

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SUPPLEMENTAL REPORTS

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2018**

OHIO AUDITOR OF STATE KEITH FABER



Board of Education
Xenia Community School District
819 Colorado Drive
Xenia, Ohio 45385

We have reviewed the *Independent Auditor's Report* of the Xenia Community School District, Greene County, prepared by Julian & Grube, Inc., for the audit period July 1, 2017 through June 30, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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Keith Faber
Auditor of State
Columbus, Ohio

January 25, 2019

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

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**XENIA COMMUNITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(A) PASS-THROUGH GRANT NUMBER	(B) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION			
Child Nutrition Cluster:			
(D) School Breakfast Program	10.553	2018	\$ 338,512
(D) National School Lunch Program	10.555	2018	1,060,571
(C) National School Lunch Program - Food Donation	10.555	2018	125,278
Total National School Lunch Program			1,185,849
Total U.S. Department of Agriculture and Child Nutrition Cluster			1,524,361
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION			
Title I Grants to Local Educational Agencies	84.010	2018	1,367,168
Title I Grants to Local Educational Agencies	84.010	2017	311,922
Total Title I Grants to Local Educational Agencies			1,679,090
Special Education Cluster:			
Special Education _Grants to States	84.027	2018	915,266
Special Education _Grants to States	84.027	2017	164,142
Total Special Education _Grants to States			1,079,408
Special Education _Preschool Grants	84.173	2018	15,925
Special Education _Preschool Grants	84.173	2017	16,585
Total Special Education _Preschool Grants			32,510
Total Special Education Cluster			1,111,918
Education for Homeless Children and Youth	84.196	2018	40,392
Education for Homeless Children and Youth	84.196	2017	3,598
Total Education for Homeless Children and Youth			43,990
Supporting Effective Instruction State Grants	84.367	2018	212,576
Supporting Effective Instruction State Grants	84.367	2017	43,815
Total Supporting Effective Instruction State Grants			256,391
Student Support and Academic Enrichment Program	84.424A	2018	977
Total U.S. Department of Education			3,092,366
Total Federal Financial Assistance			\$ 4,616,727

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

- (A) OAKS did not assign pass-through numbers for fiscal year 2018.
- (B) This schedule includes the federal award activity of the Xenia Community School District under programs of the federal government for the fiscal year ended June 30, 2018 and is prepared in accordance with the cash basis of accounting. The information on this schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Xenia Community School District, it is not intended to and does not present the financial position or changes in net position of the Xenia Community School District.
- (C) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are reported at the entitlement value.
- (D) Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first-in, first-out basis.
- (E) CFR 200.414 allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The District has not elected to use the 10% de minimis indirect cost rate.



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Required by *Government Auditing Standards***

Xenia Community School District
Greene County
819 Colorado Drive
Xenia, Ohio 45385

To the Board of Education:

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, its major fund, and the aggregate remaining fund information of the Xenia Community School District, Greene County, Ohio, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Xenia Community School District's basic financial statements and have issued our report thereon dated December 21, 2018, wherein we noted as discussed in Note 3, the Xenia Community School District adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Xenia Community School District'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 Xenia Community School District'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 Xenia Community School District'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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Xenia Community School District'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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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 Xenia Community School District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Xenia Community School District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
December 21, 2018



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance and Schedule of Expenditures of Federal Awards Required by The Uniform Guidance

Xenia Community School District
Greene County
819 Colorado Drive
Xenia, Ohio 45385

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Xenia Community School District's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Xenia Community School District's major federal program for the fiscal year ended June 30, 2018. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Xenia Community School District's major federal program.

Management's Responsibility

The Xenia Community School District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the Xenia Community School District's compliance for the Xenia Community School District's major federal program 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance 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 Xenia Community School District'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 Xenia Community School District major program. However, our audit does not provide a legal determination of the Xenia Community School District's compliance.

Opinion on the Major Federal Program

In our opinion, the Xenia Community School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the fiscal year ended June 30, 2018.

Report on Internal Control Over Compliance

The Xenia Community School District'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 Xenia Community School District'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 the Uniform Guidance, 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 Xenia Community School District'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 Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, its major fund and the aggregate remaining fund information of the Xenia Community School District as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Xenia Community School District's basic financial statements. We issued our unmodified report thereon dated December 21, 2018. Our opinion also explained that the Xenia Community School District adopted *Governmental Accounting Standards No. 75* during the fiscal year. We conducted our audit to opine on the Xenia Community School District's' basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance 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, and other additional procedures 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.

Julian & Grube, Inc.
Julian & Grube, Inc.
December 21, 2018

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2018**

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	Child Nutrition Cluster
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**



**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE
FISCAL YEAR ENDED JUNE 30, 2018**

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

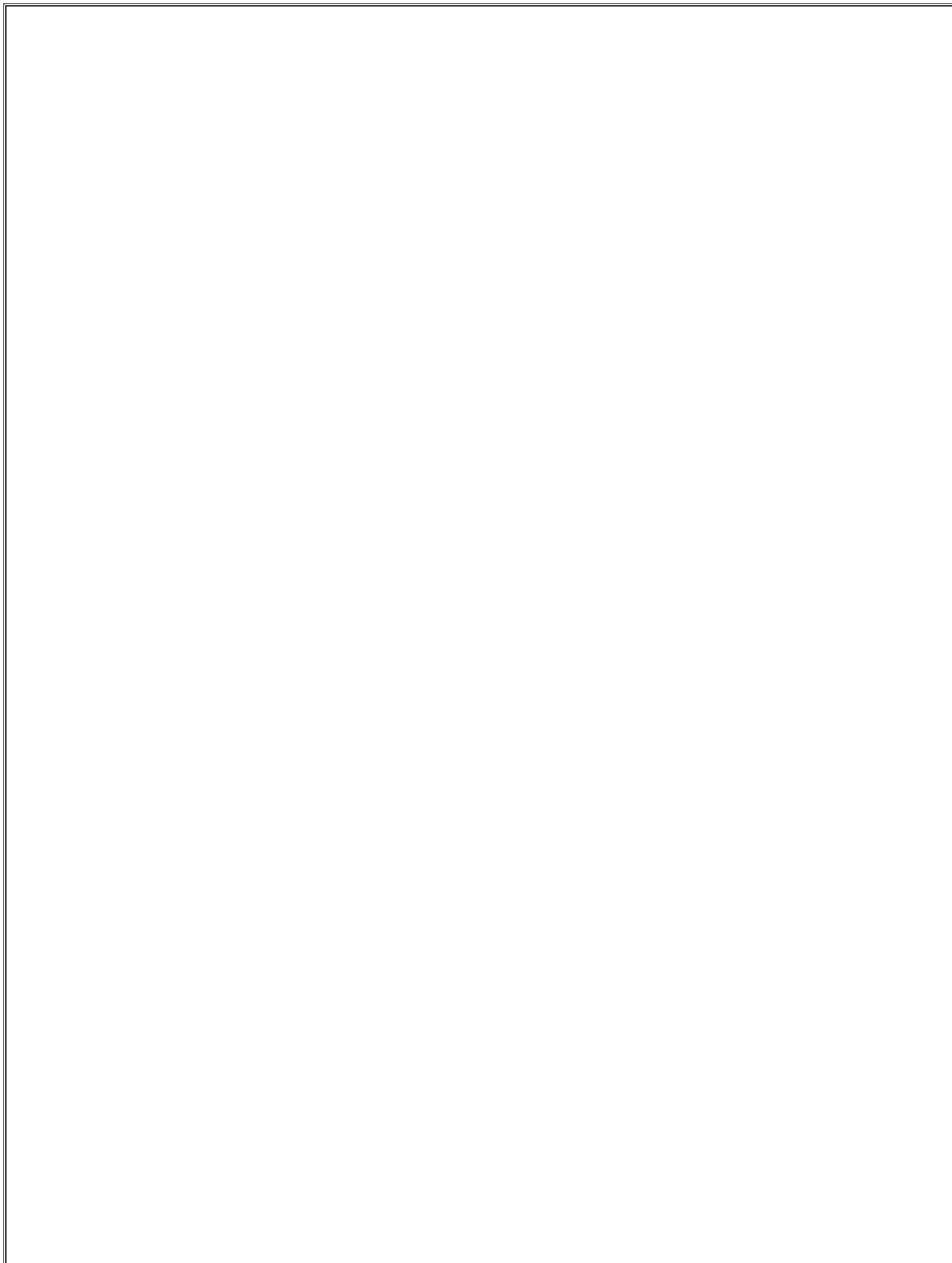
XENIA COMMUNITY
SCHOOL DISTRICT

GREENE COUNTY, OHIO

FOR THE

FISCAL YEAR ENDED JUNE 30, 2018

PREPARED BY
TREASURER'S DEPARTMENT
MR. ERIC J. SOLTIS, MBA, TREASURER



INTRODUCTORY SECTION

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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December 21, 2018

Citizens of the Xenia Community School District
and Members of the Xenia Community School District Board of Education:

We are pleased to present the 2018 Comprehensive Annual Financial Report (CAFR) for the Xenia Community School District. This report, for the fiscal year ended June 30, 2018, contains the financial statements and other financial and statistical data that provide complete and full disclosure of all material financial aspects of the Xenia Community School District (the "School District"). The responsibility for the accuracy and completeness of all data presented, and the fairness of the presentation, rests with the School District, specifically with the School District Treasurer's office.

Accounting Principles Generally Accepted in the United States of America (GAAP) also requires 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 the MD&A and should be read in conjunction with it. The School District's MD&A can be found immediately following the Independent Auditor's Report.

DISTRICT OVERVIEW

Over the years, the School District has made a conscious effort to do what's best for students. However, this has not come without adversity at times. One key date in history dates back to April of 1974, where the School District, and entire community of Xenia, was devastated with a tornado that destroyed hundreds of buildings. Unfortunately, part of the mass destruction was Xenia High School. A new replacement facility was later constructed thereafter in 1976.

More recently, within the last ten years, the School District had found itself in a less-than-ideal financial position. The administration of the School District had very tough decisions to make, which included a reduction-in-force for numerous staff. As a result, many of the School District's services (custodial, maintenance, transportation) were eventually out-sourced in an effort to help save costs. While this was not necessarily a favorable option, this innovative approach has proven to be cost-effective over the long-term.

On November 3, 2009, the School District's voters approved a bond issue to construct five brand new elementary buildings. These buildings were not only built on time, but the overall project costs came in under budget. The new elementary buildings tout the latest technologies and securities, providing a great learning environment that is safe. For the fiscal year ended June 30, 2018, the School District had an enrollment of 4,330 students.

The following is a description of the School District's existing facilities, including name of school and grades housed:

<u>Building</u>	<u>Grades Housed</u>	<u>Date of Original Construction</u>	<u>Date of Improvement/Addition</u>
Arrowood Elementary	K-5	2012	N/A
Cox Elementary	K-5	2012	N/A
McKinley Elementary	K-5	2012	N/A
Shawnee Elementary	K-5	2012	N/A
Tecumseh Elementary	K-5	2012	N/A
Central Middle School	PK	1939	1975
Warner Middle School	6-8	1962	1967
Xenia High School	9-12	1976	2000

SCHOOL DISTRICT ORGANIZATION AND REPORTING ENTITY

The School District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code. Under a locally elected five member Board form of government, the School District provides educational services as authorized by its charter or further mandated by state and/or federal agencies. The Board of Education serves as the taxing authority, contracting body, and policy maker for the School District. In addition, the Board adopts the annual operating budget and approves all expenditures of School District monies. The Board appoints the Superintendent and Treasurer. As the chief administrative officer, the Superintendent is responsible for the development, supervision, and operation of the school programs and facilities and appoints all other personnel in the School District. As the chief financial officer, the Treasurer is responsible for maintaining financial records, acting as the custodian of all School District funds, and investing idle funds as specified by law.

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements of the School District are not misleading.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's Governing Board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise have access to the organization's resources; or (3) the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Currently, the School District does not have any component units. While there are charter/community schools that area students can attend, the School District does not have any specific relationship with those schools.

The School District is associated with the Miami Valley Educational Computer Association (MVECA), which is defined as a jointly governed organization. It is a computer consortium with schools in Clark, Clinton, Fayette, Greene, Madison and Highland Counties. This organization is presented in Note 16.

Also, the School District is associated with the Southwestern Ohio Educational Purchasing Council (SOEPC), which is defined as a jointly governed organization. It is a purchasing cooperative comprised of over 126 school districts in 18 counties. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. This organization is presented in Note 16.

Also, the School District is associated with the Greene County Career Center, which is defined as a jointly governed organization. It is a distinct political subdivision of the State of Ohio operating as a joint vocational school district. The purpose of the vocational school district is to provide vocational educational services to students of member districts. This organization is presented in Note 16.

ECONOMIC CONDITION AND OUTLOOK

Overall, it had been believed that the economy of the state was stable and growing. Many indicators have supported this claim; however, a new Governor will begin in January and the ensuing budget cycle will commence. This leaves uncertainty when it comes to priorities and, in particular, the school funding formula. The new state budget process begins in early 2019, and the School District will be keeping close watch on the proposals as they make their way through the legislative process. It is very important for the School District to stay informed on this topic because the state budget currently accounts for roughly half of the School District's revenues. Any changes of significance could vastly alter the School District's total revenues.

Despite the uncertainty surrounding the upcoming state budget process, and with considering the several assumptions included in the School District's Five Year Forecast ("FYF"), the School District is seeing a decline in cash balance in the foreseeable future. The current FYF emphasizes deficit spending is projected in each fiscal year of the FYF. While this initially sounds less than appealing, the School District goes through an annual budget review process to make sure that funds are being spent wisely. Deficit spending issues will look to be addressed, as needed. The main point worth stressing is that the School District has demonstrated a strong focus on being outstanding fiscal stewards of taxpayer dollars, adding over \$5.7 million to the General Fund's ending cash balance (i.e. – the "bottom line") in the last three fiscal years. In terms of projected enrollment, the District expects relatively consistent enrollment in the near future.

MAJOR INITIATIVES

The treasurer's office handles a great deal of the day-to-day financial functions of the School District, including issuing payroll, billing for insurance, purchasing, reporting to the state of Ohio and the U.S. Department of Education, forecasting and tracking revenues and expenditures, and investing. While these are important functions of the treasurer's office, the most crucial component is to allocate adequate funding to all areas so that the School District can offer children the best education possible.

In recent years, the School District's curriculum department has ensured that curriculum was aligned to state standards. Pacing guides and curriculum maps were created to ensure students had exposure to content and were given the opportunity to achieve high levels of performance; common assessments were implemented to track student performance and provide consistency among the district. Gaps in the School District's resources were identified and supplemented where appropriate; the School District continues to allocate instructional resources to address needs and stay relevant. A heavy focus has been placed on addressing the achievement gaps for targeted students.

Technology is an integrated part of instruction and assessment. The School District has implemented a 1:1 initiative to provide access to technology for every student. We continue to integrate technology so that student learning is enhanced and teachers are equipped with 21st century instructional tools.

Along similar lines, the School District offers high quality, research-based instructional software for intervention and enrichment. A variety of programs utilize these tools to address specific student needs. Examples include Project Lead the Way, Young 5's Kindergarten, Behavior Intervention, Tutoring, Mentoring, and a Virtual Academy to address dropout prevention.

The School District is very proud to provide a variety of Career Technical Programs. These include PLTW, Digital Media, Business, Vocational Agriculture, Biomedicine, Family & Consumer Sciences, and CBI.

The School District is also now on a textbook/curriculum/technology adoption replacement schedule. We have audited our needs, inventoried our resources, and put together a purchasing cycle that makes sense both instructionally and financially.

Perhaps our greatest initiative is that of providing high-quality core instruction as well as research-proven supplemental interventions and supports. We are laser-focused on closing achievement gaps and providing programming for ALL student. We undergo continuous improvement efforts and keep student learning at the forefront of all decision making.

FINANCIAL INFORMATION

The School District's accounting system is organized on a fund basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from Accounting Principles Generally Accepted in the United States of America (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

INTERNAL CONTROLS

The management of the School District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the School District 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 GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely derived from its implementations, and (2) the valuation of cost and benefits requires estimates and judgments by management.

The School District uses a fully automated accounting system as well as an automated system for payroll. These systems, coupled with the manual control procedures, ensure that the financial information generated is both accurate and reliable. During the 2017-2018 school year, the School District relied on State software through MVECA for financial accounting software.

Assistance

As a recipient of Federal and State assistance, the School District is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management of the School District.

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Although the legal level of budgetary control was established at the fund level of expenditures, the School District has elected to present budgetary statement comparisons at the fund and function level of expenditures for the general fund.

The School District maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Unencumbered appropriation balances are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

Financial Condition

The School District continues to prepare financial statements following GASB Statement No. 34, “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments.” GASB 34 created basic financial statements for reports as follows:

Government-wide financial statements - These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by many businesses. The government-wide statement distinguishes between those activities of the School District that are governmental and those that are considered business-type activities. The School District reports no business-type activities.

Fund financial statements - These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statement of budgetary comparisons - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transaction on a basis of cash receipts, disbursements, and encumbrances.

Management Discussion and Analysis for the School District - This discussion is located in the financial section of this report following the audit opinion and provides an assessment of the School District finances and the outlook for the future.

OTHER INFORMATION

Independent Audit

An audit team from the independent accounting firm Julian & Grube, Inc. has performed this year’s audit. The results of the audit are presented in the Independent Auditor’s Report.

Awards

GFOA Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Xenia Community School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. The Certificate of Achievement is the highest form of recognition for excellence in the state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The School District believes the current report continues to conform to the high standards required by the Certificate of Achievement program.

ASBO Certificate of Excellence in Financial Reporting

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of the School Business Officials. The award is granted only after an intensive review of the financial report by an all-expert panel of certified public accountants and practicing school business officials.

The School District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2017. The School District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2018, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

GFOA Outstanding Achievement in Popular Annual Financial Reporting

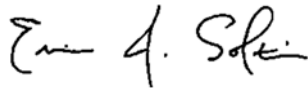
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Xenia Community School District for its Popular Annual Financial Report for the fiscal year ended June 30, 2017. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

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

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Xenia Community School District has received a Popular Award for last year (fiscal year ended June 30, 2017). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.

Acknowledgements

Sincere appreciation is extended to the many people who have contributed their time and effort to prepare this report. The members of the Treasurer's Office Staff are to be commended for their input and commitment. Finally, appreciation is extended to the firm of Julian and Grube, Inc. for the guidance and assistance in preparing this report.



Eric J. Soltis, MBA
Treasurer/CFO

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2018**

ELECTED OFFICIALS

President, Board of Education	Ms. Cheryl D. Marcus, Ed.S.
Vice President, Board of Education	Mr. Robert P. Dillaplain, M.D.
Board of Education Member	Ms. Pamela Callahan
Board of Education Member	Ms. Jennifer Marietta
Board of Education Member	Mr. William Spahr

ADMINISTRATIVE OFFICIALS

Superintendent	Dr. Gabriel E. Lofton
Treasurer/CFO	Mr. Eric J. Soltis, MBA
Director of Business and Technology	Mr. Bryan Shirey
Director of Instructional Services	Dr. Sabrina Woodruff
Coordinator of Elementary Curriculum	Ms. Dena Doolin
Coordinator of Secondary Curriculum	Mr. Andrew Huber
Gifted Coordinator/Elementary Gifted Specialist	Ms. Donna Shaw
Director of Personnel	Mr. Michael Earley
Director of Special Education and Pupil Personnel	Ms. Dianna Alliod
Coordinator of Pupil Personnel	Mr. Brian Newell
Coordinator of Special Education	Ms. Jennifer Jones
Athletic Director	Mr. Nathan Kopp
EMIS Coordinator	Ms. Tammy Newsock
Coordinator of Communications	Ms. Wendy Planicka

OFFICE OF THE TREASURER

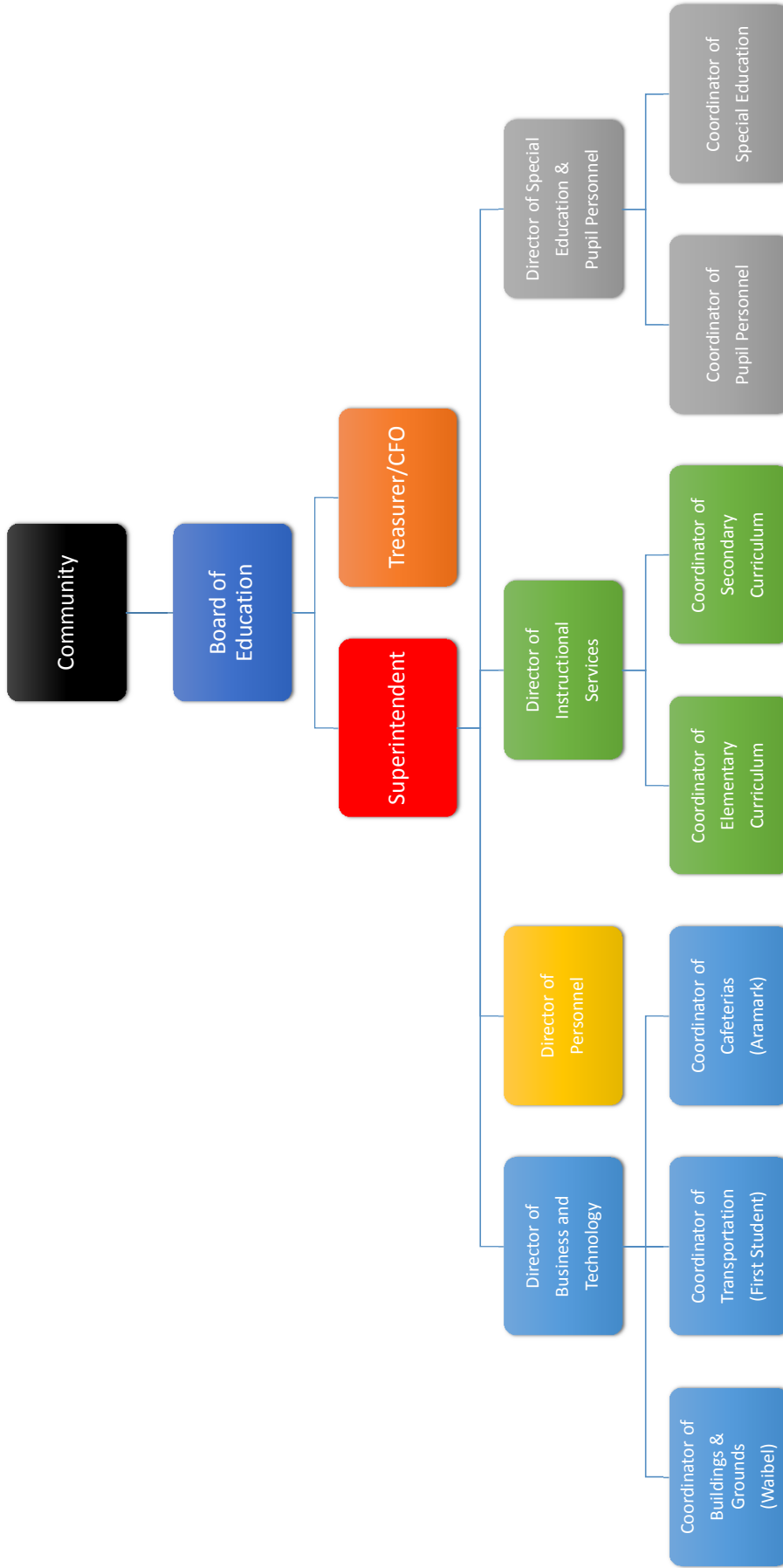
Treasurer/CFO	Mr. Eric J. Soltis, MBA
Assistant Treasurer	Ms. Carolyn Huber
Head Payroll Specialist	Ms. Jessica Huffman ¹
Payroll Specialist	Ms. Amii Davis ²
Accounting Specialist/Secretary to the Treasurer	Ms. Melissa Kraemer

¹ Ms. Jessica Huffman resigned from the School District, effective October 22, 2018.

