



Dave Yost • Auditor of State

**CITY OF XENIA
GREENE COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Schedule of Federal Awards Expenditures For the Year Ended December 31, 2014	1
Notes to the Schedule of Federal Awards Expenditures For the Year Ended December 31, 2015	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	3
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133	5
Schedule of Findings.....	9
Schedule of Prior Audit Findings.....	13

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**CITY OF XENIA
GREENE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2014**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Passed Through Ohio Department of Development</i>			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	A-F-13-2ER-1	14.228	\$6,058
	A-F-12-2ER-1		72,564
	A-T-09-2ER-1		47,578
	A-D-11-2ER-1		45,115
Total U.S. Department of Housing and Urban Development			<u>171,315</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Passed Through Ohio Attorney General</i>			
Crime Victim Assistance	2014VAGENE538	16.575	42,415
	2015VAGENE538		17,746
Total Crime Victim Assistance			<u>60,161</u>
Edward Byrne Memorial Justice Assistance Grant Program	2013-JG-LLE-5095	16.738	8,235
<i>Passed Through Ohio Office of Criminal Justice Services</i>			
Violence Against Women Formula Grants	2013-WF-VA2-8308	16.588	46,667
Total U.S. Department of Justice			<u>115,063</u>
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Passed Through Ohio Department of Transportation</i>			
Highway Planning and Construction	88776	20.205	196,470
Total U.S. Department of Transportation			<u>196,470</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
<i>Passed Through Ohio Department of Public Safety</i>			
Pre-Disaster Mitigation	FEMA-PDM-C	97.047	91,443
Total U.S. Department of Homeland Security			<u>91,443</u>
Total Federal Awards Expenditures			<u><u>\$574,291</u></u>

The accompanying notes are an integral part of this schedule.

**CITY OF XENIA
GREENE COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2014**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) reports the City of Xenia's (the City's) federal award programs' disbursements. The schedule has been prepared on the cash basis of accounting.

NOTE B – COMINGLING OF FUNDS

The City commingles cash receipts from the U.S. Department of Justice, U.S. Department of Housing and Urban Development, U.S. Department of Transportation, and U.S. Department of Homeland Security with similar State grants. When reporting expenditures on this Schedule, the City reports federal expenditures as a percentage of total expenditures using the percent of grant monies to be provided by federal sources for each grant.

NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has a revolving loan fund (RLF) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Department of Development. The Schedule reports administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

These loans are collateralized by mortgages on the property.

Activity in the CDBG revolving loan fund during 2014 is as follows:

Beginning loans receivable balance as of January 1, 2014	\$898,397
Loans made	-
Loan principal repaid	(42,070)
Loan principal forgiven	(35,512)
Ending loans receivable balance as of December 31, 2014	<u>\$820,815</u>
Cash balance on hand in the revolving loan fund as of December 31, 2014	\$122,557
Administrative costs expended during 2014	\$8,783

The table above reports gross loans receivable. Of the loans receivable as of December 31, 2014, the City estimates \$391,536 to be uncollectible. In accordance with the grant agreement, \$35,512 of the loan receivable balance was written off during fiscal year 2014.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Xenia
Greene County
101 North Detroit Street
Xenia, Ohio 45385

To the Honorable Mayor and City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Xenia, Greene County, (the County) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 31, 2016.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2014-002 to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2014-001.

City's Response to Findings

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

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Dave Yost
Auditor of State
Columbus, Ohio

May 31, 2016



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

City of Xenia
Greene County
101 North Detroit Street
Xenia, Ohio 45385

To the Honorable Mayor and City Council:

Report on Compliance for Each Major Federal Program

We have audited the City of Xenia's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the City of Xenia's major federal programs for the year ended December 31, 2014. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

Management's Responsibility

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for each of the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on the City's major programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City of Xenia complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2014.

Report on Internal Control Over Compliance

The Entity's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined 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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Xenia (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated May 31, 2016. We conducted our audit to opine on the City's basic financial statements. The accompanying schedule of federal awards expenditures presents additional analysis required by the 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 basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

May 31, 2016

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**CITY OF XENIA
GREENE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2014**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	No
(d)(1)(vii)	Major Programs (list):	Community Development Block Grants/ State's Program and Non-Entitlement Grants in Hawaii (CFDA # 14.228) Highway Planning and Construction (CFDA # 20.205)
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

<i>Finding Number</i>	2014-001
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NONCOMPLIANCE

Ohio Rev. Code Section 117.38 requires the generally accepted accounting principles (GAAP) financial reports to be certified by the proper officer or board and filed with the auditor of state within one hundred fifty days after the close of the fiscal year. The Revised Code also provides for entities other than a state agency, that does not file its financial report at the time required by this section to pay to the auditor of state twenty-five dollars for each day the report remains unfiled after the filing date; provided, that the penalty payments shall not exceed the sum of seven hundred fifty dollars.

The City updated its financial statement software during 2015. Problems with the software update resulted in the City requesting and obtaining two extensions until September 10, 2015 to file its annual financial statements with the Auditor of State. Additionally, the City obtained extensions from Government Finance Officers Association (GFOA) up to December 31, 2015 to file its audited Comprehensive Annual Financial Report (CAFR).

The City did not complete their financial statements until February 5, 2016 and filed a copy of its financial statements with the Auditor of State on May 23, 2016.

The City should prepare its financial statements within the required time frame in order to help provide the users with more timely, meaningful and complete financial information. Once the financial statements have been prepared, they should be filed with the Auditor of State and a notice should be published in a local newspaper. This will allow the concerned citizens to inspect the City's financial statements and allow for an open government.

Official's Response: The City made all best attempts to complete the 2014 filing in a timely manner. There were several factors working against the City's ability to file the report timely. There was a vacancy at the Assistant Finance position from November 2014 until February of 2015. The Assistant Finance Director position is the primary individual responsible for creating and filing the report. This alone would have caused some delays, but the City also opted to upgrade their financial reporting software from an Access-based software to an SQL-based software, by the same company. The City was already planning to upgrade during the year, and felt it would be easier for the new Assistant Finance Director to only learn one system, rather than learn one and then immediately upgrade to the next system. The software however, took exceedingly longer to implement than anybody within the City had or would have expected. Unfortunately, the delays during implementation were not the only delays, as the software had numerous issues, which continued to hinder the City from completing their report correctly and timely. The software company even went as far as discounting their maintenance fees to the City and writing a letter on the City's behalf to substantiate the problems that were arising from their software.

<i>Finding Number</i>	2014-002
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MATERIAL WEAKNESS

The City's 2014 financial statements contained various errors. The following errors were identified as material and resulted in audit adjustments which are reflected within the accompanying financial statements:

1. Governmental Accounting Standards Board (GASB) Statement No. 54, paragraph 16. states that an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance.

The City's 2015 General Fund appropriations exceeded its estimated receipts by \$1,416,347 and in accordance with paragraph 16 of GASB Statement No. 54 this amount should have been reported as assigned fund balance on the governmental fund balance sheet. The City reported the excess of appropriation over estimated receipts as unassigned fund balance in the general fund.

2. Following errors noted in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP) Budgetary Basis) that required audit adjustments:

- a. The City reported fund balance beginning of the year of zero on general fund budgetary statement and prior year encumbrances of \$11,792,240 for original budget, \$11,932,221 for final budget and \$9,328,152 for actual. The City should have reported \$2,688,962 in general fund balance at beginning of year and \$262,653 in prior year encumbrances. The prior year encumbrance amount should not change from original budget to final budget to actual.
- b. The City reported fund balance beginning of the year of zero on the state gas and vehicle license fund budgetary statement and prior year encumbrances of \$1,084,797 for original budget, \$1,252,382 for final budget and \$1,183,540 for actual. The City should have reported \$201,048 in state gas and vehicle license fund balance at beginning of year and \$32,753 in prior year encumbrances. The prior year encumbrance amount should not change from original budget to final budget to actual.
- c. The City overstated original estimated receipts on the state and gas vehicle license fund statement of revenues, expenditures and changes in fund balance by \$100,000.
- d. The City reported fund balance beginning of the year of zero on Police and Fire Fund budgetary statement and prior year encumbrances of \$15,307,892 for original budget, \$15,058,529 for final budget and \$14,517,832 for actual. The City should have reported \$502,477 in Police and Fire Fund balance at beginning of year and \$959,116 in prior year encumbrances. The prior year encumbrance amount should not change from original budget to final budget to actual.
- e. Similar errors were noted and adjusted in the non-major governmental fund budgetary schedules presented as supplementary information. Other immaterial errors on the budgetary statements have been reported to the City's management in the summary of unadjusted differences.

3. Following errors were noted on the statement of cash flows that required adjustments:

- a. Cash flow from operating activities in the water fund overstated cash received from customers and cash payments for goods and services by \$25,870
- b. Cash flow from operating activities in the other enterprise funds was overstated by \$56,346; while cash flow from capital and related financing activities was understated by the same amount due to the City reporting cash payment for goods and services as acquisition and construction of assets.

FINDING NUMBER 2014-002
(Continued)

- c. Additionally, Sewer fund's net cash provided by operating activities was understated and cash flow from capital and related financing activities was overstated by \$24,083. The error was determined to be immaterial and no adjustment was made to correctly present the cash flows.

In addition there were other errors identified which are not material and not adjusted to the accompanying financial statements:

1. Miscellaneous revenue was overstated by \$245,781 and tax revenue was understated by the same amount in the general fund.
2. During 2014, the City was involved in a construction project with the Ohio Department of Transportation (ODOT). ODOT made contract payments on-behalf of the City directly to the project contractor. On-behalf payments related to the project with ODOT totaled \$160,031 during 2014. These transactions were not reported on the City's financial statements; therefore, Highways and Streets Disbursements and Intergovernmental Receipts were understated by \$160,031 in the Capital Improvements fund and Government-Type Activities.
3. The City overstated Loans Receivable and Net Position at January 1, 2014 by \$28,063 in Business-Type Activities and Other Enterprise Funds.
4. The City understated Capital Assets and overstated Expenses by \$56,346 in Business-Type Activities and Other Enterprise Funds and overstated Capital Assets and understated Expenses by \$56,346 in Government-Type Activities.
5. The City understated business type activities' operating grants and contributions and investments earning in the statement of activities by \$56,258 and \$88,788 respectively. Charges for services and sales and capital grants and contributions were overstated by the same amounts.
6. The City understated expenses and capital contributions in sewer fund by \$179,023. This error also resulted in the City presenting \$179,023 in transfers out in the statement of activities for governmental activities as expenses and understatement of sewer expense and transfers-in for the business type activities.
7. The City understated long term liabilities due within one year and overstated long term liabilities due in more than one year by \$14,340 in the governmental activities statement of net position.
8. The City presented \$283,289 in governmental activities net position restricted for general government programs as net position restricted for safety programs
9. The City presented \$423,363 in governmental activities net investment in capital assets as unrestricted net position.

Policies and procedures should be established and implemented to verify that financial transactions are posted to the correct account and line item. Additionally, the City should establish and implement policies and procedures to verify that all reporting requirements are properly incorporated in the financial statements. Failure to do so could result in material misstatements on the financial statements.

Official's Response: The City strives to account for transactions appropriately, to comply with reporting requirements, and to present financial statements that are free of material misstatements. The previously mentioned software issues played a large part in creating the financial misclassifications. The City is hopeful that software updates have remedied the issues that caused the misclassifications. The City will continue to evaluate its procedures for preparing financial statements and make efforts to improve the quality of those statements while also considering the cost of additional review and advisory services.

**CITY OF XENIA
GREENE COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
DECEMBER 31, 2014**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2013-001	Financial Statement Errors	No	Repeated as Finding Number 2014-002
2013-002	Reporting Pollution Remediation Liability	Yes	

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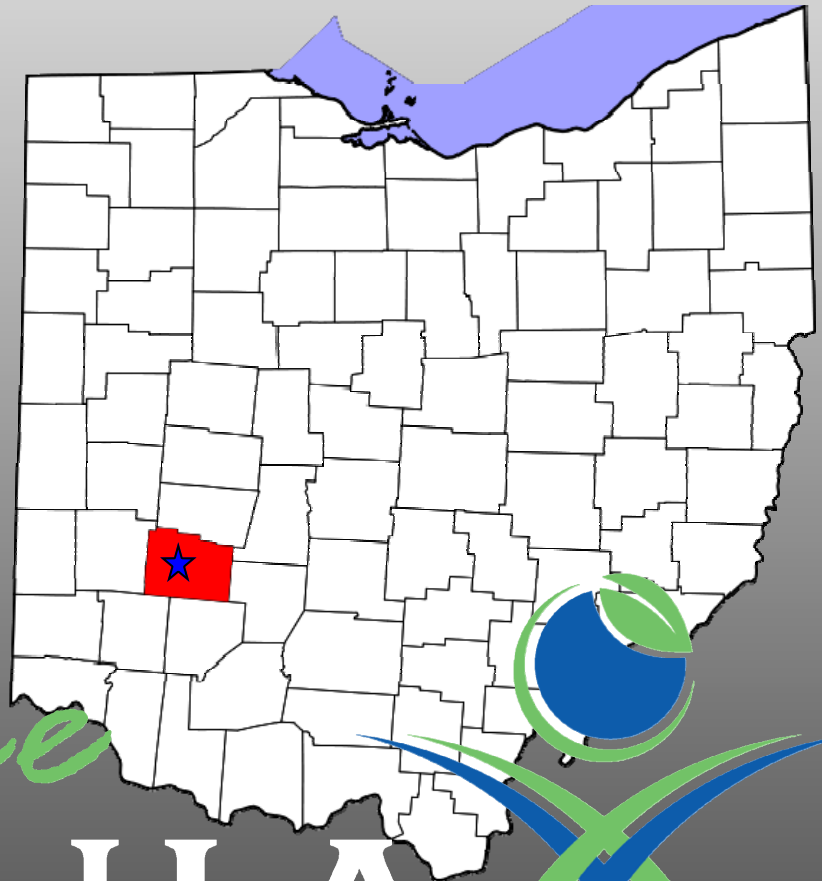
CITY OF XENIA, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2014

Xenia was founded in 1803 and became a City in 1834. Now with a population of nearly 26,000 and the seat of Greene County, it is the ideal location for businesses and residents alike. Xenia offers any company a strong work force and a conducive environment to conduct business and grow while offering residents award-winning schools, safe neighborhoods, a low cost of living, incredibly beautiful parks, and a nationally recognized bike trial.

Now is the time to Explore Xenia!



Explore
XENIA
City of Xenia, Ohio



CITY OF XENIA, OHIO

GREENE COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2014**

Prepared by:
Department of Finance

Mark A. Bazalak
Finance Director

Jason Lake
Assistant Finance Director

Denise Estle
Finance Technician

Michelle Johnson
City Clerk



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 Independent Auditor’s Report 1
B Management’s Discussion and Analysis 5
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position 16
 Statement of Activities 17
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet 19
 Reconciliation of Total Governmental Fund Balances to Net Position
 of Governmental Activities 21
 Statement of Revenues, Expenditures and Changes in Fund Balances 23
 Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances to the Statement of Activities 25
 Statement of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund 26
 State Gas and Vehicle License Fund 27
 Police and Fire Fund 28
 Proprietary Funds:
 Statement of Net Position 29
 Statement of Revenues, Expenses and Changes in Fund Net Position 33
 Statement of Cash Flows 35
 Fiduciary Funds:
 Statement of Assets and Liabilities 39
Notes to the Basic Financial Statements 40

CITY OF XENIA, OHIO

D Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet 81
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances 82
Combining Balance Sheet – Nonmajor Special Revenue Funds 83
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances – Nonmajor Special Revenue Funds 85
Combining Balance Sheet – Nonmajor Capital Project Funds 87
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances – Nonmajor Capital Projects Funds 88

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

Major Governmental Funds:

General Fund 89
Special Revenue Funds:
State Gas and Vehicle License Fund 95
Police and Fire Fund 96
Capital Projects Funds:
Capital Improvements Fund 98

Nonmajor Governmental Funds:

Special Revenue Funds:
Indigent Driver Alcohol Treatment Fund 99
Law Enforcement and Education Fund 100
Probation Services Fund 101
State Route Repair Fund 102
City Motor Vehicle License Tax Fund 103
County Motor Vehicle License Tax Fund 104
Special Miscellaneous Improvements Fund 105
Tax Increment Equivalent Fund 106
911 Fund 107
Law Enforcement Fund 108
Drug Law Enforcement Fund 109
Municipal Court Victim Fund 110
Debt Service Fund:
Debt Service Fund 111
Capital Projects Funds:

CITY OF XENIA, OHIO

Municipal Court Capital Improvements Fund	112
Issue II Fund	113
<i>Nonmajor Enterprise Funds:</i>	
Statement of Net Position	115
Statement of Revenues, Expenses and Changes in Fund Net Position	116
Combining Statement of Cash Flows	117
<i>Internal Service Funds:</i>	
Statement of Net Position	119
Statement of Revenues, Expenses and Changes in Fund Net Position	120
Combining Statement of Cash Flows	121
Fiduciary Funds – Agency Funds:	
Combining Statement of Changes in Assets and Liabilities	123

III STATISTICAL SECTION

Net Position by Component – Last Ten Years S 3

Changes in Net Position – Last Ten Years S 5

Fund Balances, Governmental Funds – Last Ten Years S 9

Changes in Fund Balances, Governmental Funds – Last Ten Years S 11

Income Tax Revenues by Source, Governmental Funds – Last Ten Years S 13

Income Tax Collections – Current Year and Seven Years Ago S 15

Ratio of Outstanding Debt by Type – Last Ten Years S 17

Ratios of General Bonded Debt Outstanding – Last Ten Years S 19

Computation of Direct and Overlapping Debt Attributable to
Governmental Activities - Current Year S 21

Debt Limitations – Last Ten Years S 23

Demographic and Economic Statistics – Last Ten Years S 25

Principal Employers – Current Year and Seven Years Ago S 27

Principal Property Tax Payers – Current Year and Seven Years Ago S 28

Full Time Equivalent Employees by Function – Last Ten Years S 29

Operating Indicators by Function – Last Ten Years S 31

Capital Asset Statistics by Function – Last Ten Years S 33

Capital Asset Value by Function – Last Ten Years S 35

I

INTRODUCTORY SECTION



DEPARTMENT OF FINANCE

101 N. Detroit Street • Xenia, OH 45385 • Phone (937)376-7241 • Fax (937) 376-1818

May 31, 2016

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, 2014 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 Auditor of State.

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

Auditor of State

State statutes require an annual audit by the State Auditor's Office or, at the State Auditor's discretion, an independent certified public accounting firm. The State Auditor's Office conducted the audit for 2014. The auditors' unmodified 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 2014 did require that a single audit be performed. Information related to this single audit can be found in a separate audit report.

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, 2014 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 nearly 26,000 located in southwest Ohio. Xenia was founded in 1803, incorporated in 1817, and became a city in 1834. The legislative authority is comprised of one Mayor and six City Council Members. A City Manager, Finance Director, and Law Director are appointed by the legislative authority and are responsible for day to day administration. The City of Xenia provides a full range of services. These services include police and fire protection; ambulance and paramedic services; water, sewer, stormwater, and sanitation services; the construction and maintenance of highways, streets and infrastructure; zoning and planning services; development functions, and recreational activities.

Budget

According to the City Charter, City Council must provide a list of project priorities to the City Manager prior to July 1st of each year. The City Manager must then submit a budget for the ensuing fiscal year on or before October 31st. 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 1st 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 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

The City is seeing some improvement in the local economy. Unemployment in the City fell from 10.5% in 2010 to 8.9% in 2011 to 8.0% in 2012 and again to 6.9% in 2013. . In 2014 the rate dropped for a 5th straight year to 5.2%. Attracting higher paying jobs has proven to be difficult. A majority of households in the City had taxable income of less than \$20,000 in 2014 which speaks to the need to improve the City's tax base. Despite challenges with the income demographic the City's financial outlook is positive. The passage of an income tax levy in 2010 has helped to bring some financial stability to the organization. The City's cash reserve had increased steadily the last few years, prior to 2014. The City had an A-1 bond rating from Moody's in 2014 and received an AA-rating from S&P in early 2015. That bond rating has allowed the City access to low interest rate financing options for a variety of purposes. The City's reserve fund balance, quality management strategies, and a low debt ratio, helped preserve an attractive bond rating.

Long Term Financial Planning

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 has most certainly improved the City's financial situation, administration recognizes numerous challenges in the coming years. Local government funds have been cut significantly at the State level and the City has lost more than 1 million dollars in revenue annually. Other major concerns include the large cost for health care, rising commodity costs, income demographics, high service demands, and an aging infrastructure. The City has explored several options which may provide the City with additional revenue. In 2012 the City entered into an agreement with Central State University to provide EMS and fire protection services. In 2013 the City contracted with two other entities to consolidate dispatch services. Other agreements are also in progress related to the center that is operated by the City. Other potential opportunities and partnerships continue to be explored and evaluated. While the City may pursue these other revenue generating initiatives, strong economic development is an absolute necessity.

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 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 passage of an income tax levy in 2010 to fund capital improvement projects began addressing those needs. The City has continued to maintain, review, and update yearly a five-year capital improvement program that provides a framework for the maintenance and expansion of the infrastructure to meet current and future needs. The City Council has taken a strong leadership role in this area to ensure that public infrastructures are maintained and will be in place to facilitate continuing economic development.

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 State's Issue 2 and Local Transportation Improvement Programs have helped to fund twenty (24) such projects totaling \$7,072,209 since their inception.

Relevant Financial Policies

The City has a policy to maintain at least a two month operating reserve in its key operating funds. It is also expected that the key operating funds have a positive cash flow. That is, operating revenues should exceed operating expenses in those funds. To comply with these expectations management has taken action and made tough decisions including the elimination of several positions. 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. In 2012 the City approved a new debt policy, investment policy, and local preference ordinance. 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 2014 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:

- Awarded contract for Detroit/Kinsey Intersection Improvements
- Approved contract with ODOT for US42/68 resurfacing project
- Completed Church to King streetscape improvements

- Awarded bid for medic replacement
- Completed Pavement Condition Index Study
- Awarded Contract for Parks and Recreation Plan
- Awarded contract for engineering design of new City Admin Building and City Justice Center
- Approved Information Technology Strategic Plan
- Completed wireless project at water tower in Industrial Park
- Began installation of variable frequency drives at Water Plant.
- Continued sewer sliplining program
- Awarded contract to continue landfill monitoring
- Continued catch basin rehabilitation
- Completed Hooven and Allison and Athletes in Action environmental remediation projects
- Began Water Plant property acquisitions
- Completed recreation study
- Worked with Central State University on economic development activities and partnership agreement
- Began electric aggregation program
- Began revitalization effort at Xenia Towne Square
- Completed review of implementation of Public Safety Services Study
- Updated property maintenance code
- Approved legislation on vacant commercial and industrial buildings
- Awarded design of Hospitality and Main Intersection Improvements
- Awarded contract for maintenance at Industrial Park Water Tower
- Updated the Joint Dispatch Agreement

For the Future

Xenia leaders commissioned a Comprehensive Plan update in order to build a shared vision with Xenia Citizens of how to make Xenia the best it can be. The resulting product – called X Plan – envisions what Xenia will be like in 20 years and provides step by step directions on how to turn the vision into reality.

X-Plan replaces the 1997 Xenia Urban Service Area Land Use Plan as Xenia's official growth and development policy. X-Plan augments and informs Xenia's development regulations such as zoning and informs public and private decision making regarding the location and quality of future land use, development and infrastructure investments. X-Plan also outlines strategies for economic development, downtown and neighborhood revitalization, and image improvement. X-Plan's recommendations are directly linked to



DEPARTMENT OF FINANCE

101 N. Detroit Street • Xenia, OH 45385 • Phone (937)376-7241 • Fax (937) 376-1818

high-priority planning issues as enumerated, defined and prioritized by residents and stakeholders.

In an effort to fundamentally restructure our approach to economic development, staff presented to City Council our **ED 360 plan**, a series of targeted initiatives developed from the goals and objectives of the X-Plan that calls for, among other things, increasing investments in local marketing and brand development efforts, expanding business retention and development and workforce planning programs, and establishing new efforts to improve quality of life factors to make Xenia more competitive. Achieving various goals within this plan will be essential if our community is to experience the tax base expansion that it desperately needs.

The major projects planned for 2015 are to award bid for construction of new City Admin Building and renovation of existing City Hall into a Justice Center; complete fiber run to Xenia Service Center, and other City Building sites; issue general obligation bonds for City facilities project; obtain enhanced credit rating of AA- from Standard & Poors on bond issue; award bid for street resurfacing and crack sealing; Approve consent legislation for N Columbus and E Church St Improvements; apply for grant funding for Sol Arnovitz Park improvements; award bid for medic unit; apply for Issue II funding for S Progress Dr; award bid for E Church St curb replacement; award contract for Central State University Water study; approve concept plan for 11.396 acre site at 457 and 469 Dayton Ave; award bridge design for Sol Arnovitz Park; continue efforts to revitalize Xenia Towne Square.

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, 2013. This was the 31st 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.

The City also received special recognition from the Ohio House of Representatives and the Auditor of State for being presented the certificate of excellence for the 2011 Comprehensive Annual Financial Report.



DEPARTMENT OF FINANCE

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Acknowledgments

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

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Mark A. Bazalak".

