

**CITY OF XENIA**

**Single Audit Reports**

**December 31, 2010**





# Dave Yost • Auditor of State

City Council  
City of Xenia  
101 North Detroit Street  
Xenia, Ohio 45385

We have reviewed the *Independent Auditors' Report* of the City of Xenia, Greene County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2010 through December 31, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

August 22, 2011

**CITY OF XENIA, OHIO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

<b>Federal Grantor/Pass - Through Grantor, Program Title</b>	<b>Pass Through Entity Number</b>	<b>CFDA</b>	<b>Disbursements</b>
<b><u>U.S. DEPARTMENT OF HUD</u></b>			
<i>Pass-Through State Department of Development:</i>			
Community Development Block Grant - Formula Program	A-F-08-203-1	14.228	\$23,044
Community Development Block Grant - Formula Program	A-F-09-203-1	14.228	75,521
Community Development Block Grant - CDBG Program	A-T-09-203-1	14.228	26,609
Neighborhood Stabilization Program Grant	B-Z-08-027-1	14.218	58,951
			184,125
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Direct Funding</i>			
Crime Victim Assistance	ARRA	2009VA826X	26,400
Crime Victim Assistance		2010VAGENE538	23,759
Crime Victim Assistance		2011VAGENE538	19,528
Violence Against Women Formula Grant		2009-WF-VA2-8308	57,000
Edward Bryne Memorial Justice Assistance Grant		2009-JG-D01-6591	39,929
Justice Assistance Grant	ARRA	2009-RA-D01-2156	24,178
Edward Bryne Memorial Justice Assistance Grant	ARRA	2009-SB-B9-1993	23,749
			214,543
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
<i>Pass-Through Ohio Department of Transportation</i>			
Jamestown Connector Project		E060(905)/81703	67,029
Xenia Bikeway (Xenia Sidewalk Widening and Curb Work)	ARRA	E090(723)/86222	17,264
Xenia Streetscape Project Phase 1	ARRA	E070(274)	43,558
East Main Street Streetscape	ARRA	E090(727)/86225	178,361
			306,212
<b><u>US ENVIRONMENTAL PROTECTION AGENCY</u></b>			
<i>Passed Through The Ohio Environmental Protection Agency</i>			
NonPoint Source Implementation		C9975500009	126,092
			126,092
<b><u>US DEPARTMENT OF HOMELAND SECURITY - FEDERAL EMERGENCY MANAGEMENT AGENCY</u></b>			
<i>Direct Funding</i>			
Fire Sprinkler Grant		EMW-2009-FO-02241	3,236
<i>Passed Through Ohio Emergency Management Agency</i>			
National Urban Search and Rescue			5,533
			839,741

**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 and Members of City Council  
City of Xenia, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Xenia (the City), as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

*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. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses as Finding 2010-1.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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*.

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the City's response and, accordingly, we express no opinion on it.

We noted certain matters that we reported to management of the City in a separate letter dated June 30, 2011.

This report is intended solely for the information and use of management, the Auditor of State, and City Council and is not intended to be and should not be used by anyone other than these specified parties.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
June 30, 2011

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT  
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the City of Xenia's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2010. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the City as of and for the year ended December 31, 2010, and have issued our report thereon dated June 30, 2011, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, the Auditor of State, the City Council, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
June 30, 2011



**CITY OF XENIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2010**

**Section I – Summary of Auditor’s Results**

<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<i>(d)(1)(ii)</i>	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	Yes
<i>(d)(1)(ii)</i>	<i>Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any material reported non-compliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were the any other significant control deficiencies reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under Section .510?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (list):</i>	CFDA #20.205 Highway Planning and Construction - ARRA
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: > \$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes

**Section II – Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS**

**2010–1 Finding Type —Material Weakness—Controls Related to Financial Reporting**

During the course of our audit, a material misstatement involving an amount reported in a prior year was identified requiring an audit adjustment in the financial statements. The misstatement was not prevented or detected and corrected on a timely basis by the City’s internal control and therefore constitutes a material weakness in internal control related to financial reporting

Throughout the year, the City maintains its books and records on the cash basis of accounting and converts its financial statements at year end to generally accepted accounting principles. The audit adjustment was necessary to correct an error in the City’s conversion process. The entry to convert loan disbursements to loans receivable was overlooked and the conversion review procedures were not designed to detect the omission.

Recommendation:

Implementation of review procedures related to financial reporting will help ensure all accounts and disclosures are accurately and properly reported in the financial statements.

Management Response:

The City concurs.

**Section III – Federal Award Findings and Questioned Costs**

None

**CITY OF XENIA**  
**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS**  
***OMB CIRCULAR A-133***  
**DECEMBER 31, 2010**

**No prior audit findings / questioned costs.**

**This Page is Intentionally Left Blank.**



# XENIA

VIVID HISTORY. VIBRANT FUTURE.



CITY OF XENIA, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2010

***THE CITY OF XENIA, OHIO***

GREENE COUNTY

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2010**

**Prepared by:  
Department of Finance**

**Mark A. Bazalak  
Finance Director**

**Ryan Duke  
Assistant Finance Director**

**Denise Estle  
Finance Technician**



**This Page is Intentionally Left Blank.**



TABLE OF CONTENTS

CITY OF XENIA  
GREENE COUNTY, OHIO

---

**I** INTRODUCTORY SECTION

**A** Letter of Transmittal .....v  
**B** List of Principal Officials .....xii  
**C** City Organizational Chart .....xiii  
**D** Finance Department Organizational Chart .....xiv  
**E** Certificate of Achievement for Excellence in Financial Reporting..... xv

**II** FINANCIAL SECTION

**A** Report of Independent Accountants .....1  
**B** Management’s Discussion and Analysis.....3  
**C** Basic Financial Statements:  
    Government-wide Financial Statements:  
        Statement of Net Assets .....15  
        Statement of Activities .....16  
    Fund Financial Statements:  
        *Governmental Funds:*  
            Balance Sheet .....18  
            Reconciliation of Total Governmental Fund Balances to Net Assets of  
            Governmental Activities .....20  
            Statement of Revenues, Expenditures and Changes in Fund Balances .....22  
            Reconciliation of the Statement of Revenues, Expenditures and Changes  
            in Fund Balances to the Statement of Activities .....24  
            Statement of Revenues, Expenditures and Changes in Fund Balance -  
            Budget and Actual (Non-GAAP Budgetary Basis):  
                General Fund .....25  
                State Gas and Vehicle License Fund .....26  
                Police and Fire Fund .....27  
        *Proprietary Funds:*  
            Statement of Net Assets .....28  
            Statement of Revenues, Expenses and Changes in Fund Net Assets .....32  
            Statement of Cash Flows .....34  
        *Fiduciary Funds:*  
            Statement of Assets and Liabilities .....38  
Notes to the Basic Financial Statements .....39

**D Combining and Individual Fund Statements and Schedules:**

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	73
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	76
Combining Balance Sheet – Nonmajor Capital Projects Funds .....	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds .....	79

Individual Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):

Major Governmental Funds:

<i>General Fund</i> .....	80
<i>Special Revenue Funds:</i>	
State Gas and Vehicle License Fund .....	86
Police and Fire Fund.....	87
<i>Capital Projects Funds:</i>	
Capital Improvements Fund .....	88

Nonmajor Governmental Funds:

<i>Special Revenue Funds:</i>	
Recreation Special Fund.....	89
Indigent Driver Alcohol Treatment Fund.....	90
Law Enforcement and Education Fund .....	91
State Route Repair Fund.....	92
City Motor Vehicle License Tax Fund.....	93
County Motor Vehicle License Tax Fund.....	94
Special Miscellaneous Improvements Fund .....	95
Tax Increment Equivalent Fund .....	96
911 Fund.....	97
Law Enforcement Fund .....	98
Drug Law Enforcement Fund.....	99
Municipal Court Victim Fund .....	100

<i>Debt Service Fund:</i>	
Debt Service Fund .....	101
<i>Capital Projects Funds:</i>	
Municipal Court Capital Improvements Fund.....	102
Issue II Fund.....	103
<i>Nonmajor Enterprise Funds:</i>	
Combining Statement of Net Assets.....	106
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets.....	107
Combining Statement of Cash Flows .....	108
<i>Internal Service Funds:</i>	
Combining Statement of Net Assets.....	113
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets.....	114
Combining Statement of Cash Flows .....	115
Fiduciary Funds – Agency Funds:	
Combining Statement of Changes in Assets and Liabilities.....	117

**III** STATISTICAL SECTION

Net Assets by Component - Last Nine Years ..... S 2  
Changes in Net Assets - Last Nine Years ..... S 4  
Fund Balances, Governmental Funds - Last Ten Years ..... S 8  
Changes in Fund Balances, Governmental Funds - Last Ten Years ..... S 10  
Income Tax Revenues by Source, Governmental Funds - Last Ten Years ..... S 12  
Income Tax Collections - Current Year and Four Years Ago ..... S 15  
Ratio of Outstanding Debt By Type - Last Ten Years ..... S 16  
Ratios of General Bonded Debt Outstanding - Last Ten Years..... S 18  
Computation of Direct and Overlapping Debt Attributable to  
Governmental Activities - Current Year ..... S 21  
Debt Limitations - Last Ten Years ..... S 22  
Demographic and Economic Statistics - Last Ten Years ..... S 24  
Principal Employers - Current Year and Three Years Ago..... S 27  
Full Time Equivalent Employees by Function - Last Ten Years ..... S 28  
Operating Indicators by Function - Last Ten Years ..... S 30  
Capital Asset Statistics by Function - Last Ten Years ..... S 32  
Capital Asset Values by Function - Last Ten Years..... S 34



# Department of Finance

101 North Detroit Street • Xenia, Ohio 45385-2996 • Bus. (937) 376-7235 • Fax (937) 374-1818

June 30, 2011

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, 2010 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 report of the independent accountants.

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.

## **Independent Audit**

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 and the State Auditor's Office selected the firm Plattenburg and Associates, Inc. to perform the 2010 audit of the City. The auditors' unqualified opinion is included in the Financial Section of this report.

## **Single Audit**

If \$500,000 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 Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments". The City's expenditures of federal awards in 2010 did require that a single audit be performed. Information related to this single audit can be found in a separate audit report.

- v -

*City of Hospitality*

An Equal Opportunity Employer

***Letter of Transmittal  
For the Year Ended December 31, 2010***

---

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. As part of the City's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state assistance programs, as well as to determine that the City has complied with applicable state and local laws and regulations. The results of the City's single audit for the fiscal year ended December 31, 2010 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

**GOVERNMENT PROFILE**

Xenia is a City of 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; and recreational activities.

**Component Unit**

In addition to general government activities, the reporting entity of the City of Xenia includes the Xenia Economic Growth Corporation (XEGC), a discretely presented component unit. A separate report is issued for the Xenia Economic Growth Corporation. Information on the component unit is also reported in the entity wide statements.

**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 appropriate changes will be made. 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, and capital outlay 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 personnel services and operating expenses, or between operating and capital outlay, or between capital outlay and personnel services. In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriations budget approved by the City Council. Activities of all of the City's funds are included in the appropriations budget. The City's budget accounts for transactions on a basis of

***Letter of Transmittal  
For the Year Ended December 31, 2010***

---

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 carry-over at year-end and are re-appropriated as part of the following year's budget.

**ECONOMIC CONDITIONS**

**Local Economy**

Slumping national, state and local economies continue to plague the City. Unemployment was high at 10.5% though it did fall from 12.1% in the prior year. The vast majority of households in the City had taxable income less than \$20,000 in 2010 which speaks to the challenges with the tax base the City faces. City Income tax collections experienced modest growth in 2010 but were still below collections received in 2008. These revenue shortfalls forced the City to reduce services and lay off employees in numerous departments including Fire and Police. Wage freezes and reductions were also implemented to reduce costs. The City cut expenditures in several other areas as well such as the closure of the City's second fire station, changing health insurance options, altering liability insurance coverage's, and brokering new electric utility deals. As a result of aggressive cost cutting strategies and modest revenue growth in income tax collections the City maintained a positive cash flow in 2010. In addition, during 2010 the City refinanced its general obligation debt and received an A-1 bond rating from Moody's. This bond rating was achieved prior to the passage of a .5% income tax increase in November. This bond rating is a testament to management's ability to address the City's fiscal condition in economic downturns.

**Long Term Financial Planning**

In November of 2010 a ballot initiative passed increasing the City's income tax rate from 1.75% to 2.25%. Half of the increase was for the purpose of supporting police and fire operations. The increase allowed the City to restore laid off Police Officers and Firefighters, and reopen Fire Station # 2. The other half of the increase was to fund capital improvement projects including \$500,000 annually dedicated to street improvements.

While an increased income tax rate most certainly improves the City's financial situation administration recognizes numerous challenges in the coming years. Major concerns include reductions in state funds, unemployment rates, increased health care and commodity costs, income demographics, and high service demands. The City has explored several options which may provide the City with additional revenue. The City entered into a Joint Economic Development District agreement with the school district and township for an elementary school located outside of City limits. While the City may explore other revenue generating initiatives, strong economic development is an absolute necessity.

The City partially relies on its economic development arm the Xenia Economic Growth Corporation to facilitate development. The City is currently evaluating the structure and operation of XEGC to determine how economic development will be approached in the future. An income tax rebate program was instituted in 2010 in an effort to make Xenia more attractive to new businesses or those looking to expand. 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 begun to develop is the OVCH South Industrial Park. The City currently utilizes rural enterprise zone

***Letter of Transmittal  
For the Year Ended December 31, 2010***

---

agreements which give partial tax abatement for real property taxes. The City of Xenia will continue to provide financial and marketing assistance to promote retention and expansion of existing businesses and to attract new business.

The City's infrastructure is in need of great repair and the November ballot initiative gave the City a dedicated revenue source to address those needs. The City has continued to maintain, review, and update yearly a five-year capital improvement program that provides a framework for the maintenance and expansion of the infrastructure to meet current and future needs. The City Council has taken a strong leadership role in this area to ensure that public infrastructures are maintained and will be in place to facilitate continuing economic development.

The City has continued an aggressive program to improve and increase services and to repair, replace and expand its public facilities, streets and utilities systems. The utilization of the State's Issue 2 and Local Transportation Improvement Program has helped fund twenty (20) such projects totaling \$5,685,032 since their inception.

**Relevant Financial Policies**

The City has a policy to maintain at least a two month operating reserve in its key operating funds. It is also expected that the key operating funds have a positive cash flow. That is, operating revenues should exceed operating expenses in those funds. To comply with these expectations management has taken action and made tough decisions including the elimination of several positions. These policies have allowed the City to meet all of its obligations, maintain a respectable bond rating, and sustain a balance which can be utilized in the case of emergency. The City has a number of policies in place to ensure compliance with the City Charter and State law and to maintain adequate internal controls.

**MAJOR INITIATIVES**

**For the Year**

The City has continued to establish and work towards clearly defined goals and objectives. During the budget review process, goals and objectives are developed and prioritized by the City Council and City Staff. The goal and objective setting process drives the organization. It is a continuous cycle of reviewing short and long-term goals, setting goals and objectives, evaluating the results, and reassessing short and long-term goals and their priority. In preparing the 2010 budget, the City identified several major programs/projects needed to meet citizens' needs for cost effective services, to comply with applicable mandated federal and state requirements and to maintain the City's infrastructure.

These programs/projects include:

- Completed bond refinancing with bond rating of A1 by Moodys
- Continued the upgrade of Springhill Park through the purchase of fitness equipment
- Completed the Miami Avenue reconstruction



***Letter of Transmittal  
For the Year Ended December 31, 2010***

---

- Completed the Ford Road Training Center for the Police department
- Continued the engineering design for the Jamestown Connector Bikepath Tunnel
- Completed Bikeway Improvements on South Detroit St. with ARRA funds
- Began the construction of the West Main Street Enhancement Project
- Began the construction of the Jamestown Connector Bikepath
- Began the engineering for the Xenia Station Bicycle Spur Enhancement Project
- Completed Streetscape Improvements on East Main St. with ARRA funds
- Completed the Phase II environmental site assessment for the former Hooven and Allison Industrial Complex through the Clean Ohio Assistance Fund
- Completed Parking Lot Improvements in the Downtown
- Began the Wayfinding Signage project for the Downtown
- Began the installation of a Programmable Logic Controller System for the Water Treatment Plant
- Completed the Little Miami Stream Restoration Project utilizing EPA and ARRA monies
- Completed the infiltration/inflow study for the sanitary sewer collection system

**For the Future**

In 2007 City Council identified several components of a vital sustained community. These components include public safety, quality of life, good governance, health and wellness, public service, education, community image, community involvement, housing, business development, retail and service presence, and a viable workforce. Each component contains several strategic goals that City Council and Administration will strive to achieve in the City's pursuit of a vibrant future.

In 2009 the City developed the "2020 Vision Plan" focusing on six core elements to establish a vibrant future. These core elements are Economic Development, Image Enhancement, Quality Service Provision, Community Outreach, Adequate Financial Resources, and Infrastructure Stabilization. Each of these core elements has initiatives that will begin the process of implementing the "2020 Vision Plan".

***Letter of Transmittal  
For the Year Ended December 31, 2010***

---

The City will continue to address the six core elements of its vision plan through a variety of avenues. Image Enhancement will deal with new residential construction and design guidelines and improvements to gateway entrances. Community Outreach has already begun with the creation of the City's Facebook page, the return of the City Newsletter and surveying of City residents. The City has also budgeted dollars for a comprehensive plan update in which citizens will be very involved. The Quality Service Provision is being addressed on several fronts. A public safety study, information technology study, and the comprehensive plan update will all touch various aspects of quality service. The Adequate Financial Resources core element initiative will focus primarily on economic development which will in time improve the tax base. Infrastructure Stabilization will focus on identifying priorities to develop the five year capital improvement program which will be utilized to implement the vision plan.

The major projects planned for 2011 are to complete the construction of a 20" redundant water main line with Issue II monies; begin the Downtown Façade Loan and Architectural Design Programs; complete the construction of the "Contract A" Wastewater Improvements at the Ford Road Plant; begin the \$500,000+ a year street resurfacing program utilizing funding from passage of the .50% income tax increase; begin the engineering and construction of the Shawnee Park Pavilion and Pond retaining wall; continue the upgrade of Springhill Park with signage and streetscape improvements; complete the Downtown Wayfinding Signage Project; complete the installation of the Programmable Logic Controller for the Water Treatment Plant; replacement of the Sewer Jet Vacuum Truck; begin the engineering design for "Contract B" at the wastewater plants; begin the engineering design for the Ford Road Interceptor Sewer Project; continue the Catch Basin repair program; begin a sewer lining and lateral replacement project; begin the Comprehensive Plan Update; complete the West Main Street Enhancement Project; complete the engineering for the Bike Spur Enhancement Project; and to complete the Jamestown Connector Bikepath and the engineering for the Tunnel.

**AWARDS AND ACKNOWLEDGMENTS**

**Awards**

The Government Finance Officer's Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Xenia for its comprehensive annual financial report for the year ended December 31, 2009. This was the twenty-seventh consecutive year that the City has received the prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. The report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current report will also conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate

The City also received the "Making your tax dollars count" award from the Ohio Auditor of State for excellence in financial reporting. Fewer than five percent of all Ohio government agencies are eligible for this award.

***Letter of Transmittal  
For the Year Ended December 31, 2010***

---

**Acknowledgments**

The preparation of the comprehensive annual financial report on a timely basis 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.

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,

Respectfully submitted,



Mark A. Bazelak  
Finance Director

***List of Principal Officials  
For the Year Ended December 31, 2010***

---

**CITY COUNCIL**

Jeanne Mills	President
William R. (Bill) Miller	Vice President
Marsha Bayless	Mayor
Michael Engle	
Dale Louderback	
John Caupp	
Wesley Smith	

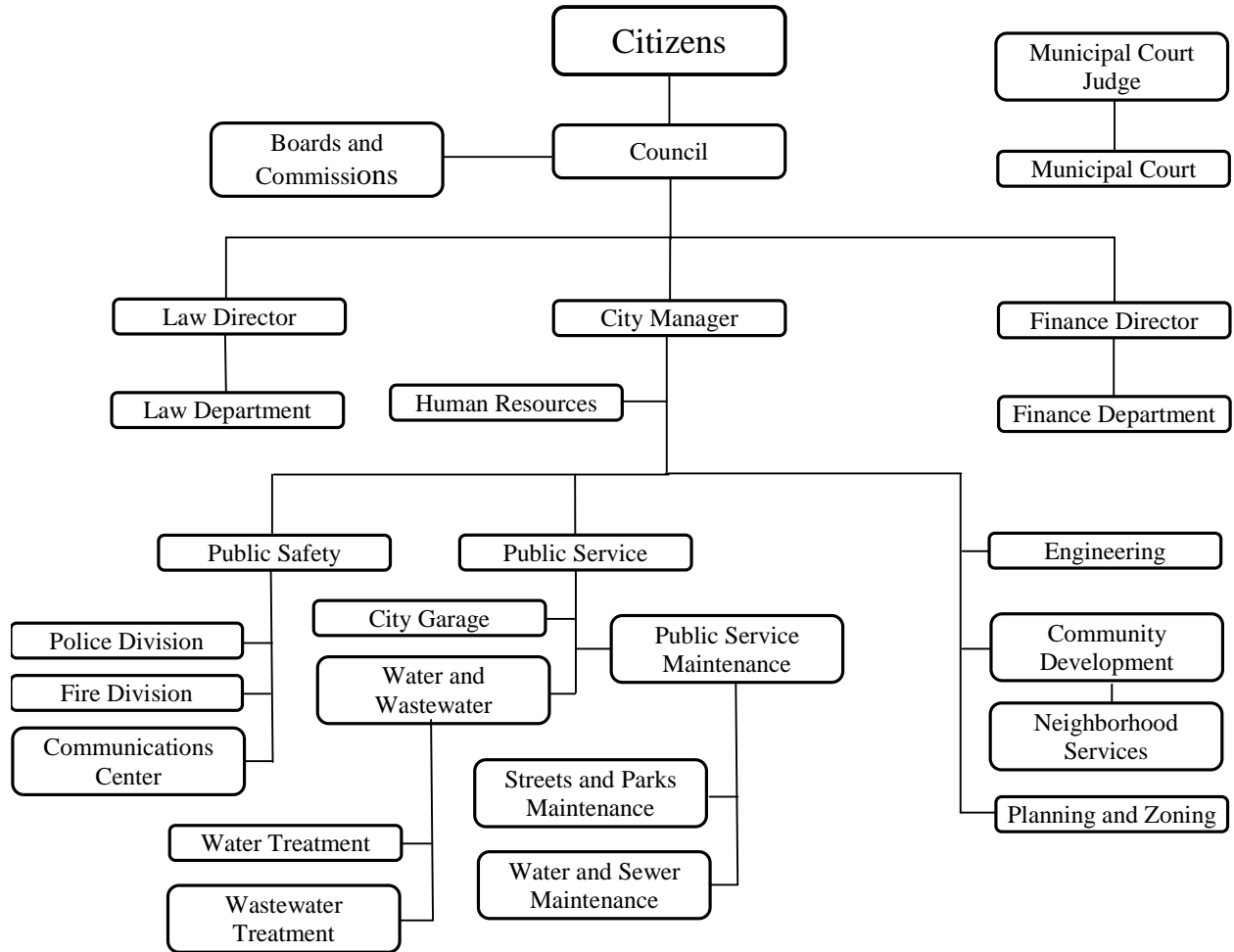
**APPOINTED OFFICIALS**

Ronald C. Lewis	Law Director
Mark A. Bazelak	Finance Director
James W. Percival	City Manager

**DEPARTMENT OF FINANCE STAFF**

Mark A. Bazelak	Finance Director
Ryan Duke	Assistant Finance Director
Diana Steck	Accounts Receivable Manager
Edgar Cardenas	Information Technology Manager
Craig Birchard	Information Technology Technician
Michelle Johnson	City Clerk
Denise Estle	Finance Technician/Finance
Mary Ann Richardson	Finance Clerk/Accounts Payable
Bill McCarthy	Finance Clerk/Payroll
Eddie Collins	Finance Clerk/Income Tax
Dennis W. Evans	Finance Clerk/Income Tax
Karly Burns	Finance Clerk/Income Tax
Jannette Reedy	Finance Clerk/Utility Billing
Deborah Smith	Finance Clerk/Utility Billing
Angela Ferrero	Finance Clerk/Utility Billing
Julie Willis	Finance Clerk/Utility Billing

**City Organizational Chart  
For the Year Ended December 31, 2010**



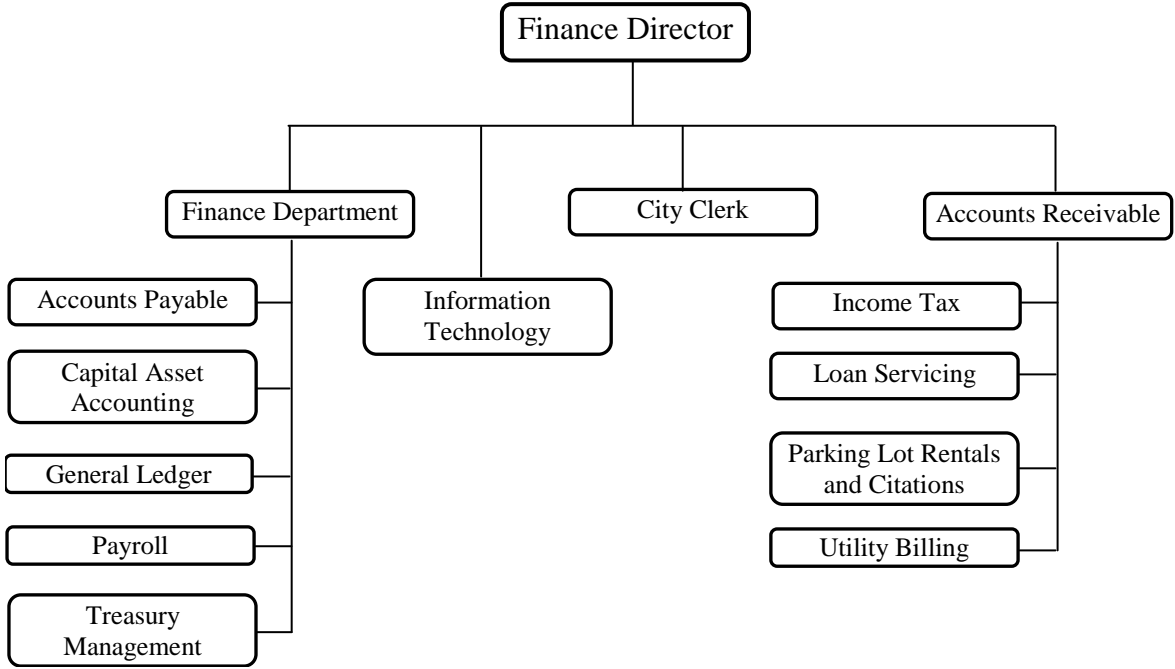
- Commissions**
- Records
  - Traffic Commission
  - Beautification & Environmental
  - Community Relations
  - Civil Service
  - Planning

- Boards**
- Loan Trust
  - Tax Appeals
  - Zoning Appeals
  - Recreation Arts & Cultural Activities

Xenia Economic Growth Corporation

*Finance Department Organizational Chart  
For the Year Ended December 31, 2010*

---



*Government Finance Officers Association of the United States and Canada  
Certificate of Achievement for Excellence in Financial Reporting*

---

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, 2009

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



President

Executive Director





**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City of Xenia (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements. These financial statements are the responsibility of the City's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the City, as of December 31, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof, and the respective budgetary comparisons for the General Fund, State Gas & Vehicle License Fund and Police & Fire Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2011, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 it.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
June 30, 2011

***Management's Discussion and Analysis***

***For the Year Ended December 31, 2010***

***Unaudited***

---

The discussion and analysis of Xenia City's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2010. 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 2010 are as follows:**

The total change in the net assets of Xenia City was \$3,462,607. Net assets of governmental activities increased \$1,023,278, which represents a 2.51% increase from 2009. Net assets of business-type activities increased by \$2,439,329 or 8.35% from 2009.