² Ms. Amii Davis has since been promoted to Head Payroll Specialist, effective October 22, 2018, and Ms. Holly Horlacher has since been hired as the Payroll Specialist, effective November 26, 2018.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**ORGANIZATIONAL CHART
JUNE 30, 2018**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Xenia Community School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Xenia Community School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



Charles E. Peterson, Jr.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

John D. Musso

John D. Musso, CAE
Executive Director

FINANCIAL SECTION

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Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Xenia Community School District
Greene County
819 Colorado Drive
Xenia, Ohio 45385

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, its major fund, and the aggregate remaining fund information of the Xenia Community School District, Greene County, Ohio, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Xenia Community School District'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 Xenia Community School District'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 Xenia Community School District's internal control. Accordingly, we express no such 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, its major fund, and the aggregate remaining fund information of the Xenia Community School District, Greene County, Ohio, as of June 30, 2018, and the respective changes in financial position thereof and the budgetary comparison for the General fund thereof for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during fiscal year 2018, the Xenia Community School District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. We did not modify our opinion regarding this matter.

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* and schedules of net pension and other postemployment benefit liabilities and pension and other postemployment benefit contributions 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 Xenia Community School District'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 this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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 information is 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 December 21, 2018, on our consideration of the Xenia Community School District'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 Xenia Community School District's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
December 21, 2018

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

The management's discussion and analysis of the Xenia Community School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2018.

The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2018 are as follows:

- In total, net position of governmental activities increased \$24,860,368 which represents a 156.64% increase from June 30, 2017's restated net position.
- General revenues accounted for \$49,343,571 in revenue or 79.28% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$12,896,489 or 20.72% of total revenues of \$62,240,060.
- The School District had \$37,379,692 in expenses related to governmental activities; \$12,896,489 of these expenses was offset by program specific charges for services and sales, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$49,343,571 were adequate to provide for these programs.
- The School District's major governmental fund is the general fund. The general fund had \$51,324,324 in revenues and other financing sources and \$51,205,068 in expenditures. During fiscal year 2018, the general fund's fund balance increased \$119,256 from \$20,693,737 to \$20,812,993.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *statement of net position* and *statement of activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the School District, the general fund is the most significant funds and is considered a major fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2018?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

These two statements report the School District's *net position* and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the *financial position* of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the Governmental Activities include the School District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, and food service operations.

The School District's statement of net position and statement of activities can be found on pages 15-16 of this report.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major governmental funds begins on page 11. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental fund is the general fund.

Governmental Funds

Most of the School District'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* than can readily be converted to cash. The governmental fund financial statements provide a detailed *short-term* view of the School District'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 educational 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 basic financial statements. The basic governmental fund financial statements can be found on pages 17-21 of this report.

Fiduciary Funds

The School District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The School District also acts in a trustee capacity as an agent for individuals or other entities. These activities are reported in agency funds. All of the School District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages 22 and 23. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 25-67 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability. The required supplementary information can be found on pages 70-83 of this report.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

The School District as a Whole

The statement of net position provides the perspective of the School District as a whole. The table below provides a summary of the School District's net position at June 30, 2018 and 2017.

	Net Position	
	Governmental Activities 2018	Restated Governmental Activities 2017
	<u>2018</u>	<u>2017</u>
<u>Assets</u>		
Current and other assets	\$ 56,874,641	\$ 55,214,200
Capital assets, net	<u>70,645,923</u>	<u>72,345,630</u>
Total assets	<u>127,520,564</u>	<u>127,559,830</u>
<u>Deferred Outflows of Resources</u>		
Pension	20,476,108	15,553,971
OPEB	<u>1,027,562</u>	<u>99,355</u>
Total deferred outflows of resources	<u>21,503,670</u>	<u>15,653,326</u>
<u>Liabilities</u>		
Current liabilities	5,280,199	6,487,779
Long-term liabilities:		
Due within one year	617,483	1,606,387
Due in more than one year:		
Net pension liability	57,765,442	76,416,308
Net OPEB liability	12,618,492	15,216,800
Other amounts	<u>38,238,212</u>	<u>37,560,897</u>
Total liabilities	<u>114,519,828</u>	<u>137,288,171</u>
<u>Deferred Inflows of Resources</u>		
Property taxes levied for next year	19,642,189	19,125,039
Unamortized deferred gain on refunding	2,241,386	2,341,374
Pension	2,201,388	329,213
OPEB	<u>1,429,716</u>	<u>-</u>
Total deferred inflows of resources	<u>25,514,679</u>	<u>21,795,626</u>
<u>Net Position</u>		
Net investment in capital assets	32,488,641	33,751,166
Restricted	8,863,382	6,874,583
Unrestricted	<u>(32,362,296)</u>	<u>(56,496,390)</u>
Total net position	<u>\$ 8,989,727</u>	<u>\$ (15,870,641)</u>

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2018 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2018, the School District adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

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

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

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

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

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

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

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

As a result of implementing GASB 75, the School District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from (\$753,196) to (\$15,870,641).

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2018, the School District's net position was \$8,989,727. Of this total, (\$32,362,296) is unrestricted in use.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)**

Total assets of the School District increased \$39,266 or 0.03%. Current and other assets increased \$1,660,441 or 3.01% due primarily to an increase in equity in pooled cash and investments and cash and investments with escrow agent. These increases can be attributable to an increase in the bond retirement fund cash balance and the creation of a sinking fund account to pay off future debt service. Capital assets decreased \$1,699,707 or 2.35% due mainly current year depreciation exceeding current year additions.

Deferred outflows of resources increased due to an increase in pension and OPEB related items that are provided by the pension systems.

At year-end, capital assets represented 47.41% of total assets and deferred outflows of resources. Capital assets include land, buildings and improvements, furniture/equipment/fixtures and vehicles. Net investment in capital assets at June 30, 2018, was \$32,488,641. These capital assets are used to provide services to the students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

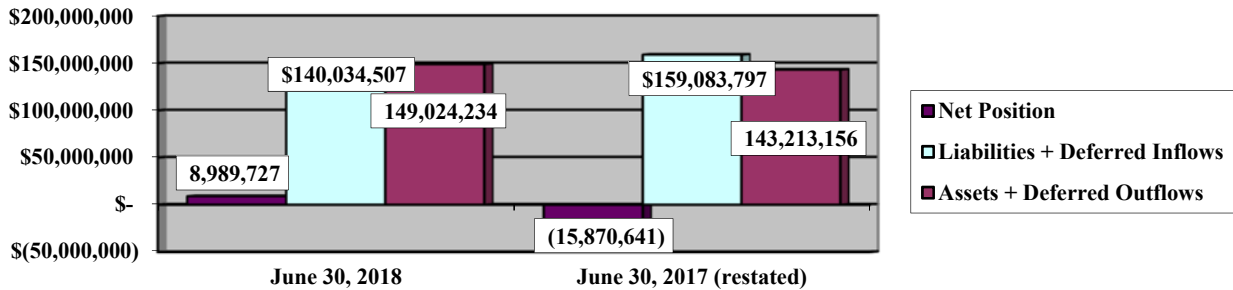
Liabilities of the School District decreased \$22,768,343 or 16.58%. The primary reason for this decrease is due an decrease in net pension liability and net OPEB liability.

Deferred inflows of resources increased due to an increase in pension and OPEB related items that are provided by the pension systems.

A portion of the School District's net position, \$8,863,382, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is (\$32,362,296).

The graph below illustrates the School District's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2018 and 2017. Amounts at June 30, 2017 have been restated as described in Note 3.A.

Governmental Activities



**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

The table below shows the change in net position for fiscal year 2018 and 2017. The net position at June 30, 2017 has been restated as described in Note 3.A.

	<u>Change in Net Position</u>	
	Governmental Activities <u>2018</u>	Restated Governmental Activities <u>2017</u>
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 2,020,161	\$ 1,562,602
Operating grants and contributions	10,876,328	10,315,109
General revenues:		
Property taxes	21,376,029	23,033,748
Income taxes	4,214,867	3,823,386
Unrestricted grants and entitlements	23,390,970	22,455,890
Interest	291,539	130,010
Other	<u>70,166</u>	<u>91,010</u>
 Total revenues	 <u>62,240,060</u>	 <u>61,411,755</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	13,113,728	25,965,425
Special	5,636,758	10,847,646
Vocational	100,368	575,244
Other	893,508	294,686
Support services:		
Pupil	2,461,646	3,714,697
Instructional staff	941,275	1,346,371
Board of education	19,740	48,093
Administration	1,655,716	4,068,485
Fiscal	1,126,291	1,341,482
Business	416,710	800,033
Operations and maintenance	3,336,177	3,324,326
Pupil transportation	2,916,931	2,844,303
Central	417,637	492,039
Operations of non-instructional services:		
Non-instructional services	432,858	633,491
Food service operations	1,806,008	2,112,269
Extracurricular activities	411,854	921,921
Interest and fiscal charges	<u>1,692,487</u>	<u>2,010,994</u>
 Total expenses	 <u>37,379,692</u>	 <u>61,341,505</u>
 Change in net position	 24,860,368	 70,250
Net position at beginning of year (restated)	<u>(15,870,641)</u>	<u>N/A</u>
Net position at end of year	<u>\$ 8,989,727</u>	<u>\$ (15,870,641)</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

Governmental Activities

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$99,355 computed under GASB 45. GASB 45 required recognizing OPEB expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$1,971,833. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

Total 2018 program expenses under GASB 75	\$ 37,379,692
Negative OPEB expense under GASB 75	1,971,833
2018 contractually required contributions	<u>124,966</u>
Adjusted 2018 program expenses	39,476,491
Total 2017 program expenses under GASB 45	<u>61,341,505</u>
Decrease in program expenses not related to OPEB	<u>\$ (21,865,014)</u>

Net position of the School District's governmental activities increased \$24,860,368. Total governmental expenses of \$37,379,692 were offset by program revenues of \$12,896,489 and general revenues of \$49,343,571. Program revenues supported 34.50% of the total governmental expenses.

Revenues of the School District increased \$828,305 or 1.35%. This increase is primarily due to an increase in income taxes and unrestricted grants and entitlements. Income taxes increased due to an increasing area economy. Unrestricted grants and entitlements increased due to an increase in State foundation revenue and homestead and rollback. Charges for services and sales also increased which was the result of an increase in open enrollment tuition. Property taxes of the School District decreased \$1,657,719 due to fluctuations in the amount of tax collected and available for advance at fiscal year-end by the Greene County Auditor. Tax advances available are recorded as revenue under GAAP. The amount of tax advances available at June 30, 2018, 2017 and 2016 was \$1,278,811, \$2,044,247 and \$1,026,987, respectively. The amount of tax advance available at year-end can vary depending upon when the county fiscal auditors distribute tax bills. Operating grants and contributions increased due to increases in special education fund for Title I programs and an increase in Medicaid funding.

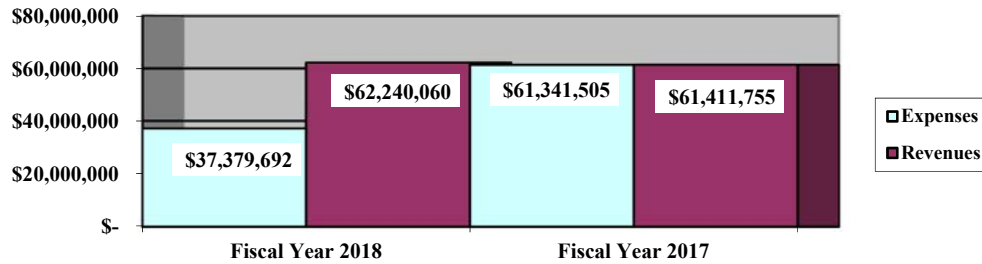
Expenses of the governmental activities decreased \$23,961,813 or 39.06%. This decrease is primarily the result of the State Teachers Retirement System (STRS) indefinitely suspending the Cost of Living Adjustment ("COLA") and the School Employees Retirement System (SERS) lowering the COLA from 3.00% to 2.50%. On an accrual basis, the District reported (\$17,662,818) in pension expense and (\$1,971,833) in OPEB expense mainly due to these benefit changes.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

The graph below presents the School District's governmental activities revenues and expenses for fiscal year 2018 and 2017.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and sales and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services 2018	Net Cost of Services 2018	Total Cost of Services 2017	Net Cost of Services 2017
Program expenses				
Instruction:				
Regular	\$ 13,113,728	\$ 11,649,891	\$ 25,965,425	\$ 25,035,822
Special	5,636,758	(700,525)	10,847,646	4,401,552
Vocational	100,368	(57,194)	575,244	420,553
Other	893,508	893,508	294,686	294,686
Support services:				
Pupil	2,461,646	2,214,788	3,714,697	3,422,209
Instructional staff	941,275	769,991	1,346,371	1,292,756
Board of education	19,740	19,740	48,093	48,093
Administration	1,655,716	1,488,051	4,068,485	3,912,205
Fiscal	1,126,291	1,123,923	1,341,482	1,341,482
Business	416,710	415,487	800,033	800,033
Operations and maintenance	3,336,177	3,319,824	3,324,326	3,318,950
Pupil transportation	2,916,931	2,658,305	2,844,303	2,607,955
Central	417,637	403,237	492,039	477,639
Operations of non-instructional services:				
Other non-instructional services	432,858	(129,395)	633,491	113,231
Food service operations	1,806,008	(267,538)	2,112,269	188,285
Extracurricular activities	411,854	50,810	921,921	442,271
Interest and fiscal charges	1,692,487	630,300	2,010,994	1,346,072
Total expenses	<u>\$ 37,379,692</u>	<u>\$ 24,483,203</u>	<u>\$ 61,341,505</u>	<u>\$ 49,463,794</u>

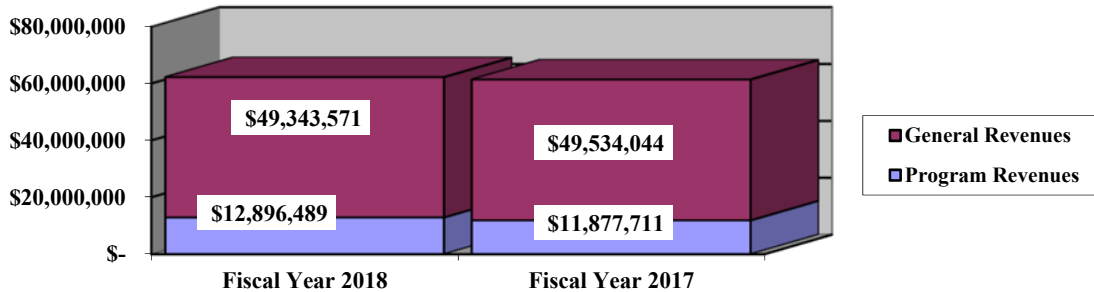
The dependence upon tax and other general revenues for governmental activities is apparent, 59.69% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 65.50%. The School District's taxpayers and grants and entitlements received from the State of Ohio that are not restricted in use are by far the primary support for School District's students.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

The graph below presents the School District's governmental activities revenue for fiscal year 2018 and 2017.

Governmental Activities - General and Program Revenues



The School District's Funds

The School District's governmental funds reported a combined fund balance of \$29,919,113, which is higher than last year's total of \$27,498,206. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2018 and 2017.

	<u>Fund Balance June 30, 2018</u>	<u>Fund Balance June 30, 2017</u>	<u>Change</u>	<u>Percentage Change</u>
General	\$ 20,812,993	\$ 20,693,737	\$ 119,256	0.58 %
Other governmental	<u>9,106,120</u>	<u>6,804,469</u>	<u>2,301,651</u>	33.83 %
Total	<u>\$ 29,919,113</u>	<u>\$ 27,498,206</u>	<u>\$ 2,420,907</u>	8.80 %

The School District's general fund balance increased \$119,256.

The table that follows assists in illustrating the financial activities and fund balance of the general fund.

	<u>2018 Amount</u>	<u>2017 Amount</u>	<u>Change</u>	<u>Percentage Change</u>
<u>Revenues</u>				
Taxes	\$ 22,762,799	\$ 23,711,734	\$ (948,935)	(4.00) %
Tuition	1,249,490	635,594	613,896	96.59 %
Earnings on investments	278,324	115,912	162,412	140.12 %
Intergovernmental	26,710,186	26,301,342	408,844	1.55 %
Other	<u>311,552</u>	<u>353,912</u>	<u>(42,360)</u>	(11.97) %
Total	<u>\$ 51,312,351</u>	<u>\$ 51,118,494</u>	<u>\$ 193,857</u>	0.38 %

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

	2018 <u>Amount</u>	2017 <u>Amount</u>	<u>Change</u>	Percentage <u>Change</u>
<u>Expenditures</u>				
Instruction	\$ 33,036,542	\$ 31,570,304	\$ 1,466,238	4.64 %
Supporting services	17,332,451	15,958,414	1,374,037	8.61 %
Non-instructional services	7,132	15,465	(8,333)	(53.88) %
Extracurricular activities	623,202	505,744	117,458	23.22 %
Facilities acquisition and construction	6,229	821,719	(815,490)	(99.24) %
Capital outlay	-	155,657	(155,657)	100.00 %
Debt service	<u>199,512</u>	<u>190,912</u>	<u>8,600</u>	4.50 %
Total	<u>\$ 51,205,068</u>	<u>\$ 49,218,215</u>	<u>\$ 1,986,853</u>	4.04 %

Overall revenues of the general fund increased \$193,857. The most significant increases were in the area tuition and intergovernmental. Tuition increased due to an increase in open enrollment tuition throughout the School District. Intergovernmental increased \$408,844 or 1.55% due to an increase in State foundation money. Taxes decreased \$948,935 or 4.00% due to the previously discussed fluctuations in tax advances recorded as revenue.

Expenditures of the general fund increased \$1,986,853 or 4.04%. The most significant increases were in the areas of instruction and support services which increased \$1,466,238 and \$1,374,037, respectively. These increases were due to increases in wages and benefits expenditures. Facilities acquisition and construction decreased due to costs associated with the building of track that were primarily paid for in fiscal year 2017.

General Fund Budgeting Highlights

The School District'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. The most significant budgeted fund is the general fund.

During the course of fiscal year 2018, the School District reallocated its general fund budget. For the general fund, original and final revenues and other financing sources were \$37,917,287. Actual revenues and other financing sources for fiscal year 2018 were \$52,163,057. This represents a \$14,245,770 increase over final budgeted revenues.

General fund original and final appropriations and other financing uses totaled \$53,070,270. The actual budget basis expenditures and other financing uses for fiscal year 2018 totaled \$52,443,968, which is lower than the final budget appropriations by \$626,302.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2018, the School District had \$70,645,923 invested in land, buildings and improvements, furniture/equipment/fixtures, and vehicles. This entire amount is reported in governmental activities.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)

The following table shows June 30, 2018 balances compared to June 30, 2017:

**Capital Assets at June 30
(Net of Depreciation)**

	Governmental Activities	
	2018	2017
Land	\$ 450,091	\$ 450,091
Construction in progress	-	746,719
Building and improvements	68,047,182	68,930,290
Furniture/equipment/fixtures	1,979,093	2,104,252
Vehicles	169,557	114,278
Total	\$ 70,645,923	\$ 72,345,630

Capital assets decreased \$1,699,707 during fiscal year 2018. The School District had \$508,220 in additions and \$2,207,927 in current year depreciation.

See Note 9 to the basic financial statements for additional information on the School District's capital assets.

Debt Administration

The following table summarizes the School District's long-term debt outstanding at June 30, 2018 and 2017.

	Governmental Activities	
	2018	2017
School facilities construction and improvement bonds	\$ 32,665,000	\$ 32,847,165
Energy conservation notes	1,120,000	1,240,000
Permanent improvement notes	565,000	580,000
Capital leases	108,022	137,077
Unamortized bond & note premiums	2,057,924	2,150,838
Total	\$ 36,515,946	\$ 36,955,080

At June 30, 2018, the School District had \$36,515,946 in current interest bonds, notes payable, premiums and capital lease obligations. Of this total, \$170,542 is due within one year and \$36,345,404 is due within greater than one year.

See Note 15 to the basic financial statements for additional information on the School District's debt administration.

Current Financial Related Activities

On November 3, 2009, the School District voters approved 3.2 mills to construct five elementary school buildings. Of the total millage, 2.7 mills is for construction and the remaining 0.5 mill is required by the state for maintenance on the school buildings. The building project covers the local portion of \$34,670,000 of the Ohio School Facilities Commission Program. The total project is \$125,408,386. The new schools were built on the current sites of Cox Elementary School, McKinley Elementary School, Shawnee Elementary School, Tecumseh Elementary School and Arrowood Elementary School. The Xenia Board of Education had set an aspiration goal of 25 percent for including local vendors and companies in the building project. The new elementary buildings were moved into during January 2013.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(UNAUDITED)**

On November 2, 2010, the voters approved a renewal of an emergency levy that provides nearly \$8 million a year for the Xenia Community Schools. The levy is a five year, 11.4 mill (reduced from 13.4 mills when on the ballot five years ago) renewal levy that will continue to fund classroom instruction and key items like textbooks and technology. None of the money will go to construct buildings.

On November 8, 2011, voters rejected a 4.8 mill emergency levy for operations. If approved, the levy would have generated approximately \$3,078,329 annually.

On August 7, 2012, the voters of the School District voted against replacing a seven year 0.5 percent income tax with a 1.5% income tax.

On November 6, 2012, the voters of the School District voted against a five year 6.50 mill emergency levy to avoid an operating deficit.