Mark A. Bazalak
Finance Director

CITY OF XENIA, OHIO

***List of Principal Officials
For the Year Ended December 31, 2014***

CITY COUNCIL

Michael Engle	President
Josh Long	Vice President
Marsha Bayless	Mayor
Wesley Smith	
Dale Louderback	
John Caupp	
Jeanne Mills	

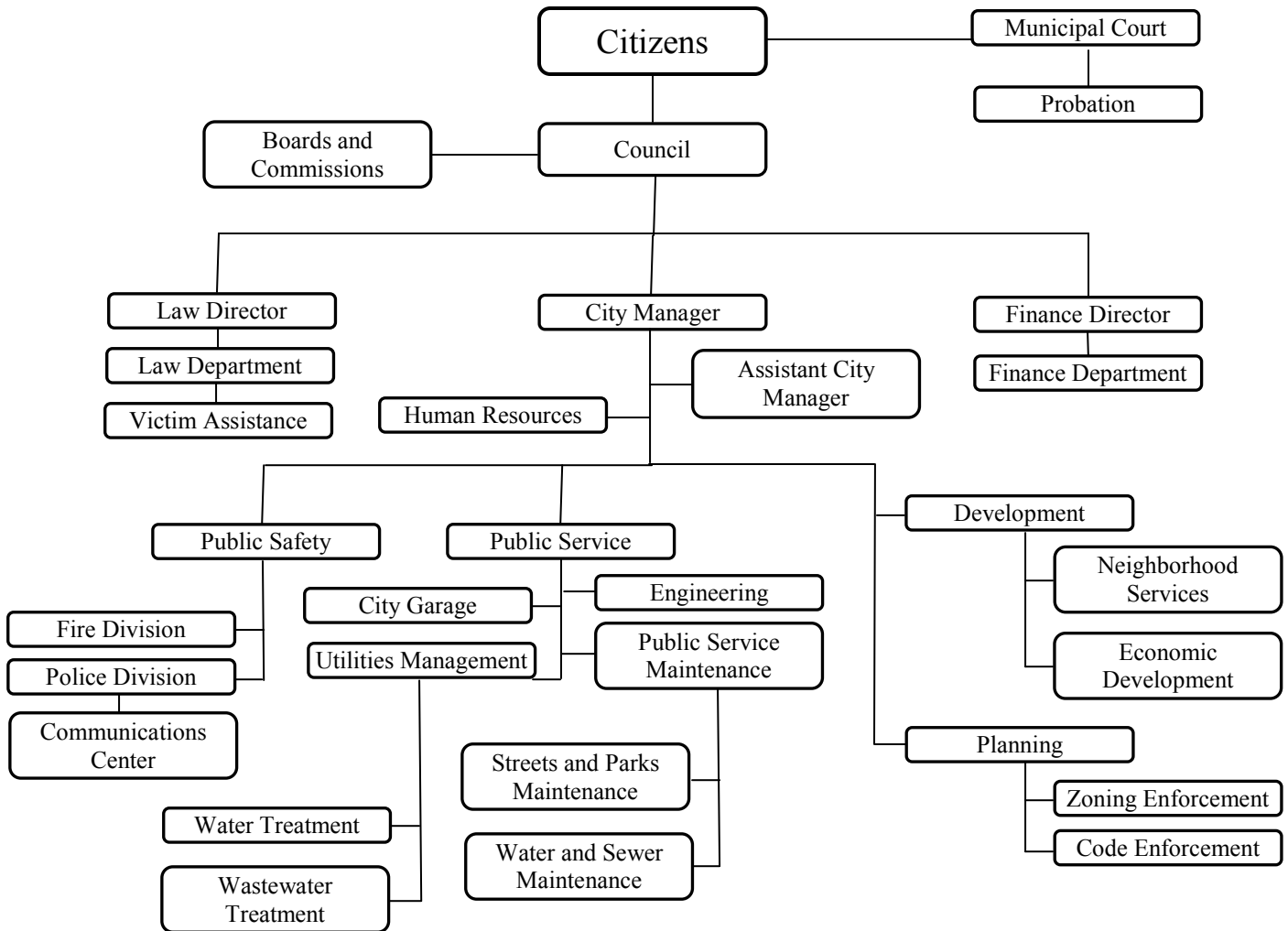
APPOINTED OFFICIALS

Ronald C. Lewis	Law Director
Mark A. Bazelak	Finance Director
Brent W Merriman	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
Keith Padgett	Systems Administrator
Brett Williams	Network Administrator
Michelle Johnson	City Clerk
Denise Estle	Finance Technician/Finance
Mary Ann Richardson	Finance Clerk/Accounts Payable
Bill McCarthy	Finance Clerk/Payroll
Dennis W. Evans	Finance Clerk/Income Tax
Jason Lake	Finance Clerk/Income Tax
Angela Ferrero	Finance Clerk/Income Tax
Janette Reedy	Finance Clerk/Utility Billing
Amy Lee	Finance Clerk/Utility Billing
Julie Willis	Finance Clerk/Utility Billing

CITY OF XENIA, OHIO

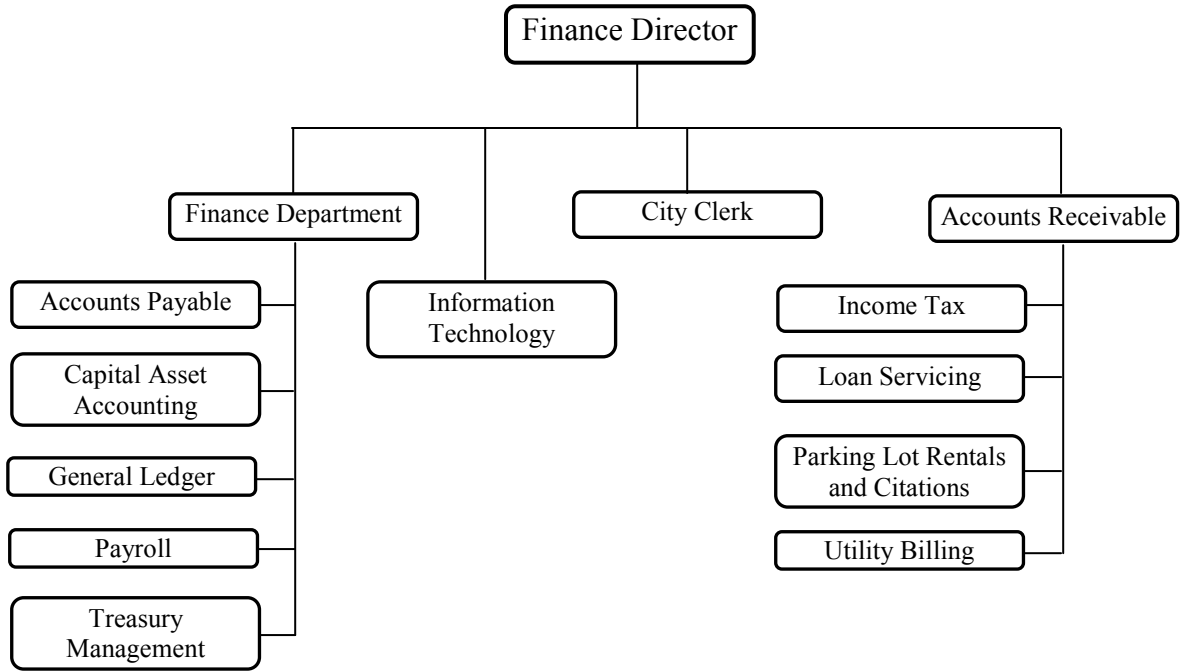


Commissions

- Records
- Traffic
- Civil Service
- Planning and Zoning

Boards

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





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Xenia
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO



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II

FINANCIAL SECTION



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Xenia
Greene County
101 North Detroit Street
Xenia, Ohio 45385-2996

To the Honorable Mayor and City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Xenia, Greene County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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 remaining fund information of City of Xenia, Greene County, Ohio, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, State Gas and Vehicle License, Police & Fire funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

May 31, 2016



*Management's Discussion and Analysis
For the Year Ended December 31, 2014*

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, 2014. 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 2014 are as follows:

The total change in the net position of Xenia City was \$1,538,133. The net position of governmental activities increased \$665,502, which represents a 1.45% increase from 2014. The net position of business-type activities increased by \$872,631 or 2.55% from 2013.

General revenues accounted for \$15.8 million or 48.3% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$17.0 million or 51.7% of total revenues of \$32.8 million.

The total net position of governmental activities increased by \$665,502, due in part to decreases in governmental expenses from 2013 and steady revenues. Capital grant revenue decreased significantly though the expenses related to grants also decreased. Cash and Cash Equivalents, Cash with fiscal agents, and Investments decreased significantly by \$1,913,952 while capital assets increased \$442,296. The City's cash reserve had increased in each of the previous three years before having a slight decrease in 2014. The governmental funds did record the additions of some major capital assets such as major upgrades to the public safety radio systems, and rehabilitation of W Main streetscape.

The City had \$21.0 million in expenses related to governmental activities; \$6.2 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$15.5 million provided additional support for these programs.

The general fund had \$8.8 million in revenues, \$3.7 million in expenditures and transfers to other funds of \$5.3 million. Due to changes in GASB 54 balances, revenues, and expenses, once recorded in a separate recreation fund are now reported in the general fund. The general fund balance decreased from \$3,801,205 to \$3,578,306.

The net position for business-type activities increased \$872,631. The Sewer, Sanitation, Loan, Parking Revenue, and Housing Rehabilitation Loan funds all experienced increases in Net Position. The net position of the Water, Storm Sewer, and CDBG & UDAG Revolving Loan Funds each decreased slightly. The Sewer, Sanitation, and Housing Rehabilitation funds all experienced solid increases in 2014. Very little changed in the Water, Storm Sewer or Sanitation fund from previous year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

These statements are as follows:

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

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

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

Government-Wide Financial Statements

The government-wide financial statements report information about the City as a whole, using accepted methods similar to those used by private-sector companies. The statement of net position includes all 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 position and how it has changed. Net-position is one way to measure the City's financial health or standing.

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

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

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

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

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

***Management's Discussion and Analysis
For the Year Ended December 31, 2014***

Unaudited

Fund Financial Statements

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

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

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

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

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table shows a comparison of net position between 2014 and 2013.

	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Total	Total
	2014	2013	2014	2013	2014	2013
Current and other assets	\$14,746,462	\$18,446,969	\$14,212,776	\$14,309,930	\$28,959,238	\$32,756,899
Capital assets, net	39,189,780	38,747,884	29,668,477	29,381,896	68,858,257	68,129,780
Total assets	<u>53,936,242</u>	<u>57,194,853</u>	<u>43,881,253</u>	<u>43,691,826</u>	<u>97,817,495</u>	<u>100,886,679</u>
Long-term debt outstanding	4,792,842	6,373,928	7,945,611	8,701,699	12,738,453	15,075,627
Other liabilities	1,234,519	3,524,087	868,357	795,473	2,102,876	4,319,560
Total liabilities	<u>6,027,361</u>	<u>9,898,015</u>	<u>8,813,968</u>	<u>9,497,172</u>	<u>14,841,329</u>	<u>19,395,187</u>
Deferred Inflows of Resources	<u>1,342,351</u>	<u>1,395,810</u>	<u>0</u>	<u>0</u>	<u>1,342,351</u>	<u>1,395,810</u>
Net assets						
Net Investment in Capital						
Assets	36,720,402	35,558,378	23,035,822	22,070,099	59,756,224	57,628,477
Restricted	5,722,928	5,567,144	0	0	5,722,928	5,567,144
Unrestricted	4,123,200	4,775,506	12,031,463	12,124,555	16,154,663	16,900,061
Total net assets	<u>\$46,566,530</u>	<u>\$45,901,028</u>	<u>\$35,067,285</u>	<u>\$34,194,654</u>	<u>\$81,633,815</u>	<u>\$80,095,682</u>

CITY OF XENIA, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2014***

Unaudited

Change in Net Position – The following table shows the changes in net position for the fiscal year 2014 compared to 2013.

	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Total	Total
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues						
Charges for services and sales	\$4,078,497	\$3,841,545	\$10,443,690	\$10,370,318	\$14,522,187	\$14,211,863
Operating grants and contributions	472,764	542,524	119,450	126,156	592,214	668,680
Capital grants and contributions	1,689,871	3,786,699	158,801	11,100	1,848,672	3,797,799
General Revenues:						
Income taxes	11,756,681	11,732,328	0	0	11,756,681	11,732,328
Other local taxes	40,362	40,137	0	0	40,362	40,137
Property Taxes	1,524,924	986,812	0	0	1,524,924	986,812
Motor vehicle and gasoline taxes	1,139,791	1,474,430	0	0	1,139,791	1,474,430
Intergovernmental, unrestricted	827,164	1,811,934	0	0	827,164	1,811,934
Investment earnings	138,931	27,308	0	0	138,931	27,308
Miscellaneous	411,511	367,822	0	0	411,511	367,822
Total revenues	22,080,496	24,611,539	10,721,941	10,507,574	32,802,437	35,119,113
Expenses						
Program Expenses						
General government	2,851,072	3,772,609	0	0	2,851,072	3,772,609
Public safety	13,208,811	12,688,381	0	0	13,208,811	12,688,381
Highways and streets	1,613,183	1,970,034	0	0	1,613,183	1,970,034
Urban Redevelopment & Housing	146,771	106,727	0	0	146,771	106,727
Economic development & Assistance	2,756,593	2,960,546	0	0	2,756,593	2,960,546
Recreation	406,634	541,390	0	0	406,634	541,390
Debt service:						
Interest and fiscal charges	64,913	62,446	0	0	64,913	62,446
Water	0	0	3,750,634	3,267,639	3,750,634	3,267,639
Sewer	0	0	4,310,544	4,340,898	4,310,544	4,340,898
Sanitation	0	0	1,569,042	1,474,330	1,569,042	1,474,330
Storm Water	0	0	442,876	350,114	442,876	350,114
Other enterprise funds	0	0	143,231	90,913	143,231	90,913
Total expenses	21,047,977	22,102,133	10,216,327	9,523,894	31,264,304	31,626,027
Total change in net position						
before transfers	1,032,519	2,509,406	505,614	983,680	1,538,133	3,493,086
Transfers	(367,017)	63,167	367,017	(63,167)	0	0
Total change in net position	665,502	2,572,573	872,631	920,513	1,538,133	3,493,086
Beginning net position	45,901,028	43,328,455	34,194,654	33,274,141	80,095,682	76,602,596
Ending net position	\$46,566,530	\$45,901,028	\$35,067,285	\$34,194,654	\$81,633,815	\$80,095,682

***Management's Discussion and Analysis
For the Year Ended December 31, 2014***

Unaudited

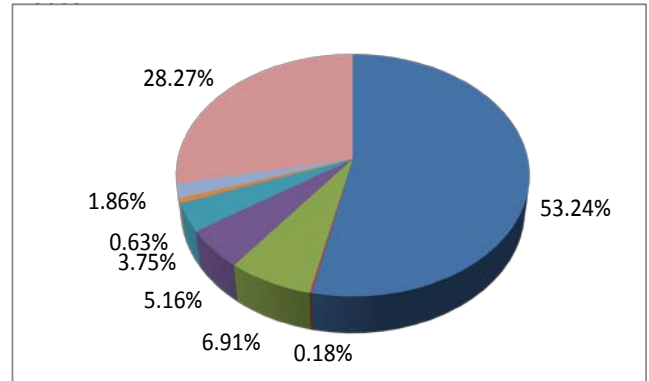
Governmental Activities

Net position of the City's governmental activities increased by \$665,502. Charges for service increased due in part to new contracts that were negotiated for dispatching services. Income taxes and property taxes increased while intergovernmental revenues and motor vehicles and gasoline taxes decreased. The most significant change in revenues was related to the completion of a capital grant project to remediate issues at an old industrial site in 2013. Operating expenses decreased from 2013 to 2014. The major increase in expenses was in the Public Safety function.

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

Property taxes and income taxes made up 6.91% and 53.24% of revenues for governmental activities respectively for the City in fiscal year 2014. The City relies heavily on tax revenue for operations.

Revenue Sources	2014	Percent of Total
Municipal income taxes	\$11,756,681	53.24%
Other local taxes	40,362	0.18%
Property taxes	1,524,924	6.91%
Motor vehicle and gas taxes	1,139,791	5.16%
Intergovernmental , unrestricted	827,164	3.75%
Investment earnings	138,931	0.63%
Miscellaneous	411,511	1.86%
Program revenues	6,241,132	28.27%
Total Revenue	<u>\$22,080,496</u>	<u>100.00%</u>



Business-Type Activities

Net position of the business-type activities increased \$872,631. The most substantial change in net position was in the Sewer fund, where revenues continued to grow and non-operating expenses were almost completely eliminated in 2014, resulting in an increase of \$670,643. There was substantial increase in the Sanitation fund as well, where the cost for refuse collection and disposal remained lower than in previous years. This was the result of a new contract being negotiated in 2013. Changes in the net position of the Water and Storm Sewer funds were insignificant. There was continued activity in the Housing Rehabilitation fund due to grant programs that increased the net position in that fund. All other nonmajor enterprise funds had insignificant changes in net position.

CITY OF XENIA, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2014***

Unaudited

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$9,155,539 which is a decrease from last year's balance of \$10,161,034. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2014 and 2013:

	<u>Fund Balance December 31, 2014</u>	<u>Fund Balance December 31, 2013</u>	<u>Increase (Decrease)</u>
General	\$3,578,306	\$3,801,205	(\$222,899)
State Gas and Vehicle License	582,020	474,053	107,967
Police & Fire Fund	1,747,254	2,101,373	(354,119)
Capital Improvements	832,422	1,011,488	(179,066)
Other Governmental	2,415,537	2,772,915	(357,378)
Total	<u>\$9,155,539</u>	<u>\$10,161,034</u>	<u>(\$1,005,495)</u>

General Fund – Revenues: General Fund revenues in 2014 decreased approximately 5.3% compared to revenues in fiscal year 2013 as shown in the chart below. While income taxes, charges for services and miscellaneous receipts grew, property taxes, local government revenue from the state, and, fines, costs, forfeitures were down.

	<u>2014 Revenues</u>	<u>2013 Revenues</u>	<u>Increase (Decrease)</u>
Municipal Income Taxes	\$5,210,919	\$5,166,782	\$44,137
Other Local Taxes	1,168,381	1,193,200	(24,819)
State Shared taxes and permits	991,986	1,548,103	(556,117)
Intergovernmental grants	0	0	0
Charges for services	28,011	20,422	7,589
Fines, costs, forfeitures, Licenses and permits	955,342	972,845	(17,503)
Miscellaneous receipts including interest earnings	482,299	433,322	48,977
Total	<u>\$8,836,938</u>	<u>\$9,334,674</u>	<u>(\$497,736)</u>

CITY OF XENIA, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2014***

Unaudited

General Fund – Expenditures: General Fund expenditures increased \$210,757 over the prior year. The increase is related to general government expenditures for personnel costs and also contractual services, particularly with regards to legal services for labor negotiations. Other expense fluctuations in the fund were typical and insignificant.

	2014 Expenditures	2013 Expenditures	Increase (Decrease)
General Government	\$2,926,767	\$2,768,622	\$158,145
Public Safety	109,071	99,695	9,376
Highways and Streets	235,240	235,175	65
Urban Redevelopment & Housing	83,553	82,763	790
Economic Development & Assistance	167,419	166,592	827
Recreation	208,422	166,868	41,554
Total	\$3,730,472	\$3,519,715	\$210,757

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

For the General Fund, final budget basis revenue of \$9.09 million decreased \$52,100 from the original budget estimates of \$9.14 million. The final budgeted expenditures of \$4.21 million increased \$116,311 compared to original appropriations of \$4.09 million. The majority of the increase was related to allowances for additional professional and contractual services, primarily relating to economic development efforts in the Xenia Towne Square. The City budgeted transfers of \$6,478,000 in the original budget and adjusted that amount by only \$23,670 in the final budget. Advances budgeted decreased by \$1,291,000 to \$1,000,000 from the original to the final. The largest variance among revenues between final budget amounts and actual revenues was in Municipal Income Tax. Municipal income taxes were down due to a slight reduction in returns filed and a fairly substantial decrease in taxable income, which resulted in far less taxes being collected than what was projected. When comparing 2014 budgeted expenses to actual the City only considers the variance in Contractual Services to be significant. The other variances are a small percentage of what was budgeted and can be attributed to ordinary contingencies budgeted on a regular basis. The variance in contractual services can primarily be attributed to economic development efforts in the Xenia Towne Square. The General Fund had an adequate fund balance to cover expenditures.

CITY OF XENIA, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2014***

Unaudited

Capital Improvement Fund – The City's General Capital Improvement Fund revenues decreased by \$1,305,097 compared to 2013. The decrease can be attributed primarily to the absence of grant funds for the remediation of environmental issues at an old industrial site.

	2014	2013	Increase
	<u>Revenues</u>	<u>Revenues</u>	<u>(Decrease)</u>
Income Taxes	\$1,301,071	\$1,283,161	\$17,910
Other Local Taxes	40,362	40,137	225
Intergovernmental Grants	1,685,300	3,034,956	(1,349,656)
Charges for Services	0	625	(625)
Fines, Costs, Forfeitures, Licenses and Permits	0	0	0
Miscellaneous Receipts including interest earnings	110,243	83,194	27,049
	<u>\$3,136,976</u>	<u>\$4,442,073</u>	<u>(\$1,305,097)</u>

Capital improvement fund expenditures decreased by \$2,245,133 in 2014. The major factor was again the absence of the project to remediate environmental issues at an old industrial site.

	2014	2013	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Capital Outlay	\$3,192,530	\$5,392,019	(\$2,199,489)
Debt Service:			
Principal retirement	105,056	146,818	(41,762)
Interest & Fiscal Charges	18,456	22,338	(3,882)
	<u>\$3,316,042</u>	<u>\$5,561,175</u>	<u>(\$2,245,133)</u>

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

CITY OF XENIA, OHIO

***Management's Discussion and Analysis
For the Year Ended December 31, 2014***

Unaudited

Enterprise Funds – The City's enterprise funds reported a net position balance of \$34,988,049 which is an increase from last year's balance of \$34,075,583. The schedule below indicates the net position balance and the total change in net position by activity as of December 31, 2014 and 2013. The change in net position in the Enterprise funds was an increase of 2.68%.

	Net Position Balance December 31, 2014	Net Position Balance December 31, 2013	Increase (Decrease)
Water	\$12,424,384	\$12,554,711	(\$130,327)
Sewer	11,816,365	11,145,722	670,643
Sanitation	2,271,309	1,862,455	408,854
Storm Water	6,376,269	6,473,076	(96,807)
Other Enterprise	2,099,722	2,039,619	60,103
Total	\$34,988,049	\$34,075,583	\$912,466

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

	Water			Sewer		
	2014	2013	Increase (Decrease)	2014	2013	Increase (Decrease)
Operating Revenues	\$3,401,296	\$3,469,672	(\$68,376)	\$4,428,960	\$4,310,939	\$118,021
Non-Operating Revenues	206,187	63,652	142,535	117,100	84,315	32,785
Total	\$3,607,483	\$3,533,324	\$74,159	\$4,546,060	\$4,395,254	\$150,806
Operating Expenses	\$3,711,594	\$3,253,939	\$457,655	\$4,100,695	\$3,731,655	\$369,040
Non-Operating Expenses	26,216	28,799	(2,583)	198,085	623,026	(424,941)
Total	\$3,737,810	\$3,282,738	\$455,072	\$4,298,780	\$4,354,681	(\$55,901)

GENERAL FUND BUDGETARY HIGHLIGHTS

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

During the year there was a \$116,311 increase in appropriations between the original and final amended budget, for various operating costs, primarily profession and contractual services. Transfers were made from the General Fund to several other funds to cover operating costs. The most significant transfer was to the Police and Fire Fund in an amount that equaled 5.0 million dollars. Transfers were also made to the Probation Services Fund, and the Victim Witness Fund to cover operating costs.

***Management's Discussion and Analysis
For the Year Ended December 31, 2014***

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2014 the City had \$68,858,257 net of accumulated depreciation invested in land, CIP, land improvements, buildings, machinery & equipment. Of this total, \$39,189,780 was related to governmental activities, and \$29,668,476 was related to business-type activities. The following table shows fiscal year 2014 and 2013 balances:

	Governmental Activities		Increase (Decrease)
	2014	2013	
	Land	\$16,203,413	\$16,203,413
Land Improvements	3,300,541	3,007,302	293,239
Buildings	8,063,721	7,983,986	79,735
Equipment	11,491,472	9,894,332	1,597,140
Infrastructure	17,662,684	16,743,933	918,751
Construction In Progress	515,011	1,583,156	(1,068,145)
Less: Accumulated Depreciation	(18,047,062)	(16,668,238)	(1,378,824)
Total	\$39,189,780	\$38,747,884	\$441,896

	Business-Type Activities		Increase (Decrease)
	2014	2013	
	Land	\$580,900	\$484,280
Land Improvements	1,026,639	835,143	191,496
Buildings	10,512,199	10,487,145	25,054
Equipment	55,819,436	55,253,627	565,809
Construction In Progress	1,859,669	929,957	929,712
Less: Accumulated Depreciation	(40,130,366)	(38,608,256)	(1,522,110)
Total	\$29,668,477	\$29,381,896	\$286,581

There was a minor increase in governmental activities' capital assets. The increase can be attributed primarily to public safety vehicle purchases. There was an increase in asset value in Business-type activities which for the most part can be attributed to SCADA upgrades and water tower maintenance.

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, 2014***

Unaudited

Debt

At December 31, 2014 the City had \$1,375,540 in bonds outstanding, \$203,817 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2014 and 2013:

	2014	2013
Governmental Activities:		
General Obligation Bonds	\$1,288,677	\$1,478,916
Capital Leases Payable	1,504,064	1,610,590
Local Government Innovation Fund	100,000	100,000
Compensated Absences	1,900,101	1,930,527
Total Governmental Activities	4,792,842	5,120,033
Business-Type Activities:		
General Obligation Bonds	86,863	98,243
Landfill Liability	755,299	869,827
Compensated Absences	557,657	519,835
Capital Leases Payable	1,095,874	1,207,514
Loans Payable	5,449,918	6,006,280
Total Business-Type Activities	7,945,611	8,701,699

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, 2014, 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 local economy in Xenia continues its slow but steady recovery. Unemployment rates have improved over the last few years yet they are still slightly below state rate and about on par with the national rate. The national unemployment rate at the end of 2014 was 5.4%. The state had an unemployment rate of 4.7%, the county 4.2%, and the City of Xenia 5.2%. The city's rate has decreased in each of the last five years from 10.5% in 2010. One area of concern for management is that there continue to be far too many households with little or no taxable income within the community. There were just under than 54% of households in the City had a taxable income of less than \$20,000. Economic development and job creation continues to be a top priority for Council and City Management. The City is hopeful that an increased focus and investment in economic development will result in job creation and opportunity for City residents and businesses.