General revenues accounted for \$13.4 million or 44.6% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$16.7 million or 55.4% of total revenues of \$30.1 million.

The total assets of governmental activities increased by \$752,965 due to a reduction in operating expenses. Current and other assets increased \$805,679.

The City had \$17.6 million in expenses related to governmental activities; \$5.3 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$13.3 million provided additional support for these programs.

The general fund had \$8.5 million in revenues, \$3.4 million in expenditures and transfers to other funds of \$7.5 million. The general fund balance decreased \$2,457,661 to \$2,042,832.

The net assets for business-type activities increased \$2,439,329. Water, Sewer, and Sanitation funds all experienced significant increases in net assets. Reductions in operating expenses caused the increases in net assets. Charges for services also grew significantly in the Sewer Fund.

**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.

***Management's Discussion and Analysis***

***For the Year Ended December 31, 2010***

***Unaudited***

---

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, including the Xenia Economic Growth Corporation (XEGC), the City's discretely presented component unit, using accepted methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of 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 assets and how they have changed. Net-assets (the difference between the City's assets and liabilities) are one way to measure the City's financial health or position.

Over time, increases or decreases in the City's net assets 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 program's and services are reported here including public safety, public health and welfare services, recreation, community 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.

A separately issued audit report containing financial statements is available from XEGC at 181 W. Main Street, Xenia, Ohio 45385.

***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.

**Management's Discussion and Analysis**

**For the Year Ended December 31, 2010**

**Unaudited**

**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 Assets 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 assets between 2010 and 2009.

	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Total	Total
	2010	2009	2010	Restated 2009	2010	Restated 2009
Current and other assets	\$13,428,499	\$12,622,820	\$12,829,808	\$9,742,071	\$26,258,307	\$22,364,891
Capital assets, net	35,193,286	35,246,000	29,200,827	27,944,511	64,394,113	63,190,511
Total assets	48,621,785	47,868,820	42,030,635	37,686,582	90,652,420	85,555,402
Long-term debt outstanding	3,832,203	4,136,482	9,140,578	7,939,665	12,972,781	12,076,147
Other liabilities	2,942,353	2,908,387	1,243,494	539,683	4,185,847	3,448,070
Total liabilities	6,774,556	7,044,869	10,384,072	8,479,348	17,158,628	15,524,217
Net assets						
Invested in capital assets net of related debt	33,054,119	32,711,191	21,637,865	21,442,195	54,691,984	54,153,386
Restricted	6,100,965	4,179,524	178,266	0	6,279,231	4,179,524
Unrestricted	2,692,145	3,933,236	9,830,432	7,765,039	12,522,577	11,698,275
Total net assets	\$41,847,229	\$40,823,951	\$31,646,563	\$29,207,234	\$73,493,792	\$70,031,185

**CITY OF XENIA, OHIO**

**Management's Discussion and Analysis**

**For the Year Ended December 31, 2010**

**Unaudited**

Change in Net Assets – The following table shows the changes in net assets for the fiscal year 2010 compared to 2009.

	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Total	Total
	2010	2009	2010	Restated 2009	2010	Restated 2009
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for services and sales	\$3,764,775	\$3,278,787	\$10,712,076	\$9,523,722	\$14,476,851	\$12,802,509
Operating grants and contributions	459,403	253,541	627,888	0	1,087,291	253,541
Capital grants and contributions	1,098,518	744,718	0	418,589	1,098,518	1,163,307
<b>General Revenues:</b>						
Income taxes	8,272,340	8,318,554	0	0	8,272,340	8,318,554
Other local taxes	39,052	1,899,658	0	0	39,052	1,899,658
Property Taxes	1,582,440	0	0	0	1,582,440	0
Motor vehicle and gasoline taxes	1,459,124	1,163,541	0	0	1,459,124	1,163,541
Intergovernmental, unrestricted	1,755,690	2,048,476	0	0	1,755,690	2,048,476
Investment earnings	80,055	264,225	0	0	80,055	264,225
Miscellaneous	209,174	409,876	0	0	209,174	409,876
Total revenues	18,720,571	18,381,376	11,339,964	9,942,311	30,060,535	28,323,687
<b>Expenses</b>						
<b>Program Expenses</b>						
General government	3,577,856	3,474,135	0	0	3,577,856	3,474,135
Public safety	11,311,480	11,984,216	0	0	11,311,480	11,984,216
Health	306,963	54,605	0	0	306,963	54,605
Highways and streets	1,801,149	1,952,667	0	0	1,801,149	1,952,667
Community development	247,659	285,954	0	0	247,659	285,954
Recreation	284,934	406,396	0	0	284,934	406,396
<b>Debt service:</b>						
Interest and fiscal charges	104,977	126,203	0	0	104,977	126,203
Water	0	0	2,980,976	3,110,764	2,980,976	3,110,764
Sewer	0	0	3,883,632	4,191,056	3,883,632	4,191,056
Sanitation	0	0	1,577,458	1,644,491	1,577,458	1,644,491
Storm Water	0	0	277,359	187,640	277,359	187,640
Other enterprise funds	0	0	243,485	370,151	243,485	370,151
Total expenses	17,635,018	18,284,176	8,962,910	9,504,102	26,597,928	27,788,278
<b>Total change in net assets</b>						
before transfers	1,085,553	97,200	2,377,054	438,209	3,462,607	535,409
Transfers	(62,275)	170,082	62,275	(170,082)	0	0
Total change in net assets	1,023,278	267,282	2,439,329	268,127	3,462,607	535,409
Beginning net assets	40,823,951	40,556,669	29,207,234	28,939,107	70,031,185	69,495,776
Ending net assets	\$41,847,229	\$40,823,951	\$31,646,563	\$29,207,234	\$73,493,792	\$70,031,185

**CITY OF XENIA, OHIO**

**Management's Discussion and Analysis**

**For the Year Ended December 31, 2010**

**Unaudited**

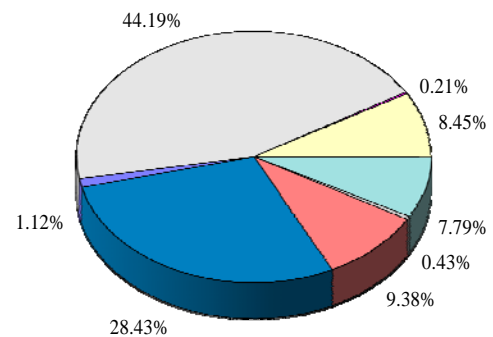
**Governmental Activities**

Net assets of the City's governmental activities increased by \$1,023,278. This increase can be attributed to cost containing measures taken by the City which included program elimination and layoffs.

The City receives an income tax, which is based on 1.75% of all salaries, wages, commissions and other compensation and on net profits earned from residents living or working within the City.

Property taxes and income taxes made up 8.45% and 44.19% respectively of revenues for governmental activities for the City in fiscal year 2010. The City's reliance upon tax revenues is demonstrated by the following graph indicating 60.64% of total revenues from general tax revenues.

Revenue Sources	2010	Percent of Total
Municipal income taxes	\$8,272,340	44.19%
Other local taxes	39,052	0.21%
Property taxes	1,582,440	8.45%
Motor vehicle and gas taxes	1,459,124	7.79%
Investment earnings	80,055	0.43%
Intergovernmental , unrestricted	1,755,690	9.38%
Program revenues	5,322,696	28.43%
Miscellaneous	209,174	1.12%
<b>Total Revenue</b>	<b>\$18,720,571</b>	<b>100.00%</b>



**Business-Type Activities**

Net assets of the business-type activities increased \$2,439,329. Every Major Enterprise Fund experienced an increase.

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

The City's governmental funds reported a combined fund balance of \$8,802,205 which is an increase from last year's balance of \$8,161,908. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2010 and 2009:

	Fund Balance December 31, 2010	Fund Balance December 31, 2009	Increase (Decrease)
General	\$2,042,832	\$4,500,493	(\$2,457,661)
State Gas and Vehicle License	330,327	292,660	37,667
Police & Fire Fund	2,580,595	0	2,580,595
Capital Improvements	1,327,145	1,409,730	(82,585)
Other Governmental	2,521,306	1,959,025	562,281
<b>Total</b>	<b>\$8,802,205</b>	<b>\$8,161,908</b>	<b>\$640,297</b>

**Management's Discussion and Analysis**

**For the Year Ended December 31, 2010**

**Unaudited**

*General Fund – Revenues:* General Fund revenues in 2010 decreased approximately 44.49% compared to revenues in fiscal year 2009 as shown in the chart below. In 2010 the City created a Police and Fire Fund to account for revenues and expenditures specific to public safety. This meant that several revenues previously reported in the General Fund would now be recorded in the police and Fire Fund. The creation of this new fund explains the large decrease in revenues within the general fund. The City did however experience a decline in estate tax receipts and recognized fewer income tax revenues as the result of a weakened economy. The City also created a 911 Fund in 2010 which records fees related to communications centers that were previously recorded in the general fund. This was the primary reason that fines, costs, forfeitures, and permits saw a significant decline.

	2010 Revenues	2009 Revenues	Increase (Decrease)
Municipal Income Taxes	\$4,083,217	\$8,418,354	(\$4,335,137)
Other Local Taxes	1,072,225	1,627,290	(555,065)
State Shared taxes and permits	1,776,638	1,869,049	(92,411)
Intergovernmental grants	197,008	141,089	55,919
Charges for services	0	1,665,371	(1,665,371)
Fines, costs, forfeitures, Licenses and permits	1,065,654	1,238,896	(173,242)
Miscellaneous receipts including interest earnings	297,342	338,815	(41,473)
<b>Total</b>	<b>\$8,492,084</b>	<b>\$15,298,864</b>	<b>(\$6,806,780)</b>

*General Fund – Expenditures:* General Fund expenditures decreased \$11,343,428 over the prior year. This again has to do with the creation of a police and fire fund. Public safety expenses once recorded in the General Fund are now recorded in the Police and Fire Fund.

	2010 Expenditures	2009 Expenditures	Increase (Decrease)
General Government	\$2,680,427	\$2,516,100	\$164,327
Public Safety	0	11,315,075	(11,315,075)
Health	48,257	51,780	(3,523)
Highways and Streets	272,387	270,859	1,528
Community Development	248,432	289,694	(41,262)
Recreation	167,728	317,151	(149,423)
<b>Total</b>	<b>\$3,417,231</b>	<b>\$14,760,659</b>	<b>(\$11,343,428)</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 \$12.1 million did not significantly change over the original budget estimates of \$11.9 million. The final budgeted expenditures of \$4.4 million did not significantly exceed original appropriations of \$4.3 million. The City budgeted transfers of \$10.3 million in the original budget and that number did not change. The largest variances between the final budget and actual revenues were in state shared taxes and permits.



**Management's Discussion and Analysis**

**For the Year Ended December 31, 2010**

**Unaudited**

The variances in state shared taxes and permits were due to cuts in state local government funding. The General Fund had an adequate fund balance to cover expenditures.

*Capital Improvement Fund* – The City's General Capital Improvement Fund revenues increased by \$91,995 or 9.4% compared to 2009. The increase is the result of the City receiving significant grant dollars in 2010 as well as the passage of a new income tax levy that will fund capital improvements. Interest revenue was down considerably in 2010.

	<u>Revenues</u>	<u>Revenues</u>	<u>(Decrease)</u>
Income Taxes	\$127,807	\$0	\$127,807
Other Local Taxes	36,654	44,590	(7,936)
Intergovernmental Grants	819,016	669,954	149,062
Charges for Services	800	400	400
Fines, Costs, Forfeitures, Licenses and Permits	0	0	0
Miscellaneous Receipts including interest earnings	82,329	259,667	(177,338)
	<u>\$1,066,606</u>	<u>\$974,611</u>	<u>\$91,995</u>

Capital improvement fund expenditures decreased by \$939,589 in 2010. The primary cause of the decrease was the creation of the Police and Fire Fund. Many capital expenditures formally recorded in the General Capital Improvement Fund are now recorded in the Police and Fire Fund.

	<u>2010</u>	<u>2009</u>	<u>Increase</u>
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Public Safety	\$0	\$107,984	(\$107,984)
Capital Outlay	\$1,050,706	\$1,559,591	(\$508,885)
Debt Service:			
Principal retirement	85,969	352,436	(266,467)
Interest & Fiscal Charges	12,516	68,769	(56,253)
	<u>\$1,149,191</u>	<u>\$2,088,780</u>	<u>(\$939,589)</u>

The primary funding sources for the capital improvements fund are intergovernmental grants and interest earnings. In future years an Income tax levy that was passed in November of 2010 will be a primary source. Significant income tax collections in the General Capital Improvement Fund should make transfers from the General Fund less frequent.

**Management's Discussion and Analysis**

**For the Year Ended December 31, 2010**

**Unaudited**

*Enterprise Funds* – The City's enterprise funds reported a net assets balance of \$31,518,169 which is an increase from last year's balance of \$29,149,084. The schedule below indicates the net assets balance and the total change in net assets by activity as of December 31, 2010 and 2009.

	Net Assets Balance December 31, 2010	Net Assets Balance December 31, 2009 Restated	Increase (Decrease)
Water	\$11,821,576	\$11,363,562	\$458,014
Sewer	11,448,364	9,968,614	1,479,750
Sanitation	701,446	379,118	322,328
Storm Water	6,407,755	6,322,174	85,581
Other Enterprise	1,139,028	1,115,616	23,412
<b>Total</b>	<b>\$31,518,169</b>	<b>\$29,149,084</b>	<b>\$2,369,085</b>

There were major changes in enterprise fund net assets in 2010. The Sewer Fund had the largest dollar value increase while the Sanitation Fund had the largest percentage increase. Most funds saw significant changes in net assets in 2010. Overall the change in net assets in the Enterprise funds was 8.0%.

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

	Water			Sewer		
	2010	2009	Increase (Decrease)	2010	2009	Increase (Decrease)
Operating Revenues	\$3,354,055	\$3,272,281	\$81,774	\$4,833,400	\$3,949,343	\$884,057
Non-Operating Revenues	101,547	153,037	(51,490)	546,898	141,543	405,355
<b>Total</b>	<b>\$3,455,602</b>	<b>\$3,425,318</b>	<b>\$30,284</b>	<b>\$5,380,298</b>	<b>\$4,090,886</b>	<b>\$1,289,412</b>
Operating Expenses	\$2,959,265	\$3,068,692	(\$109,427)	\$3,701,361	\$4,000,280	(\$298,919)
Non-Operating Expenses	38,323	36,581	1,742	199,187	185,562	13,625
<b>Total</b>	<b>\$2,997,588</b>	<b>\$3,105,273</b>	<b>(\$107,685)</b>	<b>\$3,900,548</b>	<b>\$4,185,842</b>	<b>(\$285,294)</b>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During the year there was a \$146,908 increase in appropriations between the original and final amended budget. Some of the main components of this increase were supplemental appropriations for attorney fees, a public relations initiative, an enhanced house arrest program, Courtview licenses, and park improvements. 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 exceeded 7 million dollars. Transfers were also made to the Parking Enforcement Fund and the Victim Witness Fund to cover operating costs. Money was also transferred to the 911 Fund when the City concluded that revenue the fund had received for communications functions should be kept separate.

**Management's Discussion and Analysis**

**For the Year Ended December 31, 2010**

**Unaudited**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2010 the City had \$64,394,113 net of accumulated depreciation invested in land, buildings, equipment and vehicles. Of this total, \$35,193,286 was related to governmental activities, and \$29,200,827 was related to business-type activities. The following table shows fiscal year 2010 and 2009 balances:

	<u>Governmental Activities</u>		<u>Increase (Decrease)</u>
	<u>2010</u>	<u>2009</u>	
Land	\$16,220,607	\$16,220,607	\$0
Land Improvements	1,343,845	1,263,245	80,600
Buildings	6,741,464	6,585,787	155,677
Equipment	8,229,976	8,848,438	(618,462)
Infrastructure	15,247,920	15,065,947	181,973
Construction In Progress	685,664	273,106	412,558
Less: Accumulated Depreciation	<u>(13,276,190)</u>	<u>(13,011,130)</u>	<u>(265,060)</u>
Total	<u>\$35,193,286</u>	<u>\$35,246,000</u>	<u>(\$52,714)</u>

	<u>Business-Type Activities</u>		<u>Increase (Decrease)</u>
	<u>2010</u>	<u>2009</u>	
Land	\$484,280	\$484,280	\$0
Land Improvements	448,997	448,997	0
Buildings	8,347,364	8,270,911	76,453
Equipment	51,215,065	51,263,278	(48,213)
Construction In Progress	2,646,855	222,546	2,424,309
Less: Accumulated Depreciation	<u>(33,941,734)</u>	<u>(32,745,501)</u>	<u>(1,196,233)</u>
Total	<u>\$29,200,827</u>	<u>\$27,944,511</u>	<u>\$1,256,316</u>

The decrease in governmental activities capital assets was the result of the disposal of several assets. The City disposed of a bucket truck, two dump trucks, a CAD mapping program, a 32 channel call logger, police cruisers, and other vehicles and computer equipment. The increase in asset value in Business-type activities was due primarily to a project that is in progress to improve facilities and processes at the Ford road waste water treatment plant.

Additional information on the City's capital assets can be found in Note 9.

**Management's Discussion and Analysis**

**For the Year Ended December 31, 2010**

**Unaudited**

---

**Debt**

At December 31, 2010 the City had \$920,000 in bonds outstanding, \$70,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2010 and 2009:

	<u>2010</u>	<u>2009</u>
Governmental Activities:		
General Obligation Bonds	\$920,000	\$945,000
Capital Leases Payable	1,219,167	1,589,809
Compensated Absences	1,693,036	1,601,673
Total Governmental Activities	<u>3,832,203</u>	<u>4,136,482</u>
Business-Type Activities:		
Landfill Liability	993,867	1,021,870
Compensated Absences	405,524	415,520
Capital Leases Payable	1,514,227	1,607,731
Loans Payable	6,226,960	4,894,544
Total Business-Type Activities	<u>9,140,578</u>	<u>7,939,665</u>
	<u>\$12,972,781</u>	<u>\$12,076,147</u>

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, 2010, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Notes 12, 13, and 14.

**ECONOMIC FACTORS**

The National economic downturn has resulted in a significant number of job losses in the Xenia community. The national unemployment rate at the end of 2010 was 9.1%. The state had an unemployment rate of 9.2%, the county 9.2% and the City of Xenia 10.5%. The city's rate has decreased from its 12.6% in rate in 2009 but is still of concern to City management. There continue to be far too many households with little or no taxable income within the community. More than 50% of households who filed taxes in 2010 had a taxable income of less than \$20,000. Economic development and job creation continues to be a top priority for Council and Management. In 2006 a Lowes and Wal-Mart Supercenter opened in the progress center. An Applebee's, National City bank, Bob Evans, and Sonic have since been added. In addition, the water and sewer utilities along with the main entrance road have been designed and engineered to serve the 277 plus acres of undeveloped land that was annexed to the City in 2001 for future commercial/industrial development. State funding has been approved to assist in financing the construction of infrastructure for the newly annexed land. The City annexed another 391 acres in 2007 for future residential development. The census bureau recently increased the City's population statistic which shows that the City is expanding its tax base. This growth will continue to increase the City's property tax and as the economy turns around the income tax collections. City officials understand the need for additional job creation and are working with the Xenia Economic Growth Corporation to develop an economic plan to bring a balance of retail, entertainment, technology, and other industrial opportunities.

***Management's Discussion and Analysis***

***For the Year Ended December 31, 2010***

***Unaudited***

---

**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 Mark A. Bazelak, Finance Director of Xenia City.



**CITY OF XENIA, OHIO**

**Statement of Net Assets  
December 31, 2010**

	<u>Primary Government</u>			<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>XEGC</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 2,635,793	\$ 3,834,785	\$ 6,470,578	\$ 439,183
Investments	4,051,562	5,894,588	9,946,150	175,000
Receivables:				
Taxes, including interest, penalties and liens	3,681,279	0	3,681,279	0
Intergovernmental	2,023,270	877,581	2,900,851	0
Accounts	503,554	1,320,375	1,823,929	0
Special assessments, including liens	137,277	33,780	171,057	0
Loans	0	434,441	434,441	87,414
Accrued interest	27,544	36,804	64,348	468
Grants	464,576	108,354	572,930	0
Allowance for uncollectible accounts	(349,362)	(20,956)	(370,318)	0
Interfund balances	(16,926)	16,926	0	0
Inventories	98,713	242,170	340,883	0
Prepaid items	171,219	50,960	222,179	2,770
Capital Assets Not being depreciated	16,906,271	3,131,135	20,037,406	0
Capital Assets, net of accumulated depreciation	18,287,015	26,069,692	44,356,707	2,363
<b>Total Assets</b>	<b>48,621,785</b>	<b>42,030,635</b>	<b>90,652,420</b>	<b>707,198</b>
<b>Liabilities:</b>				
Accounts payable	224,745	1,057,698	1,282,443	1,392
Accrued payroll	743,509	153,564	897,073	7,103
Unearned revenue	1,955,449	0	1,955,449	0
Accrued interest payable	18,650	32,232	50,882	0
Long-term liabilities:				
Amounts due within one year	637,336	840,003	1,477,339	0
Amounts due in more than one year	3,194,867	8,300,575	11,495,442	0
<b>Total Liabilities</b>	<b>6,774,556</b>	<b>10,384,072</b>	<b>17,158,628</b>	<b>8,495</b>
<b>Net Assets:</b>				
Invested in Capital Assets, Net of Related Debt	33,054,119	21,637,865	54,691,984	2,363
Restricted For:				
Capital Projects	1,959,787	178,266	2,138,053	0
Debt Service	37,624	0	37,624	0
General government programs	263,695	0	263,695	0
Safety programs	2,897,201	0	2,897,201	0
Street construction/maintenance	939,753	0	939,753	0
Recreation	2,905	0	2,905	0
Unrestricted (Deficit)	2,692,145	9,830,432	12,522,577	696,340
<b>Total Net Assets</b>	<b>\$ 41,847,229</b>	<b>\$ 31,646,563</b>	<b>\$ 73,493,792</b>	<b>\$ 698,703</b>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

**Statement of Activities  
For the Year Ended December 31, 2010**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
Current:				
General government	\$ 3,577,856	\$ 1,388,914	\$ 297,691	\$ 0
Public safety	11,311,480	2,307,856	129,716	0
Health	306,963	19,302	0	258,819
Highways and streets	1,801,149	9,337	31,996	440,079
Community development	247,659	30,452	0	0
Recreation	284,934	8,914	0	399,620
Debt service:				
Interest and fiscal charges	104,977	0	0	0
<b>Total Governmental Activities</b>	<b>17,635,018</b>	<b>3,764,775</b>	<b>459,403</b>	<b>1,098,518</b>
<b>Business-Type Activities:</b>				
Water	2,980,976	3,455,602	0	0
Sewer	3,883,632	4,958,089	422,209	0
Sanitation	1,577,458	1,917,987	0	0
Storm Water	277,359	319,870	0	0
Loan	3,760	349	0	0
Parking Revenue	70,756	54,356	0	0
CDBG and UDAG Revolving Loan	56,576	805	98,565	0
Housing Rehabilitation Loan	112,393	5,018	107,114	0
<b>Total Business-Type Activities</b>	<b>8,962,910</b>	<b>10,712,076</b>	<b>627,888</b>	<b>0</b>
<b>Total primary government</b>	<b>\$ 26,597,928</b>	<b>\$ 14,476,851</b>	<b>\$ 1,087,291</b>	<b>\$ 1,098,518</b>
<b>Component Unit:</b>				
XEGC	\$ 202,267	\$ 178,082	\$ 0	\$ 0

**General Revenues:**

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

**Transfers**

Total General Revenues and Transfers

Change in Net Assets

Net Assets Beginning of Year, as Restated

Net Assets End of Year

See accompanying notes to the basic financial statements



**CITY OF XENIA, OHIO**

Net (Expense) Revenue and Changes in Net Assets			Component Unit
Governmental Activities	Business-Type Activities	Total	XEGC
\$ (1,891,251)	\$ 0	\$ (1,891,251)	
(8,873,908)	0	(8,873,908)	
(28,842)	0	(28,842)	
(1,319,737)	0	(1,319,737)	
(217,207)	0	(217,207)	
123,600	0	123,600	
<u>(104,977)</u>	<u>0</u>	<u>(104,977)</u>	
<u>(12,312,322)</u>	<u>0</u>	<u>(12,312,322)</u>	
0	474,626	474,626	
0	1,496,666	1,496,666	
0	340,529	340,529	
0	42,511	42,511	
0	(3,411)	(3,411)	
0	(16,400)	(16,400)	
0	42,794	42,794	
0	(261)	(261)	
<u>0</u>	<u>2,377,054</u>	<u>2,377,054</u>	
<u>(12,312,322)</u>	<u>2,377,054</u>	<u>(9,935,268)</u>	
			\$ (24,185)
8,272,340	0	8,272,340	0
39,052	0	39,052	0
1,582,440	0	1,582,440	0
1,459,124	0	1,459,124	0
1,755,690	0	1,755,690	0
80,055	0	80,055	1,618
209,174	0	209,174	0
<u>(62,275)</u>	<u>62,275</u>	<u>0</u>	<u>0</u>
<u>13,335,600</u>	<u>62,275</u>	<u>13,397,875</u>	<u>1,618</u>
1,023,278	2,439,329	3,462,607	(22,567)
<u>40,823,951</u>	<u>29,207,234</u>	<u>70,031,185</u>	<u>721,270</u>
<u>\$ 41,847,229</u>	<u>\$ 31,646,563</u>	<u>\$ 73,493,792</u>	<u>\$ 698,703</u>

