

**CITY OF XENIA**



**Yellow Book Report**

**December 31, 2018**

**PLATTENBURG**  
Certified Public Accountants



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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Members of Council  
City of Xenia  
107 E. 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, 2018 through December 31, 2018. 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 "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 21, 2019

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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, 2018, 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 28, 2019, wherein we noted the City adopted GASB No. 75 as disclosed in Note 20.

**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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **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*.

## **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.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 28, 2019

# **CITY OF XENIA, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2018**

**PREPARED BY THE FINANCE DEPARTMENT**







# **CITY OF XENIA, OHIO**

**GREENE COUNTY**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2018**

Prepared by:  
Department of Finance

Ryan Duke  
Finance Director

Jason Lake  
Assistant Finance Director

Denise Estle  
Finance Technician

Michelle Johnson  
City Clerk



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Greene County, 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 28, 2019

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, 2018, 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 2018 did not require that a single audit be performed.

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



## DEPARTMENT OF FINANCE

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

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 2018 the rate increased slightly to 5.2% from 4.8% in 2017. 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 \$39,415 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 stable. The City is meeting its reserve requirements though service levels may need to be altered in future years to continue the attainment of appropriate reserves. While income tax collections have been trending up in early 2019, there has been very little growth in the tax base in the last two years. Another reason for concern is the State's propensity to reduce local government funding and the 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 the City seems to have gained some momentum in attracting additional investment in both commercial and residential development, 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.



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The City continues to focus on economic development specifically 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, specifically in the areas of City streets and storm water management. 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. That being said, there is need for additional resources to adequately address many years of deferred maintenance related to infrastructure. The City pursued a 3.5 mill property tax measure to repair City streets in 2018, however the measure failed by a small margin. The Governor approved an increase in gas tax revenues which will help in these endeavors, but the increase will not generate the types of revenues needed sufficiently address the issues.

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 25 such projects totaling \$7,576,889 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 may sometimes need to take action in making tough decisions including the elimination of positions or reductions in service. The City Council 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 2018**

**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 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 worked to build a new multi-use facility here in the Xenia community. The project will replaced an outdated YMCA and Adult Recreation Services Center, expanded access to higher education in the community, and will keep important medical services here in Xenia for many years to come. The project was completed in 2018 and opened for business at the beginning of 2019. The impact of the facility has been tremendous far exceeding expectations.

**Street Improvements** – The City continued its annual street rehab program. The City paved portions of Colorado Drive, Dayton Ave, Allison Ave, W. Second St., W. Church St., Galloway St., Progress Dr., and Union Road in 2018. The downtown safety project was mostly completed in 2018. This grant funded project repaved Detroit street through the downtown area, replaced traffic and crossing signals, and created a dedicated bike line through the downtown. The project is meant to calm traffic and make the downtown a safer place for pedestrians and bicyclists.

**Other Items to Note** – The City authorized a Community Reinvestment Area agreement for a new hotel. The hotel opened in 2018 and improves greatly the hospitality options available her in the City. The City also began the recoating of two water towers whicha are expected to be completed in 2019. The development of new housing units in Xenia, specifically in the Sterling Green subdivision, are significant and occurring in greater



## DEPARTMENT OF FINANCE

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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 too 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 2019 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 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.

**Towne Square Redevelopment** – A few years ago 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.

**Greene County Career Center** - The Greene County Career Center has purchased a site here in the City of Xenia and has begun the construction of a new career center that will expand their service offering and attract new students. The new school will add jobs to the Xenia economy while helping to better develop a strong workforce here in Xenia.

**Other Items to Note** – The City was awarded a HOPE VI grant several years ago 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 2019. Playground equipment at the City's feature park (Shawnee Park) was scheduled for replacement in 2019 but has been delayed



## DEPARTMENT OF FINANCE

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due to some challenges in identifying sufficient resources for the project. Staff has put together a funding plan and is hopeful that the improvements will occur in 2020. The City continues to expand its fiber network and will soon connect each of its water and sewer assets thereby eliminating reliance on third parties for services and increasing the capacity of City resources. The City began providing internet access services to the REACH partners and plans to expand its service offering in the future.

### 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 Jason Lake.

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.

Ryan Duke  
Finance Director

*List of Principal Officials  
For the Year Ended December 31, 2018*

---

**CITY COUNCIL**

Michael Engle	President
Dr. Edgar Wallace	Vice President
Sarah Mays	Mayor
Thomas Scrivens	
Dale Louderback	
Levi Dean	
Wesley Smith	

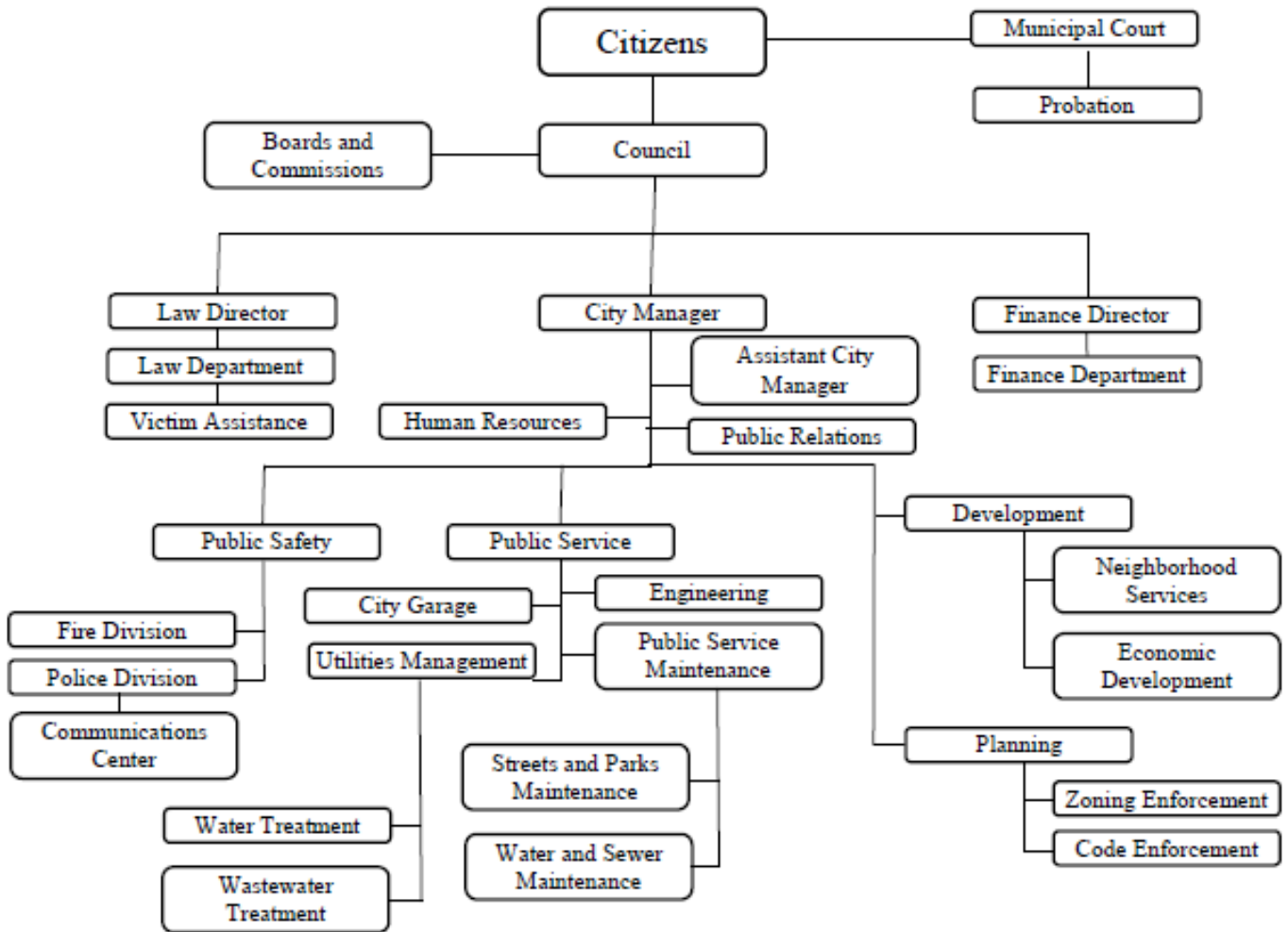
**APPOINTED OFFICIALS**

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
Keith Padgett	Information Technology Director
Phil Sorenson	Systems Administrator
Matt Lee	Network Administrator
Brandon Board	IT Technician
Michelle Johnson	City Clerk
Denise Estle	Finance Technician
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
Angela Ferrero	Finance Clerk/Accounts Receivable
Megan Melvin	Finance Clerk/Accounts Receivable
Janette Reedy	Finance Clerk/Accounts Receivable
Julie Willis	Finance Clerk/Accounts Receivable
Elizabeth Coonan	Finance Clerk/Accounts Receivable
Amanda May	Finance Clerk/Accounts Receivable



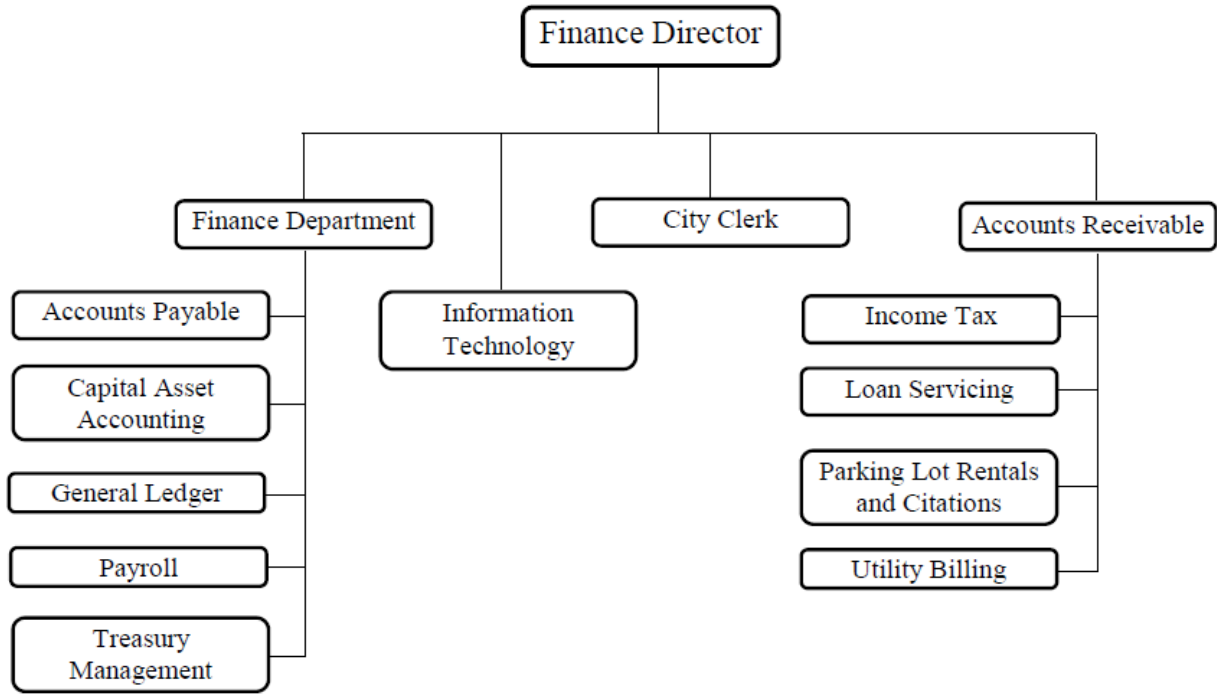


**Commissions**

- Records
- Traffic
- Civil Service
- Planning and Zoning

**Boards**

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





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Xenia  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morill*

Executive Director/CEO



**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, 2018, 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.

## **Emphasis of Matter**

As discussed in Note 20 to the financial statements, during the year ended December 31, 2018, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension. We did not modify our opinion regarding this matter.

## **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, 2018, 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 pension information and other postemployment information 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 28, 2019, 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 28, 2019



***Management's Discussion and Analysis  
For the Year Ended December 31, 2018***

***Unaudited***

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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, 2018. 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 2018 are as follows:**

The total change in the net position of Xenia City was \$(1,087,485). The net position of governmental activities decreased \$1,803,635, which represents an 18.2% decrease from 2017. The net position of business-type activities increased by \$716,150 or 2.3% from 2017.

General revenues accounted for \$16.6 million or 46.2% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$19.4 million or 53.8% of total revenues of \$36.0 million.

The total net position of governmental activities decreased by \$1,803,635, due primarily to the expenses related to the Downtown Bike Safety Project. OPEB expenses related to an increase in net OPEB liability also impacted the City's total net position. Cash and Cash Equivalents of governmental activities increased slightly while Investments decreased significantly, having a net impact of a decrease in total cash, cash equivalents, and investments of \$1,076,848 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 \$1,753,756, 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 decrease in 2018 due to City Council's decision to dip into the reserve slightly do expand our Street Program for 2018. The City had a positive cash flow in its key operating funds for the two years prior to 2018.

The City had \$25.8 million in expenses related to governmental activities; \$7.3 million of these expenses were offset by program-specific charges for services, grants or contributions. General revenues (primarily taxes) of \$16.7 million provided additional support for these programs.

The general fund had \$9.2 million in revenues, \$4.0 million in expenditures and transfers to other funds of \$5.9 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 \$3,535,535 to \$2,852,252.

The net position for business-type activities increased \$716,150. The Water, Sewer, and Loan funds experienced increases in Net Position. The net position of the Sanitation, Storm Sewer, CDBG & UDAG Revolving Loan, Parking Revenue, and Housing Rehabilitation Loan Funds each decreased. The Water and Sewer funds experienced increases of \$288,375 and \$973,520 respectively. The Sanitation Fund decreased by \$362,960. There was relatively little change in the Storm Sewer, CDBG & UDAG Revolving Loan, 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.

**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 2018 and 2017.

	Governmental Activities		Business-type Activities		Total	
	2018	2017 Restated	2018	2017 Restated	2018	2017 Restated
Current and other assets	\$ 16,026,562	\$ 15,575,430	\$ 18,524,158	\$ 16,972,141	\$ 34,550,720	\$ 32,547,571
Capital assets, net	49,932,849	48,179,093	27,883,232	27,701,906	77,816,081	75,880,999
Total assets	<u>65,959,411</u>	<u>63,754,523</u>	<u>46,407,390</u>	<u>44,674,047</u>	<u>112,366,801</u>	<u>108,428,570</u>
Deferred Outflows of Resources	<u>5,834,269</u>	<u>6,528,537</u>	<u>1,135,331</u>	<u>2,102,237</u>	<u>6,969,600</u>	<u>8,630,774</u>
Net pension liability	23,249,510	26,503,974	3,784,573	5,562,095	27,034,083	32,066,069
Net OPEB liability	20,329,209	17,648,484	2,656,381	2,537,046	22,985,590	20,185,530
Long-term debt outstanding	12,280,036	13,157,538	7,368,757	6,964,468	19,648,793	20,122,006
Other liabilities	3,200,038	1,352,225	675,101	485,072	3,875,139	1,837,297
Total liabilities	<u>59,058,793</u>	<u>58,662,221</u>	<u>14,484,812</u>	<u>15,548,681</u>	<u>73,543,605</u>	<u>74,210,902</u>
Deferred Inflows of Resources	<u>4,647,781</u>	<u>1,730,098</u>	<u>1,189,976</u>	<u>75,820</u>	<u>5,837,757</u>	<u>1,805,918</u>
Net position						
Net Investment in Capital Assets	40,040,292	38,846,762	23,139,784	23,211,204	63,180,076	62,057,966
Restricted	5,455,846	6,196,767	0	0	5,455,846	6,196,767
Unrestricted	(37,409,032)	(35,152,788)	8,728,149	7,940,579	(28,680,883)	(27,212,209)
Total net position	<u>\$ 8,087,106</u>	<u>\$ 9,890,741</u>	<u>\$ 31,867,933</u>	<u>\$ 31,151,783</u>	<u>\$ 39,955,039</u>	<u>\$ 41,042,524</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2018 and is reported pursuant to GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” For fiscal year 2018, the City adopted GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,” which

significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
- 2 Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion.

**CITY OF XENIA, OHIO**

Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the City is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2017, in the Governmental Activities from \$27,462,337 to \$9,890,741 and in the Business-Type Activities from \$33,655,965 to \$31,151,783.

For additional information on GASB 68 and GASB 75, see notes 9, 10 and 20.

Change in Net Position – The following table shows the changes in net position for the fiscal year 2018 compared to 2017.

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program Revenues						
Charges for services and sales	\$ 4,834,822	\$ 4,446,820	\$ 12,046,672	\$ 11,676,137	\$ 16,881,494	\$ 16,122,957
Operating grants and contributions	514,247	396,011	0	20,000	514,247	416,011
Capital grants and contributions	1,912,600	934,178	54,750	17,600	1,967,350	951,778
General Revenues:						
Income taxes	12,628,073	12,514,453	0	0	12,628,073	12,514,453
Other local taxes	52,836	38,289	0	0	52,836	38,289
Property Taxes	1,487,042	1,442,899	0	0	1,487,042	1,442,899
Motor vehicle and gasoline taxes	1,345,069	1,698,281	0	0	1,345,069	1,698,281
Intergovernmental, unrestricted	987,330	940,280	0	0	987,330	940,280
Investment earnings	116,647	93,470	0	0	116,647	93,470
Total revenues	<u>23,878,666</u>	<u>22,504,681</u>	<u>12,101,422</u>	<u>11,713,737</u>	<u>35,980,088</u>	<u>34,218,418</u>
<b>Expenses</b>						
Program Expenses						
General government	4,950,737	7,971,980	0	0	4,950,737	7,971,980
Public safety	17,396,450	15,069,724	0	0	17,396,450	15,069,724
Highways and streets	2,376,229	2,329,146	0	0	2,376,229	2,329,146
Urban Redevelopment & Housing	126,171	181,975	0	0	126,171	181,975
Economic development & Assistance	162,932	328,022	0	0	162,932	328,022
Recreation	504,938	551,757	0	0	504,938	551,757
Debt service:						
Interest and fiscal charges	296,327	301,411	0	0	296,327	301,411
Water	0	0	3,956,476	3,754,839	3,956,476	3,754,839
Sewer	0	0	4,180,792	4,491,114	4,180,792	4,491,114
Sanitation	0	0	2,486,446	3,204,055	2,486,446	3,204,055
Storm Water	0	0	416,103	300,964	416,103	300,964
Other enterprise funds	0	0	213,972	244,512	213,972	244,512
Total expenses	<u>25,813,784</u>	<u>26,734,015</u>	<u>11,253,789</u>	<u>11,995,484</u>	<u>37,067,573</u>	<u>38,729,499</u>
Total change in net position before transfers	(1,935,118)	(4,229,334)	847,633	(281,747)	(1,087,485)	(4,511,081)
Transfers	131,483	183,891	(131,483)	(183,891)	0	0
Total change in net position	<u>(1,803,635)</u>	<u>(4,045,443)</u>	<u>716,150</u>	<u>(465,638)</u>	<u>(1,087,485)</u>	<u>(4,511,081)</u>
Beginning net position, Restated	9,890,741	N/A	31,151,783	N/A	41,042,524	N/A
Ending net position	<u>\$ 8,087,106</u>	<u>\$ 9,890,741</u>	<u>\$ 31,867,933</u>	<u>\$ 31,151,783</u>	<u>\$ 39,955,039</u>	<u>\$ 41,042,524</u>

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$109,752 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report OPEB expense of \$1,743,791. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

	Governmental Activities	Business-type Activities	Total
Total 2018 operating expenses under GASB 75	25,813,784	11,253,789	37,067,573
OPEB expense under GASB 75	(1,542,862)	(200,929)	(1,743,791)
2018 contractually required contribution	34,644	0	34,644
Adjusted 2018 operating expenses	24,305,566	11,052,860	35,358,426
Total 2017 operating expenses under GASB 45	26,734,015	11,995,484	38,729,499
Change in operating expenses not related to OPEB	(2,428,449)	(942,624)	(3,371,073)

***Governmental Activities***

Net position of the City’s governmental activities decreased by \$1,803,635. Income taxes increased in 2018 by \$113,620 due primarily to changes in timing as a result of HB49 and low unemployment. Investment earnings, other local taxes, intergovernmental revenue, and operating grants, property taxes, and capital grants all increased, while motor vehicles and gasoline taxes decreased. The most significant change in revenues was the increase in capital grants in the amount of \$978,422. Grant funded street projects were responsible for the increase. Those improvements included South Progress Dr rehab work and safety improvements on Detroit Street through the downtown. City operating expenses increased significantly. A large factor in the increase in public safety expenditures was fire division being awarded a SAFER grant, which added 3 positions, which are partially reimbursed through the grant. Decreases in general government expenditures were primarily the result of losses on the disposal of capital assets the prior year. 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 expenditure in the prior year that inflated expenditures was the \$1,000,000.00 lease payment that was made in partnership with several entities on the REACH Project. The REACH Project includes a new YMCA, a new Senior Center, and provides space for extension offices for Clark State University, and Central State University.



**CITY OF XENIA, OHIO**

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 6.23% and 52.88% of revenues for governmental activities respectively for the City in fiscal year 2018. The City relies heavily on tax revenue for operations.

Revenue Sources	2018	Percent of Total
Municipal income taxes	\$ 12,628,073	52.88%
Other local taxes	52,836	0.22%
Property taxes	1,487,042	6.23%
Motor vehicle and gas taxes	1,345,069	5.63%
Intergovernmental, unrestricted	987,330	4.13%
Investment earnings	116,647	0.49%
Program revenues	7,261,669	30.42%
Total Revenue	<u>\$ 23,878,666</u>	<u>100.00%</u>

***Business-Type Activities***

Net position of the business-type activities increased \$716,150. The most substantial changes in net position were in the Sanitation fund and the Sewer fund. The Sanitation fund decreased \$362,960, while the Sewer fund had an increase of \$973,520. The Sanitation decrease can be attributed to an increase in landfill post closure costs that were required. There was a substantial increase in the Sewer fund, where due to an increase in operating revenues due to a rate increase. All other enterprise funds had insignificant changes in net position.

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

The City’s governmental funds reported a combined fund balance of \$8,393,120, which is a decrease from last year’s balance of \$9,871,720. The schedule below indicates the fund balance and the total change in fund balance as of December 31 in 2018 and 2017:

	Fund Balance December 31, 2018	Fund Balance December 31, 2017	Increase (Decrease)
General	\$ 2,852,252	\$ 3,535,535	\$(683,283)
State Gas and Vehicle License	476,661	519,109	(42,448)
Police & Fire Fund	1,057,516	1,157,090	(99,574)
Capital Improvements	1,000,938	1,178,039	(177,101)
Bond Construction	47,739	164,072	(116,333)
Other Governmental Funds	2,958,014	3,317,875	(359,861)
Total	<u>\$ 8,393,120</u>	<u>\$ 9,871,720</u>	<u>\$(1,478,600)</u>

**CITY OF XENIA, OHIO**

*General Fund – Revenues:* General Fund revenues in 2018 decreased approximately 0.5% compared to revenues in fiscal year 2017 as shown in the chart below. While other local taxes, State shared taxes and permits fines, charges for services, and permits, and miscellaneous receipts including interest grew, while municipal income tax, intergovernmental grants, and costs, forfeitures, licenses, were down.

	2018 Revenues	2017 Revenues	Increase (Decrease)
Municipal Income Taxes	\$ 5,572,716	\$ 5,656,146	\$(83,430)
Other Local Taxes	1,219,181	1,170,816	48,365
State Shared taxes and permits	948,759	904,070	44,689
Intergovernmental grants	0	67,425	(67,425)
Charges for services	111,539	93,393	18,146
Fines, costs, forfeitures, Licenses and permits	1,019,092	1,039,062	(19,970)
Miscellaneous receipts including interest earnings	349,282	332,526	16,756
<b>Total</b>	<b>\$ 9,220,569</b>	<b>\$ 9,263,438</b>	<b>\$(42,869)</b>

*General Fund – Expenditures:* General Fund expenditures increased \$137,484 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.

	2018 Expenditures	2017 Expenditures	Increase (Decrease)
General Government	\$ 3,167,927	\$ 3,058,185	\$ 109,742
Public Safety	140,951	121,399	19,552
Highways and Streets	227,643	228,368	(725)
Urban Redevelopment & Housing	85,566	82,563	3,003
Economic Development & Assistance	126,870	114,130	12,740
Recreation	241,755	248,583	(6,828)
<b>Total</b>	<b>\$ 3,990,712</b>	<b>\$ 3,853,228</b>	<b>\$ 137,484</b>

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 \$9.78 million did not change from the original budget figure. The final budgeted expenditures of \$4.63 million increased \$74,000 compared to original appropriations of \$4.55 million. This was a very minor increase for the fund. The largest variance among revenues between final budget amounts and actual revenues were in Municipal Income Taxes. This decrease was fairly significant, as income taxes are the City's largest source of revenue and a stagnant or decreasing income tax greatly hinders the City's ability to operate. When comparing the 2018 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 \$701,899 compared to 2017. The increase can be attributed to enhanced capital grant proceeds.

	2018 Revenues	2017 Revenues	Increase (Decrease)
Income Taxes	\$ 1,436,223	\$ 1,397,962	\$ 38,261
Other Local Taxes	52,836	38,289	14,547
Intergovernmental Grants	1,397,590	885,020	512,570
Miscellaneous Receipts including interest earnings	270,832	134,311	136,521
	<u>\$ 3,157,481</u>	<u>\$ 2,455,582</u>	<u>\$ 701,899</u>

Capital improvement fund expenditures decreased by \$276,576 in 2018. The major factor was a lease payment related to the REACH project in 2017.

	2018 Expenditures	2017 Expenditures	Increase (Decrease)
Capital Outlay	\$ 2,850,295	\$ 3,237,102	\$(386,807)
Debt Service:			
Principal retirement	288,293	196,214	92,079
Interest & Fiscal Charges	52,142	33,990	18,152
	<u>\$ 3,190,730</u>	<u>\$ 3,467,306</u>	<u>\$(276,576)</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 \$31,765,833, which is an increase from last year’s balance of \$30,913,900. The schedule below indicates the net position balance and the total change in net position by activity as of December 31 in 2018 and 2017. The change in net position in the Enterprise funds was an increase of 2.76%.

	Net Position Balance December 31, 2018	Restated Net Position Balance December 31, 2017	Increase (Decrease)
Water	\$ 11,646,728	\$ 11,358,353	\$ 288,375
Sewer	11,483,262	10,509,742	973,520
Sanitation	222,621	585,581	(362,960)
Storm Sewer	6,722,474	6,724,013	(1,539)
Other Enterprise	1,690,748	1,736,211	(45,463)
Total	<u>\$ 31,765,833</u>	<u>\$ 30,913,900</u>	<u>\$ 851,933</u>

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

	Water			Sewer		
	2018	2017	Increase (Decrease)	2018	2017	Increase (Decrease)
Operating Revenues	\$ 4,121,448	\$ 4,134,613	\$(13,165)	\$ 5,002,671	\$ 4,747,882	\$ 254,789
Operating Expenses	3,874,745	3,789,334	85,411	4,014,594	4,404,744	(390,150)
Non-Operating Revenues (Expenses)	122,521	112,021	10,500	62,617	5,598	57,019
Income (loss) before transfers and contributions	<u>\$ 369,224</u>	<u>\$ 457,300</u>	<u>\$(88,076)</u>	<u>\$ 1,050,694</u>	<u>\$ 348,736</u>	<u>\$ 701,958</u>

**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 \$74,000 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 \$5.1 million and an additional \$258,007 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 2018, the City had \$77,816,081 net of accumulated depreciation invested in land, construction in progress, land improvements, buildings and improvements, machinery and equipment, and infrastructure. Of this total, \$49,932,849 was related to governmental activities, and \$27,883,232 was related to business-type activities. The following table shows fiscal year 2018 and 2017 balances:

	Governmental Activities		Increase (Decrease)
	2018	2017	
Land	\$ 16,458,967	\$ 16,441,501	\$ 17,466
Land Improvements	4,332,616	4,322,036	10,580
Buildings and Improvements	16,310,917	16,184,264	126,653
Machinery and Equipment	12,614,197	12,139,467	474,730
Infrastructure	21,686,610	20,347,196	1,339,414
Construction In Progress	1,896,063	395,097	1,500,966
Less: Accumulated Depreciation	(23,366,521)	(21,650,468)	(1,716,053)
<b>Total</b>	<b>\$ 49,932,849</b>	<b>\$ 48,179,093</b>	<b>\$ 1,753,756</b>

	Business-Type Activities		Increase (Decrease)
	2018	2017	
Land	\$ 791,330	\$ 791,330	\$ 0
Land Improvements	946,720	918,153	28,567
Buildings and Improvements	11,076,083	10,886,593	189,490
Machinery and Equipment	59,099,386	58,470,083	629,303
Construction In Progress	3,016,728	2,058,032	958,696
Less: Accumulated Depreciation	(47,047,015)	(45,422,285)	(1,624,730)
<b>Total</b>	<b>\$ 27,883,232</b>	<b>\$ 27,701,906</b>	<b>\$ 181,326</b>

There was a significant increase in governmental activities’ capital assets. The major change was a large increase in construction in progress and an increase in infrastructure, as the City had significant work done on their streets and the City began laying fiber to connect several water assets within the city. There was minor increase in the overall asset value in Business-type activities.