On May 5, 2015, the voters of the School District approved a renewal of both an emergency levy and an income tax levy. The emergency levy was 11.75 mills and the income tax was at 0.5 percent. Both were renewed for a period of seven years.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact: Mr. Eric Soltis, MBA, Treasurer at Xenia Community School District, 819 Colorado Drive, Xenia, Ohio 45385.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 31,020,357
Cash and investments with escrow agent	818,870
Receivables:	
Property taxes	21,846,415
Income taxes.	1,720,393
Accounts.	7,109
Accrued interest	66,008
Intergovernmental	1,257,822
Prepayments	97,361
Materials and supplies inventory.	5,986
Inventory held for resale.	34,320
Capital assets:	
Nondepreciable capital assets	450,091
Depreciable capital assets, net.	70,195,832
Capital assets, net	70,645,923
Total assets.	127,520,564
 Deferred outflows of resources:	
Pension	20,476,108
OPEB	1,027,562
Total deferred outflows of resources	21,503,670
 Liabilities:	
Accounts payable.	413,419
Accrued wages and benefits payable	3,857,262
Compensated absences payable.	9,505
Intergovernmental payable	104,433
Pension and postemployment benefits payable	751,799
Accrued interest payable	143,781
Long-term liabilities:	
Due within one year.	617,483
Due in more than one year:	
Net pension liability	57,765,442
Net OPEB liability	12,618,492
Other amounts due in more than one year	38,238,212
Total liabilities	114,519,828
 Deferred inflows of resources:	
Property taxes levied for the next fiscal year	19,642,189
Unamortized deferred gain on refunding	2,241,386
Pension	2,201,388
OPEB	1,429,716
Total deferred inflows of resources	25,514,679
 Net position:	
Net investment in capital assets	32,488,641
Restricted for:	
Capital projects	2,141,788
Classroom facilities maintenance	2,306,217
Debt service.	3,228,626
Locally funded programs	32,093
State funded programs.	135,181
Federally funded programs	300,718
Student activities	137,624
Food service operations	581,135
Unrestricted (deficit)	(32,362,296)
Total net position.	\$ 8,989,727

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Expenses	Program Revenues		Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Revenue and Change in Net Position
				Governmental Activities
Governmental activities:				
Instruction:				
Regular	\$ 13,113,728	\$ 1,076,938	\$ 386,899	\$ (11,649,891)
Special	5,636,758	402,986	5,934,297	700,525
Vocational	100,368	1,523	156,039	57,194
Other	893,508	-	-	(893,508)
Support services:				
Pupil.	2,461,646	-	246,858	(2,214,788)
Instructional staff	941,275	2,879	168,405	(769,991)
Board of education	19,740	-	-	(19,740)
Administration.	1,655,716	-	167,665	(1,488,051)
Fiscal.	1,126,291	-	2,368	(1,123,923)
Business.	416,710	-	1,223	(415,487)
Operations and maintenance	3,336,177	5,318	11,035	(3,319,824)
Pupil transportation.	2,916,931	-	258,626	(2,658,305)
Central	417,637	-	14,400	(403,237)
Operation of non-instructional services:				
Other non-instructional services	432,858	519	561,734	129,395
Food service operations	1,806,008	235,619	1,837,927	267,538
Extracurricular activities.	411,854	294,379	66,665	(50,810)
Interest and fiscal charges	1,692,487	-	1,062,187	(630,300)
Total governmental activities	<u>\$ 37,379,692</u>	<u>\$ 2,020,161</u>	<u>\$ 10,876,328</u>	<u>(24,483,203)</u>
General revenues:				
Property taxes levied for:				
General purposes				18,593,302
Debt service.				2,125,439
Capital outlay.				377,417
Classroom facilities maintenance				279,871
Income taxes levied for:				
General purposes				4,214,867
Grants and entitlements not restricted to specific programs				
Investment earnings				23,390,970
Miscellaneous				291,539
				70,166
Total general revenues				<u>49,343,571</u>
Change in net position				24,860,368
Net position at beginning of year (restated)				<u>(15,870,641)</u>
Net position at end of year.				<u>\$ 8,989,727</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General	Nonmajor Governmental Funds	Total Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 22,552,353	\$ 8,468,004	\$ 31,020,357
Cash and investments with escrow agent	-	818,870	818,870
Receivables:			
Property taxes	19,573,755	2,272,660	21,846,415
Income taxes	1,720,393	-	1,720,393
Accounts	7,109	-	7,109
Accrued interest	66,008	-	66,008
Intergovernmental	585,563	672,259	1,257,822
Prepayments	95,023	2,338	97,361
Materials and supplies inventory	-	5,986	5,986
Inventory held for resale	-	34,320	34,320
Due from other funds	841	-	841
Total assets	<u>\$ 44,601,045</u>	<u>\$ 12,274,437</u>	<u>\$ 56,875,482</u>
Liabilities:			
Accounts payable	\$ 216,445	\$ 196,974	\$ 413,419
Accrued wages and benefits payable	3,539,223	318,039	3,857,262
Compensated absences payable	9,505	-	9,505
Intergovernmental payable	95,944	8,489	104,433
Pension and postemployment benefits payable	690,292	61,507	751,799
Due to other funds	-	841	841
Total liabilities	<u>4,551,409</u>	<u>585,850</u>	<u>5,137,259</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	17,608,845	2,033,344	19,642,189
Delinquent property tax revenue not available	824,755	100,660	925,415
Income tax revenue not available	282,213	-	282,213
Intergovernmental revenue not available	470,115	448,463	918,578
Accrued interest not available	50,715	-	50,715
Total deferred inflows of resources	<u>19,236,643</u>	<u>2,582,467</u>	<u>21,819,110</u>
Fund balances:			
Nonspendable:			
Materials and supplies inventory	-	5,986	5,986
Prepays	95,023	2,338	97,361
Restricted:			
Debt service	-	3,295,201	3,295,201
Capital improvements	-	2,727,514	2,727,514
Classroom facilities maintenance	-	2,293,692	2,293,692
Food service operations	-	613,078	613,078
Non-public schools	-	129,554	129,554
Public school preschool	-	2,127	2,127
Special education	-	278	278
Targeted academic assistance	-	6,486	6,486
Other purposes	-	32,093	32,093
Extracurricular	-	137,624	137,624
Assigned:			
Student instruction	121,627	-	121,627
Student and staff support	417,328	-	417,328
Extracurricular activities	468	-	468
Subsequent year's appropriations	1,546,767	-	1,546,767
Other purposes	232,761	-	232,761
Unassigned (deficit)	18,399,019	(139,851)	18,259,168
Total fund balances	<u>20,812,993</u>	<u>9,106,120</u>	<u>29,919,113</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 44,601,045</u>	<u>\$ 12,274,437</u>	<u>\$ 56,875,482</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2018

Total governmental fund balances		\$	29,919,113
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			70,645,923
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	925,415	
Income taxes receivable		282,213	
Accrued interest receivable		50,715	
Intergovernmental receivable		918,578	
Total		2,176,921	2,176,921
Unamortized premiums on bonds issued are not recognized in the funds.			(2,057,924)
Unamortized gains on refundings are not recognized in the funds.			(2,241,386)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(143,781)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:			
Deferred outflows of resources - pension		20,476,108	
Deferred inflows of resources - pension		(2,201,388)	
Net pension liability		(57,765,442)	
Total		(39,490,722)	(39,490,722)
The net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:			
Deferred outflows of resources - OPEB		1,027,562	
Deferred inflows of resources - OPEB		(1,429,716)	
Net OPEB liability		(12,618,492)	
Total		(13,020,646)	(13,020,646)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(32,665,000)	
Capital lease obligations		(108,022)	
Compensated absences		(2,339,749)	
Notes payable		(1,685,000)	
Total		(36,797,771)	(36,797,771)
Net position of governmental activities		\$	8,989,727

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
From local sources:			
Property taxes	\$ 18,574,022	\$ 2,805,494	\$ 21,379,516
Income taxes.	4,188,777	-	4,188,777
Tuition.	1,249,490	-	1,249,490
Earnings on investments	278,324	10,612	288,936
Charges for services	-	235,619	235,619
Extracurricular.	53,245	288,963	342,208
Classroom materials and fees	144,199	-	144,199
Rental income	5,318	-	5,318
Contributions and donations	27,288	82,726	110,014
Contract services.	38,827	4,500	43,327
Other local revenues	42,675	275,658	318,333
Intergovernmental - intermediate	25,032	-	25,032
Intergovernmental - state	26,002,145	1,218,269	27,220,414
Intergovernmental - federal	683,009	6,076,220	6,759,229
Total revenues	<u>51,312,351</u>	<u>10,998,061</u>	<u>62,310,412</u>
Expenditures:			
Current:			
Instruction:			
Regular.	23,103,746	455,249	23,558,995
Special	8,702,371	2,449,578	11,151,949
Vocational	357,523	-	357,523
Other	872,902	-	872,902
Support services:			
Pupil	3,606,958	249,123	3,856,081
Instructional staff	1,276,640	160,071	1,436,711
Board of education	35,139	-	35,139
Administration	3,915,896	163,495	4,079,391
Fiscal	1,379,897	46,960	1,426,857
Business.	675,073	16,335	691,408
Operations and maintenance	3,071,653	213,444	3,285,097
Pupil transportation	2,805,824	66,467	2,872,291
Central	515,371	14,400	529,771
Operation of non-instructional services:			
Other non-instructional services.	7,132	486,619	493,751
Food service operations.	-	2,087,268	2,087,268
Extracurricular activities	623,202	195,562	818,764
Facilities acquisition and construction.	56,229	59,426	115,655
Debt service:			
Principal retirement.	149,055	16,762	165,817
Interest and fiscal charges	50,457	1,762,413	1,812,870
Accretion on capital appreciation bonds	-	253,238	253,238
Total expenditures	<u>51,205,068</u>	<u>8,696,410</u>	<u>59,901,478</u>
Excess of revenues over expenditures.	<u>107,283</u>	<u>2,301,651</u>	<u>2,408,934</u>
Other financing sources:			
Sale of capital assets	11,973	-	11,973
Total other financing sources	<u>11,973</u>	<u>-</u>	<u>11,973</u>
Net change in fund balances	119,256	2,301,651	2,420,907
Fund balances at beginning of year.	<u>20,693,737</u>	<u>6,804,469</u>	<u>27,498,206</u>
Fund balances at end of year.	<u>\$ 20,812,993</u>	<u>\$ 9,106,120</u>	<u>\$ 29,919,113</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Net change in fund balances - total governmental funds	\$	2,420,907
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 508,220	
Current year depreciation	<u>(2,207,927)</u>	
Total		(1,699,707)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(3,487)	
Income taxes	26,090	
Earnings on investments	4,345	
Intergovernmental	<u>(97,300)</u>	
Total		(70,352)
Repayment of bond, note and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:		
Bonds	1,762	
Accretion on capital appreciation bonds	253,238	
Notes	135,000	
Capital leases	<u>29,055</u>	
Total		419,055
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Change in accrued interest payable	316	
Accreted interest on capital appreciation bonds	(72,835)	
Amortization of deferred gain	99,988	
Amortization of bond premiums	<u>92,914</u>	
Total		120,383
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension		4,038,010
OPEB		124,966
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
Pension		17,662,818
OPEB		1,971,833
Some expenses reported in the statement of activities, such as compensated absences and early retirement incentives, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		<u>(127,545)</u>
Change in net position of governmental activities	\$	<u>24,860,368</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues:				
From local sources:				
Property taxes	\$ 13,587,389	\$ 13,921,131	\$ 19,204,733	\$ 5,283,602
Income taxes	2,849,870	2,941,520	4,057,939	1,116,419
Tuition	1,784,580	858,472	1,184,295	325,823
Earnings on investments	556,305	264,548	364,954	100,406
Extracurricular	458	370	510	140
Classroom materials and fees	146,612	80,946	111,668	30,722
Rental income	7,981	3,855	5,318	1,463
Contributions and donations	8,511	3,624	5,000	1,376
Contract services	43,106	28,148	38,831	10,683
Other local revenues	19,766	9,998	13,792	3,794
Intergovernmental - intermediate	17,580	18,145	25,032	6,887
Intergovernmental - state	18,262,494	18,849,803	26,004,022	7,154,219
Intergovernmental - federal	629,674	495,100	683,009	187,909
Total revenues	<u>37,914,326</u>	<u>37,475,660</u>	<u>51,699,103</u>	<u>14,223,443</u>
Expenditures:				
Current:				
Instruction:				
Regular	26,375,763	23,807,463	23,552,262	255,201
Special	8,590,179	8,670,042	8,670,033	9
Vocational	609,128	403,088	402,914	174
Other	779,375	872,994	872,902	92
Support services:				
Pupil	4,218,680	3,748,805	3,696,625	52,180
Instructional staff	1,219,071	1,381,227	1,301,309	79,918
Board of education	32,246	41,572	41,210	362
Administration	4,125,474	4,170,837	4,170,782	55
Fiscal	630,216	1,471,080	1,464,811	6,269
Business	751,925	777,204	771,096	6,108
Operations and maintenance	2,349,472	3,317,444	3,281,713	35,731
Pupil transportation	2,086,452	2,863,815	2,826,098	37,717
Central	495,621	514,732	471,017	43,715
Other operation of non-instructional services	6,768	7,570	6,482	1,088
Extracurricular activities	51,109	634,222	616,727	17,495
Facilities acquisition and construction	713,130	218,711	133,693	85,018
Debt service:				
Principal	-	120,000	120,000	-
Interest and fiscal charges	35,661	44,263	44,263	-
Total expenditures	<u>53,070,270</u>	<u>53,065,069</u>	<u>52,443,937</u>	<u>621,132</u>
Excess of expenditures over revenues	<u>(15,155,944)</u>	<u>(15,589,409)</u>	<u>(744,834)</u>	<u>14,844,575</u>
Other financing sources (uses):				
Refund of prior year's expenditures	-	319,681	342,108	22,427
Refund of prior year's receipts	-	(100)	(31)	69
Transfers in	-	100	-	(100)
Transfers (out)	-	(5,101)	-	5,101
Advances in	-	110,000	110,000	-
Sale of capital assets	2,961	11,846	11,846	-
Total other financing sources (uses)	<u>2,961</u>	<u>436,426</u>	<u>463,923</u>	<u>27,497</u>
Net change in fund balance	(15,152,983)	(15,152,983)	(280,911)	14,872,072
Fund balance at beginning of year	20,995,768	20,995,768	20,995,768	-
Prior year encumbrances appropriated	1,047,042	1,047,042	1,047,042	-
Fund balance at end of year	<u>\$ 6,889,827</u>	<u>\$ 6,889,827</u>	<u>\$ 21,761,899</u>	<u>\$ 14,872,072</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018

	Private-Purpose Trust	
	Scholarship	Agency
Assets:		
Equity in pooled cash and investments	\$ 345,294	\$ 101,718
Receivables:		
Accrued interest.	508	-
Total assets.	345,802	\$ 101,718
Liabilities:		
Accounts payable.	-	\$ 6,622
Due to students.	-	54,192
Undistributed monies	-	40,904
Total liabilities	-	\$ 101,718
Net position:		
Held in trust for scholarships	345,802	
Total net position.	\$ 345,802	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Private-Purpose Trust
	Scholarship
Additions:	
Interest	\$ (157)
Gifts and contributions	5,840
Total additions	5,683
Deductions:	
Scholarships awarded	15,300
Change in net position	(9,617)
Net position at beginning of year	355,419
Net position at end of year	\$ 345,802

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

Xenia Community School District (the "School District") was chartered by Ohio State Legislature. In 1953 State laws were enacted to create local Boards of Education. Today, the School District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code.

The School District operates under a locally-elected five member Board form of government and provides educational services as mandated by State statute and federal guidelines. The School District currently operates 1 preschool, 5 elementary schools, 1 middle school (grades 6-8) and 1 high school (grades 9-12).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District's significant accounting policies are described below.

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service, and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's Governing Board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; or (3) the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the School District has no component units. The basic financial statements of the reporting entity include only those of the School District (the primary government).

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The School District participates in three jointly governed organizations and one insurance purchasing pool. These organizations are discussed in Note 16 to the basic financial statements. These organizations are:

Jointly Governed Organizations:

Miami Valley Educational Computer Association
Southwestern Ohio Educational Purchasing Council
Greene County Career Center

Insurance Purchasing Pool:

CompManagement Workers' Compensation Group Rating Plan

B. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities of the School District. 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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

C. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The School District divides its funds into two categories: governmental and fiduciary.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following is the School District's major governmental fund:

General Fund - The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio. This fund includes the revenue and expenditures for the emergency levy of the School District.

Other governmental funds of the School District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District's only trust fund is a private purpose trust which accounts for a college scholarship program for students. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The School District's agency fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor. The agency fund also accounts for moneys owed to individuals outside of the School District.

D. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the School District are included on the statement on net position. The statement of activities accounts for increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows of resources, current liabilities and current deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide 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 private purpose trust fund is reported using the economic resources measurement focus. The agency funds do not report a measurement focus as they do not report operations.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting.

Revenues - Exchange and Nonexchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from income taxes is recognized in the fiscal year in which the underlying exchange transaction occurred (See Note 7).

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, see Notes 11 and 12 for deferred outflows of resources related the School District's net pension liability and net OPEB liability, respectively.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the School District, see Notes 11 and 12 for deferred inflows of resources related to the School District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position. In addition, deferred inflows of resources include a deferred gain on debt refunding. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities used during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

F. Cash and Investments

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "Equity in Pooled Cash and Investments."

During fiscal year 2018, the School District invested in commercial paper, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, negotiable certificates of deposit, U.S. Treasury Bills and U.S. Government money market funds.

Investments are reported at fair value. For investments in open-ended mutual funds, fair value is determined by the fund's share price.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2018 amounted to \$278,324, which includes \$60,636 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are reported as cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

G. Inventory

Inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventories consist of expendable supplies held for consumption and purchased and donated food held for resale. Donated commodities are presented at their entitlement value.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2018, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed. On the fund financial statements, reported prepayments is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

I. Interfund Balances

On the fund financial statements, short-term outstanding interfund loans are reported as "due to/due from other funds." Interfund balances amounts are eliminated in the statement of net position.

J. Capital Assets

General capital assets are those that generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The School District follows the policy of not capitalizing assets with a cost of less than \$1,000 and a useful life of less than 3 years. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	15-50 years
Furniture/Equipment/Fixtures	5-20 years
Vehicles	8 years

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

K. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities those, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences and claims and judgments that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. Capital leases, permanent improvement notes, general obligation bonds and the energy conservation loan are recognized as a liability in the fund financial statements when due.

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year-end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees who have reached the age of 50.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are reported as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Compensated Absences Payable" in the funds from which the employees will be paid. The non-current portion of the liability is not reported.

M. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the School District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The School District does not have any committed fund balances.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The School District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

N. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net position component “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The School District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Bond Issuance Costs/Unamortized Bond Premium and Discount/Unamortized Accounting Gain or Loss

On government-wide financial statements, bond issuance costs are expensed in the year they occur.

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred inflow of resources on the statement of net position.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period. A reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 15.

P. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures 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. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements.

Q. Pensions/Other Postemployment Benefits (OPEB)

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

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. There were no extraordinary or special items at June 30, 2018.

S. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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.

T. Budgetary Data

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. Although the legal level of budgetary control was established at the fund level of expenditures, the School District has elected to present budgetary statement comparisons at the fund and function level of expenditures for the general fund. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2018.

The appropriation resolution is subject to amendment by the Board throughout the fiscal year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

U. Fair Value

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles/Restatement of Net Position

For fiscal year 2018, the School District has implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pension", GASB Statement No. 81 "Irrevocable Split-Interest Agreements" GASB Statement No. 85, "Omnibus 2017" and GASB Statement No. 86, "Certain Debt Extinguishments".

GASB Statement No. 75 improves the accounting and financial reporting by state and local governments for postemployment benefits other than pension (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The implementation of GASB Statement No. 75 effected the School District's postemployment benefit plan disclosures, as presented in Note 12 to the basic financial statements, and added required supplementary information which is presented after the notes to the basic financial statements.

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

GASB Statement No. 85 addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and OPEB. The implementation of GASB Statement No. 85 did not have an effect on the financial statements of the School District.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 86 improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the School District.

A net position restatement is required in order to implement GASB Statement No 75. The governmental activities at July 1, 2017 have been restated as follows:

	Governmental Activities
Net position as previously reported	\$ (753,196)
Deferred outflows - payments subsequent to measurement date	99,355
Net OPEB liability	(15,216,800)
Restated net position at July 1, 2017	\$ (15,870,641)

Other than employer contributions subsequent to the measurement date, the School District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available. The restatement had no effect on fund balances.

B. Deficit Fund Balances

Fund balances at June 30, 2018 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Title VI-B	\$ 35,930
School Improvement Stimulus A	841
Title I	96,911
Miscellaneous federal grants	3,831

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the School District into three categories.

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

Inactive monies are public deposits that the Board of Education 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.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

Interim monies are to be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days and 270 days, respectively, in an amount not to exceed 40% of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt instruments rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the finance institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

A. Cash on Hand

At fiscal year end, the School District had \$375 in undeposited cash on hand which is included on the financial statements of the School District as part of “equity in pooled cash and investments”.

B. Cash and Investments with Escrow Agent

At June 30, 2018, the School District had \$818,870 in cash and investments in an escrow account held for future repayment of the Series 2010A General Obligation Bonds. The School District makes annual sinking fund deposits into the account. The amount is comprised of a U.S. Government money market account and commercial paper. The investments in U.S. Government money market accounts are valued using quoted market prices in active markets (Level 1 inputs). The investments in commercial paper are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs). These amounts are not included in “deposits with financial institutions” below.

C. Deposits with Financial Institutions

At June 30, 2018, the carrying amount of all School District deposits was \$5,340,268 and the bank balance of all School District deposits was \$6,600,083. Of the bank balance, \$4,382,272 was covered by the FDIC and \$2,217,811 was covered by the Ohio Pooled Collateral System.

Custodial credit risk is the risk that, in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The School District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a reduced rate set by the Treasurer of State. For fiscal year 2018, the School District’s financial institutions were approved for a collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

D. Investments

As of June 30, 2018, the School District had the following investments and maturities:

Measurement/ Investment Type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Fair Value:</i>						
Commercial paper	\$ 12,753,170	\$ 12,753,170	\$ -	\$ -	\$ -	\$ -
FFCB	513,852	-	-	-	-	513,852
FHLMC	468,557	-	-	-	-	468,557
FNMA	5,579,558	-	-	829,566	647,264	4,102,728
Negotiable CDs	6,268,472	449,003	986,768	2,589,339	59,576	2,183,766
U.S. Treasury bills	519,652	519,652	-	-	-	-
U.S. Governmental money market	23,465	23,465	-	-	-	-
Total	\$ 26,126,726	\$ 13,745,290	\$ 986,768	\$ 3,418,905	\$ 706,840	\$ 7,268,903

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The weighted average of maturity of the investments is 1.11 years.

The School District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in commercial paper, federal agency securities (FFCB, FNMA, FHLMC), U.S. Treasury Bills and negotiable CD's are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the School District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The School District's investment in federal agency securities and U.S. Treasury Bills were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The School District's investments in commercial paper were rated A-1 and P-1 by Standard & Poor's and Moody's Investor Services, respectively. The School District's investments in the U. S. Government money market obtained an AAAM money market rating by Standard & Poor's. The negotiable certificates of deposit are not rated. The School District's investment policy does not specifically address credit risk beyond requiring the School District to only invest in securities authorized by State Statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk: The School District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the School District at June 30, 2018:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% to Total</u>
<i>Fair value:</i>		
Commercial paper	\$ 12,753,170	48.81
FFCB	513,852	1.97
FHLMC	468,557	1.79
FNMA	5,579,558	21.36
Negotiable CDs	6,268,472	23.99
U.S. Treasury bills	519,652	1.99
U.S. Governmental money market	<u>23,465</u>	<u>0.09</u>
Total	<u>\$ 26,126,726</u>	<u>100.00</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

E. Reconciliation of Cash to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2018:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 5,340,268
Investments	26,126,726
Cash and investments with escrow agent	818,870
Cash on hand	<u>375</u>
 Total	 <u>\$ 32,286,239</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 31,839,227
Private purpose trust funds	345,294
Agency funds	<u>101,718</u>
 Total	 <u>\$ 32,286,239</u>

NOTE 5 - INTERFUND TRANSACTIONS

Due to/from other funds consisted of the following at June 30, 2018, as reported on the fund statement:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	<u>\$ 841</u>

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received.