REQUESTS FOR INFORMATION

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

US Mail 101 N. Detroit Street, Xenia, Ohio 45385
 Email mbazalak@ci.xenia.oh.us
 Phone (937) 376-7236
 Fax (937) 374-1818

CITY OF XENIA, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets:			
Cash and cash equivalents	\$ 1,588,429	\$ 2,447,669	\$ 4,036,098
Cash with fiscal agent	882	0	882
Investments	5,850,979	9,016,199	14,867,178
Receivables:			
Taxes, including interest, penalties and liens	4,859,166	0	4,859,166
Intergovernmental	1,119,386	0	1,119,386
Accounts	817,458	1,250,083	2,067,541
Special assessments, including liens	177,417	37,586	215,003
Loans	0	1,038,155	1,038,155
Accrued interest	11,821	16,580	28,401
Grants	335,357	82,729	418,086
Allowance for uncollectible accounts	(520,849)	(20,447)	(541,296)
Interfund balances	(20,067)	20,067	0
Inventories	306,286	280,873	587,159
Prepaid items	220,197	43,282	263,479
Capital Assets Not being depreciated	16,718,424	2,440,569	19,158,993
Capital Assets, net of accumulated depreciation	22,471,356	27,227,908	49,699,264
Total Assets	53,936,242	43,881,253	97,817,495
Liabilities:			
Accounts payable	338,307	554,140	892,447
Accrued payroll	882,226	290,733	1,172,959
Accrued interest payable	13,986	23,484	37,470
Long-term liabilities:			
Amounts due within one year	690,147	910,382	1,600,529
Amounts due in more than one year	4,102,695	7,035,229	11,137,924
Total Liabilities	6,027,361	8,813,968	14,841,329
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	1,342,351	0	1,342,351
Total Deferred Inflows of Resources	1,342,351	0	1,342,351
Net Position:			
Net Investment in Capital Assets	36,720,402	23,035,822	59,756,224
Restricted For:			
Capital Projects	1,682,421	0	1,682,421
Debt Service	109,275	0	109,275
General government programs	246,060	0	246,060
Safety programs	2,446,511	0	2,446,511
Street construction/maintenance	1,238,661	0	1,238,661
Unrestricted (Deficit)	4,123,200	12,031,463	16,154,663
Total Net Position	\$ 46,566,530	\$ 35,067,285	\$ 81,633,815

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
Current:				
General government	2,851,072	1,509,582	193,354	100,494
Public safety	13,208,811	2,390,960	98,658	0
Highways and streets	1,613,183	172,196	180,752	5,527
Urban Redevelopment & Housing	146,771	0	0	0
Economic Development & Assistance	2,756,593	0	0	1,583,850
Recreation	406,634	5,759	0	0
Debt service:				
Interest and fiscal charges	64,913	0	0	0
Total Governmental Activities	21,047,977	4,078,497	472,764	1,689,871
Business-Type Activities:				
Water	3,750,634	3,504,940	25,872	76,671
Sewer	4,310,544	4,546,060	0	0
Sanitation	1,569,042	1,970,172	0	0
Storm Water	442,876	338,546	0	0
Loan	1,916	13,266	0	0
Parking Revenue	44,195	45,671	0	0
CDBG and UDAG Revolving Loan	29,897	896	0	82,130
Housing Rehabilitation Loan	67,223	24,139	93,578	0
Total Business-Type Activities	10,216,327	10,443,690	119,450	158,801
Total primary government	\$ 31,264,304	\$ 14,522,187	\$ 592,214	\$ 1,848,672

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 Position
 Net Position Beginning of Year (Restated)
 Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (1,047,642)	\$ 0	\$ (1,047,642)
(10,719,193)	0	(10,719,193)
(1,254,708)	0	(1,254,708)
(146,771)	0	(146,771)
(1,172,743)	0	(1,172,743)
(400,875)	0	(400,875)
<u>(64,913)</u>	<u>0</u>	<u>(64,913)</u>
<u>(14,806,845)</u>	<u>0</u>	<u>(14,806,845)</u>
0	(143,151)	(143,151)
0	235,516	235,516
0	401,130	401,130
0	(104,330)	(104,330)
0	11,350	11,350
0	1,476	1,476
0	53,129	53,129
0	50,494	50,494
<u>0</u>	<u>505,614</u>	<u>505,614</u>
<u>\$ (14,806,845)</u>	<u>\$ 505,614</u>	<u>\$ (14,301,231)</u>
\$ 11,756,681	\$ 0	\$ 11,756,681
40,362	0	40,362
1,524,924	0	1,524,924
1,139,791	0	1,139,791
827,164	0	827,164
138,931	0	138,931
411,511	0	411,511
(367,017)	367,017	0
<u>15,472,347</u>	<u>367,017</u>	<u>15,839,364</u>
665,502	872,631	1,538,133
<u>45,901,028</u>	<u>34,194,654</u>	<u>80,095,682</u>
<u>\$ 46,566,530</u>	<u>\$ 35,067,285</u>	<u>\$ 81,633,815</u>

CITY OF XENIA, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	General	State Gas and Vehicle License	Police & Fire Fund
Assets:			
Cash and cash equivalents	\$ 599,222	\$ 34,025	\$ 293,624
Cash with fiscal agent	0	0	882
Investments	2,207,238	125,328	1,081,590
Receivables:			
Taxes, including interest, penalties and liens	2,697,033	0	1,691,292
Intergovernmental	479,148	494,583	4,782
Accounts	72,044	0	728,239
Special assessments, including liens	177,417	0	0
Accrued interest	0	287	1,955
Grants	0	0	0
Allowance for uncollectible accounts	(156,442)	0	(364,407)
Interfund Receivable	0	0	0
Inventories	3,404	275,129	0
Prepaid items	41,786	3,097	96,010
Total Assets	\$ 6,120,850	\$ 932,449	\$ 3,533,967
Liabilities:			
Accounts payable	\$ 47,203	\$ 5,187	\$ 68,040
Accrued payroll	155,593	45,125	708,911
Total Liabilities	202,796	50,312	776,951
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	1,083,240	0	170,833
Delinquent Property Tax Revenue Unavailable	129,020	0	21,102
Unavailable Revenue - Other	1,127,488	300,117	817,827
Total Deferred Inflows of Resources	2,339,748	300,117	1,009,762
Fund Balances:			
Nonspendable Fund Balance			
Inventories	3,404	275,129	0
Prepaid items	41,786	3,097	96,010
Restricted Fund Balance	0	303,794	1,651,244
Committed Fund Balance	0	0	0
Assigned Fund Balance	1,649,569	0	0
Unassigned Fund Balance	1,883,547	0	0
Total Fund Balances	3,578,306	582,020	1,747,254
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 6,120,850	\$ 932,449	\$ 3,533,967

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 162,413	\$ 490,901	\$ 1,580,185
0	0	882
598,222	1,808,237	5,820,615
375,529	95,312	4,859,166
0	140,873	1,119,386
0	12,976	813,259
0	0	177,417
6,437	3,142	11,821
290,669	44,688	335,357
0	0	(520,849)
51,435	0	51,435
0	0	278,533
609	76,958	218,460
<u>\$ 1,485,314</u>	<u>\$ 2,673,087</u>	<u>\$ 14,745,667</u>
\$ 203,592	\$ 7,347	\$ 331,369
0	41,508	951,137
<u>203,592</u>	<u>48,855</u>	<u>1,282,506</u>
0	88,278	1,342,351
0	7,034	157,156
449,300	113,383	2,808,115
<u>449,300</u>	<u>208,695</u>	<u>4,307,622</u>
0	0	278,533
609	76,958	218,460
831,813	2,184,057	4,970,908
0	154,522	154,522
0	0	1,649,569
0	0	1,883,547
<u>832,422</u>	<u>2,415,537</u>	<u>9,155,539</u>
<u>\$ 1,485,314</u>	<u>\$ 2,673,087</u>	<u>\$ 14,745,667</u>

CITY OF XENIA, OHIO

***Reconciliation of Total Governmental Fund Balances
To Net Position of Governmental Activities
December 31, 2014***

Unaudited

Total Governmental Fund Balances	\$	9,155,539
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Amounts Reported for Governmental activities in the statement of net assets are different because:

Capital Assets used in Governmental Activities are not resources and therefore are not reported in the funds.		39,117,336
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Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		2,965,271
--	--	-----------

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		(4,705,610)
--	--	-------------

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.		33,994
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<i>Net Assets of Governmental Activities</i>	\$	<u>46,566,530</u>
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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, 2014

	General	State Gas and Vehicle License	Police & Fire Fund
Revenues:			
Municipal income tax	\$ 5,210,919	\$ 0	\$ 5,204,283
Other local taxes	1,168,381	0	194,476
State shared taxes and permits	991,986	960,233	33,455
Intergovernmental grants	0	0	141,945
Charges for services	28,011	2,060	2,002,244
Fines, costs, forfeitures, licenses and permits	955,342	0	8,980
Miscellaneous receipts and reimbursements, including interest	482,299	116,262	321,942
Total Revenue	8,836,938	1,078,555	7,907,325
Expenditures:			
Current:			
General government	2,926,767	0	0
Public safety	109,071	0	12,404,056
Highways and streets	235,240	1,144,849	0
Urban redevelopment & Housing	83,553	0	0
Economic Development & Assistance	167,419	0	0
Recreation	208,422	0	0
Capital outlay	0	0	737,334
Debt service:			
Principal retirement	0	0	271,491
Interest & fiscal charges	0	0	32,049
Total Expenditures	3,730,472	1,144,849	13,444,930
Excess (deficiency) of revenues over expenditures	5,106,466	(66,294)	(5,537,605)
Other financing sources (uses):			
Capital leases initiated	0	0	183,486
Proceeds from the sale of notes	0	0	0
Transfers in	0	0	5,000,000
Transfers out	(5,330,000)	0	0
Total other financing sources (uses)	(5,330,000)	0	5,183,486
Net change in fund balances	(223,534)	(66,294)	(354,119)
Fund Balances at Beginning of Year	3,801,205	474,053	2,101,373
Increase (decrease) in inventory reserve	635	174,261	0
Fund Balances End of Year	\$ 3,578,306	\$ 582,020	\$ 1,747,254

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

Capital Improvements	Other Governmental Funds	Total Governmental Funds
\$ 1,301,071	\$ 0	\$ 11,716,273
40,362	111,218	1,514,437
0	261,759	2,247,433
1,685,300	467,781	2,295,026
0	6,530	2,038,845
0	400,344	1,364,666
<u>110,243</u>	<u>238,211</u>	<u>1,268,957</u>
<u>3,136,976</u>	<u>1,485,843</u>	<u>22,445,637</u>
0	707,893	3,634,660
0	164,326	12,677,453
0	210,827	1,590,916
0	34,209	117,762
0	23,013	190,432
0	0	208,422
3,192,530	911,426	4,841,290
105,056	103,704	480,251
18,456	17,823	68,328
<u>3,316,042</u>	<u>2,173,221</u>	<u>23,809,514</u>
(179,066)	(687,378)	(1,363,877)
0	0	183,486
0	0	0
0	330,000	5,330,000
0	0	(5,330,000)
<u>0</u>	<u>330,000</u>	<u>183,486</u>
(179,066)	(357,378)	(1,180,391)
1,011,488	2,772,915	10,161,034
0	0	174,896
<u>\$ 832,422</u>	<u>\$ 2,415,537</u>	<u>\$ 9,155,539</u>

CITY OF XENIA, OHIO

***Reconciliation of The Statement of Revenues, Expenditures
And Changes in Fund Balances of Governmental Funds
To The Statement of Activities
For The Year Ended December 31, 2014*** ***Unaudited***

Net change in Fund Balances - Total Governmental Funds (\$1,180,391)

Amounts Reported for Governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays and capital contributions exceeded depreciation. 921,369

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. (479,367)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (358,498)

The repayment of bond, Loans, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,734,146

A new capital lease and loan increased long-term liabilities in the statement of net position but are another financing source capital lease initiated and proceeds from the sale of notes. (183,486)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 3,415

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. 234,979

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. (26,665)

Change in Net Assets of Governmental Activities **\$665,502**

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, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 5,448,000	\$ 5,448,000	\$ 5,230,890	\$ (217,110)
Other Local Taxes	1,210,000	1,210,000	1,168,381	(41,619)
State Shared Taxes and Permits	1,020,326	970,326	993,276	22,950
Charges for Services	24,500	24,500	28,011	3,511
Fines, Costs, Forfeitures, Licenses and Permits	1,006,700	1,006,700	955,342	(51,358)
Miscellaneous Receipts and Reimbursements, Including Interest	427,723	425,623	478,451	52,828
Total Revenues	<u>9,137,249</u>	<u>9,085,149</u>	<u>8,854,351</u>	<u>(230,798)</u>
Expenditures:				
General Government	3,236,950	3,295,881	3,138,650	157,231
Public Safety	134,976	139,294	123,086	16,208
Economic Development & Assistance:	127,453	156,033	172,055	(16,022)
Highways and Streets	265,046	265,046	255,273	9,773
Urban Redevelopment and Housing	91,973	91,973	83,755	8,218
Recreation	236,842	261,324	225,333	35,991
Total Expenditures	<u>4,093,240</u>	<u>4,209,551</u>	<u>3,998,152</u>	<u>211,399</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,044,009	4,875,598	4,856,199	(19,399)
Other Financing Sources (Uses):				
Transfers In	3,000	3,000	0	(3,000)
Transfers Out	(6,478,000)	(6,501,670)	(5,330,000)	1,171,670
Advances In	1,291,000	1,000,000	0	(1,000,000)
Advances Out	(1,221,000)	(1,221,000)	0	1,221,000
Total Other Financing Sources (Uses)	<u>(6,405,000)</u>	<u>(6,719,670)</u>	<u>(5,330,000)</u>	<u>1,389,670</u>
Net Change in Fund Balance	(1,360,991)	(1,844,072)	(473,801)	1,370,271
Fund Balance at Beginning of Year	2,688,962	2,688,962	2,688,962	0
Prior Year Encumbrances	262,653	262,653	262,653	0
Fund Balance at End of Year	<u>\$ 1,590,624</u>	<u>\$ 1,107,543</u>	<u>\$ 2,477,814</u>	<u>\$ 1,370,271</u>

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

CITY OF XENIA, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2014

STATE GAS AND VEHICLE LICENSE

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
State Shared Taxes and Permits	\$ 975,000	\$ 975,000	\$ 957,547	\$ (17,453)
Charges for Services	4,000	4,000	2,060	(1,940)
Miscellaneous Receipts and Reimbursements, Including Interest	<u>1,900</u>	<u>71,900</u>	<u>115,748</u>	<u>43,848</u>
Total Revenues	<u>980,900</u>	<u>1,050,900</u>	<u>1,075,355</u>	<u>24,455</u>
Expenditures:				
Current:				
Highways and Streets	<u>1,084,797</u>	<u>1,251,382</u>	<u>1,183,540</u>	<u>67,842</u>
Total Expenditures	<u>1,084,797</u>	<u>1,251,382</u>	<u>1,183,540</u>	<u>67,842</u>
Net Change in Fund Balance	(103,897)	(200,482)	(108,185)	92,297
Fund Balance at Beginning of Year	201,048	201,048	201,048	0
Prior Year Encumbrances	<u>32,753</u>	<u>32,753</u>	<u>32,753</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 129,904</u>	<u>\$ 33,319</u>	<u>\$ 125,616</u>	<u>\$ 92,297</u>

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE AND FIRE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 5,248,000	\$ 5,248,000	\$ 5,224,254	\$ (23,746)
Other Local Taxes	200,000	200,000	194,476	(5,524)
State Shared Taxes and Permits	34,300	34,300	33,455	(845)
Intergovernmental Grants	195,838	145,838	207,207	61,369
Charges for Services	2,102,754	2,102,754	2,158,098	55,344
Fines, Costs, Forfeitures, Licenses and Permits	10,000	10,000	8,085	(1,915)
Miscellaneous Receipts and Reimbursements, Including Interest	312,000	312,000	319,626	7,626
Total Revenues	<u>8,102,892</u>	<u>8,052,892</u>	<u>8,145,201</u>	<u>92,309</u>
Expenditures:				
Current:				
Public Safety	13,340,728	13,363,774	12,961,232	402,542
Capital Outlay:	1,623,700	1,351,200	1,253,057	98,143
Debt Service:				
Principal Retirement	271,503	271,503	271,492	11
Interest and Fiscal Charges	32,052	32,052	32,050	2
Total Debt Service	303,555	303,555	303,542	13
Total Expenditures	<u>15,267,983</u>	<u>15,018,529</u>	<u>14,517,831</u>	<u>500,698</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,165,091)	(6,965,637)	(6,372,630)	593,007
Other Financing Sources (Uses):				
Proceeds from Capital Lease	635,000	635,000	653,470	18,470
Proceeds from Loan	400,000	400,000	400,000	0
Transfers In	6,000,000	6,000,000	5,000,000	(1,000,000)
Total Other Financing Sources (Uses)	<u>7,035,000</u>	<u>7,035,000</u>	<u>6,053,470</u>	<u>(981,530)</u>
Net Change in Fund Balance	(130,091)	69,363	(319,160)	(388,523)
Fund Balance at Beginning of Year	502,477	502,477	502,477	0
Prior Year Encumbrances	959,116	959,116	959,116	0
Fund Balance at End of Year	<u>\$ 1,331,502</u>	<u>\$ 1,530,956</u>	<u>\$ 1,142,433</u>	<u>\$ (388,523)</u>

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2014**

	<i>Business-type activities - Enterprise Funds</i>		
	Water	Sewer	Sanitation
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 650,460	\$ 865,391	\$ 605,364
Investments	2,396,030	3,187,724	2,229,888
Receivables:			
Accounts	384,165	767,111	7,304
Special assessments, including liens	9,175	22,288	5,317
Loans	0	0	0
Accrued interest	5,004	5,662	3,891
Grants	76,671	0	0
Allowance for uncollectible accounts	(7,063)	(8,787)	(4,179)
Inventories	255,974	24,899	0
Prepaid items	25,623	12,377	2,148
Total Current Assets	3,796,039	4,876,665	2,849,733
Noncurrent Assets:			
Unrestricted:			
Loans receivable (net of current)	0	0	0
Capital Assets not being depreciated	1,834,922	506,469	1,368
Capital Assets (net of accumulated depreciation)	7,997,967	12,936,057	468,145
Total Noncurrent Assets	9,832,889	13,442,526	469,513
Total Assets	13,628,928	18,319,191	3,319,246

CITY OF XENIA, OHIO

<i>Business-type activities - Enterprise Funds</i>			
Storm Sewer	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 133,728	\$ 183,260	\$ 2,438,203	\$ 17,710
492,614	675,071	8,981,327	65,236
69,540	14,289	1,242,409	11,873
806	0	37,586	0
0	43,123	43,123	0
889	1,134	16,580	0
0	6,058	82,729	0
(418)	0	(20,447)	0
0	0	280,873	27,753
16	313	40,477	4,542
<u>697,175</u>	<u>923,248</u>	<u>13,142,860</u>	<u>127,114</u>
0	995,032	995,032	0
0	97,810	2,440,569	10,010
<u>5,714,844</u>	<u>98,344</u>	<u>27,215,357</u>	<u>74,985</u>
<u>5,714,844</u>	<u>1,191,186</u>	<u>30,650,958</u>	<u>84,995</u>
<u>6,412,019</u>	<u>2,114,434</u>	<u>43,793,818</u>	<u>212,109</u>

CITY OF XENIA, OHIO

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014**

	<i>Business-type activities - Enterprise Funds</i>		
	Water	Sewer	Sanitation
Liabilities:			
<i>Current Liabilities:</i>			
Accounts payable	239,296	71,359	222,541
Accrued payroll	130,150	126,875	21,921
Interfund payable	0	0	0
Loan payable	0	572,346	0
Accrued interest payable	11,735	11,735	7
Compensated absences	14,062	15,229	2,630
Capital lease payable - current	58,350	58,350	0
GO Bonds - Current	5,274	5,274	540
Landfill liability - current	0	0	176,483
<i>Total Current Liabilities</i>	458,867	861,168	424,122
<i>Noncurrent Liabilities</i>			
Compensated absences	221,967	240,375	41,505
Capital lease payable	489,587	489,587	0
Loans payable	0	4,877,572	0
GO Bonds - Non Current	34,123	34,124	3,494
Landfill liability - noncurrent	0	0	578,816
<i>Total Noncurrent Liabilities</i>	745,677	5,641,658	623,815
Total Liabilities	1,204,544	6,502,826	1,047,937
Net Position:			
Net Investment in Capital Assets	9,245,555	7,405,273	465,479
Unrestricted	3,178,829	4,411,092	1,805,830
Total Net Position	\$ 12,424,384	\$ 11,816,365	\$ 2,271,309

Adjustment to Consolidate Utility Billing Internal Service Fund to Net Position

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

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

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

<i>Business-type activities - Enterprise Funds</i>			
<u>Storm Sewer</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
1,808	10,937	545,941	15,137
10,127	1,660	290,733	7,721
0	0	0	51,435
0	0	572,346	0
7	0	23,484	0
1,178	126	33,225	1,465
0	0	116,700	0
540	0	11,628	0
0	0	176,483	0
<u>13,660</u>	<u>12,723</u>	<u>1,770,540</u>	<u>75,758</u>
18,596	1,989	524,432	23,121
0	0	979,174	0
0	0	4,877,572	0
3,494	0	75,235	0
0	0	578,816	0
<u>22,090</u>	<u>1,989</u>	<u>7,035,229</u>	<u>23,121</u>
<u>35,750</u>	<u>14,712</u>	<u>8,805,769</u>	<u>98,879</u>
5,710,810	196,154	23,023,271	33,560
<u>665,459</u>	<u>1,903,568</u>	<u>11,964,778</u>	<u>79,670</u>
<u>\$ 6,376,269</u>	<u>\$ 2,099,722</u>	<u>\$ 34,988,049</u>	<u>\$ 113,230</u>
		59,169	
		20,067	
		<u>35,067,285</u>	

CITY OF XENIA, OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Sanitation
Operating revenues:			
Charges for services	\$ 3,401,296	\$ 4,428,960	\$ 1,841,276
Operating expenses:			
Personnel services	1,945,670	1,923,214	316,435
General operating	9,440	5,293	0
Contractual services	474,116	884,418	1,212,280
Materials and supplies	685,498	227,867	355
Depreciation	596,870	1,059,903	32,149
Non-governmental	0	0	0
Total expenses	<u>3,711,594</u>	<u>4,100,695</u>	<u>1,561,219</u>
Operating income (loss)	(310,298)	328,265	280,057
Non-operating revenues:			
Interest revenue	29,538	29,581	19,536
Other	74,106	87,519	109,360
Intergovernmental	102,543	0	0
Total Non-operating revenue	<u>206,187</u>	<u>117,100</u>	<u>128,896</u>
Non-operating expenses:			
Interest expense	26,216	198,085	99
Loss on disposal	0	0	0
Total Non-Operating Expenses	<u>26,216</u>	<u>198,085</u>	<u>99</u>
Income (loss) before transfers and contributions	(130,327)	247,280	408,854
Capital contributions	0	423,363	0
Change in Net Position	(130,327)	670,643	408,854
Net Position, beginning of year	<u>12,554,711</u>	<u>11,145,722</u>	<u>1,862,455</u>
Net Position, end of year	<u>\$ 12,424,384</u>	<u>\$ 11,816,365</u>	<u>\$ 2,271,309</u>

Change in Net Position - total enterprise funds

Adjustments to consolidate Utility Billing Internal Service Fund activities

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

Total Change in net position of business-type activities

See accompanying notes to the basic financial statements

CITY OF XENIA, OHIO

Storm Sewer	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 326,300	\$ 77,547	\$ 10,075,379	\$ 860,755
168,062	24,080	4,377,461	170,873
0	4,085	18,818	4,545
94,644	41,603	2,707,061	228,109
30,806	7,633	952,159	532,634
137,645	5,463	1,832,030	2,616
0	60,367	60,367	0
431,157	143,231	9,947,896	938,777
(104,857)	(65,684)	127,483	(78,022)
4,454	5,679	88,788	303
7,792	746	279,523	11,219
0	175,708	278,251	0
12,246	182,133	646,562	11,522
99	0	224,499	0
4,097	56,346	60,443	0
4,196	56,346	284,942	0
(96,807)	60,103	489,103	(66,500)
0	0	423,363	0
(96,807)	60,103	912,466	(66,500)
6,473,076	2,039,619	34,075,583	179,730
<u>\$ 6,376,269</u>	<u>\$ 2,099,722</u>	<u>\$ 34,988,049</u>	<u>\$ 113,230</u>
		912,466	
		(27,027)	
		(12,808)	
		<u>872,631</u>	

CITY OF XENIA, OHIO

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Sanitation
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$3,546,738	\$4,555,001	\$1,964,813
Cash Received from Interfund Services Provided	0	0	0
Cash Payments for Goods and Services	(1,055,727)	(1,111,938)	(1,313,738)
Cash Payments to Employees	(1,908,568)	(1,897,829)	(310,838)
Net Cash Provided (Used) by Operating Activities	582,443	1,545,234	340,237
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	0	0
Transfers Out to Other Funds	0	0	0
Advances to Other Funds	0	0	0
Advances In from Other Funds	0	0	0
Intergovernmental Grants	0	0	0
Insurance Proceeds	0	0	0
Net Cash Used by Noncapital Financing Activities	0	0	0
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Intergovernmental Grants	25,870	0	0
Acquisition and Construction of Assets	(1,290,939)	(385,527)	(2,993)
Principal Paid on Loans	0	(556,362)	0
Principal Paid on Bonds	(5,162)	(5,162)	(528)
Interest Paid on All Debt	(27,414)	(199,283)	(100)
Capital Lease Payment	(55,820)	(55,820)	0
Loan Initiated	0	0	0
GO Bonds Initiated	0	0	0
Capital Leases Initiated	0	0	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,353,465)	(1,202,154)	(3,621)
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	377,705		0
Purchase of Investments		(494,607)	(415,982)
Receipts of Interest	22,399	24,308	16,084
Net Cash Provided (Used) by Investing Activities	400,104	(470,299)	(399,898)
Net Decrease in Cash and Cash Equivalents	(370,918)	(127,219)	(63,282)
Cash and Cash Equivalents at Beginning of Year	1,021,378	992,610	668,646
Cash and Cash Equivalents at End of Year	\$650,460	\$865,391	\$605,364

CITY OF XENIA, OHIO

<u>Storm Water</u>	<u>Other Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
\$335,802	\$166,337	\$10,568,691	\$0
0	0	0	877,116
(124,108)	(212,956)	(3,818,467)	(753,749)
(165,799)	(34,402)	(4,317,436)	(165,711)
<u>45,895</u>	<u>(81,021)</u>	<u>2,432,788</u>	<u>(42,344)</u>
0	0	0	0
0	0	0	0
0	0	0	(8,480)
0	0	0	0
0	0	0	0
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>(8,480)</u>
0	202,100	227,970	0
(11,294)	0	(1,690,753)	0
0	0	(556,362)	0
(528)	0	(11,380)	0
(100)	0	(226,897)	0
0	0	(111,640)	0
0	0	0	0
0	0	0	0
0	0	0	0
<u>(11,922)</u>	<u>202,100</u>	<u>(2,369,062)</u>	<u>0</u>
0	0	377,705	32,548
(62,413)	(139,762)	(1,112,764)	0
3,629	4,600	71,020	0
<u>(58,784)</u>	<u>(135,162)</u>	<u>(664,039)</u>	<u>32,548</u>
(24,811)	(14,083)	(600,313)	(18,276)
158,539	197,343	3,038,516	35,986
<u>\$133,728</u>	<u>\$183,260</u>	<u>\$2,438,203</u>	<u>\$17,710</u>

CITY OF XENIA, OHIO

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	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)	(\$310,298)	\$328,265	\$280,057
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	596,870	1,059,903	32,149
Income - Other Nonoperating	74,106	87,519	109,360
Expense - Other Nonoperating	0	0	0
Changes in Assets and Liabilities:			
Decrease in Principal Receivable	0	0	0
(Increase) Decrease in Accounts Receivable	69,868	11,314	12,980
(Increase) Decrease in Special Assessments Receivable	1,464	16,107	1,196
(Increase) Decrease in Prepaid Items	2,622	3,758	387
(Increase) Decrease in Inventory	(7,060)	(2,242)	0
Increase (Decrease) in Landfill Liability	0	0	(114,528)
Increase (Decrease) in Accounts Payable	117,765	15,223	13,038
Increase (Decrease) in Accrued Payroll	14,444	10,019	4,518
Increase (Decrease) in Compensated Absences	22,662	15,368	1,080
Total Adjustments	892,741	1,216,969	60,180
Net Cash Provided (Used) by Operating Activities	\$582,443	\$1,545,234	\$340,237

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2014 the water, sewer, sanitation, and stormwater funds had outstanding liabilities of \$587,334, \$6,037,253, \$4,034, and \$4,034 respectively, for the purchase of certain capital assets. The fair value of investments decreased in 2014 by \$6,915, \$9,200, \$6,435.47, \$1,422, and \$1948 in the Water, Sewer, Sanitation, Stormwater, and Other Enterprise Funds respectively. The fair value of investments decreased in 2014 by \$188 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>
(\$104,857)	(\$65,684)	\$127,483	(\$78,022)
137,645	5,463	1,832,030	2,616
7,792	746	279,523	11,219
0	(56,346)	(56,346)	0
0	135,983	135,983	0
1,298	310	95,770	5,141
415	0	19,182	0
1	4	6,772	1,510
0	0	(9,302)	43,574
0	0	(114,528)	0
1,340	(98,621)	48,745	(33,544)
1,394	(721)	29,654	287
867	(2,155)	37,822	4,875
<u>150,752</u>	<u>(15,337)</u>	<u>2,305,305</u>	<u>35,678</u>
<u>\$45,895</u>	<u>(\$81,021)</u>	<u>\$2,432,788</u>	<u>(\$42,344)</u>

CITY OF XENIA, OHIO

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2014

	<u>Agency Funds</u>
Assets:	
Cash and cash equivalents	\$ 126,292
Accounts Recievable	<u>300,000</u>
Total Assets	<u>\$ 426,292</u>
Liabilities:	
Accounts payable	\$ 360,205
Restricted deposits	<u>66,087</u>
Total Liabilities	<u>426,292</u>

See accompanying notes to the basic financial statements

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*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

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, 2014 and for the year then ended, and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

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

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

The City's financial reporting entity includes all applicable funds, agencies, boards, commissions and jointly governed organizations that include the following services: public safety (police and fire), highways and streets, water, sewer, sanitation, stormwater, recreation, public improvements, planning and zoning, and general administrative services. No component unit is included in fiscal year 2014.

The City is party to three jointly governed organizations. Jointly governed organizations are governed by representatives from various participating organizations where the City has no ongoing financial interest or responsibility. The following jointly governed organizations are described in Note 17.

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

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The City also participates in the Public Entities Pool of Ohio, which is a local government risk sharing pool. The pool is discussed in Notes 20.