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

**Debt**

At December 31, 2018 the City had \$9,081,625 in bonds outstanding, \$683,081 due within one year. The following table summarizes the City’s debt outstanding as of December 31 in 2018 and 2017:

	2018	Restated 2017
Governmental Activities:		
General Obligation Bonds	\$ 9,042,801	\$ 9,706,094
Original Issue Premium	346,698	363,207
Capital Leases Payable	594,363	893,030
Local Government Innovation Fund	60,000	70,000
Compensated Absences	2,236,174	2,125,207
Net Pension Liability	23,249,510	26,503,974
Net OPEB Liability	20,329,209	17,648,484
Total Governmental Activities	\$ 55,858,755	\$ 57,309,996
Business-Type Activities:		
General Obligation Bonds	\$ 38,824	\$ 51,221
Landfill Liability	1,903,080	1,794,970
Compensated Absences	722,229	678,796
Capital Leases Payable	1,617,931	729,671
Loans Payable	3,086,693	3,709,810
Net Pension Liability	3,784,573	5,562,095
Net OPEB Liability	2,656,381	2,537,046
Total Business-Type Activities	\$ 13,809,711	\$ 15,063,609

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, 2018, the City’s outstanding debt was below the legal limit.

**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 2018 was 3.7%. The State had an unemployment rate of 4.3%, the County 4.3%, and the City of Xenia 5.2%. The City’s rate had decreased in each of the last six years from 8.9% in 2011, but had a slight increase in 2018 from 4.8% to 5.2%. 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 \$39,415. 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 \$93,100.00 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 with a new development to occur on the other side of Main Street in 2019/2020. 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, 2018**

	<b>Primary Government</b>		<b>Total</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	
<b>Assets:</b>			
Cash and cash equivalents	\$ 2,435,829	\$ 4,695,074	\$ 7,130,903
Cash With Fiscal Agent	0	613,474	613,474
Investments	5,316,700	10,295,926	15,612,626
Receivables:			
Taxes, including interest, penalties and liens	4,432,200	0	4,432,200
Intergovernmental	1,602,396	0	1,602,396
Accounts	608,653	1,564,381	2,173,034
Special assessments, including liens	332,505	14,395	346,900
Loans	0	1,079,188	1,079,188
Accrued interest	16,661	29,709	46,370
Grants	1,483,978	0	1,483,978
Allowance for uncollectible accounts	(579,104)	(21,467)	(600,571)
Interfund balances	(19,083)	19,083	0
Inventories	155,318	186,710	342,028
Prepaid items	240,509	47,685	288,194
Capital Assets Not being depreciated	18,355,030	3,808,058	22,163,088
Capital Assets, net of accumulated depreciation	31,577,819	24,075,174	55,652,993
<b>Total Assets</b>	<b>65,959,411</b>	<b>46,407,390</b>	<b>112,366,801</b>
<b>Deferred Outflows of Resources</b>			
Pension	3,897,469	935,866	4,833,335
OPEB	1,936,800	199,465	2,136,265
<b>Total Deferred Outflows of Resources</b>	<b>5,834,269</b>	<b>1,135,331</b>	<b>6,969,600</b>
<b>Liabilities:</b>			
Accounts payable	1,719,757	316,346	2,036,103
Claims payable	197,655	0	197,655
Accrued payroll	1,250,198	345,795	1,595,993
Accrued interest payable	32,428	12,960	45,388
Long-term liabilities:			
Amounts due within one year	1,183,843	1,168,520	2,352,363
Amounts due in more than one year	11,096,193	6,200,237	17,296,430
Net Pension Liability	23,249,510	3,784,573	27,034,083
Net OPEB Liability	20,329,209	2,656,381	22,985,590
<b>Total Liabilities</b>	<b>59,058,793</b>	<b>14,484,812</b>	<b>73,543,605</b>
<b>Deferred Inflows of Resources</b>			
Pension	2,498,365	946,478	3,444,843
OPEB	692,079	243,498	935,577
Property Taxes Levied for the Next Fiscal Year	1,457,337	0	1,457,337
<b>Total Deferred Inflows of Resources</b>	<b>4,647,781</b>	<b>1,189,976</b>	<b>5,837,757</b>



**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2018**

	<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	40,040,292	23,139,784	63,180,076
Restricted For:			
Capital Projects	2,240,871	0	2,240,871
Debt Service	111,888	0	111,888
General government programs	379,751	0	379,751
Safety programs	1,119,120	0	1,119,120
Street construction/maintenance	1,604,216	0	1,604,216
Unrestricted (Deficit)	(37,409,032)	8,728,149	(28,680,883)
<b>Total Net Position</b>	<b>\$ 8,087,106</b>	<b>\$ 31,867,933</b>	<b>\$ 39,955,039</b>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Primary Government:</b>							
<b>Governmental Activities:</b>							
Current:							
General government	\$ 4,950,737	\$ 1,969,976	\$ 275,687	\$ 40,839	\$ (2,664,235)	\$ 0	\$ (2,664,235)
Public safety	17,396,450	2,809,315	238,560	10,330	(14,338,245)	0	(14,338,245)
Highways and streets	2,376,229	24,935	0	1,853,375	(497,919)	0	(497,919)
Urban Redevelopment & Housing	126,171	0	0	0	(126,171)	0	(126,171)
Economic Development & Assistance	162,932	0	0	0	(162,932)	0	(162,932)
Recreation	504,938	30,596	0	8,056	(466,286)	0	(466,286)
Debt Service:							
Interest on long-term debt	296,327	0	0	0	(296,327)	0	(296,327)
<b>Total Governmental Activities</b>	<b>25,813,784</b>	<b>4,834,822</b>	<b>514,247</b>	<b>1,912,600</b>	<b>(18,552,115)</b>	<b>0</b>	<b>(18,552,115)</b>
<b>Business-Type Activities:</b>							
Water	3,956,476	4,277,272	0	0	0	320,796	320,796
Sewer	4,180,792	5,181,937	0	0	0	1,001,145	1,001,145
Sanitation	2,486,446	2,134,547	0	0	0	(351,899)	(351,899)
Storm Water	416,103	348,187	0	0	0	(67,916)	(67,916)
Loan	419	40,504	0	0	0	40,085	40,085
Parking Revenue	84,091	61,806	0	0	0	(22,285)	(22,285)
CDBG and UDAG Revolving Loan	3,399	503	0	0	0	(2,896)	(2,896)
Housing Rehabilitation Loan	126,063	1,916	0	54,750	0	(69,397)	(69,397)
<b>Total Business-Type Activities</b>	<b>11,253,789</b>	<b>12,046,672</b>	<b>0</b>	<b>54,750</b>	<b>0</b>	<b>847,633</b>	<b>847,633</b>
<b>Total primary government</b>	<b>\$ 37,067,573</b>	<b>\$ 16,881,494</b>	<b>\$ 514,247</b>	<b>\$ 1,967,350</b>	<b>\$ (18,552,115)</b>	<b>\$ 847,633</b>	<b>\$ (17,704,482)</b>
<b>General Revenues:</b>							
Income taxes					\$ 12,628,073	\$ 0	\$ 12,628,073
Other local taxes					52,836	0	52,836
Property taxes					1,487,042	0	1,487,042
Motor vehicle and gas taxes					1,345,069	0	1,345,069
Intergovernmental, unrestricted					987,330	0	987,330
Investment earnings					116,647	0	116,647
Transfers					131,483	(131,483)	0
Total General Revenues and Transfers					16,748,480	(131,483)	16,616,997
Change in Net Position					(1,803,635)	716,150	(1,087,485)
Net Position Beginning of Year (restated)					9,890,741	31,151,783	41,042,524
Net Position End of Year					\$ 8,087,106	\$ 31,867,933	\$ 39,955,039

See accompanying notes to the basic financial statements



**CITY OF XENIA, OHIO**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2018**

	General	State Gas and Vehicle License	Police & Fire Fund
<b>Assets:</b>			
Cash and cash equivalents	\$ 718,895	\$ 70,333	\$ 385,751
Investments	1,551,615	154,239	845,935
Receivables:			
Taxes, including interest, penalties and liens	2,554,439	0	1,476,860
Intergovernmental	464,264	514,023	14,454
Accounts	9,567	0	567,247
Special assessments, including liens	332,505	0	0
Accrued interest	0	521	2,063
Grants	0	0	60,707
Allowance for uncollectible accounts	(275,009)	0	(304,095)
Interfund Receivable	0	0	0
Inventories	5,918	115,913	0
Prepaid items	32,644	3,797	53,050
<b>Total Assets</b>	<b>\$ 5,394,838</b>	<b>\$ 858,826</b>	<b>\$ 3,101,972</b>
<b>Liabilities:</b>			
Accounts payable	\$ 38,884	\$ 5,216	\$ 132,705
Accrued payroll	178,696	59,972	987,917
<b>Total Liabilities</b>	<b>217,580</b>	<b>65,188</b>	<b>1,120,622</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	1,219,433	0	171,540
Delinquent Property Tax Revenue Unavailable	36,176	0	6,490
Unavailable Revenue - Other	1,069,397	316,977	745,804
<b>Total Deferred Inflows of Resources</b>	<b>2,325,006</b>	<b>316,977</b>	<b>923,834</b>
<b>Fund Balances:</b>			
Nonspendable Fund Balance			
Inventories	5,918	115,913	0
Prepaid items	32,644	3,797	53,050
Restricted Fund Balance	0	356,951	1,004,466
Committed Fund Balance	0	0	0
Assigned Fund Balance	1,707,787	0	0
Unassigned Fund Balance	1,105,903	0	0
<b>Total Fund Balances</b>	<b>2,852,252</b>	<b>476,661</b>	<b>1,057,516</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 5,394,838</b>	<b>\$ 858,826</b>	<b>\$ 3,101,972</b>

See accompanying notes to the basic financial statements

Capital Improvements	Bond Construction	Other Governmental Funds	Total Governmental Funds
\$ 257,609	\$ 21,833	\$ 901,441	\$ 2,355,862
564,901	47,880	1,976,784	5,141,354
332,373	0	68,528	4,432,200
0	0	609,655	1,602,396
0	0	21,961	598,775
0	0	0	332,505
8,157	282	5,284	16,307
1,348,695	0	74,576	1,483,978
0	0	0	(579,104)
25,062	0	0	25,062
0	0	0	121,831
0	0	52,620	142,111
<u>\$ 2,536,797</u>	<u>\$ 69,995</u>	<u>\$ 3,710,849</u>	<u>\$ 15,673,277</u>
\$ 1,362,090	\$ 22,125	\$ 42,127	\$ 1,603,147
0	0	60,803	1,287,388
<u>1,362,090</u>	<u>22,125</u>	<u>102,930</u>	<u>2,890,535</u>
0	0	66,364	1,457,337
0	0	2,164	44,830
173,769	131	581,377	2,887,455
<u>173,769</u>	<u>131</u>	<u>649,905</u>	<u>4,389,622</u>
0	0	0	121,831
0	0	52,620	142,111
1,000,938	47,739	2,580,120	4,990,214
0	0	325,274	325,274
0	0	0	1,707,787
0	0	0	1,105,903
<u>1,000,938</u>	<u>47,739</u>	<u>2,958,014</u>	<u>8,393,120</u>
<u>\$ 2,536,797</u>	<u>\$ 69,995</u>	<u>\$ 3,710,849</u>	<u>\$ 15,673,277</u>

**CITY OF XENIA, OHIO**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
December 31, 2018**

**Total Governmental Fund Balances** \$ 8,393,120

*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. 49,478,387

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	1,544,279
Shared Revenues	1,211,831
Delinquent Property Tax Revenue	44,830
Grant Revenues	66,276
Special Assessment Revenue	57,496
Miscellaneous Revenue	7,573
	2,932,285

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

General Obligation Bonds Payable	(9,389,499)
Accrued Interest on Long-Term Debt	(32,428)
Capital Leases Payable	(547,771)
Loans Payable	(60,000)
Compensated Absences Payable- Government Activities	(2,160,326)
Net Pension Liability	(23,120,964)
Net OPEB Liability	(20,240,295)
	(55,551,283)

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

Deferred Outflows of resources related to pensions	3,865,116
Deferred Outflows of resources related to OPEB	1,930,257
Deferred Inflows of resources related to pensions	(2,465,055)
Deferred Inflows of resources related to OPEB	(683,496)
	2,646,822

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	(18,920)
Information Technology Internal Service Fund	295,849
Self Insurance Internal Service Fund	(89,154)
	187,775

**Net Position of Governmental Activities** **\$ 8,087,106**

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, 2018**

	General	State Gas and Vehicle License	Police & Fire Fund
<b>Revenues:</b>			
Municipal income tax	\$ 5,572,716	\$ 0	\$ 5,744,893
Other local taxes	1,219,181	0	200,448
State shared taxes and permits	948,759	984,154	28,908
Intergovernmental grants	0	0	230,790
Charges for services	111,539	0	2,286,555
Fines, costs, forfeitures, licenses and permits	1,019,092	0	14,600
Miscellaneous receipts and reimbursements, including interest	349,282	18,225	235,690
<b>Total Revenue</b>	<b>9,220,569</b>	<b>1,002,379</b>	<b>8,741,884</b>
<b>Expenditures:</b>			
Current:			
General government	3,167,927	0	41,037
Public safety	140,951	0	13,745,780
Highways and streets	227,643	1,150,304	0
Urban redevelopment & Housing	85,566	0	0
Economic Development & Assistance	126,870	0	0
Recreation	241,755	0	0
Capital outlay	0	0	109,641
Debt service:			
Principal retirement	0	0	0
Interest & fiscal charges	0	0	0
<b>Total Expenditures</b>	<b>3,990,712</b>	<b>1,150,304</b>	<b>13,896,458</b>
Excess (deficiency) of revenues over expenditures	5,229,857	(147,925)	(5,154,574)
<b>Other financing sources (uses):</b>			
Transfers in	0	75,000	5,055,000
Transfers out	(5,915,007)	0	0
<b>Total other financing sources (uses)</b>	<b>(5,915,007)</b>	<b>75,000</b>	<b>5,055,000</b>
Net change in fund balances	(685,150)	(72,925)	(99,574)
<b>Fund Balances at Beginning of Year</b>	<b>3,535,535</b>	<b>519,109</b>	<b>1,157,090</b>
Increase (decrease) in inventory reserve	1,867	30,477	0
<b>Fund Balances End of Year</b>	<b>\$ 2,852,252</b>	<b>\$ 476,661</b>	<b>\$ 1,057,516</b>

See accompanying notes to the basic financial statements



Capital Improvements	Bond Construction	Other Governmental Funds	Total Governmental Funds
\$ 1,436,223	\$ 0	\$ 0	\$ 12,753,832
52,836	0	80,245	1,552,710
0	0	266,622	2,228,443
1,397,590	0	780,367	2,408,747
0	0	8,516	2,406,610
0	0	376,612	1,410,304
<u>270,832</u>	<u>1,518</u>	<u>210,058</u>	<u>1,085,605</u>
<u>3,157,481</u>	<u>1,518</u>	<u>1,722,420</u>	<u>23,846,251</u>
0	0	946,218	4,155,182
0	0	189,608	14,076,339
0	0	128,195	1,506,142
0	0	11,793	97,359
0	0	12,467	139,337
0	0	0	241,755
2,850,295	117,851	974,934	4,052,721
288,293	0	660,371	948,664
52,142	0	264,302	316,444
<u>3,190,730</u>	<u>117,851</u>	<u>3,187,888</u>	<u>25,533,943</u>
(33,249)	(116,333)	(1,465,468)	(1,687,692)
190,000	0	1,105,607	6,425,607
(333,852)	0	0	(6,248,859)
<u>(143,852)</u>	<u>0</u>	<u>1,105,607</u>	<u>176,748</u>
(177,101)	(116,333)	(359,861)	(1,510,944)
1,178,039	164,072	3,317,875	9,871,720
0	0	0	32,344
<u>\$ 1,000,938</u>	<u>\$ 47,739</u>	<u>\$ 2,958,014</u>	<u>\$ 8,393,120</u>

**CITY OF XENIA, OHIO**

**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, 2018**

**Net Change in Fund Balances - Total Governmental Funds** \$ (1,510,944)

*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	3,821,926
Depreciation Expense	(1,985,957)
	1,835,969

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. (139,089)

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	(125,759)
State Shared Revenue	103,956
Delinquent Property Taxes	(12,832)
Special Assesment Revenue	12,601
Intergovernmental Grant	54,044
Miscellaneous Revenue	405
	32,415

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

City Pension Contributions	2,059,806
Cost of Benefits earned net of employee pension contributions	(3,549,450)
City OPEB Contributions	34,379
Cost of Benefits earned net of employee OPEB contributions	(1,542,862)
	(2,998,127)

Principal Payments are recognized as an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position. 965,174

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 3,608

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 Absenses Payable	(67,336)
Supplies Inventory	32,344
	(34,992)

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	82,261
Information Technology Internal Service Fund	112,002
Insurance Internal Service Fund	(151,912)
	42,351

**Change in Net Position of Governmental Activities** **\$ (1,803,635)**

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, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 6,025,490	\$ 6,025,490	\$ 5,593,321	\$ (432,169)
Other Local Taxes	1,190,000	1,190,000	1,219,181	29,181
State Shared Taxes and Permits	997,228	997,228	948,786	(48,442)
Intergovernmental Grants	100,000	100,000	0	(100,000)
Charges for Services	101,718	101,718	111,539	9,821
Fines, Costs, Forfeitures, Licenses and Permits	1,020,700	1,020,700	1,027,828	7,128
Miscellaneous Receipts and Reimbursements, Including Interest	348,860	348,860	321,980	(26,880)
Total Revenues	<u>9,783,996</u>	<u>9,783,996</u>	<u>9,222,635</u>	<u>(561,361)</u>
<b>Expenditures:</b>				
General Government	3,667,813	3,711,761	3,273,314	438,447
Public Safety	159,935	162,987	145,735	17,252
Highways and Streets	229,332	235,332	234,114	1,218
Urban Redevelopment and Housing	89,740	89,740	83,106	6,634
Economic Development & Assistance	156,441	157,941	149,494	8,447
Recreation	250,406	269,906	230,043	39,863
Total Expenditures	<u>4,553,667</u>	<u>4,627,667</u>	<u>4,115,806</u>	<u>511,861</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,230,329	5,156,329	5,106,829	(49,500)
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(7,195,957)	(7,465,957)	(5,925,007)	1,540,950
Advances In	1,000,000	1,000,000	0	(1,000,000)
Advances Out	(1,000,000)	(1,136,992)	0	1,136,992
Total Other Financing Sources (Uses)	<u>(7,195,957)</u>	<u>(7,602,949)</u>	<u>(5,925,007)</u>	<u>1,677,942</u>
Net Change in Fund Balance	(1,965,628)	(2,446,620)	(818,178)	1,628,442
Fund Balance at Beginning of Year	2,620,555	2,620,555	2,620,555	0
Prior Year Encumbrances	212,676	212,676	212,676	0
Fund Balance at End of Year	<u>\$ 867,603</u>	<u>\$ 386,611</u>	<u>\$ 2,015,053</u>	<u>\$ 1,628,442</u>

See accompanying note to the financial statements

**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, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 976,000	\$ 976,000	\$ 977,966	\$ 1,966
Charges for Services	4,000	4,000	0	(4,000)
Miscellaneous Receipts and Reimbursements, Including Interest	3,900	3,900	19,139	15,239
Total Revenues	<u>983,900</u>	<u>983,900</u>	<u>997,105</u>	<u>13,205</u>
<b>Expenditures:</b>				
Current:				
Highways and streets	1,388,853	1,388,853	1,174,436	214,417
Total Expenditures	<u>1,388,853</u>	<u>1,388,853</u>	<u>1,174,436</u>	<u>214,417</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(404,953)	(404,953)	(177,331)	227,622
<b>Other Financing Sources (Uses):</b>				
Transfers in	190,000	190,000	75,000	(115,000)
Total Other Financing Sources (Uses)	<u>190,000</u>	<u>190,000</u>	<u>75,000</u>	<u>(115,000)</u>
Net Change in Fund Balance	(214,953)	(214,953)	(102,331)	112,622
Fund Balance at Beginning of Year	203,503	203,503	203,503	0
Prior Year Encumbrances	80,113	80,113	80,113	0
Fund Balance at End of Year	<u>\$ 68,663</u>	<u>\$ 68,663</u>	<u>\$ 181,285</u>	<u>\$ 112,622</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 & FIRE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 5,705,490	\$ 5,705,490	\$ 5,765,498	\$ 60,008
Other Local Taxes	179,000	179,000	200,448	21,448
State Shared Taxes and Permits	27,000	27,000	28,908	1,908
Intergovernmental Grants	265,692	265,692	229,605	(36,087)
Charges for Services	2,153,326	2,153,326	2,256,113	102,787
Fines, Costs, Forfeitures, Licenses and Permits	12,000	12,000	7,036	(4,964)
Miscellaneous Receipts and Reimbursements, Including Interest	224,000	224,000	244,543	20,543
Total Revenues	<u>8,566,508</u>	<u>8,566,508</u>	<u>8,732,151</u>	<u>165,643</u>
<b>Expenditures:</b>				
Current:				
General government	60,900	60,900	60,000	900
Public safety	14,432,698	14,475,028	13,587,308	887,720
Capital outlay	94,812	97,339	94,839	2,500
Total Expenditures	<u>14,588,410</u>	<u>14,633,267</u>	<u>13,742,147</u>	<u>891,120</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,021,902)	(6,066,759)	(5,009,996)	1,056,763
<b>Other Financing Sources (Uses):</b>				
Transfers in	5,700,000	5,700,000	5,055,000	(645,000)
Total Other Financing Sources (Uses)	<u>5,700,000</u>	<u>5,700,000</u>	<u>5,055,000</u>	<u>(645,000)</u>
Net Change in Fund Balance	(321,902)	(366,759)	45,004	411,763
Fund Balance at Beginning of Year	643,129	643,129	643,129	0
Prior Year Encumbrances	203,928	203,928	203,928	0
Fund Balance at End of Year	<u>\$ 525,155</u>	<u>\$ 480,298</u>	<u>\$ 892,061</u>	<u>\$ 411,763</u>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2018**

	<i>Business-type activities - Enterprise Funds</i>		
	Water	Sewer	Sanitation
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 1,867,812	\$ 1,759,169	\$ 730,546
Cash With Fiscal Agent	613,474	0	0
Investments	4,095,972	3,857,711	1,602,015
Receivables:			
Accounts	430,775	1,039,091	5,444
Special assessments, including liens	1,557	6,642	5,638
Loans	0	0	0
Accrued interest	11,057	11,321	4,886
Allowance for uncollectible accounts	(1,312)	(4,775)	(6,054)
Inventories	165,588	21,122	0
Prepaid items	28,057	13,760	2,489
<b>Total Current Assets</b>	<b>7,212,980</b>	<b>6,704,041</b>	<b>2,344,964</b>
<b>Noncurrent Assets:</b>			
<b>Unrestricted:</b>			
Loans receivable (noncurrents)	0	0	0
Capital Assets not being depreciated	2,137,535	1,318,926	253,787
Capital Assets (net of accumulated depreciation)	6,892,758	10,336,529	354,522
<b>Total Noncurrent Assets</b>	<b>9,030,293</b>	<b>11,655,455</b>	<b>608,309</b>
<b>Total Assets</b>	<b>16,243,273</b>	<b>18,359,496</b>	<b>2,953,273</b>
<b>Deferred Outflows of Resources</b>			
Pension	392,367	418,156	82,642
OPEB	84,451	89,667	21,942
<b>Total Deferred Outflows of Resources</b>	<b>476,818</b>	<b>507,823</b>	<b>104,584</b>

<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>
\$ 151,370	\$ 163,650	\$ 4,672,547	\$ 102,494
0	0	613,474	0
331,961	358,868	10,246,527	224,745
75,730	7,951	1,558,991	15,268
558	0	14,395	0
0	43,159	43,159	0
1,107	1,338	29,709	354
(530)	(8,796)	(21,467)	0
0	0	186,710	33,487
0	313	44,619	101,464
<u>560,196</u>	<u>566,483</u>	<u>17,388,664</u>	<u>477,812</u>
0	1,036,029	1,036,029	0
0	97,810	3,808,058	0
<u>6,404,467</u>	<u>76,490</u>	<u>24,064,766</u>	<u>464,870</u>
<u>6,404,467</u>	<u>1,210,329</u>	<u>28,908,853</u>	<u>464,870</u>
<u>6,964,663</u>	<u>1,776,812</u>	<u>46,297,517</u>	<u>942,682</u>
31,355	11,346	935,866	32,353
1,112	2,293	199,465	6,543
<u>32,467</u>	<u>13,639</u>	<u>1,135,331</u>	<u>38,896</u>

**CITY OF XENIA, OHIO**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2018**

	<i>Business-type activities - Enterprise Funds</i>		
	Water	Sewer	Sanitation
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Accounts payable	\$ 80,296	\$ 59,580	\$ 165,355
Claims payable	0	0	0
Accrued payroll	142,086	157,260	30,300
Interfund payable	0	0	0
Loan payable	0	641,025	0
Accrued interest payable	6,575	6,379	3
Compensated absences	20,049	23,055	4,033
Capital lease payable - current	162,234	69,667	0
GO Bonds - Current	5,743	5,746	588
Landfill liability - current	0	0	234,226
<b>Total Current Liabilities</b>	<b>416,983</b>	<b>962,712</b>	<b>434,505</b>
<b>Noncurrent Liabilities:</b>			
Compensated absences	277,268	318,830	55,773
Capital lease payable	1,157,508	228,522	0
Loans payable	0	2,445,668	0
GO Bonds - Non Current	11,865	11,864	1,215
Landfill liability - noncurrent	0	0	1,668,854
Net Pension Liability	1,592,061	1,694,522	328,340
Net OPEB Liability	1,120,530	1,191,402	231,228
<b>Total Noncurrent Liabilities</b>	<b>4,159,232</b>	<b>5,890,808</b>	<b>2,285,410</b>
<b>Total Liabilities</b>	<b>4,576,215</b>	<b>6,853,520</b>	<b>2,719,915</b>
<b>Deferred Inflows of Resources</b>			
Pension	395,445	421,993	85,080
OPEB	101,703	108,544	30,241
<b>Total Deferred Inflows of Resources</b>	<b>497,148</b>	<b>530,537</b>	<b>115,321</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	7,692,943	8,252,963	606,506
Unrestricted	3,953,785	3,230,299	(383,885)
<b>Total Net Position</b>	<b>\$ 11,646,728</b>	<b>\$ 11,483,262</b>	<b>\$ 222,621</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