**CITY OF XENIA, OHIO**

**Balance Sheet  
Governmental Funds  
December 31, 2010**

	General	State Gas and Vehicle License	Police and Fire Fund
<b>Assets:</b>			
Cash and cash equivalents	\$ 312,974	\$ 59,686	\$ 945,934
Investments	481,092	91,740	1,454,024
Receivables:			
Taxes, including interest, penalties and liens	2,256,656	0	1,083,286
Intergovernmental	1,051,411	521,293	0
Accounts	69,333	0	389,699
Special assessments, including liens	137,277	0	0
Accrued interest	0	629	6,719
Grants	31,292	0	9,330
Allowance for uncollectible accounts	(119,303)	0	(207,951)
Interfund Receivable	0	0	0
Inventories	12,303	31,581	0
Prepaid items	51,326	4,243	56,064
<b>Total Assets</b>	<b>\$ 4,284,361</b>	<b>\$ 709,172</b>	<b>\$ 3,737,105</b>
<b>Liabilities:</b>			
Accounts payable	\$ 37,070	\$ 24,365	\$ 56,144
Accrued payroll	93,701	27,680	602,662
Deferred revenue	2,110,758	326,800	497,704
<b>Total Liabilities</b>	<b>2,241,529</b>	<b>378,845</b>	<b>1,156,510</b>
<b>Fund Balances:</b>			
Reserved for:			
Encumbrances	103,742	57,717	129,590
Inventories	12,303	31,581	0
Prepaid items	51,326	4,243	56,064
Advances to other funds	0	0	0
Debt service	0	0	0
Unreserved and undesignated in:			
General Fund	1,875,461	0	0
Special revenue funds	0	236,786	2,394,941
Capital projects funds	0	0	0
<b>Total Fund Balances</b>	<b>2,042,832</b>	<b>330,327</b>	<b>2,580,595</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 4,284,361</b>	<b>\$ 709,172</b>	<b>\$ 3,737,105</b>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

---

Capital Improvements	Other Governmental Funds	Total Governmental Funds
\$ 350,644	\$ 947,685	\$ 2,616,923
538,987	1,456,714	4,022,557
223,552	117,785	3,681,279
0	450,566	2,023,270
22,108	16,944	498,084
0	0	137,277
10,864	9,332	27,544
384,019	39,935	464,576
(22,108)	0	(349,362)
36,056	0	36,056
0	0	43,884
0	56,270	167,903
<u>\$ 1,544,122</u>	<u>\$ 3,095,231</u>	<u>\$ 13,369,991</u>
\$ 59,836	\$ 15,414	\$ 192,829
0	13,140	737,183
157,141	545,371	3,637,774
<u>216,977</u>	<u>573,925</u>	<u>4,567,786</u>
931,661	101,226	1,323,936
0	0	43,884
0	56,270	167,903
36,056	0	36,056
0	36,141	36,141
0	0	1,875,461
0	1,946,550	4,578,277
359,428	381,119	740,547
<u>1,327,145</u>	<u>2,521,306</u>	<u>8,802,205</u>
<u>\$ 1,544,122</u>	<u>\$ 3,095,231</u>	<u>\$ 13,369,991</u>

***Reconciliation Of Total Governmental Fund Balances  
To Net Assets Of Governmental Activities  
December 31, 2010***

---

<b>Total Governmental Fund Balances</b>	\$ 8,802,205
<i>Amounts Reported for Governmental activities in the statement of net assets are different because:</i>	
Capital Assets used in Governmental Activities are not resources and therefore are not reported in the funds.	35,159,332
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	1,682,325
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(3,824,829)
The City Garage internal service fund is used by management to charge the costs of vehicle maintenance to individual departments. The asset and liabilities of the City Garage fund are allocated between the governmental and business-type activities in the statement of net assets. This is the amount that applies to the governmental activities.	<u>28,196</u>
<b><i>Net Assets of Governmental Activities</i></b>	<b><u>\$ 41,847,229</u></b>

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, 2010**

	General	State Gas and Vehicle License	Police and Fire Fund
<b>Revenues:</b>			
Municipal income tax	\$ 4,083,217	\$ 0	\$ 4,051,756
Other local taxes	1,072,225	0	285,034
State shared taxes and permits	1,776,638	1,006,260	49,264
Intergovernmental grants	197,008	0	104,287
Charges for services	0	1,030	1,764,748
Fines, costs, forfeitures, licenses and permits	1,065,654	0	12,211
Miscellaneous receipts and reimbursements, including interest	297,342	4,030	110,273
<b>Total Revenue</b>	<b>8,492,084</b>	<b>1,011,320</b>	<b>6,377,573</b>
<b>Expenditures:</b>			
Current:			
General government	2,680,427	0	0
Public safety	0	0	10,484,004
Health	48,257	0	0
Highways and streets	272,387	983,597	0
Community development	248,432	0	0
Recreation	167,728	0	0
Capital outlay	0	0	136,988
Debt service:			
Principal retirement	0	0	263,315
Interest & fiscal charges	0	0	44,967
<b>Total Expenditures</b>	<b>3,417,231</b>	<b>983,597</b>	<b>10,929,274</b>
Excess (deficiency) of revenues over expenditures	5,074,853	27,723	(4,551,701)
<b>Other financing sources (uses):</b>			
Proceeds from refunding bond issue	0	0	0
Premium on refunded bond issue	0	0	0
Payment to refunded bond escrow account	0	0	0
Transfers in	0	0	7,132,296
Transfers out	(7,528,071)	0	0
<b>Total other financing sources (uses)</b>	<b>(7,528,071)</b>	<b>0</b>	<b>7,132,296</b>
Net change in fund balances	(2,453,218)	27,723	2,580,595
<b>Fund Balances at Beginning of Year</b>	<b>4,500,493</b>	<b>292,660</b>	<b>0</b>
Increase (decrease) in inventory reserve	(4,443)	9,944	0
<b>Fund Balances End of Year</b>	<b>\$ 2,042,832</b>	<b>\$ 330,327</b>	<b>\$ 2,580,595</b>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

---

Capital Improvements	Other Governmental Funds	Total Governmental Funds
\$ 127,807	\$ 0	\$ 8,262,780
36,654	225,181	1,619,094
0	265,231	3,097,393
819,016	402,662	1,522,973
800	0	1,766,578
0	340,567	1,418,432
82,329	387,221	881,195
<u>1,066,606</u>	<u>1,620,862</u>	<u>18,568,445</u>
0	455,844	3,136,271
0	237,653	10,721,657
0	0	48,257
0	97,832	1,353,816
0	0	248,432
0	1,500	169,228
1,050,706	551,543	1,739,237
85,969	86,363	435,647
12,516	55,152	112,635
<u>1,149,191</u>	<u>1,485,887</u>	<u>17,965,180</u>
(82,585)	134,975	603,265
0	920,000	920,000
0	7,531	7,531
0	(880,000)	(880,000)
0	379,775	7,512,071
0	0	(7,528,071)
<u>0</u>	<u>427,306</u>	<u>31,531</u>
(82,585)	562,281	634,796
1,409,730	1,959,025	8,161,908
0	0	5,501
<u>\$ 1,327,145</u>	<u>\$ 2,521,306</u>	<u>\$ 8,802,205</u>

***Reconciliation Of The Statement Of Revenues, Expenditures  
And Changes In Fund Balances Of Governmental Funds  
To The Statement Of Activities  
For The Fiscal Year Ended December 31, 2010***

---

<b>Net change in Fund Balances - Total Governmental Funds</b>	<b>\$634,796</b>
<i>Amounts Reported for Governmental activities in the statement of activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays and capital contributions exceeded depreciation.	58,913
Governmental funds only report the disposal of assets to the extent proceeds are received from 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.	(72,580)
Revenues and transfers in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	98,320
The repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	1,315,647
A New Bond issue increased long-term liabilities in the statement of net assets but are an other financing source Bond Proceeds in the governmental funds.	(920,000)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	7,658
Some expenses reported in the statement of activities, such as change in inventory and compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(91,997)
The City Garage Internal Service Fund, which is used to charge the cost of services to individual funds, is not included in the statement of activities. Governmental fund expenditures and related internal services revenues are eliminated. The net revenue (expense) of the City Garage Internal Service Fund is allocated among the governmental and business-type activities.	<u>(7,479)</u>
<b><i>Change in Net Assets of Governmental Activities</i></b>	<b><u><u>\$1,023,278</u></u></b>

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, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Tax	\$ 7,072,823	\$ 7,072,823	\$ 4,812,892	\$ (2,259,931)
Other Local Taxes	1,230,660	1,230,660	1,205,225	(25,435)
State Shared Taxes and Permits	2,001,351	2,065,351	1,758,600	(306,751)
Intergovernmental Grants	157,167	157,167	165,716	8,549
Charges for Services	50,800	50,800	(44,106)	(94,906)
Fines, Costs, Forfeitures, Licenses and Permits	1,072,340	1,119,340	1,107,172	(12,168)
Miscellaneous Receipts and Reimbursements, including Interest	391,103	423,703	349,486	(74,217)
Total Revenues	<u>11,976,244</u>	<u>12,119,844</u>	<u>9,354,985</u>	<u>(2,764,859)</u>
<b>Expenditures:</b>				
Current:				
General Government	3,128,490	3,246,895	2,975,264	271,631
Public Safety	234,990	243,967	207,118	36,849
Health	70,231	70,510	48,717	21,793
Highways and Streets	303,000	304,934	294,778	10,156
Community Development	283,740	289,949	253,299	36,650
Recreation	231,694	242,798	200,119	42,679
Total Expenditures	<u>4,252,145</u>	<u>4,399,053</u>	<u>3,979,295</u>	<u>419,758</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,724,099	7,720,791	5,375,690	(2,345,101)
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(10,299,000)	(10,299,000)	(7,528,071)	2,770,929
Advances In	68,000	68,000	68,000	0
Total Other Financing Sources (Uses):	<u>(10,231,000)</u>	<u>(10,231,000)</u>	<u>(7,460,071)</u>	<u>2,770,929</u>
Net Change in Fund Balance	(2,506,901)	(2,510,209)	(2,084,381)	425,828
Fund Balance at Beginning of Year	2,545,928	2,545,928	2,545,928	0
Prior Year Encumbrances	131,820	131,820	131,820	0
Fund Balance at End of Year	<u>\$ 170,847</u>	<u>\$ 167,539</u>	<u>\$ 593,367</u>	<u>\$ 425,828</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)  
Special Revenue Fund – State Gas and Vehicle License Fund  
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 970,000	\$ 970,000	\$ 996,440	\$ 26,440
Charges for Services	4,000	4,000	1,030	(2,970)
Miscellaneous Receipts and Reimbursements, including Interest	10,500	10,500	4,355	(6,145)
Total Revenues	984,500	984,500	1,001,825	17,325
<b>Expenditures:</b>				
Current:				
Highways and Streets	1,185,658	1,186,888	1,045,232	141,656
Total Expenditures	1,185,658	1,186,888	1,045,232	141,656
Excess (Deficiency) of Revenues Over (Under) Expenditures	(201,158)	(202,388)	(43,407)	158,981
<b>Other Financing Sources (Uses):</b>				
Transfers In	210,000	210,000	0	(210,000)
Total Other Financing Sources (Uses):	210,000	210,000	0	(210,000)
Net Change in Fund Balance	8,842	7,612	(43,407)	(51,019)
Fund Balance at Beginning of Year	91,894	91,894	91,894	0
Prior Year Encumbrances	21,622	21,622	21,622	0
Fund Balance at End of Year	\$ 122,358	\$ 121,128	\$ 70,109	\$ (51,019)

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)  
Special Revenue Fund – Police and Fire Fund  
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Tax	\$ 1,190,738	\$ 1,190,738	\$ 3,540,527	\$ 2,349,789
Other Local Taxes	226,000	226,000	207,034	(18,966)
State Shared Taxes and Permits	56,365	56,365	49,264	(7,101)
Intergovernmental Grants	112,000	112,000	94,957	(17,043)
Charges for Services	1,670,950	1,600,950	1,585,130	(15,820)
Fines, Costs, Forfeitures, Licenses and Permits	5,600	5,600	12,211	6,611
Miscellaneous Receipts and Reimbursements, including Interest	84,083	84,083	113,537	29,454
Total Revenues	<u>3,345,736</u>	<u>3,275,736</u>	<u>5,602,660</u>	<u>2,326,924</u>
<b>Expenditures:</b>				
Current:				
Public Safety	10,721,034	10,737,509	10,011,253	726,256
Capital Outlay	176,383	222,205	183,872	38,333
Debt Service				
Principal Retirement	264,525	263,317	263,315	2
Interest and Fiscal Charges	43,760	44,968	44,967	1
Total Expenditures	<u>11,205,702</u>	<u>11,267,999</u>	<u>10,503,407</u>	<u>764,592</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,859,966)	(7,992,263)	(4,900,747)	3,091,516
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>9,650,000</u>	<u>9,650,000</u>	<u>7,132,296</u>	<u>(2,517,704)</u>
Total Other Financing Sources (Uses):	<u>9,650,000</u>	<u>9,650,000</u>	<u>7,132,296</u>	<u>(2,517,704)</u>
Net Change in Fund Balance	1,790,034	1,657,737	2,231,549	573,812
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,790,034</u>	<u>\$ 1,657,737</u>	<u>\$ 2,231,549</u>	<u>\$ 573,812</u>

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

**Statement of Net Assets  
Proprietary Funds  
December 31, 2010**

	<i>Business-type activities - Enterprise Funds</i>			
	Water	Sewer	Sanitation	Storm Sewer
<b>Assets:</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	\$ 1,382,093	\$ 1,321,785	\$ 728,863	\$ 179,891
Investments	2,124,462	2,031,769	1,120,362	276,520
<b>Receivables:</b>				
Intergovernmental	0	877,581	0	0
Accounts	408,336	833,962	8,848	60,383
Special assessments, including liens	8,337	17,429	7,338	676
Loans	0	0	0	0
Accrued interest	14,153	11,797	7,199	1,661
Grants	0	6,224	0	0
Allowance for uncollectible accounts	(5,264)	(11,146)	(4,255)	(291)
Inventories	213,794	28,376	0	0
Prepaid items	29,714	17,516	2,674	143
<b>Total Current Assets</b>	<b>4,175,625</b>	<b>5,135,293</b>	<b>1,871,029</b>	<b>518,983</b>
<b>Noncurrent Assets:</b>				
<b>Unrestricted:</b>				
Loans receivable (net of current)	0	0	0	0
Capital Assets not being depreciated	361,788	2,615,236	0	0
Capital Assets (net of accumulated depreciation)	8,325,594	11,724,324	89,396	5,910,297
<b>Total Noncurrent Assets</b>	<b>8,687,382</b>	<b>14,339,560</b>	<b>89,396</b>	<b>5,910,297</b>
<b>Total Assets</b>	<b>12,863,007</b>	<b>19,474,853</b>	<b>1,960,425</b>	<b>6,429,280</b>

**CITY OF XENIA, OHIO**

---

Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 186,600	\$ 3,799,232	\$ 54,423
286,823	5,839,936	83,657
0	877,581	0
0	1,311,529	14,316
0	33,780	0
10,975	10,975	0
1,994	36,804	0
102,130	108,354	0
0	(20,956)	0
0	242,170	54,829
394	50,441	3,835
<u>588,916</u>	<u>12,289,846</u>	<u>211,060</u>
423,466	423,466	0
154,111	3,131,135	0
0	26,049,611	54,035
<u>577,577</u>	<u>29,604,212</u>	<u>54,035</u>
<u>1,166,493</u>	<u>41,894,058</u>	<u>265,095</u>

(Continued)

**CITY OF XENIA, OHIO**

**Statement of Net Assets  
Proprietary Funds  
December 31, 2010**

	<i>Business-type activities - Enterprise Funds</i>			
	Water	Sewer	Sanitation	Storm Sewer
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Accounts payable	40,656	783,873	207,931	2,787
Accrued payroll	67,319	66,485	11,451	5,138
Interfund payable	0	0	0	0
Loan payable	0	637,377	0	0
Accrued interest payable	16,116	16,116	0	0
Compensated absences	25,636	28,151	7,317	2,176
Capital lease payable - current	48,871	48,871	0	0
Landfill liability - current	0	0	40,000	0
<b>Total Current Liabilities</b>	<b>198,598</b>	<b>1,580,873</b>	<b>266,699</b>	<b>10,101</b>
<b>Noncurrent Liabilities</b>				
Compensated absences	134,590	147,791	38,413	11,424
Capital lease payable	708,243	708,242	0	0
Loans payable	0	5,589,583	0	0
Landfill liability - noncurrent	0	0	953,867	0
<b>Total Noncurrent Liabilities</b>	<b>842,833</b>	<b>6,445,616</b>	<b>992,280</b>	<b>11,424</b>
<b>Total Liabilities</b>	<b>1,041,431</b>	<b>8,026,489</b>	<b>1,258,979</b>	<b>21,525</b>
<b>Net Assets:</b>				
Invested in Capital Assets, net of debt	7,930,268	7,533,753	89,396	5,910,297
Restricted for Capital Projects	0	178,266	0	0
Unrestricted	3,891,308	3,736,345	612,050	497,458
<b>Total Net Assets</b>	<b>\$ 11,821,576</b>	<b>\$ 11,448,364</b>	<b>\$ 701,446</b>	<b>\$ 6,407,755</b>

Adjustment to consolidate the net assets of the Internal Service Funds.  
Total net assets per the government-wide Statement of Net Assets

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

---

---

<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
14,268	1,049,515	40,099
3,171	153,564	6,325
0	0	36,056
0	637,377	0
0	32,232	0
1,604	64,884	4,164
0	97,742	0
0	40,000	0
<u>19,043</u>	<u>2,075,314</u>	<u>86,644</u>
8,422	340,640	21,861
0	1,416,485	0
0	5,589,583	0
0	953,867	0
<u>8,422</u>	<u>8,300,575</u>	<u>21,861</u>
<u>27,465</u>	<u>10,375,889</u>	<u>108,505</u>
154,111	21,617,825	54,035
0	178,266	0
<u>984,917</u>	<u>9,722,078</u>	<u>102,555</u>
<u>\$ 1,139,028</u>	<u>\$ 31,518,169</u>	<u>\$ 156,590</u>
	<u>128,394</u>	
	<u>\$ 31,646,563</u>	

**CITY OF XENIA, OHIO**

**Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2010**

	<i>Business-type activities - Enterprise Funds</i>			
	Water	Sewer	Sanitation	Storm Sewer
<b>Operating revenues:</b>				
Charges for services	\$ 3,354,055	\$ 4,833,400	\$ 1,797,773	\$ 309,207
<b>Operating expenses:</b>				
Personnel services	1,637,574	1,682,383	285,367	107,912
General operating	5,673	7,458	900	0
Contractual services	588,179	727,342	1,270,330	22,216
Materials and supplies	236,419	171,534	14,047	32,047
Depreciation	444,647	1,012,524	25,015	133,699
Repairs and maintenance	46,773	100,120	0	0
Non-governmental	0	0	0	0
Total expenses	2,959,265	3,701,361	1,595,659	295,874
Operating income (loss)	394,790	1,132,039	202,114	13,333
<b>Non-operating revenues:</b>				
Interest revenue	44,839	31,625	20,351	5,096
Other	56,708	93,064	99,863	5,567
Intergovernmental	0	422,209	0	0
Total Non-operating revenue	101,547	546,898	120,214	10,663
<b>Non-operating expenses:</b>				
Interest expense	34,510	199,187	0	0
Loss on disposal	3,813	0	0	0
Total Non-Operating Expenses	38,323	199,187	0	0
<b>Income (loss) before transfers and contributions</b>	458,014	1,479,750	322,328	23,996
Capital contributions	0	0	0	61,585
Transfers in	0	0	0	0
Transfers out	0	0	0	0
<b>Change in Net Assets</b>	458,014	1,479,750	322,328	85,581
<b>Net assets, beginning of year, as restated</b>	11,363,562	9,968,614	379,118	6,322,174
<b>Net assets, end of year</b>	\$ 11,821,576	\$ 11,448,364	\$ 701,446	\$ 6,407,755

Change in net assets - total enterprise funds  
Adjustments to consolidate the Internal Service Funds activities  
Total Change in net assets of business-type activities

See accompanying notes to the basic financial statements



**CITY OF XENIA, OHIO**

---

Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 54,449	\$ 10,348,884	\$ 795,728
71,913	3,785,149	155,829
2,252	16,283	2,225
111,184	2,719,251	201,456
3,896	457,943	372,646
0	1,615,885	2,102
0	146,893	0
54,240	54,240	280
243,485	8,795,644	734,538
(189,036)	1,553,240	61,190
6,079	107,990	0
0	255,202	1,575
205,679	627,888	0
211,758	991,080	1,575
0	233,697	0
0	3,813	0
0	237,510	0
22,722	2,306,810	62,765
0	61,585	0
16,000	16,000	0
(15,310)	(15,310)	0
23,412	2,369,085	62,765
1,115,616	29,149,084	93,825
\$ 1,139,028	31,518,169	\$ 156,590
	(15,310)	
	2,454,639	
	\$ 2,439,329	

**CITY OF XENIA, OHIO**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2010**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Sanitation
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$3,413,018	\$4,762,659	\$1,893,091
Cash Received from Interfund Services Provided	0	0	0
Cash Payments for Goods and Services	(846,274)	(305,019)	(1,306,537)
Cash Payments to Employees	(1,633,490)	(1,700,235)	(285,943)
Net Cash Provided (Used) by Operating Activities	933,254	2,757,405	300,611
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	0	0
Net Cash Provided by Noncapital Financing Activities	0	0	0
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Intergovernmental Grants	0	415,985	0
Acquisition and Construction of Assets	(482,775)	(2,255,272)	0
Principal Paid on Loans	0	(585,369)	0
Interest Paid on All Debt	(35,505)	(200,182)	0
Capital Lease Payment	(46,752)	(46,752)	0
Loan Initiated	0	1,040,204	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(565,032)	(1,631,386)	0
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	278,016	0	65,318
Purchase of Investments	0	(329,516)	0
Receipts of Interest	56,980	43,410	27,777
Net Cash Provided (Used) by Investing Activities	334,996	(286,106)	93,095
Net Increase in Cash and Cash Equivalents	703,218	839,913	393,706
Cash and Cash Equivalents at Beginning of Year	678,875	481,872	335,157
Cash and Cash Equivalents at End of Year	\$1,382,093	\$1,321,785	\$728,863

**CITY OF XENIA, OHIO**

---

Storm Water	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$281,017	\$57,143	\$10,406,928	\$0
0	0	0	786,220
(52,966)	(131,771)	(2,642,567)	(578,839)
(93,388)	(70,625)	(3,783,681)	(161,053)
134,663	(145,253)	3,980,680	46,328
61,585	16,000	77,585	0
61,585	16,000	77,585	0
0	193,505	609,490	(20,081)
(61,585)	(71,611)	(2,871,243)	0
0	0	(585,369)	0
0	0	(235,687)	0
0	0	(93,504)	0
0	0	1,040,204	0
(61,585)	121,894	(2,136,109)	(20,081)
0	82,738	426,072	24,573
(30,589)	(1,253)	(361,358)	(21,043)
6,228	8,464	142,859	0
(24,361)	89,949	207,573	3,530
110,302	82,590	2,129,729	29,777
69,589	104,010	1,669,503	24,646
\$179,891	\$186,600	\$3,799,232	\$54,423

(Continued)

**CITY OF XENIA, OHIO**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2010**

	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)	\$394,790	\$1,132,039	\$202,114
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>			
Depreciation Expense	444,647	1,012,524	25,015
Income - Other Nonoperating	56,408	93,529	97,756
<u>Changes in Assets and Liabilities:</u>			
Decrease in Principal Receivable	0	0	0
(Increase) Decrease in Accounts Receivable	4,328	(158,365)	(1,848)
Increase in Special Assessments Receivable	(1,772)	(5,906)	(590)
(Increase) Decrease in Prepaid Items	3,055	9,509	680
(Increase) Decrease in Inventory	38,101	3,213	0
Decrease in Landfill Liability	0	0	(28,003)
Increase (Decrease) in Accounts Payable	(12,281)	686,625	5,853
Increase (Decrease) in Accrued Payroll	6,938	4,583	(281)
Increase (Decrease) in Compensated Absences	(960)	(20,346)	(85)
Total Adjustments	538,464	1,625,366	98,497
Net Cash Provided (Used) by Operating Activities	\$933,254	\$2,757,405	\$300,611

Schedule of Noncash Investing, Capital and Financing Activities:

The fair market value of investments increased in 2010 by \$12,639, \$11,830, \$6,523, \$1,610 and \$1,670 in the Water, Sewer, Sanitation, Stormwater and Other Enterprise Funds respectively. The fair market value of investments increased in 2010 by \$487 in the internal service funds.

See accompanying notes to the basic financial statements

**CITY OF XENIA, OHIO**

---

---

---

<u>Storm Water</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
\$13,333	(\$189,036)	\$1,553,240	\$61,190
133,699	0	1,615,885	2,102
4,555	0	252,248	1,855
0	34,898	34,898	0
(32,576)	0	(188,461)	(11,083)
(169)	0	(8,437)	0
(143)	95	13,196	(1,103)
0	0	41,314	(8,790)
0	0	(28,003)	0
1,219	7,502	688,918	7,381
4,274	364	15,878	906
10,471	924	(9,996)	(6,130)
<u>121,330</u>	<u>43,783</u>	<u>2,427,440</u>	<u>(14,862)</u>
<u>\$134,663</u>	<u>(\$145,253)</u>	<u>\$3,980,680</u>	<u>\$46,328</u>

***Statement of Assets and Liabilities  
Fiduciary Funds  
December 31, 2010***

---

	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 181,587
<b>Total Assets</b>	<u>\$ 181,587</u>
<b>Liabilities:</b>	
Accounts payable	\$ 64,953
Restricted deposits	116,634
<b>Total Liabilities</b>	<u>\$ 181,587</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**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, 2010 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 the GASB Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e. 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 has one component unit, the Xenia Economic Growth Corporation (XEGC), and includes all funds, agencies, boards and commissions that are part of the primary government, including the following services: public safety (police and fire), highways and streets, water, sewer, sanitation, storm water, recreation, public improvements, planning and zoning, and general administrative services.