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. Revenue sources in the fund include state shared taxes and permits, charges for services, and miscellaneous receipts and reimbursements including interest.

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

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

The City reports the following major proprietary funds:

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

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

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

Stormwater Fund – This fund is utilized to account for revenues and expenses related to providing stormwater 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 City’s fiduciary funds are all agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has four agency funds as follows:

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

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary City, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

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

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Fund Financial Statements – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary and Internal Service funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets 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 using an 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 position. The statement of revenues, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. 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.

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

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

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

Property taxes measurable as of December 31, 2014 but which are not intended to finance 2014 operations are recorded as deferred inflows.

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

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*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

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 and proprietary funds to the County Budget Commission by July 20 of each year for the following calendar year.
2. The County Budget Commission certifies its actions by September 1, and issues a "Certificate of Resources" limiting the maximum amount the City may expend from a given fund during the year.
3. About January 1, this Certificate is amended to include any unencumbered balances from the preceding year. The City must prepare its appropriations so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Resources.
4. A temporary appropriation measure is typically passed at the second City Council meeting in December. The permanent appropriation measure is passed at a Council meeting and filed at the County prior to March 31. The permanent appropriation may not exceed estimated resources certified by the County Budget Commission.
5. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances outstanding at year-end are carried forward to the next fiscal year.
6. All funds have annual budgets legally adopted by City Council.

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

While financial position, results of operations and changes in fund balances are reported on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The Statements of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual - (Non-GAAP Budgetary Basis) for the general fund and each major special

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgets and Budgetary Accounting (Continued)

revenue fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

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

The adjustments necessary to convert the results of operations for the year ended December 31, 2014 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)	\$ (223,534)	\$ (66,294)	\$ (354,119)
Revenue Accrual	17,413	(3,200)	1,107,860
Expenditure Accrual	(6,163)	(4,592)	(836,999)
Outstanding Encumbrances	(261,517)	(34,099)	(235,903)
Budget Basis	\$ (473,801)	\$ (108,185)	\$ (319,161)

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, 2014. The City pools its cash, cash equivalents, and investments for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintains its own cash and investment accounts.

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value, except for nonparticipating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, which

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Investments (Continued)

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 2014, the Capital Improvements Fund was allocated approximately \$25,004 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.

The City invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2014. STAR Ohio is an investment pool managed by the State Treasurer's Office that 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, 2014.

H. Inventory

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed. Governmental prepaid items are equally offset by a fund balance classification that indicates they are not in spendable form.

J. Capital Assets and Depreciation

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

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation (Continued)

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

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

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

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

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

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

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	City Motor Vehicle License Tax Fund, Capital Improvement Fund, Debt Service Fund, Water Fund, Sewer Fund, Sanitation Fund, Stormwater Fund
Loans Payable	Sewer Fund, Police & Fire Fund, City Motor Vehicle License Tax
Landfill Liability	Sanitation Fund
Compensated Absences	General Fund, Probation Services Fund, State Gas and Vehicle License Fund, Police & Fire Fund, 911 Fund, Municipal Court Victim Fund, Water Fund, Sewer Fund, Sanitation Fund, Stormwater Fund, Parking Revenue Fund, Loan Trust Fund, Housing Rehabilitation Loan Fund, and Garage Fund
Capital Leases	Capital Improvements Fund, Police & Fire Fund, Municipal Court Capital Improvements Fund, Water Fund, and Sewer Fund

L. Compensated Absences

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

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

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

M. Net Position

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Net Position (Continued)

Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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.

P. Fund Balance

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

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

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Fund Balance (Continued)

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

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

Q. Operating Revenues and Expenses

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

R. Estimates

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

S. Allocation of Indirect Expenses

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

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Provision for Loan Losses

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

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

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 position

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

Capital Assets not reported in funds:

Capital Assets used in governmental activities	\$39,117,336
Total	\$39,117,336

Other long-term assets not available to pay for current-period expenditures:

Delinquent Income Tax Revenue	\$1,742,346
Shared Revenues	735,125
Delinquent Property Tax Revenue	157,156
Grant Revenues	276,184
Special Assessment Revenue	20,975
Charges for Services	32,535
Miscellaneous Revenue	950
Total	\$2,965,271

Long-Term liabilities not reported in the funds:

General Obligation Bonds Payable	(\$1,288,677)
Accrued Interest on Long-Term Debt	(13,986)
Capital Leases Payable	(1,504,064)
Loans Payable	(100,000)
Compensated Absences Payable- Government Activities	(1,798,883)
Total	(\$4,705,610)

Amount of City Garage Internal Service fund applicable to government activities:

City Garage Fund Net Position at year end	\$54,061
Portion of City Garage Fund allocated to business-type activities	(20,067)
Total	\$33,994

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

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:

<i>Amount capital outlay exceeded depreciation in the current period:</i>	
Capital Outlay	\$2,465,389
Depreciation Expense	(1,544,020)
Total	\$921,369
<i>Revenues that do not provide current financial resources</i>	
Delinquent Income Tax Revenue	\$40,408
Shared Revenue	(280,479)
Delinquent Property Taxes	50,849
Special Assessment Revenue	6,346
Intergovernmental Grants	(132,389)
Charges for Services	(41,221)
Miscellaneous Revenues	(2,012)
Total	(\$358,498)
<i>Expenses not requiring the use of current financial resources:</i>	
Compensated Absences	\$60,083
Supplies	174,896
Total	\$234,979
<i>Net loss of the City Internal Service Fund reported in government activities:</i>	
City Garage Internal Service Fund change in net assets	(\$39,473)
Portion of Internal Service fund change in net assets allocated to business type activities	12,808
Total	(\$26,665)

CITY OF XENIA, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2014**

NOTE 3 – FUND BALANCES

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

Fund Balances	General	State Gas & Vehicle License	Police & Fire	Capital Improvements	Other Governmental Funds
Nonspendable:					
Inventory	\$ 3,404	\$ 275,129	0	0	0
Prepays	41,786	3,097	96,010	609	76,958
Total Nonspendable	45,190	278,226	96,010	609	76,958
Restricted for:					
General Government	0	0	0	0	388,139
Public Safety	0	0	1,651,244	0	983,262
Highways & Streets	0	303,794	0	0	373,691
Capital Projects	0	0	0	831,813	345,529
Debt Service	0	0	0	0	93,436
Total Restricted	0	303,794	1,651,244	831,813	2,184,057
Committed to:					
General Governemnt	0	0	0	0	154,522
Total Committed	0	0	0	0	154,522
Assigned to:					
Subsequent year appropriations	1,416,347	0	0	0	0
General Government	181,223	0	0	0	0
Public Safety	11,430	0	0	0	0
Highways & Streets	19,774	0	0	0	0
Urban Redevelopment & Housing	283	0	0	0	0
Economic Development & Assista	19,262	0	0	0	0
Recreation	1,250	0	0	0	0
Capital Projects	0	0	0	0	0
Total Assigned	1,649,569	0	0	0	0
Unassigned (Deficit)	1,883,547	0	0	0	0
Total Fund Balance	3,578,306	582,020	1,747,254	832,422	2,415,537

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 4 – DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

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

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

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

At December 31, 2014, the carrying amount of the City cash deposits was \$1,775,123 and the bank balance was \$3,362,890. FDIC Insurance covered \$250,000, per insured bank, for each account ownership category. At fiscal year-end, \$2,776,467 of the City's bank balance was exposed to custodial credit risk, because they were uninsured and collateralized with securities held by the pledging financial institution.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

The City's investments at December 31, 2014 are summarized below:

Investment Type	Total		Investment Maturities				% of Total Investments
	Fair Value	Credit Rating	Less than 6 Months	6 Months to 1 Year	1 - 3 Years	3 - 5 Years	
FFCB	\$ 1,442,954	AA+	0	0	1,192,924	250,030	8.36%
FHLB	\$ 3,259,620	AA+	0	0	967,830	2,291,790	18.89%
FNMA	\$ 2,135,999	AA+	0	304,047	1,094,927	737,025	12.38%
STAR OHIO	\$ 8,910	AAA	8,910	0	0	0	0.05%
Certificate of Deposit	\$ 8,774,208	AA3	745,603	3,588,418	2,979,169	1,461,018	50.85%
Money Market Funds	\$ 1,632,754	AAA	1,632,754	0	0	0	9.47%
Total Investments	\$17,254,445		\$2,387,267	\$3,892,465	\$6,234,850	\$4,739,863	

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

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a failure of a depository institution or counterparty to a transaction, the City will be unable to recover the value of deposits, investments, or collateral securities in the possession of an outside party. All of the City’s securities are either insured and registered in the name of the City or at least registered in the name of the City. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investment prior to delivery of securities representing such investment to the Fiscal Officer and qualified trustees.

Credit Risk – The Standard & Poor’s or Moody’s ratings of the City’s investment is listed in the table above. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard ratings service. The City’s investment policy limits investments to those that are highly rated or issued by U.S. Government sponsored enterprises.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

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 2014.

The property tax calendar is as follows:

Lein date	January 1, 2013
Levy date	January 1, 2014
First installment payment due	February 15, 2014
Second installment payment due	July 19, 2014

The assessed values upon which 2014 tax receipts were based, are as follows:

	<u>Assessed Values</u> <u>January 1, 2013</u>
Residential and Agricultural	\$290,029,990
Commercial	81,605,120
Total	<u><u>\$371,635,110</u></u>

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

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

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

Property taxes receivable represents real and public utility property taxes and outstanding delinquencies that were measurable as of December 31, 2014, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2014 operations is offset to deferred inflows of resources, i.e. property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis, the revenue has been reported as deferred inflows of resources, i.e. unavailable revenue.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 5 – TAXES (Continued)

B. Income Tax

For the 2014 fiscal year the City collected income taxes at a rate of 2.25%. A 1.5% credit was allowed for those who work in another community and pay taxes to other municipalities on that income. Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

NOTE 6 –RECEIVABLEs

Receivables at December 31, 2014, consisted of municipal income tax, property taxes, other local taxes, interfund, accounts, special assessments, loans, accrued interest, and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables with the exception of loans are considered fully collectible and will be received within one year with the exception of income taxes, property taxes, loans, and special assessments. Income taxes and property taxes, though ultimately collectible, include some portion of delinquents that will not be collected within one year.

A. Intergovernmental Receivable

A summary of intergovernmental receivables follows:

Governmental Activities:	Amount
Local Government	398,268
Homestead & Rollback	95,381
Motor Vehicle License Tax	219,737
Gasoline Tax	406,000
	1,119,386

B. Loans Receivable

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

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2014**

A. Loans Receivable (Continued)

Loans receivable at December 31, 2014 were:

Loan Type	C.D.B.G Revolving Loan Fund	Loan Fund	Housing Rehabilitation Loan Fund
Down payment assistance loans	\$0	\$0	\$3,093
Mortgage grants	0	0	53,850
Rehabilitation loans	0	0	213,490
Façade Loans	15,435	0	530,963
Homelessness Prevention Loans	0	0	3,984
Economic development loans	0	217,341	0
Total Loans receivable	<u>\$15,435</u>	<u>\$217,341</u>	<u>\$805,380</u>

UDAG & 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 from this fund. The City also assumed the assets, liabilities, and loan commitments of its component unit (Xenia Economic Development Corporation [XEGC]) in 2011 when the corporation was dissolved. Loans previously managed and issued by XEGC are now administered through the Loan Fund.

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

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 7 - TRANSFERS

Following is a summary of transfers in and out for all funds for 2014:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General Fund	\$0	\$5,330,000
Police & Fire Fund	5,000,000	0
State Gas & Vehicle License Fund	0	0
General Capital Improvement Fund	0	0
Other Governmental Funds	330,000	0
Total Governmental Funds	<u>5,330,000</u>	<u>5,330,000</u>
Enterprise Funds		
Sewer Fund	0	0
Storm Sewer Fund	0	0
Other Enterprise Funds	0	0
Total Enterprise Funds	<u>0</u>	<u>0</u>
Total Transfers	<u>\$5,330,000</u>	<u>\$5,330,000</u>

There were two transfers from the General Fund to Other Governmental Funds. One transfer was to support operations in the Municipal Court Victim Fund and the other to support operations in the Probation Services Fund. The transfer from the General Fund to the Police and Fire Fund was to support operations related to those public safety functions. There were also transfers of Capital assets between various funds. These transfers are not represented as transfers on the fund statements because in each case the transfer was between governmental and enterprise funds. The transfers are recognized on the entity-wide statements.

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*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 8 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at December 31, 2014 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental Funds:		
Capital Improvements Fund	\$51,435.00	
Internal Service Funds:		
City Garage Fund		\$51,435.00

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.

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**Notes to the Basic Financial Statements
For the Year Ended December 31, 2014**

NOTE 9 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2014:

Historical Cost:

Class	December 31, 2013	Additions	Deletions	December 31, 2014
Capital assets not being depreciated:				
Land	\$16,203,413	\$0	\$0	\$16,203,413
Construction in Progress	1,583,156	268,687	(1,336,832)	515,011
Subtotal	<u>17,786,569</u>	<u>268,687</u>	<u>(1,336,832)</u>	<u>16,718,424</u>
Capital assets being depreciated:				
Land improvements	3,007,302	293,239	0	3,300,541
Buildings and improvements	7,983,986	79,735	0	8,063,721
Machinery and Equipment	9,894,332	2,059,439	(462,299)	11,491,472
Infrastructure	16,743,933	1,101,121	(182,370)	17,662,684
Subtotal	<u>37,629,553</u>	<u>3,533,534</u>	<u>(644,669)</u>	<u>40,518,418</u>
Total Cost	<u><u>\$55,416,122</u></u>	<u><u>\$3,802,221</u></u>	<u><u>(\$1,981,501)</u></u>	<u><u>\$57,236,842</u></u>

Accumulated Depreciation:

Class	December 31, 2013	Additions	Deletions	December 31, 2014
Land improvements	(\$899,696)	(\$112,987)	\$0	(\$1,012,683)
Buildings and improvements	(3,218,248)	(235,707)	0	(3,453,955)
Machinery and Equipment	(5,990,102)	(715,210)	32,294	(6,673,018)
Infrastructure	(6,560,192)	(480,222)	133,008	(6,907,406)
Total Depreciation	<u>(\$16,668,238)</u>	<u>(\$1,544,126) *</u>	<u>\$165,302</u>	<u>(\$18,047,062)</u>
Net Value:	<u><u>\$38,747,884</u></u>	<u><u>\$2,258,095</u></u>		<u><u>\$39,189,780</u></u>

* Depreciation expenses were charged to governmental functions as follows:

General Government	\$208,822
Public Safety	556,606
Highways and Streets	576,500
Urban Redevelopment and Housing	26,657
Recreation	175,435
Total Depreciation Expense recorded within the Governmental Activities	<u>1,544,020</u>
Amount of Depreciation Expense recorded in the Internal Service Fund	106
Total Additions to Accumulated Depreciation	<u><u>\$1,544,126</u></u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2014**

NOTE 9 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2014:

Historical Cost:

Class	December 31, 2013	Additions	Deletions	December 31, 2014
<i>Capital assets not being depreciated:</i>				
Land	\$484,280	\$96,620	\$0	\$580,900
Construction in Progress	929,957	1,260,021	(330,309)	1,859,669
Subtotal	<u>1,414,237</u>	<u>1,356,641</u>	<u>(330,309)</u>	<u>2,440,569</u>
<i>Capital assets being depreciated:</i>				
Land improvements	835,143	191,496	0	1,026,639
Buildings and improvements	10,487,145	81,400	(56,346)	10,512,199
Machinery and Equipment	55,253,627	882,337	(316,528)	55,819,436
Total Cost	<u>\$67,990,152</u>	<u>\$2,511,874</u>	<u>(\$703,183)</u>	<u>\$69,798,843</u>

Accumulated Depreciation:

Class	December 31, 2013	Additions	Deletions	December 31, 2014
Land Improvements	(\$325,848)	(\$18,537)	\$0	(\$344,385)
Buildings and Improvements	(4,846,604)	(246,549)	0	(5,093,153)
Machinery and Equipment	(33,435,804)	(1,569,456)	312,432	(34,692,828)
Total Depreciation	<u>(\$38,608,256)</u>	<u>(\$1,834,542)</u>	<u>\$312,432</u>	<u>(\$40,130,366)</u>
<i>Net Value:</i>	<u>\$29,381,896</u>			<u>\$29,668,477</u>

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

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, but less than, 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 in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing 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 2014, member and employer contribution rates were consistent across all three plans (TP, MD and CO). While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

The 2014 member contribution rates were 10.00% of covered payroll for members in state and local classifications. Public safety and law enforcement members contributed 12% and 13%, respectively. Effective January 1, 2014, the member contribution rates for public safety and law enforcement members increased to 12.00% and 13.00% respectively.

The 2014 employer contribution rate for state and local employers was 14.00% of covered payroll. The law enforcement and public safety division employer contribution rate was 18.10% of earnable salary.

The City's contributions to OPERS for the years ended December 31, 2014, 2013 and 2012 were \$1,010,685, \$894,445, and \$672,848, respectively. For 2014, 88.15% has been contributed with the balance being reported as accrued payroll. The full amount has been contributed for 2013 and 2012.

B. Ohio Police and Fire Pension Fund (the "OP&F Fund")

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

From Jan. 1, 2014 thru July 1, 2014, plan members were required to contribute 10.75% of their annual covered salary. From July 2, 2014 thru Dec. 31, 2014, plan members were required to contribute 11.5% of their annual covered salary. Throughout 2014, Employers were required to contribute 19.5% and 24% respectively for police officers and firefighters. The City's contributions to the OP&F Fund for the years ending December 31, 2014, 2013, and 2012 were \$632,778, \$584,025 and \$435,705 for police and \$708,404, \$583,650 and \$491,741 for firefighters, respectively. For 2014, 95.25% for the police and 95.55% for the firefighters have been contributed with the balance for police and firefighters being reported as accrued payroll. The full amount has been contributed for 2013 and 2012.

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 11 – POSTEMPLOYMENT BENEFITS

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

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

OPERS maintains a cost-sharing multiple employer defined benefit post-employment 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.

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 meets the definition 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. OPERS issues a stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, 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).

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 coverage. Employer Contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, local government employers contributed at a rate of 14% of earnable salary. 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 Board of Trustees 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 and combined plan was 2.0% for calendar year 2014. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries, to pay a portion of the health care benefits provided. 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, 2014, 2013, and 2012 were \$144,029, \$68,774, and \$269,121, respectively. For 2014, 88.15% has been

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

contributed with the balance being reported as accrued payroll. The full amount has been contributed for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the Recent Passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

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 statutory survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the ORC. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F’s website at www.op-f.org.

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

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and on 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. The portion of employer contributions allocated to health care was lowered considerably, down to .5% of covered payroll from January 1, 2014 thru December 31, 2014. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’s primary responsibility to ensure that pension benefits are

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

NOTE 11 – POSTEMPLOYMENT BENEFITS (Continued)

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.

The City's Contributions for health care to the OP&F for the years ending Decemebr 31, 2014, 2013, and 2012, were \$16,460, \$129,694, and \$230,511 for police and \$14,925, \$103,747 and \$192,183 for firefighters, respectively, was allocated to the healthcare plan.

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CITY OF XENIA, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2014**

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

Long-term debt and other long-term obligations of the City at December 31, 2014 were as follows:

	Balance December 31, 2013	Additions	(Reductions)	Balance December 31, 2014	Due Within One Year
Business-Type Activities:					
Loans Payable:					
2.79% Sewer Loan Payable 1999	2,966,378	0	(422,328)	2,544,050	434,193
3.25% Sewer Loan Payable 2010	1,595,503	0	(74,442)	1,521,061	76,881
2.80% Sewer Loan Payable 2012	1,444,399	0	(59,592)	1,384,807	61,273
Total Loans Payable	<u>6,006,280</u>	<u>0</u>	<u>(556,362)</u>	<u>5,449,918</u>	<u>572,347</u>
Capital Leases	1,207,514	0	(111,640)	1,095,874	116,700
2.16%					
General Obligation Bond Payable	98,243	0	(11,380)	86,863	11,628
Landfill Liability	869,827	0	(114,528)	755,299	176,483
Compensated Absences	519,835	557,657	(519,835)	557,657	33,225
Total Business Type Activities	<u>\$8,701,699</u>	<u>\$557,657</u>	<u>(\$1,313,745)</u>	<u>\$7,945,611</u>	<u>\$910,383</u>
Governmental Activities Long-Term Debt:					
2.00- 3.10%					
General Obligation Bond Payable 2010	\$700,000	\$0	(\$100,000)	\$600,000	\$100,000
2.16%					
General Obligation Bond Payable 2011	778,916	0	(90,239)	\$688,677	92,189
Local Government Innovation Fund 2013	100,000	0	0	\$100,000	10,000
Capital Leases Payable	1,610,590	183,486	(290,012)	1,504,064	312,459
Remediation Liability Hooven & Allison	1,253,895	0	(1,253,895)	0	0
Compensated Absences	1,930,527	1,900,101	(1,930,527)	1,900,101	175,499
Total Governmental Activities	<u>\$6,373,928</u>	<u>\$2,083,587</u>	<u>(\$3,664,673)</u>	<u>\$4,792,842</u>	<u>\$690,147</u>

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2014**

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, 2014 are as follows:

Years	General Obligation Bond		Sewer Loans Payable		LGIF
	Principal	Interest	Principal	Interest	Principal
2015	203,817	32,434	572,347	155,884	10,000
2016	206,059	27,951	588,791	139,439	10,000
2017	208,350	22,963	605,710	122,520	10,000
2018	210,690	17,715	623,117	105,113	10,000
2019	213,081	12,241	641,025	87,205	10,000
2020-2024	333,543	9,263	1,102,329	279,080	50,000
2025-2029	0	0	994,606	135,721	0
2030-2034	0	0	321,993	15,225	
Totals	<u>\$1,375,540</u>	<u>\$122,567</u>	<u>\$5,449,918</u>	<u>\$1,040,187</u>	<u>\$100,000</u>

B. General Obligation Bond

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

C. Sewer Loans Payable

The City has three loans outstanding with the Ohio Water Developmnet Authority. The loans were used to make improvements at each of the City's two wastewater treatment plants. One loan funded improvements made in 2001 while the more recent improvements began in 2010 and were completed in 2013.

D. Local Government Innovation Fund

In 2013 the City of Xenia acquired a zero interest loan from the State of Ohio as a part of a collaborative agreement with 3 other local government entities. The loan proceeds were to be used to fund a portion of a capital project to upgrade the dispatch center's radio system. The total loan amount was \$400,000, each entity receiving \$100,000. The loan will be repaid over a ten year period.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 13 – LEASES

A. Capital Leases

Under capital leases the City has leases for a fire pumper, communication center upgrades including radios and consoles, a building security system, automated meter reading upgrades, Self Contained Breathing Apparatus, and a 2014 medic unit. The cost of these capital leases are related to Governmental Activities capital assets with the exception of the automated meter reading project which can be attributed to the Business Activities. The related liabilities are included in amounts due within one year and amounts due in more than one year. The original cost of the assets acquired under capital lease was \$4,278,970 and the book value at December 31, 2014 was \$2,831,301. 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, 2014:

Year Ending December 31,	Governmental Activities	Business Type Activities
2015	341,938	164,516
2016	295,263	164,516
2017	248,588	164,516
2018	248,588	164,516
2019	248,588	164,516
2020-2022	210,096	493,544
Minimum Lease Payments	1,593,061	1,316,124
Less amount representing interest at the City's incremental borrowing rate of interest	(88,997)	(220,250)
Present value of minimum lease payments	\$1,504,064	\$1,095,874

B. Operating Leases

The City leases office space, machinery and equipment, and janitorial and cleaning services under operating agreements that expire at various dates through 2018. Payments on operating leases were \$76,372 during 2014. The following is a schedule of future minimum rental payments of non-cancellable operating leases:

Year Ending December 31,	Amount
2015	76,372
2016	8,689
2017	1,344
2018	672

*Notes to the Basic Financial Statements
For the Year Ended December 31, 2014*

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, 2014 the City's accrued liability (per GASB 18) for post-closure costs related to the closed City landfill is \$755,299. 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 – POLLUTION REMEDIATION

The old Hooven & Allison Facility is located on a 21.1-acre tract of land at the southeast corner of Cincinnati Avenue and Grove Avenue in the City of Xenia. From the middle of the 19th century up through the early 1990s, the facility manufactured fiber and twine mostly in the form of “roping” for other trades. Since its closure in the early 1990s, the facility has remained vacant and unfortunately has been the main catalyst for blight development in the surrounding neighborhood. The City sought grant funding for the demolition of the structures, removal of underground storage tanks, asbestos abatement, contaminated soil removal, and water/sewer service enhancements. The City was fortunate enough to have been awarded the grant and as a part of the process acquired the property. Per GASB 49, a government is required to estimate the components of expected pollution remediation outlays and determine whether outlays for those components should be accrued as a liability when the government commences or legally obligates itself to commence pollution remediation. The remediation project was completed in 2014, and therefore, the City has no liability with regards to this project.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 16 – COMMITMENTS

A. Contractual Commitments

As of December 31, 2014, the City had the following commitments with respect to capital projects:

Project:	Commitment Amount
LUCAS 2 Compression System	15,000
Design of City Admin Bldg & Justice Center	115,038
Morbark Beaver Chipper	52,080
Athletes in Action CORF Grant	61,592
Massie Wellfield Remote SCADA	235,280
Vinyl Floor Replacement	9,633
Hgh Service Pump VFDs	283,204
Communication Services Tank Painting	38,373
Lighting Upgrade	13,000

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS

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

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

The board was granted the authority to adopt a resolution to levy an income tax with the district in accordance with ORC 715.74. The City entered into an agreement with the board to collect the income tax. The City distributes semi-annually income tax revenue generated from the payroll of Xenia Community schools or contractual services for construction or repair of buildings. Income tax revenues distributed to the JEDD Board, the Township, and the City are to be used to encourage and support the operations of the District, the Township, or the City, including, but not limited to, general governmental services, maintaining and improving infrastructure facilities, providing safety and health services, providing urban and economic development planning, engineering, counseling, consulting, marketing and financing services, and generally improving the environment for those working and residing in the District, the Township, or the City. Financial information can be obtained from JEDD-1 Treasurer Mark A. Bazalak, 101 N. Detroit Street, Xenia, Ohio 45385.

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

Miami Valley Regional Planning Commission

The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami, and Montgomery counties, and various cities residing within these counties. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses that affect the development of the region.

The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Payments to the Commission are made from the General Fund. The City contributed \$11,831 for the operation of the Commission during 2014. Financial information may be obtained by writing to Brian O. Martin, Executive Director, 1 S. Main Street, Suite 260, Dayton, Ohio 45402.

Greene County Agencies for Combined Enforcement (ACE Task Force)

The Greene County Agencies for Combined Enforcement (ACE Task Force) is a jointly governed organization comprised of the Greene County Sheriff's Office; the Beavercreek, Fairborn, Xenia, Yellow Springs and Sugarcreek Township Police Departments; and Greene County Prosecutor's Office. The ACE Task Force is a multi-jurisdictional, multi-disciplinary partnership to share information and resources in order to target the flow of illegal drugs and organized criminal activity into Ohio communities, ensuring the safety and security of Ohio's citizens. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. Payments to the Task Force are made from the Law Enforcement Fund. The City contributed \$10,500 during 2014. Financial information can be obtained from Greene County Agencies for Combined Enforcement (ACE Task Force), Commander Bruce L. May, 1388 Research Park Drive, Beavercreek, Ohio 45432.