<i>Business-type activities - Enterprise Funds</i>			
Storm Sewer	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 1,412	\$ 1,930	\$ 308,573	\$ 124,383
0	0	0	197,655
12,599	3,550	345,795	12,756
0	0	0	25,062
0	0	641,025	0
3	0	12,960	0
1,345	221	48,703	1,747
0	0	231,901	23,295
588	0	12,665	0
0	0	234,226	0
<u>15,947</u>	<u>5,701</u>	<u>1,835,848</u>	<u>384,898</u>
18,594	3,061	673,526	24,155
0	0	1,386,030	23,297
0	0	2,445,668	0
1,215	0	26,159	0
0	0	1,668,854	0
124,573	45,077	3,784,573	128,546
82,046	31,175	2,656,381	88,914
<u>226,428</u>	<u>79,313</u>	<u>12,641,191</u>	<u>264,912</u>
<u>242,375</u>	<u>85,014</u>	<u>14,477,039</u>	<u>649,810</u>
32,281	11,679	946,478	33,310
0	3,010	243,498	8,583
<u>32,281</u>	<u>14,689</u>	<u>1,189,976</u>	<u>41,893</u>
6,402,664	174,300	23,129,376	418,278
319,810	1,516,448	8,636,457	(128,403)
<u>\$ 6,722,474</u>	<u>\$ 1,690,748</u>	<u>\$ 31,765,833</u>	<u>\$ 289,875</u>

83,017

(10,808)

54,648

(24,757)

\$ 31,867,933

**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	<i>Business-type activities - Enterprise Funds</i>		
	Water	Sewer	Sanitation
<b>Operating revenues:</b>			
Charges for services	\$ 4,121,448	\$ 5,002,671	\$ 1,965,256
<b>Operating expenses:</b>			
Personnel services	2,253,114	2,280,693	558,853
General operating	5,568	4,931	0
Claims	0	0	0
Contractual services	741,330	708,474	1,772,850
Materials and supplies	213,138	135,697	79,002
Depreciation	661,595	884,799	61,026
Non-governmental	0	0	0
Total expenses	<u>3,874,745</u>	<u>4,014,594</u>	<u>2,471,731</u>
Operating income (loss)	246,703	988,077	(506,475)
<b>Non-operating revenues (expenses)</b>			
Interest revenue	43,754	55,534	23,283
Other	112,070	123,732	146,008
Intergovernmental	0	0	0
Interest expense	(33,303)	(116,649)	(51)
Loss on disposal	0	0	0
Total non-operating revenues (expenses)	<u>122,521</u>	<u>62,617</u>	<u>169,240</u>
<b>Income (loss) before transfers and contributions</b>	369,224	1,050,694	(337,235)
Transfers In	0	0	0
Transfers Out	(80,849)	(77,174)	(25,725)
Capital Contributions	0	0	0
<b>Change in Net Position</b>	288,375	973,520	(362,960)
<b>Net Position, beginning of year (restated)</b>	<u>11,358,353</u>	<u>10,509,742</u>	<u>585,581</u>
<b>Restated Net Position, end of year</b>	<u>\$ 11,646,728</u>	<u>\$ 11,483,262</u>	<u>\$ 222,621</u>

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

<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>
\$ 333,337	\$ 77,612	\$ 11,500,324	\$ 3,166,161
176,747	70,072	5,339,479	180,834
0	3,399	13,898	21,257
0	0	0	1,290,752
18,784	10,540	3,251,978	1,091,985
18,351	1,502	447,690	544,155
162,512	5,464	1,775,396	62,582
0	120,965	120,965	83,165
<u>376,394</u>	<u>211,942</u>	<u>10,949,406</u>	<u>3,274,730</u>
(43,057)	(134,330)	550,918	(108,569)
6,639	9,187	138,397	4,739
8,211	17,930	407,951	10,398
0	54,750	54,750	0
(51)	0	(150,054)	0
(18,546)	0	(18,546)	0
<u>(3,747)</u>	<u>81,867</u>	<u>432,498</u>	<u>15,137</u>
(46,804)	(52,463)	983,416	(93,432)
0	7,000	7,000	0
0	0	(183,748)	0
45,265	0	45,265	0
(1,539)	(45,463)	851,933	(93,432)
<u>6,724,013</u>	<u>1,736,211</u>	<u>30,913,900</u>	<u>383,307</u>
<u>\$ 6,722,474</u>	<u>\$ 1,690,748</u>	<u>\$ 31,765,833</u>	<u>\$ 289,875</u>
		851,933	
		(43,590)	
		(3,406)	
		(45,241)	
		(43,546)	
		<u>\$ 716,150</u>	

**CITY OF XENIA, OHIO**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<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	\$ 4,246,852	\$ 4,949,258	\$ 1,968,187
Cash Payments for Goods and Services	(892,422)	(853,038)	(1,717,215)
Cash Payments to Employees	(1,987,789)	(2,124,533)	(429,295)
Net Cash Provided (Used) by Operating Activities	<u>1,366,641</u>	<u>1,971,687</u>	<u>(178,323)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers in From Other Funds	0	0	0
Transfers Out to Other Funds	(80,849)	(77,174)	(25,725)
Advances to Other Funds	0	0	0
Other Non Operating Receipts	112,070	123,732	146,008
Net Cash Provided (Used) by Noncapital Financing Activities	<u>31,221</u>	<u>46,558</u>	<u>120,283</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(571,879)	(1,044,547)	(56,064)
Intergovernmental Grants	0	0	0
Principal Paid on Loans	0	(623,117)	0
Principal Paid on Bonds	(5,622)	(5,623)	(576)
Interest Paid on All Debt	(34,537)	(118,078)	(52)
Capital Lease Payment	(111,755)	(66,647)	0
Capital Lease Intitiation	453,188	0	0
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(270,605)</u>	<u>(1,858,012)</u>	<u>(56,692)</u>
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	0	128,479	186,277
Purchase of Investments	(557,592)	0	0
Receipts of Interest	40,653	53,811	23,458
Net Cash Provided (Used) by Investing Activities	<u>(516,939)</u>	<u>182,290</u>	<u>209,735</u>
Net Increase (Decrease) in Cash and Cash Equivalents	610,318	342,523	95,003
Cash and Cash Equivalents at Beginning of Year	<u>1,257,494</u>	<u>1,416,646</u>	<u>635,543</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,867,812</u>	<u>\$ 1,759,169</u>	<u>\$ 730,546</u>

**CITY OF XENIA, OHIO**

Storm Sewer	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 335,026	\$ 143,552	\$ 11,642,875	\$ 3,166,974
(38,568)	(439,891)	(3,941,134)	(2,971,859)
(162,536)	(51,903)	(4,756,056)	(170,395)
<u>133,922</u>	<u>(348,242)</u>	<u>2,945,685</u>	<u>24,720</u>
0	7,000	7,000	0
0	0	(183,748)	0
0	0	0	(5,387)
53,476	17,930	453,216	10,398
<u>53,476</u>	<u>24,930</u>	<u>276,468</u>	<u>5,011</u>
(304,265)	0	(1,976,755)	(117,971)
0	54,750	54,750	0
0	0	(623,117)	0
(576)	0	(12,397)	0
(52)	0	(152,719)	0
0	0	(178,402)	(23,295)
0	0	453,188	0
<u>(304,893)</u>	<u>54,750</u>	<u>(2,435,452)</u>	<u>(141,266)</u>
106,400	247,329	668,485	169,694
0	(29,422)	(587,014)	(74,150)
6,685	9,324	133,931	4,652
<u>113,085</u>	<u>227,231</u>	<u>215,402</u>	<u>100,196</u>
(4,410)	(41,331)	1,002,103	(11,339)
155,780	204,981	3,670,444	\$ 113,833
<u>\$ 151,370</u>	<u>\$ 163,650</u>	<u>\$ 4,672,547</u>	<u>\$ 102,494</u>

**CITY OF XENIA, OHIO**

**STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Sanitation
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$ 246,703	\$ 988,077	\$(506,475)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	661,595	884,799	61,026
Changes in Assets and Deferred Outflows and Liabilities and Deferred Inflows:			
(Increase) Decrease in Loans Receivable	0	0	0
(Increase) Decrease in Grants Receivable	0	0	0
(Increase) Decrease in Accounts Receivable	122,881	(63,607)	2,673
(Increase) Decrease in Special Assessments Receivable	3,676	6,638	157
(Increase) Decrease in Allowance for Doubtful Accounts	(1,150)	3,554	101
(Increase) Decrease in Prepaid Items	90	171	88
(Increase) Decrease in Deferred Outflows - Pension	465,795	542,335	77,193
(Increase) Decrease in Deferred Outflows - OPEB	(70,845)	(74,423)	(19,383)
(Increase) Decrease in Inventory	16,434	(1,148)	0
Increase (Decrease) in Landfill Liability	0	0	108,110
Increase (Decrease) in Accounts Payable	51,085	(2,957)	26,438
Increase (Decrease) in Accrued Payroll	47,425	52,939	11,253
Increase (Decrease) in Deferred Inflows - Pension	363,845	386,736	79,367
Increase (Decrease) in Deferred Inflows - OPEB	101,703	108,544	30,241
Increase (Decrease) in Net Pension Liability	(721,896)	(890,200)	(94,591)
Increase (Decrease) in Net OPEB Liability	60,596	10,553	42,358
Increase (Decrease) in Compensated Absences	18,704	19,676	3,121
Total Adjustments	<u>1,119,938</u>	<u>983,610</u>	<u>328,152</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,366,641</u>	<u>\$ 1,971,687</u>	<u>\$(178,323)</u>

Schedule of Noncash Investing, Capital and Financing Activities:

The fair market value of investments decreased in 2018 by \$42,209, \$33,757, \$12,799, \$2,030, and \$760 in the Water, Sewer, Sanitation, Storm Sewer, and Other Enterprise Funds respectively.

The fair market value of investments decreased in Internal Service Funds by \$1,159

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

Storm Sewer	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$(43,057)	\$(134,330)	\$ 550,918	\$(108,569)
162,512	5,464	1,775,396	62,582
0	(273,707)	(273,707)	0
0	37,600	37,600	0
1,563	(7,856)	55,654	(4,578)
163	0	10,634	0
(37)	3,519	5,987	0
0	998	1,347	(10,062)
38,078	10,106	1,133,507	41,892
0	(1,950)	(166,601)	(5,354)
0	0	15,286	551
0	0	108,110	0
(1,433)	1,903	75,036	74,357
4,283	1,216	117,116	7,710
29,798	10,912	870,658	30,656
0	3,010	243,498	8,583
(59,150)	(11,685)	(1,777,522)	(67,913)
0	5,828	119,335	1,180
1,202	730	43,433	(6,315)
<u>176,979</u>	<u>(213,912)</u>	<u>2,394,767</u>	<u>133,289</u>
<u>\$ 133,922</u>	<u>\$(348,242)</u>	<u>\$ 2,945,685</u>	<u>\$ 24,720</u>

**CITY OF XENIA, OHIO**

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**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**DECEMBER 31, 2018**

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	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 107,426
Accounts Receivable	<u>180,000</u>
<b>Total Assets</b>	<u><u>287,426</u></u>
<b>Liabilities:</b>	
Accounts payable	235,933
Restricted deposits	<u>51,493</u>
<b>Total Liabilities</b>	<u><u>\$ 287,426</u></u>

See accompanying notes to the basic financial statements



*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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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, 2018 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 2018.

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, 2018*

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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 balance/net position, 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, 2018*

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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 five agency funds as follows:

- (1) Municipal Court Traffic and Criminal, Municipal, Civil, and Small Claims Funds: These two agency 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, 2018*

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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, 2018*

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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, 2018 but which are not intended to finance 2018 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, 2018*

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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, 2018 on the GAAP basis to the budget basis are as follows:

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

**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)	\$ (685,150)	\$ (72,925)	\$ (99,574)
Revenue Accrual	2,066	(5,274)	(9,733)
Expenditure Accrual	87,582	21,648	431,546
Outstanding Encumbrances	(212,676)	(45,780)	(277,235)
Transfer to Recreation Fund	(10,000)	-	-
Budget Basis	\$ (818,178)	\$ (102,331)	\$ 45,004

**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, 2018. 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 2018, the Capital Improvements Fund was allocated approximately \$52,690 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, 2018*

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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, 2018, 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.

Machinery 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:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (in years)</u>
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, 2018*

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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, 2018*

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

**N. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans 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, 2018*

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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, 2018*

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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, 2018, 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 and OPEB amounts (See Note 9 and 10). 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 revenue - other*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue - other for 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 and OPEB are reported on the government-wide and proprietary funds statement of net position. See Notes 9 and 10.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

**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
Nonspendable:						
Inventory	\$ 5,918	\$ 115,913	\$ 0	\$ 0	\$ 0	\$ 0
Prepays	32,644	3,797	53,050	0	0	52,620
Total Nonspendable	38,562	119,710	53,050	0	0	52,620
Restricted for:						
General Government	0	0	0	0	0	252,577
Public Safety	0	0	1,004,466	0	0	832,734
Highways & Streets	0	356,951	0	0	0	363,997
Capital Projects	0	0	0	1,000,938	47,739	1,025,654
Debt Service	0	0	0	0	0	105,158
Total Restricted	0	356,951	1,004,466	1,000,938	47,739	2,580,120
Committed to:						
General Governemnt	0	0	0	0	0	325,274
Total Committed	0	0	0	0	0	325,274
Assigned to:						
Subsequent Year Appropriations	1,540,511	0	0	0	0	0
General Government	114,591	0	0	0	0	0
Public Safety	5,848	0	0	0	0	0
Highways & Streets	6,432	0	0	0	0	0
Urban Redevelopment & Housing	1,992	0	0	0	0	0
Economic Development & Asst	18,673	0	0	0	0	0
Recreation	19,740	0	0	0	0	0
Total Assigned	1,707,787	0	0	0	0	0
Unassigned (Deficit)	1,105,903	0	0	0	0	0
Total Fund Balance	\$ 2,852,252	\$ 476,661	\$ 1,057,516	\$ 1,000,938	\$ 47,739	\$ 2,958,014

*Notes to Basic Financial Statements  
For the Year Ended December 31, 2018*

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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 Basic Financial Statements*  
*For the Year Ended December 31, 2018*

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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, 2018, the carrying amount of the City cash deposits was \$7,851,803 and the bank balance was \$8,405,823. FDIC Insurance covered \$250,000, per insured bank, for each account ownership category. At fiscal year-end, \$4,813,746 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. The City participates in the Ohio Pooled Collateral System (OPCS). OPCS allows for an eligible public depository (Financial Institution) to pledge collateral to the Treasurer's Office to secure local governments (Public Units) deposits. The Ohio Treasurer's Office is the administrator and monitor of the program.

**Notes to Basic Financial Statements  
For the Year Ended December 31, 2018**

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

The City's investments at December 31, 2018 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	\$ 1,571,596	AAA	\$ 0	\$ 0	\$ 1,177,340	\$ 394,256	10.07%
FHLB	3,149,904	AAA	0	0	1,574,172	1,575,732	20.18%
FHLMC	786,860	AAA	0	0	394,664	392,196	5.04%
FNMA	1,956,844	AAA	0	0	1,956,844	0	12.53%
Certificate of Deposit	8,147,422	AA3	750,000	986,450	3,340,242	3,070,730	52.18%
<b>Total Investments</b>	<b>\$ 15,612,626</b>		<b>\$ 750,000</b>	<b>\$ 986,450</b>	<b>\$ 8,443,262</b>	<b>\$ 5,432,914</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 Basic Financial Statements  
For the Year Ended December 31, 2018***

**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, 2018.

Investment Type	Total	Identical Assets (Level 1)	Unobservable Inputs (Level 2)	Unobservable Inputs (Level 3)
FFCB	\$ 1,571,596	\$ -	\$ 1,571,596	\$ -
FHLB	3,149,904	-	3,149,904	-
FHLMC	786,860	-	786,860	-
FNMA	1,956,844	-	1,956,844	-
Certificate of Deposit	8,147,422	-	8,147,422	-
	<u>\$ 15,612,626</u>	<u>\$ -</u>	<u>\$ 15,612,626</u>	<u>\$ -</u>

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, 2018**

**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 2018.

The property tax calendar is as follows:

Lein date	January 1, 2017
Levy date	January 1, 2018
First installment payment due	February 20, 2018
Second installment payment due	July 24, 2018

The assessed values upon which 2018 tax receipts were based, are as follows:

	Assessed Values
	<u>January 1, 2017</u>
Residential and Agricultural	\$ 289,872,780
Commercial and Industrial	80,568,740
Public Utilities	<u>9,748,260</u>
Total	<u>\$ 380,189,780</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, 2018, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2018 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, 2018*

**NOTE 4 – TAXES (Continued)**

**B. Income Tax**

For the 2018 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, 2018, 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:

<u>Governmental Activities:</u>	<u>Amount</u>
Local Government	\$ 383,704
Homestead & Rollback	99,832
Motor Vehicle License Tax	700,860
Gasoline Tax	418,000
	<u>\$ 1,602,396</u>

**B. Loans Receivable**

The City operates two long-term enterprise fund loan programs including the Loan Fund and the Housing Rehabilitation Loan Fund.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

**B. Loans Receivable** (Continued)

Loans receivable at December 31, 2018 were:

Loan Type	Loan Fund	Housing Rehabilitation Loan Fund
Down Payment Assistance Loans	\$ 0	\$ 1,257
Rehabilitation Loans	0	177,338
Façade Loans	0	339,077
Homelessness Prevention Loans	0	3,724
Economic Development Loans	332,792	0
Assistance Loans	225,000	0
Total Loans Receivable	\$ 557,792	\$ 521,396

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, 2018**

**NOTE 6 - TRANSFERS**

Following is a summary of transfers in and out for all funds for 2018:

Fund	Transfer In	Transfer Out
<b>Governmental Funds:</b>		
General Fund	\$ 0	\$ 5,915,007
Police & Fire Fund	5,055,000	0
State Gas & Vehicle License Fund	75,000	0
Capital Improvement Fund	190,000	333,852
Other Governmental Funds	1,105,607	0
Total Governmental Funds	6,425,607	6,248,859
<b>Enterprise Funds</b>		
Water Fund	0	80,849
Sewer Fund	0	77,174
Sanitation Fund	0	25,725
Other Enterprise Funds	7,000	0
Total Enterprise Funds	7,000	183,748
<b>Total Transfers</b>	<b>\$ 6,432,607</b>	<b>\$ 6,432,607</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. A transfer from the General Fund to the State Vehicle and License Tax Fund helped to provide for street maintenance, while a transfer from the General fund to the General Capital Improvement Fund helped to fund additional street improvements. The General Fund also made a transfer to the parking fund to cover operational costs. Transfers from the General Capital Improvement Fund and Enterprise Funds 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, 2018*

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**NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivable and payable balances at December 31, 2018 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental Funds:		
Capital Improvements Fund	\$ 25,062	
Internal Service Funds:		
City Garage Fund		\$ 25,062

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, 2018**

**NOTE 8 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2018:

<i>Historical Cost:</i>				
Class	December 31, 2017	Additions	Deletions	December 31, 2018
<i>Capital assets not being depreciated:</i>				
Land	\$ 16,441,501	\$ 17,466	\$ -	\$ 16,458,967
Construction in Progress	395,097	1,500,966	-	1,896,063
Subtotal	<u>16,836,598</u>	<u>1,518,432</u>	<u>-</u>	<u>18,355,030</u>
<i>Capital assets being depreciated:</i>				
Land improvements	4,322,036	10,580	-	4,332,616
Buildings and improvements	16,184,264	126,653	-	16,310,917
Machinery and Equipment	12,139,467	647,203	(172,473)	12,614,197
Infrastructure	20,347,196	1,637,029	(297,615)	21,686,610
Subtotal	<u>52,992,963</u>	<u>2,421,465</u>	<u>(470,088)</u>	<u>54,944,340</u>
Total Cost	<u>69,829,561</u>	<u>3,939,897</u>	<u>(470,088)</u>	<u>73,299,370</u>
 <i>Accumulated Depreciation:</i>				
Class	December 31, 2017	Additions	Deletions	December 31, 2018
Land improvements	(1,468,301)	(191,668)	-	(1,659,969)
Buildings and improvements	(4,214,749)	(516,157)	-	(4,730,906)
Machinery and Equipment	(7,685,190)	(710,501)	172,473	(8,223,218)
Infrastructure	(8,282,228)	(628,726)	158,526	(8,752,428)
Total Depreciation	<u>(21,650,468)</u>	<u>(2,047,052)</u>	<u>330,999</u>	<u>(23,366,521)</u>
<i>Net Value:</i>	<u>\$ 48,179,093</u>	<u>\$ 1,892,845</u>	<u>\$(139,089)</u>	<u>\$ 49,932,849</u>

Depreciation expenses were charged to governmental functions as follows:

General Government	\$ 427,280
Public Safety	548,226
Highways and Streets	748,335
Urban Redevelopment & Housing	26,493
Recreation	235,623
Total Depreciation Expense recorded within the Governmental Activities	<u>1,985,957</u>
Amount of Depreciation Expense recorded in the Internal Service Fund	61,095
Total Additions to Accumulated Depreciation	<u>\$ 2,047,052</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

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

Summary by Category at December 31, 2018:

**Historical Cost:**

Class	December 31, 2017	Additions	Deletions	December 31, 2018
<b>Capital assets not being depreciated:</b>				
Land	\$ 791,330	\$ -	\$ -	\$ 791,330
Construction in Progress	2,058,032	958,696	-	3,016,728
Subtotal	<u>2,849,362</u>	<u>958,696</u>	<u>-</u>	<u>3,808,058</u>
<b>Capital assets being depreciated:</b>				
Land improvements	918,153	28,567	-	946,720
Buildings and improvements	10,886,593	189,490	-	11,076,083
Machinery and Equipment	58,470,083	800,002	(170,699)	59,099,386
Total Cost	<u>73,124,191</u>	<u>1,976,755</u>	<u>(170,699)</u>	<u>74,930,247</u>

**Accumulated Depreciation:**

Class	December 31, 2017	Additions	Deletions	December 31, 2018
Land Improvements	(479,657)	(46,266)	-	(525,923)
Buildings and Improvements	(5,859,182)	(263,832)	-	(6,123,014)
Machinery and Equipment	(39,083,446)	(1,466,785)	152,153	(40,398,078)
Total Depreciation	<u>\$(45,422,285)</u>	<u>\$(1,776,883)</u>	<u>\$ 152,153</u>	<u>\$(47,047,015)</u>
<b>Net Value:</b>	<u>\$ 27,701,906</u>	<u>\$ 199,872</u>	<u>\$(18,546)</u>	<u>\$ 27,883,232</u>

Depreciation expenses were charged to business-type activities as follows:

Water	\$ 661,595
Sewer	884,799
Sanitation	61,026
Storm Sewer	162,512
Other Enterprise	5,464
Total Depreciation Expense recorded within the Business-Type Activities	<u>1,775,396</u>
Amount of Depreciation Expense recorded in the Internal Service Fund	1,487
Total Additions to Accumulated Depreciation	<u>\$ 1,776,883</u>



*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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**NOTE 9 – DEFINED BENEFIT PENSION PLANS**

**Net Pension Liability and Net Other Postemployment Benefits (OPEB) Liability**

Pensions and OPEB 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 net pension liability and the net OPEB liability represent the City’s proportionate share of each pension and OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension and OPEB plan’s fiduciary net position. The net pension and OPEB 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 and OPEB are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension and OPEB.

GASB Statement No. 68 and No. 75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension and OPEB liability. Resulting adjustments to the net pension and OPEB liability would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes pension disclosures. See Note 10 for the OPEB disclosures.

***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, 2018**

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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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

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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:

	State and Local
<b>2018 Statutory Maximum Contribution Rates</b>	
Employer	14.0%
Employee	10.0%
 <b>2018 Actual Contribution Rates</b>	
Employer:	
Pension	14.0%
Post-employment Health Care Benefits	0.00%
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 \$1,075,473 for 2018.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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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 participating in the drop program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the member's base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

**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	Firfighters
<b>2018 Statutory Maximum Contribution Rates</b>		
Employer	19.50%	24.00%
Employee:		
January 1, 2018 through December 31, 2018	12.25%	12.25%
<b>2018 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%

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$1,470,868 for 2018.

***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, 2017, 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, 2017, and was determined by rolling forward the total pension liability as of January 1, 2017, to December 31, 2017. 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	\$ 8,515,852	\$ 18,518,231	\$ 27,034,083
Proportion of Net Pension Liability:			
Current Measurement Date	0.054282%	0.301725%	
Prior Measurement Date	0.055917%	0.305787%	
Change in Proportionate Share	(0.001635)%	(0.004062)%	
Pension Expense	\$ 1,583,998	\$ 2,683,265	\$ 4,267,263

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

At December 31, 2018, 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	\$ 8,696	\$ 281,027	\$ 289,723
Changes of assumptions	1,017,697	806,937	1,824,634
Change in Proportionate Share	41,527	131,110	172,637
City contributions subsequent to the measurement date	<u>1,075,473</u>	<u>1,470,868</u>	<u>2,546,341</u>
Total Deferred Outflows of Resources	<u>\$ 2,143,393</u>	<u>\$ 2,689,942</u>	<u>\$ 4,833,335</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ 167,821	\$ 33,500	\$ 201,321
Net difference between projected and actual earnings on pension plan investments	1,828,241	640,588	2,468,829
Change in Proportionate Share	<u>210,581</u>	<u>564,112</u>	<u>774,693</u>
Total Deferred Inflows of Resources	<u>\$ 2,206,643</u>	<u>\$ 1,238,200</u>	<u>\$ 3,444,843</u>

\$2,546,341 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, 2019. 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:			
2019	\$ 693,556	\$ 360,887	\$ 1,054,443
2020	(275,970)	192,470	(83,500)
2021	(805,060)	(471,026)	(1,276,086)
2022	(751,249)	(304,391)	(1,055,640)
2023	0	163,438	163,438
2024	<u>0</u>	<u>39,496</u>	<u>39,496</u>
Total	<u>\$(1,138,723)</u>	<u>\$(19,126)</u>	<u>\$(1,157,849)</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, 2018*

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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, 2017, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB Statement No. 67.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2017, are presented below.

Wage Inflation	3.25 percent
Future Salary Increase, 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

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of 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.

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. 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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

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

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 16.82% for 2017.

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 long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The following table displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return.

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00%	2.20%
Domestic Equities	19.00	6.37
Real Estate	10.00	5.26
Private Equity	10.00	8.97
International Equities	20.00	7.88
Other investments	18.00	5.26
Total	100.00%	5.66%

***Discount Rate*** The discount rate used to measure the total pension liability was 7.5% 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 contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan, Combined Plan and Member-Directed Plan was applied to all periods of projected benefit payments to determine the total pension liability.



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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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	\$ 15,121,981	\$ 8,515,852	\$ 3,008,328

**Changes between Measurement Date and Report Date**

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City's net pension liability is not known.

***Actuarial Assumptions – OPF***

OPF’s total pension liability as of December 31, 2017 is based on the results of an actuarial valuation date of January 1, 2017, 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. Assumptions considered were: withdrawal rates, disability retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rates, CPI based COLA, investment returns, salary increases, and payroll growth.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2017, compared with January 1, 2016, are presented below.

	January 1, 2017	January 1, 2016
Valuation Date	January 1, 2017, with accrual liabilities rolled forward to December 31, 2017	January 1, 2016, with accrual liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions		
Investment Rate of Return	8.00%	8.25%
Payroll Growth	Inflation Rate of 2.75% plus productivity increase rate of .50%	Inflation Rate of 3.25% plus productivity increase rate of .50%
Projected Salary Increases	3.75% to 10.5%	4.25% to 11%
Cost of Living Adjustments	3.00% Simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3.00%	3.00% Simple; 2.60% simple for increases based on the lesser of the increase in CPI and 3.00%

For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%

For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35%	35%
60-69	60%	45%
70-79	75%	70%
80 and up	100%	90%

For the January 1, 2016 valuation, rates of death were 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.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

The most recent experience study was completed for the five year period ended December 31, 2016, the prior experience study was completed December 31, 2011.

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 expected. 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. 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, 2017, are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00%	0.00%
Domestic Equity	16.00%	5.21%
Non-US Equity	16.00%	5.40%
Core Fixed Income *	20.00%	2.37%
Global Inflation Protected Securities	20.00%	2.33%
High Yield	15.00%	4.48%
Real Estate	12.00%	5.65%
Private Markets	8.00%	7.99%
Real Assets	5.00%	6.87%
Master Limited Partnerships	8.00%	7.36%
	<u>120.00%</u>	

\* levered 2x

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 8.00 percent. The discount rate used for 2016 was 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 8.00 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.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

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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*** 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 8.0 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 (7.0 percent), or one percentage point higher (9.0 percent) than the current rate.

