prior to 2011.

**CITY OF XENIA, OHIO**

*Full Time Equivalent Employees by Function  
Last Ten Years*

	2008	2009	2010	2011
<b>Governmental Activities</b>				
General Government				
Finance	18.50	15.00	15.00	15.50
Legal/Court	30.50	32.00	32.00	30.75
Administration	6.00	5.00	5.00	5.00
Information Technology		2.00	2.00	2.00
Facilities	0.00	0.00	0.00	0.00
Security of Persons and Property				
Police	70.00	67.00	65.00	65.00
Fire	42.00	41.00	41.00	43.00
Transportation				
Street	16.50	9.00	6.00	6.00
Garage		2.00	2.00	2.00
Leisure Time Activities				
Recreation/Seniors	4.50	0.00	0.00	0.00
Parks		1.50	1.50	1.50
Community Environment				
Service	8.00	0.00	0.00	0.00
Development/Planning		4.00	4.00	6.00
Engineering		4.00	4.00	3.00
<b>Business-Type Activities</b>				
Utilities				
Water	15.50	19.00	18.00	18.00
Sewer	16.00	15.00	15.00	15.00
Solid Waste	0.00	0.00	1.00	1.00
Storm Water	0.00	0.00	2.00	2.00
<i>Total Employees</i>	<u>227.50</u>	<u>216.50</u>	<u>213.50</u>	<u>215.75</u>

**Method:** 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: City Finance Director's Office

*CITY OF XENIA, OHIO*

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
15.00	16.00	16.00	16.00	16.00	15.50
30.50	31.00	27.75	27.25	28.25	27.25
4.50	4.50	4.50	4.75	6.00	7.00
2.00	2.00	4.00	4.00	4.00	4.00
0.00	0.00	0.00	0.00	0.00	2.50
68.50	71.00	72.50	72.50	73.00	73.00
44.00	44.00	44.50	44.50	44.50	44.50
6.00	6.00	6.00	7.00	6.50	8.00
2.00	2.00	2.00	2.00	2.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00
1.50	2.00	1.00	1.50	1.50	1.25
0.00	0.00	0.00	0.00	0.00	0.00
6.00	6.00	6.25	6.25	6.25	5.25
4.00	4.00	4.00	4.50	4.50	4.50
17.00	16.00	17.00	17.00	15.25	15.00
16.00	16.00	15.00	15.00	17.50	19.25
1.00	1.00	1.00	1.00	1.25	1.25
2.00	2.00	2.00	2.00	2.00	2.00
<u>220.00</u>	<u>223.50</u>	<u>223.50</u>	<u>225.25</u>	<u>228.50</u>	<u>231.25</u>

**CITY OF XENIA, OHIO**

*Operating Indicators by Function  
Last Ten Years*

	2008	2009	2010	2011
<b>Governmental Activities</b>				
General Government				
Court				
Number of Probation Cases	796	795	803	738
Number of Traffic Cases	12,234	9,579	8,984	9,409
Number of Criminal Cases	4,461	3,906	3,904	3,887
Number of Civil Cases	2,175	1,645	1,619	1,811
Licenses and Permits				
Number of Residential Constructions	91	26	23	3
Number of Commercial Constructions	4	2	1	6
Security of Persons and Property				
Police				
Number of Citations Issued	4,347	2,078	1,818	3,420
Number of Arrests	2,985	2,240	2,068	2,381
Number of Accidents	535	609	659	553
Fire				
Number of Fire Calls	1,210	875	819	957
Number of EMS Runs	3,752	3,543	3,470	3,676
Number of Inspections	141	185	72	345
Transportation				
Street				
Number of Streets Resurfaced	9	7	0	28
Leisure Time Activities				
Recreation/Seniors				
Number of Programs Offered	8	5	14	14
Number of Shelter Rentals	132	145	166	68
<b>Business-Type Activities</b>				
Water				
Number of Metered Accounts***	10,733	10,782	10,800	10,808
Daily Average Consumption (millions of gallons)	3.2	3.2	3.1	2.5
Peak Daily Consumption (millions of gallons)	8.0	8.0	8.0	8.0
Sewer				
Number of Metered Accounts***	10,635	10,664	10,680	10,690
Daily Average Sewage Treatment (millions of gallons)	5.0	4.1	4.0	5.4
Solid Waste *				
Number of Customers Served	9,512	9,496	9,543	9,495
Stormwater **				
Number of Customers Served	9,992	10,041	10,024	10,056

Source: City Finance Director's Office

\* Billing for Solid Waste started in 2005

\*\* Billing for Stormwater started in 2007

\*\*\* Prior to 2012 accounts include those properties which were vacant. Starting in 2012 the statistics reflect active accounts