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***Notes to the Basic Financial Statements
For the Year Ended December 31, 2014***

NOTE 18 - RISK MANAGEMENT

The City of Xenia is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the City of Xenia participates in the Public Entities Pool of Ohio (PEP)(See Note 20) that provides property and liability coverage to public entities in the state of Ohio. There were no significant reductions in insurance coverage in any category of risk over the prior year. The amount of any settlements has not exceeded insurance coverage over the past three years.

The City was also exposed to some level of risk related to health care costs. City employees participated in a fully insured health care plan provided by United Health Care that capped the employees out of pocket expenses at \$4,000 for single plans and \$8,000 for family plans. At December 31, 2014 the City had no liability related to the program, and all risk had been transferred to United Health Care.

NOTE 19 - 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.

NOTE 20 – PUBLIC ENTITIES POOL OF OHIO

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

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

NOTE 21 – SUBSEQUENT EVENTS

On January 22, 2015, the City approved an ordinance to issue General Obligation Bonds for renovating City Hall into a Justice Center and the construction of a new Administration Building.

On March 10, 2016, the City passed an ordinance to authorize the issuance of \$1,000,000 of bonds [Huntington Bank] for the purpose of paying part of the costs for various improvements at East End Park, Sol Arnovitz Park, Sterling Green Park, and Xenia Station Park.

On March 10, 2016, the City passed an ordinance to authorize the City Manager to enter into a lease agreement with US Bank for the purpose of financing a medic unit.

COMBINING AND **I**NDIVIDUAL **F**UND
STATEMENTS AND **S**CHEDULES

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 or committed to expenditures for specified purposes.

Indigent Driver Alcohol Treatment Fund

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

Law Enforcement and Education Fund

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

Probation Services Fund

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

State Route Repair Fund

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

City Motor Vehicle License Tax Fund

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

County Motor Vehicle License Tax Fund

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

Special Miscellaneous Improvements Fund

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

Tax Increment Equivalent Fund

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

(Continued)

Special Revenue Funds

911 Fund

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

Law Enforcement Fund

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

Drug Law Enforcement Fund

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

Municipal Court Victim Fund

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

Debt Service Fund

Debt Service Fund

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 restricted for use for the acquisition or construction of major capital facilities other than those financed by proprietary or trust funds.

Municipal Court Capital Improvements Fund

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

Issue II Fund

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

CITY OF XENIA, OHIO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and cash equivalents	\$ 396,795	\$ 19,922	\$ 74,184	\$ 490,901
Investments	1,461,593	73,389	273,255	1,808,237
Receivables:				
Taxes, including interest, penalties and liens	30,000	65,312	0	95,312
Intergovernmental	131,153	9,720	0	140,873
Accounts	12,976	0	0	12,976
Accrued interest	2,508	136	498	3,142
Grants	37,108	0	7,580	44,688
Prepaid items	37,540	0	39,418	76,958
Total Assets	\$ 2,109,673	\$ 168,479	\$ 394,935	\$ 2,673,087
Liabilities:				
Accounts payable	\$ 5,790	\$ 0	\$ 1,557	7,347
Accrued payroll	40,697	0	811	41,508
Total Liabilities	46,487	0	2,368	48,855
Deferred Inflows of Resources				
Property Taxes Levied for the Next Fiscal Year	30,000	58,278	0	88,278
Delinquent Property Tax Revenue Unavailable	0	7,034	0	7,034
Unavailable Revenue - Other	96,032	9,731	7,620	113,383
Total Deferred Inflows of Resources	126,032	75,043	7,620	208,695
Fund Balances:				
Nonspendable Fund balance				
Prepaid items	37,540	0	39,418	76,958
Restricted Fund Balance	1,745,092	93,436	345,529	2,184,057
Committed Fund Balance	154,522	0	0	154,522
Total Fund Balances	1,937,154	93,436	384,947	2,415,537
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 2,109,673	\$ 168,479	\$ 394,935	\$ 2,673,087

CITY OF XENIA, OHIO

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Other local taxes	\$ 46,392	\$ 64,826	\$ 0	\$ 111,218
State shared taxes and permits	247,178	14,581	0	261,759
Intergovernmental grants	382,379	0	85,402	467,781
Charges for services	6,530	0	0	6,530
Fines, costs, forfeitures, licenses and permits	310,782	0	89,562	400,344
Miscellaneous receipts and reimbursements, including interest	234,802	738	2,671	238,211
Total Revenue	<u>1,228,063</u>	<u>80,145</u>	<u>177,635</u>	<u>1,485,843</u>
Expenditures:				
Current:				
General government	703,721	0	4,172	707,893
Public safety	164,090	236	0	164,326
Highways and streets	210,594	233	0	210,827
Urban redevelopment & Housing	34,209	0	0	34,209
Economic Development & Assistance	23,013	0	0	23,013
Capital outlay	748,277	0	163,149	911,426
Debt service:				
Principal retirement	32,500	67,500	3,704	103,704
Interest & fiscal charges	5,671	11,778	374	17,823
Total Expenditures	<u>1,922,075</u>	<u>79,747</u>	<u>171,399</u>	<u>2,173,221</u>
Excess (deficiency) of revenues over expenditures	(694,012)	398	6,236	(687,378)
Other financing sources (uses):				
Transfers in	330,000	0	0	330,000
Total other financing sources (uses)	<u>330,000</u>	<u>0</u>	<u>0</u>	<u>330,000</u>
Net change in fund balances	(364,012)	398	6,236	(357,378)
Fund Balances at Beginning of Year	<u>2,301,166</u>	<u>93,038</u>	<u>378,711</u>	<u>2,772,915</u>
Fund Balances End of Year	<u>\$ 1,937,154</u>	<u>\$ 93,436</u>	<u>\$ 384,947</u>	<u>\$ 2,415,537</u>

CITY OF XENIA, OHIO

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2014**

	<u>Indigent Driver Alcohol Treatment</u>	<u>Law Enforcement and Education</u>	<u>Probation Service Fund</u>	<u>State Route Repair</u>	<u>City Motor Vehicle License Tax</u>
Assets:					
Cash and cash equivalents	\$ 57,946	\$ 4,096	\$ 13,828	\$ 23,264	\$ 39,748
Investments	213,446	15,081	50,921	85,703	146,405
Receivables:					
Taxes, including interest, penalties and liens	0	0	0	0	0
Intergovernmental	0	0	0	40,780	90,373
Accounts	0	0	0	0	0
Accrued interest	409	34	91	220	322
Grants	0	0	2,653	0	0
Prepaid items	25,000	0	325	0	0
Total Assets	\$ 296,801	\$ 19,211	\$ 67,818	\$ 149,967	\$ 276,848
Liabilities:					
Accounts payable	\$ 1,872	\$ 0	\$ 2,979	\$ 315	\$ 0
Accrued payroll	0	0	22,726	0	0
Total Liabilities	1,872	0	25,705	315	0
Deferred Inflows of Resources					
Property Taxes Levied for the Next Fiscal Year	0	0	0	0	0
Unavailable Revenue - Other	33	3	7	25,028	59,583
Total Deferred Inflows of Resources	33	3	7	25,028	59,583
Fund Balances:					
Nonspendable Fund Balance					
Prepaid items	25,000	0	325	0	0
Restricted Fund Balance	269,896	19,208	41,781	124,624	217,265
Committed Fund Balance	0	0	0	0	0
Total Fund Balances	294,896	19,208	42,106	124,624	217,265
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 296,801	\$ 19,211	\$ 67,818	\$ 149,967	\$ 276,848

CITY OF XENIA, OHIO

<u>County Motor Vehicle License Tax</u>	<u>Special Miscellaneous Improvements</u>	<u>Tax Increment Equivalent</u>	<u>911 Fund</u>	<u>Law Enforcement</u>	<u>Drug Law Enforcement</u>	<u>Municipal Court Victim</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 6,780	\$ 29,828	\$ 13,050	\$ 73,024	\$ 125,486	\$ 5,447	\$ 4,298	\$ 396,795
24,980	109,876	48,070	268,987	462,242	20,057	15,825	1,461,593
0	0	30,000	0	0	0	0	30,000
0	0	0	0	0	0	0	131,153
0	0	0	12,976	0	0	0	12,976
46	0	0	452	872	42	20	2,508
0	15,717	0	0	0	0	18,738	37,108
0	0	0	84	10,500	0	1,631	37,540
<u>\$ 31,806</u>	<u>\$ 155,421</u>	<u>\$ 91,120</u>	<u>\$ 355,523</u>	<u>\$ 599,100</u>	<u>\$ 25,546</u>	<u>\$ 40,512</u>	<u>\$ 2,109,673</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 624	\$ 0	\$ 5,790
0	274	0	4,798	0	0	12,899	40,697
0	274	0	4,798	0	624	12,899	46,487
0	0	30,000	0	0	0	0	30,000
4	625	0	36	70	3	10,640	96,032
4	625	30,000	36	70	3	10,640	126,032
0	0	0	84	10,500	0	1,631	37,540
31,802	0	61,120	350,605	588,530	24,919	15,342	1,745,092
0	154,522	0	0	0	0	0	154,522
31,802	154,522	61,120	350,689	599,030	24,919	16,973	1,937,154
<u>\$ 31,806</u>	<u>\$ 155,421</u>	<u>\$ 91,120</u>	<u>\$ 355,523</u>	<u>\$ 599,100</u>	<u>\$ 25,546</u>	<u>\$ 40,512</u>	<u>\$ 2,109,673</u>

CITY OF XENIA, OHIO

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Indigent Driver Alcohol Treatment	Law Enforcement and Education	Probation Service Fund	State Route Repair	City Motor Vehicle License Tax
Revenues:					
Other local taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State shared taxes and permits	0	0	0	77,857	169,321
Intergovernmental grants	0	0	118,554	0	0
Charges for services	0	0	6,530	0	0
Fines, costs, forfeitures, licenses and permits	37,984	1,055	81,890	0	0
Miscellaneous receipts and reimbursements, including interest	2,130	221	5,311	59,825	1,800
Total Revenue	40,114	1,276	212,285	137,682	171,121
Expenditures:					
Current:					
General government	63,837	0	443,789	0	0
Public safety	0	9,619	0	0	0
Highways and streets	0	0	0	199,416	0
Urban redevelopment & Housing	0	0	0	0	0
Economic Development & Assistance	0	0	0	0	0
Capital outlay	0	0	0	0	200,000
Debt service:					
Principal retirement	0	0	0	0	32,500
Interest & fiscal charges	0	0	0	0	5,671
Total Expenditures	63,837	9,619	443,789	199,416	238,171
Excess (deficiency) of revenues over expenditures	(23,723)	(8,343)	(231,504)	(61,734)	(67,050)
Other financing sources (uses):					
Transfers in	0	0	220,000	0	0
Total other financing sources (uses)	0	0	220,000	0	0
Net Change in Fund Balances	(23,723)	(8,343)	(11,504)	(61,734)	(67,050)
Fund Balances at Beginning of Year	318,619	27,551	53,610	186,358	284,315
Fund Balances End of Year	\$ 294,896	\$ 19,208	\$ 42,106	\$ 124,624	\$ 217,265

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	\$ 46,392	\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,392
0	0	0	0	0	0	0	247,178
0	195,844	0	0	3,520	0	64,461	382,379
0	0	0	0	0	0	0	6,530
0	0	0	157,864	0	950	31,039	310,782
<u>714</u>	<u>99,482</u>	<u>20</u>	<u>32,137</u>	<u>30,963</u>	<u>260</u>	<u>1,939</u>	<u>234,802</u>
<u>714</u>	<u>295,326</u>	<u>46,412</u>	<u>190,001</u>	<u>34,483</u>	<u>1,210</u>	<u>97,439</u>	<u>1,228,063</u>
0	0	666	0	0	942	194,487	703,721
0	0	0	106,681	39,738	8,052	0	164,090
0	11,178	0	0	0	0	0	210,594
0	34,209	0	0	0	0	0	34,209
0	0	23,013	0	0	0	0	23,013
215,288	314,587	0	11,000	0	0	7,402	748,277
0	0	0	0	0	0	0	32,500
0	0	0	0	0	0	0	5,671
<u>215,288</u>	<u>359,974</u>	<u>23,679</u>	<u>117,681</u>	<u>39,738</u>	<u>8,994</u>	<u>201,889</u>	<u>1,922,075</u>
(214,574)	(64,648)	22,733	72,320	(5,255)	(7,784)	(104,450)	(694,012)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>110,000</u>	<u>330,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>110,000</u>	<u>330,000</u>
(214,574)	(64,648)	22,733	72,320	(5,255)	(7,784)	5,550	(364,012)
<u>246,376</u>	<u>219,170</u>	<u>38,387</u>	<u>278,369</u>	<u>604,285</u>	<u>32,703</u>	<u>11,423</u>	<u>2,301,166</u>
<u>\$ 31,802</u>	<u>\$ 154,522</u>	<u>\$ 61,120</u>	<u>\$ 350,689</u>	<u>\$ 599,030</u>	<u>\$ 24,919</u>	<u>\$ 16,973</u>	<u>\$ 1,937,154</u>

CITY OF XENIA, OHIO

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2014**

	Municipal Court Capital Improvements	Issue II	Total Nonmajor Capital Projects Funds
Assets:			
Cash and cash equivalents	\$ 73,988	\$ 196	\$ 74,184
Investments	272,535	720	273,255
Receivables:			
Accrued interest	498	0	498
Grants	0	7,580	7,580
Prepaid items	39,418	0	39,418
Total Assets	\$ 386,439	\$ 8,496	\$ 394,935
Liabilities:			
Accounts payable	\$ 1,557	\$ 0	1,557
Accrued Payroll	\$ 811	\$ 0	811
Total Liabilities	2,368	0	2,368
Deferred Inflows of Resources			
Unavailable Revenue - Other	40	7,580	7,620
Total Deferred Inflows of Resources	40	7,580	7,620
Fund Balances:			
Nonspendable Fund Balance			
Prepaid items	39,418	0	39,418
Restricted Fund Balance	344,613	916	345,529
Total Fund Balances	384,031	916	384,947
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 386,439	\$ 8,496	\$ 394,935

CITY OF XENIA, OHIO

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Municipal Court Capital Improvements	Issue II	Total Nonmajor Capital Projects Funds
Revenues:			
Intergovernmental grants	\$ 0	\$ 85,402	\$ 85,402
Fines, costs, forfeitures, licenses and permits	89,562	0	89,562
Miscellaneous receipts and reimbursements, including interest	2,670	1	2,671
Total Revenue	92,232	85,403	177,635
Expenditures:			
Current:			
General government	4,172	0	4,172
Capital outlay	77,747	85,402	163,149
Debt service:			
Principal retirement	3,704	0	3,704
Interest & fiscal charges	374	0	374
Total Expenditures	85,997	85,402	171,399
Net change in fund balances	6,235	1	6,236
Fund Balances at Beginning of Year	377,796	915	378,711
Fund Balances End of Year	\$ 384,031	\$ 916	\$ 384,947

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

GENERAL FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Municipal Income Taxes	\$ 5,448,000	\$ 5,448,000	\$ 5,230,890	\$ (217,110)
Other Local Taxes	1,210,000	1,210,000	1,168,381	(41,619)
State Shared Taxes and Permits	1,020,326	970,326	993,276	22,950
Charges for Services	24,500	24,500	28,011	3,511
Fines, Costs, Forfeitures, Licenses and Permits	1,006,700	1,006,700	955,342	(51,358)
Miscellaneous Receipts and Reimbursements, Including Interest	427,723	425,623	478,451	52,828
Total Revenues	<u>9,137,249</u>	<u>9,085,149</u>	<u>8,854,351</u>	<u>(230,798)</u>
Expenditures:				
General Government:				
City Council and General Government:				
Personnel Services	34,367	35,144	35,141	3
General Operating Expenses	11,778	11,369	10,329	1,040
Contractual Services	87,094	113,518	117,014	(3,496)
Materials and Supplies	3,750	1,735	1,731	4
Contributions	90,982	90,982	91,462	(480)
Total City Council and General Government	<u>227,971</u>	<u>252,748</u>	<u>255,677</u>	<u>(2,929)</u>
Municipal Court:				
Personnel Services	1,079,800	1,079,800	1,048,813	30,987
General Operating Expenses	21,054	24,048	23,911	137
Contractual Services	94,174	93,030	85,674	7,356
Materials and Supplies	14,656	15,156	14,523	633
Contributions	52,620	52,620	25,577	27,043
Total Municipal Court	<u>1,262,304</u>	<u>1,264,654</u>	<u>1,198,497</u>	<u>66,157</u>
City Law Department:				
Personnel Services	146,085	146,085	109,967	36,118
General Operating Expenses	3,425	3,425	1,411	2,014
Contractual Services	20,509	20,709	18,805	1,904
Materials and Supplies	8,060	8,060	5,661	2,399
Total City Law Department	<u>178,079</u>	<u>178,279</u>	<u>135,844</u>	<u>42,435</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

GENERAL FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
City Manager's Office:				
Personnel Services	122,973	122,973	117,953	5,020
General Operating Expenses	4,995	5,805	4,834	971
Contractual Services	14,221	13,806	14,308	(502)
Materials and Supplies	5,877	5,982	4,433	1,549
Total City Manager's Office	<u>148,066</u>	<u>148,566</u>	<u>141,528</u>	<u>7,038</u>
Personnel Office:				
Personnel Services	22,655	22,655	21,847	808
General Operating Expenses	745	940	935	5
Contractual Services	56,856	66,284	65,908	376
Materials and Supplies	5,623	11,109	16,309	(5,200)
Total Personnel Office	<u>85,879</u>	<u>100,988</u>	<u>104,999</u>	<u>(4,011)</u>
Finance Office:				
Personnel Services	86,654	86,654	84,836	1,818
General Operating Expenses	820	820	595	225
Contractual Services	39,721	39,721	35,552	4,169
Materials and Supplies	3,764	3,764	3,128	636
Total Finance Office	<u>130,959</u>	<u>130,959</u>	<u>124,111</u>	<u>6,848</u>
Income Tax:				
Personnel Services	291,842	306,125	306,117	8
General Operating Expenses	7,508	7,508	6,335	1,173
Contractual Services	63,610	64,157	66,403	(2,246)
Materials and Supplies	4,839	4,842	4,661	181
Total Income Tax	<u>367,799</u>	<u>382,632</u>	<u>383,516</u>	<u>(884)</u>
Municipal Building and General Services:				
Contractual Services	191,806	197,390	195,135	2,255
Materials and Supplies	5,400	3,817	3,915	(98)
Total Municipal Building and General Services	<u>197,206</u>	<u>201,207</u>	<u>199,050</u>	<u>2,157</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

GENERAL FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Data Processing:				
Personnel Services	80,930	72,680	48,911	23,769
General Operating Expenses	6,750	6,750	3,903	2,847
Contractual Services	163,463	162,023	165,679	(3,656)
Materials and Supplies	24,226	25,666	30,960	(5,294)
Total Data Processing	<u>275,369</u>	<u>267,119</u>	<u>249,453</u>	<u>17,666</u>
Clerk of City Council:				
Personnel Services	33,909	34,320	34,236	84
General Operating Expenses	445	330	284	46
Contractual Services	17,932	18,272	27,100	(8,828)
Materials and Supplies	2,289	2,064	2,463	(399)
Total Clerk of City Council	<u>54,575</u>	<u>54,986</u>	<u>64,083</u>	<u>(9,097)</u>
Volunteer Program:				
General Operating Expenses	1,750	1,750	1,290	460
Contractual Services	1,865	1,865	0	1,865
Materials and Supplies	2,100	2,100	0	2,100
Total Volunteer Program	<u>5,715</u>	<u>5,715</u>	<u>1,290</u>	<u>4,425</u>
Public Affairs & CATV:				
Personnel Services	1,817	1,817	1,293	524
General Operating Expenses	0	0	0	
Contractual Services	11,550	12,081	12,079	2
Materials and Supplies	5,500	4,969	920	4,049
Total Public Affairs & CATV	<u>18,867</u>	<u>18,867</u>	<u>14,292</u>	<u>4,575</u>
Property Maintenance:				
Personnel Services	28,500	28,500	23,919	4,581
General Operating Expenses	325	325	200	125
Contractual Services	36,005	40,449	31,424	9,025
Materials and Supplies	923	1,479	969	510
Total Property Maintenance	<u>65,753</u>	<u>70,753</u>	<u>56,512</u>	<u>14,241</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

GENERAL FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Planning:				
Personnel Services	92,239	92,239	90,450	1,789
General Operating Expenses	2,295	2,575	2,539	36
Contractual Services	123,158	122,228	115,653	6,575
Materials and Supplies	716	1,366	1,155	211
Total Planning	<u>218,408</u>	<u>218,408</u>	<u>209,797</u>	<u>8,611</u>
Total General Government	<u>3,236,950</u>	<u>3,295,881</u>	<u>3,138,649</u>	<u>157,232</u>
Civil Defense:				
General Operating Expenses	500	500	0	500
Contractual Services	27,165	27,165	18,152	9,013
Materials and Supplies	1,000	3,000	271	2,729
Total Civil Defense	<u>28,665</u>	<u>30,665</u>	<u>18,423</u>	<u>12,242</u>
Engineering:				
Personnel Services	28,682	30,072	30,067	5
General Operating Expenses	984	1,262	1,191	71
Contractual Services	44,540	43,497	40,809	2,688
Materials and Supplies	2,759	3,524	3,248	276
Total Engineering	<u>76,965</u>	<u>78,355</u>	<u>75,315</u>	<u>3,040</u>
Construction Inspection:				
Personnel Services	20,742	21,420	21,241	179
General Operating Expenses	113	113	0	113
Contractual Services	7,458	7,458	7,253	205
Materials and Supplies	1,033	1,283	854	429
Total Construction Inspection	<u>29,346</u>	<u>30,274</u>	<u>29,348</u>	<u>926</u>
Total Public Safety	<u>134,976</u>	<u>139,294</u>	<u>123,087</u>	<u>16,207</u>
Economic Development & Assistance:				
Personnel Services	126,390	126,390	119,193	7,197
Contractual Services	1,037	29,617	52,836	(23,219)
Materials and Supplies	26	26	26	0
Total Economic Development & Assistance	<u>127,453</u>	<u>156,033</u>	<u>172,055</u>	<u>(16,022)</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

GENERAL FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Highways and Streets:				
Street Lighting:				
Contractual Services	265,046	265,046	255,273	9,773
Total Highways and Streets	<u>265,046</u>	<u>265,046</u>	<u>255,273</u>	<u>9,773</u>
Urban Redevelopment and Housing:				
Personnel Services	73,263	73,263	72,077	1,186
General Operating Expenses	1,950	1,950	310	1,640
Contractual Services	14,897	14,897	10,827	4,070
Materials and Supplies	1,863	1,863	541	1,322
Total Urban Redevelopment & Housing	<u>91,973</u>	<u>91,973</u>	<u>83,755</u>	<u>8,218</u>
Xenia Station:				
Contractual Services	11,669	25,035	25,468	(433)
Materials and Supplies	5,710	2,410	1,937	473
Total Xenia Station	<u>17,379</u>	<u>27,445</u>	<u>27,405</u>	<u>40</u>
General Park Maintenance:				
Personnel Services	67,978	75,391	75,388	3
General Operating Expenses	1,238	1,238	327	911
Contractual Services	126,618	133,226	109,508	23,718
Materials and Supplies	23,629	24,024	12,705	11,319
Total General Park Maintenance	<u>219,463</u>	<u>233,879</u>	<u>197,928</u>	<u>35,951</u>
Total Recreation	<u>236,842</u>	<u>261,324</u>	<u>225,334</u>	<u>35,990</u>
Total Expenditures	<u>4,093,240</u>	<u>4,209,551</u>	<u>3,998,152</u>	<u>211,399</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	5,044,009	4,875,598	4,856,199	(19,399)
Other Financing Sources (Uses):				

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	GENERAL FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Transfers In	3,000	3,000	0	(3,000)
Transfers Out	(6,478,000)	(6,501,670)	(5,330,000)	1,171,670
Advances In	1,291,000	1,000,000	0	(1,000,000)
Advances Out	(1,221,000)	(1,221,000)	0	1,221,000
Total Other Financing Sources (Uses)	<u>(6,405,000)</u>	<u>(6,719,670)</u>	<u>(5,330,000)</u>	<u>1,389,670</u>
Net Change in Fund Balance	(1,360,991)	(1,844,072)	(473,801)	1,370,271
Fund Balance at Beginning of Year	2,688,962	2,688,962	2,688,962	0
Prior Year Encumbrances	262,653	262,653	262,653	0
Fund Balance at End of Year	<u>\$ 1,590,624</u>	<u>\$ 1,107,543</u>	<u>\$ 2,477,814</u>	<u>\$ 1,370,271</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

STATE GAS AND VEHICLE LICENSE				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
State Shared Taxes and Permits	\$ 975,000	\$ 975,000	\$ 957,547	\$ (17,453)
Charges for Services	4,000	4,000	2,060	(1,940)
Miscellaneous Receipts and Reimbursements, Including Interest	1,900	71,900	115,748	43,848
Total Revenues	<u>980,900</u>	<u>1,050,900</u>	<u>1,075,355</u>	<u>24,455</u>
Expenditures:				
Highways and Streets - Current:				
Personnel Services	719,534	719,534	680,537	38,997
General Operating	800	800	688	112
Contractual Services	188,551	185,126	160,644	24,482
Materials and Supplies	171,912	341,922	341,671	251
Non-governmental	4,000	4,000	0	4,000
Total Expenditures	<u>1,084,797</u>	<u>1,251,382</u>	<u>1,183,540</u>	<u>67,842</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(103,897)	(200,482)	(108,185)	92,297
Net Change in Fund Balance	(103,897)	(200,482)	(108,185)	92,297
Fund Balance at Beginning of Year	201,048	201,048	201,048	0
Prior Year Encumbrances	32,753	32,753	32,753	0
Fund Balance at End of Year	<u>\$ 129,904</u>	<u>\$ 33,319</u>	<u>\$ 125,616</u>	<u>\$ 92,297</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

POLICE AND FIRE FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Municipal Income Taxes	\$ 5,248,000	\$ 5,248,000	\$ 5,224,254	\$ (23,746)
Other Local Taxes	200,000	200,000	194,476	(5,524)
State Shared Taxes and Permits	34,300	34,300	33,455	(845)
Intergovernmental Grants	195,838	145,838	207,207	61,369
Charges for Services	2,102,754	2,102,754	2,158,098	55,344
Fines, Costs, Forfeitures, Licenses and Permits	10,000	10,000	8,085	(1,915)
Miscellaneous Receipts and Reimbursements, Including Interest	312,000	312,000	319,626	7,626
Total Revenues	<u>8,102,892</u>	<u>8,052,892</u>	<u>8,145,201</u>	<u>92,309</u>
Expenditures:				
Public Safety - Current:				
Police:				
Personnel Services	5,345,525	5,276,359	5,143,961	132,398
General Operating	22,100	29,582	29,806	(224)
Contractual Services	981,106	965,784	839,923	125,861
Materials and Supplies	140,638	147,678	218,811	(71,133)
Total Police	<u>6,489,369</u>	<u>6,419,403</u>	<u>6,232,501</u>	<u>186,902</u>
Fire:				
Personnel Services	4,627,993	4,627,993	4,420,528	207,465
General Operating	15,090	18,990	18,186	804
Contractual Services	446,528	465,928	467,568	(1,640)
Materials & Supplies	137,136	147,186	132,400	14,786
Total Fire	<u>5,226,747</u>	<u>5,260,097</u>	<u>5,038,682</u>	<u>221,415</u>
Communications:				
Personnel Services	1,465,808	1,525,470	1,525,467	3
General Operating Expense	3,650	8,630	8,616	14
Contractual Services	112,174	113,644	115,346	(1,702)
Materials & Supplies	42,980	36,530	40,621	(4,091)
Total Communications	<u>1,624,612</u>	<u>1,684,274</u>	<u>1,690,050</u>	<u>(5,776)</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
POLICE AND FIRE FUND				
Total Public Safety	13,340,728	13,363,774	12,961,233	402,541
Capital Outlay:				
Capital Improvements	1,623,700	1,351,200	1,253,057	98,143
Debt Service:				
Principal Retirement	271,503	271,503	271,492	11
Interest and Fiscal Charges	32,052	32,052	32,050	2
Total Debt Service	303,555	303,555	303,542	13
 Total Expenditures	 <u>15,267,983</u>	 <u>15,018,529</u>	 <u>14,517,832</u>	 <u>500,697</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 (7,165,091)	 (6,965,637)	 (6,372,631)	 593,006
Other Financing Sources (Uses):				
Proceeds from Capital Lease	635,000	635,000	653,470	18,470
Proceeds from Loan	400,000	400,000	400,000	0
Transfers In	6,000,000	6,000,000	5,000,000	(1,000,000)
Total Other Financing Sources (Uses)	<u>7,035,000</u>	<u>7,035,000</u>	<u>6,053,470</u>	<u>(981,530)</u>
 Net Change in Fund Balance	 (130,091)	 69,363	 (319,161)	 (388,524)
Fund Balance at Beginning of Year	502,477	502,477	502,477	0
Prior Year Encumbrances	959,116	959,116	959,116	0
Fund Balance at End of Year	<u><u>\$ 1,331,502</u></u>	<u><u>\$ 1,530,956</u></u>	<u><u>\$ 1,142,432</u></u>	<u><u>\$ (388,524)</u></u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