	1% Decrease 7.00%	Current Discount Rate 8.00%	1% Increase 9.00%
City's proportionate share of the net pension liability	\$ 25,671,118	\$ 18,518,231	\$ 12,684,389

**Changes between Measurement Date and Report Date**

There have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that have impacted the actuarial valuation studies for the pension plan for the measurement date.

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*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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**NOTE 10 - POSTEMPLOYMENT BENEFITS**

***Net OPEB Liability***

The net OPEB liability reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability represents the City’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB 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 OPEB are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

**Ohio Public Employees Retirement System (“OPERS”)**

Plan Description – 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.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. Please see the OPERS 2017 CAFR for details.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2018, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board 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 percent 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 percent for both plans. The OPERS 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 into the RMA for participants in the Member-Directed Plan for 2018 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City of Xenia’s contractually required contribution was \$0 for 2018.

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

Plan Description – The City of Xenia contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F 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.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

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 2018, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. 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 is also 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.

Beginning January 1, 2019, OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

The City of Xenia's contractually required contribution to OP&F was \$34,664 for 2018.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

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

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

The net OPEB liability for OPERS was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. OPF's total OPEB liability was measured as of December 31, 2017, and was determined by rolling forward the total OPEB liability as of January 1, 2017, to December 31, 2017. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$ 5,890,273	\$ 17,095,317	\$ 22,985,590
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.054242%	0.301725%	
Prior Measurement Date	<u>0.056142%</u>	<u>0.305787%</u>	
Change in Proportionate Share	<u>(0.001900)%</u>	<u>(0.004062)%</u>	
 OPEB Expense	 \$ 431,743	 \$ 1,312,048	 \$ 1,743,791

At December 31, 2018, 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>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 4,587	\$ 0	\$ 4,587
Changes of assumptions	428,875	1,668,139	2,097,014
City contributions subsequent to the measurement date	<u>0</u>	<u>34,664</u>	<u>34,664</u>
Total Deferred Outflows of Resources	<u>\$ 433,462</u>	<u>\$ 1,702,803</u>	<u>\$ 2,136,265</u>
 Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 0	\$ 86,222	\$ 86,222
Net difference between projected and actual earnings on OPEB plan investments	438,786	112,529	551,315
Change in Proportionate Share	<u>129,818</u>	<u>168,222</u>	<u>298,040</u>
Total Deferred Inflows of Resources	<u>\$ 568,604</u>	<u>\$ 366,973</u>	<u>\$ 935,577</u>



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

\$34,664 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2019	\$ 35,477	\$ 178,548	\$ 214,025
2020	35,477	178,548	214,025
2021	(96,399)	178,548	82,149
2022	(109,697)	178,548	68,851
2023	0	206,681	206,681
2024	0	206,681	206,681
2025	0	173,612	173,612
<b>Total</b>	<b>\$(135,142)</b>	<b>\$ 1,301,166</b>	<b>\$ 1,166,024</b>

**Actuarial Assumptions - OPERS**

Actuarial valuations of an ongoing plan involve estimates of the value 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. Projections of health care costs for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPEB and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2016, rolled forward to the measurement date of December 31, 2017. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Actuarial Cost Method	Individual Entry Age
Actuarial Assumptions	
Single Discount Rate	3.85%
Investment Rate of Return	6.50%
Municipal Bond Rate	3.31%
Wage Inflation	3.25%
Future Salary Increases, including inflation	3.25 to 10.75 % including wage inflation
Health Care Cost Trend Rate	7.5% Initial 3.25% Ultimate in 2028

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

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

males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

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

The long-term expected rate of return on health care 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.

During 2017, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. 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 Health Care portfolio is 15.2% for 2017.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2017 and the long-term expected real rates of return.

Asset Class	Target Allocation		Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)	
Fixed Income	34.00	%	1.88	%
Domestic Equities	21.00		6.37	
REITs	6.00		5.91	
International Equities	22.00		7.88	
Other investments	17.00		5.39	
Total	100.00	%	4.98	%

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

**Discount Rate** A single discount rate of 3.85% was used to measure the OPEB liability on the measurement date of December 31, 2017. A single discount rate of 4.23 percent was used to measure the OPEB liability on the measurement date of December 31, 2016. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.50% and a municipal bond rate of 3.31%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 3.85 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.85 percent) or one-percentage-point higher (4.85 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	2.85%	3.85%	4.85%
City's proportionate share of the net OPEB liability	\$ 7,825,486	\$ 5,890,273	\$ 4,324,711

**Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate** Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2018 is 7.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

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

	1% Decrease	Current Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 5,635,739	\$ 5,890,273	\$ 6,153,207

**Changes between Measurement Date and Report Date**

In October, 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change will be effective for the 2018 valuation. The exact amount of the impact to the City's net OPEB liability is not known.

***Actuarial Assumptions – OPF***

OPF's total OPEB liability as of December 31, 2017 is based on the results of an actuarial valuation date of January 1, 2017, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OPF's actuaries in accordance with GASB Statement No. 74, 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.

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 and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

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

Valuation Date	January 1, 2017, with actual liabilities rolled forward to December 31, 2017
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Investment Rate of Return	8.00%
Wage Inflation	2.75% plus productivity increase rate of .50%
Projected Salary Increases	3.75% to 10.50%
Single Discount Rate:	
Current Measurement Date	3.24 %
Prior Measurement Date	3.79%
Cost of Living Adjustments	3.00% Simple; 2.2% simple for increases based on the lesser of the increase in CPI and 3.00%

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, and projected with the Conduent Modified 2016 Improvement Scale. Rates are adjusted as follows, surviving beneficiaries are adjusted by 120%

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77%	68%
68-77	105%	87%
78 and up	115%	120%

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, and projected with the Conduent Modified 2016 Improvement Scale. Rates are adjusted as follows.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35%	35%
60-69	60%	45%
70-79	75%	70%
80 and up	100%	90%

The most recent experience study was completed for a five year period ended December 31, 2016; the prior experience study was completed on December 31, 2011.

The long-term expected rate of return on OPEB 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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Best estimates of the long-term expected real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2017 are summarized below:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00%	0.00%
Domestic Equity	16.00%	5.21%
Non-US Equity	16.00%	5.40%
Core Fixed Income *	20.00%	2.37%
Global Inflation Protected Securities*	20.00%	2.33%
High Yield	15.00%	4.48%
Real Estate	12.00%	5.65%
Private Markets	8.00%	7.99%
Real Assets	5.00%	6.87%
Master Limited Partnerships	8.00%	7.36%

\* levered 2x

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 OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OPF's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 3.16 percent at December 31, 2017 and 3.71 percent at December 31, 2016, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.24 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.24 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.24 percent), or one percentage point higher (4.24 percent) than the current rate.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

	1% Decrease	Current Discount Rate	1% Increase
	2.24%	3.24%	4.24%
City's proportionate share of the net OPEB liability	\$ 21,369,352	\$ 17,095,317	\$ 13,806,634

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** Net OPEB liability is sensitive to changes in the health care cost trend rate. The trend rate is the annual rate at which the cost of covered medical services is assumed to increase from the current year to the next year. Beginning in 2017, the per-capita costs are assumed to change by the following percentages each year:

Year	Non-Medicar e	Non-AARP	AARP	Rx Drug	Medicare Part B
2,017	(0.47)%	(2.50)%	4.50%	(0.47)%	5.20%
2,018	7.00%	7.00%	4.50%	7.00%	5.10%
2,019	6.50%	6.50%	4.50%	6.50%	5.00%
2,020	6.00%	6.00%	4.50%	6.00%	5.00%
2,021	5.50%	5.50%	4.50%	5.50%	5.00%
2,022	5.00%	5.00%	4.50%	5.00%	5.00%
2023 and Later	4.50%	4.50%	4.50%	4.50%	5.00%

To illustrate the potential impact, the following table presents the net OPEB liability calculated using the current healthcare cost trend current rates as outlined in the table above, a one percent decrease in the trend rates and a one percent increase in the trend rates.

	1% Decrease	Current Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 13,279,950	\$ 17,095,317	\$ 22,237,141

***Changes between Measurement Date and Report Date***

In March 2018, the OP&F Board of Trustees approved the implementation date and framework for a new health care model. Beginning January 1, 2019, the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. The impact to the City's NOL is not known.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

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

Long-term debt and other long-term obligations of the City at December 31, 2018 were as follows:

			Restated Balance December 31, 2017	Additions	(Reductions)	Balance December 31, 2018	Due Within One Year
<b>Business-Type Activities:</b>							
Loans Payable:							
2.79%	Sewer Loan Payable	1999	\$ 1,204,535	\$ 0	\$(471,826)	\$ 732,709	\$ 485,082
3.25%	Sewer Loan Payable	2010	1,282,779	0	(84,688)	1,198,091	87,462
2.80%	Sewer Loan Payable	2012	1,222,496	0	(66,603)	1,155,893	68,481
	Total Loans Payable		3,709,810	0	(623,117)	3,086,693	641,025
2.16%	G.O. Bond Payable		51,221	0	(12,397)	38,824	12,665
Net Pension Liability:							
	Ohio Public Employees Retirement System		5,386,543	0	(1,768,977)	3,617,566	0
	Ohio Police and Fire Pension System		175,552	0	(8,545)	167,007	0
	Total Net Pension Liability		5,562,095	0	(1,777,522)	3,784,573	0
Net OPEB Liability:							
	Ohio Public Employees Retirement System		2,405,484	97,546	(822)	2,502,208	0
	Ohio Police and Fire Pension System		131,562	22,611	0	154,173	0
	Total Net OPEB Liability		2,537,046	120,157	(822)	2,656,381	0
	Capital Leases		729,671	1,066,662	(178,402)	1,617,931	231,901
	Landfill Liability		1,794,970	292,487	(184,377)	1,903,080	234,226
	Compensated Absences		678,796	722,229	(678,796)	722,229	48,703
<b>Total Business Type Activities</b>			<b>\$ 15,063,609</b>	<b>\$ 2,201,535</b>	<b>\$(3,455,433)</b>	<b>\$ 13,809,711</b>	<b>\$ 1,168,520</b>
<b>Governmental Activities Long-Term Debt:</b>							
2.00- 3.10%	G.O. Bond Payable	2010	\$ 300,000	\$ 0	\$(100,000)	\$ 200,000	\$ 100,000
2.16%	G.O. Bond Payable	2011	406,094	0	(98,293)	307,801	100,416
2.00 - 4.00%	G.O. Bond Payable	2015	7,125,000	0	(275,000)	6,850,000	275,000
2.49%	Park Imp. Bonds	2016	850,000	0	(100,000)	750,000	100,000
2.31%	REACH Project Bond	2017	1,025,000	0	(90,000)	935,000	95,000
	Premium on G.O. Bond Payable	2015	363,207	0	(16,509)	346,698	16,510
	Total G.O. Bonds Payable		10,069,301	0	(679,802)	9,389,499	686,926
	Local Government Innovation Fund	2013	70,000	0	(10,000)	60,000	10,000
Net Pension Liability:							
	Ohio Public Employees Retirement System		7,311,280	0	(2,412,991)	4,898,289	0
	Ohio Police and Fire Pension System		19,192,694	0	(841,473)	18,351,221	0
	Total Net Pension Liability		26,503,974	0	(3,254,464)	23,249,510	0
Net OPEB Liability:							
	Ohio Public Employees Retirement System		3,265,023	123,043	0	3,388,066	0
	Ohio Police and Fire Pension System		14,383,461	2,557,682	0	16,941,143	0
	Total Net OPEB Liability		17,648,484	2,680,725	0	20,329,209	0
	Capital Leases Payable		893,030	0	(298,667)	594,363	303,793
	Compensated Absences		2,125,207	2,236,174	(2,125,207)	2,236,174	183,124
<b>Total Governmental Activities</b>			<b>\$ 57,309,996</b>	<b>\$ 4,916,899</b>	<b>\$(6,368,140)</b>	<b>\$ 55,858,755</b>	<b>\$ 1,183,843</b>



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018**

**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, 2018 are as follows:

Years	General Obligation Bond		Sewer Loans Payable		LGIF
	Principal	Interest	Principal	Interest	Principal
2019	\$ 683,081	\$ 288,992	\$ 641,025	\$ 87,205	\$ 10,000
2020	\$ 690,525	\$ 273,245	\$ 408,369	\$ 68,780	\$ 10,000
2021	\$ 608,019	\$ 258,867	\$ 165,685	\$ 60,381	\$ 10,000
2022	\$ 495,000	\$ 245,682	\$ 170,782	\$ 55,283	\$ 10,000
2023	\$ 510,000	\$ 248,541	\$ 176,038	\$ 50,027	\$ 10,000
2024-2028	\$ 2,090,000	\$ 936,185	\$ 964,894	\$ 165,433	\$ 10,000
2029-2033	\$ 1,615,000	\$ 635,550	\$ 559,900	\$ 30,122	\$ 0
2034-2038	\$ 1,955,000	\$ 291,875	\$ 0	\$ 0	\$ 0
2039-2043	\$ 435,000	\$ 15,225	\$ 0	\$ 0	\$ 0
Totals	<u>\$ 9,081,625</u>	<u>\$ 3,194,162</u>	<u>\$ 3,086,693</u>	<u>\$ 517,231</u>	<u>\$ 60,000</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, 2018*

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**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.

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*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

**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 \$4,715,239 and the book value at December 31, 2018 was \$3,477,116. 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, 2018:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>
2019	\$ 312,667	\$ 291,565
2020	294,568	291,565
2021	0	291,565
2022	0	291,564
2023	0	127,049
2024-2028	0	573,722
Minimum Lease Payments	607,235	1,867,030
Less amount representing interest at the City's incremental borrowing rate of interest	(12,872)	(249,099)
Present value of minimum lease payments	<u>\$ 594,363</u>	<u>\$ 1,617,931</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

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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 \$41,223 during 2018. The following is a schedule of future minimum rental payments of non-cancellable operating leases:

Year Ending December 31,	Amount
2019	\$ 35,407
2020	\$ 28,156
2021	\$ 9,738

**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, 2018 the City re-evaluated the outstanding liability related to post closure care costs. The City’s new estimated accrued liability (per GASB 18) for post-closure costs related to the closed City landfill is \$1,903,080. 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, 2018*

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**NOTE 14 – COMMITMENTS**

**A. Contractual Commitments**

As of December 31, 2018, the City had the following commitments with respect to capital projects:

<u>Project:</u>	<u>Commitment Amount</u>
Phase II Environmental Assessment Town Square	\$ 28,715
Design Services Shawnee Park playground	8,630
Painting W. Second & Patton St Water Towers	716,812
2018 Street Program	24,500
Sewer Pipeline Rehab	37,252
Landfill Gas Probe Installation/Replacement	19,366
OVCH Downstream Sewer System Design	19,840
Second St. Fiber Project	172,915
Xenia Fire Station Feasibility Study	12,500
Street Crack Sealing	24,664
MARCS Radio System Upgrade	32,800

**B. Encumbrances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to ensure effective budgetary control and accountability, as well as to facilitate effective cash planning and control. At December 31, 2018 the City reported \$203,492 and \$1,511,796 of encumbrances in the General and Capital Improvement Funds, respectively. The Capital Improvement Fund had an encumbrance of \$1,351,201 for the Downtown Safety Project, which accounted for the majority of the City's encumbrances. The remaining governmental funds reported a total of \$860,797 in outstanding encumbrances at that date. A large portion of these funds were encumbered for the replacement of a medic unit, with an encumbrance of \$239,835.

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*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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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 2018. 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, 2018*

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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 \$15,000 during 2018. 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, 2018 was \$197,655.

**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, 2018**

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

The City belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. York Insurance Services Group, Inc. (York) functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by York. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2017 (most recent information available), PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP's financial statements (audited by other auditor's) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2017 (most recent information available).

	<u>2017</u>
Assets	\$44,452,326
Liabilities	<u>(13,004,011)</u>
Net Position	\$31,448,315

At December 31, 2017 the liabilities above include approximately \$11.8 million of estimated incurred claims payable. The assets above also include approximately \$11.2 million of unpaid claims to be billed. The Pool's membership increased to 527 members in 2017 (most recent information available). These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2018, the Government's share of these unpaid claims collectible in future years is approximately \$132,176.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership. The City made a premium payment of \$205,756 to PEP during 2018.

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.



*Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018*

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**NOTE 18 – PUBLIC ENTITIES POOL OF OHIO (Continued)**

Changes in claims activity for employee health care benefits for 2018 is as follows:

Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
\$ 180,377	\$ 1,299,614	\$ 1,282,336	\$ 197,655

**NOTE 19 - SUBSEQUENT EVENTS**

On Tuesday May 7, 2019 the City's electorate approved the renewal of a 3.5 mill operating levy which generated approximately \$450,000 annually. The renewal for a five year period will aid in the continued provision of core City services funded by property tax revenues.

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2018***

**NOTE 20 – CHANGE IN ACCOUNTING PRINCIPLE**

For fiscal year 2018, the City of Xenia implemented Governmental Accounting Standards Board (GASB) Statement No. 85, Omnibus 2017 and Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated into the City’s 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported January 1, 2018:

	Governmental Activities	Business -Type Activities
Net position January 1, 2018	\$ 27,462,337	\$ 33,655,965
Adjustments:		
Net OPEB Liability	(17,648,484)	(2,537,046)
Deferred Outflow - Payments Subsequent to Measurement Date	76,888	32,864
Restated Net Position January 1, 2018	\$ 9,890,741	\$ 31,151,783

	Water Fund	Sewer Fund	Sanitation Fund	Storm Sewer Fund	Other Enterprise Funds	Total Enterprise	Internal Service Funds
Net position January 1, 2018	\$ 12,404,681	\$ 11,675,347	\$ 771,892	\$ 6,804,947	\$ 1,761,215	\$ 33,418,082	\$ 469,852
Adjustments:							
Net OPEB Liability	(1,059,934)	(1,180,849)	(188,870)	(82,046)	(25,347)	(2,537,046)	(87,734)
Deferred Outflow - Payments Subsequent to Measurement Date	13,606	15,244	2,559	1,112	343	32,864	1,189
Restated Net Position January 1, 2018	\$ 11,358,353	\$ 10,509,742	\$ 585,581	\$ 6,724,013	\$ 1,736,211	\$ 30,913,900	\$ 383,307

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

*Required Supplementary Information*

**CITY OF XENIA, OHIO**

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

**Ohio Public Employees Retirement System**

Year	2014	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.054554%	0.054554%	0.055075%	0.055917%	0.054282%
City's proportionate share of the net pension liability (asset)	\$ 6,431,206	\$ 6,579,822	\$ 9,539,641	\$ 12,697,822	\$ 8,515,850
City's covered payroll	\$ 6,880,346	\$ 6,687,167	\$ 6,854,608	\$ 7,379,908	\$ 7,304,444
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	93.47%	98.39%	139.17%	172.06%	116.58%
Plan fiduciary net position as a percentage of the total pension liability	86.36%	86.45%	81.08%	77.25%	84.66%

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

**Ohio Police and Fire Pension Fund**

Year	2014	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.3134450%	0.3134450%	0.307138%	0.305787%	0.301725%
City's proportionate share of the net pension liability (asset)	\$ 15,265,754	\$ 16,237,757	\$ 19,758,392	\$ 19,368,247	\$ 18,518,226
City's covered payroll	\$ 6,836,505	\$ 6,433,998	\$ 6,562,778	\$ 7,324,395	\$ 6,584,452
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	223.30%	252.37%	301.07%	264.43%	281.24%
Plan fiduciary net position as a percentage of the total pension liability	73.00%	72.20%	66.77%	68.36%	70.91%

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's Pension Contributions  
Last Six Years*

**Ohio Public Employees Retirement System**

Year	2013	2014	2015	2016	2017	2018
Contractually required contribution	\$ 894,445	\$ 802,460	\$ 822,553	\$ 885,589	\$ 876,533	\$ 1,075,473
Contributions in relation to the contractually required contribution	894,445	802,460	822,553	885,589	876,533	1,075,473
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
City's covered payroll	\$ 6,880,346	\$ 6,687,167	\$ 6,854,608	\$ 7,379,908	\$ 7,304,442	\$ 7,681,950
Contributions as a percentage of covered payroll	13.00%	12.00%	12.00%	12.00%	12.00%	14.00%

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

**Ohio Police and Fire Pension Fund**

Year	2013	2014	2015	2016	2017	2018
Contractually required contribution	\$ 1,167,675	\$ 1,309,962	\$ 1,318,462	\$ 1,391,635	\$ 1,395,238	\$ 1,470,868
Contributions in relation to the contractually required contribution	1,167,675	1,309,962	1,318,462	1,391,635	1,395,238	1,470,868
Contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
City's covered payroll	\$ 6,836,505	\$ 6,433,998	\$ 6,562,778	\$ 7,324,395	\$ 6,584,452	\$ 6,932,895
Contributions as a percentage of covered payroll	17.08%	20.36%	20.09%	19.00%	21.19%	21.22%

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

**CITY OF XENIA, OHIO**

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*Schedule of City's Proportionate Share of the Net OPEB Liability  
Last Two Years*

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Ohio Public Employees Retirement System

Year	<u>2017</u>	<u>2018</u>
City's proportion of the net OPEB liability (asset)	0.056142%	0.054242%
City's proportionate share of the net OPEB liability (asset)	\$ 5,670,506	\$ 5,890,273
City's covered payroll	\$ 7,379,908	\$ 7,304,444
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	76.84%	80.64%
Plan fiduciary net position as a percentage of the total OPEB liability	54.04%	54.14%

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

Ohio Police and Fire OPEB Fund

Year	<u>2017</u>	<u>2018</u>
City's proportion of the net OPEB liability (asset)	0.3057871%	0.3017250%
City's proportionate share of the net OPEB liability (asset)	\$ 14,515,024	\$ 17,095,317
City's covered payroll	\$ 7,324,395	\$ 6,584,452
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	198.17%	259.63%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%

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

Notes: The City implemented GASB Statement 75 in 2018.

Information prior to 2017 is not available.

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

See accompany notes to the required supplementary information.

*Schedule of City's OPEB Contributions  
Last Three Years*

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Ohio Public Employees Retirement System

Year	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$ 147,598	\$ 73,044	\$ 0
Contributions in relation to the contractually required contribution	<u>147,598</u>	<u>\$ 73,044</u>	<u>\$ 0</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's covered payroll	\$ 7,379,908	\$ 7,304,444	\$ 7,681,949
Contributions as a percentage of covered payroll	2.00%	1.00%	0.00%

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

Ohio Police and Fire Pension Fund

Year	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually required contribution	\$ 36,622	\$ 32,922	\$ 34,664
Contributions in relation to the contractually required contribution	<u>\$ 36,622</u>	<u>\$ 32,922</u>	<u>\$ 34,664</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
City's covered payroll	\$ 7,324,395	\$ 6,584,452	\$ 6,932,895
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%

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

Notes: The City implemented GASB Statement 75 in 2018. Information prior to 2016 is not available

See accompany note to the required supplementary information.

***Notes to the Required Supplementary Information  
For the Year Ended December 31, 2018***

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**Note 1 – Pension Liability**

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

There were no changes in benefit terms from the amounts reported for 2014-2018. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. In 2018 the most significant changes in assumptions that affected total pension liability since the prior measurement date were the following:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%

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

There were no changes in benefit terms from the amounts reported for 2014-2018. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016. In 2017 the most significant changes in assumptions that affected total pension liability since the prior measurement date were the following:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2018.

**Note 2 – OPEB Liability**

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

For 2018, there were no changes in benefit terms. Changes in assumptions for 2018 included the single discount rate being changed from 3.79% to 3.24%.

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

For 2018, there were no changes in benefit terms. Changes in assumptions for 2018 included the single discount rate being changed from 4.23% to 3.85%.



*Combining and Individual Fund  
Statements and Schedules*

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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.

***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, 2018**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and cash equivalents	\$ 535,273	\$ 32,898	\$ 333,270	\$ 901,441
Investments	1,173,809	72,149	730,826	1,976,784
Receivables:				
Taxes, including interest, penalties and liens	0	68,528	0	68,528
Intergovernmental	604,837	4,818	0	609,655
Accounts	21,961	0	0	21,961
Accrued interest	2,624	208	2,452	5,284
Grants	74,576	0	0	74,576
Prepaid items	52,620	0	0	52,620
<b>Total Assets</b>	<b>\$ 2,465,700</b>	<b>\$ 178,601</b>	<b>\$ 1,066,548</b>	<b>\$ 3,710,849</b>
<b>Liabilities:</b>				
Accounts payable	\$ 3,342	\$ 0	\$ 38,785	\$ 42,127
Accrued payroll	59,833	0	970	60,803
<b>Total Liabilities</b>	<b>63,175</b>	<b>0</b>	<b>39,755</b>	<b>102,930</b>
<b>Deferred Inflows of Resources:</b>				
Property Taxes Levied for the Next Fiscal Year	0	66,364	0	66,364
Delinquent Property Tax Revenue Unavailable	0	2,164	0	2,164
Unavailable Revenue - Other	575,323	4,915	1,139	581,377
<b>Total Deferred Inflows of Resources</b>	<b>575,323</b>	<b>73,443</b>	<b>1,139</b>	<b>649,905</b>
<b>Fund Balances:</b>				
Nonspendable Fund balance				
Prepaid items	52,620	0	0	52,620
Restricted Fund Balance	1,449,308	105,158	1,025,654	2,580,120
Committed Fund Balance	325,274	0	0	325,274
<b>Total Fund Balances</b>	<b>1,827,202</b>	<b>105,158</b>	<b>1,025,654</b>	<b>2,958,014</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 2,465,700</b>	<b>\$ 178,601</b>	<b>\$ 1,066,548</b>	<b>\$ 3,710,849</b>

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Other local taxes	\$ 13,429	\$ 66,816	\$ 0	\$ 80,245
State shared taxes and permits	256,986	9,636	0	266,622
Intergovernmental grants	275,687	0	504,680	780,367
Charges for services	8,516	0	0	8,516
Fines, costs, forfeitures, licenses and permits	291,573	0	85,039	376,612
Miscellaneous receipts and reimbursements, including interest	156,679	3,952	49,427	210,058
<b>Total Revenue</b>	<u>1,002,870</u>	<u>80,404</u>	<u>639,146</u>	<u>1,722,420</u>
<b>Expenditures:</b>				
Current:				
General government	831,591	0	114,627	946,218
Public safety	189,380	228	0	189,608
Highways and streets	127,969	226	0	128,195
Urban redevelopment & Housing	11,793	0	0	11,793
Economic Development & Assistance	12,467	0	0	12,467
Capital outlay	191,814	0	783,120	974,934
Debt service:				
Principal retirement	32,500	342,500	285,371	660,371
Interest & fiscal charges	2,503	247,798	14,001	264,302
<b>Total Expenditures</b>	<u>1,400,017</u>	<u>590,752</u>	<u>1,197,119</u>	<u>3,187,888</u>
Excess (deficiency) of revenues over expenditures	(397,147)	(510,348)	(557,973)	(1,465,468)
<b>Other financing sources (uses):</b>				
Transfers in	330,000	517,600	258,007	1,105,607
<b>Total other financing sources (uses)</b>	<u>330,000</u>	<u>517,600</u>	<u>258,007</u>	<u>1,105,607</u>
Net change in fund balances	(67,147)	7,252	(299,966)	(359,861)
<b>Fund Balances at Beginning of Year</b>	<u>1,894,349</u>	<u>97,906</u>	<u>1,325,620</u>	<u>3,317,875</u>
<b>Fund Balances End of Year</b>	<u>\$ 1,827,202</u>	<u>\$ 105,158</u>	<u>\$ 1,025,654</u>	<u>\$ 2,958,014</u>