*CITY OF XENIA, OHIO*

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
850	775	626	564	648	687
10,172	8,924	8,831	8,139	8,087	8,363
3,890	3,535	3,137	3,372	3,568	3,077
1,402	1,059	1,079	1,358	1,145	1,623
151	156	169	144	212	242
123	189	178	125	80	41
4,174	4,071	3,356	3,368	2,495	1,646
1,879	1,743	1,595	1,908	1,746	1,843
876	434	412	487	506	475
943	1,077	1,096	1,135	1,122	1,114
3,781	4,110	4,076	3,995	4,422	4,484
344	370	267	281	360	225
17	21	2	14	12	10
14	13	13	15	15	15
65	60	71	72	49	100
10,185	10,187	10,197	10,235	10,288	10,364
2.5	2.4	3.0	2.8	2.8	3.0
9.0	4.3	4.7	4.4	6.0	4.4
10,065	10,072	10,082	10,123	10,177	10,258
3.8	4.0	4.5	4.7	4.1	4.3
9,445	9,432	9,455	9,455	9,678	9,629
9,445	9,454	9,488	9,502	9,551	9,628

**CITY OF XENIA, OHIO**

*Capital Asset Statistics by Function  
Last Ten Years*

	2008	2009	2010	2011
<b>Governmental Activities</b>				
General Government				
Land (acres)	7,680	7,680	7,680	7,680
Public Safety				
Police				
Stations	1	1	1	1
Vehicles	28	30	22	22
Fire				
Stations	2	2	2	2
Vehicles	12	12	11	11
Highways and Streets				
Streets (lane miles)	135	219	219	219
Street Lights	1,961	1,961	2,124	2,134
Traffic Signals	38	38	40	40
Recreation				
Land (acres)	122	122	120	120
Buildings/Shelters	20	20	12	12
Parks	15	15	14	14
Playgrounds	12	12	13	13
Tennis Courts	0	0	0	0
Baseball/Softball Diamonds	1	1	3	3
Soccer Fields	2	2	0	0
<b>Business-Type Activities</b>				
Utilities				
Water				
Waterlines (Miles)	140	140	140	142
Pump Stations	1	1	1	1
Average Daily Consumption	3.2 (mgd)	3.2 (mgd)	3.1 (mgd)	2.5 (mgd)
Storage Capacity (thousands of gallons)	8 (mgd)	8 (mgd)	8 (mgd)	8 (mgd)
Sewer				
Sewerlines (Miles)	145	146	146	146

Source: City Finance Director's Office

*CITY OF XENIA, OHIO*

2012	2013	2014	2015	2016	2017
7,677	7,677	8,320	8,320	8,320	8,320
1	1	1	1	1	1
23	28	22	20	23	24
2	2	2	2	2	2
13	14	14	13	13	13
219	219	219	219	219	219
2,134	2,145	2,165	2,165	2,165	2,165
40	40	40	40	40	41
117	117	112	112	112	112
11	11	13	13	14	14
13	13	13	13	13	13
11	11	11	11	13	13
0	0	0	0	0	0
3	3	6	6	6	6
0	0	0	0	0	0
142	142	142	142	142	142
1	1	1	1	1	1
2.5 (mgd)	2.4 (mgd)	3.0 (mgd)	2.8 (mgd)	2.8 (mgd)	3.0 (mgd)
9 (mgd)	9 (mgd)	9 (mgd)	9 (mgd)	9 (mgd)	9 (mgd)
146	146	146	146	146	146

**CITY OF XENIA, OHIO**

*Capital Asset Value by Function  
Last Ten Years*

	2008	2009	2010	2011
<b>Governmental Activities</b>				
General Government				
Land and Improvements	\$259,130	\$259,130	\$259,130	\$259,130
Buildings	2,512,829	2,793,757	2,804,149	2,812,649
Equipment	1,118,943	1,240,923	1,260,554	1,274,600
Public Safety				
Land and Improvements	77,019	77,019	77,019	116,875
Buildings	701,839	956,607	1,233,558	1,283,652
Equipment	4,527,109	5,212,833	4,789,357	4,989,302
City Wide				
Land and Improvements	16,947,652	17,147,703	17,228,303	18,079,476
Buildings	2,733,586	2,835,423	2,703,757	2,719,757
Equipment	2,194,792	2,394,682	2,180,065	2,255,954
Infrastructure	13,819,509	15,065,947	15,247,920	15,763,408
Construction in Progress	850,778	273,106	685,664	1,625,763
<b>Business-Type Activities</b>				
Utilities				
Water				
Land and Improvements	177,094	214,794	214,794	214,794
Buildings and Improvements	2,870,415	2,870,415	2,900,634	2,900,633
Equipment	15,380,109	16,275,077	16,137,407	16,522,904
Construction in Progress	568,770	10,102	239,542	838,962
Sewer				
Land and Improvements	563,802	563,802	563,802	580,303
Buildings and Improvements	5,265,451	5,294,792	5,353,000	6,857,781
Equipment	25,290,062	25,469,564	25,477,355	26,566,972
Construction in Progress	0	212,444	2,351,012	124,916
Sanitation				
Land and Improvements	0	0	0	0
Buildings and Improvements	105,703	105,703	93,730	93,730
Equipment	761,167	778,320	778,320	784,865
Construction in Progress	0	0	0	0
Stormwater				
Land and Improvements	0	0	0	0
Buildings and Improvements	0	0	0	0
Equipment	8,740,317	8,740,317	8,801,902	8,801,902
Construction in Progress	0	0	0	0