CAPITAL IMPROVEMENTS FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$ 1,166,176	\$ 1,166,176	\$ 1,306,064	\$ 139,888
Other Local Taxes	25,000	25,000	39,087	14,087
Intergovernmental Grants	4,122,941	4,122,941	2,669,400	(1,453,541)
Miscellaneous Receipts and Reimbursements				
Including Interest	51,501	51,501	126,409	74,908
Total Revenues	<u>5,365,618</u>	<u>5,365,618</u>	<u>4,140,960</u>	<u>(1,224,658)</u>
Expenditures:				
Capital Outlay:				
Contractual Services	3,091,086	1,690,745	4,033,662	(2,342,917)
Materials and Supplies	149,900	151,930	38,103	113,827
Capital Improvements	6,928,970	8,925,171	1,605,667	7,319,504
Debt Service:				
Principal Retirement	253,742	253,742	105,057	148,685
Interest and Fiscal Charges	140,405	140,405	18,457	121,948
Total Expenditures	<u>10,564,103</u>	<u>11,161,993</u>	<u>5,800,947</u>	<u>5,361,046</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(5,198,485)	(5,796,375)	(1,659,987)	(4,136,388)
Other Financing Sources (Uses):				
Proceeds from General Obligation Bonds	4,648,115	4,648,115	0	(4,648,115)
Transfers In	0	0	0	0
Advances In	1,000,000	1,000,000	0	(1,000,000)
Advances Out	(1,000,000)	(1,000,000)	0	1,000,000
Total Other Financing Sources (Uses)	<u>4,648,115</u>	<u>4,648,115</u>	<u>0</u>	<u>(4,648,115)</u>
Net Change in Fund Balance	(550,370)	(1,148,260)	(1,659,987)	(511,726)
Fund Balance at Beginning of Year	(2,174,328)	(2,174,328)	(2,174,328)	0
Prior Year Encumbrances	3,799,780	3,799,780	3,799,780	0
Fund Balance at End of Year	<u>\$ 1,075,082</u>	<u>\$ 477,192</u>	<u>\$ (34,534)</u>	<u>\$ (511,726)</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

INDIGENT DRIVER ALCOHOL TREATMENT				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 45,000	\$ 45,000	\$ 43,430	\$ (1,570)
Miscellaneous Receipts and Reimbursements, Including Interest	1,200	1,200	1,606	406
Total Revenues	<u>46,200</u>	<u>46,200</u>	<u>45,036</u>	<u>(1,164)</u>
Expenditures:				
Public Safety - Current:				
Contractual Services	44,428	44,428	18,315	26,113
Materials and Supplies	0	370	0	370
Contributions	50,000	50,000	50,000	0
Total Expenditures	<u>94,428</u>	<u>94,798</u>	<u>68,315</u>	<u>26,483</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	(48,228)	(48,598)	(23,279)	25,319
Fund Balance at Beginning of Year	285,323	285,323	285,323	0
Prior Year Encumbrances	3,185	3,185	3,185	0
Fund Balance at End of Year	<u>\$ 240,280</u>	<u>\$ 239,910</u>	<u>\$ 265,229</u>	<u>\$ 25,319</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

LAW ENFORCEMENT AND EDUCATION				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 1,500	\$ 1,500	\$ 1,055	\$ (445)
Miscellaneous Receipts and Reimbursements, Including Interest	<u>15,600</u>	<u>15,600</u>	<u>162</u>	<u>(15,438)</u>
Total Revenues	<u>17,100</u>	<u>17,100</u>	<u>1,217</u>	<u>(15,883)</u>
Expenditures:				
Public Safety - Current:				
Contractual Services	11,075	1,735	690	1,045
Materials and Supplies	7,500	16,840	9,594	7,246
Capital Outlay	<u>7,500</u>	<u>7,500</u>	<u>0</u>	<u>7,500</u>
Total Expenditures	<u>26,075</u>	<u>26,075</u>	<u>10,284</u>	<u>15,791</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,975)	(8,975)	(9,067)	(92)
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(8,975)	(8,975)	(9,067)	(92)
Fund Balance at Beginning of Year	26,715	26,715	26,715	0
Prior Year Encumbrances	<u>575</u>	<u>575</u>	<u>575</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 18,315</u>	<u>\$ 18,315</u>	<u>\$ 18,223</u>	<u>\$ (92)</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

PROBATION SERVICES

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Grants	\$ 125,000	\$ 125,000	\$ 125,167	\$ 167
Charges for Services	15,000	15,000	6,530	(8,470)
Fines, Costs, Forfeitures, Licenses and Permits	100,000	100,000	81,890	(18,110)
Miscellaneous Receipts and Reimbursements, Including Interest	0	0	5,170	5,170
Total Revenues	<u>240,000</u>	<u>240,000</u>	<u>218,757</u>	<u>(21,243)</u>
Expenditures:				
Public Safety - Current:				
Personnel Services	395,465	395,465	380,352	15,113
General Operating	2,200	2,200	1,804	396
Contractual Services	71,836	72,036	85,214	(13,178)
Materials and Supplies	6,500	6,300	5,554	746
Total Expenditures	<u>476,001</u>	<u>476,001</u>	<u>472,924</u>	<u>3,077</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(236,001)	(236,001)	(254,167)	(18,166)
Other Financing Sources (Uses):				
Transfers In	245,000	245,000	220,000	(25,000)
Total Other Financing Sources (Uses)	<u>245,000</u>	<u>245,000</u>	<u>220,000</u>	<u>(25,000)</u>
Net Change in Fund Balance	8,999	8,999	(34,167)	(43,166)
Fund Balance at Beginning of Year	40,373	40,373	40,373	0
Prior Year Encumbrances	25,771	25,771	25,771	0
Fund Balance at End of Year	<u>\$ 75,143</u>	<u>\$ 75,143</u>	<u>\$ 31,977</u>	<u>\$ (43,166)</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
STATE ROUTE REPAIR				
Revenues:				
State Shared Taxes and Permits	\$ 81,000	\$ 81,000	\$ 77,639	\$ (3,361)
Miscellaneous Receipts and Reimbursements, Including Interest	500	30,500	59,357	28,857
Total Revenues	<u>81,500</u>	<u>111,500</u>	<u>136,996</u>	<u>25,496</u>
Expenditures:				
Highways and Streets - Current:				
Contractual Services	82,792	89,432	68,727	20,705
Materials and Supplies	72,590	172,809	169,184	3,625
Total Expenditures	<u>155,382</u>	<u>262,241</u>	<u>237,911</u>	<u>24,330</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,882)	(150,741)	(100,915)	49,826
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(73,882)	(150,741)	(100,915)	49,826
Fund Balance at Beginning of Year	164,815	164,815	164,815	0
Prior Year Encumbrances	26,950	26,950	26,950	0
Fund Balance at End of Year	<u>\$ 117,883</u>	<u>\$ 41,024</u>	<u>\$ 90,850</u>	<u>\$ 49,826</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

CITY MOTOR VEHICLE LICENSE TAX				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
State Shared Taxes and Permits	\$ 175,000	\$ 175,000	\$ 169,795	\$ (5,205)
Miscellaneous Receipts and Reimbursements, including Interest	900	900	1,257	357
Total Revenues	<u>175,900</u>	<u>175,900</u>	<u>171,052</u>	<u>(4,848)</u>
Expenditures:				
Highways and Streets - Current:				
Capital Outlay	54,540	254,000	200,000	54,000
Debt Service:				
Principal Retirement	32,500	32,500	32,500	0
Interest and Fiscal Charges	5,673	5,673	5,671	2
Total Expenditures	<u>92,713</u>	<u>292,173</u>	<u>238,171</u>	<u>54,002</u>
Net Change in Fund Balance	83,187	(116,273)	(67,119)	49,154
Fund Balance at Beginning of Year	<u>253,695</u>	<u>253,695</u>	<u>253,695</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 336,882</u>	<u>\$ 137,422</u>	<u>\$ 186,576</u>	<u>\$ 49,154</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

COUNTY MOTOR VEHICLE LICENSE TAX				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Miscellaneous Receipt and Reimbursements, Including Interest	300	300	661	361
Total Revenues	<u>300</u>	<u>300</u>	<u>661</u>	<u>361</u>
 Net Change in Fund Balance	 300	 300	 661	 361
Fund Balance at Beginning of Year	<u>31,171</u>	<u>31,171</u>	<u>31,171</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 31,471</u>	<u>\$ 31,471</u>	<u>\$ 31,832</u>	<u>\$ 361</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

SPECIAL MISCELLANEOUS IMPROVEMENTS				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Grants	300,000	300,000	180,752	\$ (119,248)
Miscellaneous Receipts and Reimbursements, Including Interest	\$ 98,125	\$ 98,125	\$ 98,988	863
Total Revenues	<u>398,125</u>	<u>398,125</u>	<u>279,740</u>	<u>(118,385)</u>
Expenditures:				
General Government - Current:				
Personnel Services	24,403	24,403	11,361	13,042
Contractual Services	60,000	60,000	39,834	20,166
Materials and Supplies	3,450	3,450	144	3,306
Capital Outlay	470,000	470,000	314,587	155,413
Total Expenditures	<u>557,853</u>	<u>557,853</u>	<u>365,926</u>	<u>191,927</u>
Net Change in Fund Balance	(159,728)	(159,728)	(86,186)	73,542
Fund Balance at Beginning of Year	<u>220,582</u>	<u>220,582</u>	<u>220,582</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 60,854</u>	<u>\$ 60,854</u>	<u>\$ 134,396</u>	<u>\$ 73,542</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	TAX INCREMENT EQUIVALENT			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Other Local Taxes	\$ 60,000	\$ 60,000	\$ 46,392	\$ (13,608)
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>46,392</u>	<u>(13,608)</u>
Expenditures:				
General Government - Current:				
General Operating	7,165	7,124	3,292	3,832
Contractual Services	26,516	27,145	24,337	2,808
Materials and Supplies	4,433	3,845	1,704	2,141
Total Expenditures	<u>38,114</u>	<u>38,114</u>	<u>29,333</u>	<u>8,781</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,886	21,886	17,059	(4,827)
Net Change in Fund Balance	21,886	21,886	17,059	(4,827)
Fund Balance at Beginning of Year	37,575	37,575	37,575	0
Prior Year Encumbrances	5,719	5,719	5,719	0
Fund Balance at End of Year	<u>\$ 65,180</u>	<u>\$ 65,180</u>	<u>\$ 60,353</u>	<u>\$ (4,827)</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	911 FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 145,000	\$ 145,000	\$ 157,864	\$ 12,864
Miscellaneous Receipts and Reimbursements, Including Interest	26,500	26,500	31,272	4,772
Total Revenues	<u>171,500</u>	<u>171,500</u>	<u>189,136</u>	<u>17,636</u>
Expenditures:				
Public Safety - Current:				
Personnel Services	114,876	94,384	83,307	11,077
Contractual Services	16,518	10,799	18,220	(7,421)
Materials and Supplies	8,945	7,126	20,391	(13,265)
Capital Outlay	0	29,166	11,000	18,166
Total Expenditures	<u>140,339</u>	<u>141,475</u>	<u>132,918</u>	<u>8,557</u>
Net Change in Fund Balance	31,161	30,025	56,218	26,193
Fund Balance at Beginning of Year	251,060	251,060	251,060	0
Prior Year Encumbrances	25,463	25,463	25,463	0
Fund Balance at End of Year	<u>\$ 307,684</u>	<u>\$ 306,548</u>	<u>\$ 332,741</u>	<u>\$ 26,193</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

LAW ENFORCEMENT				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental Grants	\$ 10,000	\$ 10,000	\$ 3,520	\$ (6,480)
Miscellaneous Receipts and Reimbursements, Including Interest	54,200	54,200	29,837	(24,363)
Total Revenues	<u>64,200</u>	<u>64,200</u>	<u>33,357</u>	<u>(30,843)</u>
Expenditures:				
Public Safety - Current:				
Contractual Services	34,000	34,000	20,125	13,875
Materials and Supplies	47,500	47,500	38,811	8,689
Capital Outlay	290,000	290,000	0	290,000
Total Expenditures	<u>371,500</u>	<u>371,500</u>	<u>58,936</u>	<u>312,564</u>
Net Change in Fund Balance	(307,300)	(307,300)	(25,579)	281,721
Fund Balance at Beginning of Year	585,961	585,961	585,961	0
Prior Year Encumbrances	19,343	19,343	19,343	0
Fund Balance at End of Year	<u>\$ 298,004</u>	<u>\$ 298,004</u>	<u>\$ 579,725</u>	<u>\$ 281,721</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
DRUG LAW ENFORCEMENT				
Revenues:				
Fines, Costs, Forfeitures, Licenses and Permits	\$ 0	\$ 0	\$ 950	\$ 950
Miscellaneous Receipts and Reimbursements, Including Interest	<u>100</u>	<u>100</u>	<u>191</u>	<u>91</u>
Total Revenues	<u>100</u>	<u>100</u>	<u>1,141</u>	<u>1,041</u>
Expenditures:				
Public Safety - Current:				
Contractual Services	5,000	5,000	0	5,000
Materials and Supplies	<u>10,000</u>	<u>10,000</u>	<u>9,020</u>	<u>980</u>
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>9,020</u>	<u>5,980</u>
Net Change in Fund Balance	(14,900)	(14,900)	(7,879)	7,021
Fund Balance at Beginning of Year	<u>32,791</u>	<u>32,791</u>	<u>32,791</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 17,891</u>	<u>\$ 17,891</u>	<u>\$ 24,912</u>	<u>\$ 7,021</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
MUNICIPAL COURT VICTIM				
Revenues:				
Intergovernmental Grants	\$ 63,217	\$ 63,217	\$ 67,797	\$ 4,580
Fines, Costs, Forfeitures, Licenses and Permits	33,000	33,000	31,039	(1,961)
Miscellaneous Receipts and Reimbursements, Including Interest	40	40	1,941	1,901
Total Revenues	<u>96,257</u>	<u>96,257</u>	<u>100,777</u>	<u>4,520</u>
Expenditures:				
General Government - Current:				
Personnel Services	190,792	190,792	185,140	5,652
General Operating	2,200	1,087	0	1,087
Contractual Services	6,478	6,508	5,949	559
Materials and Supplies	4,254	5,337	5,223	114
Capital Outlay	12,576	12,576	7,435	5,141
Total Expenditures	<u>216,300</u>	<u>216,300</u>	<u>203,747</u>	<u>12,553</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(120,043)	(120,043)	(102,970)	17,073
Other Financing Sources (Uses):				
Transfers In	120,000	120,000	110,000	(10,000)
Total Other Financing Sources (Uses)	<u>120,000</u>	<u>120,000</u>	<u>110,000</u>	<u>(10,000)</u>
Net Change in Fund Balance	(43)	(43)	7,030	7,073
Fund Balance at Beginning of Year	6,368	6,368	6,368	0
Prior Year Encumbrances	1,163	1,163	1,163	0
Fund Balance at End of Year	<u>\$ 7,488</u>	<u>\$ 7,488</u>	<u>\$ 14,561</u>	<u>\$ 7,073</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

DEBT SERVICE FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Other Local Taxes	\$ 60,000	\$ 60,000	\$ 64,826	\$ 4,826
State Shares Taxes and Permits	14,859	14,859	14,581	(278)
Miscellaneous Receipts and Reimbursements, Including Interest	250	250	568	318
Total Revenues	<u>75,109</u>	<u>75,109</u>	<u>79,975</u>	<u>4,866</u>
Expenditures:				
Public Safety:				
Police and Fire Pension				
Contractual Services	750	750	236	514
Total Public Safety	<u>750</u>	<u>750</u>	<u>236</u>	<u>514</u>
Highways and Streets:				
Streets				
Contractual Services	750	750	233	517
Total Highways and Streets	<u>750</u>	<u>750</u>	<u>233</u>	<u>517</u>
Debt Service:				
Principal Retirement	67,500	67,500	67,500	0
Interest and Fiscal Charges	11,781	11,781	11,778	3
Total Debt Service	<u>79,281</u>	<u>79,281</u>	<u>79,278</u>	<u>3</u>
Total Expenditures	<u>80,781</u>	<u>80,781</u>	<u>79,747</u>	<u>1,034</u>
Net Change in Fund Balance	(5,672)	(5,672)	228	5,900
Fund Balance at Beginning of Year	<u>93,295</u>	<u>93,295</u>	<u>93,295</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 87,623</u>	<u>\$ 87,623</u>	<u>\$ 93,523</u>	<u>\$ 5,900</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
MUNICIPAL COURT CAPITAL IMPROVEMENTS FUND				
Revenues:				
Fines, Costs, Forfeitures, Licenses and Permits	90,000	90,000	89,562	(438)
Miscellaneous Receipts and Reimbursements, Including Interest	<u>1,500</u>	<u>1,500</u>	<u>2,095</u>	<u>595</u>
Total Revenues	<u>91,500</u>	<u>91,500</u>	<u>91,657</u>	<u>157</u>
Expenditures:				
Capital Outlay:				
Contractual Services	113,861	113,861	113,591	270
Materials and Supplies	2,750	2,750	260	2,490
Capital Improvements	56,325	56,325	4,538	51,787
Debt Service:				
Principal Retirement	3,705	3,705	3,705	0
Interest and Fiscal Charges	<u>376</u>	<u>376</u>	<u>376</u>	<u>0</u>
Total Expenditures	<u>177,017</u>	<u>177,017</u>	<u>122,469</u>	<u>54,548</u>
Net Change in Fund Balance	(85,517)	(85,517)	(30,812)	54,705
Fund Balance at Beginning of Year	333,240	333,240	333,240	0
Prior Year Encumbrances	<u>7,005</u>	<u>7,005</u>	<u>7,005</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 254,728</u>	<u>\$ 254,728</u>	<u>\$ 309,432</u>	<u>\$ 54,704</u>

CITY OF XENIA, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2014**

	ISSUE II FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenues:				
Intergovernmental Grants	\$ 69,135	\$ 85,403	\$ 85,402	\$ (1)
Miscellaneous Receipts and Reimbursements	0	0	0	0
Total Revenues	<u>69,135</u>	<u>85,403</u>	<u>85,402</u>	<u>(1)</u>
Expenditures:				
Capital Outlay:				
Capital Improvements	69,134	85,402	85,402	0
Total Expenditures	<u>69,134</u>	<u>85,402</u>	<u>85,402</u>	<u>0</u>
Net Change in Fund Balance	1	1	0	(1)
Fund Balance at Beginning of Year	(68,216)	(68,216)	(68,216)	0
Prior Year Encumbrances	69,134	69,134	69,134	0
Fund Balance at End of Year	<u>\$ 919</u>	<u>\$ 919</u>	<u>\$ 918</u>	<u>\$ (1)</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 for similar economic development activities.

Parking Revenue Fund

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

CDBG and UDAG Revolving Loan Fund

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

Housing Rehabilitation Loan Fund

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

CITY OF XENIA, OHIO

**STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2014**

	<u>Loan</u>	<u>Parking Revenue</u>	<u>CDBG & UDAG Revolving Loan</u>	<u>Housing Rehabilitation Loan</u>	<u>Total Nonmajor Enterprise Funds</u>
Assets:					
Current Assets:					
Cash and cash equivalents	\$ 106,164	\$ 5,221	\$ 32,498	\$ 39,377	\$ 183,260
Investments	391,068	19,229	119,715	145,059	675,071
Receivables:					
Accounts	0	14,289	0	0	14,289
Loans	24,000	0	0	19,123	43,123
Accrued interest	677	0	202	255	1,134
Grants	0	0	6,058	0	6,058
Prepaid items	111	202	0	0	313
Total Current Assets	<u>522,020</u>	<u>38,941</u>	<u>158,473</u>	<u>203,814</u>	<u>923,248</u>
Noncurrent Assets:					
Unrestricted:					
Loans receivable (net of current)	193,341	0	15,434	786,257	995,032
Capital Assets (net of accumulated depreciation)	0	196,154	0	0	196,154
Total Noncurrent Assets	<u>193,341</u>	<u>196,154</u>	<u>15,434</u>	<u>786,257</u>	<u>1,191,186</u>
Total Assets	<u>\$ 715,361</u>	<u>\$ 235,095</u>	<u>\$ 173,907</u>	<u>\$ 990,071</u>	<u>\$ 2,114,434</u>
Liabilities:					
Current Liabilities:					
Accounts payable	\$ 0	\$ 10,937	\$ 0	\$ 0	\$ 10,937
Accrued payroll	31	1,387	0	242	1,660
Compensated Absences	0	69	0	57	126
Total Current Liabilities	<u>31</u>	<u>12,393</u>	<u>0</u>	<u>299</u>	<u>12,723</u>
Noncurrent Liabilities					
Compensated Absences	0	1,083	0	906	1,989
Total Noncurrent Liabilities	<u>0</u>	<u>1,083</u>	<u>0</u>	<u>906</u>	<u>1,989</u>
Total Liabilities	<u>31</u>	<u>13,476</u>	<u>0</u>	<u>1,205</u>	<u>14,712</u>
Net Position:					
Net Investment in Capital Assets	0	196,154	0	0	196,154
Unrestricted	715,330	25,465	173,907	988,866	1,903,568
Total Net Position	<u>\$ 715,330</u>	<u>\$ 221,619</u>	<u>\$ 173,907</u>	<u>\$ 988,866</u>	<u>\$ 2,099,722</u>

CITY OF XENIA, OHIO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Loan	Parking Revenue	CDBG & UDAG Revolving Loan	Housing Rehabilitation Loan	Total Nonmajor Enterprise Funds
Operating revenues:					
Charges for services	\$ 9,752	\$ 45,013	\$ 0	\$ 22,782	\$ 77,547
Operating expenses:					
Personnel services	1,550	17,957	0	4,573	24,080
General operating	0	0	4,085	0	4,085
Contractual services	366	18,189	13,048	10,000	41,603
Materials and supplies	0	2,586	5,047	0	7,633
Depreciation	0	5,463	0	0	5,463
Non-governmental	0	0	7,717	52,650	60,367
Total expenses	1,916	44,195	29,897	67,223	143,231
Operating income (loss)	7,836	818	(29,897)	(44,441)	(65,684)
Non-operating revenues:					
Interest revenue	3,470	6	896	1,307	5,679
Other	44	652	0	50	746
Intergovernmental	0	0	82,130	93,578	175,708
Total Non-operating revenue	3,514	658	83,026	94,935	182,133
Non-operating expenses:					
Loss on disposal	0	0	56,346	0	56,346
Total Non-Operating Expenses	0	0	56,346	0	56,346
Change in Net Position	11,350	1,476	(3,217)	50,494	60,103
Net Position, beginning of year	703,980	220,143	177,124	938,372	2,039,619
Net Position, end of year	\$ 715,330	\$ 221,619	\$ 173,907	\$ 988,866	\$ 2,099,722

CITY OF XENIA, OHIO

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Loan	Parking Revenue	CDBG & UDAG Revolving Loan	Housing Rehabilitation Loan	Total Other Enterprise Funds
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Customers	\$78,196	\$45,976	\$0	\$42,165	\$166,337
Cash Payments for Goods and Services	(10,336)	(9,865)	(78,621)	(114,134)	(212,956)
Cash Payments to Employees	(1,683)	(28,116)	0	(4,603)	(34,402)
Net Cash Provided (Used) by Operating Activities	<u>66,177</u>	<u>7,995</u>	<u>(78,621)</u>	<u>(76,572)</u>	<u>(81,021)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>					
Advances In from Other Funds	0	0	0	0	0
Advances Out to Other Funds	0	0	0	0	0
Net Cash Provided (Used) by Noncapital Financing Activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Intergovernmental Grants	0	0	106,000	96,100	202,100
Acquisition and Construction of Assets	0	0	0	0	0
Net Cash Provided by Capital and Related Financing Activities	<u>0</u>	<u>0</u>	<u>106,000</u>	<u>96,100</u>	<u>202,100</u>
<u>Cash Flows from Investing Activities:</u>					
Purchase of Investments	(78,223)	(7,210)	(29,043)	(25,286)	(139,762)
Receipts of Interest	2,883	0	731	986	4,600
Net Cash Provided (Used) by Investing Activities	<u>(75,340)</u>	<u>(7,210)</u>	<u>(28,312)</u>	<u>(24,300)</u>	<u>(135,162)</u>
Net Change in Cash and Cash Equivalents	(9,163)	785	(933)	(4,772)	(14,083)
Cash and Cash Equivalents at Beginning of Year	115,327	4,436	33,431	44,149	197,343
Cash and Cash Equivalents at End of Year	<u>\$106,164</u>	<u>\$5,221</u>	<u>\$32,498</u>	<u>\$39,377</u>	<u>\$183,260</u>
<u>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</u>					
Operating Income/(Loss)	7,836	818	(29,897)	(44,441)	(\$65,684)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:					
Depreciation Expense	0	5,463	0	0	5,463
Income - Other Nonoperating	44	652	0	50	746
Expense - Other Nonoperating	0	0	(56,346)	0	(56,346)
Changes in Assets and Liabilities:					
(Increase) Decrease in Principal Receivable	58,400	0	7,717	69,866	135,983
(Increase) Decrease in Accounts Receivable	0	310	0	0	310
(Increase) Decrease in Prepaid Items	30	(26)	0	0	4
Increase (Decrease) in Accounts Payable	0	3,490	(95)	(102,016)	(98,621)
Increase (Decrease) in Accrued Payroll	(133)	(568)	0	(20)	(721)
Increase (Decrease) in Compensated Absences Payable	0	(2,144)	0	(11)	(2,155)
Total Adjustments	<u>58,341</u>	<u>7,177</u>	<u>(48,724)</u>	<u>(32,131)</u>	<u>(15,337)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$66,177</u>	<u>\$7,995</u>	<u>(\$78,621)</u>	<u>(\$76,572)</u>	<u>(\$81,021)</u>