Discretely Presented Component Unit - The component unit column in the government-wide financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

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

**A. Reporting Entity (Continued)**

The Xenia Economic Growth Corporation (XEGC) provides loan servicing and economic development services to the business community and to the City of Xenia. XEGC's administrative services are primarily funded by the City of Xenia. The amount of this funding for 2010 was \$174,400. XEGC's board is appointed by the City Council and XEGC is considered legally separate from the City. The City has the ability to impose its will on XEGC by removing XEGC board members and modifying their budget. The City is legally entitled to access XEGC's resources and provides a majority of its funding, making XEGC fiscally dependent on the City. A separately issued audit report containing financial statements is available from XEGC at 181 W. Main Street, Xenia, Ohio 45385.

**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, liabilities, fund equity, revenues and expenditures or expenses.

The City reports the following major governmental funds:

*General Fund* - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the limitations of the City Charter.

*State Gas and Vehicle License Fund* - This fund is required by State law to account for that portion of gasoline tax and motor vehicle license fees designated for maintenance of streets within the City.

*Police and Fire Fund* - This fund is used to account for financial resources related to 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.

*Capital Improvements Fund* - This fund is used to account for financial resources to be used 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).

The City reports the following major proprietary funds:

*Water Fund* - This fund is used to account for providing water service to the City and surrounding areas.

*Sewer Fund* - This fund is used to account for providing sewer service to the City and surrounding areas.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

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

**B. Basis of Presentation - Fund Accounting** (Continued)

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

Storm Water Fund – This fund is utilized to account for providing storm water 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 water) and servicing the vehicles of City departments 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 classification for the City’s fiduciary funds would be an agency fund. The City has three agency funds as follows:

- (1) Municipal Court funds: The Municipal Court is considered part of the reporting entity of the City. The Court handles court cases for the City 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: The purpose of this fund is 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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

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

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

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 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 and current liabilities, 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 all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**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 accounting and reporting treatment applied to a fund is determined by its measurement focus.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

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

**D. Basis of Accounting** (Continued)

The modified accrual basis of accounting is followed by the governmental funds. 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, 2010 but which are not intended to finance 2010 operations are recorded as unearned revenues.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

Pursuant to GASB Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*," the City follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

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

**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 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.
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. Unused appropriations lapse at year-end and encumbrances are reappropriated in the ensuing year's budget.
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

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

---

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

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

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:

- (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).

The adjustments necessary to convert the results of operations for the year ended December 31, 2010 on the GAAP basis to the budget basis are as follows:

	Net Change in Fund Balances		
	General Fund	State Gas and Vehicle License Fund	Police & Fire Fund
GAAP Basis (as reported)	\$ (2,453,218)	\$ 27,723	\$ 2,580,595
Revenue Accrual	862,901	(9,496)	(774,912)
Expenditure Accrual	(365,572)	20,215	602,742
Outstanding Encumbrances	(128,492)	(81,849)	(176,876)
Budget Basis	<u>\$ (2,084,381)</u>	<u>\$ (43,407)</u>	<u>\$ 2,231,549</u>

**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, 2010. The City pools its cash 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 account.

**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 2010, the Capital Improvements Fund was allocated approximately \$41,952 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.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

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

**G. Investments** (Continued)

The City invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2010. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2010.

**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 reserve that indicates they do not constitute "available spendable resources" and are not available for appropriation.

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2010, 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.

**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 Assets, but they are not reported in the Fund Financial Statements.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

---

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

**J. Capital Assets and Depreciation (Continued)**

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

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

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

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Land Improvements	7 – 40
Buildings and Improvements	5 – 40
Machinery and Equipment	1 – 50
Infrastructure	10 – 100

**K. Long-Term Obligations**

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	City Motor Vehicle License Tax Fund, Debt Service Fund
Loans Payable	Sewer Fund
Landfill Liability	Sanitation Fund
Compensated Absences	General Fund, State Gas and Vehicle License Fund, Police & Fire Fund, Law Enforcement Fund, Municipal Court Victim Fund, Water Fund, Sewer Fund, Sanitation Fund, Stormwater Fund, Parking Revenue Fund, Housing, Loan Trust Fund, Rehabilitation Loan Fund, and Garage Fund
Capital Leases	Capital Improvements Fund, Police & Fire Fund, Municipal Court Capital Improvements Fund, Water Fund, and Sewer Fund

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

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

**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 Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes are net assets restricted by state law to be expended for specific purposes. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**N. Pensions**

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

**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.



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

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

**P. Reservations of Fund Balance**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for inventories of supplies, prepaid items, debt service, advances and encumbrances (excluding encumbered amounts reflected as payables).

**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.

**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.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

---

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets of governmental funds as reported in the government-wide statement of net assets. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

<i>Capital Assets not reported in funds:</i>	
Capital Assets used in governmental activities	\$35,159,332
Total	<u>\$35,159,332</u>
<i>Other long-term assets not available to pay for current-period expenditures:</i>	
Delinquent Income Tax Revenue	\$840,126
Shared Revenues	730,731
Other Local Taxes	2,398
Delinquent Property Tax Revenue	0
Grant Revenues	82,746
Special Assessment Revenue	17,974
Charges for Services	2,130
Miscellaneous Revenue	6,220
Total	<u>\$1,682,325</u>
<i>Long-Term liabilities not reported in the funds:</i>	
General Obligation Bonds Payable	(\$920,000)
Accrued Interest on Long-Term Debt	(18,650)
Capital Leases Payable	(1,219,167)
Compensated Absences Payable- Government Activities	(1,667,012)
Total	<u>(\$3,824,829)</u>
<i>Amount of City Garage Internal Service fund applicable to government activities:</i>	
City Garage Fund Net Assets at year end	\$45,122
Portion of City Garage Fund allocated to business-type activities	(16,926)
Total	<u>\$28,196</u>

This space intentionally left blank.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

---

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)**

**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount capital outlay exceeded depreciation in the current period:*

Capital Outlay	\$1,124,285
Depreciation Expense	(1,065,372)
Total	<u>\$58,913</u>

*Governmental revenues not reported in the funds:*

Increase in Delinquent Income Tax Revenue	\$9,560
Increase in Local Shared Revenue	2,398
Increase in Shared Revenue	117,421
Decrease in Delinquent Property Taxes	0
Increase in Special Assessment Revenue	1,029
Increase in Intergovernmental Grants	34,948
Decrease in Charges for Services	(14,401)
Decrease in Miscellaneous Revenues	(6,360)
Increase in Transfers out	(46,275)
Total	<u>\$98,320</u>

*Expenses not requiring the use of current financial resources:*

Increase in Compensated Absences Payable	(\$97,498)
Increase in supplies inventory	5,501
Total	<u>(\$91,997)</u>

*Net loss of the City Internal Service Fund report in government activities:*

City Garage Internal Service Fund change in net assets	(\$12,330)
Portion of Internal Service fund change in net assets allocated to business type activities	4,851
Total	<u>(\$7,479)</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 3 – RESTATEMENT OF NET ASSETS**

The Net Assets of the Housing Rehabilitation Loan Fund were restated from balances previously reported to correct an error made in 2009. In 2009 the City made several Private Owner Rehab loans totaling \$226,045 which were not set up as receivables. Instead loan amounts were expensed out therefore understating the net assets of the Housing Rehabilitation Loan Fund. The restatement results in changes to balances reported last year as follows.

	<u>Housing Rehabilitation Fund</u>
Net Assets at December 31, 2009 (as reported)	\$580,743
Loan receivable	<u>226,045</u>
Net Assets at December 31, 2009 (as restated)	<u>\$806,788</u>

**NOTE 4 – DEPOSITS AND INVESTMENTS**

**A. Deposits**

At December 31, 2010, the carrying amount of the City and Component Unit cash deposits was \$3,133,338 and \$614,183 respectively and the bank balance was \$4,000,962 and \$622,754 respectively. Federal depository insurance covered up \$250,000 for each insured bank at December 31, 2010.

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 percent of the total amount of all public deposits 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 certificates of deposit and interest-bearing demand deposit and savings accounts.

This space intentionally left blank.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments**

The City's investments at December 31, 2010 are summarized below:

Investment Type	Total Fair Value	Credit Rating	Investment Maturities				
			Less than 6 Months	6 Months to 1 Year	1 - 3 Years	3 - 5 Years	11-27 Years
FFCB	\$ 650,476	AAA	\$ 35,011	\$ 195,525	\$ 419,940	\$ 0	\$ 0
FHLB	4,254,178	AAA	176,685	483,945	1,910,073	1,683,475	0
FHLMC	2,061,126	AAA	540,082	107,436	357,122	800,775	255,711
FNMA	2,136,296	AAA	166,241	70,902	161,556	1,545,514	192,083
TVAP	43,084	AAA	43,084	0	0	0	0
US TREASURY N/B	55,308	n/a	0	55,308	0	0	0
STAR OHIO	558,633	AAA	558,633	0	0	0	0
Money Market Funds	3,705,876	Unrated	3,705,876	0	0	0	0
Total Investments	<u>\$ 13,464,977</u>		<u>\$ 5,225,612</u>	<u>\$ 913,116</u>	<u>\$ 2,848,691</u>	<u>\$ 4,029,764</u>	<u>\$ 447,794</u>

n/a – Obligations of the U.S. Government are explicitly guaranteed by the U.S. Government and are not considered to have credit risk.

*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. Although at the time of purchase the average life of some of the securities was under five years, certain investments identified above have exceeded the five year limit. 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.

*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. At December 31, 2010, the City's deposits and investments, including the collateral on lent securities, had no exposure to custodial credit risk. The City does not have a policy to limit custodial credit risk.

*Foreign Currency Risk* – Foreign currency risk is the risk that changes in exchange rates between the U.S. Dollar and foreign currencies could adversely affect an investment's fair value. The City Investment policy does not allow the purchasing of foreign securities. The City had no exposure to foreign currency risk at fiscal year end.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments** (Continued)

*Credit Risk* – Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. The City Investment policy allows fund managers to invest in only the following Instruments: (1) Treasury Bills and Treasury Notes and Bonds; (2) Obligations of Federal Agencies and Instrumentalities; (3) Non Negotiable Interest Bearing Time Certificates of Deposit and Savings Accounts; (4) Bankers Acceptances of banks in top 100 based on asset size, or Ohio based banks with at least \$2 billion in assets; (5) Commercial paper rated at least A-1/P-1; (6) Star Ohio; (7) No load money market mutual funds consisting exclusively of obligations listed in 5 and 6; (8) Repurchase Agreements under terms in the policy; (9) NOW accounts; (10) and insured obligations of the State of Ohio and its political subdivisions. As of December 31, 2010, 100% of the City’s portfolio was invested in AAA rated securities.

*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. At December 31, 2010, the City had no concentration of credit risk.

**NOTE 5 - 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 2010.

The property tax calendar is as follows:

Levy date	January 1, 2009
Lien date	January 1, 2010
Tax bill mailed	January 15, 2010
First installment payment due	February 12, 2010
Second installment payment due	July 16, 2010

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

---

**NOTE 5 - TAXES (Continued)**

**A. Property Taxes (Continued)**

The assessed values upon which 2010 tax receipts were based, are as follows:

	<u>Assessed Values January 1, 2009</u>
Real Estate	\$392,746,570
Tangible Personal	680,880
Total	<u>\$393,427,450</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 on February 12th or one-half on February 12th and July 16th. 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 November, 2009. The additional levy is for five years, to be assessed for tax-duplicate years 2009 to 2013, and collected in the fiscal years 2010 through 2014.

**B. Income Tax**

For the 2010 fiscal year the City collected income taxes at a rate of 1.75%. A 1.5% credit was allowed for those who work in another community and pay taxes to other municipalities on that income. In November of 2010 the City passed an ballot initiative to increase the City's income tax rate to 2.25% effective January 1, 2011. The credit to other municipalities remains at 1.5%. 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.

This space intentionally left blank.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 6 – LOANS RECEIVABLE**

The City operates three long-term enterprise fund loan programs (loan fund, the Community Development Block Grant (CDBG) and Urban Development Action Grant (UDAG) revolving loan fund and the housing rehabilitation loan fund). Other loans receivable are held by the Xenia Economic Growth Corporation, a component unit of the City.

Loans receivable at December 31, 2010 were:

Loan Type	C.D.B.G. Revolving Loan Fund	Loan Fund	Housing Rehabilitation Loan Fund	Xenia Economic Growth Corp.
Down payment assistance loans	\$0	\$0	\$3,093	\$0
Mortgage grants	0	0	53,850	0
Rehabilitation loans	0	0	317,193	0
Façade Loans	46,303	0	0	0
Homelessness Prevention Loans	0	0	14,002	0
Economic development loans	0	0	0	87,414
Total Loans receivable	<u>\$46,303</u>	<u>\$0</u>	<u>\$388,138</u>	<u>\$87,414</u>

C.D.B.G. Revolving Loan Fund - In past years the City received Federal Community Development Block grants (CDBG) and Urban Development Action grants (UDAG) to provide low interest loans for economic and job development. The balance in this fund is from loan repayments and interest earned on the loan repayments. CDBG and UDAG regulations require the City to reinvest this balance in similar economic development loans or expenditures.

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 or loans from this fund.

Housing Rehabilitation Loan Fund – In September of 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, 2010***

---

**NOTE 7 - TRANSFERS**

Following is a summary of transfers in and out for all funds for 2010:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General Fund	\$0	\$7,528,071
Police & Fire Fund	7,132,296	0
Other Governmental Funds	379,775	0
Total Governmental Funds	<u>7,512,071</u>	<u>7,528,071</u>
Enterprise Funds		
Other Enterprise Funds	<u>16,000</u>	<u>15,310</u>
Total Enterprise Funds	<u>16,000</u>	<u>15,310</u>
Total Transfers	<u><u>\$7,528,071</u></u>	<u><u>\$7,543,381</u></u>

There were two transfers from the General Fund to Other Governmental Funds. The first was to support operations in the Municipal Court Victim Fund. The second transfer was made to move surcharges related to wireless communication upgrades pursuant to O.R.C. 4931.65 to the newly created 911 Fund. The transfer from the General Fund to the Police and Fire Fund was to support operations related to those public safety functions. The transfer from the General Fund to the Other Enterprise Funds was to supplement operations in the Parking Revenue Fund. There were also transfers of Capital assets between various funds. The transfer of capital assets between governmental and enterprise funds explains the imbalance between transfers in and transfers out. A transfer of \$15,310 was made from an enterprise fund to a governmental fund. The transfer out was recognized in the enterprise fund but no transfer in was recognized by the governmental fund on the fund statements. It is not until the entity wide statements that the transfer in is recognized. Another \$61,585 transfer of capital assets was made from a governmental fund into the stormwater enterprise fund. No transfer out was recognized on a fund basis and the stormwater fund recognized a capital contribution. On the entity wide statements a transfer out is recognized by the governmental activities and a transfer in is recognized by the business type activities.

This space intentionally left blank.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES**

The following balances at December 31, 2010, represent due from/to other funds and advances to/from other funds:

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
Governmental Funds:		
Capital Improvements Fund	\$36,056	\$0
Internal Service Funds:		
City Garage Fund	0	36,056

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

This space intentionally left blank.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

**NOTE 9 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2010:

**Historical Cost:**

Class	December 31, 2009	Additions	Deletions	December 31, 2010
<b>Capital assets not being depreciated:</b>				
Land	\$16,220,607	\$0	\$0	\$16,220,607
Construction in Progress	273,106	491,461	(78,903)	685,664
Subtotal	16,493,713	491,461	(78,903)	16,906,271
<b>Capital assets being depreciated:</b>				
Land improvements	1,263,245	80,600	0	1,343,845
Buildings and improvements	6,509,521	287,343	(55,400)	6,741,464
Machinery and Equipment	8,833,519	81,703	(685,246)	8,229,976
Infrastructure	15,065,947	225,136	(43,163)	15,247,920
Subtotal	31,672,232	674,782	(783,809)	31,563,205
Total Cost	\$48,165,945	\$1,166,243	(\$862,712)	\$48,469,476
<b>Accumulated Depreciation:</b>				
Class	Restated December 31, 2009	Additions	Deletions	December 31, 2010
Land improvements	(\$666,999)	(\$41,300)	\$0	(\$708,299)
Buildings and improvements	(2,578,221)	(153,749)	55,400	(2,676,570)
Machinery and Equipment	(4,442,668)	(507,341)	643,620	(4,306,389)
Infrastructure	(5,232,057)	(365,084)	12,209	(5,584,932)
Total Depreciation	(\$12,919,945)	(\$1,067,474) *	\$711,229	(\$13,276,190)
<b>Net Value:</b>	\$35,246,000			\$35,193,286

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

General Government	(\$196,506)
Public Safety	(303,733)
Highways and Streets	(459,550)
Community Development	(14,397)
Recreation	(93,288)
Health	0
Total Depreciation Expense recorded within the Governmental Activities	(1,067,474)
Amount of Depreciation Expense recorded in the Internal Service Fund	0
Total Additions to Accumulated Depreciation	(\$1,067,474)

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

**NOTE 9 - CAPITAL ASSETS (Continued)**

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

Summary by Category at December 31, 2010:

*Historical Cost:*

Class	December 31, 2009	Additions	Deletions	December 31, 2010
<i>Capital assets not being depreciated:</i>				
Land	\$484,280	\$0	\$0	\$484,280
Construction in Progress	222,546	2,458,692	(34,383)	2,646,855
Subtotal	706,826	2,458,692	(34,383)	3,131,135
<i>Capital assets being depreciated:</i>				
Land improvements	448,997	0	0	448,997
Buildings and improvements	8,270,911	88,426	(11,973)	8,347,364
Machinery and Equipment	51,263,278	363,279	(411,492)	51,215,065
Total Cost	\$60,690,012	\$2,910,397	(\$457,848)	\$63,142,561

*Accumulated Depreciation:*

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Land Improvements	(\$272,087)	(\$10,001)	\$0	(\$282,088)
Buildings and Improvements	(4,762,180)	(207,482)	11,973	(4,957,689)
Machinery and Equipment	(27,711,234)	(1,398,402)	407,679	(28,701,957)
Total Depreciation	(\$32,745,501)	(\$1,615,885)	\$419,652	(\$33,941,734)

*Net Value:*

\$27,944,511	\$29,200,827
--------------	--------------

**C. Component Unit (XEGC) Capital Assets**

Summary by Category at December 31, 2010:

*Historical Cost:*

Class	December 31, 2009	Additions	Deletions	December 31, 2010
<i>Capital assets being depreciated:</i>				
Machinery and Equipment	\$31,842	\$0	\$0	\$31,842
Total Cost	\$31,842	\$0	\$0	\$31,842

*Accumulated Depreciation:*

Class	December 31, 2009	Additions	Deletions	December 31, 2010
Machinery and Equipment	(\$28,507)	(\$972)	\$0	(\$29,479)
Total Depreciation	(\$28,507)	(\$972)	\$0	(\$29,479)

*Net Value:*

\$3,335	\$2,363
---------	---------

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 10 – DEFINED BENEFIT PENSION PLANS**

All of the City’s full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

**A. Ohio Public Employees Retirement System (the “Ohio PERS”)**

The following information was provided by the Ohio PERS to assist the City in complying with GASB Statements No. 45, “*Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pension*” and No. 27, “*Accounting for Pensions by State and Local Government Employers*”.

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by the Ohio PERS:

1. The Traditional Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan.
2. The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
3. The Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan. Under the Combined Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the Traditional Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Plan and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.

Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to OPERS at 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2010, member and employer contribution rates were consistent across all three plans (TP, MD and CO). Separate divisions for law enforcement and public safety exist only within the Traditional Pension Plan.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

The 2010 member contribution rate for City employees was 10.00% of covered payroll. The 2010 employer contribution rate was 14.00% of covered payroll. Total required employer contributions for all plans are equal to 100% of employer charges and should be extracted from employer records. A portion of the City’s Contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The City’s contributions to OPERS for the years ended December 31, 2010, 2009 and 2008 were \$560,033, \$552,262, and \$479,455, respectively, which were equal to the required contributions for each year.

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

All City full-time police officers and full-time firefighters participate in the OP&F Fund, a cost-sharing multiple-employer defined benefit pension plan. The OP&F Fund provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial information and required supplementary information for the OP&F Fund. Interested parties may obtain a copy by making a written request to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund healthcare benefits. The City’s contributions to the OP&F Fund for the years ending December 31, 2010, 2009, and 2008 were \$360,923, \$380,855 and \$384,118 for police and \$424,088, \$452,462 and \$454,901 for firefighters, respectively, which were equal to the required contributions for each year.

**NOTE 11 – POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System (the “Ohio PERS”)**

Plan Description – OPERS administers three separate pension plans: the Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the member directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 11 – POSTEMPLOYMENT BENEFITS (Continued)**

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

In order to qualify for Post-Employment healthcare coverage, age-and-service retirees under the Traditional Pension and Combined Pension Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

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

Funding Policy - The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the Ohio PERS. A portion of each employer's contribution to the Ohio PERS is set aside for the funding of post retirement health care benefits. Employer Contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, local government employers contributed at a rate of 14% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14% of covered payroll for local government employers. Active members do not make contributions to OPEB plan.

The OPERS Postemployment Health Care Plan was established under, and is administered in accordance with Internal Revenue Code 401 (h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment Health Care benefits. The employer contribution allocated to health care for those in the traditional plan was 5.5% from January 1<sup>st</sup> 2010 to February 28<sup>th</sup> 2010 and 5.0% from March 1<sup>st</sup> 2010 to December 31<sup>st</sup>. For members of the combined plan the rate was 4.73% from January 1<sup>st</sup> to February 28<sup>th</sup> and 4.23% from March 1<sup>st</sup> to December 31<sup>st</sup>. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's Contributions for health care to the OPERS for the years ending December 31,2010, 2009, and 2008 were \$318,684, \$396,343, and \$479,454, respectively, which were equal to the required contributions for each year.

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 11 – POSTEMPLOYMENT BENEFITS (Continued)**

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

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

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

The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial information and required supplementary information for the OP&F Fund. Interested parties may obtain a copy by making a written request to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. Participating Employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The ORC states the employer contribution may not exceed 19.5 % of covered payroll for police and 24% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the section 115 trust and the section 401(h) account as the employer contribution for retiree health care benefits. For 2010 the employer contribution allocated to the healthcare plan was 6.75% 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 coverage selected.



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

**NOTE 11 – POSTEMPLOYMENT BENEFITS (Continued)**

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

The City’s Contributions for health care to the OP&F for the years ending December 31, 2010, 2009, and 2008, were \$190,947, \$201,492, and \$203,357 for police and \$165,742, \$176,831, and \$178,005 for firefighters, respectively, which were equal to the required contributions for each year.

**NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS**

Long-term debt and other long-term obligations of the City at December 31, 2010 were as follows:

		December 31, 2009	Additions	(Reductions)	December 31, 2010	Within One Year	
<b>Business-Type Activities:</b>							
Loans Payable:							
3.04%	Sewer Loan Payable	1993	\$351,153	\$0	(\$172,933)	\$178,220	\$178,220
2.79%	Sewer Loan Payable	1999	4,543,391	0	(378,022)	4,165,369	388,642
3.25%	Sewer Loan Payable	2010	0	1,917,785	(34,414)	1,883,371	70,515
	Total Loans Payable		4,894,544	1,917,785	(585,369)	6,226,960	637,377
	Capital Leases		1,607,731	0	(93,504)	1,514,227	97,742
	Landfill Liability		1,021,870	11,591	(39,594)	993,867	40,000
	Compensated Absences		415,520	405,524	(415,520)	405,524	64,884
	<b>Total Business Type Activities</b>		<b>\$7,939,665</b>	<b>\$2,334,900</b>	<b>(\$1,133,987)</b>	<b>\$9,140,578</b>	<b>\$840,003</b>
<b>Governmental Activities Long-Term Debt:</b>							
4.70 - 5.75%							
	General Obligation Bond Payable	2000	\$945,000	\$0	(\$945,000)	\$0	\$0
	General Obligation Bond Payable	2010	0	920,000	0	\$920,000	70,000
	Capital Leases Payable		1,589,814	0	(370,647)	1,219,167	363,131
	Compensated Absences		1,601,668	1,693,036	(1,601,668)	1,693,036	204,205
	<b>Total Governmental Activities</b>		<b>\$4,136,482</b>	<b>\$2,613,036</b>	<b>(\$2,917,315)</b>	<b>\$3,832,203</b>	<b>\$637,336</b>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

**NOTE 12 - 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, 2010 are as follows:

Years	General Obligation Bond		Sewer Loans Payable	
	Principal	Interest	Principal	Interest
2011	\$70,000	\$24,245	\$637,377	\$178,248
2012	75,000	20,700	472,387	160,934
2013	75,000	19,200	485,998	147,322
2014	100,000	17,450	500,003	133,317
2015	100,000	15,450	514,413	118,907
2016	100,000	13,200	529,240	104,080
2017-2021	400,000	24,475	2,120,253	293,104
2022-2026	0	0	536,683	119,099
2027-2030	0	0	430,606	28,440
Totals	<u>\$920,000</u>	<u>\$134,720</u>	<u>\$6,226,960</u>	<u>\$1,283,451</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 our 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.

**C. Conduit Debt**

On June 22, 2007, Xenia City Council approved the City to act as a conduit issuer of Legacy Village Healthcare Facilities, Inc. tax-exempt lease obligations to refund debt issued for the construction of an assisted living facility located within the City of Xenia. The City's involvement allowed Legacy Village to be given tax-exempt status thus making them eligible for a lower interest rate for financing.

A master lease-purchase and sub-lease agreement was executed in an amount not to exceed \$2,500,000 by Fifth Third Bank as lessor, the City of Xenia as lessee, and Legacy Village Healthcare Facilities, Inc. as Sub lessee. The final amount of the conduit debt is \$2,090,050. These lease obligations are payable solely from revenue sources provided by Legacy Village and does not pledge the full faith and credit of the City nor impact the City's debt limitations.