**CITY OF XENIA, OHIO**

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2018**

	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	\$ 49,761	\$ 3,467	\$ 14,974	\$ 63,435	\$ 28,353
Investments	109,118	7,600	32,836	139,110	62,172
Receivables:					
Intergovernmental	0	0	0	41,008	91,792
Accounts	0	0	0	0	0
Accrued interest	351	24	116	390	400
Grants	0	0	37,710	0	0
Prepaid items	31,500	0	0	0	0
<b>Total Assets</b>	<u>\$ 190,730</u>	<u>\$ 11,091</u>	<u>\$ 85,636</u>	<u>\$ 243,943</u>	<u>\$ 182,717</u>
<b>Liabilities:</b>					
Accounts payable	\$ 1,740	\$ 0	\$ 821	\$ 705	\$ 0
Accrued payroll	0	0	38,928	2,627	0
<b>Total Liabilities</b>	<u>1,740</u>	<u>0</u>	<u>39,749</u>	<u>3,332</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Other	163	11	15,860	25,194	61,435
<b>Total Deferred Inflows of Resources</b>	<u>163</u>	<u>11</u>	<u>15,860</u>	<u>25,194</u>	<u>61,435</u>
<b>Fund Balances:</b>					
Nonspendable Fund Balance					
Prepaid items	31,500	0	0	0	0
Restricted Fund Balance	157,327	11,080	30,027	215,417	121,282
Committed Fund Balance	0	0	0	0	0
<b>Total Fund Balances</b>	<u>188,827</u>	<u>11,080</u>	<u>30,027</u>	<u>215,417</u>	<u>121,282</u>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<u>\$ 190,730</u>	<u>\$ 11,091</u>	<u>\$ 85,636</u>	<u>\$ 243,943</u>	<u>\$ 182,717</u>



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
\$ 8,540	\$ 101,986	\$ 9,475	\$ 167,556	\$ 72,591	\$ 12,060	\$ 3,075	\$ 535,273
18,728	223,654	20,779	367,439	159,192	26,442	6,739	1,173,809
472,037	0	0	0	0	0	0	604,837
0	0	0	21,961	0	0	0	21,961
56	0	0	647	543	80	17	2,624
0	0	0	0	0	0	36,866	74,576
0	0	0	4,087	15,000	0	2,033	52,620
<u>\$ 499,361</u>	<u>\$ 325,640</u>	<u>\$ 30,254</u>	<u>\$ 561,690</u>	<u>\$ 247,326</u>	<u>\$ 38,582</u>	<u>\$ 48,730</u>	<u>\$ 2,465,700</u>
\$ 0	\$ 36	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40	\$ 3,342
0	330	0	6,268	0	0	11,680	59,833
0	366	0	6,268	0	0	11,720	63,175
472,063	0	0	300	252	37	8	575,323
472,063	0	0	300	252	37	8	575,323
0	0	0	4,087	15,000	0	2,033	52,620
27,298	0	30,254	551,035	232,074	38,545	34,969	1,449,308
0	325,274	0	0	0	0	0	325,274
27,298	325,274	30,254	555,122	247,074	38,545	37,002	1,827,202
<u>\$ 499,361</u>	<u>\$ 325,640</u>	<u>\$ 30,254</u>	<u>\$ 561,690</u>	<u>\$ 247,326</u>	<u>\$ 38,582</u>	<u>\$ 48,730</u>	<u>\$ 2,465,700</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, 2018**

	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	79,795	177,191
Intergovernmental grants	0	0	92,548	0	0
Charges for services	0	0	8,516	0	0
Fines, costs, forfeitures, licenses and permits	39,692	790	67,584	0	0
Miscellaneous receipts and reimbursements, including interest	2,084	129	6,395	2,102	1,738
<b>Total Revenue</b>	<b>41,776</b>	<b>919</b>	<b>175,043</b>	<b>81,897</b>	<b>178,929</b>
<b>Expenditures:</b>					
Current:					
General government	67,348	0	474,568	0	0
Public safety	0	2,329	0	0	0
Highways and streets	0	0	0	57,573	46,529
Urban redevelopment & Housing	0	0	0	0	0
Economic Development & Assistance	0	0	0	0	0
Capital outlay	0	0	0	0	150,000
Debt service:					
Principal retirement	0	0	0	0	32,500
Interest & fiscal charges	0	0	0	0	2,503
<b>Total Expenditures</b>	<b>67,348</b>	<b>2,329</b>	<b>474,568</b>	<b>57,573</b>	<b>231,532</b>
Excess (deficiency) of revenues over expenditures	(25,572)	(1,410)	(299,525)	24,324	(52,603)
<b>Other financing sources (uses):</b>					
Transfers in	0	0	260,000	0	0
<b>Total other financing sources (uses)</b>	<b>0</b>	<b>0</b>	<b>260,000</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	(25,572)	(1,410)	(39,525)	24,324	(52,603)
<b>Fund Balances at Beginning of Year</b>	<b>214,399</b>	<b>12,490</b>	<b>69,552</b>	<b>191,093</b>	<b>173,885</b>
<b>Fund Balances End of Year</b>	<b>\$ 188,827</b>	<b>\$ 11,080</b>	<b>\$ 30,027</b>	<b>\$ 215,417</b>	<b>\$ 121,282</b>

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	\$ 13,429	\$ 0	\$ 0	\$ 0	\$ 0	\$ 13,429
0	0	0	0	0	0	0	256,986
0	0	0	0	0	0	183,139	275,687
0	0	0	0	0	0	0	8,516
0	0	0	152,990	0	1,830	28,687	291,573
257	70,663	0	36,088	32,818	395	4,010	156,679
257	70,663	13,429	189,078	32,818	2,225	215,836	1,002,870
0	0	734	0	0	0	288,941	831,591
0	0	0	135,693	48,874	2,484	0	189,380
0	23,867	0	0	0	0	0	127,969
0	11,793	0	0	0	0	0	11,793
0	0	12,467	0	0	0	0	12,467
0	0	0	4,692	37,122	0	0	191,814
0	0	0	0	0	0	0	32,500
0	0	0	0	0	0	0	2,503
0	35,660	13,201	140,385	85,996	2,484	288,941	1,400,017
257	35,003	228	48,693	(53,178)	(259)	(73,105)	(397,147)
0	0	0	0	0	0	70,000	330,000
0	0	0	0	0	0	70,000	330,000
257	35,003	228	48,693	(53,178)	(259)	(3,105)	(67,147)
27,041	290,271	30,026	506,429	300,252	38,804	40,107	1,894,349
\$ 27,298	\$ 325,274	\$ 30,254	\$ 555,122	\$ 247,074	\$ 38,545	\$ 37,002	\$ 1,827,202

**CITY OF XENIA, OHIO**

**COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
DECEMBER 31, 2018**

	General Obligation Bond Payment	2015 General Obligation Bond Retirement	Total Debt Service Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 30,936	\$ 1,962	\$ 32,898
Investments	67,844	4,305	72,149
Receivables:			
Taxes, including interest, penalties and liens	68,528	0	68,528
Intergovernmental	4,818	0	4,818
Accrued interest	198	10	208
<b>Total Assets</b>	<b>\$ 172,324</b>	<b>\$ 6,277</b>	<b>\$ 178,601</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	66,364	0	66,364
Delinquent Property Tax Revenue Unavailable	2,164	0	2,164
Unavailable Revenue - Other	4,910	5	4,915
<b>Total Deferred Inflows of Resources</b>	<b>73,438</b>	<b>5</b>	<b>73,443</b>
<b>Fund Balances:</b>			
Nonspendable Fund balance			
Restricted Fund Balance	98,886	6,272	105,158
<b>Total Fund Balances</b>	<b>98,886</b>	<b>6,272</b>	<b>105,158</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 172,324</b>	<b>\$ 6,277</b>	<b>\$ 178,601</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, 2018**

	General Obligation Bond Payment	2015 General Obligation Bond Retirement	Total Debt Service Funds
<b>Revenues:</b>			
Other local taxes	\$ 66,816	\$ 0	\$ 66,816
State shared taxes and permits	9,636	0	9,636
Miscellaneous receipts and reimbursements, including interest	843	3,109	3,952
<b>Total Revenue</b>	<u>77,295</u>	<u>3,109</u>	<u>80,404</u>
<b>Expenditures:</b>			
Current:			
Public safety	228	0	228
Highways and streets	226	0	226
Debt service:			
Principal retirement	67,500	275,000	342,500
Interest & fiscal charges	5,198	242,600	247,798
<b>Total Expenditures</b>	<u>73,152</u>	<u>517,600</u>	<u>590,752</u>
Excess (deficiency) of revenues over expenditures	4,143	(514,491)	(510,348)
<b>Other financing sources (uses):</b>			
Transfers in	0	517,600	517,600
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>517,600</u>	<u>517,600</u>
Net change in fund balances	4,143	3,109	7,252
<b>Fund Balances at Beginning of Year</b>	<u>94,743</u>	<u>3,163</u>	<u>97,906</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 98,886</u></u>	<u><u>\$ 6,272</u></u>	<u><u>\$ 105,158</u></u>

**CITY OF XENIA, OHIO**

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2018**

	Municipal Court Capital Improvements	Issue II	Police/Fire Capital	Total Nonmajor Capital Projects Funds
<b>Assets:</b>				
Cash and cash equivalents	\$ 115,006	\$ 284	\$ 217,980	\$ 333,270
Investments	252,191	623	478,012	730,826
Receivables:				
Accrued interest	775	0	1,677	2,452
<b>Total Assets</b>	<b>\$ 367,972</b>	<b>\$ 907</b>	<b>\$ 697,669</b>	<b>\$ 1,066,548</b>
<b>Liabilities:</b>				
Accounts payable	\$ 0	\$ 0	\$ 38,785	\$ 38,785
Accrued payroll	970	0	0	970
<b>Total Liabilities</b>	970	0	38,785	39,755
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue - Other	360	0	779	1,139
<b>Total Deferred Inflows of Resources</b>	360	0	779	1,139
<b>Fund Balances:</b>				
Restricted Fund Balance	366,642	907	658,105	1,025,654
<b>Total Fund Balances</b>	366,642	907	658,105	1,025,654
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 367,972</b>	<b>\$ 907</b>	<b>\$ 697,669</b>	<b>\$ 1,066,548</b>

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Municipal Court Capital Improvements	Issue II	Police/Fire Capital	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>				
Intergovernmental grants	\$ 0	\$ 504,680	\$ 0	\$ 504,680
Fines, costs, forfeitures, licenses and permits	85,039	0	0	85,039
Miscellaneous receipts and reimbursements, including interest	4,273	0	45,154	49,427
<b>Total Revenue</b>	<u>89,312</u>	<u>504,680</u>	<u>45,154</u>	<u>639,146</u>
<b>Expenditures:</b>				
Current:				
General government	114,622	5	0	114,627
Capital outlay	970	504,680	277,470	783,120
Debt service:				
Principal retirement	0	0	285,371	285,371
Interest & fiscal charges	0	0	14,001	14,001
<b>Total Expenditures</b>	<u>115,592</u>	<u>504,685</u>	<u>576,842</u>	<u>1,197,119</u>
Excess (deficiency) of revenues over expenditures	(26,280)	(5)	(531,688)	(557,973)
<b>Other financing sources (uses):</b>				
Transfers in	0	0	258,007	258,007
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>258,007</u>	<u>258,007</u>
Net change in fund balances	(26,280)	(5)	(273,681)	(299,966)
<b>Fund Balances at Beginning of Year</b>	<u>392,922</u>	<u>912</u>	<u>931,786</u>	<u>1,325,620</u>
<b>Fund Balances End of Year</b>	<u>\$ 366,642</u>	<u>\$ 907</u>	<u>\$ 658,105</u>	<u>\$ 1,025,654</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, 2018**

<b>GENERAL FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Municipal Income Taxes	\$ 6,025,490	\$ 6,025,490	\$ 5,593,321	\$ (432,169)
Other Local Taxes	1,190,000	1,190,000	1,219,181	29,181
State Shared Taxes and Permits	997,228	997,228	948,786	(48,442)
Intergovernmental Grants	100,000	100,000	0	(100,000)
Charges for Services	101,718	101,718	111,539	9,821
Fines, Costs, Forfeitures, Licenses and Permits	1,020,700	1,020,700	1,027,828	7,128
Miscellaneous Receipts and Reimbursements, Including Interest	348,860	348,860	321,980	(26,880)
Total Revenues	9,783,996	9,783,996	9,222,635	(561,361)
<b>Expenditures:</b>				
General Government:				
City Council and General Government:				
Personnel Services	36,348	36,636	36,633	3
General Operating Expenses	14,135	14,105	13,800	305
Contractual Services	140,870	141,150	120,060	21,090
Materials and Supplies	5,664	5,414	4,404	1,010
Contributions	94,894	94,894	87,205	7,689
Total City Council and General Government	291,911	292,199	262,102	30,097
Municipal Court:				
Personnel Services	1,046,818	1,023,900	954,390	69,510
General Operating Expenses	22,260	28,350	27,941	409
Contractual Services	245,450	239,895	231,937	7,958
Materials and Supplies	18,784	18,249	11,928	6,321
Contributions	31,000	38,000	33,512	4,488
Total Municipal Court	1,364,312	1,348,394	1,259,708	88,686
City Law Department:				
Personnel Services	178,255	178,255	164,133	14,122
General Operating Expenses	6,950	6,850	2,469	4,381
Contractual Services	52,446	56,736	46,152	10,584
Materials and Supplies	26,115	24,425	17,110	7,315
Total City Law Department	263,766	266,266	229,864	36,402

**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, 2018**

<b>GENERAL FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
City Manager's Office:				
Personnel Services	137,639	139,646	139,120	526
General Operating Expenses	6,915	8,405	6,961	1,444
Contractual Services	24,682	23,192	19,402	3,790
Materials and Supplies	2,662	2,662	1,020	1,642
Total City Manager's Office	171,898	173,905	166,503	7,402
Personnel Office:				
Personnel Services	25,302	28,722	27,357	1,365
General Operating Expenses	2,600	2,600	1,639	961
Contractual Services	49,629	64,689	28,825	35,864
Materials and Supplies	5,452	5,392	3,957	1,435
Total Personnel Office	82,983	101,403	61,778	39,625
Finance Office:				
Personnel Services	97,057	96,637	93,931	2,706
General Operating Expenses	2,565	2,299	730	1,569
Contractual Services	74,316	89,582	61,777	27,805
Materials and Supplies	4,370	4,370	2,829	1,541
Total Finance Office	178,308	192,888	159,267	33,621
Income Tax:				
Personnel Services	359,016	359,016	349,409	9,607
General Operating Expenses	7,070	7,070	2,033	5,037
Contractual Services	93,407	91,708	55,643	36,065
Materials and Supplies	6,894	8,593	4,514	4,079
Total Income Tax	466,387	466,387	411,599	54,788
Municipal Building and General Services:				
Personnel Services	26,855	26,855	16,354	10,501
Contractual Services	203,546	205,792	176,038	29,754
Materials and Supplies	52,538	50,292	27,660	22,632
Total Municipal Building and General Services	282,939	282,939	220,052	62,887

**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, 2018**

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Data Processing:				
Personnel Services	80,173	93,944	93,817	127
Total Data Processing	80,173	93,944	93,817	127
Clerk of City Council:				
Personnel Services	33,315	33,315	29,151	4,164
General Operating Expenses	485	485	169	316
Contractual Services	34,595	36,123	26,307	9,816
Materials and Supplies	2,487	2,459	1,920	539
Total Clerk of City Council	70,882	72,382	57,547	14,835
Public Affairs & CATV:				
General Operating Expenses	5,000	5,000	3,238	1,762
Contractual Services	71,305	71,549	53,490	18,059
Materials and Supplies	28,321	28,077	15,794	12,283
Total Public Affairs & CATV	104,626	104,626	72,522	32,104
Property Maintenance:				
Personnel Services	42,397	42,397	40,777	1,620
General Operating Expenses	420	420	260	160
Contractual Services	71,693	72,225	49,050	23,175
Materials and Supplies	1,760	1,228	306	922
Total Property Maintenance	116,270	116,270	90,393	25,877
Cemetery:				
Contractual Services	15,000	15,000	15,000	0
Total Cemetery	15,000	15,000	15,000	0

**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, 2018**

GENERAL FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Planning:				
Personnel Services	119,475	119,475	112,723	6,752
General Operating Expenses	2,050	2,050	1,819	231
Contractual Services	54,924	62,682	57,866	4,816
Materials and Supplies	1,909	951	754	197
Total Planning	<u>178,358</u>	<u>185,158</u>	<u>173,162</u>	<u>11,996</u>
Total General Government	<u>3,667,813</u>	<u>3,711,761</u>	<u>3,273,314</u>	<u>438,447</u>
Civil Defense:				
Contractual Services	18,808	18,808	14,569	4,239
Materials and Supplies	8,500	8,500	6,187	2,313
Total Civil Defense	<u>27,308</u>	<u>27,308</u>	<u>20,756</u>	<u>6,552</u>
Engineering:				
Personnel Services	36,698	36,698	35,317	1,381
General Operating Expenses	2,000	2,000	1,828	172
Contractual Services	55,843	56,567	52,676	3,891
Materials and Supplies	4,532	3,808	1,767	2,041
Total Engineering	<u>99,073</u>	<u>99,073</u>	<u>91,588</u>	<u>7,485</u>
Construction Inspection:				
Personnel Services	24,246	25,098	24,935	163
General Operating Expenses	200	200	107	93
Contractual Services	7,675	9,875	7,593	2,282
Materials and Supplies	1,433	1,433	756	677
Total Construction Inspection	<u>33,554</u>	<u>36,606</u>	<u>33,391</u>	<u>3,215</u>
Total Public Safety	<u>159,935</u>	<u>162,987</u>	<u>145,735</u>	<u>17,252</u>
Economic Development & Assistance:				
Personnel Services	91,424	91,424	86,446	4,978
General Operating Expenses	8,110	8,910	8,522	388
Contractual Services	54,697	56,273	54,151	2,122
Materials and Supplies	2,210	1,334	375	959
Total Economic Development & Assistance	<u>156,441</u>	<u>157,941</u>	<u>149,494</u>	<u>8,447</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, 2018**

GENERAL FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Highways and Streets:				
Street Lighting:				
Contractual Services	229,332	235,332	234,114	1,218
Total Highways and Streets	229,332	235,332	234,114	1,218
Urban Redevelopment and Housing:				
Personnel Services	74,454	74,454	70,851	3,603
General Operating Expenses	3,400	2,400	1,021	1,379
Contractual Services	10,348	11,406	10,193	1,213
Materials and Supplies	1,538	1,480	1,041	439
Total Urban Redevelopment & Housing	89,740	89,740	83,106	6,634
Xenia Station:				
Contractual Services	12,542	13,832	9,944	3,888
Materials and Supplies	10,214	8,924	7,183	1,741
Total Xenia Station	22,756	22,756	17,127	5,629
General Park Maintenance:				
Personnel Services	132,507	132,507	117,436	15,071
General Operating Services	235	235	124	111
Contractual Services	61,213	83,280	71,044	12,236
Materials and Supplies	33,695	31,128	24,312	6,816
Total General Park Maintenance	227,650	247,150	212,916	34,234
Total Recreation	250,406	269,906	230,043	39,863
Total Expenditures	4,553,667	4,627,667	4,115,806	511,861
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,230,329	5,156,329	5,106,829	(49,500)

**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, 2018**

<b>GENERAL FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Other Financing Sources (Uses):</b>				
Transfers out	(7,195,957)	(7,465,957)	(5,925,007)	1,540,950
Advances In	1,000,000	1,000,000	0	(1,000,000)
Advances Out	(1,000,000)	(1,136,992)	0	1,136,992
Total Other Financing Sources (Uses)	<u>(7,195,957)</u>	<u>(7,602,949)</u>	<u>(5,925,007)</u>	<u>1,677,942</u>
Net Change in Fund Balance	(1,965,628)	(2,446,620)	(818,178)	1,628,442
Fund Balance at Beginning of Year	2,620,555	2,620,555	2,620,555	0
Prior Year Encumbrances	212,676	212,676	212,676	0
Fund Balance at End of Year	<u>\$ 867,603</u>	<u>\$ 386,611</u>	<u>\$ 2,015,053</u>	<u>\$ 1,628,442</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, 2018**

**STATE GAS AND VEHICLE LICENSE**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 976,000	\$ 976,000	\$ 977,966	\$ 1,966
Charges for Services	4,000	4,000	0	(4,000)
Miscellaneous Receipts and Reimbursements, Including Interest	3,900	3,900	19,139	15,239
Total Revenues	<u>983,900</u>	<u>983,900</u>	<u>997,105</u>	<u>13,205</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Personnel Services	937,804	937,804	846,519	91,285
General Operating	850	850	0	850
Contractual Services	191,419	191,422	167,526	23,896
Materials and Supplies	258,780	258,777	160,391	98,386
Total Expenditures	<u>1,388,853</u>	<u>1,388,853</u>	<u>1,174,436</u>	<u>214,417</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(404,953)	(404,953)	(177,331)	227,622
<b>Other Financing Sources (Uses):</b>				
Transfers in	190,000	190,000	75,000	(115,000)
Total Other Financing Sources (Uses)	<u>190,000</u>	<u>190,000</u>	<u>75,000</u>	<u>(115,000)</u>
Net Change in Fund Balance	(214,953)	(214,953)	(102,331)	112,622
Fund Balance at Beginning of Year	203,503	203,503	203,503	0
Prior Year Encumbrances	80,113	80,113	80,113	0
Fund Balance at End of Year	<u>\$ 68,663</u>	<u>\$ 68,663</u>	<u>\$ 181,285</u>	<u>\$ 112,622</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, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>POLICE AND FIRE FUND</b>				
<b>Revenues:</b>				
Municipal Income Taxes	\$ 5,705,490	\$ 5,705,490	\$ 5,765,498	\$ 60,008
Other Local Taxes	179,000	179,000	200,448	21,448
State Shared Taxes and Permits	27,000	27,000	28,908	1,908
Intergovernmental Grants	265,692	265,692	229,605	(36,087)
Charges for Services	2,153,326	2,153,326	2,256,113	102,787
Fines, Costs, Forfeitures, Licenses and Permits	12,000	12,000	7,036	(4,964)
Miscellaneous Receipts and Reimbursements, Including Interest	224,000	224,000	244,543	20,543
Total Revenues	<u>8,566,508</u>	<u>8,566,508</u>	<u>8,732,151</u>	<u>165,643</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Police:				
Personnel Services	5,712,796	5,623,066	5,372,895	250,171
General Operating	47,840	47,840	34,600	13,240
Contractual Services	657,858	657,858	543,904	113,954
Materials and Supplies	213,688	213,688	167,604	46,084
Total Police	<u>6,632,182</u>	<u>6,542,452</u>	<u>6,119,003</u>	<u>423,449</u>
Fire:				
Personnel Services	5,139,073	5,139,073	4,866,472	272,601
General Operating	40,199	50,699	42,910	7,789
Contractual Services	629,980	657,901	577,847	80,054
Materials and Supplies	256,830	260,739	228,288	32,451
Total Fire	<u>6,066,082</u>	<u>6,108,412</u>	<u>5,715,517</u>	<u>392,895</u>
Communications:				
Personnel Services	1,561,661	1,651,391	1,651,385	6
General Operating	9,200	9,200	7,160	2,040
Contractual Services	182,079	182,079	119,750	62,329
Materials and Supplies	42,394	42,394	34,493	7,901
Total Communications	<u>1,795,334</u>	<u>1,885,064</u>	<u>1,812,788</u>	<u>72,276</u>
Total Public Safety	14,493,598	14,535,928	13,647,308	888,620



**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, 2018**

<b>POLICE AND FIRE FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Capital Outlay:				
Capital Improvements	94,812	97,339	94,839	2,500
Total Expenditures	<u>14,588,410</u>	<u>14,633,267</u>	<u>13,742,147</u>	<u>891,120</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,021,902)	(6,066,759)	(5,009,996)	1,056,763
<b>Other Financing Sources (Uses):</b>				
Transfers in	<u>5,700,000</u>	<u>5,700,000</u>	<u>5,055,000</u>	<u>(645,000)</u>
Total Other Financing Sources (Uses)	<u>5,700,000</u>	<u>5,700,000</u>	<u>5,055,000</u>	<u>(645,000)</u>
Net Change in Fund Balance	(321,902)	(366,759)	45,004	411,763
Fund Balance at Beginning of Year	643,129	643,129	643,129	0
Prior Year Encumbrances	203,928	203,928	203,928	0
Fund Balance at End of Year	<u>\$ 525,155</u>	<u>\$ 480,298</u>	<u>\$ 892,061</u>	<u>\$ 411,763</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, 2018**

**CAPITAL IMPROVEMENTS FUND**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 1,449,897	\$ 1,449,897	\$ 1,441,374	\$ (8,523)
Other Local Taxes	68,290	68,290	49,028	(19,262)
Intergovernmental Grants	1,766,171	1,766,171	69,514	(1,696,657)
Miscellaneous Receipts and Reimbursements Including Interest	<u>1,302,542</u>	<u>1,302,542</u>	<u>280,014</u>	<u>(1,022,528)</u>
Total Revenues	<u>4,586,900</u>	<u>4,586,900</u>	<u>1,839,930</u>	<u>(2,746,970)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Contractual Services	496,690	496,690	227,927	268,763
Materials and Supplies	114,958	124,113	66,542	57,571
Capital Improvements	3,207,488	3,644,480	2,739,798	904,682
Debt Service:				
Principal Retirement	288,293	288,294	288,293	1
Interest and Fiscal Charges	52,196	52,195	52,142	53
Total Expenditures	<u>4,159,625</u>	<u>4,605,772</u>	<u>3,374,702</u>	<u>1,231,070</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	427,275	(18,872)	(1,534,772)	(1,515,900)
<b>Other Financing Sources (Uses):</b>				
Transfers in	0	0	190,000	190,000
Transfers Out	(333,852)	(333,852)	(333,852)	0
Advances In	157,500	157,500	0	(157,500)
Advances Out	(157,500)	(294,492)	0	294,492
Total Other Financing Sources (Uses)	<u>(333,852)</u>	<u>(470,844)</u>	<u>(143,852)</u>	<u>326,992</u>
Net Change in Fund Balance	93,423	(489,716)	(1,678,624)	(1,188,908)
Fund Balance at Beginning of Year	(826,664)	(826,664)	(826,664)	0
Prior Year Encumbrances	1,820,053	1,820,053	1,820,053	0
Fund Balance at End of Year	<u>\$ 1,086,812</u>	<u>\$ 503,673</u>	<u>\$ (685,235)</u>	<u>\$ (1,188,908)</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, 2018**

	<b>BOND CONSTRUCTION</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Miscellaneous Receipts and Reimbursements				
Including Interest	\$ 0	\$ 2,020	\$ 2,145	\$ 125
Total Revenues	<u>0</u>	<u>2,020</u>	<u>2,145</u>	<u>125</u>
<b>Expenditures:</b>				
Capital Outlay:				
Contractual Services	59,258	148,280	85,839	62,441
Materials and Supplies	0	25,600	21,898	3,702
Capital Improvements	93,317	93,317	82,611	10,706
Total Expenditures	<u>152,575</u>	<u>267,197</u>	<u>190,348</u>	<u>76,849</u>
Net Change in Fund Balance	(152,575)	(265,177)	(188,203)	76,974
Fund Balance at Beginning of Year	54,516	54,516	54,516	0
Prior Year Encumbrances	151,408	151,408	151,408	0
Fund Balance at End of Year	<u>\$ 53,349</u>	<u>\$ (59,253)</u>	<u>\$ 17,721</u>	<u>\$ 76,974</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, 2018**

**INDIGENT DRIVER ALCOHOL TREATMENT**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 40,000	\$ 40,000	\$ 39,256	\$ (744)
Miscellaneous Receipts and Reimbursements, Including Interest	1,800	1,800	2,840	1,040
Total Revenues	<u>41,800</u>	<u>41,800</u>	<u>42,096</u>	<u>296</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	41,995	41,995	18,574	23,421
Contributions	50,000	50,000	50,000	0
Total Expenditures	<u>91,995</u>	<u>91,995</u>	<u>68,574</u>	<u>23,421</u>
Net Change in Fund Balance	(50,195)	(50,195)	(26,478)	23,717
Fund Balance at Beginning of Year	175,645	175,645	175,645	0
Prior Year Encumbrances	9,495	9,495	9,495	0
Fund Balance at End of Year	<u>\$ 134,945</u>	<u>\$ 134,945</u>	<u>\$ 158,662</u>	<u>\$ 23,717</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, 2018**

**LAW ENFORCEMENT AND EDUCATION**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 1,200	\$ 1,200	\$ 765	\$ (435)
Miscellaneous Receipts and Reimbursements, Including Interest	100	100	185	85
Total Revenues	<u>1,300</u>	<u>1,300</u>	<u>950</u>	<u>(350)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	5,355	5,355	1,777	3,578
Materials and Supplies	4,100	4,100	789	3,311
Total Expenditures	<u>9,455</u>	<u>9,455</u>	<u>2,566</u>	<u>6,889</u>
Net Change in Fund Balance	(8,155)	(8,155)	(1,616)	6,539
Fund Balance at Beginning of Year	10,348	10,348	10,348	0
Prior Year Encumbrances	1,955	1,955	1,955	0
Fund Balance at End of Year	<u>\$ 4,148</u>	<u>\$ 4,148</u>	<u>\$ 10,687</u>	<u>\$ 6,539</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, 2018**