Internal Service Funds

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

Utility Billing Fund

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

City Garage Fund

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

CITY OF XENIA, OHIO

STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2014

	<u>Utility Billing</u>	<u>City Garage</u>	<u>Total Internal Service Funds</u>
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 9,466	\$ 8,244	\$ 17,710
Investments	34,872	30,364	65,236
Receivables:			
Accounts	7,674	4,199	11,873
Inventories	0	27,753	27,753
Prepaid items	2,805	1,737	4,542
Total Current Assets	<u>54,817</u>	<u>72,297</u>	<u>127,114</u>
Noncurrent Assets:			
Unrestricted:			
Capital Assets (net of accumulated depreciation)	12,551	72,444	84,995
Total Noncurrent Assets	<u>12,551</u>	<u>72,444</u>	<u>84,995</u>
Total Assets	<u>67,368</u>	<u>144,741</u>	<u>212,109</u>
Liabilities:			
Current Liabilities:			
Accounts payable	8,199	6,938	15,137
Accrued payroll	0	7,721	7,721
Interfund payable	0	51,435	51,435
Compensated Absences	0	1,465	1,465
Total Current Liabilities	<u>8,199</u>	<u>67,559</u>	<u>75,758</u>
Noncurrent Liabilities			
Compensated Absences	0	23,121	23,121
Total Noncurrent Liabilities	<u>0</u>	<u>23,121</u>	<u>23,121</u>
Total Liabilities	<u>8,199</u>	<u>90,680</u>	<u>98,879</u>
Net Position:			
Net Investment in Capital Assets	12,551	21,009	33,560
Unrestricted	46,618	33,052	79,670
Total Net Position	<u>\$ 59,169</u>	<u>\$ 54,061</u>	<u>\$ 113,230</u>

CITY OF XENIA, OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Utility Billing	City Garage	Total Internal Service Funds
Operating revenues:			
Charges for services	\$ 99,719	\$ 761,036	\$ 860,755
Operating expenses:			
Personnel services	0	170,873	170,873
General operating	4,410	135	4,545
Contractual services	115,362	112,747	228,109
Materials and supplies	4,629	528,005	532,634
Depreciation	2,510	106	2,616
Total expenses	126,911	811,866	938,777
Operating income (loss)	(27,192)	(50,830)	(78,022)
Non-operating revenues:			
Interest revenue	165	138	303
Other	0	11,219	11,219
Total Non-operating revenue	165	11,357	11,522
Change in Net Position	(27,027)	(39,473)	(66,500)
Net Position, beginning of year	86,196	93,534	179,730
Net Position, end of year	\$ 59,169	\$ 54,061	\$ 113,230

CITY OF XENIA, OHIO

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Utility Billing	City Garage	Totals
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Interfund Services Provided	\$100,403	\$776,713	\$877,116
Cash Payments for Goods and Services	(128,340)	(625,409)	(753,749)
Cash Payments to Employees	0	(165,711)	(165,711)
Net Cash Provided (Used) by Operating Activities	<u>(27,937)</u>	<u>(14,407)</u>	<u>(42,344)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Advances to Other Funds	0	(8,480)	(8,480)
Net Cash Used by Noncapital Financing Activities	<u>0</u>	<u>(8,480)</u>	<u>(8,480)</u>
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	17,961	14,587	32,548
Purchase of Investments	0	0	0
Net Cash Provided (Used) by Investing Activities	<u>17,961</u>	<u>14,587</u>	<u>32,548</u>
Net Decrease in Cash and Cash Equivalents	(9,976)	(8,300)	(18,276)
Cash and Cash Equivalents at Beginning of Year	19,442	16,544	35,986
Cash and Cash Equivalents at End of Year	<u>\$9,466</u>	<u>\$8,244</u>	<u>\$17,710</u>
<u>Reconciliation of Operating Loss to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Loss	(\$27,192)	(\$50,830)	(\$78,022)
Adjustments to Reconcile Operating Loss to			
Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	2,510	106	2,616
Income - Other Nonoperating	0	11,219	11,219
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	684	4,457	5,141
(Increase) Decrease in Prepaid Items	(822)	2,332	1,510
(Increase) Decrease in Inventory	0	43,574	43,574
Increase (Decrease) in Accounts Payable	(3,117)	(30,427)	(33,544)
Increase (Decrease) in Accrued Payroll	0	287	287
Increase (Decrease) in Compensated Absences	0	4,875	4,875
Total Adjustments	<u>(745)</u>	<u>36,423</u>	<u>35,678</u>
Net Cash Provided (Used) by Operating Activities	<u>(\$27,937)</u>	<u>(\$14,407)</u>	<u>(\$42,344)</u>

Fiduciary Funds

Agency Funds

Municipal Court – Traffic and Criminal Fund

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

Municipal Court - Civil and Small Claims Fund

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

Imprest Cash Fund

To account for petty cash.

Insurance Deposit Fund

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

LGIF Fund

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

CITY OF XENIA, OHIO

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Balance December 31, 2013	Additions	Deductions	Balance December 31, 2014
<u>Municipal Court - Traffic and Criminal:</u>				
Assets:				
Cash and Cash Equivalents	\$124,406.00	\$1,106,742.00	(\$1,111,509.00)	\$119,639.00
Total Assets	<u>\$124,406.00</u>	<u>\$1,106,742.00</u>	<u>(\$1,111,509.00)</u>	<u>\$119,639.00</u>
Liabilities:				
Accounts Payable	\$52,799.00	\$781,958.00	(\$777,491.00)	\$57,266.00
Restricted Deposits	\$71,607.00	\$324,784.00	(\$334,018.00)	\$62,373.00
Total Liabilities	<u>\$124,406.00</u>	<u>\$1,106,742.00</u>	<u>(\$1,111,509.00)</u>	<u>\$119,639.00</u>
<u>Municipal Court - Civil and Small Claims:</u>				
Assets:				
Cash and Cash Equivalents	\$7,527.00	\$500,508.00	(\$503,572.00)	\$4,463.00
Total Assets	<u>\$7,527.00</u>	<u>\$500,508.00</u>	<u>(\$503,572.00)</u>	<u>\$4,463.00</u>
Liabilities:				
Accounts Payable	\$5,916.00	\$493,012.00	(\$495,989.00)	\$2,939.00
Restricted Deposits	\$1,611.00	\$7,496.00	(\$7,583.00)	\$1,524.00
Total Liabilities	<u>\$7,527.00</u>	<u>\$500,508.00</u>	<u>(\$503,572.00)</u>	<u>\$4,463.00</u>
<u>Imprest Cash:</u>				
Assets:				
Cash and Cash Equivalents	\$2,190.00	\$0.00	\$0.00	\$2,190.00
Total Assets	<u>\$2,190.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$2,190.00</u>
Liabilities:				
Restricted Deposits	\$2,190.00	\$0.00	\$0.00	\$2,190.00
Total Liabilities	<u>\$2,190.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$2,190.00</u>
<u>Insurance Deposit:</u>				
Assets:				
Cash and Cash Equivalents	\$7,997.00	\$3.00	(\$8,000.00)	\$0.00
Total Assets	<u>\$7,997.00</u>	<u>\$3.00</u>	<u>(\$8,000.00)</u>	<u>\$0.00</u>
Liabilities:				
Restricted Deposits	\$7,997.00	\$3.00	(\$8,000.00)	\$0.00
Total Liabilities	<u>\$7,997.00</u>	<u>\$3.00</u>	<u>(\$8,000.00)</u>	<u>\$0.00</u>
<u>LGIF Loan:</u>				
Assets:				
Accounts Receivable	\$300,000.00	\$0.00	\$0.00	\$300,000.00
Total Assets	<u>\$300,000.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$300,000.00</u>
Liabilities:				
Accounts Payable	\$300,000.00	\$0.00	\$0.00	\$300,000.00
Total Liabilities	<u>\$300,000.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$300,000.00</u>
<u>Totals - All Agency Funds:</u>				
Assets:				
Cash and Cash Equivalents	\$142,120.00	\$1,607,253.00	(\$1,623,081.00)	\$126,292.00
Accounts Receivable	\$300,000.00	\$0.00	\$0.00	\$300,000.00
Total Assets	<u>\$442,120.00</u>	<u>\$1,607,253.00</u>	<u>(\$1,623,081.00)</u>	<u>\$426,292.00</u>
Liabilities:				
Accounts Payable	\$358,715.00	\$1,274,970.00	(\$1,273,480.00)	\$360,205.00
Restricted Deposits	\$83,405.00	\$332,283.00	(\$349,601.00)	\$66,087.00
Total Liabilities	<u>\$442,120.00</u>	<u>\$1,607,253.00</u>	<u>(\$1,623,081.00)</u>	<u>\$426,292.00</u>



III

STATISTICAL SECTION

STATISTICAL TABLES

T HIS PART OF THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT PRESENTS DETAILED INFORMATION AS A CONTEXT FOR UNDERSTANDING WHAT THE INFORMATION IN THE FINANCIAL STATEMENTS, NOTE DISCLOSURES, AND REQUIRED SUPPLEMENTARY INFORMATION SAYS ABOUT THE CITY'S OVERALL FINANCIAL HEALTH.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial position has changed over time. S 3 – S 12

Revenue Capacity

These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue sources, the income tax. S 13 – S 16

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. S 17 – S 24

Economic and Demographic Information

These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments. S 25 – S 30

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. S 31 – S 38

Sources Note:

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



CITY OF XENIA, OHIO

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

	2005	2006	2007	2008
Governmental Activities:				
Net Investment Capital Assets	\$34,165,799	\$35,169,467	\$29,833,471	\$31,133,709
Restricted	4,210,533	4,946,554	5,272,948	5,630,788
Unrestricted	4,303,901	4,307,135	3,872,527	3,792,172
Total Governmental Activities Net Position	<u>\$42,680,233</u>	<u>\$44,423,156</u>	<u>\$38,978,946</u>	<u>\$40,556,669</u>
Business-type Activities:				
Net Investment Capital Assets	\$14,508,761	\$14,955,202	\$19,755,819	\$21,529,277
Restricted	0	0	0	0
Unrestricted	5,292,909	5,538,677	6,502,716	7,409,830
Total Business-type Activities Net Position	<u>\$19,801,670</u>	<u>\$20,493,879</u>	<u>\$26,258,535</u>	<u>\$28,939,107</u>
Primary Government:				
Net Investment Capital Assets	\$48,674,560	\$50,124,669	\$49,589,290	\$52,662,986
Restricted	4,210,533	4,946,554	5,272,948	5,630,788
Unrestricted	9,596,810	9,845,812	10,375,243	11,202,002
Total Primary Government Net Position	<u>\$62,481,903</u>	<u>\$64,917,035</u>	<u>\$65,237,481</u>	<u>\$69,495,776</u>

Source: City Finance Director's Office

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
\$32,711,191	\$33,054,119	\$34,113,956	\$34,504,785	\$35,558,378	\$36,720,402
4,179,524	6,100,965	8,188,065	5,408,855	5,567,144	5,722,928
3,933,236	2,692,145	2,287,431	6,160,890	4,775,505	4,123,200
<u>\$40,823,951</u>	<u>\$41,847,229</u>	<u>\$44,589,452</u>	<u>\$46,074,530</u>	<u>\$45,901,027</u>	<u>\$46,566,530</u>
\$21,442,195	\$21,637,865	\$22,250,312	\$22,441,680	\$22,070,099	\$23,035,822
0	178,266	120,288	170,077	0	0
7,538,994	9,830,432	9,820,160	10,662,384	12,124,555	12,031,463
<u>\$28,981,189</u>	<u>\$31,646,563</u>	<u>\$32,190,760</u>	<u>\$33,274,141</u>	<u>\$34,194,654</u>	<u>\$35,067,285</u>
\$54,153,386	\$54,691,984	\$56,364,268	\$56,946,465	\$57,628,477	\$59,756,224
4,179,524	6,279,231	8,308,353	5,578,932	5,567,144	5,722,928
11,472,230	12,522,577	12,107,591	16,823,274	16,900,060	16,154,663
<u>\$69,805,140</u>	<u>\$73,493,792</u>	<u>\$76,780,212</u>	<u>\$79,348,671</u>	<u>\$80,095,681</u>	<u>\$81,633,815</u>

CITY OF XENIA, OHIO

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

	2005	2006	2007	2008
Expenses				
Governmental Activities:				
General Government	\$3,420,815	\$3,591,944	\$3,609,339	\$3,913,536
Public Safety	10,011,879	10,948,875	11,119,299	11,372,519
Health	99,731	66,181	63,718	67,910
Highways and Streets	1,392,686	1,854,523	2,284,521	2,054,733
Urban Redevelopment & Housing	250,539	305,886	345,551	360,443
Economic Development & Assistance	0	0	0	0
Recreation	350,140	453,440	521,131	481,111
Interest and Fiscal Charges	100,015	132,606	134,336	129,250
<i>Total Governmental Activities Expenses</i>	<u>15,625,805</u>	<u>17,353,455</u>	<u>18,077,895</u>	<u>18,379,502</u>
Business-type Activities:				
Water	2,527,636	2,700,478	2,688,400	2,845,241
Sewer	3,626,868	3,769,874	3,968,134	4,187,892
Sanitation	1,451,826	1,555,636	1,711,596	1,643,058
Storm Water	0	0	140,479	164,575
Other Enterprise Funds	525,029	162,529	330,293	385,728
<i>Total Business-type Activities Expenses</i>	<u>8,131,359</u>	<u>8,188,517</u>	<u>8,838,902</u>	<u>9,226,494</u>
<i>Total Primary Government Expenses</i>	<u>\$23,757,164</u>	<u>\$25,541,972</u>	<u>\$26,916,797</u>	<u>\$27,605,996</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
General Government	\$1,472,029	\$1,386,743	\$1,365,697	\$1,676,228
Public Safety	1,383,846	1,874,889	1,654,935	2,130,089
Health	0	28,938	27,585	18,740
Highways and Streets	550	6,030	1,040	9,060
Urban Redevelopment & Housing	32,933	29,769	29,384	22,098
Recreation	36,961	25,613	28,957	30,761
Operating Grants and Contributions	231,267	233,068	266,159	442,322
Capital Grants and Contributions	593,807	1,106,413	533,226	993,095
<i>Total Governmental Activities Program Revenues</i>	<u>3,751,393</u>	<u>4,691,463</u>	<u>3,906,983</u>	<u>5,322,393</u>

(continued)

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
\$3,474,135	\$3,577,856	\$3,677,014	\$3,567,483	\$3,772,609	\$2,851,072
11,984,216	11,311,480	12,065,050	12,526,166	12,688,381	13,208,811
54,605	306,963	0	0	0	0
1,952,667	1,801,149	2,409,163	2,057,537	1,970,034	1,613,183
285,954	247,659	139,753	112,822	106,727	146,771
0	0	151,523	468,359	2,960,546	2,756,593
406,396	284,934	272,941	527,634	541,390	406,634
126,203	104,977	67,642	69,614	62,446	64,913
<u>18,284,176</u>	<u>17,635,018</u>	<u>18,783,086</u>	<u>19,329,615</u>	<u>22,102,133</u>	<u>21,047,977</u>
3,110,764	2,980,976	3,075,621	3,907,856	3,267,639	3,750,634
4,191,056	3,883,632	4,346,983	4,030,678	4,340,898	4,310,544
1,644,491	1,577,458	1,642,102	1,674,999	1,474,330	1,569,042
187,640	277,359	324,722	339,906	350,114	442,876
596,196	243,485	267,108	288,049	90,913	143,231
<u>9,730,147</u>	<u>8,962,910</u>	<u>9,656,536</u>	<u>10,241,488</u>	<u>9,523,894</u>	<u>10,216,327</u>
<u>\$28,014,323</u>	<u>\$26,597,928</u>	<u>\$28,439,622</u>	<u>\$29,571,103</u>	<u>\$31,626,027</u>	<u>\$31,264,304</u>
\$1,359,765	\$1,388,914	\$1,398,435	\$1,520,315	\$1,497,509	\$1,509,582
1,866,335	2,307,856	1,851,179	2,022,807	2,338,853	2,390,960
8,589	19,302	0	9,548	0	0
4,282	9,337	2,438	0	1,138	172,196
19,191	30,452	0	10,335	0	0
20,625	8,914	5,360	5,493	4,045	5,759
253,541	459,403	398,496	865,437	542,524	472,764
744,718	1,098,518	1,634,700	261,306	3,786,699	1,689,871
<u>4,277,046</u>	<u>5,322,696</u>	<u>5,290,608</u>	<u>4,695,241</u>	<u>8,170,768</u>	<u>6,241,132</u>

CITY OF XENIA, OHIO

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

	2005	2006	2007	2008
Business-type Activities:				
Charges for Services				
Water	2,652,204	2,789,112	3,219,234	3,145,639
Sewer	3,511,327	3,536,850	4,114,935	4,100,610
Sanitation	1,525,059	1,682,091	1,763,401	1,850,488
Storm Water	0	0	131,161	149,908
Other Enterprise Funds	68,235	83,130	91,956	119,189
Operating Grants and Contributions	1,370	0	0	36,459
Capital Grants and Contributions	626,408	846,543	353,157	2,494,773
<i>Total Business-type Activities Program Revenues</i>	<u>8,384,603</u>	<u>8,937,726</u>	<u>9,673,844</u>	<u>11,897,066</u>
<i>Total Primary Government Program Revenues</i>	<u>12,135,996</u>	<u>13,629,189</u>	<u>13,580,827</u>	<u>17,219,459</u>
Net (Expense)/Revenue				
Governmental Activities	(11,874,412)	(12,661,992)	(14,170,912)	(13,057,109)
Business-type Activities	253,244	749,209	834,942	2,670,572
<i>Total Primary Government Net (Expense)/Revenue</i>	<u><u>(\$11,621,168)</u></u>	<u><u>(\$11,912,783)</u></u>	<u><u>(\$13,335,970)</u></u>	<u><u>(\$10,386,537)</u></u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Income Taxes	\$8,240,773	\$8,604,274	\$8,786,104	\$8,848,826
Other Local Taxes	1,351,473	1,814,053	1,619,664	2,106,148
Property Taxes	0	0	0	0
Motor Vehicle and Gas Tax	1,417,159	1,287,033	1,369,889	1,445,405
Intergovernmental, Unrestricted	1,878,121	2,185,128	1,994,721	1,608,619
Investment Earnings	120,947	261,523	402,797	294,596
Miscellaneous	288,763	302,904	302,915	341,238
Transfers	(75,000)	(50,000)	(5,583,398)	(10,000)
<i>Total Governmental Activities</i>	<u>13,222,236</u>	<u>14,404,915</u>	<u>8,892,692</u>	<u>14,634,832</u>
Business-type Activities:				
Investment Earnings	94,443	0	0	0
Transfers	0	50,000	5,583,398	10,000
Loss on Disposal of Capital Assets	75,000	0	0	0
<i>Total Business-type Activities</i>	<u>169,443</u>	<u>50,000</u>	<u>5,583,398</u>	<u>10,000</u>
<i>Total Primary Government</i>	<u><u>\$13,391,679</u></u>	<u><u>\$14,454,915</u></u>	<u><u>\$14,476,090</u></u>	<u><u>\$14,644,832</u></u>
Change in Net Position				
Governmental Activities	\$1,347,824	\$1,742,923	(\$5,278,220)	\$1,577,723
Business-type Activities	422,687	799,209	6,418,340	2,680,572
<i>Total Primary Government Change in Net Position</i>	<u><u>\$1,770,511</u></u>	<u><u>\$2,542,132</u></u>	<u><u>\$1,140,120</u></u>	<u><u>\$4,258,295</u></u>

Source: City Finance Director's Office

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

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
3,425,277	3,455,602	3,227,912	3,321,936	3,533,324	3,504,940
4,090,886	4,958,089	3,563,646	4,250,051	4,384,154	4,546,060
1,774,993	1,917,987	2,012,065	1,982,788	1,954,056	1,970,172
144,933	319,870	344,240	340,317	337,467	338,546
87,633	60,528	58,587	60,610	161,317	83,972
0	422,209	714,903	490,531	126,156	119,450
418,589	205,679	383,879	0	11,100	158,801
<u>9,942,311</u>	<u>11,339,964</u>	<u>10,305,232</u>	<u>10,446,233</u>	<u>10,507,574</u>	<u>10,721,941</u>
<u>14,219,357</u>	<u>16,662,660</u>	<u>15,595,840</u>	<u>15,141,474</u>	<u>18,678,342</u>	<u>16,963,073</u>
(14,007,130)	(12,312,322)	(13,492,478)	(14,634,374)	(13,931,365)	(14,806,845)
212,164	2,377,054	648,696	204,745	983,680	505,614
<u>(\$13,794,966)</u>	<u>(\$9,935,268)</u>	<u>(\$12,843,782)</u>	<u>(\$14,429,629)</u>	<u>(\$12,947,685)</u>	<u>(\$14,301,231)</u>
\$8,318,554	\$8,272,340	\$10,969,297	\$12,276,122	\$11,732,328	\$11,756,681
44,590	39,052	36,655	37,308	40,137	40,362
1,855,068	1,582,440	1,361,654	1,807,780	986,812	1,524,924
1,163,541	1,459,124	1,418,289	1,225,059	1,474,430	1,139,791
2,048,476	1,755,690	1,895,351	1,283,809	1,811,934	827,164
264,225	80,055	63,913	38,295	27,308	138,931
409,876	209,174	385,043	329,715	367,822	411,511
170,082	(62,275)	104,499	(878,636)	63,167	(367,017)
<u>14,274,412</u>	<u>13,335,600</u>	<u>16,234,701</u>	<u>16,119,452</u>	<u>16,503,938</u>	<u>15,472,347</u>
0	0	0	0	0	0
(170,082)	62,275	(104,499)	878,636	(63,167)	367,017
0	0	0	0	0	0
<u>(170,082)</u>	<u>62,275</u>	<u>(104,499)</u>	<u>878,636</u>	<u>(63,167)</u>	<u>367,017</u>
<u>\$14,104,330</u>	<u>\$13,397,875</u>	<u>\$16,130,202</u>	<u>\$16,998,088</u>	<u>\$16,440,771</u>	<u>\$15,839,364</u>
\$267,282	\$1,023,278	\$2,742,223	\$1,485,078	\$2,572,573	\$665,502
42,082	2,439,329	544,197	1,083,381	920,513	872,631
<u>\$309,364</u>	<u>\$3,462,607</u>	<u>\$3,286,420</u>	<u>\$2,568,459</u>	<u>\$3,493,086</u>	<u>\$1,538,133</u>

CITY OF XENIA, OHIO

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

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund				
Nonspendable				
Assigned				
Unassigned				
Reserved	\$222,249	\$181,258	\$255,520	\$294,705
Unreserved	<u>3,516,994</u>	<u>3,412,434</u>	<u>3,175,961</u>	<u>3,913,707</u>
<i>Total General Fund</i>	<u>3,739,243</u>	<u>3,593,692</u>	<u>3,431,481</u>	<u>4,208,412</u>
All Other Governmental Funds				
NonSpendable				
Restricted				
Committed				
Assigned				
Reserved	2,262,308	340,493	588,127	953,204
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,077,043	1,437,656	1,951,198	1,744,102
Capital Projects Funds	<u>207,596</u>	<u>2,544,355</u>	<u>2,303,063</u>	<u>2,347,725</u>
<i>Total All Other Governmental Funds</i>	<u>3,546,947</u>	<u>4,322,504</u>	<u>4,842,388</u>	<u>5,045,031</u>
<i>Total Governmental Funds</i>	<u><u>\$7,286,190</u></u>	<u><u>\$7,916,196</u></u>	<u><u>\$8,273,869</u></u>	<u><u>\$9,253,443</u></u>

Source: City Finance Director's Office

(1) The City Implemented GASB 54 in 2011

CITY OF XENIA, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
		\$59,044	\$53,487	\$51,992	\$45,190
		\$188,601	\$1,662,830	\$240,208	\$1,649,569
		\$1,872,104	\$1,096,424	\$3,509,005	\$1,883,547
\$213,890	\$167,371	\$0	\$0	\$0	\$0
4,286,603	1,875,461	0	0	0	0
<u>4,500,493</u>	<u>2,042,832</u>	<u>2,119,749</u>	<u>2,812,741</u>	<u>3,801,205</u>	<u>3,578,306</u>
		140,563	209,783	221,393	451,803
		6,042,733	5,173,704	5,919,266	4,970,908
		117,026	149,778	219,170	154,522
		1,952,407	2,130,590	0	0
428,075	1,440,549	0	0	0	0
1,731,786	4,578,277	0	0	0	0
1,501,554	740,547	0	0	0	0
<u>3,661,415</u>	<u>6,759,373</u>	<u>8,252,729</u>	<u>7,663,855</u>	<u>6,359,829</u>	<u>5,577,233</u>
<u>\$8,161,908</u>	<u>\$8,802,205</u>	<u>\$10,372,478</u>	<u>\$10,476,596</u>	<u>\$10,161,034</u>	<u>\$9,155,539</u>

CITY OF XENIA, OHIO

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

	2005	2006	2007	2008
Revenues:				
Municipal Income Tax	\$8,158,020	\$8,396,732	\$8,764,208	\$8,973,379
Other Local Taxes	1,235,494	1,762,886	1,786,810	2,106,148
State Shared Taxes and Permits	3,174,305	3,425,030	3,552,734	3,479,048
Special Assessments	0	0	0	0
Intergovernmental Grants	816,668	699,375	808,075	1,333,417
Charges for Services	1,463,158	1,620,614	1,575,315	1,712,640
Fines, Costs, Forfeitures, Licenses and Permits	1,357,391	1,260,496	1,220,823	1,723,130
Miscellaneous Receipts and Reimbursements, including Interest	712,872	1,074,806	1,074,252	1,122,768
Total Revenue	16,917,908	18,239,939	18,782,217	20,450,530
Expenditures:				
Current:				
General Government	3,057,658	3,271,162	3,307,934	3,702,693
Public Safety	9,925,722	10,440,937	10,638,670	10,853,395
Health	60,873	62,507	60,524	64,843
Highways and Streets	1,334,299	1,361,864	1,606,466	1,641,621
Urban Redevelopment & Housing	283,489	289,074	331,927	344,549
Economic Development & Assistance	0	0	0	0
Recreation	319,900	361,767	386,229	390,777
Capital Outlay	1,482,509	2,556,380	1,651,163	2,420,322
Debt Service:				
Principal Retirement	202,149	255,749	346,055	381,681
Interest and Fiscal Charges	99,416	111,844	134,491	132,540
Total Expenditures	16,766,015	18,711,284	18,463,459	19,932,421
Excess (Deficiency) of Revenues Over Expenditures	151,893	(471,345)	318,758	518,109
Other Financing Sources (Uses):				
Other Financing Sources - Capital Leases	97,419	1,126,811	105,419	448,251
General Obligation Bonds Issued	0	0	0	0
Proceeds from Sale of Notes	0	0	0	0
Transfers In	1,028,459	975,000	1,119,000	694,000
Transfers Out	(1,103,459)	(1,025,000)	(1,200,121)	(704,000)
Total Other Financing Sources (Uses)	22,419	1,076,811	24,298	438,251
Net Change in Fund Balance	\$174,312	\$605,466	\$343,056	\$956,360
Debt Service as a Percentage of Noncapital Expenditures	2.07%	2.32%	2.72%	2.97%