As of December 31, 2010, this is the only conduit debt outstanding.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010**

---

**NOTE 13 – LEASES**

**A. Capital Leases**

Under capital leases the City has leases for a medic unit, a ladder truck, a fire pumper, a communication center, a building security system, an HVAC system, automated meter reading upgrades, Self Contained Breathing Apparatus, and an upgrade to the phone system. 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 \$4,401,252 and the book value at December 31, 2010 was \$3,481,192. 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, 2010:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>
2011	\$409,349	\$164,515
2012	409,349	164,516
2013	257,428	164,516
2014	113,847	164,516
2015	93,350	164,516
2016-2020	46,675	822,577
2021-2022	0	329,031
Minimum Lease Payments	1,329,998	1,974,187
Less amount representing interest at the City's incremental borrowing rate of interest	(110,831)	(459,960)
Present value of minimum lease payments	<u>\$1,219,167</u>	<u>\$1,514,227</u>

**B. Operating Leases**

The City leases office space, machinery and equipment, janitorial and cleaning services and parking lots under operating agreements that expire at various dates through 2013. Payments on operating leases were \$123,738 during 2010. The following is a schedule of future minimum rental payments of non-cancellable operating leases:

<u>Year Ending December 31,</u>	<u>Amount</u>
2011	53,897
2012	1,697
2013	848

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2010***

---

**NOTE 14 - 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. At December 31, 2010 the City's accrued liability (per GASB 18) for post-closure costs related to the closed City landfill is \$993,867. 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.

**NOTE 15 - 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 Ohio Government Risk Management Plan. This program is a fully reinsured product that provides for 100% "transfer" of risk. Members do not retain or share any risk. 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.

**NOTE 16 - 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.

*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

---

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

***Nonmajor Governmental Funds***

---

***Special Revenue Funds***

---

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 to expenditures for specified purposes.

**Recreation Special Fund**

To account for specific recreation activities funded by fees.

**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.

**State Route Repair Fund**

Required by State law to account for that portion of gasoline tax and motor vehicle license fees designated 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. 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). Restricted by State law and local ordinance for improvements other than those directly benefiting the Urban Renewal zone.

(Continued)

*Special Revenue Funds*

---

**911 Fund**

To account for 911 surcharges related to wireless communications. Uses are restricted by state law to designing, upgrading, purchasing, leasing, programming, installing, testing, or maintaining various aspects of the communication center.

**Law Enforcement Fund**

To account for the proceeds from sales of contraband seized during arrests on felony charges.

**Drug Law Enforcement Fund**

To account for drug offenses, fines and bond forfeitures.

**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*

---

**Debt Service Fund**

This fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

*Capital Projects Funds*

---

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

**Municipal Court Capital Improvements Fund**

This fund is used 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**

This fund is used 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.

**CITY OF XENIA, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and cash equivalents	\$ 760,937	\$ 14,200	\$ 172,548	\$ 947,685
Investments	1,169,661	21,826	265,227	1,456,714
Receivables:				
Taxes, including interest, penalties and liens	39,000	78,785	0	117,785
Intergovernmental	450,566	0	0	450,566
Accounts	16,944	0	0	16,944
Accrued interest	7,236	149	1,947	9,332
Grants	39,935	0	0	39,935
Prepaid items	26,621	1,960	27,689	56,270
<b>Total Assets</b>	<b>\$ 2,510,900</b>	<b>\$ 116,920</b>	<b>\$ 467,411</b>	<b>\$ 3,095,231</b>
<b>Liabilities:</b>				
Accounts payable	\$ 13,515	\$ 0	\$ 1,899	\$ 15,414
Accrued payroll	13,140	0	0	13,140
Deferred revenue	466,112	78,819	440	545,371
<b>Total Liabilities</b>	<b>492,767</b>	<b>78,819</b>	<b>2,339</b>	<b>573,925</b>
<b>Fund Balances:</b>				
Reserved for:				
Encumbrances	44,962	0	56,264	101,226
Prepaid items	26,621	1,960	27,689	56,270
Debt service	0	36,141	0	36,141
Unreserved and undesignated in:				
Special revenue funds	1,946,550	0	0	1,946,550
Capital projects funds	0	0	381,119	381,119
<b>Total Fund Balances</b>	<b>2,018,133</b>	<b>38,101</b>	<b>465,072</b>	<b>2,521,306</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 2,510,900</b>	<b>\$ 116,920</b>	<b>\$ 467,411</b>	<b>\$ 3,095,231</b>



**CITY OF XENIA, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2010**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Other local taxes	\$ 156,169	\$ 69,012	\$ 0	\$ 225,181
State shared taxes and permits	249,467	15,764	0	265,231
Intergovernmental grants	175,569	0	227,093	402,662
Fines, costs, forfeitures, licenses and permits	247,101	0	93,466	340,567
Miscellaneous receipts and reimbursements, including interest	379,985	683	6,553	387,221
<b>Total Revenue</b>	<b>1,208,291</b>	<b>85,459</b>	<b>327,112</b>	<b>1,620,862</b>
<b>Expenditures:</b>				
Current:				
General government	455,844	0	0	455,844
Public safety	237,053	600	0	237,653
Highways and streets	56,246	41,586	0	97,832
Recreation	1,500	0	0	1,500
Capital outlay	405,435	0	146,108	551,543
Debt service:				
Principal retirement	21,450	43,550	21,363	86,363
Interest & fiscal charges	17,174	34,868	3,110	55,152
<b>Total Expenditures</b>	<b>1,194,702</b>	<b>120,604</b>	<b>170,581</b>	<b>1,485,887</b>
Excess (deficiency) of revenues over expenditures	13,589	(35,145)	156,531	134,975
<b>Other financing sources (uses):</b>				
Proceeds from refunding bond issue	298,656	621,344	0	920,000
Premium on refunded bond issue	0	7,531	0	7,531
Payment to refunded bond escrow account	290,400	589,600	0	880,000
Transfers in	379,775	0	0	379,775
<b>Total other financing sources (uses)</b>	<b>388,031</b>	<b>39,275</b>	<b>0</b>	<b>427,306</b>
Net change in fund balances	401,620	4,130	156,531	562,281
<b>Fund Balances at Beginning of Year</b>	<b>1,616,513</b>	<b>33,971</b>	<b>308,541</b>	<b>1,959,025</b>
<b>Fund Balances End of Year</b>	<b>\$ 2,018,133</b>	<b>\$ 38,101</b>	<b>\$ 465,072</b>	<b>\$ 2,521,306</b>

**CITY OF XENIA, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2010**

	Recreation Special	Indigent Driver Alcohol Treatment	Law Enforcement and Education	State Route Repair	City Motor Vehicle License Tax
<b>Assets:</b>					
Cash and cash equivalents	\$ 1,145	\$ 127,723	\$ 12,575	\$ 48,590	\$ 109,270
Investments	1,760	196,328	19,330	74,690	167,964
Receivables:					
Taxes, including interest, penalties and liens	0	0	0	0	0
Intergovernmental	0	0	0	41,257	92,050
Accounts	0	4,632	0	0	0
Accrued interest	0	1,389	155	484	831
Grants	0	0	0	0	0
Prepaid items	0	25,000	0	112	0
<b>Total Assets</b>	<b>\$ 2,905</b>	<b>\$ 355,072</b>	<b>\$ 32,060</b>	<b>\$ 165,133</b>	<b>\$ 370,115</b>
<b>Liabilities:</b>					
Accounts payable	\$ 0	\$ 0	\$ 75	\$ 1,866	\$ 0
Accrued payroll	0	0	0	0	0
Deferred revenue	0	314	35	25,585	61,526
<b>Total Liabilities</b>	<b>0</b>	<b>314</b>	<b>110</b>	<b>27,451</b>	<b>61,526</b>
<b>Fund Balances:</b>					
Reserved for:					
Encumbrances	0	0	3,576	11,586	0
Prepaid items	0	25,000	0	112	0
Unreserved and undesignated	2,905	329,758	28,374	125,984	308,589
<b>Total Fund Balances</b>	<b>2,905</b>	<b>354,758</b>	<b>31,950</b>	<b>137,682</b>	<b>308,589</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 2,905</b>	<b>\$ 355,072</b>	<b>\$ 32,060</b>	<b>\$ 165,133</b>	<b>\$ 370,115</b>

**CITY OF XENIA, OHIO**

County Motor Vehicle License Tax	Special Miscellaneous Improvements	Tax Increment Equivalent	911 Fund	Law Enforcement	Drug Law Enforcement	Municipal Court Victim	Total Nonmajor Special Revenue Funds
\$ 11,921	\$ 33,281	\$ 65,979	\$ 143,874	\$ 182,364	\$ 15,928	\$ 8,287	\$ 760,937
18,324	51,159	101,418	221,153	280,316	24,484	12,735	1,169,661
0	0	39,000	0	0	0	0	39,000
317,259	0	0	0	0	0	0	450,566
0	0	0	12,312	0	0	0	16,944
417	0	0	1,484	2,251	172	53	7,236
0	0	0	0	760	0	39,175	39,935
0	0	0	0	0	0	1,509	26,621
<u>\$ 347,921</u>	<u>\$ 84,440</u>	<u>\$ 206,397</u>	<u>\$ 378,823</u>	<u>\$ 465,691</u>	<u>\$ 40,584</u>	<u>\$ 61,759</u>	<u>\$ 2,510,900</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,513	\$ 0	\$ 61	\$ 13,515
0	1,691	0	2,787	749	0	7,913	13,140
317,353	0	39,000	335	508	39	21,417	466,112
<u>317,353</u>	<u>1,691</u>	<u>39,000</u>	<u>3,122</u>	<u>12,770</u>	<u>39</u>	<u>29,391</u>	<u>492,767</u>
14,712	0	0	0	14,733	0	355	44,962
0	0	0	0	0	0	1,509	26,621
15,856	82,749	167,397	375,701	438,188	40,545	30,504	1,946,550
<u>30,568</u>	<u>82,749</u>	<u>167,397</u>	<u>375,701</u>	<u>452,921</u>	<u>40,545</u>	<u>32,368</u>	<u>2,018,133</u>
<u>\$ 347,921</u>	<u>\$ 84,440</u>	<u>\$ 206,397</u>	<u>\$ 378,823</u>	<u>\$ 465,691</u>	<u>\$ 40,584</u>	<u>\$ 61,759</u>	<u>\$ 2,510,900</u>

**CITY OF XENIA, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

	Recreation Special	Indigent Driver Alcohol Treatment	Law Enforcement and Education	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	81,588	167,879
Intergovernmental grants	0	0	0	0	0
Fines, costs, forfeitures, licenses and permits	0	46,489	900	0	0
Miscellaneous receipts and reimbursements, including interest	1,495	4,553	600	1,702	3,054
<b>Total Revenue</b>	<u>1,495</u>	<u>51,042</u>	<u>1,500</u>	<u>83,290</u>	<u>170,933</u>
<b>Expenditures:</b>					
Current:					
General government	0	50,000	0	0	0
Public safety	0	0	10,724	0	0
Highways and streets	0	0	0	56,246	0
Recreation	1,500	0	0	0	0
Capital outlay	0	0	0	0	17,175
Debt service:					
Principal retirement	0	0	0	0	21,450
Interest & fiscal charges	0	0	0	0	17,174
<b>Total Expenditures</b>	<u>1,500</u>	<u>50,000</u>	<u>10,724</u>	<u>56,246</u>	<u>55,799</u>
Excess (deficiency) of revenues over expenditures	(5)	1,042	(9,224)	27,044	115,134
<b>Other financing sources (uses):</b>					
Proceeds from refunding bond issue	0	0	0	0	298,656
Payment to refunded bond escrow account	0	0	0	0	290,400
Transfers in	0	0	0	0	0
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,256</u>
Net Change in Fund Balances	(5)	1,042	(9,224)	27,044	123,390
<b>Fund Balances at Beginning of Year</b>	<u>2,910</u>	<u>353,716</u>	<u>41,174</u>	<u>110,638</u>	<u>185,199</u>
<b>Fund Balances End of Year</b>	<u>\$ 2,905</u>	<u>\$ 354,758</u>	<u>\$ 31,950</u>	<u>\$ 137,682</u>	<u>\$ 308,589</u>

**CITY OF XENIA, OHIO**

County Motor Vehicle License Tax	Special Miscellaneous Improvements	Tax Increment Equivalent	911 Fund	Law Enforcement	Drug Law Enforcement	Municipal Court Victim	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 156,169	\$ 0	\$ 0	\$ 0	\$ 0	\$ 156,169
0	0	0	0	0	0	0	249,467
0	0	0	0	25,429	0	150,140	175,569
0	0	0	156,590	0	5,068	38,054	247,101
0	96,754	0	5,451	265,532	601	243	379,985
0	96,754	156,169	162,041	290,961	5,669	188,437	1,208,291
0	41,185	149,729	0	0	0	214,930	455,844
0	0	0	113,115	107,414	5,800	0	237,053
0	0	0	0	0	0	0	56,246
0	0	0	0	0	0	0	1,500
67,655	0	0	0	320,605	0	0	405,435
0	0	0	0	0	0	0	21,450
0	0	0	0	0	0	0	17,174
67,655	41,185	149,729	113,115	428,019	5,800	214,930	1,194,702
(67,655)	55,569	6,440	48,926	(137,058)	(131)	(26,493)	13,589
0	0	0	0	0	0	0	298,656
0	0	0	0	0	0	0	290,400
0	0	0	326,775	0	0	53,000	379,775
0	0	0	326,775	0	0	53,000	388,031
(67,655)	55,569	6,440	375,701	(137,058)	(131)	26,507	401,620
98,223	27,180	160,957	0	589,979	40,676	5,861	1,616,513
\$ 30,568	\$ 82,749	\$ 167,397	\$ 375,701	\$ 452,921	\$ 40,545	\$ 32,368	\$ 2,018,133

**CITY OF XENIA, OHIO**

---

**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2010**

---

	Municipal Court Capital Improvements	Issue II	Total Nonmajor Capital Projects Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 172,187	\$ 361	\$ 172,548
Investments	264,673	554	265,227
Receivables:			
Accrued interest	1,947	0	1,947
Prepaid items	27,689	0	27,689
<b>Total Assets</b>	<b>\$ 466,496</b>	<b>\$ 915</b>	<b>\$ 467,411</b>
<b>Liabilities:</b>			
Accounts payable	\$ 1,899	\$ 0	\$ 1,899
Deferred revenue	440	0	440
<b>Total Liabilities</b>	<b>2,339</b>	<b>0</b>	<b>2,339</b>
<b>Fund Balances:</b>			
Reserved for:			
Encumbrances	31,429	24,835	56,264
Prepaid items	27,689	0	27,689
Unreserved and undesignated	405,039	(23,920)	381,119
<b>Total Fund Balances</b>	<b>464,157</b>	<b>915</b>	<b>465,072</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 466,496</b>	<b>\$ 915</b>	<b>\$ 467,411</b>

**CITY OF XENIA, OHIO**

---

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010**

---

	Municipal Court Capital Improvements	Issue II	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>			
Intergovernmental grants	\$ 0	\$ 227,093	\$ 227,093
Fines, costs, forfeitures, licenses and permits	93,466	0	93,466
Miscellaneous receipts and reimbursements, including interest	6,553	0	6,553
<b>Total Revenue</b>	<u>100,019</u>	<u>227,093</u>	<u>327,112</u>
<b>Expenditures:</b>			
Capital outlay	121,907	24,201	146,108
Debt service:			
Principal retirement	21,363	0	21,363
Interest & fiscal charges	3,110	0	3,110
<b>Total Expenditures</b>	<u>146,380</u>	<u>24,201</u>	<u>170,581</u>
Net change in fund balances	(46,361)	202,892	156,531
<b>Fund Balances at Beginning of Year</b>	<u>510,518</u>	<u>(201,977)</u>	<u>308,541</u>
<b>Fund Balances End of Year</b>	<u>\$ 464,157</u>	<u>\$ 915</u>	<u>\$ 465,072</u>

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 7,072,823	\$ 7,072,823	\$ 4,812,892	\$ (2,259,931)
Other Local Taxes	1,230,660	1,230,660	1,205,225	(25,435)
State Shared Taxes and Permits	2,001,351	2,065,351	1,758,600	(306,751)
Intergovernmental Grants	157,167	157,167	165,716	8,549
Charges for Services	50,800	50,800	(44,106)	(94,906)
Fines, Costs, Forfeitures, Licenses and Permits	1,072,340	1,119,340	1,107,172	(12,168)
Miscellaneous Receipts and Reimbursements, Including Interest	391,103	423,703	349,486	(74,217)
Total Revenues	<u>11,976,244</u>	<u>12,119,844</u>	<u>9,354,985</u>	<u>(2,764,859)</u>
<b>Expenditures:</b>				
General Government:				
City Council and General Government:				
Personnel Services	32,389	32,389	32,075	314
General Operating Expenses	15,450	15,695	6,633	9,062
Contractual Services	129,332	133,936	111,948	21,988
Materials and Supplies	4,800	4,860	1,971	2,889
Contributions	63,866	67,826	67,826	0
Total City Council and General Government	<u>245,837</u>	<u>254,706</u>	<u>220,453</u>	<u>34,253</u>
Municipal Court:				
Personnel Services	1,290,409	1,290,409	1,265,585	24,824
General Operating Expenses	26,449	26,929	11,829	15,100
Contractual Services	168,394	186,916	164,473	22,443
Materials and Supplies	26,560	28,741	19,826	8,915
Contributions	52,621	52,621	26,416	26,205
Total Municipal Court	<u>1,564,433</u>	<u>1,585,616</u>	<u>1,488,129</u>	<u>97,487</u>
City Law Department:				
Personnel Services	137,811	137,811	134,282	3,529
General Operating Expenses	3,000	2,860	1,795	1,065
Contractual Services	15,874	18,875	15,243	3,632
Materials and Supplies	5,450	10,449	9,340	1,109
Total City Law Department	<u>162,135</u>	<u>169,995</u>	<u>160,660</u>	<u>9,335</u>

(Continued)



**CITY OF XENIA, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
City Manager's Office:				
Personnel Services	90,505	97,105	96,788	317
General Operating Expenses	6,820	6,820	1,763	5,057
Contractual Services	5,898	6,880	5,370	1,510
Materials and Supplies	7,500	7,485	3,343	4,142
Total City Manager's Office	110,723	118,290	107,264	11,026
Personnel Office:				
Personnel Services	21,019	21,019	20,967	52
General Operating Expenses	4,405	520	432	88
Contractual Services	46,222	70,946	68,702	2,244
Materials and Supplies	8,200	5,922	5,109	813
Total Personnel Office	79,846	98,407	95,210	3,197
Finance Office:				
Personnel Services	74,124	74,124	73,750	374
General Operating Expenses	895	705	595	110
Contractual Services	56,580	57,032	51,424	5,608
Materials and Supplies	8,350	8,892	6,113	2,779
Total Finance Office	139,949	140,753	131,882	8,871
Income Tax:				
Personnel Services	245,978	249,278	248,092	1,186
General Operating Expenses	10,425	10,425	513	9,912
Contractual Services	61,663	69,462	58,813	10,649
Materials and Supplies	7,890	9,832	5,682	4,150
Total Income Tax	325,956	338,997	313,100	25,897
Municipal Building and General Services:				
Contractual Services	213,966	218,583	169,300	49,283
Materials and Supplies	4,700	4,700	3,358	1,342
Total Municipal Building and General Services	218,666	223,283	172,658	50,625

**CITY OF XENIA, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Data Processing:				
Personnel Services	30,316	30,316	30,193	123
General Operating Expenses	3,000	500	41	459
Contractual Services	140,844	152,887	144,086	8,801
Materials and Supplies	23,700	15,782	14,678	1,104
Total Data Processing	197,860	199,485	188,998	10,487
Clerk of City Council:				
Personnel Services	23,313	23,313	21,524	1,789
General Operating Expenses	235	205	0	205
Contractual Services	26,221	25,689	22,497	3,192
Materials and Supplies	3,975	4,875	4,206	669
Total Clerk of City Council	53,744	54,082	48,227	5,855
Volunteer Program:				
General Operating Expenses	3,225	3,225	0	3,225
Contractual Services	550	550	0	550
Materials and Supplies	1,750	1,750	0	1,750
Total Volunteer Program	5,525	5,525	0	5,525
Public Affairs & CATV:				
Personnel Services	1,236	1,336	1,278	58
General Operating Expenses	1,300	1,325	1,323	2
Contractual Services	15,280	51,635	46,082	5,553
Materials and Supplies	6,000	3,460	0	3,460
Total Public Affairs & CATV	23,816	57,756	48,683	9,073
Total General Government	3,128,490	3,246,895	2,975,264	271,631
Public Safety:				
Civil Defense:				
Personnel Services	2,923	2,923	612	2,311
General Operating Expenses	700	500	457	43
Contractual Services	23,305	26,984	23,958	3,026
Materials and Supplies	500	1,800	1,800	0
Total Civil Defense	27,428	32,207	26,827	5,380

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Engineering:</b>				
Personnel Services	52,501	53,901	53,764	137
General Operating Expenses	2,350	2,350	499	1,851
Contractual Services	95,387	98,160	80,277	17,883
Materials and Supplies	5,861	5,861	2,862	2,999
Total Engineering	156,099	160,272	137,402	22,870
<b>Construction Inspection:</b>				
Personnel Services	36,194	36,194	34,158	2,036
General Operating Expenses	1,400	1,400	310	1,090
Contractual Services	10,669	10,504	6,920	3,584
Materials and Supplies	3,200	3,390	1,501	1,889
Total Construction Inspection	51,463	51,488	42,889	8,599
Total Public Safety	234,990	243,967	207,118	36,849
<b>Health:</b>				
<b>Property Maintenance:</b>				
Personnel Services	29,400	29,550	29,474	76
General Operating Expenses	560	460	150	310
Contractual Services	37,486	37,715	18,459	19,256
Materials and Supplies	2,785	2,785	634	2,151
Total Health	70,231	70,510	48,717	21,793
<b>Highways and Streets:</b>				
<b>Street Lighting:</b>				
Contractual Services	303,000	304,934	294,778	10,156
Total Highways and Streets	303,000	304,934	294,778	10,156
<b>Community Development:</b>				
<b>Neighborhood Services:</b>				
Personnel Services	113,529	116,929	116,819	110
General Operating Expenses	1,050	750	111	639
Contractual Services	17,770	18,393	12,233	6,160
Materials and Supplies	2,437	2,305	1,408	897
Total Neighborhood Services	134,786	138,377	130,571	7,806

**CITY OF XENIA, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Planning:				
Personnel Services	103,113	103,113	89,168	13,945
General Operating Expenses	3,659	3,409	2,640	769
Contractual Services	39,502	42,990	30,157	12,833
Materials and Supplies	2,680	2,060	763	1,297
Total Planning	148,954	151,572	122,728	28,844
Total Community Development	283,740	289,949	253,299	36,650
Recreation:				
Parks and Recreation:				
Personnel Services	8,330	12,630	12,572	58
Contractual Services	0	42	42	0
Total Parks and Recreation	8,330	12,672	12,614	58
Xenia Station:				
Contractual Services	15,363	17,073	15,515	1,558
Materials and Supplies	6,724	6,017	2,059	3,958
Total Xenia Station	22,087	23,090	17,574	5,516
Farmers Market:				
Contractual Services	3,100	3,100	80	3,020
Total Farmers Market	3,100	3,100	80	3,020
General Park Maintenance:				
Personnel Services	80,196	84,196	71,003	13,193
General Operating Expenses	400	911	911	0
Contractual Services	85,781	87,154	83,216	3,938
Materials and Supplies	31,800	31,675	14,721	16,954
Total General Park Maintenance	198,177	203,936	169,851	34,085
Total Recreation	231,694	242,798	200,119	42,679
Total Expenditures	4,252,145	4,399,053	3,979,295	419,758
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,724,099	7,720,791	5,375,690	(2,345,101)

**CITY OF XENIA, OHIO**

---

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2010***

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(10,299,000)	(10,299,000)	(7,528,071)	2,770,929
Advances In	68,000	68,000	68,000	0
Total Other Financing Sources (Uses)	<u>(10,231,000)</u>	<u>(10,231,000)</u>	<u>(7,460,071)</u>	<u>2,770,929</u>
Net Change in Fund Balance	(2,506,901)	(2,510,209)	(2,084,381)	425,828
Fund Balance at Beginning of Year	2,545,928	2,545,928	2,545,928	0
Prior Year Encumbrances	131,820	131,820	131,820	0
Fund Balance at End of Year	<u>\$ 170,847</u>	<u>\$ 167,539</u>	<u>\$ 593,367</u>	<u>\$ 425,828</u>

**CITY OF XENIA, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - Special Revenue – State Gas and Vehicle License Fund  
For the Year Ended December 31, 2010***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 970,000	\$ 970,000	\$ 996,440	\$ 26,440
Charges for Services	4,000	4,000	1,030	(2,970)
Miscellaneous Receipts and Reimbursements, Including Interest	10,500	10,500	4,355	(6,145)
Total Revenues	<u>984,500</u>	<u>984,500</u>	<u>1,001,825</u>	<u>17,325</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Personnel Services	744,180	744,180	689,375	54,805
General Operating	800	1,100	600	500
Contractual Services	205,408	206,463	143,442	63,021
Materials and Supplies	235,270	235,145	211,815	23,330
Total Expenditures	<u>1,185,658</u>	<u>1,186,888</u>	<u>1,045,232</u>	<u>141,656</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(201,158)	(202,388)	(43,407)	158,981
<b>Other Financing Sources (Uses):</b>				
Transfers In	210,000	210,000	0	(210,000)
Total Other Financing Sources (Uses)	<u>210,000</u>	<u>210,000</u>	<u>0</u>	<u>(210,000)</u>
Net Change in Fund Balance	8,842	7,612	(43,407)	(51,019)
Fund Balance at Beginning of Year	91,894	91,894	91,894	0
Prior Year Encumbrances	21,622	21,622	21,622	0
Fund Balance at End of Year	<u>\$ 122,358</u>	<u>\$ 121,128</u>	<u>\$ 70,109</u>	<u>\$ (51,019)</u>