Amounts due to/from between governmental funds are eliminated on the government-wide statements.

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the School District fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2018 represent the collection of calendar year 2017 taxes. Real property taxes received in calendar year 2018 were levied after April 1, 2017, on the assessed values as of January 1, 2017, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2018 represent the collection of calendar year 2017 taxes. Public utility real and personal property taxes received in calendar year 2018 became a lien on December 31, 2016, were levied after April 1, 2017, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 6 - PROPERTY TAXES - (Continued)

The School District receives property taxes from Greene County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2018, are available to finance fiscal year 2018 operations. The amount available as an advance at June 30, 2018 was \$1,140,155 in the general fund, \$99,286 in the bond retirement fund (a nonmajor governmental fund), \$22,017 in the permanent improvement fund (a nonmajor governmental fund) and \$17,353 in the classroom facilities maintenance fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2017 was \$1,770,866 in the general fund, \$211,454 in the bond retirement fund (a nonmajor governmental fund), \$34,817 in the permanent improvement fund (a nonmajor governmental fund) and \$27,110 in the classroom facilities maintenance fund (a nonmajor governmental fund). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2018 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow.

The assessed values upon which the fiscal year 2018 taxes were collected are:

	2017 Second Half Collections		2018 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 627,945,360	96.06	\$ 645,948,440	96.42
Public utility personal	<u>25,770,240</u>	<u>3.94</u>	<u>24,016,300</u>	<u>3.58</u>
Total	<u>\$ 653,715,600</u>	<u>100.00</u>	<u>\$ 669,964,740</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation for:				
General	\$41.90		\$41.75	
Bond	3.90		2.80	
Permanent improvement	1.30		1.30	
Classroom facilities	0.50		0.50	

NOTE 7 - INCOME TAX

The School District levies a voted tax of 1/2% percent for general operations on the income of residents and of estates. The tax had an original effective date of January 1, 1998, and has subsequently been renewed through December 31, 2023. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the general fund.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 8 - RECEIVABLES

Receivables at June 30, 2018, consisted of property and income taxes, accounts, accrued interest and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables except property taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

A summary of the principal items of intergovernmental receivables are as follows:

Governmental activities:	
Medicaid School Program	\$ 470,115
BWC refund	106,052
State Foundation Program	9,396
State lunch reimbursement	9,413
Public school preschool	12,255
Title VI-B	90,395
Title I	475,777
Title II-A	<u>84,419</u>
Total Intergovernmental Receivable	<u>\$ 1,257,822</u>

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	<u>Balance</u> <u>June 30, 2017</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2018</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 450,091	\$ -	\$ -	\$ 450,091
Construction in Progress	<u>746,719</u>	<u>54,802</u>	<u>(801,521)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>1,196,810</u>	<u>54,802</u>	<u>(801,521)</u>	<u>450,091</u>
<i>Capital assets, being depreciated:</i>				
Buildings and Improvements	86,836,262	994,365	-	87,830,627
Furniture/Equipment/Fixtures	4,927,216	167,178	(173,122)	4,921,272
Vehicles	<u>386,837</u>	<u>93,396</u>	<u>-</u>	<u>480,233</u>
Total capital assets, being depreciated	<u>92,150,315</u>	<u>1,254,939</u>	<u>(173,122)</u>	<u>93,232,132</u>
<i>Less: accumulated depreciation:</i>				
Buildings and Improvements	(17,905,972)	(1,877,473)	-	(19,783,445)
Furniture/Equipment/Fixtures	(2,822,964)	(292,337)	173,122	(2,942,179)
Vehicles	<u>(272,559)</u>	<u>(38,117)</u>	<u>-</u>	<u>(310,676)</u>
Total accumulated depreciation	<u>(21,001,495)</u>	<u>(2,207,927)</u>	<u>173,122</u>	<u>(23,036,300)</u>
Governmental activities capital assets, net	<u>\$ 72,345,630</u>	<u>\$ (898,186)</u>	<u>\$ (801,521)</u>	<u>\$ 70,645,923</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 1,205,008
Special	267,515
Vocational	11,862
Other	19,655
<u>Support services:</u>	
Pupil	88,785
Instructional staff	31,076
Board of education	910
Administration	106,070
Fiscal	33,961
Business	24,667
Operations and maintenance	150,992
Pupil transportation	90,690
Central	14,663
<u>Operation of non-instructional services:</u>	
Other non-instructional services	29,241
Food service operations	86,731
Extracurricular	46,101
Total depreciation expense	<u><u>\$ 2,207,927</u></u>

NOTE 10 - RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2018, the School District contracted with Liberty Mutual Insurance Company for general liability insurance with \$1,000,000 single occurrence with a \$3,000,000 aggregate. Property is protected by Liberty Mutual Insurance, and the School District's vehicles are covered under a business policy with Liberty Mutual Insurance as well. Settled claims have not exceeded this commercial coverage in the past three fiscal years. There has been no significant reduction in insurance coverage from last fiscal year.

B. Workers' Compensation

For fiscal year 2018, the School District participates in the CompManagement Workers Compensation Group Retrospective Rating Program ("the Program"), an insurance purchasing pool (Note 16). The intent of the Program is to achieve the benefit of a reduced premium for the School District by virtue of observing its claim history, understanding methods for improving safe work practices and implementing measures to do so. Participation in the Program is limited to school districts that can meet the Program selection criteria. The firm of CompManagement provides administrative, cost control and actuarial services to the group.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description - School Employees Retirement System (SERS)

Plan Description - The School District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2018, the allocation to pension, death benefits, and Medicare B was 13.5 percent. The remaining 0.5 percent of the employer contribution rate was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$757,733 for fiscal year 2018. Of this amount, \$43,376 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Licensed teachers participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 26 years of service, or 31 years of service regardless of age.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For fiscal year 2018, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$3,280,277 for fiscal year 2018. Of this amount, \$595,404 is reported as pension and postemployment benefits payable.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

Net Pension Liability

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.17569320%	0.18987590%	
Proportion of the net pension liability current measurement date	<u>0.17974180%</u>	<u>0.19796187%</u>	
Change in proportionate share	<u>0.00404860%</u>	<u>0.00808597%</u>	
Proportionate share of the net pension liability	\$ 10,739,175	\$ 47,026,267	\$ 57,765,442
Pension expense	\$ (225,173)	\$ (17,437,645)	\$ (17,662,818)

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 462,177	\$ 1,815,932	\$ 2,278,109
Changes of assumptions	555,331	10,285,161	10,840,492
Difference between School District contributions and proportionate share of contributions/change in proportionate share	347,815	2,971,682	3,319,497
School District contributions subsequent to the measurement date	<u>757,733</u>	<u>3,280,277</u>	<u>4,038,010</u>
Total deferred outflows of resources	<u>\$ 2,123,056</u>	<u>\$ 18,353,052</u>	<u>\$ 20,476,108</u>

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 379,014	\$ 379,014
Net difference between projected and actual earnings on pension plan investments	50,978	1,551,921	1,602,899
Difference between School District contributions and proportionate share of contributions/change in proportionate share	<u>-</u>	<u>219,475</u>	<u>219,475</u>
Total deferred inflows of resources	<u>\$ 50,978</u>	<u>\$ 2,150,410</u>	<u>\$ 2,201,388</u>

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

\$4,038,010 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2019	\$ 592,071	\$ 2,836,626	\$ 3,428,697
2020	771,550	4,947,771	5,719,321
2021	201,077	3,834,301	4,035,378
2022	(250,353)	1,303,667	1,053,314
Total	\$ 1,314,345	\$ 12,922,365	\$ 14,236,710

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2017, are presented below:

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
COLA or ad hoc COLA	2.50 percent
Investment rate of return	7.50 percent net of investments expense, including inflation
Actuarial cost method	Entry age normal (level percent of payroll)

Prior to 2017, an assumption of 3 percent was used for COLA or Ad Hoc COLA.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

For 2017, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates. Mortality among disabled members was based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

The most recent experience study was completed for the five year period ended June 30, 2015.

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

The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Equity	22.50	4.75
International Equity	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	<u>100.00 %</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	\$ 14,903,185	\$ 10,739,175	\$ 7,250,968

Actuarial Assumptions - STRS Ohio

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2017, actuarial valuation, compared with July 1, 2016 are presented below:

	July 1, 2017	July 1, 2016
Inflation	2.50 percent	2.75 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment rate of return	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll increases	3 percent	3.5 percent
Cost-of-living adjustments (COLA)	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA commences on fifth anniversary of retirement date.

For the July 1, 2017, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For the July 1, 2016 actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Actuarial assumptions used in the July 1 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016. Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)

STRS Ohio's investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

*10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2017. The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2017. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2017.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
	School District's proportionate share of the net pension liability	\$ 67,410,553	\$ 47,026,267

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability

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

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

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

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

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

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2018, .5 percent of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2018, this amount was \$23,700. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2018, the School District's surcharge obligation was \$96,902.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$124,966 for fiscal year 2018. Of this amount, \$98,509 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2018, STRS did not allocate any employer contributions to post-employment health care.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Net OPEB Liability

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability prior measurement date	0.17759757%	0.18987590%	
Proportion of the net OPEB liability current measurement date	<u>0.18238560%</u>	<u>0.19796187%</u>	
Change in proportionate share	<u>0.00478803%</u>	<u>0.00808597%</u>	
Proportionate share of the net OPEB liability	\$ 4,894,750	\$ 7,723,742	\$ 12,618,492
OPEB expense	\$ 323,260	\$ (2,295,093)	\$ (1,971,833)

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 445,863	\$ 445,863
Difference between School District contributions and proportionate share of contributions/change in proportionate share	86,070	370,663	456,733
School District contributions subsequent to the measurement date	<u>124,966</u>	<u>-</u>	<u>124,966</u>
Total deferred outflows of resources	<u>\$ 211,036</u>	<u>\$ 816,526</u>	<u>\$ 1,027,562</u>
	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Net difference between projected and actual earnings on pension plan investments	\$ 12,926	\$ 330,130	\$ 343,056
Changes of assumptions	<u>464,487</u>	<u>622,173</u>	<u>1,086,660</u>
Total deferred inflows of resources	<u>\$ 477,413</u>	<u>\$ 952,303</u>	<u>\$ 1,429,716</u>

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

\$124,966 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2019	\$ (140,338)	\$ (50,142)	\$ (190,480)
2020	(140,338)	(50,142)	(190,480)
2021	(107,434)	(50,142)	(157,576)
2022	(3,233)	(50,140)	(53,373)
2023	-	32,391	32,391
Thereafter	-	32,398	32,398
Total	\$ (391,343)	\$ (135,777)	\$ (527,120)

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2017, are presented below:

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
Investment rate of return	7.50 percent net of investments expense, including inflation
Municipal bond index rate:	
Measurement date	3.56 percent
Prior measurement date	2.92 percent
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Measurement date	3.63 percent
Prior measurement date	2.98 percent
Medical trend assumption:	
Medicare	5.50 to 5.00 percent
Pre-Medicare	7.50 to 5.00 percent

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.50 %
US Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	<u>100.00 %</u>	

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.56 percent, as of June 30, 2017 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63%) and higher (4.63%) than the current discount rate (3.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.5% decreasing to 4.0%) and higher (8.5% decreasing to 6.0%) than the current rate.

	1% Decrease (2.63%)	Current Discount Rate (3.63%)	1% Increase (4.63%)
School District's proportionate share of the net OPEB liability	\$ 5,911,034	\$ 4,894,750	\$ 4,089,594
	1% Decrease (6.5 % decreasing to 4.0 %)	Current Trend Rate (7.5 % decreasing to 5.0 %)	1% Increase (8.5 % decreasing to 6.0 %)
School District's proportionate share of the net OPEB liability	\$ 3,971,723	\$ 4,894,750	\$ 6,116,393

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2017, actuarial valuation are presented below:

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment rate of return	7.45 percent, net of investment expenses, including inflation
Payroll increases	3 percent
Cost-of-living adjustments (COLA)	0.0 percent, effective July 1, 2017
Blended discount rate of return	4.13 percent
Health care cost trends	6 to 11 percent initial, 4.5 percent ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Since the prior measurement date, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

*10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58 percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13 percent) or one percentage point higher (5.13 percent) than the current assumption. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
School District's proportionate share of the net OPEB liability	\$ 10,368,999	\$ 7,723,742	\$ 5,633,124

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$ 5,366,125	\$ 7,723,742	\$ 10,826,642

NOTE 13 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-two days of vacation per fiscal year, depending upon length of service. Teachers do not earn vacation time. The Superintendent and Treasurer earn twenty days per calendar year, with a maximum accumulation of 30 days for the Superintendent and twenty-five days for the Treasurer.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated for all personnel. Upon retirement, payment is made for thirty percent of accrued, but unused sick leave credit to a maximum of 97.5 days for certificated and classified employees that have been employed with the School District for at least five continuous years, one-third of accrued, but unused sick leave credit to a maximum of 119 days for administrators, and forty percent of accrued, but unused sick leave credit to a maximum of 143 days for the positions of Assistant Superintendent and Director. For the Assistant and Director, severance is split into two payments, one at retirement and one in January 1 of the following year.

B. Early Retirement Incentive Program

The School District offers the following retirement incentive program:

Certified Employees:

1. Any employee eligible to retire and has ten years of service with the School District shall receive an incentive of \$3,000 for providing the School District with notification of their retirement on or before March 1. Employees must retire between June 1 and August 1 of that year.

Administrative Employees:

1. Any administrator who reaches eligibility of either 30 years or more at any age or 25 years and at least age 55 for retirement with STRS and who retires for the first time under STRS regulation and notifies the Board of Education in writing by February 1, shall receive a one-time incentive of \$5,000.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 13 - OTHER EMPLOYEE BENEFITS - (Continued)

C. Insurance Benefits

The School District provides medical, life, vision and dental insurance to most employees. Medical and vision insurance is through Anthem, life insurance is through Sun Life Insurance Company and dental insurance is through Dental Care Plus.

NOTE 14 - CAPITAL LEASE - LESSEE DISCLOSURE

During a prior fiscal year, the School District entered into a capitalized lease for copier equipment. This lease agreement meets the criteria of a capital lease as defined by generally accepted accounting principles, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the fund financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

Capital assets consisting of copier equipment have been capitalized in the amount of \$155,657. This amount represents the present value of the minimum lease payments at the time of acquisition. Accumulated depreciation as of June 30, 2018 for this equipment was \$46,697, leaving a current book value of \$108,960. A corresponding liability is recorded in the government-wide financial statements. Principal and interest payments in fiscal year 2018 totaled \$29,055 and 6,194, respectively, paid by the general fund.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of June 30, 2018:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2019	\$ 35,249
2020	35,249
2021	35,249
2022	<u>11,750</u>
Total minimum lease payments	117,497
Less: amount representing interest	<u>(9,475)</u>
Total	<u>\$ 108,022</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 - LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2018 were as follows. The long-term obligations at June 30, 2017 have been restated as described in Note 3.A.

	Restated Balance <u>June 30, 2017</u>	<u>Increase</u>	<u>Decrease</u>	Balance <u>June 30, 2018</u>	Amounts Due in <u>One Year</u>
School Facilities Construction and Improvement Bonds					
Series 2010A, Term Bonds	\$ 14,160,000	\$ -	\$ -	\$ 14,160,000	\$ -
Series 2010B Capital Appreciation Bonds	1,762	-	(1,762)	-	-
Series 2010B Accreted Interest	180,403	72,835	(253,238)	-	-
Refunding Bonds, Series 2014	18,505,000	-	-	18,505,000	-
Unamortized Premium on Notes	<u>2,134,515</u>	<u>-</u>	<u>(91,154)</u>	<u>2,043,361</u>	<u>-</u>
Total Bonds	<u>34,981,680</u>	<u>72,835</u>	<u>(346,154)</u>	<u>34,708,361</u>	<u>-</u>
Energy Conservation Notes					
Energy Conservation Notes	1,240,000	-	(120,000)	1,120,000	125,000
Unamortized Premium on Notes	15,541	-	(1,727)	13,814	-
Permanent Improvement Notes	580,000	-	(15,000)	565,000	15,000
Unamortized Premium on Notes	<u>782</u>	<u>-</u>	<u>(33)</u>	<u>749</u>	<u>-</u>
Total Notes	<u>1,836,323</u>	<u>-</u>	<u>(136,760)</u>	<u>1,699,563</u>	<u>140,000</u>
Net Pension Liability					
Net Pension Liability	76,416,308	-	(18,650,866)	57,765,442	-
Net OPEB Liability					
Net OPEB Liability	15,216,800	-	(2,598,308)	12,618,492	-
Capital Lease Obligations					
Capital Lease Obligations	137,077	-	(29,055)	108,022	30,542
Compensated Absences					
Compensated Absences	<u>2,212,204</u>	<u>553,675</u>	<u>(426,130)</u>	<u>2,339,749</u>	<u>446,941</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 130,800,392</u>	<u>\$ 626,510</u>	<u>\$ (22,187,273)</u>	<u>\$ 109,239,629</u>	<u>\$ 617,483</u>

School Facilities Construction and Improvement Bonds - On July 28, 2010, the School District paid off its school facilities construction and improvement notes with proceeds from bonds and long-term notes. The School District issued a total of \$34,664,982 in bonds and notes. Principal and interest is paid from the debt fund (a nonmajor governmental fund).

- A. 2010A - The School District issued \$14,160,000 in school facilities construction and improvement qualified school construction bonds (QSCB) with a 6% interest rate. The final maturity is June 1, 2027. The School District makes annual payments to a sinking fund to pay the principal balance when due (see Note 4.B). During fiscal year 2018, the School District made \$810,000 in sinking deposits and has made a total of \$810,000 sinking fund deposits over the life of the bond.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the future debt service requirements to maturity of the Series 2010 A School Facilities Construction and Improvement Bonds and a schedule of the required sinking fund deposits:

Fiscal Year Ending June 30,	Series 2010A Bonds			Annual
	Principal	Interest	Total	Sinking Fund Deposits
2019	\$ -	\$ 849,600	\$ 849,600	1,170,000
2020	-	849,600	849,600	1,180,000
2021	-	849,600	849,600	1,190,000
2022	-	849,600	849,600	1,300,000
2023	-	849,600	849,600	1,325,000
2024 - 2027	<u>14,160,000</u>	<u>3,398,400</u>	<u>17,558,400</u>	<u>7,185,000</u>
Total	<u>\$ 14,160,000</u>	<u>\$ 7,646,400</u>	<u>\$ 21,806,400</u>	<u>\$ 13,350,000</u>

- B. 2010B** - The School District issued \$10,000 in current interest serial bonds with a 2% interest rate, \$189,982 in Series 2010B capital appreciation bonds with approximate interest rates ranging from 2.02% to 3.5%. The final maturity was December 1, 2017. At June 30, 2018, there were no further obligations outstanding.

Energy Conservation Notes 2011A - On May 12, 2011, the School District issued \$1,945,000 of energy conservation notes to finance the design and implementation of energy conservation measures in buildings throughout the School District which are intended to significantly reduce the energy consumption in those buildings. The repayment of these notes will be made from the School District's general fund with the savings realized through the implementation of the energy conservation measures over the ensuing fifteen years. The interest rate on the bonds is between 0.70 - 4.50% with a final maturity on December 1, 2025.

The following is a summary of the future debt service requirements to maturity of the Series 2011A Energy Conservation Notes:

Fiscal Year Ending June 30,	Series 2011 A Energy Conservation Notes		
	Principal	Interest	Total
2019	\$ 125,000	\$ 40,737	\$ 165,737
2020	125,000	36,832	161,832
2021	130,000	32,200	162,200
2022	135,000	26,900	161,900
2023	140,000	21,400	161,400
2024 - 2026	<u>465,000</u>	<u>28,300</u>	<u>493,300</u>
Total	<u>\$ 1,120,000</u>	<u>\$ 186,369</u>	<u>\$ 1,306,369</u>

Permanent Improvement Notes 2011 B - On May 12, 2011, the School District issued \$675,000 in permanent improvement notes for the purpose of acquiring and constructing permanent improvements. The notes carry interest rates between 4.50% and 5.50% and have a final maturity on December 1, 2040. The bonds will be paid with proceeds received from a permanent improvement levy out of the permanent improvement (a nonmajor governmental) fund. At June 30, 2018, there were \$600,050 in unspent proceeds.

**XENIA COMMUNITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the future debt service requirements to maturity of the Series 2011 B Permanent Improvement Notes:

Fiscal Year Ending June 30,	<u>Series 2011 B Permanent Improvement Notes</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 15,000	\$ 28,087	\$ 43,087
2020	15,000	27,413	42,413
2021	15,000	26,737	41,737
2022	20,000	25,950	45,950
2023	20,000	25,050	45,050
2024 - 2028	105,000	111,238	216,238
2029 - 2033	125,000	84,812	209,812
2034 - 2038	140,000	50,305	190,305
2039 - 2041	<u>110,000</u>	<u>9,350</u>	<u>119,350</u>
Total	<u>\$ 565,000</u>	<u>\$ 388,942</u>	<u>\$ 953,942</u>

Series 2014 Refunding Bonds - On October 2, 2014, the District issued \$18,505,000 in general obligation bonds to refund the \$20,305,000 in Series 2010C bonds. The issuance proceeds were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The bonds mature on December 1, 2040 and bear an annual interest rate of 4.00% - 5.00%. The source of payment is derived from a current bonded debt tax levy. Principal and interest payments are due on December 1 and June 1 each year and is paid from the debt fund (a nonmajor governmental fund). The balance of the refunded bonds at June 30, 2018 was \$20,305,000.

The net carrying amount of the old debt exceeded the reacquisition price by \$2,612,175. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt, which has a final maturity date of December 1, 2040. This advance refunding was undertaken to reduce the combined total debt service payments by \$655,858 and resulted in an economic gain of \$658,452.

The following is a summary of the future debt service requirements to maturity for the Series 2014 refunding bonds:

Fiscal Year Ending June 30,	<u>Current Interest Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ 884,050	\$ 884,050
2020	-	884,050	884,050
2021	-	884,050	884,050
2022	-	884,050	884,050
2023	-	884,050	884,050
2024 - 2028	-	4,420,250	4,420,250
2029 - 2033	5,310,000	3,909,500	9,219,500
2034 - 2038	7,555,000	2,395,375	9,950,375
2039 - 2041	<u>5,640,000</u>	<u>437,750</u>	<u>6,077,750</u>
Total	<u>\$ 18,505,000</u>	<u>\$ 15,583,125</u>	<u>\$ 34,088,125</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 15 - LONG-TERM OBLIGATIONS - (Continued)

Compensated absences will be paid from the general fund and the following nonmajor governmental funds: the Title I fund, Title VI-B fund, Title II fund, School Improvement Grant fund, Miscellaneous Grant fund, Food Service fund and Auxiliary fund.