*CITY OF XENIA, OHIO*

2012	2013	2014	2015	2016	2017
\$259,130	\$305,264	\$305,264	\$305,264	\$305,264	\$316,651
2,861,096	2,861,096	2,861,097	2,861,096	2,861,097	10,484,786
1,420,954	1,574,991	1,614,690	1,753,976	1,776,209	2,198,147
116,874	116,875	116,875	116,875	116,875	116,875
1,304,735	1,393,816	1,417,205	1,656,716	1,656,716	1,845,556
5,145,704	5,833,840	7,321,039	7,000,751	6,944,552	7,219,909
18,072,603	18,788,576	19,081,815	19,081,815	19,944,611	20,330,011
3,729,073	3,729,074	3,785,419	3,823,594	5,706,974	3,853,922
2,376,452	2,485,501	2,555,743	2,589,981	2,616,185	2,721,411
16,285,036	16,743,933	17,662,684	18,114,676	18,803,993	20,347,197
752,822	1,583,156	515,011	1,825,904	7,392,736	395,096
214,794	214,794	311,416	463,764	463,764	463,764
2,900,633	2,966,328	2,966,328	3,009,962	3,009,961	3,131,684
17,969,700	18,269,692	18,470,603	19,297,374	19,463,684	19,646,827
522,622	622,647	1,616,056	1,181,538	1,251,817	1,245,442
580,302	626,990	818,483	889,024	710,000	710,000
6,857,782	7,427,086	7,452,141	7,485,140	7,485,141	7,631,778
26,683,388	26,875,711	27,361,516	27,516,178	27,775,931	27,870,361
1,634,109	307,309	242,245	236,292	327,543	619,772
0	213,688	213,688	213,688	213,688	271,768
93,730	93,730	93,730	93,730	93,730	123,130
976,672	992,472	885,782	885,782	908,308	922,064
152,072	0	1,368	176,530	209,698	192,817
0	0	0	0	0	0
0	0	0	0	0	0
8,932,711	9,095,673	9,081,454	9,682,973	9,783,177	10,018,935
2,340	0	0	1,988	3,974	0

*Capital Asset Value by Function  
Last Ten Years*

	2008	2009	2010	2011
Other Enterprise				
Land and Improvements	154,681	154,681	154,681	263,951
Buildings and Improvements	101,837	0	0	0
Equipment	54,430	0	20,081	20,081
Construction in Progress	42,470	0	56,301	0

Source: City Finance Director's Office

*CITY OF XENIA, OHIO*

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<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
263,951	263,951	263,951	263,951	263,951	263,951
0	0	0	0	0	0
20,081	20,081	20,081	20,081	20,081	11,895
57,261	0	0	0	0	0

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**CITY OF XENIA**



**Yellow Book Report**

**December 31, 2017**

**PLATTENBURG**  
Certified Public Accountants

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor, City Council and City Manager  
City of Xenia, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Xenia (the City), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 29, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings that we consider to be a material weakness. This item is listed in the accompanying schedule of audit findings as Finding 2017-001.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **City's Response to Findings**

The City's response to the finding identified in our audit is described in the accompanying schedule of findings. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plattensburg & Associates, Inc.*

Plattensburg & Associates, Inc.

Dayton, Ohio

June 29, 2018

**CITY OF XENIA**  
**SCHEDULE OF AUDIT FINDINGS**  
**December 31, 2017**

**2017-001 Finding Type —Material Weakness – Bank Reconciliations**

Cash is the asset most susceptible to theft and misappropriation. Monthly reconciliations between the bank and the books provide reasonable assurance that all receipts and expenditures have been correctly posted on the City of Xenia's books and have been correctly posted by the bank. Additionally, reconciliations provide the entity with a picture of its financial position at month-end. The City did not perform bank to book reconciliations throughout the fiscal year. This resulted in the City not being able to timely identify outstanding book and bank reconciling items. The City had not reconciled all of Fiscal Year 2017 until April 2018.

**Recommendation:**

The City should implement procedures to verify that monthly reconciliations between the bank balances to books are performed over all accounts and are subjected to regular independent reviews. Failure to do so could result in management using the incorrect cash balance as a basis for their decisions and bank errors going undetected in a timely manner. Further, the City should investigate the source of the variances between the books and the bank and take prompt and appropriate action to correct these variances.

**Management's Response:**

The City is current with monthly reconciliations as of May 2018. Stricter guidelines will be put in place to ensure reconciliations are completed in a timely manner going forward.

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# Dave Yost • Auditor of State

**CITY OF XENIA**

**GREENE COUNTY**

## **CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 4, 2018**