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - Special Revenue – Police and Fire Fund  
For the Year Ended December 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 1,190,738	\$ 1,190,738	\$ 3,540,527	\$ 2,349,789
Other Local Taxes	226,000	226,000	207,034	(18,966)
State Shared Taxes and Permits	56,365	56,365	49,264	(7,101)
Intergovernmental Grants	112,000	112,000	94,957	(17,043)
Charges for Services	1,670,950	1,600,950	1,585,130	(15,820)
Fines, Costs, Forfeitures, Licenses and Permits	5,600	5,600	12,211	6,611
Miscellaneous Receipts and Reimbursements, Including Interest	84,083	84,083	113,537	29,454
Total Revenues	<u>3,345,736</u>	<u>3,275,736</u>	<u>5,602,660</u>	<u>2,326,924</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Personnel Services	9,433,773	9,434,023	9,019,166	414,857
General Operating	73,390	64,902	44,127	20,775
Contractual Services	960,301	974,316	742,459	231,857
Materials and Supplies	253,570	264,268	205,501	58,767
Total Public Safety	<u>10,721,034</u>	<u>10,737,509</u>	<u>10,011,253</u>	<u>726,256</u>
Capital Outlay:				
Capital Improvements	176,383	222,205	183,872	38,333
Debt Service:				
Principal Retirement	264,525	263,317	263,315	2
Interest and Fiscal Charges	43,760	44,968	44,967	1
Total Expenditures	<u>11,205,702</u>	<u>11,267,999</u>	<u>10,503,407</u>	<u>764,592</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,859,966)	(7,992,263)	(4,900,747)	3,091,516
<b>Other Financing Sources (Uses):</b>				
Transfers In	9,650,000	9,650,000	7,132,296	(2,517,704)
Total Other Financing Sources (Uses)	<u>9,650,000</u>	<u>9,650,000</u>	<u>7,132,296</u>	<u>(2,517,704)</u>
Net Change in Fund Balance	1,790,034	1,657,737	2,231,549	573,812
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 1,790,034</u>	<u>\$ 1,657,737</u>	<u>\$ 2,231,549</u>	<u>\$ 573,812</u>

**CITY OF XENIA, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds - Capital Projects – Capital Improvements Fund  
For the Year Ended December 31, 2010***

<b>CAPITAL IMPROVEMENTS FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Other Local Taxes	\$ 50,000	\$ 50,000	\$ 38,016	\$ (11,984)
Intergovernmental Grants	1,692,702	1,692,702	496,338	(1,196,364)
Charges for Services	0	0	800	800
Miscellaneous Receipts and Reimbursements Including Interest	201,132	201,132	100,577	(100,555)
Total Revenues	<u>1,943,834</u>	<u>1,943,834</u>	<u>635,731</u>	<u>(1,308,103)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Contractual Services	630,124	702,125	563,548	138,577
Materials and Supplies	90,000	90,000	19,502	70,498
Capital Improvements	2,051,077	2,063,618	1,420,521	643,097
Debt Service:				
Principal Retirement	86,241	85,972	85,969	3
Interest and Fiscal Charges	12,248	12,517	12,516	1
Total Expenditures	<u>2,869,690</u>	<u>2,954,232</u>	<u>2,102,056</u>	<u>852,176</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(925,856)	(1,010,398)	(1,466,325)	(455,927)
Fund Balance at Beginning of Year	1,253,037	1,253,037	1,253,037	0
Prior Year Encumbrances	120,406	120,406	120,406	0
Fund Balance at End of Year	<u>\$ 447,587</u>	<u>\$ 363,045</u>	<u>\$ (92,882)</u>	<u>\$ (455,927)</u>



**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

<b>RECREATION SPECIAL</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Miscellaneous Receipts and Reimbursements, Including Interest	\$ 0	\$ 0	\$ 1,500	\$ 1,500
Total Revenues	<u>0</u>	<u>0</u>	<u>1,500</u>	<u>1,500</u>
<b>Expenditures:</b>				
Recreation - Current:				
Contractual Services	0	1,500	1,500	0
Total Expenditures	<u>0</u>	<u>1,500</u>	<u>1,500</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(1,500)	0	1,500
Fund Balance at Beginning of Year	2,915	2,915	2,915	0
Fund Balance at End of Year	<u>\$ 2,915</u>	<u>\$ 1,415</u>	<u>\$ 2,915</u>	<u>\$ 1,500</u>

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

**INDIGENT DRIVER ALCOHOL TREATMENT**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 22,000	\$ 22,000	\$ 43,074	\$ 21,074
Miscellaneous Receipts and Reimbursements, Including Interest	<u>10,000</u>	<u>10,000</u>	<u>5,582</u>	<u>(4,418)</u>
Total Revenues	<u>32,000</u>	<u>32,000</u>	<u>48,656</u>	<u>16,656</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contributions	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,000)	(18,000)	(1,344)	16,656
Fund Balance at Beginning of Year	<u>325,366</u>	<u>325,366</u>	<u>325,366</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 307,366</u>	<u>\$ 307,366</u>	<u>\$ 324,022</u>	<u>\$ 16,656</u>

**CITY OF XENIA, OHIO**

---

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 2,000	\$ 2,000	\$ 1,070	\$ (930)
Miscellaneous Receipts and Reimbursements, Including Interest	<u>1,200</u>	<u>1,200</u>	<u>705</u>	<u>(495)</u>
Total Revenues	<u>3,200</u>	<u>3,200</u>	<u>1,775</u>	<u>(1,425)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	7,000	5,850	800	5,050
Materials and Supplies	7,000	8,150	7,250	900
Capital Outlay	<u>10,000</u>	<u>10,000</u>	<u>6,250</u>	<u>3,750</u>
Total Expenditures	<u>24,000</u>	<u>24,000</u>	<u>14,300</u>	<u>9,700</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,800)	(20,800)	(12,525)	8,275
Fund Balance at Beginning of Year	<u>40,867</u>	<u>40,867</u>	<u>40,867</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 20,067</u>	<u>\$ 20,067</u>	<u>\$ 28,342</u>	<u>\$ 8,275</u>

**CITY OF XENIA, OHIO**

---

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 80,000	\$ 80,000	\$ 80,792	\$ 792
Miscellaneous Receipts and Reimbursements, Including Interest	<u>2,200</u>	<u>2,200</u>	<u>1,969</u>	<u>(231)</u>
Total Revenues	<u>82,200</u>	<u>82,200</u>	<u>82,761</u>	<u>561</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Contractual Services	57,676	58,545	27,721	30,824
Materials and Supplies	<u>83,300</u>	<u>83,300</u>	<u>40,317</u>	<u>42,983</u>
Total Expenditures	<u>140,976</u>	<u>141,845</u>	<u>68,038</u>	<u>73,807</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(58,776)	(59,645)	14,723	74,368
Fund Balance at Beginning of Year	59,787	59,787	59,787	0
Prior Year Encumbrances	<u>35,757</u>	<u>35,757</u>	<u>35,757</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 36,768</u>	<u>\$ 35,899</u>	<u>\$ 110,267</u>	<u>\$ 74,368</u>

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

<b>CITY MOTOR VEHICLE LICENSE TAX</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 170,000	\$ 170,000	\$ 166,499	\$ (3,501)
Miscellaneous Receipts and Reimbursements, including Interest	4,000	4,000	46,544	42,544
Total Revenues	<u>174,000</u>	<u>174,000</u>	<u>213,043</u>	<u>39,043</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Capital Outlay	150,000	150,000	0	150,000
Debt Service:				
Principal Retirement	21,450	311,850	311,850	0
Interest and Fiscal Charges	17,267	17,267	17,174	93
Total Expenditures	<u>188,717</u>	<u>479,117</u>	<u>329,024</u>	<u>150,093</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,717)	(305,117)	(115,981)	189,136
<b>Other Financing Sources (Uses):</b>				
Sale of Bonds	0	290,400	298,656	8,256
Total Other Financing Sources (Uses)	<u>0</u>	<u>290,400</u>	<u>298,656</u>	<u>8,256</u>
Net Change in Fund Balance	(14,717)	(14,717)	182,675	197,392
Fund Balance at Beginning of Year	95,537	95,537	95,537	0
Fund Balance at End of Year	<u>\$ 80,820</u>	<u>\$ 80,820</u>	<u>\$ 278,212</u>	<u>\$ 197,392</u>

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

<b>COUNTY MOTOR VEHICLE LICENSE TAX</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
State Shared Taxes and Permits	\$ 97,972	\$ 97,972	\$ 97,972	\$ 0
Miscellaneous Receipt and Reimbursements, Including Interest	67,120	67,120	9,632	(57,488)
Total Revenues	<u>165,092</u>	<u>165,092</u>	<u>107,604</u>	<u>(57,488)</u>
<b>Expenditures:</b>				
Highways and Streets - Current:				
Capital Outlay	0	24,123	24,123	0
Total Expenditures	<u>0</u>	<u>24,123</u>	<u>24,123</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	165,092	140,969	83,481	(57,488)
<b>Other Financing Sources (Uses):</b>				
Advances Out	(68,000)	(68,000)	(68,000)	0
Total Other Financing Sources (Uses)	<u>(68,000)</u>	<u>(68,000)</u>	<u>(68,000)</u>	<u>0</u>
Net Change in Fund Balance	97,092	72,969	15,481	(57,488)
Fund Balance at Beginning of Year	(23,964)	(23,964)	(23,964)	0
Prior Year Encumbrances	24,123	24,123	24,123	0
Fund Balance at End of Year	<u>\$ 97,251</u>	<u>\$ 73,128</u>	<u>\$ 15,640</u>	<u>\$ (57,488)</u>

**CITY OF XENIA, OHIO**

---

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

---

	<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	<u>\$ 97,000</u>	<u>\$ 97,000</u>	<u>\$ 97,000</u>	<u>\$ 0</u>
Total Revenues	<u>97,000</u>	<u>97,000</u>	<u>97,000</u>	<u>0</u>
<b>Expenditures:</b>				
General Government - Current:				
Personnel Services	<u>42,714</u>	<u>42,714</u>	<u>38,277</u>	<u>4,437</u>
Materials and Supplies	<u>6,000</u>	<u>6,000</u>	<u>2,302</u>	<u>3,698</u>
Total Expenditures	<u>48,714</u>	<u>48,714</u>	<u>40,579</u>	<u>8,135</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>48,286</u>	<u>48,286</u>	<u>56,421</u>	<u>8,135</u>
Fund Balance at Beginning of Year	<u>28,290</u>	<u>28,290</u>	<u>28,290</u>	<u>0</u>
Prior Year Encumbrances	<u>27</u>	<u>27</u>	<u>27</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 76,603</u>	<u>\$ 76,603</u>	<u>\$ 84,738</u>	<u>\$ 8,135</u>

**CITY OF XENIA, OHIO**

---

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

---

	TAX INCREMENT EQUIVALENT			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Other Local Taxes	\$ 245,000	\$ 245,000	\$ 156,169	\$ (88,831)
Total Revenues	<u>245,000</u>	<u>245,000</u>	<u>156,169</u>	<u>(88,831)</u>
<b>Expenditures:</b>				
General Government - Current:				
Contractual Services	149,500	149,500	149,435	65
Total Expenditures	<u>149,500</u>	<u>149,500</u>	<u>149,435</u>	<u>65</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	95,500	95,500	6,734	(88,766)
Fund Balance at Beginning of Year	<u>161,254</u>	<u>161,254</u>	<u>161,254</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 256,754</u>	<u>\$ 256,754</u>	<u>\$ 167,988</u>	<u>\$ (88,766)</u>



**CITY OF XENIA, OHIO**

---

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

---

	911 FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 140,000	\$ 140,000	\$ 144,278	\$ 4,278
Miscellaneous Receipts and Reimbursements, Including Interest	0	0	5,590	5,590
Total Revenues	140,000	140,000	149,868	9,868
<b>Expenditures:</b>				
Public Safety - Current:				
Personnel Services	111,290	111,290	110,328	962
Total Expenditures	111,290	111,290	110,328	962
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,710	28,710	39,540	10,830
<b>Other Financing Sources (Uses):</b>				
Transfers In	330,000	330,000	326,775	(3,225)
Total Other Financing Sources (Uses)	330,000	330,000	326,775	(3,225)
Net Change in Fund Balance	358,710	358,710	366,315	7,605
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 358,710	\$ 358,710	\$ 366,315	\$ 7,605

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010**

<b>LAW ENFORCEMENT</b>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Grants	\$ 40,660	\$ 40,660	\$ 24,669	\$ (15,991)
Miscellaneous Receipts and Reimbursements, Including Interest	176,151	176,151	267,583	91,432
Total Revenues	<u>216,811</u>	<u>216,811</u>	<u>292,252</u>	<u>75,441</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Personnel Services	84,345	84,345	49,261	35,084
Contractual Services	40,000	75,760	39,754	36,006
Materials and Supplies	34,124	32,864	23,870	8,994
Capital Outlay	423,125	423,125	324,475	98,650
Total Expenditures	<u>581,594</u>	<u>616,094</u>	<u>437,360</u>	<u>178,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(364,783)	(399,283)	(145,108)	254,175
Fund Balance at Beginning of Year	548,675	548,675	548,675	0
Prior Year Encumbrances	34,500	34,500	34,500	0
Fund Balance at End of Year	<u>\$ 218,392</u>	<u>\$ 183,892</u>	<u>\$ 438,067</u>	<u>\$ 254,175</u>

**CITY OF XENIA, OHIO**

---

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 16,000	\$ 16,000	\$ 5,068	\$ (10,932)
Miscellaneous Receipts and Reimbursements, Including Interest	<u>650</u>	<u>650</u>	<u>686</u>	<u>36</u>
Total Revenues	<u>16,650</u>	<u>16,650</u>	<u>5,754</u>	<u>(10,896)</u>
<b>Expenditures:</b>				
Public Safety - Current:				
Contractual Services	16,000	16,000	0	16,000
Materials and Supplies	10,000	10,000	800	9,200
Refunds	<u>14,631</u>	<u>14,631</u>	<u>0</u>	<u>14,631</u>
Total Expenditures	<u>40,631</u>	<u>40,631</u>	<u>800</u>	<u>39,831</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,981)	(23,981)	4,954	28,935
Fund Balance at Beginning of Year	<u>35,601</u>	<u>35,601</u>	<u>35,601</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 11,620</u>	<u>\$ 11,620</u>	<u>\$ 40,555</u>	<u>\$ 28,935</u>

**CITY OF XENIA, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2010***

**MUNICIPAL COURT VICTIM**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Grants	\$ 121,051	\$ 123,051	\$ 139,610	\$ 16,559
Fines, Costs, Forfeitures, Licenses and Permits	42,000	42,000	40,447	(1,553)
Miscellaneous Receipts and Reimbursements, Including Interest	300	300	325	25
Total Revenues	<u>163,351</u>	<u>165,351</u>	<u>180,382</u>	<u>15,031</u>
<b>Expenditures:</b>				
General Government - Current:				
Personnel Services	202,157	201,733	201,585	148
General Operating	2,300	1,055	0	1,055
Contractual Services	5,731	8,160	6,784	1,376
Materials and Supplies	2,000	7,866	7,357	509
Total Expenditures	<u>212,188</u>	<u>218,814</u>	<u>215,726</u>	<u>3,088</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,837)	(53,463)	(35,344)	18,119
<b>Other Financing Sources (Uses):</b>				
Transfers In	53,000	53,000	53,000	0
Total Other Financing Sources (Uses)	<u>53,000</u>	<u>53,000</u>	<u>53,000</u>	<u>0</u>
Net Change in Fund Balance	4,163	(463)	17,656	18,119
Fund Balance at Beginning of Year	620	620	620	0
Prior Year Encumbrances	10	10	10	0
Fund Balance at End of Year	<u>\$ 4,793</u>	<u>\$ 167</u>	<u>\$ 18,286</u>	<u>\$ 18,119</u>

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Fund  
For the Year Ended December 31, 2010**

<b>DEBT SERVICE FUND</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Other Local Taxes	\$ 76,000	\$ 76,000	\$ 69,012	\$ (6,988)
State Shares Taxes and Permits	13,745	13,745	15,764	2,019
Miscellaneous Receipts and Reimbursements, Including Interest	900	900	772	(128)
Total Revenues	<u>90,645</u>	<u>90,645</u>	<u>85,548</u>	<u>(5,097)</u>
<b>Expenditures:</b>				
Public Safety:				
Police and Fire Pension				
Contractual Services	750	750	600	150
Total Public Safety	<u>750</u>	<u>750</u>	<u>600</u>	<u>150</u>
Highways and Streets:				
Streets				
Contractual Services	750	45,750	43,546	2,204
Total Highways and Streets	<u>750</u>	<u>45,750</u>	<u>43,546</u>	<u>2,204</u>
Debt Service:				
Principal Retirement	43,550	633,150	633,150	0
Interest and Fiscal Charges	35,057	35,057	34,868	189
Total Expenditures	<u>80,107</u>	<u>714,707</u>	<u>712,164</u>	<u>2,543</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,538	(624,062)	(626,616)	(2,554)
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Bonds	0	629,600	628,875	(725)
Total Other Financing Sources (Uses)	<u>0</u>	<u>629,600</u>	<u>628,875</u>	<u>(725)</u>
Net Change in Fund Balance	10,538	5,538	2,259	(3,279)
Fund Balance at Beginning of Year	33,894	33,894	33,894	0
Fund Balance at End of Year	<u>\$ 44,432</u>	<u>\$ 39,432</u>	<u>\$ 36,153</u>	<u>\$ (3,279)</u>

**CITY OF XENIA, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010***

<b>MUNICIPAL COURT CAPITAL IMPROVEMENTS FUND</b>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 86,000	\$ 86,000	\$ 93,661	\$ 7,661
Miscellaneous Receipts and Reimbursements, Including Interest	17,700	17,700	8,206	(9,494)
Total Revenues	<u>103,700</u>	<u>103,700</u>	<u>101,867</u>	<u>(1,833)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Contractual Services	118,500	112,239	86,141	26,098
Materials and Supplies	11,625	21,625	14,619	7,006
Capital Improvements	67,530	77,855	56,913	20,942
Debt Service:				
Principal Retirement	21,433	21,366	21,363	3
Interest and Fiscal Charges	3,044	3,111	3,110	1
Total Expenditures	<u>222,132</u>	<u>236,196</u>	<u>182,146</u>	<u>54,050</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(118,432)	(132,496)	(80,279)	52,217
Fund Balance at Beginning of Year	463,887	463,887	463,887	0
Prior Year Encumbrances	16,833	16,833	16,833	0
Fund Balance at End of Year	<u>\$ 362,288</u>	<u>\$ 348,224</u>	<u>\$ 400,441</u>	<u>\$ 52,217</u>

**CITY OF XENIA, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2010**

	ISSUE 2 FUND			Variance with
	Original Budget	Final Budget	Actual	Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Grants	\$ 1,287,928	\$ 1,287,928	\$ 227,093	\$ (1,060,835)
Total Revenues	<u>1,287,928</u>	<u>1,287,928</u>	<u>227,093</u>	<u>(1,060,835)</u>
<b>Expenditures:</b>				
Capital Outlay:				
Capital Improvements	1,036,000	1,287,928	251,928	1,036,000
Total Expenditures	<u>1,036,000</u>	<u>1,287,928</u>	<u>251,928</u>	<u>1,036,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	251,928	0	(24,835)	(24,835)
Fund Balance at Beginning of Year	(251,010)	(251,010)	(251,010)	0
Prior Year Encumbrances	251,928	251,928	251,928	0
Fund Balance at End of Year	<u>\$ 252,846</u>	<u>\$ 918</u>	<u>\$ (23,917)</u>	<u>\$ (24,835)</u>





***Nonmajor Enterprise Funds***

---

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 to finance an economic development project managed by the Xenia Economic Growth Corporation.

**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**

**Combining Statement of Net Assets  
Nonmajor Enterprise Funds  
December 31, 2010**

	Loan	Parking Revenue	CDBG and UDAG Revolving Loan	Housing Rehabilitation Loan	Total Nonmajor Enterprise Funds
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash and cash equivalents	\$ 9,239	\$ 1,279	\$ 25,001	\$ 151,081	\$ 186,600
Investments	14,201	1,964	38,428	232,230	286,823
Receivables:					
Loans	0	0	0	10,975	10,975
Accrued interest	106	0	238	1,650	1,994
Grants	0	0	75,521	26,609	102,130
Prepaid items	143	251	0	0	394
<b>Total Current Assets</b>	<b>23,689</b>	<b>3,494</b>	<b>139,188</b>	<b>422,545</b>	<b>588,916</b>
<b>Noncurrent Assets:</b>					
<b>Unrestricted:</b>					
Loans receivable (net of current)	0	0	46,303	377,163	423,466
Capital Assets (net of accumulated depreciation)	0	97,810	34,396	21,905	154,111
<b>Total Noncurrent Assets</b>	<b>0</b>	<b>97,810</b>	<b>80,699</b>	<b>399,068</b>	<b>577,577</b>
<b>Total Assets</b>	<b>\$ 23,689</b>	<b>\$ 101,304</b>	<b>\$ 219,887</b>	<b>\$ 821,613</b>	<b>\$ 1,166,493</b>
<b>Liabilities:</b>					
<b>Current Liabilities:</b>					
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 14,268	\$ 14,268
Accrued payroll	141	2,867	0	163	3,171
Compensated Absences	51	1,448	0	105	1,604
<b>Total Current Liabilities</b>	<b>192</b>	<b>4,315</b>	<b>0</b>	<b>14,536</b>	<b>19,043</b>
<b>Noncurrent Liabilities</b>					
Compensated Absences	269	7,603	0	550	8,422
<b>Total Noncurrent Liabilities</b>	<b>269</b>	<b>7,603</b>	<b>0</b>	<b>550</b>	<b>8,422</b>
<b>Total Liabilities</b>	<b>461</b>	<b>11,918</b>	<b>0</b>	<b>15,086</b>	<b>27,465</b>
<b>Net Assets:</b>					
Invested in Capital Assets, net of debt	0	97,810	34,396	21,905	154,111
Unrestricted	23,228	(8,424)	185,491	784,622	984,917
<b>Total Net Assets</b>	<b>\$ 23,228</b>	<b>\$ 89,386</b>	<b>\$ 219,887</b>	<b>\$ 806,527</b>	<b>\$ 1,139,028</b>

**CITY OF XENIA, OHIO**

**Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Nonmajor Enterprise Funds  
For the Year Ended December 31, 2010**

	Loan	Parking Revenue	CDBG and UDAG Revolving Loan	Housing Rehabilitation Loan	Total Nonmajor Enterprise Funds
<b>Operating revenues:</b>					
Charges for services	\$ 0	\$ 54,350	\$ 0	\$ 99	\$ 54,449
<b>Operating expenses:</b>					
Personnel services	3,284	64,626	0	4,003	71,913
General operating	0	0	2,252	0	2,252
Contractual services	476	4,435	22,370	83,903	111,184
Materials and supplies	0	1,695	2,201	0	3,896
Non-governmental	0	0	29,753	24,487	54,240
Total expenses	3,760	70,756	56,576	112,393	243,485
Operating income (loss)	(3,760)	(16,406)	(56,576)	(112,294)	(189,036)
<b>Non-operating revenues:</b>					
Interest revenue	349	6	805	4,919	6,079
Intergovernmental	0	0	98,565	107,114	205,679
Total Non-operating revenue	349	6	99,370	112,033	211,758
<b>Income (loss) before operating transfers</b>	(3,411)	(16,400)	42,794	(261)	22,722
<b>Transfers</b>					
Transfers in	0	16,000	0	0	16,000
Transfers out	0	0	(15,310)	0	(15,310)
Total Transfers and Contributions	0	16,000	(15,310)	0	690
<b>Change in Net Assets</b>	(3,411)	(400)	27,484	(261)	23,412
<b>Net assets, beginning of year, as restated</b>	26,639	89,786	192,403	806,788	1,115,616
<b>Net assets, end of year</b>	\$ 23,228	\$ 89,386	\$ 219,887	\$ 806,527	\$ 1,139,028

**CITY OF XENIA, OHIO**

---

***Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Year Ended December 31, 2010***

---

	Loan	Parking Revenue	CDBG and UDAG Revolving Loan
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$0	\$54,351	\$0
Cash Payments for Goods and Services	(434)	(12,844)	(48,858)
Cash Payments to Employees	(3,255)	(63,393)	0
Net Cash Used by Operating Activities	(3,689)	(21,886)	(48,858)
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	16,000	0
Net Cash Provided (Used) by Noncapital Financing Activities	0	16,000	0
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Intergovernmental Grants	0	0	113,000
Acquisition and Construction of Assets	0	0	(49,706)
Net Cash Provided by Capital and Related Financing Activities	0	0	63,294
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	6,613	5,160	0
Purchase of Investments	0	0	(1,253)
Receipts of Interest	440	0	1,305
Net Cash Provided by Investing Activities	7,053	5,160	52
Net Increase (Decrease) in Cash and Cash Equivalents	3,364	(726)	14,488
Cash and Cash Equivalents at Beginning of Year	5,875	2,005	10,513
Cash and Cash Equivalents at End of Year	\$9,239	\$1,279	\$25,001

**CITY OF XENIA, OHIO**

---

---

<u>Housing Rehabilitation Loan</u>	<u>Total Other Enterprise Funds</u>
\$2,792	\$57,143
(69,635)	(131,771)
<u>(3,977)</u>	<u>(70,625)</u>
<u>(70,820)</u>	<u>(145,253)</u>
<u>0</u>	<u>16,000</u>
<u>0</u>	<u>16,000</u>
80,505	193,505
<u>(21,905)</u>	<u>(71,611)</u>
<u>58,600</u>	<u>121,894</u>
70,965	82,738
0	(1,253)
<u>6,719</u>	<u>8,464</u>
<u>77,684</u>	<u>89,949</u>
65,464	82,590
<u>85,617</u>	<u>104,010</u>
<u>\$151,081</u>	<u>\$186,600</u>

(Continued)

**CITY OF XENIA, OHIO**

---

***Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Year Ended December 31, 2010***

---

	<u>Loan</u>	<u>Parking Revenue</u>	<u>CDBG and UDAG Revolving Loan</u>
<u>Reconciliation of Operating Loss to Net Cash</u>			
<u>Used by Operating Activities:</u>			
Operating Loss	(\$3,760)	(\$16,406)	(\$56,576)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Changes in Assets and Liabilities:			
Decrease in Principal Receivable	0	0	7,718
Decrease in Prepaid Items	42	53	0
Increase (Decrease) in Accounts Payable	0	(6,766)	0
Increase in Accrued Payroll	23	322	0
Increase in Compensated Absences Payable	6	911	0
Total Adjustments	<u>71</u>	<u>(5,480)</u>	<u>7,718</u>
Net Cash Used by Operating Activities	<u>(\$3,689)</u>	<u>(\$21,886)</u>	<u>(\$48,858)</u>

**CITY OF XENIA, OHIO**

---

---

<u>Housing Rehabilitation Loan</u>	<u>Total Other Enterprise Funds</u>
(\$112,294)	(\$189,036)
27,180	34,898
0	95
14,268	7,502
19	364
<u>7</u>	<u>924</u>
<u>41,474</u>	<u>43,783</u>
<u>(\$70,820)</u>	<u>(\$145,253)</u>

***Internal Service Funds***

---

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

**Utility Billing Fund**

To account for utility billing services provided to the water, sewer 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.