See Notes 11 and 12 for details on the net pension liability and net OPEB liability.

See Note 14 for details on capital leases.

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the School District shall never exceed 9% of the total assessed valuation of the School District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the School District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the School District. The assessed valuation used in determining the School District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the School District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2018 are a voted debt margin of \$30,927,028, including available funds of \$3,295,201, an unvoted debt margin of \$669,965 and an energy conservation debt margin of \$4,909,683.

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS AND INSURANCE PURCHASING POOLS

A. Jointly Governed Organizations

Miami Valley Educational Computer Association - The School District is a participant in the Miami Valley Educational Computer Association (MVECA) which is a computer consortium. MVECA is an association of public school districts within the boundaries of Clark, Clinton, Fayette, Greene, Madison and Highland Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The Governing Board of MVECA consists of seven representatives from the member districts elected by majority vote of all charter member school districts with in each county plus one representative from the fiscal agent and the executive director. The School District paid MVECA \$79,258 for services provided during the fiscal year. Financial information can be obtained from Thor Sage, Executive Director, at MVECA at 330 East Enon Road, Yellow Springs, Ohio 45387.

Southwestern Ohio Educational Purchasing Council - The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing cooperative made up of 126 school districts in 18 counties. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC. Each member district has one voting representative. Title to any and all equipment, furniture and supplies purchased by the SOEPC is held in trust for the member districts. Any district withdrawing from the SOEPC shall forfeit its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the group.

During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the general fund. During fiscal year 2018, the School District paid \$4,208,840 to SOEPC for various services. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, at 303 Corporate Center Drive, Vandalia, OH 45377.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS AND INSURANCE PURCHASING POOLS -
(Continued)**

Greene County Career Center - The Greene County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one representative from each of the seven participating school districts' elected Boards, which possesses its own budgeting and taxing authority. During fiscal year 2018, the School District did not make payments to the Greene County Career Center. To obtain financial information, write to the Greene County Career Center, Eva Anderson, who serves as Treasurer, at 2960 W. Enon Road, Xenia, Ohio 45385.

B. Insurance Purchasing Pool

CompManagement Workers' Compensation Group Retrospective Rating Program - The School District participates in the CompManagement Workers' Compensation Group Retrospective Rating Program, an insurance purchasing pool. The Group's business and affairs are conducted by the CompManagement Corporation. Each year the participating districts pay an enrollment fee to the Group to cover the costs of administering the program.

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general 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 that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis); and,
- (f) Investments are reported at fair value (GAAP basis) as opposed to cost basis (budget basis).

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 17 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (280,911)
Net adjustment for revenue accruals	(584,096)
Net adjustment for expenditure accruals	1,003,876
Net adjustment for other sources/uses	(453,952)
Funds budgeted elsewhere	(176,149)
Adjustment for encumbrances	<u>610,488</u>
GAAP basis	<u>\$ 119,256</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supplies fund, the rotary fund, the public school support fund and the workers' compensation fund.

NOTE 18 - CONTINGENCIES

A. Grants

The School District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the School District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the School District.

B. Litigation

The School District is a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and spending projects. The School District management is of the opinion that disposition of the claim and legal proceedings will not have a material effect, if any, on the financial condition of the School District.

C. Foundation Funding

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2018 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2018 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the School District.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

NOTE 19 - SET-ASIDES

The School District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-aside balance June 30, 2017	\$ -
Current year set-aside requirement	756,886
Contributions in excess of the current fiscal year set-aside requirement	-
Current year qualifying expenditures	-
Excess qualified expenditures from prior years	-
Current year offsets	(782,223)
Waiver granted by ODE	-
Prior year offset from bond proceeds	<u>-</u>
Total	<u>\$ (25,337)</u>
Balance carried forward to fiscal year 2019	<u>\$ -</u>
Set-aside balance June 30, 2018	<u>\$ -</u>

During fiscal years 1999, 2010 and 2011, the School District issued a total of \$39,210,790 in capital related school improvement bonds. These proceeds may be used to reduce capital acquisition below zero for future years. The amount presented for Prior Year Offset from Bond Proceeds is limited to an amount needed to reduce the reserve for capital improvement to \$0. The School District is responsible for tracking the amount of the bond proceeds that may be used as an offset in future periods, which was \$39,210,790 at June 30, 2018.

NOTE 20 - OTHER COMMITMENTS

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the School District's commitments for encumbrances in the governmental funds were as follows:

	<u>Year-End Encumbrances</u>
<u>Fund</u>	
General fund	\$ 514,432
Other governmental	<u>344,215</u>
Total	<u>\$ 858,647</u>

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REQUIRED SUPPLEMENTARY INFORMATION

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST FIVE FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School District's proportion of the net pension liability	0.17974180%	0.17569320%	0.16966730%	0.16840600%	0.16840600%
School District's proportionate share of the net pension liability	\$ 10,739,175	\$ 12,859,121	\$ 9,681,381	\$ 8,522,932	\$ 10,014,564
School District's covered payroll	\$ 5,632,386	\$ 5,841,507	\$ 5,107,868	\$ 4,893,535	\$ 3,384,892
School District's proportionate share of the net pension liability as a percentage of its covered payroll	190.67%	220.13%	189.54%	174.17%	295.86%
Plan fiduciary net position as a percentage of the total pension liability	69.50%	62.98%	69.16%	71.70%	65.52%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST FIVE FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School District's proportion of the net pension liability	0.19796187%	0.18987590%	0.18367898%	0.18559819%	0.18559819%
School District's proportionate share of the net pension liability	\$ 47,026,267	\$ 63,557,187	\$ 50,763,497	\$ 45,143,903	\$ 53,775,122
School District's covered payroll	\$ 22,207,736	\$ 19,841,107	\$ 19,163,821	\$ 18,963,008	\$ 20,085,292
School District's proportionate share of the net pension liability as a percentage of its covered payroll	211.76%	320.33%	264.89%	238.06%	267.73%
Plan fiduciary net position as a percentage of the total pension liability	75.30%	66.80%	72.10%	74.70%	69.30%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF SCHOOL DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 757,733	\$ 788,534	\$ 817,811	\$ 673,217
Contributions in relation to the contractually required contribution	<u>(757,733)</u>	<u>(788,534)</u>	<u>(817,811)</u>	<u>(673,217)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 5,612,837	\$ 5,632,386	\$ 5,841,507	\$ 5,107,868
Contributions as a percentage of covered payroll	13.50%	14.00%	14.00%	13.18%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 678,244	\$ 468,469	\$ 797,405	\$ 776,326	\$ 1,127,067	\$ 693,332
<u>(678,244)</u>	<u>(468,469)</u>	<u>(797,405)</u>	<u>(776,326)</u>	<u>(1,127,067)</u>	<u>(693,332)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,893,535	\$ 3,384,892	\$ 5,928,662	\$ 6,176,022	\$ 8,323,981	\$ 7,046,057
13.86%	13.84%	13.45%	12.57%	13.54%	9.84%

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF SCHOOL DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 3,280,277	\$ 3,109,083	\$ 2,777,755	\$ 2,682,935
Contributions in relation to the contractually required contribution	<u>(3,280,277)</u>	<u>(3,109,083)</u>	<u>(2,777,755)</u>	<u>(2,682,935)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 23,430,550	\$ 22,207,736	\$ 19,841,107	\$ 19,163,821
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 2,465,191	\$ 2,611,088	\$ 2,783,345	\$ 3,212,896	\$ 3,201,298	\$ 3,098,554
<u>(2,465,191)</u>	<u>(2,611,088)</u>	<u>(2,783,345)</u>	<u>(3,212,896)</u>	<u>(3,201,298)</u>	<u>(3,098,554)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 18,963,008	\$ 20,085,292	\$ 21,410,346	\$ 24,714,585	\$ 24,625,369	\$ 23,835,031
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TWO FISCAL YEARS

	2018	2017
School District's proportion of the net OPEB liability	0.18238560%	0.17759757%
School District's proportionate share of the net OPEB liability	\$ 4,894,750	\$ 5,062,188
School District's covered payroll	\$ 5,632,386	\$ 5,841,507
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	86.90%	86.66%
Plan fiduciary net position as a percentage of the total OPEB liability	12.46%	11.49%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TWO FISCAL YEARS

	2018	2017
School District's proportion of the net OPEB liability	0.19796187%	0.18987590%
School District's proportionate share of the net OPEB liability	\$ 7,723,742	\$ 10,154,612
School District's covered payroll	\$ 22,207,736	\$ 19,841,107
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	34.78%	51.18%
Plan fiduciary net position as a percentage of the total OPEB liability	47.10%	37.30%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF SCHOOL DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 124,966	\$ 99,355	\$ 87,942	\$ 125,363
Contributions in relation to the contractually required contribution	<u>(124,966)</u>	<u>(99,355)</u>	<u>(87,942)</u>	<u>(125,363)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 5,612,837	\$ 5,632,386	\$ 5,841,507	\$ 5,107,868
Contributions as a percentage of covered payroll	2.23%	1.76%	1.51%	2.45%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 88,245	\$ 94,048	\$ 121,240	\$ 225,188	\$ 151,075	\$ 423,665
<u>(88,245)</u>	<u>(94,048)</u>	<u>(121,240)</u>	<u>(225,188)</u>	<u>(151,075)</u>	<u>(423,665)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,893,535	\$ 3,384,892	\$ 5,928,662	\$ 6,176,022	\$ 8,323,981	\$ 7,046,057
1.80%	2.78%	2.04%	3.65%	1.81%	6.01%

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF SCHOOL DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's covered payroll	\$ 23,430,550	\$ 22,207,736	\$ 19,841,107	\$ 19,163,821
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 189,630	\$ 200,853	\$ 214,103	\$ 247,146	\$ 246,254	\$ 238,350
<u>(189,630)</u>	<u>(200,853)</u>	<u>(214,103)</u>	<u>(247,146)</u>	<u>(246,254)</u>	<u>(238,350)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 18,963,008	\$ 20,085,292	\$ 21,410,346	\$ 24,714,585	\$ 24,625,369	\$ 23,835,031
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the change in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.

(Continued)

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2017-2018.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal year 2017. For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

SUPPLEMENTARY INFORMATION

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

MAJOR FUNDS

General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio. A budgetary statement for the general fund is presented as part of the basic financial statements. The level of detail presented in that statement is greater than the legal level of budgetary control; therefore, a separate additional schedule is not presented.

Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

Uniform School Supply Fund

A fund to account for the purchase and reimbursement of consumable supplies (workbooks) used by the students as a supplemental learning tool.

Rotary Fund

A fund provided to account for revenues and expenditures made in connection with goods and services provided by the School District.

Public School Support Fund

A fund provided to account for special local revenue sources such as vending machine receipts. Revenues are used to fund special events and purchase achievement awards.

Workers' Compensation Fund

A fund provided to account for Workers' Compensation Self-Insurance revenues and expenditures.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>	<u>Actual</u>	
Uniform School Supply Fund			
Total Revenues and Other Sources	\$ 107,280	\$ 32,531	\$ (74,749)
Total Expenditures and Other Uses	<u>259,239</u>	<u>216,000</u>	<u>43,239</u>
Net Change in Fund Balances	(151,959)	(183,469)	(31,510)
Fund Balance at Beginning of Year	163,871	163,871	-
Prior Year Encumbrances Appropriated	<u>44,239</u>	<u>44,239</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 56,151</u>	<u>\$ 24,641</u>	<u>\$ (31,510)</u>
Rotary Fund			
Total Revenues and Other Sources	\$ 55,096	\$ 89,895	\$ 34,799
Total Expenditures and Other Uses	<u>-</u>	<u>65,185</u>	<u>(65,185)</u>
Net Change in Fund Balances	55,096	24,710	(30,386)
Fund Balance at Beginning of Year	<u>55,936</u>	<u>55,936</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 111,032</u>	<u>\$ 80,646</u>	<u>\$ (30,386)</u>
Public School Support Fund			
Total Revenues and Other Sources	\$ 70,532	\$ 76,320	\$ 5,788
Total Expenditures and Other Uses	<u>99,892</u>	<u>80,956</u>	<u>18,936</u>
Net Change in Fund Balances	(29,360)	(4,636)	24,724
Fund Balance at Beginning of Year	87,555	87,555	-
Prior Year Encumbrances Appropriated	<u>5,565</u>	<u>5,565</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 63,760</u>	<u>\$ 88,484</u>	<u>\$ 24,724</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>		<u>Actual</u>
Workers' Compensation Fund			
Total Revenues and Other Sources	\$ 99,146	\$ 80,860	\$ (18,286)
Total Expenditures and Other Uses	-	173,611	(173,611)
Net Change in Fund Balances	99,146	(92,751)	(191,897)
Fund Balance at Beginning of Year	163,867	163,867	-
Fund Balance at End of Year	<u>\$ 263,013</u>	<u>\$ 71,116</u>	<u>\$ (191,897)</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund - Bond Retirement Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 3,376,856	\$ 2,377,045	\$ 2,714,103	\$ 8,468,004
Cash and investments with escrow agent	-	818,870	-	818,870
Receivables:				
Property taxes	285,525	1,596,546	390,589	2,272,660
Intergovernmental	672,259	-	-	672,259
Prepayments	2,338	-	-	2,338
Materials and supplies inventory	5,986	-	-	5,986
Inventory held for resale	34,320	-	-	34,320
Total assets	<u>\$ 4,377,284</u>	<u>\$ 4,792,461</u>	<u>\$ 3,104,692</u>	<u>\$ 12,274,437</u>
Liabilities:				
Accounts payable	\$ 188,368	\$ -	\$ 8,606	\$ 196,974
Accrued wages and benefits	318,039	-	-	318,039
Intergovernmental payable	8,489	-	-	8,489
Pension and postemployment benefits payable	61,507	-	-	61,507
Due to other funds	841	-	-	841
Total liabilities	<u>577,244</u>	<u>-</u>	<u>8,606</u>	<u>585,850</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	255,647	1,425,714	351,983	2,033,344
Delinquent property tax revenue not available	12,525	71,546	16,589	100,660
Intergovernmental revenue not available	448,463	-	-	448,463
Total deferred inflows of resources	<u>716,635</u>	<u>1,497,260</u>	<u>368,572</u>	<u>2,582,467</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	5,986	-	-	5,986
Prepays	2,338	-	-	2,338
Restricted:				
Debt service	-	3,295,201	-	3,295,201
Capital improvements	-	-	2,727,514	2,727,514
Classroom facilities maintenance	2,293,692	-	-	2,293,692
Food service operations	613,078	-	-	613,078
Non-public schools	129,554	-	-	129,554
Public school preschool	2,127	-	-	2,127
Special education	278	-	-	278
Targeted academic assistance	6,486	-	-	6,486
Other purposes	32,093	-	-	32,093
Extracurricular activities	137,624	-	-	137,624
Unassigned (deficit)	(139,851)	-	-	(139,851)
Total fund balances	<u>3,083,405</u>	<u>3,295,201</u>	<u>2,727,514</u>	<u>9,106,120</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,377,284</u>	<u>\$ 4,792,461</u>	<u>\$ 3,104,692</u>	<u>\$ 12,274,437</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund - Bond Retirement Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
From local sources:				
Property taxes	\$ 279,527	\$ 2,148,903	\$ 377,064	\$ 2,805,494
Earnings on investments	1,742	8,870	-	10,612
Charges for services	235,619	-	-	235,619
Extracurricular	288,963	-	-	288,963
Contributions and donations	82,726	-	-	82,726
Contract services	4,500	-	-	4,500
Other local revenues	275,455	-	203	275,658
Intergovernmental - state	882,910	286,445	48,914	1,218,269
Intergovernmental - federal	5,014,033	1,062,187	-	6,076,220
Total revenues	<u>7,065,475</u>	<u>3,506,405</u>	<u>426,181</u>	<u>10,998,061</u>
Expenditures:				
Current:				
Instruction:				
Regular	334,739	-	120,510	455,249
Special	2,449,578	-	-	2,449,578
Support services:				
Pupil	249,123	-	-	249,123
Instructional staff	160,071	-	-	160,071
Administration	163,495	-	-	163,495
Fiscal	23,923	13,242	9,795	46,960
Business	12,349	-	3,986	16,335
Operations and maintenance	111,464	-	101,980	213,444
Pupil transportation	66,467	-	-	66,467
Central	14,400	-	-	14,400
Operation of non-instructional services:				
Other non-instructional services	486,619	-	-	486,619
Food service operations	2,087,268	-	-	2,087,268
Extracurricular activities	195,562	-	-	195,562
Facilities acquisition and construction	9,594	-	49,832	59,426
Debt service:				
Principal retirement	-	1,762	15,000	16,762
Interest and fiscal charges	-	1,733,650	28,763	1,762,413
Accretion on capital appreciation bonds	-	253,238	-	253,238
Total expenditures	<u>6,364,652</u>	<u>2,001,892</u>	<u>329,866</u>	<u>8,696,410</u>
Net change in fund balances	700,823	1,504,513	96,315	2,301,651
Fund balances at beginning of year	<u>2,382,582</u>	<u>1,790,688</u>	<u>2,631,199</u>	<u>6,804,469</u>
Fund balances at end of year	<u>\$ 3,083,405</u>	<u>\$ 3,295,201</u>	<u>\$ 2,727,514</u>	<u>\$ 9,106,120</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. The term proceeds of specific revenue sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The title of each special revenue fund is descriptive of the activities accounted for therein. The nonmajor special revenue funds are:

Food Service Fund

A fund to account for all transactions that are restricted to the provision of food service operations for the School District.

Other Grants Fund

A fund used to account for the proceeds of specific revenue sources, except for state and federal grants, that are legally restricted to expenditures for specific purposes.

Classroom Facilities Maintenance Fund

A fund used to account the proceeds of a levy that are restricted for the maintenance of facilities.

District Managed Student Activities Fund

A fund provided to account for those student activity programs which charge admission. Most expenditures are restricted to include referee and security compensations, equipment and supplies needed to run a successful athletic program.

Auxiliary Services Fund

To account for monies that are restricted to provide services and materials to pupils attending non-public schools with the School District.

Public School Preschool Fund

A fund to account for grants that are restricted to paying the cost of preschool for three and four year olds.

Data Communications Fund

A fund provided to account for money restricted to be used for Ohio Educational Computer Network Connections.

Miscellaneous State Grants Fund

A fund used to account for various monies received from state agencies which are not classified elsewhere and restricted to their specific purposes.

Title VI-B Fund

A fund used to account for grant money that is restricted to providing an appropriate public education to all children with disabilities.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds (Continued)

Title I - School Improvement Stimulus A Fund

A fund used to account for grant money that is restricted to help schools improve teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards.

Title III - Limited English Proficiency Fund

A fund used to account for grant money that is restricted to expenditures to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Title I Fund

A fund that is restricted to provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children.

IDEA Preschool Grant Fund

A fund that is restricted to provide for the education of handicapped children ages three through five, and account for the monies received and expended for the purpose of this grant.

Title II-A Fund

A fund that is restricted for monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund

A fund that is restricted for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate special cost center must be used for each grant.

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Food Service	Other Grants	Classroom Facilities Maintenance	District Managed Student Activities
Assets:				
Equity in pooled cash and investments	\$ 605,895	\$ 32,093	\$ 2,281,089	\$ 145,467
Receivables:				
Property taxes	-	-	285,525	-
Intergovernmental	9,413	-	-	-
Prepayments	-	-	-	-
Materials and supplies inventory	5,986	-	-	-
Inventory held for resale	34,320	-	-	-
Total assets.	<u>\$ 655,614</u>	<u>\$ 32,093</u>	<u>\$ 2,566,614</u>	<u>\$ 145,467</u>
Liabilities:				
Accounts payable.	\$ 19,658	\$ -	\$ 4,750	\$ 7,843
Accrued wages and benefits	-	-	-	-
Intergovernmental payable	4,002	-	-	-
Pension and postemployment benefits payable.	12,890	-	-	-
Due to other funds	-	-	-	-
Total liabilities.	<u>36,550</u>	<u>-</u>	<u>4,750</u>	<u>7,843</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	-	-	255,647	-
Delinquent property tax revenue not available.	-	-	12,525	-
Intergovernmental revenue not available.	-	-	-	-
Total deferred inflows of resources.	<u>-</u>	<u>-</u>	<u>268,172</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	5,986	-	-	-
Prepays	-	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	2,293,692	-
Food service operations	613,078	-	-	-
Non-public schools	-	-	-	-
Public school preschool	-	-	-	-
Special education	-	-	-	-
Target academic assistance	-	-	-	-
Other purposes	-	32,093	-	-
Extracurricular	-	-	-	137,624
Unassigned (deficit)	-	-	-	-
Total fund balances (deficits)	<u>619,064</u>	<u>32,093</u>	<u>2,293,692</u>	<u>137,624</u>
Total liabilities, deferred inflows and fund balances.	<u>\$ 655,614</u>	<u>\$ 32,093</u>	<u>\$ 2,566,614</u>	<u>\$ 145,467</u>

Auxiliary Services	Public School Preschool	Title VI-B	Title I - School Improvement Stimulus A
\$ 185,062	\$ 29,185	\$ 31,581	\$ -
-	-	-	-
-	12,255	90,395	-
-	-	1,556	-
-	-	-	-
-	-	-	-
<u>\$ 185,062</u>	<u>\$ 41,440</u>	<u>\$ 123,532</u>	<u>\$ -</u>
\$ 42,489	\$ 30	\$ 2,681	\$ -
9,845	23,724	68,763	-
142	310	1,045	-
3,032	2,994	8,885	-
-	-	-	841
<u>55,508</u>	<u>27,058</u>	<u>81,374</u>	<u>841</u>
-	-	-	-
-	-	-	-
-	12,255	78,088	-
-	<u>12,255</u>	<u>78,088</u>	-
-	-	-	-
-	-	1,556	-
-	-	-	-
-	-	-	-
129,554	-	-	-
-	2,127	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	(37,486)	(841)
<u>129,554</u>	<u>2,127</u>	<u>(35,930)</u>	<u>(841)</u>
<u>\$ 185,062</u>	<u>\$ 41,440</u>	<u>\$ 123,532</u>	<u>\$ -</u>

(Continued)