	PROBATION SERVICES			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental grants	\$ 100,134	\$ 100,134	\$ 87,617	\$ (12,517)
Charges for services	7,000	7,000	8,516	1,516
Fines, Costs, Forfeitures, Licenses and Permits	70,000	70,000	63,083	(6,917)
Miscellaneous Receipts and Reimbursements, Including Interest	1,200	1,200	6,506	5,306
Total Revenues	<u>178,334</u>	<u>178,334</u>	<u>165,722</u>	<u>(12,612)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Personnel Services	481,184	481,184	426,511	54,673
General Operating	4,350	4,350	2,510	1,840
Contractual Services	80,862	81,162	76,569	4,593
Materials and Supplies	13,613	13,313	10,257	3,056
Capital Improvements	500	500	0	500
Total Expenditures	<u>580,509</u>	<u>580,509</u>	<u>515,847</u>	<u>64,662</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(402,175)	(402,175)	(350,125)	52,050
<b>Other Financing Sources (Uses):</b>				
Transfers in	<u>335,000</u>	<u>335,000</u>	<u>260,000</u>	<u>(75,000)</u>
Total Other Financing Sources (Uses)	<u>335,000</u>	<u>335,000</u>	<u>260,000</u>	<u>(75,000)</u>
Net Change in Fund Balance	(67,175)	(67,175)	(90,125)	(22,950)
Fund Balance at Beginning of Year	43,295	43,295	43,295	0
Prior Year Encumbrances	29,949	29,949	29,949	0
Fund Balance at End of Year	<u>\$ 6,069</u>	<u>\$ 6,069</u>	<u>\$ (16,881)</u>	<u>\$ (22,950)</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, 2018**

	STATE ROUTE REPAIR			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
State shared taxes and permits	\$ 78,000	\$ 78,000	\$ 79,294	\$ 1,294
Miscellaneous Receipts and Reimbursements, Including Interest	750	750	3,321	2,571
Total Revenues	<u>78,750</u>	<u>78,750</u>	<u>82,615</u>	<u>3,865</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Personnel	37,661	37,661	35,066	2,595
Contractual Services	30,248	30,253	13,301	16,952
Materials and Supplies	88,663	88,658	38,800	49,858
Total Expenditures	<u>156,572</u>	<u>156,572</u>	<u>87,167</u>	<u>69,405</u>
Net Change in Fund Balance	(77,822)	(77,822)	(4,552)	73,270
Fund Balance at Beginning of Year	142,277	142,277	142,277	0
Prior Year Encumbrances	38,707	38,707	38,707	0
Fund Balance at End of Year	<u>\$ 103,162</u>	<u>\$ 103,162</u>	<u>\$ 176,432</u>	<u>\$ 73,270</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, 2018**

**CITY MOTOR VEHICLE LICENSE TAX**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
State shared taxes and permits	\$ 175,000	\$ 175,000	\$ 178,719	\$ 3,719
Miscellaneous Receipts and Reimbursements, Including Interest	1,000	1,000	1,627	627
Total Revenues	176,000	176,000	180,346	4,346
<b>Expenditures:</b>				
Highways and Streets - Current:				
Contractual Services	56,894	56,894	56,894	0
Capital Improvements	150,000	150,000	150,000	0
Debt Service:				
Principal Retirement	32,500	32,500	32,500	0
Interest and Fiscal Charges	2,504	2,504	2,503	1
Total Expenditures	241,898	241,898	241,897	1
Net Change in Fund Balance	(65,898)	(65,898)	(61,551)	4,347
Fund Balance at Beginning of Year	95,023	95,023	95,023	0
Prior Year Encumbrances	56,894	56,894	56,894	0
Fund Balance at End of Year	\$ 86,019	\$ 86,019	\$ 90,366	\$ 4,347



**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, 2018**

**COUNTY MOTOR VEHICLE LICENSE TAX**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
State shared taxes and permits	\$ 157,500	\$ 157,500	\$ 0	\$ (157,500)
Miscellaneous Receipts and Reimbursements, Including Interest	100	100	409	309
Total Revenues	<u>157,600</u>	<u>157,600</u>	<u>409</u>	<u>(157,191)</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Capital Improvements	157,500	157,500	37	157,463
Total Expenditures	<u>157,500</u>	<u>157,500</u>	<u>37</u>	<u>157,463</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	100	100	372	272
<b>Other Financing Sources (Uses):</b>				
Transfers out	(157,500)	(157,500)	0	157,500
Advances In	157,500	157,500	0	(157,500)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	100	100	372	272
Fund Balance at Beginning of Year	27,195	27,195	27,195	0
Fund Balance at End of Year	<u>\$ 27,295</u>	<u>\$ 27,295</u>	<u>\$ 27,567</u>	<u>\$ 272</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, 2018**

**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	\$ 74,738	\$ 74,738	\$ 72,726	\$ (2,012)
Total Revenues	<u>74,738</u>	<u>74,738</u>	<u>72,726</u>	<u>(2,012)</u>
<b>Expenditures:</b>				
General Government - Current:				
Personnel Services	35,054	35,054	17,490	17,564
Contractual Services	26,932	53,634	33,677	19,957
Materials and Supplies	20,138	20,136	11,230	8,906
Total Expenditures	<u>82,124</u>	<u>108,824</u>	<u>62,397</u>	<u>46,427</u>
Net Change in Fund Balance	(7,386)	(34,086)	10,329	44,415
Fund Balance at Beginning of Year	291,926	291,926	291,926	0
Prior Year Encumbrances	7,643	7,643	7,643	0
Fund Balance at End of Year	<u>\$ 292,183</u>	<u>\$ 265,483</u>	<u>\$ 309,898</u>	<u>\$ 44,415</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, 2018**

**TAX INCREMENT EQUIVALENT**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Other local taxes	\$ 0	\$ 0	\$ 13,583	\$ 13,583
Total Revenues	<u>0</u>	<u>0</u>	<u>13,583</u>	<u>13,583</u>
<b>Expenditures:</b>				
General Government - Current:				
Contractual Services	19,001	19,737	16,957	2,780
Materials and Supplies	355	355	0	355
Total Expenditures	<u>19,356</u>	<u>20,092</u>	<u>16,957</u>	<u>3,135</u>
Net Change in Fund Balance	(19,356)	(20,092)	(3,374)	16,718
Fund Balance at Beginning of Year	21,875	21,875	21,875	0
Prior Year Encumbrances	11,633	11,633	11,633	0
Fund Balance at End of Year	<u>\$ 14,152</u>	<u>\$ 13,416</u>	<u>\$ 30,134</u>	<u>\$ 16,718</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, 2018**

	<b>911 FUND</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 150,000	\$ 150,000	\$ 151,055	\$ 1,055
Miscellaneous Receipts and Reimbursements, Including Interest	31,000	31,000	39,103	8,103
Total Revenues	<u>181,000</u>	<u>181,000</u>	<u>190,158</u>	<u>9,158</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Personnel Services	98,748	98,748	95,935	2,813
General Operating	3,000	6,000	4,322	1,678
Contractual Services	33,204	33,616	32,902	714
Materials and Supplies	20,159	16,747	14,606	2,141
Capital Improvements	254,692	254,692	4,692	250,000
Total Expenditures	<u>409,803</u>	<u>409,803</u>	<u>152,457</u>	<u>257,346</u>
Net Change in Fund Balance	(228,803)	(228,803)	37,701	266,504
Fund Balance at Beginning of Year	491,417	491,417	491,417	0
Prior Year Encumbrances	4,851	4,851	4,851	0
Fund Balance at End of Year	<u>\$ 267,465</u>	<u>\$ 267,465</u>	<u>\$ 533,969</u>	<u>\$ 266,504</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, 2018**

	LAW ENFORCEMENT			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Miscellaneous Receipts and Reimbursements, Including Interest	\$ 28,000	\$ 28,000	\$ 33,902	\$ 5,902
Total Revenues	<u>28,000</u>	<u>28,000</u>	<u>33,902</u>	<u>5,902</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	41,466	41,466	31,615	9,851
Materials and Supplies	34,592	34,592	25,064	9,528
Capital Improvements	<u>67,646</u>	<u>67,646</u>	<u>50,259</u>	<u>17,387</u>
Total Expenditures	<u>143,704</u>	<u>143,704</u>	<u>106,938</u>	<u>36,766</u>
Net Change in Fund Balance	(115,704)	(115,704)	(73,036)	42,668
Fund Balance at Beginning of Year	237,724	237,724	237,724	0
Prior Year Encumbrances	<u>61,204</u>	<u>61,204</u>	<u>61,204</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 183,224</u>	<u>\$ 183,224</u>	<u>\$ 225,892</u>	<u>\$ 42,668</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, 2018**

<b>DRUG LAW ENFORCEMENT</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 1,250	\$ 1,250	\$ 1,830	\$ 580
Miscellaneous Receipts and Reimbursements, Including Interest	200	200	605	405
Total Revenues	<u>1,450</u>	<u>1,450</u>	<u>2,435</u>	<u>985</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	10,000	10,000	0	10,000
Materials and Supplies	5,000	5,000	2,539	2,461
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>2,539</u>	<u>12,461</u>
Net Change in Fund Balance	(13,550)	(13,550)	(104)	13,446
Fund Balance at Beginning of Year	39,026	39,026	39,026	0
Fund Balance at End of Year	<u>\$ 25,476</u>	<u>\$ 25,476</u>	<u>\$ 38,922</u>	<u>\$ 13,446</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, 2018**

**MUNICIPAL COURT VICTIM**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental grants	\$ 184,097	\$ 187,097	\$ 187,815	\$ 718
Fines, Costs, Forfeitures, Licenses and Permits	30,000	30,000	29,064	(936)
Miscellaneous Receipts and Reimbursements, Including Interest	600	600	4,076	3,476
Total Revenues	<u>214,697</u>	<u>217,697</u>	<u>220,955</u>	<u>3,258</u>
<b>Expenditures:</b>				
General Government - Current:				
Personnel Services	285,345	285,345	265,985	19,360
General Operating	8,470	7,299	3,643	3,656
Contractual Services	9,918	17,661	13,182	4,479
Materials and Supplies	8,374	12,547	11,297	1,250
Total Expenditures	<u>312,107</u>	<u>322,852</u>	<u>294,107</u>	<u>28,745</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(97,410)	(105,155)	(73,152)	32,003
<b>Other Financing Sources (Uses):</b>				
Transfers in	100,000	100,000	70,000	(30,000)
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>100,000</u>	<u>70,000</u>	<u>(30,000)</u>
Net Change in Fund Balance	2,590	(5,155)	(3,152)	2,003
Fund Balance at Beginning of Year	3,545	3,545	3,545	0
Prior Year Encumbrances	4,177	4,177	4,177	0
Fund Balance at End of Year	<u>\$ 10,312</u>	<u>\$ 2,567</u>	<u>\$ 4,570</u>	<u>\$ 2,003</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, 2018**

**GENERAL OBLIGATION BOND PAYMENT**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Other local taxes	\$ 58,000	\$ 58,000	\$ 66,816	\$ 8,816
State shared taxes and permits	14,859	14,859	9,636	(5,223)
Miscellaneous Receipts and Reimbursements, Including Interest	500	500	1,282	782
Total Revenues	<u>73,359</u>	<u>73,359</u>	<u>77,734</u>	<u>4,375</u>
<b>Expenditures:</b>				
Public Safety:				
Police and Fire Pension				
Contractual Services	0	230	228	2
Total Public Safety	<u>0</u>	<u>230</u>	<u>228</u>	<u>2</u>
Highways and Streets:				
Streets				
Contractual Services	0	230	226	4
Total Highways and Streets	<u>0</u>	<u>230</u>	<u>226</u>	<u>4</u>
Debt Service:				
Principal Retirement	67,500	67,500	67,500	0
Interest and Fiscal Charges	5,200	5,200	5,198	2
Total Debt Service	<u>72,700</u>	<u>72,700</u>	<u>72,698</u>	<u>2</u>
Total Expenditures	<u>72,700</u>	<u>73,160</u>	<u>73,152</u>	<u>8</u>
Net Change in Fund Balance	659	199	4,582	4,383
Fund Balance at Beginning of Year	95,285	95,285	95,285	0
Fund Balance at End of Year	<u>\$ 95,944</u>	<u>\$ 95,484</u>	<u>\$ 99,867</u>	<u>\$ 4,383</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, 2018**

**2015 GENERAL OBLIGATION BOND RETIREMENT**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Miscellaneous Receipts and Reimbursements, Including Interest	\$ 0	\$ 0	\$ 3,152	\$ 3,152
Total Revenues	<u>0</u>	<u>0</u>	<u>3,152</u>	<u>3,152</u>
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	275,000	275,000	275,000	0
Interest and Fiscal Charges	242,604	242,604	242,599	5
Total Expenditures	<u>517,604</u>	<u>517,604</u>	<u>517,599</u>	<u>5</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(517,604)	(517,604)	(514,447)	3,157
<b>Other Financing Sources (Uses):</b>				
Transfers in	517,600	517,600	517,600	0
Total Other Financing Sources (Uses)	<u>517,600</u>	<u>517,600</u>	<u>517,600</u>	<u>0</u>
Net Change in Fund Balance	(4)	(4)	3,153	3,157
Fund Balance at Beginning of Year	3,182	3,182	3,182	0
Fund Balance at End of Year	<u>\$ 3,178</u>	<u>\$ 3,178</u>	<u>\$ 6,335</u>	<u>\$ 3,157</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, 2018**

**MUNICIPAL COURT CAPITAL IMPROVEMENTS**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 88,000	\$ 88,000	\$ 85,824	\$ (2,176)
Miscellaneous Receipts and Reimbursements, Including Interest	2,500	2,500	6,159	3,659
Total Revenues	<u>90,500</u>	<u>90,500</u>	<u>91,983</u>	<u>1,483</u>
<b>Expenditures:</b>				
Capital Outlay:				
Personnel Services	17,234	17,234	16,805	429
Contractual Services	136,943	164,483	102,796	61,687
Materials and Supplies	8,374	8,374	5,625	2,749
Capital Improvements	19,500	19,500	3,000	16,500
Total Expenditures	<u>182,051</u>	<u>209,591</u>	<u>128,226</u>	<u>81,365</u>
Net Change in Fund Balance	(91,551)	(119,091)	(36,243)	82,848
Fund Balance at Beginning of Year	383,078	383,078	383,078	0
Prior Year Encumbrances	15,955	15,955	15,955	0
Fund Balance at End of Year	<u>\$ 307,482</u>	<u>\$ 279,942</u>	<u>\$ 362,790</u>	<u>\$ 82,848</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, 2018**

	ISSUE II			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental grants	\$ 753,965	\$ 891,681	\$ 504,680	\$ (387,001)
Total Revenues	<u>753,965</u>	<u>891,681</u>	<u>504,680</u>	<u>(387,001)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Capital Improvements	753,965	891,680	504,680	387,000
Total Expenditures	<u>753,965</u>	<u>891,680</u>	<u>504,680</u>	<u>387,000</u>
Net Change in Fund Balance	0	1	0	(1)
Fund Balance at Beginning of Year	(366,047)	(366,047)	(366,047)	0
Prior Year Encumbrances	366,965	366,965	366,965	0
Fund Balance at End of Year	<u>\$ 918</u>	<u>\$ 919</u>	<u>\$ 918</u>	<u>\$ (1)</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, 2018**

**POLICE/FIRE CAPITAL IMPROVEMENT**

	<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	\$ 78,906	\$ 78,906	\$ 77,325	\$ (1,581)
Total Revenues	<u>78,906</u>	<u>78,906</u>	<u>77,325</u>	<u>(1,581)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Contractual Services	48,996	58,996	18,492	40,504
Capital Improvements	749,249	583,327	578,285	5,042
Debt Service:				
Principal Retirement	315,376	315,376	315,371	5
Interest and Fiscal Charges	14,004	14,004	14,001	3
Total Expenditures	<u>1,127,625</u>	<u>971,703</u>	<u>926,149</u>	<u>45,554</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,048,719)	(892,797)	(848,824)	43,973
<b>Other Financing Sources (Uses):</b>				
Transfers in	835,957	835,957	258,007	(577,950)
Total Other Financing Sources (Uses)	<u>835,957</u>	<u>835,957</u>	<u>258,007</u>	<u>(577,950)</u>
Net Change in Fund Balance	(212,762)	(56,840)	(590,817)	(533,977)
Fund Balance at Beginning of Year	888,714	888,714	888,714	0
Prior Year Encumbrances	52,849	52,849	52,849	0
Fund Balance at End of Year	<u>\$ 728,801</u>	<u>\$ 884,723</u>	<u>\$ 350,746</u>	<u>\$ (533,977)</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, 2018**

	Loan	Parking Revenue	CDBG & UDAG Revolving Loan	Housing Rehabilitation Loan	Total Nonmajor Enterprise Funds
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 63,526	\$ 5,321	\$ 19,941	\$ 74,862	\$ 163,650
Investments	139,311	11,662	43,728	164,167	358,868
Receivables:					
Accounts	0	7,951	0	0	7,951
Loans	24,000	0	0	19,159	43,159
Accrued interest	745	27	114	452	1,338
Allowance for uncollectible accounts	0	(8,796)	0	0	(8,796)
Prepaid items	139	174	0	0	313
<b>Total Current Assets</b>	<b>227,721</b>	<b>16,339</b>	<b>63,783</b>	<b>258,640</b>	<b>566,483</b>
<b>Noncurrent Assets:</b>					
<b>Unrestricted:</b>					
Loans receivable (noncurrents)	533,792	0	0	502,237	1,036,029
Capital Assets not being depreciated	0	97,810	0	0	97,810
Capital Assets (net of accumulated depreciation)	0	76,490	0	0	76,490
<b>Total Noncurrent Assets</b>	<b>533,792</b>	<b>174,300</b>	<b>0</b>	<b>502,237</b>	<b>1,210,329</b>
<b>Total Assets</b>	<b>\$ 761,513</b>	<b>\$ 190,639</b>	<b>\$ 63,783</b>	<b>\$ 760,877</b>	<b>\$ 1,776,812</b>
<b>Deferred Outflows of Resources</b>					
Pension	0	10,416	0	930	11,346
OPEB	0	2,106	0	187	2,293
<b>Total Deferred Outflows of Resources</b>	<b>0</b>	<b>12,522</b>	<b>0</b>	<b>1,117</b>	<b>13,639</b>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	\$ 0	\$ 1,930	\$ 0	\$ 0	\$ 1,930
Accrued payroll	0	3,245	0	305	3,550
Compensated Absences	0	149	0	72	221
<b>Total Current Liabilities</b>	<b>0</b>	<b>5,324</b>	<b>0</b>	<b>377</b>	<b>5,701</b>
<b>Noncurrent Liabilities:</b>					
Compensated Absences	0	2,063	0	998	3,061
Net Pension Liability	0	41,384	0	3,693	45,077
Net OPEB Liability	0	28,623	0	2,552	31,175
<b>Total Noncurrent Liabilities</b>	<b>0</b>	<b>72,070</b>	<b>0</b>	<b>7,243</b>	<b>79,313</b>
<b>Total Liabilities</b>	<b>0</b>	<b>77,394</b>	<b>0</b>	<b>7,620</b>	<b>85,014</b>
<b>Deferred Inflows of Resources</b>					
Pension	0	10,722	0	957	11,679
OPEB	0	2,763	0	247	3,010
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>13,485</b>	<b>0</b>	<b>1,204</b>	<b>14,689</b>
<b>Net Position:</b>					
Net Investment in Capital Assets	0	174,300	0	0	174,300
Unrestricted	761,513	(62,018)	63,783	753,170	1,516,448
<b>Total Net Position</b>	<b>\$ 761,513</b>	<b>\$ 112,282</b>	<b>\$ 63,783</b>	<b>\$ 753,170</b>	<b>\$ 1,690,748</b>

**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Loan	Parking Revenue	CDBG & UDAG Revolving Loan	Housing Rehabilitation Loan	Total Nonmajor Enterprise Funds
<b>Operating revenues:</b>					
Charges for services	\$ 33,611	\$ 43,955	\$ 0	\$ 46	\$ 77,612
<b>Operating expenses:</b>					
Personnel services	0	65,029	0	5,043	70,072
General operating	0	0	3,399	0	3,399
Contractual services	419	10,116	0	5	10,540
Materials and supplies	0	1,502	0	0	1,502
Depreciation	0	5,464	0	0	5,464
Non-governmental	0	0	0	120,965	120,965
Total expenses	419	82,111	3,399	126,013	211,942
Operating income (loss)	33,192	(38,156)	(3,399)	(125,967)	(134,330)
<b>Non-operating revenues (expenses):</b>					
Interest revenue	6,893	0	503	1,791	9,187
Other	0	17,851	0	79	17,930
Intergovernmental	0	0	0	54,750	54,750
Total non-operating revenues (expenses)	6,893	17,851	503	56,620	81,867
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	40,085	(20,305)	(2,896)	(69,347)	(52,463)
Transfers In	0	7,000	0	0	7,000
<b>Change in Net Position</b>	40,085	(13,305)	(2,896)	(69,347)	(45,463)
<b>Net Position, beginning of year (restated)</b>	721,428	125,587	66,679	822,517	1,736,211
<b>Net Position, end of year</b>	\$ 761,513	\$ 112,282	\$ 63,783	\$ 753,170	\$ 1,690,748

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	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	\$ 47,058	\$ 39,618	\$ 15,200	\$ 41,676	\$ 143,552
Cash Payments for Goods and Services	(375,420)	(9,716)	0	(54,755)	(439,891)
Cash Payments to Employees	0	(47,018)	0	(4,885)	(51,903)
Net Cash Provided (Used) by Operating Activities	<u>(328,362)</u>	<u>(17,116)</u>	<u>15,200</u>	<u>(17,964)</u>	<u>(348,242)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>					
Transfer in From other Funds	0	7,000	0	0	7,000
Other Non Operating Receipts	0	17,851	0	79	17,930
Net Cash Provided by Noncapital Financing Activities	<u>0</u>	<u>24,851</u>	<u>0</u>	<u>79</u>	<u>24,930</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Intergovernmental Grants	0	0	0	54,750	54,750
Net Cash Provided by Capital and Related Financing Activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>54,750</u>	<u>54,750</u>
<b>Cash Flows from Investing Activities:</b>					
Sale of Investments	247,329	0	0	0	247,329
Purchase of Investments	0	(4,843)	(8,332)	(16,247)	(29,422)
Receipts of Interest	7,152	3	493	1,676	9,324
Net Cash Provided (Used) by Investing Activities	<u>254,481</u>	<u>(4,840)</u>	<u>(7,839)</u>	<u>(14,571)</u>	<u>227,231</u>
Net Change in Cash and Cash Equivalents	(73,881)	2,895	7,361	22,294	(41,331)
Cash and Cash Equivalents at Beginning of Year	137,407	2,426	12,580	52,568	204,981
Cash and Cash Equivalents at End of Year	<u>\$ 63,526</u>	<u>\$ 5,321</u>	<u>\$ 19,941</u>	<u>\$ 74,862</u>	<u>\$ 163,650</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Income (Loss)	33,192	(38,156)	(3,399)	(125,967)	(134,330)
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	(361,553)	0	0	87,846	(273,707)
(Increase) Decrease in Grant Receivable	0	0	17,600	20,000	37,600
(Increase) Decrease in Accounts Receivable	0	(7,856)	0	0	(7,856)
(Increase) Decrease in Allowance for Doubtful Accounts	0	3,519	0	0	3,519
(Increase) Decrease in Prepaid Items	(1)	0	999	0	998
(Increase) Decrease in Deferred Outflows - Pension	0	8,818	0	1,288	10,106
(Increase) Decrease in Deferred Outflows - OPEB	0	(1,798)	0	(152)	(1,950)
Increase (Decrease) in Accounts Payable	0	1,903	0	0	1,903
Increase (Decrease) in Accrued Payroll	0	1,149	0	67	1,216
Increase (Decrease) in Deferred Inflows - Pension	0	10,035	0	877	10,912
Increase (Decrease) in Deferred Inflows - OPEB	0	2,763	0	247	3,010
Increase (Decrease) in Net Pension Liability	0	(9,511)	0	(2,174)	(11,685)
Increase (Decrease) in Net OPEB Liability	0	5,895	0	(67)	5,828
Increase (Decrease) in Compensated Absences	0	659	0	71	730
Total Adjustments	<u>(361,554)</u>	<u>21,040</u>	<u>18,599</u>	<u>108,003</u>	<u>(213,912)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (328,362)</u>	<u>\$ (17,116)</u>	<u>\$ 15,200</u>	<u>\$ (17,964)</u>	<u>\$ (348,242)</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, 2018**

	Utility Billing	City Garage	Information Technology	Self Insurance	Total Internal Service Funds
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 22,527	\$ 53,842	\$ 7	\$ 26,118	\$ 102,494
Investments	49,399	118,074	0	57,272	224,745
Receivables:					
Accounts	5,390	9,878	0	0	15,268
Accrued interest	0	0	0	354	354
Inventories	0	33,487	0	0	33,487
Prepaid items	3,066	2,441	95,957	0	101,464
<b>Total Current Assets</b>	<u>80,382</u>	<u>217,722</u>	<u>95,964</u>	<u>83,744</u>	<u>477,812</u>
<b>Noncurrent Assets:</b>					
<b>Unrestricted:</b>					
Capital Assets (net of accumulated depreciation)	10,408	74,451	380,011	0	464,870
<b>Total Noncurrent Assets</b>	<u>10,408</u>	<u>74,451</u>	<u>380,011</u>	<u>0</u>	<u>464,870</u>
<b>Total Assets</b>	<u>90,790</u>	<u>292,173</u>	<u>475,975</u>	<u>83,744</u>	<u>942,682</u>
<b>Deferred Outflows of Resources</b>					
Pension	0	32,353	0	0	32,353
OPEB	0	6,543	0	0	6,543
<b>Total Deferred Outflows of Resources</b>	<u>0</u>	<u>38,896</u>	<u>0</u>	<u>0</u>	<u>38,896</u>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	7,773	37,724	78,886	0	124,383
Claims payable	0	0	0	197,655	197,655
Accrued payroll	0	12,756	0	0	12,756
Interfund payable	0	25,062	0	0	25,062
Compensated absences	0	1,747	0	0	1,747
Capital lease payable	0	0	23,295	0	23,295
<b>Total Current Liabilities</b>	<u>7,773</u>	<u>77,289</u>	<u>102,181</u>	<u>197,655</u>	<u>384,898</u>
<b>Noncurrent Liabilities:</b>					
Compensated Absences	0	24,155	0	0	24,155
Capital lease payable	0	0	23,297	0	23,297
Net Pension Liability	0	128,546	0	0	128,546
Net OPEB Liability	0	88,914	0	0	88,914
<b>Total Noncurrent Liabilities</b>	<u>0</u>	<u>241,615</u>	<u>23,297</u>	<u>0</u>	<u>264,912</u>
<b>Total Liabilities</b>	<u>7,773</u>	<u>318,904</u>	<u>125,478</u>	<u>197,655</u>	<u>649,810</u>
<b>Deferred Inflows of Resources</b>					
Pension	0	33,310	0	0	33,310
OPEB	0	8,583	0	0	8,583
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>41,893</u>	<u>0</u>	<u>0</u>	<u>41,893</u>
<b>Net Position:</b>					
Net Investment in Capital Assets	10,408	74,451	333,419	0	418,278
Unrestricted	72,609	(104,179)	17,078	(113,911)	(128,403)
<b>Total Net Position</b>	<u>\$ 83,017</u>	<u>\$ (29,728)</u>	<u>\$ 350,497</u>	<u>\$ (113,911)</u>	<u>\$ 289,875</u>