Source: City Finance Director's Office

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
\$8,418,354	\$8,262,780	\$10,933,675	\$11,599,673	\$11,582,587	\$11,716,273
1,899,658	1,619,094	1,400,707	1,293,188	1,472,542	1,514,437
3,296,472	3,097,393	3,109,036	2,707,651	3,007,312	2,247,433
0	0	0	0	0	0
908,950	1,522,973	2,100,211	1,142,233	3,920,886	2,295,026
1,669,891	1,766,578	1,485,407	1,635,508	1,918,720	2,038,845
1,422,179	1,418,432	1,357,962	1,435,372	1,358,049	1,364,666
909,516	881,195	835,290	808,439	979,786	1,268,957
<u>18,525,020</u>	<u>18,568,445</u>	<u>21,222,288</u>	<u>20,622,064</u>	<u>24,239,882</u>	<u>22,445,637</u>
3,119,824	3,136,271	3,383,703	3,490,798	3,478,462	3,634,660
11,456,004	10,721,657	11,502,926	11,927,807	12,264,065	12,677,453
51,780	48,257	0	0	0	0
1,425,152	1,353,816	1,295,688	1,290,424	1,365,466	1,590,916
289,694	248,432	130,324	91,730	82,763	117,762
0	0	146,663	153,967	191,046	190,432
319,544	169,228	158,251	166,091	166,868	208,422
2,498,161	1,739,237	3,443,902	2,829,747	8,029,355	4,841,290
433,103	1,315,647	433,131	538,820	402,837	480,251
128,364	112,635	70,461	74,378	56,112	68,328
<u>19,721,626</u>	<u>18,845,180</u>	<u>20,565,049</u>	<u>20,563,762</u>	<u>26,036,974</u>	<u>23,809,514</u>
(1,196,606)	(276,735)	657,239	58,302	(1,797,092)	(1,363,877)
190,080	0	0	0	1,371,415	183,486
0	927,531	953,712	0	0	0
0	0	0	0	100,000	0
234,001	7,512,071	5,370,000	4,546,000	4,825,000	5,330,000
<u>(247,000)</u>	<u>(7,528,071)</u>	<u>(5,391,500)</u>	<u>(4,569,000)</u>	<u>(4,825,000)</u>	<u>(5,330,000)</u>
<u>177,081</u>	<u>911,531</u>	<u>932,212</u>	<u>(23,000)</u>	<u>1,471,415</u>	<u>183,486</u>
<u>(\$1,019,525)</u>	<u>\$634,796</u>	<u>\$1,589,451</u>	<u>\$35,302</u>	<u>(\$325,677)</u>	<u>(\$1,180,391)</u>
3.42%	8.08%	2.92%	3.58%	2.09%	2.74%

CITY OF XENIA, OHIO

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

Tax year	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Income Tax Rate	1.75%	1.75%	1.75%	1.75%
Total Tax Collected	\$8,144,456	\$8,574,742	\$7,996,915	\$8,863,480
Income Tax Receipts				
Withholding	6,224,137	6,508,901	5,917,884	6,870,315
Percentage	76.42%	75.91%	74.00%	77.51%
Direct (Individual & Business)	1,920,319	2,065,841	2,079,031	1,993,165
Percentage	23.58%	24.09%	26.00%	22.49%

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

Source: City Income Tax Department

CITY OF XENIA, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
1.75%	1.75%	2.25%	2.25%	2.25%	2.25%
\$8,263,057	\$8,354,222	\$10,310,172	\$11,595,945	\$11,634,384	\$11,739,338
6,425,740	6,377,354	8,075,838	8,533,750	8,310,102	8,486,386
77.76%	76.34%	78.33%	73.59%	71.43%	72.29%
1,837,317	1,976,868	2,234,334	3,062,195	3,324,282	3,252,952
22.24%	23.66%	21.67%	26.41%	28.57%	27.71%

CITY OF XENIA, OHIO

*Income Tax Collections
Current Year and Seven Years Ago*

Income Level	Calendar Year 2014			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	6,587	53.91%	\$38,184,902	10.84%
20,000 - 49,999	3,181	26.04%	105,249,349	29.89%
50,000 - 74,999	1,249	10.22%	76,004,588	21.58%
75,000 - 99,999	639	5.23%	54,886,335	15.59%
Over 100,000	562	4.60%	77,836,463	22.10%
Total	12,218	100.00%	\$352,161,637	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to the City of Xenia	\$6,167,505
Taxes Credited to Other Municipalities	1,756,132
	\$7,923,637

Income Level	Calendar Year 2007			
	Number of Filers	Percent of Total	Local Taxable Income	Percent of Income
\$0 - \$19,999	6,249	51.02%	\$38,310,980	10.75%
20,000 - 49,999	3,483	28.43%	114,603,817	32.17%
50,000 - 74,999	1,408	11.49%	85,986,561	24.14%
75,000 - 99,999	656	5.36%	56,247,048	15.79%
Over 100,000	453	3.70%	61,119,399	17.15%
Total	12,249	100.00%	\$356,267,805	100.00%

Local Taxes Paid by Residents	Tax Dollars
Taxes Paid to the City of Xenia	\$4,483,321
Taxes Credited to Other Municipalities	1,751,366
	\$6,234,687

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



CITY OF XENIA, OHIO

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2005	2006	2007	2008
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$1,170,000	\$1,120,000	\$1,065,000	\$1,005,000
Capital Leases	910,841	1,831,903	1,646,267	1,772,837
Local Government Innovation Fund	0	0	0	0
Business-type Activities ⁽¹⁾				
Ohio Water Development Authority Loans Payable	\$6,947,955	\$6,456,316	\$5,950,478	\$5,430,029
General Obligation Bonds Payable	0	0	0	0
Capital Leases	0	0	1,782,755	1,697,182
Total Primary Government	<u>\$9,028,796</u>	<u>\$9,408,219</u>	<u>\$10,444,500</u>	<u>\$9,905,048</u>
Population ⁽²⁾				
City of Xenia	24,164	24,164	24,164	24,164
Outstanding Debt Per Capita	\$374	\$389	\$432	\$410
Income ⁽³⁾				
Personal (in thousands)	398,247	398,247	476,611	466,800
Percentage of Personal Income	2.27%	2.36%	2.19%	2.12%

Sources:

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

CITY OF XENIA, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$945,000	\$920,000	\$1,803,712	\$1,642,248	\$1,478,916	\$1,288,677
1,589,809	1,219,167	856,036	478,680	1,610,590	1,504,064
0	0	0	0	100,000	100,000
\$4,894,544	\$6,226,960	\$5,509,733	\$6,555,052	\$6,006,280	\$5,449,918
0	0	120,288	109,383	98,243	86,863
1,607,731	1,514,227	1,416,485	1,314,314	1,207,514	1,095,874
<u>\$9,037,084</u>	<u>\$9,880,354</u>	<u>\$9,706,254</u>	<u>\$10,099,677</u>	<u>\$10,501,543</u>	<u>\$9,525,396</u>
27,357	25,719	25,915	25,983	25,879	25,911
\$330	\$384	\$375	\$389	\$406	\$368
518,470	493,702	497,464	515,659	514,733	531,383
1.74%	2.00%	1.95%	1.96%	2.04%	1.79%

*Ratios of General Bonded Debt Outstanding
Last Ten Years*

Year	2005	2006	2007	2008
Population ⁽¹⁾	24,164	24,164	24,164	24,164
Assessed Value ⁽²⁾	\$348,140,994	\$373,253,479	\$374,629,702	\$380,225,360
General Bonded Debt ⁽³⁾				
General Obligation Bonds	\$1,170,000	\$1,120,000	\$1,065,000	\$1,005,000
Resources Available to Pay Principal ⁽⁴⁾	\$0	\$0	\$0	\$0
Net General Bonded Debt	\$1,170,000	\$1,120,000	\$1,065,000	\$1,005,000
Ratio of Net Bonded Debt to Estimated Actual Value	0.34%	0.30%	0.28%	0.26%
Net Bonded Debt per Capita	\$48.42	\$46.35	\$44.07	\$41.59

Source:

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

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
27,357	25,719	25,915	25,983	25,879	25,911
\$399,918,650	\$401,707,460	\$376,284,220	\$369,340,160	\$371,635,110	\$357,886,080
\$945,000	\$920,000	\$1,924,000	\$1,751,631	\$1,577,159	\$1,375,540
\$0	\$0	\$0	\$0	\$0	\$0
\$945,000	\$920,000	\$1,924,000	\$1,751,631	\$1,577,159	\$1,375,540
0.24%	0.23%	0.51%	0.47%	0.41%	0.38%
\$34.54	\$35.77	\$74.24	\$67.41	\$60.94	\$53.09

CITY OF XENIA, OHIO

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2014*

<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>
Direct:			
City of Xenia	\$2,892,741	100.00%	\$2,892,741
Overlapping:			
Greene County	\$105,241,673	9.25%	9,734,855
Xenia Community School District	\$59,555,460	55.13%	32,832,925
Greene County Career Center	\$33,334	9.12%	3,040
		Subtotal	<u>42,570,820</u>
		Total	<u><u>\$45,463,561</u></u>

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



CITY OF XENIA, OHIO

*Debt Limitations
Last Ten Years*

Collection Year	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<hr/>				
Total Debt				
Net Assessed Valuation	\$348,140,994	\$373,253,479	\$374,629,702	\$380,225,360
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	36,554,804	39,191,615	39,336,119	39,923,663
City Debt Outstanding (2)	1,170,000	1,120,000	1,065,000	1,005,000
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	<u>1,170,000</u>	<u>1,120,000</u>	<u>1,065,000</u>	<u>1,005,000</u>
Overall Legal Debt Margin	<u>\$35,384,804</u>	<u>\$38,071,615</u>	<u>\$38,271,119</u>	<u>\$38,918,663</u>
<hr/>				
Unvoted Debt				
Net Assessed Valuation	\$348,140,994	\$373,253,479	\$374,629,702	\$380,225,360
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	19,147,755	20,528,941	20,604,634	20,912,395
City Debt Outstanding (2)	1,170,000	1,120,000	1,065,000	1,005,000
Less: Applicable Debt Service Fund Amounts	0	0	0	0
Net Indebtedness Subject to Limitation	<u>1,170,000</u>	<u>1,120,000</u>	<u>1,065,000</u>	<u>1,005,000</u>
Overall Legal Debt Margin	<u>\$17,977,755</u>	<u>\$19,408,941</u>	<u>\$19,539,634</u>	<u>\$19,907,395</u>

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

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

Source: City Finance Director's Office

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
\$399,918,650	\$401,707,460	\$376,284,220	\$369,340,160	\$371,635,110	\$357,886,080
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
41,991,458	42,179,283	39,509,843	38,780,717	39,021,687	37,578,038
945,000	920,000	1,924,000	1,751,631	1,577,159	1,375,540
0	0	0	0	0	0
945,000	920,000	1,924,000	1,751,631	1,577,159	1,375,540
<u>\$41,046,458</u>	<u>\$41,259,283</u>	<u>\$37,585,843</u>	<u>\$37,029,086</u>	<u>\$37,444,527</u>	<u>\$36,202,498</u>
\$399,918,650	\$401,707,460	\$376,284,220	\$369,340,160	\$371,635,110	\$357,886,080
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
21,995,526	22,093,910	20,695,632	20,313,709	20,439,931	19,683,734
945,000	920,000	1,924,000	1,751,631	1,577,159	1,375,540
0	0	0	0	0	0
945,000	920,000	1,924,000	1,751,631	1,577,159	1,375,540
<u>\$21,050,526</u>	<u>\$21,173,910</u>	<u>\$18,771,632</u>	<u>\$18,562,078</u>	<u>\$18,862,772</u>	<u>\$18,308,194</u>

CITY OF XENIA, OHIO

*Demographic and Economic Statistics
Last Ten Years*

Calendar Year	2005	2006	2007	2008
Population (2) (a)				
City of Xenia	24,164	24,164	24,164	24,164
Greene County	148,607	148,607	148,607	148,607
Income (2) (a)				
Total Personal (in thousands)	398,247	398,247	476,611	466,800
Per Capita	16,481	16,481	19,724	19,318
Unemployment Rate (3)				
Federal	5.5%	4.6%	4.6%	7.1%
State	6.0%	5.5%	5.6%	7.7%
Greene County	5.5%	5.1%	5.3%	7.0%
Civilian Work Force Estimates (3)				
State	5,900,400	5,934,000	5,976,500	5,931,600
Greene County	77,000	77,400	78,000	78,200
Employment Distribution by Occupation (2) (a)				
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
Daytime Population (1)	22,424	22,424	22,424	22,424

Sources:

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

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
27,357	25,719	25,915	25,983	25,879	25,911
159,823	161,573	163,219	163,852	163,204	163,820
518,470	493,702	497,464	515,659	514,733	531,383
18,952	19,196	19,196	19,846	19,890	20,508
9.7%	9.1%	8.3%	7.6%	6.5%	5.4%
10.7%	9.2%	7.6%	6.6%	6.6%	4.7%
10.6%	9.2%	7.3%	6.4%	6.2%	4.2%
5,884,900	5,874,200	5,762,000	5,701,000	5,728,000	5,697,000
79,700	79,900	79,000	77,600	76,800	79,500
29	89	99	66	56	23
701	628	530	566	656	619
1,952	1,351	1,019	1,185	1,004	1,000
240	281	213	174	231	136
1,511	1,342	1,410	1,341	1,714	1,725
448	700	638	568	528	479
190	297	191	206	197	230
436	512	499	509	410	393
713	1,203	925	770	742	506
2,389	3153	2705	2954	2534	2730
828	1096	1274	1154	1020	833
641	621	669	606	603	534
843	742	836	748	794	748
22,424	22,424	22,424	22,424	22,424	24,442

CITY OF XENIA, OHIO

*Principal Employers
Current Year and Seven Years Ago*

Employer	Nature of Business	2014		
		Number of Employees	Rank	Percentage of Total Employment
Greene County	Government	1374	1	6.50%
Kettering Med Center Network	Health Care	984	2	4.65%
Xenia Community School Dist	Education	704	3	3.33%
Wal-mart Associates Inc	Retail	484	4	2.29%
Kroger Limited Ptr	Grocery	296	5	1.40%
City of Xenia	Government	256	6	1.21%
Express Personnel Services	Other Services	230	7	1.09%
Toward Independence	Health Care	202	8	0.95%
Hospice of Dayton Inc	Health Care	190	9	0.90%
Onesource Employee Mgmt LLC	Other Services	177	10	0.84%
Total		<u>4,897</u>		
Total Employment within the City		<u><u>21,154</u></u>		

Employer	Nature of Business	2008		
		Number of Employees	Rank	Percentage of Total Employment
Greene County	Government	1,429	1	5.11%
Greene Memorial Hospital	Health Care	1,018	2	3.64%
Xenia Community Schools	Education	1,013	3	3.62%
Walmart	Retail	592	4	2.12%
Super Valu	Distribution	478	5	1.71%
CBS Personnel Services	Other Services	399	6	1.43%
Mcdonalds Restaurants	Food Services	369	7	1.32%
City of Xenia	Government	303	8	1.08%
Bob Evans Farms	Food Services	249	9	0.89%
Lowe's Home Centers Inc	Retail	238	10	0.85%
Total		<u>6,088</u>		
Total Employment within the City		<u><u>27,970</u></u>		

Sources:

City of Xenia Income Tax Department

Data is not available prior to 2008.

CITY OF XENIA, OHIO

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

Property Tax Payers	2014		
	Assessed Value	Rank	Percentage of Total Assessed Value
DP&L	7,252,950	1	1.78%
Deer Creek Community LLC	5,018,580	2	1.23%
City of Xenia	4,191,560	3	1.03%
Wal-Mart Real Estate Business	2,586,540	4	0.63%
Traditions at Xenia	2,325,140	5	0.57%
Lowes Home Centers Inc	1,921,370	6	0.47%
Wood Xenia Center LLC	1,884,050	7	0.46%
Wright Cycle Seniors Limited	1,743,510	8	0.43%
Xenia Bellbrook LLC	1,504,110	9	0.37%
Xenia Nominee LP	1,472,750	10	0.36%
Total Principal Property Tax Payers	29,900,560		
Total Assessed Value	408,387,363		

Property Tax Payers	2009		
	Assessed Value	Rank	Percentage of Total Assessed Value
Deer Creek Community LLC	5,219,050	1	1.28%
City of Xenia	4,774,990	2	1.17%
Wal-Mart Real Estate Business	4,429,640	3	1.08%
Supervalu Holdings Inc	3,730,610	4	0.91%
Lowes Home Centers Inc	3,146,820	5	0.77%
DDR Xenia and New Bern LLC	1,809,730	6	0.44%
Legacy Village Inc	1,641,380	7	0.40%
Xenia Nominee LP	1,465,190	8	0.36%
Twist Inc	1,448,720	9	0.35%
Gerdes Inc	1,293,780	10	0.32%
Total Assessed Value	28,959,910		
	357,886,080		

Sources:

Greene County Auditor's Office

Data is not available prior to 2009.

CITY OF XENIA, OHIO

*Full Time Equivalent Employees by Function
Last Ten Years*

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental Activities				
General Government				
Finance	16.50	18.50	18.50	18.50
Legal/Court	30.50	29.75	29.00	30.50
Administration	6.00	6.00	6.00	6.00
Information Technology				
Security of Persons and Property				
Police	69.00	69.00	70.00	70.00
Fire	42.00	42.00	43.00	42.00
Transportation				
Street	18.50	18.50	16.00	16.50
Garage				
Leisure Time Activities				
Recreation/Seniors	4.50	4.50	4.25	4.50
Parks				
Community Environment				
Service	9.00	9.00	10.00	8.00
Development/Planning				
Engineering				
Business-Type Activities				
Utilities				
Water	13.00	13.00	14.50	15.50
Sewer	6.00	6.00	16.00	16.00
Solid Waste	10.00	10.00	0.00	0.00
Storm Water	0.00	0.00	0.00	0.00
<i>Total Employees</i>	<u>225.00</u>	<u>226.25</u>	<u>227.25</u>	<u>227.50</u>

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

Source: City Finance Director's Office

CITY OF XENIA, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
15.00	15.00	15.50	15.00	16.00	16.00
32.00	32.00	30.75	30.50	31.00	27.75
5.00	5.00	5.00	4.50	4.50	4.50
2.00	2.00	2.00	2.00	2.00	4.00
67.00	65.00	65.00	68.50	71.00	72.50
41.00	41.00	43.00	44.00	44.00	44.50
9.00	6.00	6.00	6.00	6.00	6.00
2.00	2.00	2.00	2.00	2.00	2.00
0.00	0.00	0.00	0.00	0.00	0.00
1.50	1.50	1.50	1.50	2.00	1.00
0.00	0.00	0.00	0.00	0.00	0.00
4.00	4.00	6.00	6.00	6.00	6.25
4.00	4.00	3.00	4.00	4.00	4.00
19.00	18.00	18.00	17.00	16.00	17.00
15.00	15.00	15.00	16.00	16.00	15.00
0.00	1.00	1.00	1.00	1.00	1.00
0.00	2.00	2.00	2.00	2.00	2.00
<u>216.50</u>	<u>213.50</u>	<u>215.75</u>	<u>220.00</u>	<u>223.50</u>	<u>223.50</u>

CITY OF XENIA, OHIO

*Operating Indicators by Function
Last Ten Years*

	2005	2006	2007	2008
Governmental Activities				
General Government				
Court				
Number of Probation Cases	619	561	802	796
Number of Traffic Cases	12,095	10,445	9,624	12,234
Number of Criminal Cases				4,461
Number of Civil Cases				2,175
Licenses and Permits				
Number of Residential Constructions	104	61	123	91
Number of Commercial Constructions	20	5	4	4
Security of Persons and Property				
Police				
Number of Citations Issued	2,869	2,430	2,974	4,347
Number of Arrests	1,927	2,022	1,034	2,985
Number of Accidents	597	567	610	535
Fire				
Number of Fire Calls	818	889	984	1,210
Number of EMS Runs	3,803	3,715	3,437	3,752
Number of Inspections	205	135	255	141
Transportation				
Street				
Number of Streets Resurfaced	11	7	4	9
Leisure Time Activities				
Recreation/Seniors				
Number of Programs Offered	9	9	8	8
Number of Shelter Rentals	N/A	178	130	132
Business-Type Activities				
Water				
Number of Metered Accounts***	10,380	11,235	10,720	10,733
Daily Average Consumption (millions of gallons)	3.9	4.4	3.6	3.2
Peak Daily Consumption (millions of gallons)	8.0	8.0	8.0	8.0
Sewer				
Number of Metered Accounts***	10,436	11,103	10,692	10,635
Daily Average Sewage Treatment (millions of gallons)	4.9	4.9	4.8	5.0
Solid Waste *				
Number of Customers Served	9,232	9,444	9,760	9,512
Stormwater **				
Number of Customers Served	N/A	N/A	10,038	9,992

Source: City Finance Director's Office

* Billing for Solid Waste started in 2005

** Billing for Stormwater started in 2007

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

N/A - Not Available

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
795	803	738	850	775	626
9,579	8,984	9,409	10,172	8,924	8,831
3,906	3,904	3,887	3,890	3,535	3,137
1,645	1,619	1,811	1,402	1,059	1,079
26	23	3	151	156	169
2	1	6	123	189	178
2,078	1,818	3,420	4,174	4,071	3,356
2,240	2,068	2,381	1,879	1,743	1,595
609	659	553	876	434	412
875	819	957	943	1,077	1,096
3,543	3,470	3,676	3,781	4,110	4,076
185	72	345	344	370	267
7	0	28	17	21	2
5	14	14	14	13	13
145	166	68	65	60	71
10,782	10,800	10,808	10,185	10,187	10,197
3.2	3.1	2.5	2.5	2.4	3.0
8.0	8.0	8.0	9.0	4.3	4.7
10,664	10,680	10,690	10,065	10,072	10,082
4.1	4.0	5.4	3.8	4.0	4.5
9,496	9,543	9,495	9,445	9,432	9,455
10,041	10,024	10,056	9,445	9,454	9,488

CITY OF XENIA, OHIO

*Capital Asset Statistics by Function
Last Ten Years*

	2005	2006	2007	2008
Governmental Activities				
General Government				
Land (acres)	7,680	7,680	7,680	7,680
Public Safety				
Police				
Stations	1	1	1	1
Vehicles	N/A	27	24	28
Fire				
Stations	2	2	2	2
Vehicles	N/A	11	11	12
Highways and Streets				
Streets (lane miles)	108	135	135	135
Street Lights	1,784	1,784	1,826	1,961
Traffic Signals	38	40	32	38
Recreation				
Land (acres)	133	133	122	122
Buildings/Shelters	18	18	17	20
Parks	15	15	15	15
Playgrounds	15	15	12	12
Tennis Courts	1	1	1	0
Baseball/Softball Diamonds	6	6	7	1
Soccer Fields	2	2	2	2
Business-Type Activities				
Utilities				
Water				
Waterlines (Miles)	141	141	140	140
Pump Stations	1	1	1	1
Average Daily Consumption	3.7 (mgd)	4.4 (mgd)	3.6 (mgd)	3.2 (mgd)
Storage Capacity (thousands of gallons)	8 (mgd)	8 (mgd)	8 (mgd)	8 (mgd)
Sewer				
Sewerlines (Miles)	146	146	145	145

Source: City Finance Director's Office

CITY OF XENIA, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
7,680	7,680	7,680	7,677	7,677	8,320
1	1	1	1	1	1
30	22	22	23	28	22
2	2	2	2	2	2
12	11	11	13	14	14
219	219	219	219	219	219
1,961	2,124	2,134	2,134	2,145	2,165
38	40	40	40	40	40
122	120	120	117	117	112
20	12	12	11	11	13
15	14	14	13	13	13
12	13	13	11	11	11
0	0	0	0	0	0
1	3	3	3	3	6
2	0	0	0	0	0
140	140	142	142	142	142
1	1	1	1	1	1
3.2 (mgd)	3.1 (mgd)	2.5 (mgd)	2.5 (mgd)	2.4 (mgd)	3.0 (mgd)
8 (mgd)	8 (mgd)	8 (mgd)	9 (mgd)	9 (mgd)	9 (mgd)
146	146	146	146	146	146

CITY OF XENIA, OHIO

*Capital Asset Value by Function
Last Ten Years*

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental Activities				
General Government				
Land and Improvements	\$259,130	\$259,130	\$259,130	\$259,130
Buildings	2,534,605	2,536,475	2,512,829	2,512,829
Equipment	1,391,039	1,596,606	1,111,705	1,118,943
Public Safety				
Land and Improvements	76,022	90,537	77,019	77,019
Buildings	273,206	722,216	701,839	701,839
Equipment	4,868,979	5,705,316	4,054,259	4,527,109
City Wide				
Land and Improvements	16,092,702	16,302,572	16,524,117	16,947,652
Buildings	2,748,335	2,751,955	2,733,586	2,733,586
Equipment	9,206,205	9,699,307	2,103,334	2,194,792
Infrastructure	11,811,580	12,831,760	13,256,761	13,819,509
Construction in Progress	854,397	385,027	120,618	850,778
Business-Type Activities				
Utilities				
Water				
Land and Improvements	134,606	134,606	177,094	177,094
Buildings and Improvements	2,870,415	2,870,415	2,870,415	2,870,415
Equipment	13,016,872	13,687,880	13,677,245	15,380,109
Construction in Progress	112,538	71,499	1,185,632	568,770
Sewer				
Land and Improvements	483,946	483,946	511,522	563,802
Buildings and Improvements	5,282,350	5,282,350	5,265,451	5,265,451
Equipment	23,228,559	23,685,875	23,764,397	25,290,062
Construction in Progress	0	28,364	805,505	0
Sanitation				
Land and Improvements	2,691	2,691	0	0
Buildings and Improvements	40,108	40,108	40,108	105,703
Equipment	741,757	744,443	761,167	761,167
Construction in Progress	0	14,182	6,560	0
Stormwater				
Land and Improvements	N/A	N/A	0	0
Buildings and Improvements	N/A	N/A	0	0
Equipment	N/A	N/A	7,767,217	8,740,317
Construction in Progress	N/A	N/A	0	0

(Continued)

CITY OF XENIA, OHIO

2009	2010	2011	2012	2013	2014
\$259,130	\$259,130	\$259,130	\$259,130	\$305,264	\$305,264
2,793,757	2,804,149	2,812,649	2,861,096	2,861,096	2,861,096
1,240,923	1,260,554	1,274,600	1,420,954	1,574,991	1,614,690
77,019	77,019	116,875	116,874	116,875	116,875
956,607	1,233,558	1,283,652	1,304,735	1,393,816	1,417,205
5,212,833	4,789,357	4,989,302	5,145,704	5,833,840	7,321,038
17,147,703	17,228,303	18,079,476	18,072,603	18,788,576	19,256,718
2,835,423	2,703,757	2,719,757	3,729,073	3,729,074	3,785,419
2,394,682	2,180,065	2,255,954	2,376,452	2,485,501	2,555,743
15,065,947	15,247,920	15,763,408	16,285,036	16,743,933	17,662,684
273,106	685,664	1,625,763	752,822	1,583,156	515,011
214,794	214,794	214,794	214,794	214,794	311,416
2,870,415	2,900,634	2,900,633	2,900,633	2,966,328	2,966,328
16,275,077	16,137,407	16,522,904	17,969,700	18,269,692	18,470,603
10,102	239,542	838,962	522,622	622,647	1,616,056
563,802	563,802	580,303	580,302	626,990	818,483
5,294,792	5,353,000	6,857,781	6,857,782	7,427,086	7,452,141
25,469,564	25,477,355	26,566,972	26,683,388	26,875,711	27,361,516
212,444	2,351,012	124,916	1,634,109	307,309	242,245
0	0	0	0	213,688	213,688
105,703	93,730	93,730	93,730	93,730	93,730
778,320	778,320	784,865	976,672	992,472	885,782
0	0	0	152,072	0	1,368
0	0	0	0	0	0
0	0	0	0	0	0
8,740,317	8,801,902	8,801,902	8,932,711	9,095,673	9,081,454
0	0	0	2,340	0	0

CITY OF XENIA, OHIO

*Capital Asset Value by Function
Last Ten Years*

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Other Enterprise				
Land and Improvements	181,352	181,352	154,681	154,681
Buildings and Improvements	101,837	101,837	101,837	101,837
Equipment	49,052	74,052	54,430	54,430
Construction in Progress	0	348,457	89,285	42,470

Source: City Finance Director's Office

CITY OF XENIA, OHIO

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
154,681	154,681	263,951	263,951	263,951	263,951
0	0	0	0	0	0
0	20,081	20,081	20,081	20,081	20,081
0	56,301	0	57,261	0	0



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
JULY 12, 2016**