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Title III - Limited English Proficiency	Title I	IDEA Preschool Grant	Title II-A
Assets:				
Equity in pooled cash and investments	\$ 3,415	\$ 49,808	\$ 685	\$ 12,576
Receivables:				
Property taxes	-	-	-	-
Intergovernmental	-	475,777	-	84,419
Prepayments	-	782	-	-
Materials and supplies inventory	-	-	-	-
Inventory held for resale	-	-	-	-
Total assets.	<u>\$ 3,415</u>	<u>\$ 526,367</u>	<u>\$ 685</u>	<u>\$ 96,995</u>
Liabilities:				
Accounts payable.	\$ 3,415	\$ 103,264	\$ 407	\$ -
Accrued wages and benefits	-	192,127	-	23,580
Intergovernmental payable	-	2,656	-	334
Pension and postemployment benefits payable.	-	30,484	-	3,222
Due to other funds	-	-	-	-
Total liabilities.	<u>3,415</u>	<u>328,531</u>	<u>407</u>	<u>27,136</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	-	-	-	-
Delinquent property tax revenue not available.	-	-	-	-
Intergovernmental revenue not available.	-	294,747	-	63,373
Total deferred inflows of resources.	<u>-</u>	<u>294,747</u>	<u>-</u>	<u>63,373</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	-	-
Prepays	-	782	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	-
Food service operations	-	-	-	-
Non-public schools	-	-	-	-
Public school preschool	-	-	-	-
Special education	-	-	278	-
Target academic assistance	-	-	-	6,486
Other purposes	-	-	-	-
Extracurricular	-	-	-	-
Unassigned (deficit)	-	(97,693)	-	-
Total fund balances (deficits)	<u>-</u>	<u>(96,911)</u>	<u>278</u>	<u>6,486</u>
Total liabilities, deferred inflows and fund balances.	<u>\$ 3,415</u>	<u>\$ 526,367</u>	<u>\$ 685</u>	<u>\$ 96,995</u>

<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ 3,376,856
-	285,525
-	672,259
-	2,338
-	5,986
-	34,320
<u>\$ -</u>	<u>\$ 4,377,284</u>
\$ 3,831	\$ 188,368
-	318,039
-	8,489
-	61,507
-	841
<u>3,831</u>	<u>577,244</u>
-	255,647
-	12,525
-	448,463
<u>-</u>	<u>716,635</u>
-	5,986
-	2,338
-	2,293,692
-	613,078
-	129,554
-	2,127
-	278
-	6,486
-	32,093
-	137,624
(3,831)	(139,851)
<u>(3,831)</u>	<u>3,083,405</u>
<u>\$ -</u>	<u>\$ 4,377,284</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Food Service</u>	<u>Other Grants</u>	<u>Classroom Facilities Maintenance</u>	<u>District Managed Student Activities</u>
Revenues:				
From local sources:				
Property taxes	\$ -	\$ -	\$ 279,527	\$ -
Earnings on investments	1,293	-	-	-
Charges for services	235,619	-	-	-
Extracurricular	-	-	-	288,963
Contributions and donations	-	16,516	-	66,210
Contract services	-	-	-	4,500
Other local revenues	275,000	-	-	455
Intergovernmental - state	37,273	-	57,161	-
Intergovernmental - federal	1,524,361	-	-	-
Total revenues	<u>2,073,546</u>	<u>16,516</u>	<u>336,688</u>	<u>360,128</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	18,120	-	-
Special	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff	-	-	2,635	-
Administration	-	-	-	-
Fiscal	-	-	23,923	-
Business	-	-	12,349	-
Operations and maintenance	-	-	111,464	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Other non-instructional services	-	471	-	-
Food service operations	2,087,268	-	-	-
Extracurricular activities	-	-	-	195,562
Facilities acquisition and construction	-	-	8,460	1,134
Total expenditures	<u>2,087,268</u>	<u>18,591</u>	<u>158,831</u>	<u>196,696</u>
Net change in fund balances	(13,722)	(2,075)	177,857	163,432
Fund balances (deficits) at beginning of year	<u>632,786</u>	<u>34,168</u>	<u>2,115,835</u>	<u>(25,808)</u>
Fund balances (deficits) at end of year	<u>\$ 619,064</u>	<u>\$ 32,093</u>	<u>\$ 2,293,692</u>	<u>\$ 137,624</u>

<u>Auxiliary Services</u>	<u>Public School Preschool</u>	<u>Data Communications</u>	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>
\$ -	\$ -	\$ -	\$ -	\$ -
449	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
506,905	267,171	14,400	-	-
-	-	-	-	1,123,296
<u>507,354</u>	<u>267,171</u>	<u>14,400</u>	<u>-</u>	<u>1,123,296</u>
-	-	-	3,629	-
-	224,483	-	-	689,433
-	-	-	-	219,639
-	100	-	-	18,759
-	-	-	-	82,506
-	-	-	-	-
-	-	-	-	-
-	-	-	-	48,019
-	-	14,400	-	-
435,794	7,875	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>435,794</u>	<u>232,458</u>	<u>14,400</u>	<u>3,629</u>	<u>1,058,356</u>
71,560	34,713	-	(3,629)	64,940
<u>57,994</u>	<u>(32,586)</u>	<u>-</u>	<u>3,629</u>	<u>(100,870)</u>
<u>\$ 129,554</u>	<u>\$ 2,127</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,930)</u>

(Continued)

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Title I - School Improvement Stimulus A	Title III - Limited English Proficiency	Title I	IDEA Preschool Grant
Revenues:				
From local sources:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Charges for services	-	-	-	-
Extracurricular	-	-	-	-
Contributions and donations	-	-	-	-
Contract services	-	-	-	-
Other local revenues	-	-	-	-
Intergovernmental - state	-	-	-	-
Intergovernmental - federal	-	3,415	1,955,725	33,194
Total revenues	<u>-</u>	<u>3,415</u>	<u>1,955,725</u>	<u>33,194</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	117,576	-
Special	-	3,415	1,515,531	16,716
Support services:				
Pupil	-	-	29,484	-
Instructional staff	-	-	4,423	-
Administration	-	-	80,989	-
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	18,448	-
Central	-	-	-	-
Operation of non-instructional services:				
Other non-instructional services	-	-	38,861	-
Food service operations	-	-	-	-
Extracurricular activities	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>-</u>	<u>3,415</u>	<u>1,805,312</u>	<u>16,716</u>
Net change in fund balances	-	-	150,413	16,478
Fund balances (deficits) at beginning of year	<u>(841)</u>	<u>-</u>	<u>(247,324)</u>	<u>(16,200)</u>
Fund balances (deficits) at end of year	<u>\$ (841)</u>	<u>\$ -</u>	<u>\$ (96,911)</u>	<u>\$ 278</u>

<u>Title II-A</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ 279,527
-	-	1,742
-	-	235,619
-	-	288,963
-	-	82,726
-	-	4,500
-	-	275,455
-	-	882,910
299,013	75,029	5,014,033
<u>299,013</u>	<u>75,029</u>	<u>7,065,475</u>
195,414	-	334,739
-	-	2,449,578
-	-	249,123
57,365	76,789	160,071
-	-	163,495
-	-	23,923
-	-	12,349
-	-	111,464
-	-	66,467
-	-	14,400
1,542	2,076	486,619
-	-	2,087,268
-	-	195,562
-	-	9,594
<u>254,321</u>	<u>78,865</u>	<u>6,364,652</u>
44,692	(3,836)	700,823
<u>(38,206)</u>	<u>5</u>	<u>2,382,582</u>
<u>\$ 6,486</u>	<u>\$ (3,831)</u>	<u>\$ 3,083,405</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>	<u>Actual</u>	
Food Service Fund			
Total Revenues and Other Sources	\$ 1,349,269	\$ 1,938,855	\$ 589,586
Total Expenditures and Other Uses	<u>2,366,951</u>	<u>2,363,614</u>	<u>3,337</u>
Net Change in Fund Balances	(1,017,682)	(424,759)	592,923
Fund Balance at Beginning of Year	986,462	986,462	-
Prior Year Encumbrances Appropriated	<u>31,951</u>	<u>31,951</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 731</u>	<u>\$ 593,654</u>	<u>\$ 592,923</u>
Other Grants Fund			
Total Revenues and Other Sources	\$ 17,846	\$ 19,195	\$ 1,349
Total Expenditures and Other Uses	<u>50,605</u>	<u>21,509</u>	<u>29,096</u>
Net Change in Fund Balances	(32,759)	(2,314)	30,445
Fund Balance at Beginning of Year	33,563	33,563	-
Prior Year Encumbrances Appropriated	<u>605</u>	<u>605</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,409</u>	<u>\$ 31,854</u>	<u>\$ 30,445</u>
Classroom Facilities Maintenance Fund			
Total Revenues and Other Sources	\$ 313,000	\$ 346,445	\$ 33,445
Total Expenditures and Other Uses	<u>294,165</u>	<u>185,432</u>	<u>108,733</u>
Net Change in Fund Balances	18,835	161,013	142,178
Fund Balance at Beginning of Year	2,049,534	2,049,534	-
Prior Year Encumbrances Appropriated	<u>44,165</u>	<u>44,165</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,112,534</u>	<u>\$ 2,254,712</u>	<u>\$ 142,178</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>	<u>Actual</u>	
District Managed Student Activities Fund			
Total Revenues and Other Sources	\$ 749,348	\$ 363,390	\$ (385,958)
Total Expenditures and Other Uses	<u>849,427</u>	<u>342,190</u>	<u>507,237</u>
Net Change in Fund Balances	(100,079)	21,200	121,279
Fund Balance at Beginning of Year	76,739	76,739	-
Prior Year Encumbrances Appropriated	<u>23,340</u>	<u>23,340</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 121,279</u>	<u>\$ 121,279</u>
Auxiliary Services Fund			
Total Revenues and Other Sources	\$ 436,771	\$ 507,354	\$ 70,583
Total Expenditures and Other Uses	<u>528,384</u>	<u>479,593</u>	<u>48,791</u>
Net Change in Fund Balances	(91,613)	27,761	119,374
Fund Balance at Beginning of Year	10,309	10,309	-
Prior Year Encumbrances Appropriated	<u>81,304</u>	<u>81,304</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 119,374</u>	<u>\$ 119,374</u>
Public School Preschool Fund			
Total Revenues and Other Sources	\$ 285,488	\$ 273,263	\$ (12,225)
Total Expenditures and Other Uses	<u>279,396</u>	<u>256,050</u>	<u>23,346</u>
Net Change in Fund Balances	6,092	17,213	11,121
Fund Balance (Deficit) at Beginning of Year	(14,433)	(14,433)	-
Prior Year Encumbrances Appropriated	<u>8,341</u>	<u>8,341</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 11,121</u>	<u>\$ 11,121</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>		
Data Communications Fund			
Total Revenues and Other Sources	\$ 14,400	\$ 14,400	\$ -
Total Expenditures and Other Uses	<u>14,400</u>	<u>14,400</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Miscellaneous State Grants Fund			
Total Expenditures and Other Uses	\$ 3,629	\$ 3,629	\$ -
Net Change in Fund Balances	(3,629)	(3,629)	-
Fund Balance at Beginning of Year	<u>3,629</u>	<u>3,629</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>	<u>Actual</u>	
Title VI-B Fund			
Total Revenues and Other Sources	\$ 1,347,908	\$ 1,171,058	\$ (176,850)
Total Expenditures and Other Uses	<u>1,287,838</u>	<u>1,096,088</u>	<u>191,750</u>
Net Change in Fund Balances	60,070	74,970	14,900
Fund Balance (Deficit) at Beginning of Year	(151,740)	(151,740)	-
Prior Year Encumbrances Appropriated	<u>91,670</u>	<u>91,670</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 14,900</u>	<u>\$ 14,900</u>
Title I - School Improvement Stimulus A Fund			
Total Revenues and Other Sources	\$ 26,725	\$ -	\$ (26,725)
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	26,725	-	(26,725)
Fund Balance (Deficit) at Beginning of Year	<u>(841)</u>	<u>(841)</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 25,884</u>	<u>\$ (841)</u>	<u>\$ (26,725)</u>
Title III - Limited English Proficiency Fund			
Total Revenues and Other Sources	\$ 3,415	\$ 3,415	\$ -
Total Expenditures and Other Uses	<u>3,415</u>	<u>3,415</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>	<u>Actual</u>	
Title I Fund			
Total Revenues and Other Sources	\$ 2,490,286	\$ 1,833,829	\$ (656,457)
Total Expenditures and Other Uses	<u>2,438,446</u>	<u>1,980,403</u>	<u>458,043</u>
Net Change in Fund Balances	51,840	(146,574)	(198,414)
Fund Balance (Deficit) at Beginning of Year	(87,190)	(87,190)	-
Prior Year Encumbrances Appropriated	<u>35,351</u>	<u>35,351</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 1</u>	<u>\$ (198,413)</u>	<u>\$ (198,414)</u>
IDEA Preschool Grant Fund			
Total Revenues and Other Sources	\$ 78,371	\$ 34,494	\$ (43,877)
Total Expenditures and Other Uses	<u>77,070</u>	<u>33,010</u>	<u>44,060</u>
Net Change in Fund Balances	1,301	1,484	183
Fund Balance (Deficit) at Beginning of Year	(17,957)	(17,957)	-
Prior Year Encumbrances Appropriated	<u>16,658</u>	<u>16,658</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2</u>	<u>\$ 185</u>	<u>\$ 183</u>
Title II-A Fund			
Total Revenues and Other Sources	\$ 367,828	\$ 281,433	\$ (86,395)
Total Expenditures and Other Uses	<u>355,542</u>	<u>326,449</u>	<u>29,093</u>
Net Change in Fund Balances	12,286	(45,016)	(57,302)
Fund Balance (Deficit) at Beginning of Year	(20,778)	(20,778)	-
Prior Year Encumbrances Appropriated	<u>8,492</u>	<u>8,492</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ (57,302)</u>	<u>\$ (57,302)</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>		<u>Actual</u>
Miscellaneous Federal Grants Fund			
Total Revenues and Other Sources	\$ 32,246	\$ 977	\$ (31,269)
Total Expenditures and Other Uses	<u>32,251</u>	<u>1,063</u>	<u>31,188</u>
Net Change in Fund Balances	(5)	(86)	(81)
Fund Balance at Beginning of Year	<u>5</u>	<u>5</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ (81)</u>	<u>\$ (81)</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest. A description of the School District's nonmajor debt service fund follows:

Bond Retirement Fund

A fund provided for the accumulation of property taxes that is restricted for the retirement of serial bonds and short term note and loans.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>	<u>Actual</u>	
Bond Retirement Fund			
Total Revenues and Other Sources	\$ 2,506,380	\$ 3,609,703	\$ 1,103,323
Total Expenditures and Other Uses	<u>3,000,000</u>	<u>2,811,892</u>	<u>188,108</u>
Net Change in Fund Balances	(493,620)	797,811	1,291,431
Fund Balance at Beginning of Year	<u>1,579,234</u>	<u>1,579,234</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,085,614</u>	<u>\$ 2,377,045</u>	<u>\$ 1,291,431</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Capital Projects Funds

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. A description of the School District's nonmajor capital projects funds follows:

Permanent Improvement Fund

A fund provided to account for a property tax levy that is restricted to all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705 of the Ohio Revised Code.

Building Fund

The building fund is used to account for resources that are restricted for the acquisition, construction or improvement of capital facilities and for the acquisition of capital assets. The fund balance of this fund is restricted for capital improvements.

Classroom Facilities Fund

A fund provided to account for monies received that are restricted to be used on contracts entered into by the School District and the Ohio Department of Education for the building and equipping of classroom facilities.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets:			
Equity in pooled cash and investments	\$ 1,165,586	\$ 1,548,517	\$ 2,714,103
Receivables:			
Property taxes	390,589	-	390,589
Total assets.	\$ 1,556,175	\$ 1,548,517	\$ 3,104,692
Liabilities:			
Accounts payable.	\$ 8,606	\$ -	\$ 8,606
Total liabilities.	8,606	-	8,606
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	351,983	-	351,983
Delinquent property tax revenue not available.	16,589	-	16,589
Total deferred inflows of resources.	368,572	-	368,572
Fund balances:			
Restricted:			
Capital improvements	1,178,997	1,548,517	2,727,514
Total fund balances	1,178,997	1,548,517	2,727,514
Total liabilities, deferred inflows and fund balances. . .	\$ 1,556,175	\$ 1,548,517	\$ 3,104,692

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
From local sources:			
Property taxes	\$ 377,064	\$ -	\$ 377,064
Other local revenues	203	-	203
Intergovernmental - state	48,914	-	48,914
Total revenues	426,181	-	426,181
Expenditures:			
Current:			
Instruction:			
Regular	120,510	-	120,510
Support services:			
Fiscal	9,795	-	9,795
Business	3,986	-	3,986
Operations and maintenance	101,980	-	101,980
Facilities acquisition and construction	49,832	-	49,832
Debt service:			
Principal retirement	15,000	-	15,000
Interest and fiscal charges	28,763	-	28,763
Total expenditures	329,866	-	329,866
Net change in fund balances	96,315	-	96,315
Fund balances at beginning of year	1,082,682	1,548,517	2,631,199
Fund balances at end of year	\$ 1,178,997	\$ 1,548,517	\$ 2,727,514

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>	<u>Actual</u>	
Permanent Improvement Fund			
Total Revenues and Other Sources	\$ 412,000	\$ 438,981	\$ 26,981
Total Expenditures and Other Uses	<u>530,853</u>	<u>357,057</u>	<u>173,796</u>
Net Change in Fund Balances	(118,853)	81,924	200,777
Fund Balance at Beginning of Year	1,030,927	1,030,927	-
Prior Year Encumbrances Appropriated	<u>30,853</u>	<u>30,853</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 942,927</u>	<u>\$ 1,143,704</u>	<u>\$ 200,777</u>
Building Fund			
Total Revenues and Other Sources	\$ 470,245	\$ -	\$ (470,245)
Total Expenditures and Other Uses	<u>691,143</u>	<u>-</u>	<u>691,143</u>
Net Change in Fund Balances	(220,898)	-	220,898
Fund Balance at Beginning of Year	<u>1,548,517</u>	<u>1,548,517</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,327,619</u>	<u>\$ 1,548,517</u>	<u>\$ 220,898</u>
Classroom Facilities Fund			
Total Revenues and Other Sources	\$ 47	\$ -	\$ (47)
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	47	-	(47)
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 47</u>	<u>\$ -</u>	<u>\$ (47)</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMBINING STATEMENTS - FIDUCIARY FUNDS

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

Private-Purpose Trust Fund

Scholarship Fund

This fund accounts for monies to be set aside for college scholarships for students enrolled in the School District. The income from such a fund may be expended, but the principal must remain intact.

Agency Funds

District Agency Fund

This fund is used to account for those assets held by the School District as an agent for individuals, private organization, other governmental units, and/or other funds.

Student Managed Activities Fund

This fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program.

Intra-District Services Fund

This fund is used to account for functions that provide goods or services to other areas with the School District.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Variance with Final Budget- Over (Under)</u>
	<u>Final</u>		<u>Actual</u>
Scholarship Fund			
Total Revenues and Other Sources	\$ 240,594	\$ 10,639	\$ (229,955)
Total Expenditures and Other Uses	<u>37,000</u>	<u>15,800</u>	<u>21,200</u>
Net Change in Fund Balances	203,594	(5,161)	(208,755)
Fund Balance at Beginning of Year	<u>355,440</u>	<u>355,440</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 559,034</u></u>	<u><u>\$ 350,279</u></u>	<u><u>\$ (208,755)</u></u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Beginning Balance July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2018</u>
District Agency				
Assets:				
Equity in pooled cash and investments	\$ 16,016	\$ 207	\$ -	\$ 16,223
Total assets	<u>\$ 16,016</u>	<u>\$ 207</u>	<u>\$ -</u>	<u>\$ 16,223</u>
Liabilities:				
Undistributed monies	\$ 16,016	\$ 207	\$ -	\$ 16,223
Total liabilities.	<u>\$ 16,016</u>	<u>\$ 207</u>	<u>\$ -</u>	<u>\$ 16,223</u>
Student Managed Activities				
Assets:				
Equity in pooled cash and investments	\$ 50,038	\$ 120,413	\$ 109,637	\$ 60,814
Total assets	<u>\$ 50,038</u>	<u>\$ 120,413</u>	<u>\$ 109,637</u>	<u>\$ 60,814</u>
Liabilities:				
Accounts payable	\$ 619	\$ 6,622	\$ 619	\$ 6,622
Due to students	49,419	113,791	109,018	54,192
Total liabilities.	<u>\$ 50,038</u>	<u>\$ 120,413</u>	<u>\$ 109,637</u>	<u>\$ 60,814</u>
Intra-District Services				
Assets:				
Equity in pooled cash and investments	\$ 26,652	\$ -	\$ 1,971	\$ 24,681
Total assets	<u>\$ 26,652</u>	<u>\$ -</u>	<u>\$ 1,971</u>	<u>\$ 24,681</u>
Liabilities:				
Undistributed monies	\$ 26,652	\$ -	\$ 1,971	\$ 24,681
Total liabilities.	<u>\$ 26,652</u>	<u>\$ -</u>	<u>\$ 1,971</u>	<u>\$ 24,681</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and investments	\$ 92,706	\$ 120,620	\$ 111,608	\$ 101,718
Total assets	<u>\$ 92,706</u>	<u>\$ 120,620</u>	<u>\$ 111,608</u>	<u>\$ 101,718</u>
Liabilities:				
Accounts payable	\$ 619	\$ 6,622	\$ 619	\$ 6,622
Due to students	49,419	113,791	109,018	54,192
Undistributed monies	42,668	207	1,971	40,904
Total liabilities.	<u>\$ 92,706</u>	<u>\$ 120,620</u>	<u>\$ 111,608</u>	<u>\$ 101,718</u>

STATISTICAL SECTION

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

STATISTICAL SECTION

This part of the Xenia Community School District'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 School District's overall financial health.

<u>Table of Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	118-129
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	130-136
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	137-143
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.	144-145
Operating Information These schedules contain service and capital asset data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	146-149

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. Fiscal year 2011 was the School District's first year implementation of GASB 54. Fiscal year 2015 was the School District's first year implementation of GASB 68/71. Fiscal year 2018 was the School District's first year implementing GASB 75.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
GOVERNMENTAL ACTIVITIES

	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	<u>2012</u>
Governmental activities				
Net investment in capital assets	\$ 10,481,909	\$ 10,649,898	\$ 7,394,446	\$ 38,371,925
Restricted for:				
Capital projects	161,779	25,895,549	25,789,770	575,307
Debt service	-	9,733	1,865,736	972,042
Other purposes	1,627,557	1,671,456	3,161,242	2,017,431
Unrestricted (deficit)	<u>2,983,161</u>	<u>(224,469)</u>	<u>(937,544)</u>	<u>(3,421,533)</u>
Total Governmental Activities Net Position	<u>\$ 15,254,406</u>	<u>\$ 38,002,167</u>	<u>\$ 37,273,650</u>	<u>\$ 38,515,172</u>
Business-type activities				
Net investment in capital assets	\$ 58,753	\$ 55,910		
Unrestricted	<u>89,776</u>	<u>47,436</u>		
Total Business-Type Activities Net Position	<u>\$ 148,529</u>	<u>\$ 103,346</u>		
Primary government				
Net investment in capital assets	\$ 10,540,662	\$ 10,705,808		
Restricted	1,789,336	27,576,738		
Unrestricted	<u>3,072,937</u>	<u>(177,033)</u>		
Total primary government Net Position	<u>\$ 15,402,935</u>	<u>\$ 38,105,513</u>		

Source: School District financial records.

- (1) The District implemented GASB Statement No. 54 and reclassified business-type activities to governmental activities.
- (2) Amounts have been restated to account for the implementation of GASB Statement No. 68/71.
- (3) Amounts have been restated to account for the implementation of GASB Statement No. 75.