**CITY OF XENIA, OHIO**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Utility Billing	City Garage	Information Technology	Self Insurance	Total Internal Service Funds
<b>Operating revenues:</b>					
Charges for services	\$ 82,421	\$ 802,660	\$ 643,996	\$ 1,637,084	\$ 3,166,161
<b>Operating expenses:</b>					
Personnel services	0	180,834	0	0	180,834
General operating	1,969	518	1,492	17,278	21,257
Claims	0	0	0	1,290,752	1,290,752
Contractual services	118,146	121,958	406,984	444,897	1,091,985
Materials and supplies	4,409	415,589	122,968	1,189	544,155
Depreciation	1,487	11,364	49,731	0	62,582
Non-governmental	0	0	0	83,165	83,165
Total expenses	126,011	730,263	581,175	1,837,281	3,274,730
Operating income (loss)	(43,590)	72,397	62,821	(200,197)	(108,569)
<b>Non-operating revenues (expenses):</b>					
Interest revenue	0	0	0	4,739	4,739
Other	0	6,458	3,940	0	10,398
Total non-operating revenues (expenses)	0	6,458	3,940	4,739	15,137
<b>Change in Net Position</b>	(43,590)	78,855	66,761	(195,458)	(93,432)
<b>Net Position, beginning of year (restated)</b>	126,607	(108,583)	283,736	81,547	383,307
<b>Net Position, end of year</b>	\$ 83,017	\$ (29,728)	\$ 350,497	\$ (113,911)	\$ 289,875

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Utility Billing	City Garage	Information Technology	Self Insurance	Totals
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Interfund Services Provided	\$ 83,292	\$ 802,598	\$ 644,000	\$ 1,637,084	\$ 3,166,974
Cash Payments for Goods and Services	(124,292)	(512,255)	(515,309)	(1,820,003)	(2,971,859)
Cash Payments to Employees	0	(170,395)	0	0	(170,395)
Net Cash Provided (Used) by Operating Activities	<u>(41,000)</u>	<u>119,948</u>	<u>128,691</u>	<u>(182,919)</u>	<u>24,720</u>
<u>Cash Flows from Noncapital Financing Activities:</u>					
Advances to Other Funds	0	(5,387)	0	0	(5,387)
Non Operating Revenues from Other Sources	0	6,458	3,940	0	10,398
Net Cash Used by Noncapital Financing Activities	<u>0</u>	<u>1,071</u>	<u>3,940</u>	<u>0</u>	<u>5,011</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Acquisition and Construction of Assets	0	(8,639)	(109,332)	0	(117,971)
Capital Lease Payment	0	0	(23,295)	0	(23,295)
Net Cash (Used) by Capital and Related Financing Activities	<u>0</u>	<u>(8,639)</u>	<u>(132,627)</u>	<u>0</u>	<u>(141,266)</u>
<u>Cash Flows from Investing Activities:</u>					
Sale of Investments	33,918	0	0	135,776	169,694
Purchase of Investments	-	(74,150)	0	0	(74,150)
Receipts of Interest	0	0	0	4,652	4,652
Net Cash Provided (Used) by Investing Activities	<u>33,918</u>	<u>(74,150)</u>	<u>0</u>	<u>140,428</u>	<u>100,196</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(7,082)	38,230	4	(42,491)	(11,339)
Cash and Cash Equivalents at Beginning of Year	29,609	15,612	3	68,609	113,833
Cash and Cash Equivalents at End of Year	<u>\$ 22,527</u>	<u>\$ 53,842</u>	<u>\$ 7</u>	<u>\$ 26,118</u>	<u>\$ 102,494</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>					
<u>Provided (Used) by Operating Activities:</u>					
Operating Income (Loss)	\$ (43,590)	\$ 72,397	\$ 62,821	\$ (200,197)	\$ (108,569)
Adjustments to Reconcile Operating Income (Loss) to					
Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	1,487	11,364	49,731	0	62,582
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	869	(5,447)	0	0	(4,578)
(Increase) Decrease in Prepaid Items	(307)	1,703	(11,458)	0	(10,062)
(Increase) in Deferred Outflows - Pension	0	41,892	0	0	41,892
(Increase) in Deferred Outflows - OPEB	0	(5,354)	0	0	(5,354)
(Increase) in Inventory	0	551	0	0	551
Increase (Decrease) in Accounts Payable	541	28,941	27,597	17,278	74,357
Increase (Decrease) in Accrued Payroll	0	7,710	0	0	7,710
Increase (Decrease) in Deferred Inflows - Pension	0	30,656	0	0	30,656
Increase (Decrease) in Deferred Inflows - OPEB	0	8,583	0	0	8,583
Increase (Decrease) in Net Pension Liability	0	(67,913)	0	0	(67,913)
Increase (Decrease) in Net OPEB Liability	0	1,180	0	0	1,180
Increase (Decrease) in Compensated Absences	0	(6,315)	0	0	(6,315)
Total Adjustments	<u>2,590</u>	<u>47,551</u>	<u>65,870</u>	<u>17,278</u>	<u>133,289</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (41,000)</u>	<u>\$ 119,948</u>	<u>\$ 128,691</u>	<u>\$ (182,919)</u>	<u>\$ 24,720</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.

**CITY OF XENIA, OHIO**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Balance December 31, 2017	Additions	Deductions	Balance December 31, 2018
<b><u>Municipal Court - Traffic and Criminal:</u></b>				
Assets:				
Cash and Cash Equivalents	\$ 91,442	\$ 937,862	\$(937,594)	\$ 91,710
Total Assets	<u>\$ 91,442</u>	<u>\$ 937,862</u>	<u>\$(937,594)</u>	<u>\$ 91,710</u>
Liabilities:				
Accounts Payable	\$ 52,900	\$ 692,082	\$(693,181)	\$ 51,801
Restricted Deposits	\$ 38,542	\$ 245,780	\$(244,413)	\$ 39,909
Total Liabilities	<u>\$ 91,442</u>	<u>\$ 937,862</u>	<u>\$(937,594)</u>	<u>\$ 91,710</u>
<b><u>Municipal Court - Civil and Small Claims:</u></b>				
Assets:				
Cash and Cash Equivalents	\$ 10,425	\$ 583,797	\$(580,696)	\$ 13,526
Total Assets	<u>\$ 10,425</u>	<u>\$ 583,797</u>	<u>\$(580,696)</u>	<u>\$ 13,526</u>
Liabilities:				
Accounts Payable	\$ 4,670	\$ 560,088	\$(560,626)	\$ 4,132
Restricted Deposits	\$ 5,755	\$ 23,709	\$(20,070)	\$ 9,394
Total Liabilities	<u>\$ 10,425</u>	<u>\$ 583,797</u>	<u>\$(580,696)</u>	<u>\$ 13,526</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	\$ 0	\$ 6,667	\$(6,667)	\$ 0
Total Assets	<u>\$ 0</u>	<u>\$ 6,667</u>	<u>\$(6,667)</u>	<u>\$ 0</u>
Liabilities:				
Restricted Deposits	\$ 0	\$ 6,667	\$(6,667)	\$ 0
Total Liabilities	<u>\$ 0</u>	<u>\$ 6,667</u>	<u>\$(6,667)</u>	<u>\$ 0</u>
<b><u>LGIF Loan:</u></b>				
Assets:				
Accounts Receivable	\$ 210,000	\$ 0	\$(30,000)	\$ 180,000
Total Assets	<u>\$ 210,000</u>	<u>\$ 0</u>	<u>\$(30,000)</u>	<u>\$ 180,000</u>
Liabilities:				
Accounts Payable	\$ 210,000	\$ 0	\$(30,000)	\$ 180,000
Total Liabilities	<u>\$ 210,000</u>	<u>\$ 0</u>	<u>\$(30,000)</u>	<u>\$ 180,000</u>
<b><u>Totals - All Agency Funds:</u></b>				
Assets:				
Cash and Cash Equivalents	\$ 104,057	\$ 1,528,326	\$(1,524,957)	\$ 107,426
Accounts Receivable	\$ 210,000	\$ 0	\$(30,000)	\$ 180,000
Total Assets	<u>\$ 314,057</u>	<u>\$ 1,528,326</u>	<u>\$(1,554,957)</u>	<u>\$ 287,426</u>
Liabilities:				
Accounts Payable	\$ 267,570	\$ 1,252,170	\$(1,283,807)	\$ 235,933
Restricted Deposits	\$ 46,487	\$ 276,156	\$(271,150)	\$ 51,493
Total Liabilities	<u>\$ 314,057</u>	<u>\$ 1,528,326</u>	<u>\$(1,554,957)</u>	<u>\$ 287,426</u>







**II**



***STATISTICAL SECTION***



***Statistical Tables***

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

***Contents***

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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**

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

	2009	2010	2011	2012
<b>Governmental Activities:</b>				
Net Investment Capital Assets, Net of Related Debt	\$ 32,711,191	\$ 33,054,119	\$ 34,113,956	\$ 34,504,785
Restricted	4,179,524	6,100,965	8,188,065	5,408,855
Unrestricted	3,933,236	2,692,145	2,287,431	6,160,890
Total Governmental Activities Net Position	<u>\$ 40,823,951</u>	<u>\$ 41,847,229</u>	<u>\$ 44,589,452</u>	<u>\$ 46,074,530</u>
<b>Business-type Activities:</b>				
Net Investment Capital Assets, Net of Related Debt	\$ 21,442,195	\$ 21,637,865	\$ 22,250,312	\$ 22,441,680
Restricted	0	178,266	120,288	170,077
Unrestricted	7,538,994	9,830,432	9,820,160	10,662,384
Total Business-type Activities Net Position	<u>\$ 28,981,189</u>	<u>\$ 31,646,563</u>	<u>\$ 32,190,760</u>	<u>\$ 33,274,141</u>
<b>Primary Government:</b>				
Net Investment Capital Assets, Net of Related Debt	\$ 54,153,386	\$ 54,691,984	\$ 56,364,268	\$ 56,946,465
Restricted	4,179,524	6,279,231	8,308,353	5,578,932
Unrestricted	11,472,230	12,522,577	12,107,591	16,823,274
Total Primary Government Net Position	<u>\$ 69,805,140</u>	<u>\$ 73,493,792</u>	<u>\$ 76,780,212</u>	<u>\$ 79,348,671</u>

Source: City Finance Director's Office

**CITY OF XENIA, OHIO**

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2013	Restated 2014	Restated 2015	2016	Restated 2017	2018
\$ 35,558,378	\$ 36,720,402	\$ 33,130,179	\$ 39,612,767	\$ 38,846,762	\$ 40,040,292
5,567,144	5,722,928	11,684,587	8,580,380	6,196,767	5,455,846
4,775,505	(12,913,033)	(14,077,618)	(16,685,367)	(35,152,788)	(37,409,032)
<u>\$ 45,901,027</u>	<u>\$ 29,530,297</u>	<u>\$ 30,737,148</u>	<u>\$ 31,507,780</u>	<u>\$ 9,890,741</u>	<u>\$ 8,087,106</u>
\$ 22,070,099	\$ 23,035,822	\$ 23,500,079	\$ 23,083,209	\$ 23,211,204	\$ 23,139,784
0	0	0	0	0	0
12,124,555	9,483,158	10,502,866	11,038,394	7,940,579	8,728,149
<u>\$ 34,194,654</u>	<u>\$ 32,518,980</u>	<u>\$ 34,002,945</u>	<u>\$ 34,121,603</u>	<u>\$ 31,151,783</u>	<u>\$ 31,867,933</u>
\$ 57,628,477	\$ 59,756,224	\$ 56,630,258	\$ 62,695,976	\$ 62,057,966	\$ 63,180,076
5,567,144	5,722,928	11,684,587	8,580,380	6,196,767	5,455,846
16,900,060	(3,429,875)	(3,574,752)	(5,646,973)	(27,212,209)	(28,680,883)
<u>\$ 80,095,681</u>	<u>\$ 62,049,277</u>	<u>\$ 64,740,093</u>	<u>\$ 65,629,383</u>	<u>\$ 41,042,524</u>	<u>\$ 39,955,039</u>

**CITY OF XENIA, OHIO**

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

	2009	2010	2011	2012
<b>Expenses</b>				
Governmental Activities:				
General Government	\$ 3,474,135	\$ 3,577,856	\$ 3,677,014	\$ 3,567,483
Public Safety	11,984,216	11,311,480	12,065,050	12,526,166
Health	54,605	306,963	0	0
Highways and Streets	1,952,667	1,801,149	2,409,163	2,057,537
Urban Redevelopment & Housing	285,954	247,659	139,753	112,822
Economic Development & Assistance	0	0	151,523	468,359
Recreation	406,396	284,934	272,941	527,634
Interest and Fiscal Charges	126,203	104,977	67,642	69,614
<i>Total Governmental Activities Expenses</i>	<u>\$ 18,284,176</u>	<u>\$ 17,635,018</u>	<u>\$ 18,783,086</u>	<u>\$ 19,329,615</u>
Business-type Activities:				
Water	\$ 3,110,764	\$ 2,980,976	\$ 3,075,621	\$ 3,907,856
Sewer	4,191,056	3,883,632	4,346,983	4,030,678
Sanitation	1,644,491	1,577,458	1,642,102	1,674,999
Storm Water	187,640	277,359	324,722	339,906
Other Enterprise Funds	596,196	243,485	267,108	288,049
<i>Total Business-type Activities Expenses</i>	<u>9,730,147</u>	<u>8,962,910</u>	<u>9,656,536</u>	<u>10,241,488</u>
<i>Total Primary Government Expenses</i>	<u>\$ 28,014,323</u>	<u>\$ 26,597,928</u>	<u>\$ 28,439,622</u>	<u>\$ 29,571,103</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
General Government	\$ 1,359,765	\$ 1,388,914	\$ 1,398,435	\$ 1,520,315
Public Safety	1,866,335	2,307,856	1,851,179	2,022,807
Health	8,589	19,302	0	9,548
Highways and Streets	4,282	9,337	2,438	0
Urban Redevelopment & Housing	19,191	30,452	0	10,335
Economic Development & Assistance	0	0	0	0
Recreation	20,625	8,914	5,360	5,493
Operating Grants and Contributions	253,541	459,403	398,496	865,437
Capital Grants and Contributions	744,718	1,098,518	1,634,700	261,306
<i>Total Governmental Activities Program Revenues</i>	<u>\$ 4,277,046</u>	<u>\$ 5,322,696</u>	<u>\$ 5,290,608</u>	<u>\$ 4,695,241</u>

(continued)

**CITY OF XENIA, OHIO**

2013	2014	2015	2016	2017	2018
\$ 3,772,609	\$ 2,851,072	\$ 4,742,446	\$ 3,928,893	\$ 7,971,980	\$ 4,950,737
12,688,381	13,208,811	13,736,687	13,911,915	15,069,724	17,396,450
0	0	0	0	0	0
1,970,034	1,613,183	2,187,058	1,968,786	2,329,146	2,376,229
106,727	146,771	115,229	121,281	181,975	126,171
2,960,546	2,756,593	548,344	605,816	328,022	162,932
541,390	406,634	474,079	441,493	551,757	504,938
62,446	64,913	274,688	251,308	301,411	296,327
<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>	<u>\$ 25,813,784</u>
\$ 3,267,639	\$ 3,750,634	\$ 3,332,480	\$ 3,663,222	\$ 3,754,839	\$ 3,956,476
4,340,898	4,310,544	4,036,804	4,044,595	4,491,114	4,180,792
1,474,330	1,569,042	1,405,761	2,655,763	3,204,055	2,486,446
350,114	442,876	451,434	352,149	300,964	416,103
90,913	143,231	175,944	330,380	244,512	213,972
<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>11,253,789</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>	<u>\$ 37,067,573</u>
\$ 1,497,509	\$ 1,509,582	\$ 1,910,176	\$ 1,704,695	\$ 1,835,340	\$ 1,969,976
2,338,853	2,390,960	2,675,280	2,716,568	2,559,765	2,809,315
0	0	0	0	0	0
1,138	172,196	17,293	8,233	13,011	24,935
0	0	9,542	2,388	4,299	0
0	0	18	203	0	0
4,045	5,759	34,271	30,013	34,405	30,596
542,524	472,764	299,644	475,852	396,011	514,247
3,786,699	1,689,871	14,585	93,097	934,178	1,912,600
<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>	<u>\$ 7,261,669</u>

**CITY OF XENIA, OHIO**

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

	2009	2010	2011	2012
<b>Business-type Activities:</b>				
<b>Charges for Services</b>				
Water	\$ 3,425,277	\$ 3,455,602	\$ 3,227,912	\$ 3,321,936
Sewer	4,090,886	4,958,089	3,563,646	4,250,051
Sanitation	1,774,993	1,917,987	2,012,065	1,982,788
Storm Water	144,933	319,870	344,240	340,317
Other Enterprise Funds	87,633	60,528	58,587	60,610
Operating Grants and Contributions	-	422,209	714,903	490,531
Capital Grants and Contributions	418,589	205,679	383,879	0
<i>Total Business-type Activities Program Revenues</i>	<u>\$ 9,942,311</u>	<u>\$ 11,339,964</u>	<u>\$ 10,305,232</u>	<u>\$ 10,446,233</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 14,219,357</u>	<u>\$ 16,662,660</u>	<u>\$ 15,595,840</u>	<u>\$ 15,141,474</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(14,007,130)	(12,312,322)	(13,492,478)	(14,634,374)
Business-type Activities	212,164	2,377,054	648,696	204,745
<i>Total Primary Government Net (Expense)/Revenue</i>	<u><u>\$(13,794,966)</u></u>	<u><u>\$(9,935,268)</u></u>	<u><u>\$(12,843,782)</u></u>	<u><u>\$(14,429,629)</u></u>
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental Activities:</b>				
Income Taxes	\$ 8,318,554	\$ 8,272,340	\$ 10,969,297	\$ 12,276,122
Other Local Taxes	44,590	39,052	36,655	37,308
Property Taxes	1,855,068	1,582,440	1,361,654	1,807,780
Motor Vehicle and Gas Tax	1,163,541	1,459,124	1,418,289	1,225,059
Inergovernmental, Unrestricted	2,048,476	1,755,690	1,895,351	1,283,809
Investment Earnings	264,225	80,055	63,913	38,295
Miscellaneous	409,876	209,174	385,043	329,715
Transfers	170,082	(62,275)	104,499	(878,636)
<i>Total Governmental Activities</i>	<u>\$ 14,274,412</u>	<u>\$ 13,335,600</u>	<u>\$ 16,234,701</u>	<u>\$ 16,119,452</u>
<b>Business-type Activities:</b>				
Investment Earnings	0	0	0	0
Transfers	(170,082)	62,275	(104,499)	878,636
Loss on Disposal of Capital Assets	0	0	0	0
<i>Total Business-type Activities</i>	<u>\$(170,082)</u>	<u>\$ 62,275</u>	<u>\$(104,499)</u>	<u>\$ 878,636</u>
<i>Total Primary Government</i>	<u><u>\$ 14,104,330</u></u>	<u><u>\$ 13,397,875</u></u>	<u><u>\$ 16,130,202</u></u>	<u><u>\$ 16,998,088</u></u>
<b>Change in Net Position</b>				
Governmental Activities	267,282	1,023,278	2,742,223	1,485,078
Business-type Activities	42,082	2,439,329	544,197	1,083,381
<i>Total Primary Government Change in Net Position</i>	<u><u>\$ 309,364</u></u>	<u><u>\$ 3,462,607</u></u>	<u><u>\$ 3,286,420</u></u>	<u><u>\$ 2,568,459</u></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**

2013	2014	2015	2016	2017	2018
\$ 3,533,324	\$ 3,504,940	\$ 3,715,562	\$ 3,961,826	\$ 4,264,396	\$ 4,277,272
4,384,154	4,546,060	4,538,119	4,925,424	4,890,401	5,181,937
1,954,056	1,970,172	1,996,550	1,973,814	2,063,417	2,134,547
337,467	338,546	340,799	342,741	345,445	348,187
161,317	83,972	51,063	53,960	112,478	104,729
126,156	119,450	174,487	75,000	20,000	-
11,100	158,801	144,542	16,000	17,600	54,750
<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>\$ 12,101,422</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>	<u>\$ 19,363,091</u>
(13,931,365)	(14,806,845)	(17,117,722)	(16,198,443)	(20,957,006)	(18,552,115)
983,680	505,614	1,558,699	302,656	(281,747)	847,633
<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>	<u>\$(17,704,482)</u>
\$ 11,732,328	\$ 11,756,681	\$ 11,952,647	\$ 12,728,800	\$ 12,514,453	\$ 12,628,073
40,137	40,362	41,395	41,042	38,289	52,836
986,812	1,524,924	1,324,503	1,442,144	1,442,899	1,487,042
1,474,430	1,139,791	1,194,461	1,459,326	1,698,281	1,345,069
1,811,934	827,164	1,033,930	1,003,737	940,280	987,330
27,308	138,931	2,246	110,028	93,470	116,647
367,822	411,511	106	0	0	0
63,167	(367,017)	74,734	183,998	183,891	131,483
<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>	<u>\$ 16,748,480</u>
0	0	0	0	0	0
(63,167)	367,017	(74,734)	(183,998)	(183,891)	(131,483)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$(63,167)</u>	<u>\$ 367,017</u>	<u>\$(74,734)</u>	<u>\$(183,998)</u>	<u>\$(183,891)</u>	<u>\$(131,483)</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>	<u>\$ 16,616,997</u>
2,572,573	665,502	(1,493,700)	770,632	(4,045,443)	(1,803,635)
920,513	872,631	1,483,965	118,658	(465,638)	716,150
<u>\$ 3,493,086</u>	<u>\$ 1,538,133</u>	<u>\$(9,735)</u>	<u>\$ 889,290</u>	<u>\$(4,511,081)</u>	<u>\$(1,087,485)</u>

**CITY OF XENIA, OHIO**

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

	2009	2010	2011	2012
General Fund				
Nonspendable			\$ 59,044	\$ 53,487
Assigned			\$ 188,601	\$ 1,662,830
Unassigned			\$ 1,872,104	\$ 1,096,424
Reserved	\$ 213,890	\$ 167,371	0	0
Unreserved	4,286,603	1,875,461	0	0
<i>Total General Fund</i>	<u>4,500,493</u>	<u>2,042,832</u>	<u>2,119,749</u>	<u>2,812,741</u>
All Other Governmental Funds				
NonSpendable			140,563	209,783
Restricted			6,042,733	5,173,704
Committed			117,026	149,778
Assigned			1,952,407	2,130,590
Reserved	428,075	1,440,549	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,731,786	4,578,277	0	0
Capital Projects Funds	1,501,554	740,547	0	0
Total All Other Governmental Funds	<u>3,661,415</u>	<u>6,759,373</u>	<u>8,252,729</u>	<u>7,663,855</u>
<i>Total Governmental Funds</i>	<u>\$ 8,161,908</u>	<u>\$ 8,802,205</u>	<u>\$ 10,372,478</u>	<u>\$ 10,476,596</u>

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

**CITY OF XENIA, OHIO**

2013	2014	2015	2016	2017	2018
\$ 51,992	\$ 45,190	\$ 28,405	\$ 35,628	\$ 36,969	\$ 38,562
\$ 240,208	\$ 1,649,569	\$ 1,412,584	\$ 7,001	\$ 1,734,848	\$ 1,707,787
\$ 3,509,005	\$ 1,883,547	\$ 1,398,034	\$ 3,507,294	\$ 1,763,718	\$ 1,105,903
0	0	0	0	0	0
0	0	0	0	0	0
<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>	<u>2,852,252</u>
221,393	451,803	219,964	188,205	187,266	225,380
5,919,266	4,970,908	11,504,299	8,215,198	5,858,648	4,990,214
219,170	154,522	249,694	247,351	290,271	325,274
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<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>5,540,868</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>	<u>\$ 8,393,120</u>

**CITY OF XENIA, OHIO**

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

	2009	2010	2011	2012
<b>Revenues:</b>				
Municipal Income Tax	\$ 8,418,354	\$ 8,262,780	\$ 10,933,675	\$ 11,599,673
Other Local Taxes	1,899,658	1,619,094	1,400,707	1,293,188
State Shared Taxes and Permits	3,296,472	3,097,393	3,109,036	2,707,651
Intergovernmental Grants	908,950	1,522,973	2,100,211	1,142,233
Charges for Services	1,669,891	1,766,578	1,485,407	1,635,508
Fines, Costs, Forfeitures, Licenses and Permits	1,422,179	1,418,432	1,357,962	1,435,372
Miscellaneous Receipts and Reimbursements, including Interest	909,516	881,195	835,290	808,439
<b>Total Revenue</b>	<u>18,525,020</u>	<u>18,568,445</u>	<u>21,222,288</u>	<u>20,622,064</u>
<b>Expenditures:</b>				
Current:				
General Government	3,119,824	3,136,271	3,383,703	3,490,798
Public Safety	11,456,004	10,721,657	11,502,926	11,927,807
Health	51,780	48,257	0	0
Highways and Streets	1,425,152	1,353,816	1,295,688	1,290,424
Urban Redevelopment & Housing	289,694	248,432	130,324	91,730
Economic Development & Assistance	0	0	146,663	153,967
Recreation	319,544	169,228	158,251	166,091
Capital Outlay	2,498,161	1,739,237	3,443,902	2,829,747
Debt Service:				
Principal Retirement	433,103	1,315,647	433,131	538,820
Interest and Fiscal Charges	128,364	112,635	70,461	74,378
<b>Total Expenditures</b>	<u>19,721,626</u>	<u>18,845,180</u>	<u>20,565,049</u>	<u>20,563,762</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,196,606)	(276,735)	657,239	58,302
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources - Capital Leases	190,080	0	0	0
General Obligation Bonds Issued	0	927,531	953,712	0
Premium on General Obligation Bonds	0	0	0	0
Transfers In	234,001	7,512,071	5,370,000	4,546,000
Transfers Out	(247,000)	(7,528,071)	(5,391,500)	(4,569,000)
<b>Total Other Financing Sources (Uses)</b>	<u>177,081</u>	<u>911,531</u>	<u>932,212</u>	<u>(23,000)</u>
<b>Net Change in Fund Balance</b>	<u>\$ (1,019,525)</u>	<u>\$ 634,796</u>	<u>\$ 1,589,451</u>	<u>\$ 35,302</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	3.42%	8.08%	2.92%	3.58%

Source: City Finance Director's Office

**CITY OF XENIA, OHIO**

2013	2014	2015	2016	2017	2018
\$ 11,582,587	\$ 11,716,273	\$ 11,922,714	\$ 12,699,537	\$ 12,645,955	\$ 12,753,832
1,472,542	1,514,437	1,453,040	1,505,940	1,470,786	1,552,710
3,007,312	2,247,433	2,243,246	2,395,052	2,318,968	2,228,443
3,920,886	2,295,026	324,867	519,051	1,368,595	2,408,747
1,918,720	2,038,845	2,337,256	2,295,450	2,244,851	2,406,610
1,358,049	1,364,666	1,314,750	1,416,278	1,415,318	1,410,304
979,786	1,268,957	1,024,070	797,219	918,422	1,085,605
24,239,882	22,445,637	20,619,943	21,628,527	22,382,895	23,846,251
3,478,462	3,634,660	3,838,344	3,561,137	3,840,056	4,155,182
12,264,065	12,677,453	13,020,511	12,034,571	13,182,470	14,076,339
0	0	0	0	0	0
1,365,466	1,590,916	1,231,105	1,196,747	1,422,035	1,506,142
82,763	117,762	92,427	91,215	94,713	97,359
191,046	190,432	173,560	164,240	135,871	139,337
166,868	208,422	259,657	233,150	248,583	241,755
8,029,355	4,841,290	3,568,604	7,219,724	5,824,533	4,052,721
402,837	480,251	854,648	811,734	846,553	948,664
56,112	68,328	232,664	310,623	311,598	316,444
26,036,974	23,809,514	23,271,520	25,623,141	25,906,412	25,533,943
(1,797,092)	(1,363,877)	(2,651,577)	(3,994,614)	(3,523,517)	(1,687,692)
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	0
4,825,000	5,330,000	5,788,051	5,444,627	5,942,322	6,425,607
(4,825,000)	(5,330,000)	(5,713,317)	(5,260,629)	(5,758,431)	(6,248,859)
1,371,415	183,486	8,487,576	1,378,468	1,208,891	176,748
\$(425,677)	\$(1,180,391)	\$ 5,835,999	\$(2,616,146)	\$(2,314,626)	\$(1,510,944)
2.09%	2.74%	5.32%	6.91%	8.21%	5.86%