**CITY OF XENIA, OHIO**

---

***Combining Statement of Net Assets  
Internal Service Funds  
December 31, 2010***

---

	<u>Utility Billing</u>	<u>City Garage</u>	<u>Total Internal Service Funds</u>
<b>Assets:</b>			
<b><i>Current Assets:</i></b>			
Cash and cash equivalents	\$ 35,553	\$ 18,870	\$ 54,423
Investments	54,652	29,005	83,657
Receivables:			
Accounts	8,846	5,470	14,316
Inventories	0	54,829	54,829
Prepaid items	519	3,316	3,835
<b><i>Total Current Assets</i></b>	<u>99,570</u>	<u>111,490</u>	<u>211,060</u>
<b><i>Noncurrent Assets:</i></b>			
<b>Unrestricted:</b>			
Capital Assets (net of accumulated depreciation)	20,081	33,954	54,035
<b><i>Total Noncurrent Assets</i></b>	<u>20,081</u>	<u>33,954</u>	<u>54,035</u>
<b>Total Assets</b>	<u>119,651</u>	<u>145,444</u>	<u>265,095</u>
<b>Liabilities:</b>			
<b><i>Current Liabilities:</i></b>			
Accounts payable	8,183	31,916	40,099
Accrued payroll	0	6,325	6,325
Interfund payable	0	36,056	36,056
Compensated Absences	0	4,164	4,164
<b><i>Total Current Liabilities</i></b>	<u>8,183</u>	<u>78,461</u>	<u>86,644</u>
<b><i>Noncurrent Liabilities</i></b>			
Compensated Absences	0	21,861	21,861
<b><i>Total Noncurrent Liabilities</i></b>	<u>0</u>	<u>21,861</u>	<u>21,861</u>
<b>Total Liabilities</b>	<u>8,183</u>	<u>100,322</u>	<u>108,505</u>
<b>Net Assets:</b>			
Invested in Capital Assets, net of debt	20,081	33,954	54,035
Unrestricted	91,387	11,168	102,555
<b>Total Net Assets</b>	<u>\$ 111,468</u>	<u>\$ 45,122</u>	<u>\$ 156,590</u>

**CITY OF XENIA, OHIO**

---

**Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Year Ended December 31, 2010**

---

	<u>Utility Billing</u>	<u>City Garage</u>	<u>Total Internal Service Funds</u>
<b>Operating revenues:</b>			
Charges for services	<u>\$ 173,686</u>	<u>\$ 622,042</u>	<u>\$ 795,728</u>
<b>Operating expenses:</b>			
Personnel services	0	155,829	155,829
General operating	1,099	1,126	2,225
Contractual services	90,886	110,570	201,456
Materials and supplies	6,368	366,278	372,646
Depreciation	0	2,102	2,102
Non-governmental	238	42	280
Total expenses	<u>98,591</u>	<u>635,947</u>	<u>734,538</u>
Operating income (loss)	75,095	(13,905)	61,190
<b>Non-operating revenues:</b>			
Other	<u>0</u>	<u>1,575</u>	<u>1,575</u>
Total Non-operating revenue	<u>0</u>	<u>1,575</u>	<u>1,575</u>
<b>Change in Net Assets</b>	75,095	(12,330)	62,765
<b>Net assets, beginning of year</b>	<u>36,373</u>	<u>57,452</u>	<u>93,825</u>
<b>Net assets, end of year</b>	<u>\$ 111,468</u>	<u>\$ 45,122</u>	<u>\$ 156,590</u>

**CITY OF XENIA, OHIO**

***Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2010***

	Utility Billing	City Garage	Totals
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Interfund Services Provided	\$164,840	\$621,380	\$786,220
Cash Payments for Goods and Services	(97,700)	(481,139)	(578,839)
Cash Payments to Employees	0	(161,053)	(161,053)
Net Cash Provided (Used) by Operating Activities	67,140	(20,812)	46,328
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(20,081)	0	(20,081)
Net Cash Provided (Used) by Capital and Related Financing Activities	(20,081)	0	(20,081)
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	0	24,573	24,573
Purchase of Investments	(21,043)	0	(21,043)
Net Cash Provided (Used) by Investing Activities	(21,043)	24,573	3,530
Net Increase in Cash and Cash Equivalents	26,016	3,761	29,777
Cash and Cash Equivalents at Beginning of Year	9,537	15,109	24,646
Cash and Cash Equivalents at End of Year	\$35,553	\$18,870	\$54,423
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$75,095	(\$13,905)	\$61,190
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	0	2,102	2,102
Income - Other Nonoperating	239	1,616	1,855
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(8,846)	(2,237)	(11,083)
Increase in Prepaid Items	(353)	(750)	(1,103)
Increase in Inventory	0	(8,790)	(8,790)
Increase in Accounts Payable	1,005	6,376	7,381
Increase in Accrued Payroll	0	906	906
Decrease in Compensated Absences	0	(6,130)	(6,130)
Total Adjustments	(7,955)	(6,907)	(14,862)
Net Cash Provided (Used) by Operating Activities	\$67,140	(\$20,812)	\$46,328

***Fiduciary Funds***

---

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

***Agency Funds***

---

**Municipal Court – Traffic and Criminal Funds**

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 Funds**

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 Section 3929.86(D) of the Ohio Revised Code.

**CITY OF XENIA, OHIO**

**Combining Statement Of Changes In Assets And Liabilities  
Agency Funds  
For the Year Ended December 31, 2010**

	Balance December 31, 2009	Additions	Deductions	Balance December 31, 2010
<b><u>Municipal Court - Traffic and Criminal:</u></b>				
Assets:				
Cash and Cash Equivalents	\$195,181	\$1,185,366	(\$1,210,143)	\$170,404
Total Assets	<u>\$195,181</u>	<u>\$1,185,366</u>	<u>(\$1,210,143)</u>	<u>\$170,404</u>
Liabilities:				
Accounts Payable	\$78,865	\$842,174	(\$863,958)	\$57,081
Restricted Deposits	116,316	343,192	(346,185)	113,323
Total Liabilities	<u>\$195,181</u>	<u>\$1,185,366</u>	<u>(\$1,210,143)</u>	<u>\$170,404</u>
<b><u>Municipal Court - Civil and Small Claims:</u></b>				
Assets:				
Cash and Cash Equivalents	\$8,535	\$732,350	(\$731,702)	\$9,183
Total Assets	<u>\$8,535</u>	<u>\$732,350</u>	<u>(\$731,702)</u>	<u>\$9,183</u>
Liabilities:				
Accounts Payable	\$6,224	\$730,917	(\$729,269)	\$7,872
Restricted Deposits	2,311	1,432	(2,432)	1,311
Total Liabilities	<u>\$8,535</u>	<u>\$732,349</u>	<u>(\$731,701)</u>	<u>\$9,183</u>
<b><u>Imprest Cash:</u></b>				
Assets:				
Cash and Cash Equivalents	\$2,000	\$0	\$0	\$2,000
Total Assets	<u>\$2,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,000</u>
Liabilities:				
Restricted Deposits	\$2,000	\$0	\$0	\$2,000
Total Liabilities	<u>\$2,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,000</u>
<b><u>Insurance Deposit:</u></b>				
Assets:				
Cash and Cash Equivalents	\$0	\$12,020	(\$12,020)	\$0
Total Assets	<u>\$0</u>	<u>\$12,020</u>	<u>(\$12,020)</u>	<u>\$0</u>
Liabilities:				
Restricted Deposits	\$0	\$12,020	(\$12,020)	\$0
Total Liabilities	<u>\$0</u>	<u>\$12,020</u>	<u>(\$12,020)</u>	<u>\$0</u>
<b><u>Totals - All Agency Funds:</u></b>				
Assets:				
Cash and Cash Equivalents	\$205,716	\$1,929,736	(\$1,953,865)	\$181,587
Total Assets	<u>\$205,716</u>	<u>\$1,929,736</u>	<u>(\$1,953,865)</u>	<u>\$181,587</u>
Liabilities:				
Accounts Payable	\$85,089	\$1,573,091	(\$1,593,227)	\$64,953
Restricted Deposits	120,627	356,644	(360,637)	116,634
Total Liabilities	<u>\$205,716</u>	<u>\$1,929,735</u>	<u>(\$1,953,864)</u>	<u>\$181,587</u>

**This Page is Intentionally Left Blank.**

## *STATISTICAL TABLES*

---

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*

---

<b>Financial Trends</b>	S 2 – S 11
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
<b>Revenue Capacity</b>	S 12 – S 15
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.	
<b>Debt Capacity</b>	S 16 – S 23
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.	
<b>Economic and Demographic Information</b>	S 24 – S 27
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.	
<b>Operating Information</b>	S 28 – S 37
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.	
<b>Sources Note:</b>	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.	

## *City of Xenia*

*Net Assets by Component  
Last Nine Years  
(accrual basis of accounting)*

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<b>Governmental Activities:</b>				
Invested in Capital Assets, Net of Related Debt	\$11,480,035	\$33,083,163	\$33,210,938	\$34,165,799
Restricted	5,794,172	3,748,091	7,174,753	4,210,533
Unrestricted	2,098,432	3,694,525	946,718	4,303,901
Total Governmental Activities Net Assets	<u>\$19,372,639</u>	<u>\$40,525,779</u>	<u>\$41,332,409</u>	<u>\$42,680,233</u>
<b>Business-type Activities:</b>				
Invested in Capital Assets, Net of Related Debt	\$14,970,070	\$14,518,147	\$14,640,414	\$14,508,761
Restricted	0	0	0	0
Unrestricted	4,477,597	4,205,604	4,738,569	5,292,909
Total Business-type Activities Net Assets	<u>\$19,447,667</u>	<u>\$18,723,751</u>	<u>\$19,378,983</u>	<u>\$19,801,670</u>
<b>Primary Government:</b>				
Invested in Capital Assets, Net of Related Debt	\$26,450,105	\$47,601,310	\$47,851,352	\$48,674,560
Restricted	5,794,172	3,748,091	7,174,753	4,210,533
Unrestricted	6,576,029	7,900,129	5,685,287	9,596,810
Total Primary Government Net Assets	<u>\$38,820,306</u>	<u>\$59,249,530</u>	<u>\$60,711,392</u>	<u>\$62,481,903</u>

Source: City Finance Director's Office



*City of Xenia*

---

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$35,169,467	\$29,833,471	\$31,133,709	\$32,711,191	\$33,054,119
4,946,554	5,272,948	5,630,788	4,179,524	6,100,965
4,307,135	3,872,527	3,792,172	3,933,236	2,692,145
<u>\$44,423,156</u>	<u>\$38,978,946</u>	<u>\$40,556,669</u>	<u>\$40,823,951</u>	<u>\$41,847,229</u>
\$14,955,202	\$19,755,819	\$21,529,277	\$21,442,195	\$21,637,865
0	0	0	0	178,266
5,538,677	6,502,716	7,409,830	7,538,994	9,830,432
<u>\$20,493,879</u>	<u>\$26,258,535</u>	<u>\$28,939,107</u>	<u>\$28,981,189</u>	<u>\$31,646,563</u>
\$50,124,669	\$49,589,290	\$52,662,986	\$54,153,386	\$54,691,984
4,946,554	5,272,948	5,630,788	4,179,524	6,279,231
9,845,812	10,375,243	11,202,002	11,472,230	12,522,577
<u>\$64,917,035</u>	<u>\$65,237,481</u>	<u>\$69,495,776</u>	<u>\$69,805,140</u>	<u>\$73,493,792</u>

# City of Xenia

## Changes in Net Assets Last Nine Years (accrual basis of accounting)

	2002	2003	2004
<b>Expenses</b>			
Governmental Activities:			
General Government	\$3,107,951	\$3,454,462	\$3,275,929
Public Safety	9,990,485	9,937,145	9,902,921
Health	43,564	71,091	54,859
Highways and Streets	1,537,488	1,892,865	2,065,965
Community Development	279,349	319,046	284,235
Recreation	541,558	554,594	461,068
Interest and Fiscal Charges	84,862	98,125	99,891
<i>Total Governmental Activities Expenses</i>	<u>15,585,257</u>	<u>16,327,328</u>	<u>16,144,868</u>
Business-type Activities:			
Water	2,486,774	2,463,686	2,429,236
Sewer	3,472,553	3,543,124	3,375,684
Sanitation	1,423,249	1,448,341	1,428,649
Storm Water	0	0	0
Other Enterprise Funds	413,014	470,153	167,506
<i>Total Business-type Activities Expenses</i>	<u>7,795,590</u>	<u>7,925,304</u>	<u>7,401,075</u>
<i>Total Primary Government Expenses</i>	<u>\$23,380,847</u>	<u>\$24,252,632</u>	<u>\$23,545,943</u>
<b>Program Revenues</b>			
Governmental Activities:			
Charges for Services			
General Government	\$1,386,171	\$1,382,825	\$1,481,682
Public Safety	935,454	1,604,231	1,539,810
Health	40,931	26,160	26,096
Highways and Streets	3,312	1,918	50
Community Development	25,159	25,445	22,161
Recreation	35,831	23,287	19,269
Operating Grants and Contributions	406,583	261,262	272,929
Capital Grants and Contributions	1,989,900	422,765	570,813
<i>Total Governmental Activities Program Revenues</i>	<u>4,823,341</u>	<u>3,747,893</u>	<u>3,932,810</u>

*City of Xenia*

2005	2006	2007	2008	2009	2010
\$3,420,815	\$3,591,944	\$3,609,339	\$3,913,536	\$3,474,135	\$3,577,856
10,011,879	10,948,875	11,119,299	11,372,519	11,984,216	11,311,480
99,731	66,181	63,718	67,910	54,605	306,963
1,392,686	1,854,523	2,284,521	2,054,733	1,952,667	1,801,149
250,539	305,886	345,551	360,443	285,954	247,659
350,140	453,440	521,131	481,111	406,396	284,934
100,015	132,606	134,336	129,250	126,203	104,977
<u>15,625,805</u>	<u>17,353,455</u>	<u>18,077,895</u>	<u>18,379,502</u>	<u>18,284,176</u>	<u>17,635,018</u>
2,527,636	2,700,478	2,688,400	2,845,241	3,110,764	2,980,976
3,626,868	3,769,874	3,968,134	4,187,892	4,191,056	3,883,632
1,451,826	1,555,636	1,711,596	1,643,058	1,644,491	1,577,458
0	0	140,479	164,575	187,640	277,359
525,029	162,529	330,293	385,728	596,196	243,485
<u>8,131,359</u>	<u>8,188,517</u>	<u>8,838,902</u>	<u>9,226,494</u>	<u>9,730,147</u>	<u>8,962,910</u>
<u>\$23,757,164</u>	<u>\$25,541,972</u>	<u>\$26,916,797</u>	<u>\$27,605,996</u>	<u>\$28,014,323</u>	<u>\$26,597,928</u>
\$1,472,029	\$1,386,743	\$1,365,697	\$1,676,228	\$1,359,765	\$1,388,914
1,383,846	1,874,889	1,654,935	2,130,089	1,866,335	2,307,856
0	28,938	27,585	18,740	8,589	19,302
550	6,030	1,040	9,060	4,282	9,337
32,933	29,769	29,384	22,098	19,191	30,452
36,961	25,613	28,957	30,761	20,625	8,914
231,267	233,068	266,159	442,322	253,541	459,403
593,807	1,106,413	533,226	993,095	744,718	1,098,518
<u>3,751,393</u>	<u>4,691,463</u>	<u>3,906,983</u>	<u>5,322,393</u>	<u>4,277,046</u>	<u>5,322,696</u>

(continued)

## City of Xenia

### Changes in Net Assets Last Nine Years (accrual basis of accounting)

	2002	2003	2004
<b>Business-type Activities:</b>			
Charges for Services			
Water	2,183,911	2,247,479	2,477,131
Sewer	3,071,346	2,984,362	3,235,225
Sanitation	1,445,382	1,464,831	1,525,558
Storm Water	0	0	0
Other Enterprise Funds	237,785	279,651	82,139
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	1,016,757	200,065	489,541
<i>Total Business-type Activities Program Revenues</i>	<u>7,955,181</u>	<u>7,176,388</u>	<u>7,809,594</u>
<i>Total Primary Government Program Revenues</i>	<u>12,778,522</u>	<u>10,924,281</u>	<u>11,742,404</u>
<b>Net (Expense)/Revenue</b>			
Governmental Activities	(10,761,916)	(12,579,435)	(12,212,058)
Business-type Activities	159,591	(748,916)	408,519
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$10,602,325)</u>	<u>(\$13,328,351)</u>	<u>(\$11,803,539)</u>
<b>General Revenues and Other Changes in Net Assets</b>			
Governmental Activities:			
Income Taxes	\$7,594,854	\$7,965,860	\$7,911,246
Other Local Taxes	1,584,911	1,923,930	1,788,046
Motor Vehicle and Gas Tax	1,381,595	1,013,936	1,636,792
Shared Revenues	1,577,316	1,826,091	1,295,779
Investment Earnings	336,298	113,664	139,560
Miscellaneous	749,596	333,015	275,952
Transfers	(10,744)	(25,000)	0
Loss on Disposal of Capital Assets	(93,414)	0	0
<i>Total Governmental Activities</i>	<u>13,120,412</u>	<u>13,151,496</u>	<u>13,047,375</u>
Business-type Activities:			
Investment Earnings	0	0	0
Transfers	10,744	25,000	0
Loss on Disposal of Capital Assets	(11,266)	0	0
<i>Total Business-type Activities</i>	<u>(522)</u>	<u>25,000</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$13,119,890</u>	<u>\$13,176,496</u>	<u>\$13,047,375</u>
<b>Change in Net Assets</b>			
Governmental Activities	\$2,358,496	\$572,061	\$835,317
Business-type Activities	159,069	(723,916)	408,519
<i>Total Primary Government Change in Net Assets</i>	<u>\$2,517,565</u>	<u>(\$151,855)</u>	<u>\$1,243,836</u>

Source: City Finance Director's Office

*City of Xenia*

2005	2006	2007	2008	2009	2010
2,652,204	2,789,112	3,219,234	3,145,639	3,425,277	3,455,602
3,511,327	3,536,850	4,114,935	4,100,610	4,090,886	4,958,089
1,525,059	1,682,091	1,763,401	1,850,488	1,774,993	1,917,987
0	0	131,161	149,908	144,933	319,870
68,235	83,130	91,956	119,189	87,633	60,528
1,370	0	0	36,459	0	422,209
626,408	846,543	353,157	2,494,773	418,589	205,679
<u>8,384,603</u>	<u>8,937,726</u>	<u>9,673,844</u>	<u>11,897,066</u>	<u>9,942,311</u>	<u>11,339,964</u>
<u>12,135,996</u>	<u>13,629,189</u>	<u>13,580,827</u>	<u>17,219,459</u>	<u>14,219,357</u>	<u>16,662,660</u>
(11,874,412)	(12,661,992)	(14,170,912)	(13,057,109)	(14,007,130)	(12,312,322)
253,244	749,209	834,942	2,670,572	212,164	2,377,054
<u>(\$11,621,168)</u>	<u>(\$11,912,783)</u>	<u>(\$13,335,970)</u>	<u>(\$10,386,537)</u>	<u>(\$13,794,966)</u>	<u>(\$9,935,268)</u>
\$8,240,773	\$8,604,274	\$8,786,104	\$8,848,826	\$8,318,554	\$8,272,340
1,351,473	1,814,053	1,619,664	2,106,148	1,899,658	1,621,492
1,417,159	1,287,033	1,369,889	1,445,405	1,163,541	1,459,124
1,878,121	2,185,128	1,994,721	1,608,619	2,048,476	1,755,690
120,947	261,523	402,797	294,596	264,225	80,055
288,763	302,904	302,915	341,238	409,876	209,174
(75,000)	(50,000)	(5,583,398)	(10,000)	170,082	(62,275)
0	0	0	0	0	0
<u>13,222,236</u>	<u>14,404,915</u>	<u>8,892,692</u>	<u>14,634,832</u>	<u>14,274,412</u>	<u>13,335,600</u>
94,443	0	0	0	0	0
0	50,000	5,583,398	10,000	(170,082)	62,275
75,000	0	0	0	0	0
<u>169,443</u>	<u>50,000</u>	<u>5,583,398</u>	<u>10,000</u>	<u>(170,082)</u>	<u>62,275</u>
<u>\$13,391,679</u>	<u>\$14,454,915</u>	<u>\$14,476,090</u>	<u>\$14,644,832</u>	<u>\$14,104,330</u>	<u>\$13,397,875</u>
\$1,347,824	\$1,742,923	(\$5,278,220)	\$1,577,723	\$267,282	\$1,023,278
422,687	799,209	6,418,340	2,680,572	42,082	2,439,329
<u>\$1,770,511</u>	<u>\$2,542,132</u>	<u>\$1,140,120</u>	<u>\$4,258,295</u>	<u>\$309,364</u>	<u>\$3,462,607</u>

## *City of Xenia*

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund				
Reserved	\$187,791	\$164,700	\$236,573	\$192,182
Unreserved	751,824	568,853	1,065,095	3,868,062
<i>Total General Fund</i>	<u>939,615</u>	<u>733,553</u>	<u>1,301,668</u>	<u>4,060,244</u>
All Other Governmental Funds				
Reserved	1,158,484	1,339,780	203,382	623,976
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	3,619,442	3,461,893	3,548,627	1,066,824
Capital Projects Funds	1,329,582	491,785	1,025,394	1,346,287
<i>Total All Other Governmental Funds</i>	<u>6,107,508</u>	<u>5,293,458</u>	<u>4,777,403</u>	<u>3,037,087</u>
<i>Total Governmental Funds</i>	<u><u>\$7,047,123</u></u>	<u><u>\$6,027,011</u></u>	<u><u>\$6,079,071</u></u>	<u><u>\$7,097,331</u></u>

Source: City Finance Director's Office

*City of Xenia*

---

---

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$222,249	\$181,258	\$255,520	\$294,705	\$213,890	\$167,371
<u>3,516,994</u>	<u>3,412,434</u>	<u>3,175,961</u>	<u>3,913,707</u>	<u>4,286,603</u>	<u>1,875,461</u>
<u>3,739,243</u>	<u>3,593,692</u>	<u>3,431,481</u>	<u>4,208,412</u>	<u>4,500,493</u>	<u>2,042,832</u>
2,262,308	340,493	588,127	953,204	428,075	1,440,549
1,077,043	1,437,656	1,951,198	1,744,102	1,731,786	4,578,277
<u>207,596</u>	<u>2,544,355</u>	<u>2,303,063</u>	<u>2,347,725</u>	<u>1,501,554</u>	<u>740,547</u>
<u>3,546,947</u>	<u>4,322,504</u>	<u>4,842,388</u>	<u>5,045,031</u>	<u>3,661,415</u>	<u>6,759,373</u>
<u>\$7,286,190</u>	<u>\$7,916,196</u>	<u>\$8,273,869</u>	<u>\$9,253,443</u>	<u>\$8,161,908</u>	<u>\$8,802,205</u>

## City of Xenia

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

	2001	2002	2003	2004
<b>Revenues:</b>				
Municipal Income Tax	\$7,940,618	\$7,682,250	\$7,856,461	\$8,016,918
Other Local Taxes	1,634,514	1,584,911	1,923,930	1,788,046
State Shared Taxes and Permits	3,166,475	3,194,270	2,796,154	2,961,220
Special Assessments	28,571	12,449	12,898	27,037
Intergovernmental Grants	724,365	1,043,448	1,043,078	241,506
Charges for Services	66,113	212,560	817,551	1,508,894
Fines, Costs, Forfeitures, Licenses and Permits	1,402,494	1,333,582	1,309,613	1,359,346
Miscellaneous Receipts and Reimbursements, including Interest	2,165,404	1,851,234	1,194,325	634,984
<b>Total Revenue</b>	17,128,554	16,914,704	16,954,010	16,537,951
<b>Expenditures:</b>				
Current:				
General Government	2,661,868	2,866,097	2,931,042	3,098,492
Public Safety	8,921,217	9,632,474	9,602,273	9,557,428
Health	66,533	42,132	70,285	53,237
Highways and Streets	1,418,896	1,486,189	1,439,115	1,337,651
Community Development	277,850	256,039	299,088	265,626
Recreation	500,504	483,618	470,294	376,688
Capital Outlay	1,622,266	2,948,807	2,663,250	798,494
Debt Service:				
Principal Retirement	78,249	107,247	216,484	190,537
Interest and Fiscal Charges	82,471	85,686	94,497	100,745
<b>Total Expenditures</b>	15,629,854	17,908,289	17,786,328	15,778,898
Excess (Deficiency) of Revenues Over Expenditures	1,498,700	(993,585)	(832,318)	759,053
<b>Other Financing Sources (Uses):</b>				
Other Financing Sources - Capital Leases	175,050	0	902,170	158,579
General Obligation Bonds Issued	0	0	0	0
Transfers In	4,046,753	4,255,286	4,215,000	1,163,000
Transfers Out	(4,026,352)	(4,280,286)	(4,240,000)	(1,163,000)
<b>Total Other Financing Sources (Uses)</b>	195,451	(25,000)	877,170	158,579
<b>Net Change in Fund Balance</b>	\$1,694,151	(\$1,018,585)	\$44,852	\$917,632
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	1.16%	1.08%	2.05%	2.01%

Source: City Finance Director's Office



*City of Xenia*

2005	2006	2007	2008	2009	2010
\$8,158,020	\$8,396,732	\$8,764,208	\$8,973,379	\$8,418,354	\$8,262,780
1,235,494	1,762,886	1,786,810	2,106,148	1,899,658	1,619,094
3,174,305	3,425,030	3,552,734	3,479,048	3,296,472	3,097,393
0	0	0	0	0	0
816,668	699,375	808,075	1,333,417	908,950	1,522,973
1,463,158	1,620,614	1,575,315	1,712,640	1,669,891	1,766,578
1,357,391	1,260,496	1,220,823	1,723,130	1,422,179	1,418,432
712,872	1,074,806	1,074,252	1,122,768	909,517	881,195
<u>16,917,908</u>	<u>18,239,939</u>	<u>18,782,217</u>	<u>20,450,530</u>	<u>18,525,021</u>	<u>18,568,445</u>
3,057,658	3,271,162	3,307,934	3,702,693	3,119,824	3,136,271
9,925,722	10,440,937	10,638,670	10,853,395	11,456,004	10,721,657
60,873	62,507	60,524	64,843	51,780	48,257
1,334,299	1,361,864	1,606,466	1,641,621	1,425,152	1,353,816
283,489	289,074	331,927	344,549	289,694	248,432
319,900	361,767	386,229	390,777	319,544	169,228
1,482,509	2,556,380	1,651,163	2,420,322	2,498,161	1,739,237
202,149	255,749	346,055	381,681	433,103	1,315,647
99,416	111,844	134,491	132,540	128,364	112,635
<u>16,766,015</u>	<u>18,711,284</u>	<u>18,463,459</u>	<u>19,932,421</u>	<u>19,721,626</u>	<u>18,845,180</u>
151,893	(471,345)	318,758	518,109	(1,196,605)	(276,735)
97,419	1,126,811	105,419	448,251	190,080	0
0	0	0	0	0	927,531
1,028,459	975,000	1,119,000	694,000	234,000	7,512,071
<u>(1,103,459)</u>	<u>(1,025,000)</u>	<u>(1,200,121)</u>	<u>(704,000)</u>	<u>(247,000)</u>	<u>(7,528,071)</u>
<u>22,419</u>	<u>1,076,811</u>	<u>24,298</u>	<u>438,251</u>	<u>177,080</u>	<u>911,531</u>
<u>\$174,312</u>	<u>\$605,466</u>	<u>\$343,056</u>	<u>\$956,360</u>	<u>(\$1,019,525)</u>	<u>\$634,796</u>

2.07%

2.32%

2.72%

2.97%

3.25%

8.06%

## *City of Xenia*

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

<b>Tax year</b>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Income Tax Rate	1.75%	1.75%	1.75%	1.75%
Total Tax Collected	\$9,616,613	\$7,835,677	\$7,775,946	\$7,772,336
Income Tax Receipts				
Withholding	7,716,965	6,064,506	5,995,199	6,005,868
Percentage	80.25%	77.40%	77.10%	77.27%
Direct (Individual & Business)	1,899,648	1,771,171	1,780,747	1,766,468
Percentage	19.75%	22.60%	22.90%	22.73%

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*

---

---

2005	2006	2007	2008	2009	2010
1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
\$8,144,456	\$8,574,742	\$7,996,915	\$8,863,480	\$8,263,057	\$8,354,222
6,224,137	6,508,901	5,917,884	6,870,315	6,425,740	6,377,354
76.42%	75.91%	74.00%	77.51%	77.76%	76.34%
1,920,319	2,065,841	2,079,031	1,993,165	1,837,317	1,976,868
23.58%	24.09%	26.00%	22.49%	22.24%	23.66%



## City of Xenia

### Income Tax Collections Current Year and Four Years Ago

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

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

Calendar Year 2006				
Income Level	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	5,917	51.04%	\$35,455,795	10.67%
20,000 - 49,999	3,336	28.77%	110,233,208	33.17%
50,000 - 74,999	1,348	11.63%	82,289,203	24.76%
75,000 - 99,999	611	5.27%	52,181,447	15.70%
Over 100,000	382	3.29%	52,216,151	15.70%
Total	11,594	100.00%	\$332,375,804	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to the City of Xenia	\$5,024,998
Taxes Credited to Other Municipalities	1,622,518
	\$6,647,516

Source: City Finance Director's Office  
Data is not available prior to 2006.