	2013	2014 (2)	2015	2016	2017 (3)	2018
\$	35,978,815	\$ 37,222,258	\$ 36,109,895	\$ 34,976,004	\$ 33,751,166	\$ 32,488,641
	1,604,469	1,753,040	1,946,528	2,132,449	2,045,067	2,141,788
	-	-	-	277,857	1,567,174	3,228,626
	2,976,422	2,552,640	2,646,398	3,181,864	3,262,342	3,492,968
	4,759,811	(50,535,299)	(46,089,900)	(41,391,620)	(56,496,390)	(32,362,296)
\$	<u>45,319,517</u>	<u>\$ (9,007,361)</u>	<u>\$ (5,387,079)</u>	<u>\$ (823,446)</u>	<u>\$ (15,870,641)</u>	<u>\$ 8,989,727</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
GOVERNMENTAL ACTIVITIES

	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	<u>2012</u>
Expenses				
Governmental activities:				
Instruction				
Regular	\$ 21,027,137	\$ 22,874,671	\$ 23,313,796	\$ 19,211,531
Special	7,268,488	7,801,632	8,106,704	7,535,001
Vocational	559,380	663,935	522,909	417,220
Other	1,978,994	713,153	1,162,703	1,064,434
Support services:				
Pupil	3,680,457	3,787,706	3,812,722	3,100,910
Instructional staff	3,705,228	4,389,169	4,941,165	3,644,379
Board of education	30,172	46,118	43,115	48,039
Administration	3,969,956	4,743,067	4,513,629	4,104,162
Fiscal	614,423	882,787	627,799	552,322
Business	690,431	534,465	609,912	651,902
Operations and maintenance	3,751,404	4,070,484	4,013,756	5,176,685
Pupil transportation	2,950,185	2,961,342	3,307,960	2,868,760
Central	376,753	368,574	359,364	231,466
Operation of non-instructional services	497,913	412,399	2,431,395	2,184,210
Extracurricular activities	955,911	974,957	887,034	716,946
Interest and fiscal charges	114,699	347,061	2,112,472	2,329,031
Total governmental activities expenses	<u>52,171,531</u>	<u>55,571,520</u>	<u>60,766,435</u>	<u>53,836,998</u>
Business-type activities:				
Food service	1,930,482	1,850,217	-	-
Uniform school supplies	56,275	61,667	-	-
Pre-school	14,621	10,295	-	-
Total business-type activities expenses	<u>2,001,378</u>	<u>1,922,179</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u>\$ 54,172,909</u>	<u>\$ 57,493,699</u>	<u>\$ 60,766,435</u>	<u>\$ 53,836,998</u>
Program Revenues				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	524,185	704,183	695,888	579,642
Special	157,573	149,900	159,520	214,769
Vocational	-	-	-	-
Support services:				
Pupil	-	2,829	3,045	1,404
Instructional staff	-	-	6,600	2,596
Fiscal	24,663	38,667	30,926	76,459
Business	26,554	13,008	9,296	15,317
Operations and maintenance	5,000	8,235	6,929	7,987
Pupil transportation	45,374	52,701	48,080	194,581
Operation of non-instructional services	-	509	575,385	538,559
Extracurricular activities	244,403	260,341	252,332	252,407
Total governmental activities charges for services	<u>1,027,752</u>	<u>1,230,373</u>	<u>1,788,001</u>	<u>1,883,721</u>

	2013	2014	2015	2016	2017	2018
\$	20,469,322	\$ 20,613,637	\$ 22,157,855	\$ 23,624,576	\$ 25,965,425	\$ 13,113,728
	6,293,428	8,890,201	8,930,431	9,757,625	10,847,646	5,636,758
	473,007	426,082	391,609	509,173	575,244	100,368
	798,146	413,088	463,517	487,358	294,686	893,508
	2,670,524	2,728,486	2,812,029	2,588,162	3,714,697	2,461,646
	2,829,681	1,447,357	1,096,775	1,317,782	1,346,371	941,275
	28,679	62,469	54,169	46,982	48,093	19,740
	3,544,180	3,555,657	3,367,885	3,546,345	4,068,485	1,655,716
	493,191	779,269	902,766	1,193,856	1,341,482	1,126,291
	570,310	654,648	714,612	811,055	800,033	416,710
	2,676,323	2,869,448	3,479,724	3,301,567	3,324,326	3,336,177
	2,376,437	2,334,590	2,828,070	2,399,596	2,844,303	2,916,931
	175,603	547,009	249,803	458,537	492,039	417,637
	2,017,909	1,937,291	2,076,014	2,182,928	2,745,760	2,238,866
	652,959	722,775	773,328	919,928	921,921	411,854
	3,081,811	3,036,020	2,441,812	1,909,384	2,010,994	1,692,487
	<u>49,151,510</u>	<u>51,018,027</u>	<u>52,740,399</u>	<u>55,054,854</u>	<u>61,341,505</u>	<u>37,379,692</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>49,151,510</u>	<u>\$ 51,018,027</u>	<u>\$ 52,740,399</u>	<u>\$ 55,054,854</u>	<u>\$ 61,341,505</u>	<u>\$ 37,379,692</u>
	665,009	710,017	568,869	830,618	603,423	1,076,938
	271,396	183,313	54,430	215,000	203,471	402,986
	-	-	-	23,071	13,284	1,523
	438	2,480	1,234	2,745	3,649	-
	4,031	-	-	-	2,081	2,879
	40,112	17,907	-	-	-	-
	-	-	-	-	-	-
	7,432	13,888	25,288	5,303	5,142	5,318
	2,050	-	-	-	-	-
	454,906	445,166	404,493	411,795	358,696	236,138
	225,636	234,600	288,572	385,516	372,856	294,379
	<u>1,671,010</u>	<u>1,607,371</u>	<u>1,342,886</u>	<u>1,874,048</u>	<u>1,562,602</u>	<u>2,020,161</u>

(Continued)

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
GOVERNMENTAL ACTIVITIES

	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	<u>2012</u>
Operating grants and contributions:				
Instruction:				
Regular	\$ 296,608	\$ 403,772	\$ 2,244,921	\$ 870,285
Special	1,613,160	2,899,293	2,492,743	2,187,307
Vocational	80,447	82,063	82,678	82,678
Other instructional	1,458,310	-	415,247	383,636
Support services:				
Pupil	78,817	318,780	459,778	213,456
Instructional staff	1,634,431	850,042	1,765,483	1,546,907
Administration	72,692	1,290,205	1,544,463	156,385
Fiscal	4,113	17,526	9,358	56,474
Business	-	-	-	-
Operations and maintenance	-	-	904	6,985
Pupil transportation	3,378	4,396	37,260	166,250
Central	44,084	31,508	27,750	14,400
Operation of non-instructional services	-	345,360	1,751,790	1,775,435
Extracurricular activities	531,782	22,022	31,370	8,710
Interest and fiscal charges	20,309	-	1,074,243	1,269,657
Total operating grants and contributions	<u>5,838,131</u>	<u>6,264,967</u>	<u>11,937,988</u>	<u>8,738,565</u>
Capital grants and contributions:				
Support services:				
Pupil transportation	52,850	-	-	-
Total capital grants and contributions	<u>52,850</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities program revenues	<u>6,918,733</u>	<u>7,495,340</u>	<u>13,725,989</u>	<u>10,622,286</u>
Business-type activities:				
Charges for services:				
Food service	773,513	698,990	-	-
Uniform school supplies	33,528	30,801	-	-
Pre-school	11,061	2,250	-	-
Operating grants and contributions	1,134,559	1,119,955	-	-
Total business-type activities program revenues	<u>1,952,661</u>	<u>1,851,996</u>	<u>-</u>	<u>-</u>
Total primary government program revenue	<u>\$ 8,871,394</u>	<u>\$ 9,347,336</u>	<u>\$ 13,725,989</u>	<u>\$ 10,622,286</u>
Net (Expense)/Revenue				
Governmental activities	\$ (45,252,798)	\$ (48,076,180)	\$ (47,040,446)	\$ (43,214,712)
Business-type activities	(48,717)	(70,183)	-	-
Total primary government net expense	<u>\$ (45,301,515)</u>	<u>\$ (48,146,363)</u>	<u>\$ (47,040,446)</u>	<u>\$ (43,214,712)</u>

	2013	2014	2015	2016	2017	2018
\$	735,927	\$ 321,393	\$ 397,452	\$ 293,624	\$ 326,180	\$ 386,899
	4,285,116	4,275,316	5,845,964	5,474,667	6,242,623	5,934,297
	82,678	87,826	156,620	122,488	141,407	156,039
	483,407	-	-	-	-	-
	340,059	269,359	299,021	261,532	288,839	246,858
	1,354,191	627,841	172,571	26,656	51,534	168,405
	175,934	104,971	127,186	120,610	156,280	167,665
	27,475	-	-	2,150	-	2,368
	-	-	-	841	-	1,223
	-	-	-	11,896	234	11,035
	240,837	99,625	151,026	174,784	236,348	258,626
	14,400	14,400	14,400	14,400	14,400	14,400
	1,749,001	1,712,355	1,785,309	1,930,183	2,085,548	2,399,661
	52,716	100,180	371,751	85,296	106,794	66,665
	1,223,536	1,180,575	-	499,816	664,922	1,062,187
	<u>10,765,277</u>	<u>8,793,841</u>	<u>9,321,300</u>	<u>9,018,943</u>	<u>10,315,109</u>	<u>10,876,328</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>12,436,287</u>	<u>10,401,212</u>	<u>10,664,186</u>	<u>10,892,991</u>	<u>11,877,711</u>	<u>12,896,489</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>\$ 12,436,287</u>	<u>\$ 10,401,212</u>	<u>\$ 10,664,186</u>	<u>\$ 10,892,991</u>	<u>\$ 11,877,711</u>	<u>\$ 12,896,489</u>
\$	(36,715,223)	\$ (40,616,815)	\$ (42,076,213)	\$ (44,161,863)	\$ (49,463,794)	\$ (24,483,203)
	-	-	-	-	-	-
	<u>\$ (36,715,223)</u>	<u>\$ (40,616,815)</u>	<u>\$ (42,076,213)</u>	<u>\$ (44,161,863)</u>	<u>\$ (49,463,794)</u>	<u>\$ (24,483,203)</u>

(Continued)

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
GOVERNMENTAL ACTIVITIES

	<u>2009</u>	<u>2010</u>	<u>2011 (1)</u>	<u>2012</u>
General Revenues				
Property taxes levied for:				
General purposes	\$ 19,146,600	\$ 18,630,191	\$ 20,147,454	\$ 17,403,111
Debt service	-	-	-	-
Capital outlay	385,177	399,332	402,910	339,361
Classroom facilities maintenance	-	153,780	310,084	275,948
Payment in lieu of taxes	23,394	23,570	22,163	31,924
School district income taxes	3,219,430	3,058,203	3,125,074	3,194,973
Grants and entitlements not restricted to specific programs	21,671,217	21,990,306	21,554,048	21,354,311
Grants and entitlements restricted for capital construction	-	26,400,224	-	-
Investment earnings	177,450	162,964	152,120	106,036
Gain on the sale of capital assets	-	-	-	595,024
Miscellaneous	9,143	30,371	506,326	15,737
Extraordinary item	-	-	-	1,139,809
Transfers	(25,000)	(25,000)	-	-
Total governmental activities	<u>44,607,411</u>	<u>70,823,941</u>	<u>46,220,179</u>	<u>44,456,234</u>
Business-type activities:				
Investment earnings	88	-	-	-
Miscellaneous	4,105	-	-	-
Transfers	25,000	25,000	-	-
Total business-type activities	<u>29,193</u>	<u>25,000</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 44,636,604</u>	<u>\$ 70,848,941</u>	<u>\$ 46,220,179</u>	<u>\$ 44,456,234</u>
Change in Net Position				
Governmental activities	\$ (645,387)	\$ 22,747,761	\$ (820,267)	\$ 1,241,522
Business-type activities	(19,524)	(45,183)	-	-
Total primary government	<u>\$ (664,911)</u>	<u>\$ 22,702,578</u>	<u>\$ (820,267)</u>	<u>\$ 1,241,522</u>

Source: School District financial records.

(1) The School District implemented GASB Statement No. 54 and reclassified business-type activities to governmental activities.

	2013	2014	2015	2016	2017	2018
\$	18,423,141	\$ 18,853,182	\$ 17,673,857	\$ 18,914,569	\$ 19,877,978	\$ 18,593,302
	915,227	1,656,965	1,771,458	2,405,803	2,447,917	2,125,439
	344,309	365,242	394,544	382,699	402,575	377,417
	304,277	291,610	256,344	288,126	305,278	279,871
	39,614	24,331	19,573	22,523	-	-
	3,453,226	3,514,282	3,432,869	3,608,759	3,823,386	4,214,867
	19,442,089	20,720,008	22,035,123	22,359,441	22,455,890	23,390,970
	-	916,410	-	-	-	-
	32,892	23,724	63,575	220,955	130,010	291,539
	-	-	-	-	-	-
	107,785	117,041	49,152	522,621	91,010	70,166
	1,304,343	-	-	-	-	-
	-	-	-	-	-	-
	<u>44,366,903</u>	<u>46,482,795</u>	<u>45,696,495</u>	<u>48,725,496</u>	<u>49,534,044</u>	<u>49,343,571</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>44,366,903</u>	<u>\$ 46,482,795</u>	<u>\$ 45,696,495</u>	<u>\$ 48,725,496</u>	<u>\$ 49,534,044</u>	<u>\$ 49,343,571</u>
\$	7,651,680	\$ 5,865,980	\$ 3,620,282	\$ 4,563,633	\$ 70,250	\$ 24,860,368
	-	-	-	-	-	-
\$	<u>7,651,680</u>	<u>\$ 5,865,980</u>	<u>\$ 3,620,282</u>	<u>\$ 4,563,633</u>	<u>\$ 70,250</u>	<u>\$ 24,860,368</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund:				
Nonspendable	\$ -	\$ -	\$ 5,029	\$ 28,087
Restricted	-	-	226,489	-
Committed	-	-	-	-
Assigned	-	-	-	1,022,780
Unassigned (deficit)	-	-	(263,749)	448,043
Reserved	1,459,910	2,009,667	-	-
Unreserved (deficit)	2,863,562	(762,827)	-	-
Total general fund	<u>\$ 4,323,472</u>	<u>\$ 1,246,840</u>	<u>\$ (32,231)</u>	<u>\$ 1,498,910</u>
All Other Governmental Funds:				
Nonspendable	\$ -	\$ -	\$ 17,936	\$ 19,035
Restricted	-	-	58,231,728	26,987,138
Unassigned (deficit)	-	-	(30,544)	-
Reserved	379,847	3,191,775	-	-
Unreserved (deficit), undesignated				
Reported in:				
Special revenue funds	874,533	826,442	-	-
Debt service funds	-	9,733	-	-
Capital projects funds	71,301	33,420,387	-	-
Total all other governmental funds	<u>\$ 1,325,681</u>	<u>\$ 37,448,337</u>	<u>\$ 58,219,120</u>	<u>\$ 27,006,173</u>
Total governmental funds	<u>\$ 5,649,153</u>	<u>\$ 38,695,177</u>	<u>\$ 58,186,889</u>	<u>\$ 28,505,083</u>

Source: School District financial records.

Note: The School District implemented GASB 54 in fiscal year 2011.

2013	2014	2015	2016	2017	2018
\$ 3,579	\$ 6,652	\$ -	\$ 359,865	\$ 59,636	\$ 95,023
-	-	-	-	-	-
-	-	-	-	-	-
2,266,877	1,064,619	1,541,188	12,536,872	15,506,973	2,318,951
3,347,938	10,056,034	14,063,514	5,835,525	5,127,128	18,399,019
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 5,618,394</u>	<u>\$ 11,127,305</u>	<u>\$ 15,604,702</u>	<u>\$ 18,732,262</u>	<u>\$ 20,693,737</u>	<u>\$ 20,812,993</u>
\$ 19,835	\$ 16,236	\$ -	\$ 1,752	\$ 1,869	\$ 8,324
4,895,702	6,072,577	5,511,480	6,595,320	7,264,435	9,237,647
-	(95,366)	(258,278)	(684,960)	(461,835)	(139,851)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,915,537</u>	<u>\$ 5,993,447</u>	<u>\$ 5,253,202</u>	<u>\$ 5,912,112</u>	<u>\$ 6,804,469</u>	<u>\$ 9,106,120</u>
<u>\$ 10,533,931</u>	<u>\$ 17,120,752</u>	<u>\$ 20,857,904</u>	<u>\$ 24,644,374</u>	<u>\$ 27,498,206</u>	<u>\$ 29,919,113</u>

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Revenues				
Property taxes	\$ 19,375,229	\$ 19,144,514	\$ 20,433,798	\$ 18,449,920
Income taxes	3,219,430	3,058,203	3,125,074	3,194,973
Payment in lieu of taxes	23,394	23,570	22,163	31,924
Tuition	-	-	-	-
Tuition and fees	777,168	901,514	907,951	992,228
Transportation fees	-	-	-	-
Earnings on investments	177,797	163,222	155,821	106,204
Charges for services	51,217	51,675	613,187	630,335
Extracurricular activities	244,203	263,679	260,465	236,784
Classroom materials and fees	-	-	-	-
Rental income	5,000	8,235	6,398	7,987
Contributions and donations	22,559	22,022	31,576	15,464
Contract services	-	-	-	-
Other	8,272	30,371	221,037	34,703
Intergovernmental	27,143,580	30,237,528	51,640,665	34,914,970
Total revenues	<u>51,047,849</u>	<u>53,904,533</u>	<u>77,418,135</u>	<u>58,615,492</u>
Expenditures				
Current:				
Instructional:				
Regular	20,576,876	22,450,962	23,045,734	20,675,098
Special	7,228,840	7,975,640	8,016,893	7,636,518
Vocational	538,913	688,160	491,422	428,353
Other	1,927,969	794,962	1,162,703	1,045,695
Support services:				
Pupil	3,712,293	3,621,352	3,829,606	3,142,218
Instructional staff	3,739,156	4,314,663	4,963,472	3,792,896
Board of education	29,834	45,780	42,777	47,898
Administration	4,180,136	4,440,195	4,509,205	4,114,126
Fiscal	644,017	869,928	673,540	545,747
Business	685,953	537,131	607,269	663,976
Operations and maintenance	3,595,300	3,689,410	3,645,806	3,049,228
Pupil transportation	2,748,596	2,792,571	3,090,419	2,728,897
Central	365,213	378,487	358,375	239,333
Operation of non-instructional services	539,638	412,980	2,529,216	2,188,812
Extracurricular activities	939,221	976,527	863,426	703,820
Facilities acquisition and construction	-	-	-	-
Capital outlay	585,054	1,165,510	3,313,174	36,368,538
Debt service:				
Principal retirement	464,905	449,356	35,803,539	554,189
Interest and fiscal charges	115,329	99,866	2,185,483	2,306,469
Accretion on capital appreciation bonds	-	-	-	-
Issuance costs	-	214,565	699,064	-
Total expenditures	<u>52,617,243</u>	<u>55,918,045</u>	<u>99,831,123</u>	<u>90,231,811</u>
Excess (deficiency) of revenues over (under) expenditures	(1,569,394)	(2,013,512)	(22,412,988)	(31,616,319)
Other Financing Sources (Uses)				
Sale of capital assets	1,570	5,270	-	595,024
General obligation bonds issued	-	-	34,664,982	-
Premiums on bonds issued	-	-	3,532,866	-
General obligation notes issued	-	34,670,000	3,290,000	-
Premiums on notes issued	-	224,298	-	-
Payment to refunded bond escrow agent	-	-	-	-
Inception of capital lease	464,929	184,968	-	-
Insurance recoveries	-	-	285,085	1,339,489
Transfers in	145,000	31,122,555	1,085,422	-
Transfers (out)	(170,000)	(31,147,555)	(1,085,422)	-
Total other financing sources (uses)	<u>441,499</u>	<u>35,059,536</u>	<u>41,772,933</u>	<u>1,934,513</u>
Net change in fund balances	<u>\$ (1,127,895)</u>	<u>\$ 33,046,024</u>	<u>\$ 19,359,945</u>	<u>\$ (29,681,806)</u>
Capital expenditures	\$ 713,716	\$ 1,203,913	\$ 3,727,073	\$ 36,761,583
Debt service as a percentage of noncapital expenditures	1.12%	1.00%	39.53%	5.35%

Source: School District financial records.

	2013	2014	2015	2016	2017	2018
\$	19,966,943	\$ 21,064,399	\$ 20,534,370	\$ 21,439,062	\$ 23,071,487	\$ 21,379,516
	3,241,175	3,502,121	3,407,949	3,622,624	3,802,530	4,188,777
	26,409	25,024	21,390	22,145	-	-
	759,664	720,445	452,791	877,991	635,594	1,249,490
	-	-	-	-	-	-
	2,050	-	-	-	-	-
	33,387	24,099	57,517	195,821	117,921	288,936
	453,451	444,763	403,645	410,561	357,068	235,619
	227,529	237,483	294,159	364,029	381,464	342,208
	164,735	157,010	155,835	149,467	143,273	144,199
	7,432	13,888	6,527	5,303	4,463	5,318
	58,174	165,422	401,720	124,086	143,662	110,014
	56,149	33,782	29,929	66,697	40,740	43,327
	102,687	111,975	39,942	509,221	89,244	318,333
	30,544,844	31,117,993	30,629,325	31,179,706	32,931,671	34,004,675
	55,644,629	57,618,404	56,435,099	58,966,713	61,719,117	62,310,412
	19,840,838	20,190,669	20,962,201	23,098,098	23,499,873	23,558,995
	6,691,380	8,724,467	8,935,747	9,617,940	10,083,112	11,151,949
	486,557	412,978	405,098	495,501	521,578	357,523
	849,442	408,796	458,122	475,761	287,215	872,902
	2,966,495	2,656,758	2,774,370	2,653,396	3,454,770	3,856,081
	3,056,993	1,399,416	1,098,544	1,280,676	1,276,109	1,436,711
	30,464	60,794	53,555	46,260	45,467	35,139
	3,749,494	3,504,092	3,352,279	3,525,983	3,758,878	4,079,391
	523,655	755,808	909,109	1,161,290	1,302,339	1,426,857
	585,707	637,278	737,385	786,269	742,776	691,408
	2,817,492	2,785,491	3,201,428	3,363,633	3,135,376	3,285,097
	2,371,111	2,157,790	2,698,242	2,643,824	2,829,788	2,872,291
	187,232	530,586	246,733	442,185	480,184	529,771
	2,063,291	2,051,535	2,088,924	2,113,649	2,697,691	2,581,019
	685,600	702,460	772,468	907,505	875,265	818,764
	25,254,378	423,481	897,446	289,340	866,530	115,655
	-	-	-	-	155,657	-
	466,702	1,374,991	1,302,715	1,274,078	167,881	165,817
	2,293,293	2,254,193	1,476,176	1,396,416	1,815,420	1,812,870
	-	-	-	-	1,035,699	253,238
	-	-	296,839	-	-	-
	74,920,124	51,031,583	52,667,381	55,571,804	59,031,608	59,901,478
	(19,275,495)	6,586,821	3,767,718	3,394,909	2,687,509	2,408,934
	-	-	-	391,561	10,666	11,973
	-	-	18,505,000	-	-	-
	-	-	2,381,390	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	(20,916,956)	-	-	-
	-	-	-	-	155,657	-
	1,304,343	-	-	-	-	-
	-	10,000	-	-	732,094	-
	-	(10,000)	-	-	(732,094)	-
	1,304,343	-	(30,566)	391,561	166,323	11,973
\$	(17,971,152)	\$ 6,586,821	\$ 3,737,152	\$ 3,786,470	\$ 2,853,832	\$ 2,420,907
\$	28,560,528	\$ 1,625,990	\$ 1,206,396	\$ 639,500	\$ 1,184,516	\$ 508,220
	5.95%	7.35%	5.40%	4.86%	5.22%	3.76%

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN COLLECTION (CALENDAR) YEARS

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2009	\$ 558,250,140	\$ 92,664,240	\$ 1,859,755,371	\$ 28,818,744	\$ 115,274,976
2010	558,374,520	96,751,220	1,871,787,829	19,486,010	77,944,040
2011	560,221,510	100,387,930	1,887,455,543	19,501,950	78,007,800
2012	535,845,540	91,586,560	1,792,663,143	19,137,980	76,551,920
2013	537,478,350	92,297,410	1,799,359,314	23,123,840	92,495,360
2014	536,640,530	92,496,130	1,797,533,314	22,025,310	88,101,240
2015	535,536,050	90,906,710	1,789,836,457	22,710,730	90,842,920
2016	536,428,640	89,914,260	1,789,551,143	24,997,310	99,989,240
2017	537,759,340	90,186,020	1,794,129,600	25,770,240	103,080,960
2018	553,901,710	92,046,730	1,845,566,971	24,016,300	96,065,200

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal. The assessed value of real property (including public utility real property) is 35 percent of estimated true value.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the \$10,000 exemption for commercial/industrial property has been eliminated.