**CITY OF XENIA, OHIO**

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

<b>Tax year</b>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Income Tax Rate	1.75%	1.75%	2.25%	2.25%
Total Tax Collected	\$ 8,263,057	\$ 8,354,222	\$ 10,310,172	\$ 11,595,945
Income Tax Receipts				
Withholding	6,425,740	6,377,354	8,075,838	8,533,750
Percentage	77.76%	76.34%	78.33%	73.59%
Direct (Individual & Business)	1,837,317	1,976,868	2,234,334	3,062,195
Percentage	22.24%	23.66%	21.67%	26.41%

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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2013	2014	2015	2016	2017	2018
2.25%	2.25%	2.25%	2.25%	2.25%	2.25%
\$ 11,634,384	\$ 11,739,338	\$ 11,725,621	\$ 12,828,479	\$ 13,131,194	\$ 13,269,321
8,310,102	8,486,386	8,537,908	9,173,973	9,340,086	9,676,406
71.43%	72.29%	72.81%	71.51%	71.13%	72.92%
3,324,282	3,252,952	3,187,713	3,654,506	3,791,108	3,592,915
28.57%	27.71%	27.19%	28.49%	28.87%	27.08%

**CITY OF XENIA, OHIO**

*Income Tax Collections*

*Current Year and Seven Years Ago*

Income Level	Calendar Year 2018			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	5,599	49.10%	\$ 33,030,225	8.92%
20,000 - 49,999	3,173	27.83%	106,488,600	28.74%
50,000 - 74,999	1,269	11.13%	77,462,189	20.91%
75,000 - 99,999	683	5.99%	58,768,513	15.86%
Over 100,000	678	5.95%	94,737,842	25.57%
<b>Total</b>	<b>11,402</b>	<b>100.00%</b>	<b>\$ 370,487,369</b>	<b>100.00%</b>

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to the City of Xenia	\$ 6,381,254
Taxes Credited to Other Municipalities	1,954,712
	<b>\$ 8,335,966</b>

Income Level	Calendar Year 2011			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	6,423	53.26%	\$ 35,568,596	10.28%
20,000 - 49,999	3,166	26.26%	105,067,003	30.38%
50,000 - 74,999	1,317	10.92%	80,201,129	23.19%
75,000 - 99,999	653	5.42%	56,293,314	16.27%
Over 100,000	499	4.14%	68,767,783	19.88%
<b>Total</b>	<b>12,058</b>	<b>100.00%</b>	<b>\$ 345,897,825</b>	<b>100.00%</b>

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to the City of Xenia	\$ 4,378,519
Taxes Credited to Other Municipalities	1,674,693
	<b>\$ 6,053,212</b>

Source: City Finance Director's Office





**CITY OF XENIA, OHIO**

*Ratio of Outstanding Debt By Type  
Last Ten Years*

	2009	2010	2011	2012
<b>Governmental Activities (1)</b>				
General Obligation Bonds Payable	\$ 945,000	\$ 920,000	\$ 1,803,712	\$ 1,642,248
Original Issue Premium	\$ 0	\$ 0	\$ 0	\$ 0
Capital Leases	1,589,809	1,219,167	856,036	478,680
Local Government Innovation Fund	0	0	0	0
<b>Business-type Activities (1)</b>				
Ohio Water Development Authority Loans Payable	\$ 4,894,544	\$ 6,226,960	\$ 5,509,733	\$ 6,555,052
General Obligation Bonds Payable	0	0	120,288	109,383
Capital Leases	1,607,731	1,514,227	1,416,485	1,314,314
Total Primary Government	<u>\$ 9,037,084</u>	<u>\$ 9,880,354</u>	<u>\$ 9,706,254</u>	<u>\$ 10,099,677</u>
<b>Population (2)</b>				
City of Xenia	27,357	25,719	25,915	25,983
Outstanding Debt Per Capita	\$ 330	\$ 384	\$ 375	\$ 389
<b>Income (3)</b>				
Personal (in thousands)	518,470	493,702	497,464	515,659
Percentage of Personal Income	1.74%	2.00%	1.95%	1.96%

**Sources:**

- (1) City Finance Director's Office
- (2) US Bureau of Census, Population Division
  - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

**CITY OF XENIA, OHIO**

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2013	2014	2015	2016	2017	2018
\$ 1,478,916	\$ 1,288,677	\$ 8,756,488	\$ 9,247,308	\$ 9,706,094	\$ 9,042,801
\$ 0	\$ 0	\$ 396,227	\$ 379,718	\$ 363,207	\$ 346,698
1,610,590	1,504,064	1,191,605	1,186,674	893,030	594,363
100,000	100,000	90,000	80,000	70,000	60,000
\$ 6,006,280	\$ 5,449,918	\$ 4,877,571	\$ 4,315,520	\$ 3,709,810	\$ 3,086,693
98,243	86,863	75,236	63,355	51,221	38,824
1,207,514	1,095,874	979,174	857,187	729,671	1,617,931
<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>	<u>\$ 14,787,310</u>
25,879	25,911	25,976	26,002	26,562	26,193
\$ 406	\$ 368	\$ 630	\$ 620	\$ 584	\$ 565
514,733	531,383	532,716	546,796	580,831	607,835
2.04%	1.79%	3.07%	2.95%	2.67%	2.43%

*Ratios of General Bonded Debt Outstanding  
Last Ten Years*

Year	2009	2010	2011	2012
<b>Population (1)</b>	27,357	25,719	25,915	25,983
<b>Assessed Value (2)</b>	\$ 399,918,650	\$ 401,707,460	\$ 376,284,220	\$ 369,340,160
<b>General Bonded Debt (3)</b>				
General Obligation Bonds	\$ 945,000	\$ 920,000	\$ 1,924,000	\$ 1,751,631
<b>Resources Available to Pay Principal (4)</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>Net General Bonded Debt</b>	\$ 945,000	\$ 920,000	\$ 1,924,000	\$ 1,751,631
<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	0.24%	0.23%	0.51%	0.47%
<b>Net Bonded Debt per Capita</b>	\$ 34.54	\$ 35.77	\$ 74.24	\$ 67.41

**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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2013	2014	2015	2016	2017	2018
25,879	25,911	25,976	26,002	26,562	26,193
\$ 371,635,110	\$ 357,886,080	\$ 357,304,480	\$ 358,938,640	\$ 380,189,780	\$ 387,634,450
\$ 1,577,159	\$ 1,375,540	\$ 8,831,724	\$ 9,310,663	\$ 9,757,315	\$ 9,081,625
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 1,577,159	\$ 1,375,540	\$ 8,831,724	\$ 9,310,663	\$ 9,757,315	\$ 9,081,625
0.42%	0.38%	2.47%	2.59%	2.57%	2.34%
\$ 60.94	\$ 53.09	\$ 340.00	\$ 358.07	\$ 367.34	\$ 346.72

**CITY OF XENIA, OHIO**

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*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2018*

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<b>2018</b>		<b>Percentage</b>	<b>Amount</b>
<b>Jurisdiction</b>	<b>Gross Debt</b>	<b>Applicable to</b>	<b>Applicable to</b>
	<b>Outstanding</b>	<b>the City of</b>	<b>the City of</b>
		<b>Xenia</b>	<b>Xenia</b>
<b>Direct:</b>			
City of Xenia	\$ 10,043,862	100.00%	\$ 10,043,862
<b>Overlapping:</b>			
Greene County	\$ 83,454,576	9.36%	7,807,572
Xenia Community School District	\$ 34,210,000	57.17%	19,558,655
Greene County Career Center	\$ 0	9.23%	0
		Subtotal	<u>27,366,227</u>
		Total	<u><u>\$ 37,410,089</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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Total Debt</b>				
Net Assessed Valuation	399,918,650	401,707,460	376,284,220	369,340,160
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	41,991,458	42,179,283	39,509,843	38,780,717
City Debt Outstanding (2)	945,000	920,000	1,924,000	1,751,631
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	<u>945,000</u>	<u>920,000</u>	<u>1,924,000</u>	<u>1,751,631</u>
Overall Legal Debt Margin	<u>\$ 41,046,458</u>	<u>\$ 41,259,283</u>	<u>\$ 37,585,843</u>	<u>\$ 37,029,086</u>
<b>Unvoted Debt</b>				
Net Assessed Valuation	399,918,650	401,707,460	376,284,220	369,340,160
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	21,995,526	22,093,910	20,695,632	20,313,709
City Debt Outstanding (2)	945,000	920,000	1,924,000	1,751,631
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	<u>945,000</u>	<u>920,000</u>	<u>1,924,000</u>	<u>1,751,631</u>
Overall Legal Debt Margin	<u>\$ 21,050,526</u>	<u>\$ 21,173,910</u>	<u>\$ 18,771,632</u>	<u>\$ 18,562,078</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**

2013	2014	2015	2016	2017	2018
371,635,110	357,886,080	357,304,480	358,938,640	380,189,780	387,634,450
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
39,021,687	37,578,038	37,516,970	37,688,557	39,919,927	40,701,617
1,577,159	1,375,540	8,831,724	9,310,663	9,757,315	9,081,625
0	0	0	0	0	0
1,577,159	1,375,540	8,831,724	9,310,663	9,757,315	9,081,625
<u>\$ 37,444,528</u>	<u>\$ 36,202,498</u>	<u>\$ 28,685,246</u>	<u>\$ 28,377,894</u>	<u>\$ 30,162,612</u>	<u>\$ 31,619,992</u>
371,635,110	357,886,080	357,304,480	358,938,640	380,189,780	387,634,450
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
20,439,931	19,683,734	19,651,746	19,741,625	20,910,438	21,319,895
1,577,159	1,375,540	8,831,724	9,310,663	9,757,315	9,081,625
0	0	0	0	0	0
1,577,159	1,375,540	8,831,724	9,310,663	9,757,315	9,081,625
<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>	<u>\$ 12,238,270</u>

**CITY OF XENIA, OHIO**

*Demographic and Economic Statistics  
Last Ten Years*

Calendar Year	2009	2010	2011	2012
<b>Population (1) (a)</b>				
City of Xenia	27,357	25,719	25,915	25,983
Greene County	159,823	161,573	163,219	163,852
<b>Income (1) (a)</b>				
Total Personal (in thousands)	518,470	493,702	497,464	515,659
Per Capita	18,952	19,196	19,196	19,846
<b>Unemployment Rate (2)</b>				
Federal	9.7%	9.1%	8.3%	7.6%
State	10.7%	9.2%	7.6%	6.6%
Greene County	10.6%	9.2%	7.3%	6.4%
<b>Civilian Work Force Estimates (2)</b>				
State	5,884,900	5,874,200	5,762,000	5,701,000
Greene County	79,700	79,900	79,000	77,600
<b>Employment Distribution by Occupation (1) (a)</b>				
Agriculture, forestry, fishing, hunting, and mining	29	89	99	66
Construction	701	628	530	566
Manufacturing	1,952	1,351	1,019	1,185
Wholesale trade	240	281	213	174
Retail trade	1,511	1,342	1,410	1,341
Transportation, warehousing, and utilities info.	448	700	638	568
Information	190	297	191	206
Finance, insurance, real estate, rental and leasing	436	512	499	509
Professional, scientific, management, administrative, and waste management	713	1,203	925	770
Educational, health, and social services	2,389	3,153	2,705	2,954
Arts, Entertainment, recreation, accomodation and food services	828	1,096	1,274	1,154
Other Services	641	621	669	606
Public Administration	843	742	836	748
<b>Daytime Population (1) (a)</b>	22,424	22,424	22,424	22,424

**Sources:**

(1) US Census Bureau American Fact Finder Website, the City used the latest information available.

(a) Daytime Population calculated using data from American Fact Finder starting in 2018. Prior to that the US Bureau of Census of Population was used

(2) State Department of Labor Statistics

**CITY OF XENIA, OHIO**

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2013	2014	2015	2016	2017	2018
25,879	25,911	25,976	26,002	26,562	26,193
163,204	163,820	164,427	164,192	166,752	167,995
514,733	531,383	532,716	546,796	580,831	607,835
19,890	20,508	20,508	21,029	21,867	23,206
6.5%	5.4%	4.8%	4.5%	3.9%	3.7%
6.6%	4.7%	4.6%	4.7%	4.5%	4.8%
6.2%	4.2%	4.1%	4.1%	3.8%	4.3%
5,728,000	5,697,000	5,693,000	5,674,000	5,732,000	5,739,000
76,800	79,500	80,700	80,300	83,100	82,000
56	23	23	10	11	53
656	619	619	604	547	497
1,004	1,000	1,000	1,069	1,092	1,320
231	136	136	143	188	127
1,714	1,725	1,725	1,778	1,934	1,836
528	479	479	416	415	478
197	230	230	198	151	131
410	393	393	405	417	493
742	506	506	556	756	783
2,534	2,730	2,730	2,942	2,921	2,977
1,020	833	833	900	933	990
603	534	534	573	460	572
794	748	748	652	689	653
22,424	24,442	24,442	24,442	24,442	20,282

**CITY OF XENIA, OHIO**

*Principal Employers  
Current Year and Eight Years Ago*

Employer	Nature of Business	2018		
		Number of Employees	Rank	Percentage of Total Employment
Greene County	Government	1,170	1	5.14%
Kettering Med Center Network	Health Care	985	2	4.32%
Xenia Community School Dist	Education	758	3	3.33%
Wal-mart Associates Inc	Retail	551	4	2.42%
Kroger Limited Ptr	Grocery	391	5	1.72%
Express Personnel Services	Other Services	349	6	1.53%
Staffmark Investment LLC	Other Services	325	7	1.43%
Hospitality Operating East, LLC	Health Care	289	8	1.27%
City of Xenia	Government	270	9	1.19%
TCN Behavioral Health Services	Health Care	218	10	0.96%
Total		<u>5,306</u>		
Total Employment within the City		<u><u>22,780</u></u>		

Employer	Nature of Business	2011		
		Number of Employees	Rank	Percentage of Total Employment
Greene County	Government	1,427	1	7.26%
Xenia Community Schools	Education	1,014	2	5.16%
Greene Memorial Hospital	Health Care	821	3	4.18%
Walmart	Retail	510	4	2.60%
Kroger	Grocery	279	5	1.42%
City of Xenia	Government	247	6	1.26%
Super Valu	Distribution	233	7	1.19%
Hospice of Dayton	Health Care	195	8	0.99%
Mcdonalds Restaurants	Food Services	192	9	0.98%
Reddy Electric	Construction	180	10	0.92%
Total		<u>5,098</u>		
Total Employment within the City		<u><u>19,649</u></u>		

**Sources:**  
City of Xenia Income Tax Department

**CITY OF XENIA, OHIO**

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

Property Tax Payers	2018		
	Assessed Value	Rank	Percentage of Total Assessed Value
DP&L	7,940,020	1	2.05%
Deer Creek Community LLC	4,969,760	2	1.28%
City of Xenia	4,465,960	3	1.15%
Wal-Mart Real Estate Business	2,530,160	4	0.65%
Traditions at Xenia	2,409,640	5	0.62%
Ohio Valley Prpoerty Management	2,359,350	9	0.61%
Vectren Energy Delivery	1,916,810	6	0.49%
Lowes Home Centers Inc	1,939,340	7	0.50%
Wood Xenia Center LLC	1,878,590	8	0.48%
Xenia Bellbrook LLC	1,509,490	10	0.39%
Total Principal Property Tax Payers	<u>31,919,120</u>		
Total Assessed Value	<u><u>387,634,450</u></u>		

Employer	2011		
	Assessed Value	Rank	Percentage of Total Assessed Value
City of Xenia	8,708,850	1	2.31%
DP&L	6,044,740	2	1.61%
Deer Creek Community LLC	5,086,567	3	1.35%
Wal-Mart Real Estate Business	4,359,306	4	1.16%
Xenia Nominee LP	2,811,970	5	0.75%
Lowes Home Centers Inc	2,212,857	6	0.59%
Supervalu Holdings Inc	2,088,618	7	0.56%
Traditions at Xenia	1,878,534	8	0.50%
John Sale Manor Ltd	1,860,530	9	0.49%
Boymel Sam Trustee	1,805,650	10	0.48%
Total Principal Property Tax Payers	<u>36,857,622</u>		
Total Assessed Value	<u><u>376,284,220</u></u>		

**Sources:**

Greene County Auditor's Office

*Full Time Equivalent Employees by Function  
Last Ten Years*

	2009	2010	2011	2012
<b>Governmental Activities</b>				
General Government				
Finance	15.00	15.00	15.50	15.00
Legal/Court	32.00	32.00	30.75	30.50
Administration	5.00	5.00	5.00	4.50
Information Technology	2.00	2.00	2.00	2.00
Facilities	0.00	0.00	0.00	0.00
Security of Persons and Property				
Police	67.00	65.00	65.00	68.50
Fire	41.00	41.00	43.00	44.00
Transportation				
Street	9.00	6.00	6.00	6.00
Garage	2.00	2.00	2.00	2.00
Leisure Time Activities				
Recreation/Seniors	0.00	0.00	0.00	0.00
Parks	1.50	1.50	1.50	1.50
Community Environment				
Service	0.00	0.00	0.00	0.00
Development/Planning	4.00	4.00	6.00	6.00
Engineering	4.00	4.00	3.00	4.00
<b>Business-Type Activities</b>				
Utilities				
Water	19.00	18.00	18.00	17.00
Sewer	15.00	15.00	15.00	16.00
Solid Waste	0.00	1.00	1.00	1.00
Storm Water	0.00	2.00	2.00	2.00
<i>Total Employees</i>	216.50	213.50	215.75	220.00

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**

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<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
16.00	16.00	16.00	16.00	15.50	15.50
31.00	27.75	27.25	28.25	27.25	27.25
4.50	4.50	4.75	6.00	7.00	7.00
2.00	4.00	4.00	4.00	4.00	4.00
0.00	0.00	0.00	0.00	2.50	2.50
71.00	72.50	72.50	73.00	73.00	73.00
44.00	44.50	44.50	44.50	44.50	44.50
6.00	6.00	7.00	6.50	8.00	8.00
2.00	2.00	2.00	2.00	1.00	2.00
0.00	0.00	0.00	0.00	0.00	0.00
2.00	1.00	1.50	1.50	1.25	1.25
0.00	0.00	0.00	0.00	0.00	0.00
6.00	6.25	6.25	6.25	5.25	5.25
4.00	4.00	4.50	4.50	4.50	4.50
16.00	17.00	17.00	15.25	15.00	15.00
16.00	15.00	15.00	17.50	19.25	19.00
1.00	1.00	1.00	1.25	1.25	1.25
2.00	2.00	2.00	2.00	2.00	2.00
<u>223.50</u>	<u>223.50</u>	<u>225.25</u>	<u>228.50</u>	<u>231.25</u>	<u>232.00</u>

**CITY OF XENIA, OHIO**

*Operating Indicators by Function  
Last Ten Years*

	2009	2010	2011	2012
<b>Governmental Activities</b>				
General Government				
Court				
Number of Probation Cases	795	803	738	850
Number of Traffic Cases	9,579	8,984	9,409	10,172
Number of Criminal Cases	3,906	3,904	3,887	3,890
Number of Civil Cases	1,645	1,619	1,811	1,402
Licenses and Permits				
Number of Residential Constructions	26	23	3	151
Number of Commercial Constructions	2	1	6	123
Security of Persons and Property				
Police				
Number of Citations Issued	2,078	1,818	3,420	4,174
Number of Arrests	2,240	2,068	2,381	1,879
Number of Accidents	609	659	553	876
Fire				
Number of Fire Calls	875	819	957	943
Number of EMS Runs	3,543	3,470	3,676	3,781
Number of Inspections	185	72	345	344
Transportation				
Street				
Number of Streets Resurfaced	7	0	28	17
Leisure Time Activities				
Recreation/Seniors				
Number of Programs Offered	5	14	14	14
Number of Shelter Rentals	145	166	68	65
<b>Business-Type Activities</b>				
Water				
Number of Metered Accounts***	10,782	10,800	10,808	10,185
Daily Average Consumption (millions of gallons)	3.2	3.1	2.5	2.5
Peak Daily Consumption (millions of gallons)	8.0	8.0	8.0	9.0
Sewer				
Number of Metered Accounts***	10,664	10,680	10,690	10,065
Daily Average Sewage Treatment (millions of gallons)	4.1	4.0	5.4	3.8
Solid Waste *				
Number of Customers Served	9,496	9,543	9,495	9,445
Stormwater **				
Number of Customers Served	10,041	10,024	10,056	9,445

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**

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2013	2014	2015	2016	2017	2018
775	626	564	648	687	660
8,924	8,831	8,139	8,087	8,363	8,545
3,535	3,137	3,372	3,568	3,077	2,698
1,059	1,079	1,358	1,145	1,623	1,291
156	169	144	212	242	298
189	178	125	80	41	41
4,071	3,356	3,368	2,495	1,646	2,393
1,743	1,595	1,908	1,746	1,843	1,711
434	412	487	506	475	473
1,077	1,096	1,135	1,122	1,114	1,247
4,110	4,076	3,995	4,422	4,484	4,613
370	267	281	360	225	360
21	2	14	12	10	2
13	13	15	15	15	15
60	71	72	49	100	109
10,187	10,197	10,235	10,288	10,364	10,439
2.4	3.0	2.8	2.8	3.0	3.0
4.3	4.7	4.4	6.0	4.4	4.3
10,072	10,082	10,123	10,177	10,258	10,285
4.0	4.5	4.7	4.1	4.3	5.0
9,432	9,455	9,455	9,678	9,629	9,690
9,454	9,488	9,502	9,551	9,628	9,656

*Capital Asset Statistics by Function  
Last Ten Years*

	2009	2010	2011	2012
<b>Governmental Activities</b>				
General Government				
Land (acres)	7,680	7,680	7,680	7,677
Public Safety				
Police				
Stations	1	1	1	1
Vehicles	30	22	22	23
Fire				
Stations	2	2	2	2
Vehicles	12	11	11	13
Highways and Streets				
Streets (lane miles)	219	219	219	219
Street Lights	1,961	2,124	2,134	2,134
Traffic Signals	38	40	40	40
Recreation				
Land (acres)	122	120	120	117
Buildings/Shelters	20	12	12	11
Parks	15	14	14	13
Playgrounds	12	13	13	11
Tennis Courts	0	0	0	0
Baseball/Softball Diamonds	1	3	3	3
Soccer Fields	2	0	0	0
<b>Business-Type Activities</b>				
Utilities				
Water				
Waterlines (Miles)	140	140	142	142
Pump Stations	1	1	1	1
Average Daily Consumption	3.2 (mgd)	3.1 (mgd)	2.5 (mgd)	2.5 (mgd)
Storage Capacity (thousands of gallons)	8 (mgd)	8 (mgd)	8 (mgd)	9 (mgd)
Sewer				
Sewerlines (Miles)	146	146	146	146

Source: City Finance Director's Office

**CITY OF XENIA, OHIO**

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2013	2014	2015	2016	2017	2018
7,677	8,320	8,320	8,320	8,320	8,321
1	1	1	1	1	1
28	22	20	23	24	27
2	2	2	2	2	2
14	14	13	13	13	15
219	219	219	219	219	220
2,145	2,165	2,165	2,165	2,165	2,184
40	40	40	40	41	41
117	112	112	112	112	113
11	13	13	14	14	19
13	13	13	13	13	13
11	11	11	13	13	13
0	0	0	0	0	0
3	6	6	6	6	5
0	0	0	0	0	0
142	142	142	142	142	143
1	1	1	1	1	1
2.4 (mgd)	3.0 (mgd)	2.8 (mgd)	2.8 (mgd)	3.0 (mgd)	3.0 (mgd)
9 (mgd)	9 (mgd)	9 (mgd)	9 (mgd)	9 (mgd)	9 (mgd)
146	146	146	146	146	147

**CITY OF XENIA, OHIO**

*Capital Asset Value by Function  
Last Ten Years*

	2009	2010	2011	2012
<b>Governmental Activities</b>				
General Government				
Land and Improvements	\$ 259,130	\$ 259,130	\$ 259,130	\$ 259,130
Buildings	2,793,757	2,804,149	2,812,649	2,861,096
Equipment	1,240,923	1,260,554	1,274,600	1,420,954
Public Safety				
Land and Improvements	77,019	77,019	116,875	116,874
Buildings	956,607	1,233,558	1,283,652	1,304,735
Equipment	5,212,833	4,789,357	4,989,302	5,145,704
City Wide				
Land and Improvements	17,147,703	17,228,303	18,076,476	18,072,603
Buildings	2,835,423	2,703,757	2,719,757	3,729,073
Equipment	2,394,682	2,180,065	2,255,954	2,376,452
Infrastructure	15,065,947	15,247,920	15,763,408	16,285,036
Construction in Progress	273,106	685,664	1,625,763	752,822
<b>Business-Type Activities</b>				
Utilities				
Water				
Land and Improvements	214,794	214,794	214,794	214,794
Buildings and Improvements	2,870,415	2,900,634	2,900,633	2,900,633
Equipment	16,275,077	16,137,407	16,522,904	17,969,700
Construction in Progress	10,102	239,542	838,962	522,622
Sewer				
Land and Improvements	563,802	563,802	580,303	580,302
Buildings and Improvements	5,294,792	5,353,000	6,857,781	6,857,782
Equipment	25,469,564	25,477,355	26,566,972	26,683,388
Construction in Progress	212,444	2,351,012	124,916	1,634,109
Sanitation				
Land and Improvements	0	0	0	0
Buildings and Improvements	105,703	93,730	93,730	93,730
Equipment	778,320	778,320	784,865	976,672
Construction in Progress	0	0	0	152,072
Stormwater				
Land and Improvements	0	0	0	0
Buildings and Improvements	0	0	0	0
Equipment	8,740,317	8,801,902	8,801,902	8,932,711
Construction in Progress	0	0	0	2,340

**CITY OF XENIA, OHIO**

2013	2014	2015	2016	2017	2018
\$ 305,264	\$ 305,264	\$ 305,264	\$ 305,264	\$ 316,651	\$ 316,651
2,861,096	2,861,097	2,861,096	2,861,097	10,484,786	10,611,438
1,574,991	1,614,690	1,753,976	1,776,209	2,198,147	2,523,914
116,875	116,875	116,875	116,875	116,875	116,875
1,393,816	1,417,205	1,656,716	1,656,716	1,845,556	1,845,556
5,833,840	7,321,039	7,000,751	6,944,552	7,219,909	7,365,375
18,788,576	19,081,815	19,081,815	19,944,611	20,330,011	20,358,057
3,729,074	3,785,419	3,823,594	5,706,974	3,853,922	3,853,922
2,485,501	2,555,743	2,589,981	2,616,185	2,721,411	2,724,908
16,743,933	17,662,684	18,114,676	18,803,993	20,347,197	21,686,612
1,583,156	515,011	1,825,904	7,392,736	395,096	1,896,062
214,794	311,416	463,764	463,764	463,764	463,766
2,966,328	2,966,328	3,009,962	3,009,961	3,131,684	3,131,684
18,269,692	18,470,603	19,297,374	19,463,684	19,646,827	19,697,831
622,647	1,616,056	1,181,538	1,251,817	1,245,442	1,766,319
626,990	818,483	889,024	710,000	710,000	738,565
7,427,086	7,452,141	7,485,140	7,485,141	7,631,778	7,821,268
26,875,711	27,361,516	27,516,178	27,775,931	27,870,361	28,159,493
307,309	242,245	236,292	327,543	619,772	1,054,702
213,688	213,688	213,688	213,688	271,768	271,768
93,730	93,730	93,730	93,730	123,130	123,131
992,472	885,782	885,782	908,308	922,064	975,239
0	1,368	176,530	209,698	192,817	195,707
0	0	0	0	0	0
0	0	0	0	0	0
9,095,673	9,081,454	9,682,973	9,783,177	10,018,935	10,254,928
0	0	1,988	3,974	0	0

*Capital Asset Value by Function  
Last Ten Years*

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	2009	2010	2011	2012
Other Enterprise				
Land and Improvements	154,681	154,681	263,951	263,951
Buildings and Improvements	0	0	0	0
Equipment	0	20,081	20,081	20,081
Construction in Progress	0	56,301	0	57,261

Source: City Finance Director's Office

*CITY OF XENIA, OHIO*

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2013	2014	2015	2016	2017	2018
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	11,895	11,895
0	0	0	0	0	0

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OHIO AUDITOR OF STATE  
**KEITH FABER**



**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 3, 2019**