## *City of Xenia*

### *Ratio of Outstanding Debt By Type Last Ten Years*

	2001	2002	2003	2004
<b>Governmental Activities</b> <sup>(1)</sup>				
General Obligation Bonds Payable	\$1,360,000	\$1,315,000	\$1,270,000	\$1,220,000
Capital Leases	279,090	216,843	947,529	965,571
<b>Business-type Activities</b> <sup>(1)</sup>				
Ohio Water Development Authority Loans Payable	\$8,780,308	\$8,341,594	\$7,890,210	\$7,425,789
Capital Leases	0	0	0	0
Total Primary Government	<u>\$10,419,398</u>	<u>\$9,873,437</u>	<u>\$10,107,739</u>	<u>\$9,611,360</u>
<b>Population</b> <sup>(2)</sup>				
City of Xenia	24,164	24,164	24,164	24,164
Outstanding Debt Per Capita	\$431	\$409	\$418	\$398
<b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	707,715	729,318	757,590	785,258
Percentage of Personal Income	1.47%	1.35%	1.33%	1.22%

**Sources:**

- (1) City Finance Director's Office
- (2) US Bureau of Census, Population Division
- (3) US Department of Commerce, Bureau of Economic Analysis information is only available through 2009 for the presentation of 2010 statistics, the City is using the latest information available.
  - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

*City of Xenia*

---

2005	2006	2007	2008	2009	2010
\$1,170,000	\$1,120,000	\$1,065,000	\$1,005,000	\$945,000	\$920,000
910,841	1,831,903	1,646,267	1,772,837	1,589,809	1,219,167
\$6,947,955	\$6,456,316	\$5,950,478	\$5,430,029	\$4,894,544	\$6,226,960
0	0	1,782,755	1,697,182	1,607,731	1,514,227
<u>\$9,028,796</u>	<u>\$9,408,219</u>	<u>\$10,444,500</u>	<u>\$9,905,048</u>	<u>\$9,037,084</u>	<u>\$9,880,354</u>
24,164	24,164	24,164	24,164	27,357	25,719
\$374	\$389	\$432	\$410	\$330	\$384
792,096	815,366	815,366	821,286	977,192	902,865
1.14%	1.15%	1.28%	1.21%	0.92%	1.09%

## *City of Xenia*

### *Ratios of General Bonded Debt Outstanding Last Ten Years*

Year	2001	2002	2003	2004
<b>Population</b> (1)	24,164	24,164	24,164	24,164
<b>Assessed Value</b> (2)	\$301,625,369	\$296,650,260	\$343,118,119	\$349,957,342
<b>General Bonded Debt</b> (3)				
General Obligation Bonds	\$1,360,000	\$1,315,000	\$1,270,000	\$1,220,000
<b>Resources Available to Pay Principal</b> (4)	\$0	\$0	\$0	\$0
<b>Net General Bonded Debt</b>	\$1,360,000	\$1,315,000	\$1,270,000	\$1,220,000
<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	0.45%	0.44%	0.37%	0.35%
<b>Net Bonded Debt per Capita</b>	\$56.28	\$54.42	\$52.56	\$50.49

**Source:**

- (1) U.S. Bureau of Census of Population
- (2) Greene County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes.
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.



*City of Xenia*

---

---

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
24,164	24,164	24,164	24,164	27,357	25,719
\$348,140,994	\$373,253,479	\$374,629,702	\$380,225,360	\$401,737,343	\$401,707,460
\$1,170,000	\$1,120,000	\$1,065,000	\$1,005,000	\$945,000	\$920,000
\$0	\$0	\$0	\$0	\$0	\$0
\$1,170,000	\$1,120,000	\$1,065,000	\$1,005,000	\$945,000	\$920,000
0.34%	0.30%	0.28%	0.26%	0.24%	0.23%
\$48.42	\$46.35	\$44.07	\$41.59	\$34.54	\$35.77



## *City of Xenia*

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2010*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Xenia</u>	<u>Amount Applicable to the City of Xenia</u>
<b>Direct:</b>			
City of Xenia	\$920,000	100.00%	\$920,000
<b>Overlapping:</b>			
Greene County	145,245,593	10.33%	15,003,870
Xenia Community School District	37,954,982	58.87%	22,344,098
Greene County Career Center	166,667	10.38%	17,300
		Subtotal	<u>37,365,268</u>
		Total	<u><u>\$38,285,268</u></u>

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

The percentage of overlapping debt applicable to the City of Xenia is calculated by the County Auditor and is based on property tax valuations.

## *City of Xenia*

### *Debt Limitations Last Ten Years*

<b>Collection Year</b>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<u>Total Debt</u>				
Net Assessed Valuation	\$301,625,369	\$296,650,260	\$343,118,119	\$349,957,342
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	31,670,664	31,148,277	36,027,402	36,745,521
City Debt Outstanding (2)	1,360,000	1,315,000	1,270,000	1,220,000
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>1,360,000</u>	<u>1,315,000</u>	<u>1,270,000</u>	<u>1,220,000</u>
Overall Legal Debt Margin	<u><u>\$30,310,664</u></u>	<u><u>\$29,833,277</u></u>	<u><u>\$34,757,402</u></u>	<u><u>\$35,525,521</u></u>
<u>Unvoted Debt</u>				
Net Assessed Valuation	\$301,625,369	\$296,650,260	\$343,118,119	\$349,957,342
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	16,589,395	16,315,764	18,871,497	19,247,654
City Debt Outstanding (2)	1,360,000	1,315,000	1,270,000	1,220,000
Less: Applicable Debt Service Fund Amounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Indebtedness Subject to Limitation	<u>1,360,000</u>	<u>1,315,000</u>	<u>1,270,000</u>	<u>1,220,000</u>
Overall Legal Debt Margin	<u><u>\$15,229,395</u></u>	<u><u>\$15,000,764</u></u>	<u><u>\$17,601,497</u></u>	<u><u>\$18,027,654</u></u>

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

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

Source: City Finance Director's Office

*City of Xenia*

---

2005	2006	2007	2008	2009	2010
\$348,140,994	\$373,253,479	\$374,629,702	\$380,225,360	\$401,737,343	\$401,707,460
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
36,554,804	39,191,615	39,336,119	39,923,663	42,182,421	42,179,283
1,170,000	1,120,000	1,065,000	1,005,000	945,000	920,000
0	0	0	0	0	0
1,170,000	1,120,000	1,065,000	1,005,000	945,000	920,000
\$35,384,804	\$38,071,615	\$38,271,119	\$38,918,663	\$41,237,421	\$41,259,283
\$348,140,994	\$373,253,479	\$374,629,702	\$380,225,360	\$401,737,343	\$401,707,460
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
19,147,755	20,528,941	20,604,634	20,912,395	22,095,554	22,093,910
1,170,000	1,120,000	1,065,000	1,005,000	945,000	920,000
0	0	0	0	0	0
1,170,000	1,120,000	1,065,000	1,005,000	945,000	920,000
\$17,977,755	\$19,408,941	\$19,539,634	\$19,907,395	\$21,150,554	\$21,173,910

# City of Xenia

## Demographic and Economic Statistics Last Ten Years

Calendar Year	2001	2002	2003	2004
<b>Population</b> <sup>(1)</sup>				
City of Xenia	24,164	24,164	24,164	24,164
Greene County	148,607	148,607	148,607	148,607
<b>Income</b> <sup>(2) (a)</sup>				
Total Personal (in thousands)	707,715	729,318	757,590	785,258
Per Capita	29,288	30,182	31,352	32,497
<b>Unemployment Rate</b> <sup>(3)</sup>				
Federal	3.8%	4.8%	5.8%	6.0%
State	3.7%	4.3%	5.7%	6.1%
Greene County	3.4%	4.3%	4.4%	4.9%
<b>Civilian Work Force Estimates</b> <sup>(3)</sup>				
State	5,857,000	5,828,000	5,915,000	5,875,300
Greene County	73,800	73,100	73,900	77,200
<b>Employment Distribution by Occupation</b> <sup>(1)</sup>				
Agriculture, forestry, fishing, hunting, and mining	29	29	29	29
Construction	701	701	701	701
Manufacturing	1,952	1,952	1,952	1,952
Wholesale trade	240	240	240	240
Retail trade	1,511	1,511	1,511	1,511
Transportation, warehousing, and utilities info.	448	448	448	448
Information	190	190	190	190
Finance, insurance, real estate, rental and leasing	436	436	436	436
Professional, scientific, management, administrative, and waste management	713	713	713	713
Educational, health, and social services	2,389	2,389	2,389	2,389
Arts, Entertainment, recreation, accomodation and food services	828	828	828	828
Other Services	641	641	641	641
Public Administration	843	843	843	843
<b>Daytime Population</b> <sup>(1)</sup>	22,424	22,424	22,424	22,424

**Sources:**

(1) US Bureau of Census of Population

(2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2009 for the presentation of 2010 statistics, the City is using the latest information available.

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

(3) State Department of Labor Statistics

N/A = not available

*City of Xenia*

---

2005	2006	2007	2008	2009	2010
24,164	24,164	24,164	24,164	27,357	25,719
148,607	148,607	148,607	148,607	159,823	161,573
792,096	815,366	815,366	821,286	977,192	902,865
32,780	33,743	33,743	33,988	35,720	35,105
5.5%	4.6%	4.6%	7.1%	9.7%	9.6%
6.0%	5.5%	5.6%	7.7%	10.7%	10.1%
5.5%	5.1%	5.3%	7.0%	10.6%	10.0%
5,900,400	5,934,000	5,976,500	5,931,600	5,884,900	5,897,600
77,000	77,400	78,000	78,200	79,700	80,100
29	29	29	29	29	89
701	701	701	701	701	628
1,952	1,952	1,952	1,952	1,952	1,351
240	240	240	240	240	281
1,511	1,511	1,511	1,511	1,511	1,342
448	448	448	448	448	700
190	190	190	190	190	297
436	436	436	436	436	512
713	713	713	713	713	1,203
2,389	2,389	2,389	2,389	2,389	3,153
828	828	828	828	828	1,096
641	641	641	641	641	621
843	843	843	843	843	742
22,424	22,424	22,424	22,424	22,424	22,424





## *City of Xenia*

### *Principal Employers Current Year and Three Years Ago*

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

Employer	Nature of Business	2007		
		Number of Employees	Rank	Percentage of Total Employment
Greene County	Government	1,432	1	5.31%
Greene Memorial Hospital	Health Care	975	2	3.62%
Xenia Community Schools	Education	969	3	3.60%
Super Valu	Distribution	500	4	1.86%
Mcdonalds Restaurants	Food Services	395	5	1.47%
City of Xenia	Government	290	6	1.08%
Twist	Manufacturing	270	7	1.00%
Walmart	Retail	256	8	0.95%
Kroger	Grocery	250	9	0.93%
Bob Evans Farms	Food Services	248	10	0.92%
Total		<u>5,585</u>		
Total Employment within the City		<u><u>26,950</u></u>		

**Sources:**

City of Xenia Income Tax Department

Data is not available prior to 2007.

## *City of Xenia*

### *Full Time Equivalent Employees by Function Last Ten Years*

	2001	2002	2003	2004	2005
<b>Governmental Activities</b>					
General Government					
Finance	17.00	17.00	17.00	17.50	16.50
Legal/Court	29.50	29.75	30.75	30.75	30.50
Administration	10.00	9.00	8.00	7.00	6.00
Information Technology	0.00	0.00	0.00	0.00	0.00
Security of Persons and Property					
Police	74.00	74.00	74.00	69.00	69.00
Fire	45.00	45.00	45.00	42.00	42.00
Transportation					
Street	19.75	19.75	19.75	18.50	18.50
Garage	0.00	0.00	0.00	0.00	0.00
Leisure Time Activities					
Recreation/Seniors	0.00	0.00	5.00	4.50	4.50
Parks	0.00	0.00	0.00	0.00	0.00
Community Environment					
Service	11.00	12.00	11.25	9.00	9.00
Development/Planning	0.00	0.00	0.00	0.00	0.00
Engineering	0.00	0.00	0.00	0.00	0.00
<b>Business-Type Activities</b>					
Utilities					
Water	15.00	15.00	15.00	14.00	13.00
Sewer	6.00	6.00	6.00	6.00	6.00
Solid Waste	10.00	10.00	10.00	10.00	10.00
Storm Water	0.00	0.00	0.00	0.00	0.00
<i>Total Employees</i>	<u>237.25</u>	<u>237.50</u>	<u>241.75</u>	<u>228.25</u>	<u>225.00</u>

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

Source: City Finance Director's Office

*City of Xenia*

---

---

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
18.50	18.50	18.50	15.00	15.00
29.75	29.00	30.50	32.00	32.00
6.00	6.00	6.00	5.00	5.00
0.00	0.00	0.00	2.00	2.00
69.00	70.00	70.00	67.00	65.00
42.00	43.00	42.00	41.00	41.00
18.50	16.00	16.50	9.00	6.00
0.00	0.00	0.00	2.00	2.00
4.50	4.25	4.50	0.00	0.00
0.00	0.00	0.00	1.50	1.50
9.00	10.00	8.00	0.00	0.00
0.00	0.00	0.00	4.00	4.00
0.00	0.00	0.00	4.00	4.00
13.00	14.50	15.50	19.00	4.00
6.00	16.00	16.00	15.00	0.00
10.00	0.00	0.00	0.00	1.00
0.00	0.00	0.00	0.00	2.00
<u>226.25</u>	<u>227.25</u>	<u>227.50</u>	<u>216.50</u>	<u>184.50</u>

## City of Xenia

### Operating Indicators by Function Last Ten Years

	2001	2002	2003	2004
<b>Governmental Activities</b>				
General Government				
Court				
Number of Probation Cases	531	598	558	639
Number of Traffic Cases	12,317	12,155	11,766	11,289
Licenses and Permits				
Number of Residential Constructions	128	104	109	116
Number of Commercial Constructions	15	21	17	13
Security of Persons and Property				
Police				
Number of Citations Issued	2,357	2,207	2,377	3,064
Number of Arrests	2,018	1,947	1,837	1,841
Number of Accidents	649	640	611	621
Fire				
Number of Fire Calls	1,018	918	851	813
Number of EMS Runs	3,065	3,291	3,421	3,532
Number of Inspections	248	48	69	39
Transportation				
Street				
Number of Streets Resurfaced	10	6	5	7
Leisure Time Activities				
Recreation/Seniors				
Number of Programs Offered***	N/A	N/A	8	8
Number of Shelter Rentals	N/A	N/A	N/A	N/A
<b>Business-Type Activities</b>				
Water				
Number of Service Connections	10,081	10,184	10,346	10,346
Daily Average Consumption (millions of gallons)	3.4	3.6	3.9	3.9
Peak Daily Consumption (millions of gallons)	8.0	8.0	8.0	8.0
Sewer				
Number of Service Connections	9,940	10,025	10,184	10,184
Daily Average Sewage Treatment (millions of gallons)	4.9	4.9	4.9	4.9
Solid Waste *				
Number of Customers Served	N/A	N/A	N/A	N/A
Stormwater **				
Number of Customers Served	N/A	N/A	N/A	N/A

Source: City Finance Director's Office

\* Billing for Solid Waste started in 2005

\*\* Billing for Stormwater started in 2007

\*\*\* Eliminated City Basketball, Cheerleading, and the Cheerleading Expo in 2009

*City of Xenia*

---

2005	2006	2007	2008	2009	2010
619	561	802	796	795	803
12,095	10,445	9,624	10,252	7,871	7,552
104	61	123	91	26	53
20	5	4	4	2	1
2,869	2,430	2,974	4,347	2,078	1,818
1,927	2,022	1,034	2,985	2,240	2,068
597	567	610	535	609	659
818	889	984	1,210	875	819
3,803	3,715	3,437	3,752	3,543	3,470
205	135	255	141	185	72
11	7	4	9	7	0
9	9	8	8	5	14
N/A	178	130	132	145	166
10,380	11,235	10,720	10,733	10,782	10,800
3.9	4.4	3.6	3.2	3.2	3.1
8.0	8.0	8.0	8.0	8.0	8.0
10,436	11,103	10,692	10,635	10,664	10,680
4.9	4.9	4.8	5.0	4.1	4.0
9,232	9,444	9,760	9,512	9,496	9,543
N/A	N/A	10,038	9,992	10,041	10,024

## *City of Xenia*

### *Capital Asset Statistics by Function Last Ten Years*

	2001	2002	2003	2004
<b>Governmental Activities</b>				
General Government				
Land (acres)	7,680	7,680	7,680	7,680
Public Safety				
Police				
Stations	1	1	1	1
Vehicles	N/A	N/A	N/A	N/A
Fire				
Stations	2	2	2	2
Vehicles	N/A	N/A	N/A	N/A
Highways and Streets				
Streets (lane miles)	115	115	115	115
Street Lights	1,753	1,753	1,753	1,784
Traffic Signals	N/A	N/A	N/A	37
Recreation				
Land (acres)	122	122	122	122
Buildings/Shelters	16	16	16	16
Parks	11	11	11	11
Playgrounds	11	11	11	11
Tennis Courts	1	1	1	1
Baseball/Softball Diamonds	6	6	6	6
Soccer Fields	2	2	2	2
<b>Business-Type Activities</b>				
Utilities				
Water				
Waterlines (Miles)	141	141	141	141
Pump Stations	1	1	1	1
Average Daily Consumption	3.4 (mgd)	3.6 (mgd)	3.9 (mgd)	3.9 (mgd)
Storage Capacity (thousands of gallons)	8 (mgd)	8 (mgd)	8 (mgd)	8 (mgd)
Sewer				
Sewerlines (Miles)	146	146	146	146

Source: City Finance Director's Office

*City of Xenia*

2005	2006	2007	2008	2009	2010
7,680	7,680	7,680	7,680	7,680	7,680
1	1	1	1	1	1
N/A	27	24	28	30	22
2	2	2	2	2	2
N/A	11	11	12	12	11
108	135	135	135	219	219
1,784	1,784	1,826	1,961	1,961	2,124
38	40	32	38	38	40
133	133	122	122	122	120
18	18	17	20	20	12
15	15	15	15	15	14
15	15	12	12	12	13
1	1	1	0	0	0
6	6	7	1	1	3
2	2	2	2	2	0
141	141	140	140	140	140
1	1	1	1	1	1
3.7 (mgd)	4.4 (mgd)	3.6 (mgd)	3.2 (mgd)	3.2 (mgd)	3.1 (mgd)
8 (mgd)	8 (mgd)	8 (mgd)	8 (mgd)	8 (mgd)	8 (mgd)
146	146	145	145	146	146

## *City of Xenia*

### *Capital Asset Value by Function Last Ten Years*

	2001	2002	2003	2004	2005
<b>Governmental Activities</b>					
General Government					
Land and Improvements	\$102,580	\$259,130	\$259,130	\$259,130	\$259,130
Buildings	2,534,605	2,534,605	2,534,605	2,534,605	2,534,605
Equipment	1,218,578	1,292,224	1,348,790	1,376,298	1,391,039
Public Safety					
Land and Improvements	78,238	78,238	78,238	78,238	76,022
Buildings	247,983	247,893	247,983	273,206	273,206
Equipment	3,744,501	3,911,367	4,707,058	4,901,393	4,868,979
City Wide					
Land and Improvements	4,241,499	4,775,944	15,574,694	15,810,220	16,092,702
Buildings	1,757,573	2,734,465	2,748,335	2,748,335	2,748,335
Equipment	1,059,308	1,921,732	8,693,004	8,932,617	9,206,205
Infrastructure	N/A	408,007	11,022,587	11,411,839	11,811,580
Construction in Progress	232,140	1,029,296	28,500	28,500	854,397
<b>Business-Type Activities</b>					
Utilities					
Water					
Land and Improvements	125,712	125,712	133,036	133,036	134,606
Buildings and Improvements	2,865,365	2,865,365	2,865,365	2,870,415	2,870,415
Equipment	10,952,272	12,342,236	12,477,225	12,655,820	13,016,872
Construction in Progress	544,453	0	0	0	112,538
Sewer					
Land and Improvements	482,817	482,817	482,817	483,946	483,946
Buildings and Improvements	5,226,336	5,226,336	5,276,700	5,276,700	5,282,350
Equipment	21,667,146	22,029,873	21,998,953	22,762,638	23,228,559
Construction in Progress	0	15,112	52,291	226,155	0
Sanitation					
Land and Improvements	5,680	4,741	4,741	4,741	2,691
Buildings and Improvements	40,108	40,108	40,108	40,108	40,108
Equipment	679,254	679,254	741,757	741,757	741,757
Construction in Progress	0		0	0	0
Stormwater					
Equipment	N/A	N/A	N/A	N/A	N/A



*City of Xenia*

2006	2007	2008	2009	2010
\$259,130	\$259,130	\$259,130	\$259,130	\$259,130
2,536,475	2,512,829	2,512,829	2,793,757	2,804,149
1,596,606	1,111,705	1,118,943	1,240,923	1,260,554
90,537	77,019	77,019	77,019	77,019
722,216	701,839	701,839	956,607	1,233,558
5,705,316	4,054,259	4,527,109	5,212,833	4,789,357
16,302,572	16,524,117	16,947,652	17,147,703	17,228,303
2,751,955	2,733,586	2,733,586	2,759,157	2,703,757
9,699,307	2,103,334	2,194,792	2,379,763	2,180,065
12,831,760	13,256,761	13,819,509	15,065,947	15,247,920
385,027	120,618	850,778	273,106	685,664
134,606	177,094	177,094	214,794	214,794
2,870,415	2,870,415	2,870,415	2,870,415	2,900,634
13,687,880	13,677,245	15,380,109	16,275,077	16,137,407
71,499	1,185,632	568,770	10,102	239,542
483,946	511,522	563,802	563,802	563,802
5,282,350	5,265,451	5,265,451	5,294,792	5,353,000
23,685,875	23,764,397	25,290,062	25,469,564	25,477,355
28,364	805,505	0	212,444	2,351,012
2,691	0	0	0	0
40,108	40,108	105,703	105,703	93,730
744,443	761,167	761,167	778,320	778,320
14,182	6,560	0	0	0
N/A	7,767,217	8,740,317	8,740,317	8,801,902

(Continued)

*City of Xenia*

*Capital Asset Value by Function  
Last Ten Years*

	2001	2002	2003	2004	2005
Other Enterprise					
Land and Improvements	185,521	185,521	181,352	181,352	181,352
Buildings and Improvements	101,837	101,837	101,837	101,837	101,837
Equipment	19,744	50,306	45,054	46,784	49,052
Construction in Progress	0	0	0	0	0

Source: City Finance Director's Office

*City of Xenia*

---

---

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
181,352	154,681	154,681	154,681	154,681
101,837	101,837	101,837	0	0
74,052	54,430	54,430	0	20,081
348,457	89,285	42,470	0	56,301





# Dave Yost • Auditor of State

CITY OF XENIA

GREENE COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
SEPTEMBER 6, 2011