Source: Office of the County Auditor, Greene County, Ohio

Assessed Value	Total		Total Direct Rate
	Estimated Actual Value	Ratio	
\$ 679,733,124	\$ 1,975,030,347	34.42%	\$ 43.10
674,611,750	1,949,731,869	34.60%	43.50
680,111,390	1,965,463,343	34.60%	43.40
646,570,080	1,869,215,063	34.59%	43.90
652,899,600	1,891,854,674	34.51%	46.80
651,161,970	1,885,634,554	34.53%	46.80
649,153,490	1,880,679,377	34.52%	47.25
651,340,210	1,889,540,383	34.47%	47.75
653,715,600	1,897,210,560	34.46%	47.60
669,964,740	1,941,632,171	34.51%	46.35

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

PRINCIPAL PROPERTY TAX PAYERS
CURRENT CALENDAR YEAR AND TWO YEARS AGO (1)

Name of Taxpayer	2018	
	Assessed Value	Percent of Real Property Assessed Value
Dayton Power & Light Electric	1 \$ 19,455,900	2.90%
Deer Creek Community, LLC	2 4,969,760	0.74%
Vectren Energy Delivery of Ohio Gas	3 3,160,270	0.47%
Columbia Gas Transmission Corp.	4 2,808,510	0.42%
Lariviere Farms, LLC	5 2,795,780	0.42%
Ohio Valley Property Management	6 2,672,980	0.40%
Walmart Real Estate Business	7 2,530,160	0.38%
Traditions of Xenia	8 2,478,610	0.37%
Greene Oaks Realty, LLC	9 2,105,250	0.31%
Fairborn Cement Company, LLC	10 2,045,940	0.31%
Totals	<u>\$ 45,023,160</u>	<u>6.72%</u>
Total Assessed Valuation	<u><u>\$ 669,964,740</u></u>	

Name of Taxpayer	2016	
	Assessed Value	Percent of Real Property Assessed Value
Dayton Power & Light Electric	1 \$ 19,517,290	3.00%
Deer Creek Community, LLC	2 5,018,580	0.77%
Wal Mart Real Estate Business	3 2,586,540	0.40%
Lariviere Farms, LLC	4 2,541,840	0.39%
Traditions at Xenia	5 2,325,140	0.36%
Ohio Valley Property Management	6 2,273,040	0.35%
Cemex Construction Materials	7 1,949,840	0.30%
Lowes Home Centers, Inc.	8 1,921,370	0.29%
Wood Xenia Center, LLC	9 1,920,730	0.29%
Vectren Energy Delivery of Ohio Gas	10 1,884,420	0.29%
Totals	<u>\$ 41,938,790</u>	<u>6.44%</u>
Total Assessed Valuation	<u><u>\$ 651,340,210</u></u>	

Source: Greene County Auditor

(1) Information for previous years was unavailable from the County Auditor. The School District will continue to build this schedule until it can obtain current calendar year and nine years ago.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN COLLECTION (CALENDAR) YEARS (1)
2008-2017

Tax Year/ Collection Year	Overlapping Governments								
	Greene County	City of Xenia	Greene County Career Center	Caesarcreek Township	New Jasper Township	Spring Valley Township	Xenia Township	Greene County Library	
2008/2009	\$ 10.55	\$ 6.70	\$ 3.45	\$ 6.60	\$ 6.20	\$ 14.50	\$ 12.00	\$ 1.00	
2009/2010	12.25	6.70	3.45	6.60	6.20	14.50	12.00	1.00	
2010/2011	12.25	6.70	3.45	6.60	6.20	14.50	12.00	1.00	
2011/2012	12.25	6.70	3.45	6.60	6.20	14.50	12.00	1.00	
2012/2013	12.25	6.70	3.45	6.60	6.20	14.50	12.00	1.00	
2013/2014	12.25	6.70	3.45	6.60	7.70	14.50	12.00	1.00	
2014/2015	12.65	6.70	3.45	6.60	7.70	14.50	12.00	1.00	
2015/2016	14.45	6.70	3.45	6.60	7.70	14.50	12.00	1.90	
2016/2017	14.45	6.70	3.45	6.60	9.20	14.50	10.90	1.90	
2017/2018	13.95	6.70	3.45	6.60	9.20	15.50	12.00	1.90	

Source: Greene County Auditor.

(1) Greene County property tax rate records are maintained on a calendar / collection year basis.

Overlapping Governments		Xenia Community School District					
Greene County Public Health District	Total	General	Bond Retirement	Capital Projects	Classroom Facilities Maintenance	Total	
\$ 0.50	\$ 61.50	\$ 41.80	\$ -	\$ 1.30	\$ -	\$ 43.10	
0.50	63.20	41.70	-	1.30	0.50	43.50	
0.50	63.20	41.60	-	1.30	0.50	43.40	
0.80	63.50	42.10	-	1.30	0.50	43.90	
0.80	63.50	42.00	3.00	1.30	0.50	46.80	
0.80	65.00	42.00	3.00	1.30	0.50	46.80	
0.80	65.40	42.05	3.40	1.30	0.50	47.25	
0.80	68.10	42.05	3.90	1.30	0.50	47.75	
0.80	68.50	41.90	3.90	1.30	0.50	47.60	
0.80	70.10	41.75	2.80	1.30	0.50	46.35	

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS - REAL, PERSONAL, AND PUBLIC UTILITY PROPERTY
LAST THREE COLLECTION (CALENDAR) YEARS
2014-2017

Tax Year/ Collection Year	Current Levy (1)	Current Collection (2)	Percent of Current Levy Collected	Delinquent Collection (4)	Total Collection (2)	Percent of Total Tax Collections to Current Levy (4)	Outstanding Delinquent Taxes (3)	Total Collection As a Percent of Current Levy
2014/2015	\$ 24,400,035	\$ 23,266,677	95.36%	\$ 857,287	\$ 24,123,964	98.87%	\$ 1,910,578	7.83%
2015/2016	24,836,960	23,925,132	96.33%	1,067,230	24,992,362	100.63%	1,973,702	7.95%
2016/2017	24,847,853	23,991,985	96.56%	959,410	24,951,395	100.42%	1,983,370	7.98%
2017/2018	24,387,403	23,532,724	96.50%	975,360	24,508,084	100.49%	1,917,369	7.86%

Source: Greene County Auditor.

Note: Information prior to 2014 was unavailable.

(1) Taxes levied and collected are presented on a cash basis.

(2) State reimbursements of rollback and homestead exemptions are included.

(3) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

(4) Delinquent Tax Collections are only available by collection year; therefore the percentage of total tax collections to the current levy may exceed 100 percent in some years. The School District will continue to work to get this information in the future.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Total Primary Government	Per Capita (2)	Ratio of Total Debt Outstanding to Personal Income (2)
	General Obligation Bonds (1)	Energy Conservation Loans/Notes	Notes Payable (1)	Capital Leases			
2009	\$ -	\$ 805,000	\$ -	\$ 1,290,602	\$ 2,095,602	\$ 77	0.40%
2010	-	660,000	34,894,298	1,171,214	36,725,512	1,428	7.44%
2011	38,125,528	1,945,000	1,431,298	862,675	42,364,501	1,635	8.52%
2012	38,122,984	1,834,176	1,205,353	638,486	41,800,999	1,609	8.11%
2013	38,927,059	1,722,449	1,015,311	466,784	42,131,603	1,628	8.19%
2014	38,771,154	1,610,722	820,271	336,793	41,538,940	1,603	7.82%
2015	36,149,089	1,493,995	610,848	114,078	38,368,010	1,477	7.20%
2016	35,734,065	1,377,268	595,815	-	37,707,148	1,466	7.15%
2017	34,981,680	1,255,541	580,782	137,077	36,955,080	1,408	6.70%
2018	34,708,361	1,133,814	565,749	108,022	36,515,946	1,375	6.29%

Source: School District Records

(1) General obligation bonds and notes include any premiums and accreted debt associated with the general obligation bonds and notes.

(2) Population and Personal Income is reported on the Demographic Statistical table found later in the Statistical Section.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
LAST SEVEN YEARS
2011-2018

Fiscal Year	Population (1)	Total Assessed Value (2)	Gross Bonded Debt (3)	Less Restricted for Debt Service	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Percentage of Personal Income (4)
2011	25,915	\$ 680,111,390	\$ 38,125,528	\$ 1,865,736	\$ 36,259,792	5.33%	\$ 1,399	7.29%
2012	25,983	646,570,080	38,122,984	972,042	37,150,942	5.75%	1,430	7.20%
2013	25,879	652,899,600	38,927,059	-	38,927,059	5.96%	1,504	7.56%
2014	25,911	651,161,970	38,771,154	-	38,771,154	5.95%	1,496	7.30%
2015	25,976	649,153,490	36,149,089	-	36,149,089	5.57%	1,392	6.79%
2016	25,719	651,340,210	35,734,065	277,857	35,456,208	5.44%	1,379	6.72%
2017	26,238	653,715,600	34,981,680	1,567,174	33,414,506	5.11%	1,274	6.06%
2018	26,562	669,964,740	34,708,361	3,228,626	31,479,735	4.70%	1,185	5.42%

Note: Fiscal year 2011 was the first year the School District had bonded debt outstanding.

Sources:

- (1) City of Xenia CAFR. Amount as of December 31 of the previous year.
- (2) Greene County Auditor, calendar year basis.
- (3) Gross Bonded Debt includes premiums and accreted debt associated with the general obligation bonds.
- (4) Personal Income is reported on the Demographic Statistical table found later in the Statistical Section.

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**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Tax Valuation	\$ 679,733,124	\$ 674,611,750	\$ 680,111,390	\$ 646,570,080
Debt Limit - 9% of Taxable Valuation	61,175,981	60,715,058	61,210,025	58,191,307
Amount of Debt Applicable to Debt Limit				
General obligation bonds	-	34,670,000	35,169,982	34,659,982
Less: amount available in debt service	-	(9,733)	(1,865,736)	(972,042)
Amount of Debt Subject to Limit	-	34,660,267	33,304,246	33,687,940
Legal debt margin	\$ 61,175,981	\$ 26,054,791	\$ 27,905,779	\$ 24,503,367
Legal debt margin as a percentage of the debt limit	100.00%	42.91%	45.59%	42.11%
Energy conservation debt limit - 0.90% of assessed value (1)	6,117,598	6,071,506	6,121,003	5,819,131
Amount of Debt Subject to Limit	805,000	660,000	1,440,000	2,150,000
Unvoted legal debt margin	\$ 5,312,598	\$ 5,411,506	\$ 4,681,003	\$ 3,669,131
Unvoted legal debt margin as a percentage of the debt limit	86.84%	89.13%	76.47%	63.05%
Unvoted debt limit - 0.10% of taxable valuation (1)	679,733	674,612	680,111	646,570
Amount of Debt Subject to Limit	-	-	-	-
Unvoted legal debt margin	\$ 679,733	\$ 674,612	\$ 680,111	\$ 646,570
Unvoted legal debt margin as a percentage of the debt limit	100.00%	100.00%	100.00%	100.00%

Source: Greene County Auditor and School District Financial Records

(1) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>\$ 652,899,600</u>	<u>\$ 651,161,970</u>	<u>\$ 649,153,490</u>	<u>\$ 651,340,210</u>	<u>\$ 653,715,600</u>	<u>\$ 669,964,740</u>
<u>58,760,964</u>	<u>58,604,577</u>	<u>58,423,814</u>	<u>58,620,619</u>	<u>58,834,404</u>	<u>60,296,827</u>
<u>35,464,982</u> <u>(1,052,369)</u>	<u>35,183,828</u> <u>(1,034,713)</u>	<u>32,708,677</u> <u>(407,416)</u>	<u>32,681,063</u> <u>(1,144,115)</u>	<u>32,666,762</u> <u>(1,790,688)</u>	<u>32,665,000</u> <u>(3,295,201)</u>
<u>34,412,613</u>	<u>34,149,115</u>	<u>32,301,261</u>	<u>31,536,948</u>	<u>30,876,074</u>	<u>29,369,799</u>
<u>\$ 24,348,351</u>	<u>\$ 24,455,462</u>	<u>\$ 26,122,553</u>	<u>\$ 27,083,671</u>	<u>\$ 27,958,330</u>	<u>\$ 30,927,028</u>
41.44%	41.73%	44.71%	46.20%	47.52%	51.29%
<u>5,876,096</u>	<u>5,860,458</u>	<u>5,842,381</u>	<u>5,862,062</u>	<u>5,883,440</u>	<u>6,029,683</u>
<u>1,700,000</u>	<u>1,590,000</u>	<u>1,475,000</u>	<u>1,360,000</u>	<u>1,240,000</u>	<u>1,120,000</u>
<u>\$ 4,176,096</u>	<u>\$ 4,270,458</u>	<u>\$ 4,367,381</u>	<u>\$ 4,502,062</u>	<u>\$ 4,643,440</u>	<u>\$ 4,909,683</u>
71.07%	72.87%	74.75%	76.80%	78.92%	81.43%
<u>652,900</u>	<u>651,162</u>	<u>649,153</u>	<u>651,340</u>	<u>653,716</u>	<u>669,965</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 652,900</u>	<u>\$ 651,162</u>	<u>\$ 649,153</u>	<u>\$ 651,340</u>	<u>\$ 653,716</u>	<u>\$ 669,965</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2018

Governmental Unit	Gross General Obligation	Percent Applicable to District (1)	Amount Applicable to District
Direct:			
Xenia Community School District	\$ 36,515,946 **	100.00%	\$ 36,515,946
Overlapping:			
Greene County	97,504,776	16.34%	15,932,280
Warren County	7,219,792	0.01%	722
City of Fairborn	23,217,018	0.05%	11,609
City of Xenia	8,450,000	100.00%	8,450,000
Total overlapping	\$ 136,391,586		\$ 24,394,611
Total direct and overlapping debt	\$ 172,907,532		\$ 60,910,557

Source: Greene County Auditor

** Amount includes premiums and accreted debt associated with the general obligation bonds.

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
LAST EIGHT FISCAL YEARS

Fiscal Year	Principal	Interest and Issuance Costs	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures
2011	\$ -	\$ 2,709,079	\$ 2,709,079	\$ 48,159,016	5.63%
2012	135,077	2,202,822	2,337,899	42,165,381	5.54%
2013	52,276	2,171,134	2,223,410	40,239,582	5.53%
2014	950,000	2,143,788	3,093,788	40,974,512	7.55%
2015	950,000	1,675,112	2,625,112	42,828,921	6.13%
2016	1,030,000	1,308,850	2,338,850	46,560,590	5.02%
2017	1,188,580	1,785,983	2,974,563	49,218,215	6.04%
2018	255,000	1,733,650	1,988,650	51,205,068	3.88%

Note: Fiscal year 2011 was the first year the School District had bonded debt outstanding.

Source: School District Financial Records.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

DEMOGRAPHIC STATISTICS
LAST TEN YEARS
2009-2018

Year	Population (1)	Per Capita Income (1)	Personal Income (1)	School Enrollment (2)	Unemployment Rate Greene County (3)
2009	27,357	\$18,952	\$518,470,000	4,839	10.6%
2010	25,719	19,196	493,702,000	4,789	9.2%
2011	25,915	19,196	497,464,000	4,761	7.3%
2012	25,983	19,846	515,659,000	4,590	6.4%
2013	25,879	19,890	514,733,000	4,444	6.2%
2014	25,911	20,508	531,383,000	4,303	4.2%
2015	25,976	20,508	532,715,808	4,219	4.6%
2016	25,719	20,508	527,445,252	4,264	4.5%
2017	26,238	21,029	551,758,902	4,234	4.3%
2018	26,562	21,867	580,831,254	4,330	3.8%

Sources:

- (1) U.S. Census Estimates for the City of Xenia.
- (2) School District Financial Records.
- (3) Ohio Department of Jobs and Family Services.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

PRINCIPAL EMPLOYERS
DECEMBER 31, 2017 AND NINE YEARS AGO

Employer	Nature of Business	2017			2008		
		Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Greene County	Government	1,405	1	6.05%	1,429	1	5.11%
Kettering Med Center Network	Health Care	1,052	2	4.53%			
Xenia Community Schools	Education	737	3	3.17%	1,013	3	3.62%
Walmart	Retail	525	4	2.26%	592	4	2.12%
Express Personnel Services	Other Services	402	5	1.73%			
Kroger Limited Ptr	Grocery	388	6	1.67%			
CBS Personnel Services	Other Services	277	7	1.19%	399	6	1.43%
Department of Defense	Government	255	8	1.10%			
Hospitality Operating East, LLC	Health Care	252	9	1.09%			
City of Xenia	Government	249	10	1.07%	303	8	1.08%
Greene Memorial Hospital	Health Care				1,018	2	3.64%
Super Valu	Distribution				478	5	1.71%
McDonalds Restaurants	Food Services				369	7	1.32%
Bob Evans Farms	Food Services				249	9	0.89%
Lowe's Home Centers Inc	Retail				238	10	0.85%
Total		<u>5,542</u>		<u>23.86%</u>	<u>6,088</u>		<u>21.77%</u>
Total Employment within the School District		<u>23,225</u>			<u>27,970</u>		

Source: City of Xenia CAFR as of December 31, 2017.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST SIX FISCAL YEARS

	2013	2014	2015	2016	2017	2018
Instruction						
Classroom Teachers	223.74	207.99	220.26	220.19	231.30	240.09
Special Education Teachers and Tutors	46.67	49.67	49.97	52.18	57.53	60.02
Educational/Media Aides	37.84	41.80	47.76	51.42	49.20	55.31
Counselor	6.80	6.80	9.00	9.00	11.00	11.00
Total Instruction	315.05	306.26	326.99	332.79	349.03	366.42
Support and Administration						
Central Office Support/Administrators	11.45	12.00	10.00	13.00	13.00	16.00
Principals	11.00	11.00	12.00	12.00	12.00	12.00
Clerical Support	25.02	24.63	26.25	24.86	29.98	27.60
Professional Support	6.69	8.20	8.82	10.49	8.36	8.12
Food Service	22.91	22.44	22.02	20.21	20.53	-
Custodial	1.00	1.00	1.00	1.00	1.00	-
Total Support and Administration	78.07	79.27	80.09	81.56	84.87	63.72
Total Employees	393.12	385.53	407.08	414.35	433.90	430.14

Note: Information prior to fiscal year 2013 was unavailable.

Source: Fiscal Year October EMIS Reports.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS

Governmental Activities					
	2018	2017	2016	2015	2014
Land	\$ 450,091	\$ 450,091	\$ 450,091	\$ 450,091	\$ 450,091
Construction in Progress	-	746,719	-	551,047	-
Buildings and Improvements	68,047,182	68,930,290	70,755,488	71,824,478	73,503,072
Furniture/Equipment/Fixtures	1,979,093	2,104,252	2,062,476	1,985,204	2,112,561
Vehicles	169,557	114,278	71,200	98,061	157,043
Total Governmental Activities Capital Assets, net	\$ 70,645,923	\$ 72,345,630	\$ 73,339,255	\$ 74,908,881	\$ 76,222,767

Governmental Activities					
	2013 (1)	2012	2011 (2)	2010	2009
Land	\$ 450,091	\$ 450,091	\$ 450,091	\$ 450,091	\$ 450,091
Construction in Progress	-	37,894,814	3,667,457	729,691	-
Buildings and Improvements	75,340,210	9,511,490	8,366,034	8,672,661	8,967,781
Furniture/Equipment/Fixtures	772,296	1,978,208	1,947,847	1,755,578	1,848,102
Vehicles	275,357	695,094	918,085	1,123,918	1,311,537
Total Governmental Activities Capital Assets, net	\$ 76,837,954	\$ 50,529,697	\$ 15,349,514	\$ 12,731,939	\$ 12,577,511

Business-Type Activities					
	2013	2012	2011 (2)	2010	2009
Furniture/Equipment/Fixtures	\$ -	\$ -	\$ -	\$ 55,910	\$ 58,753
Vehicles	-	-	-	-	-
Total Business-Type Activities Capital Assets, net	\$ -	\$ -	\$ -	\$ 55,910	\$ 58,753

Source: School District financial records.

Note: Amounts above are presented net of accumulated depreciation.

(1) Information has been restated due to a reappraisal of School District capital assets.

(2) The District implemented GASB Statement No. 54 and reclassified business-type activities to governmental activities.

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

**CAPITAL ASSET STATISTICS - (Continued)
LAST TEN FISCAL YEARS**

Xenia Preschool School

425 Edison Blvd., Xenia, Ohio 45385

Constructed in 1939
Total Building Square Footage: 83,261
Total Acres: 8.35

McKinley Elementary School

829 Colorado Dr., Xenia Ohio 45385

Constructed in 2012
Total Building Square Footage: 57,718
Total Acres: 13.207

Shawnee Elementary School

92 East Ankeney Mill Rd., Xenia, Ohio 45385

Constructed in 2012
Total Building Square Footage: 56,659
Total Acres: 6.43

Warner Middle School

600 Buckskin Tr., Xenia, Ohio 45385

Constructed in 1962
Total Building Square Footage: 119,141
Total Acres: 19.258

Xenia Community School District Central Offices

819 Colorado Dr., Xenia, Ohio 45385

Constructed in 1975
Total Building Square Footage: 40,275
Total Acres: 13.207

Cox Elementary School

506 Dayton Ave., Xenia, Ohio 45385

Constructed in 2012
Total Building Square Footage: 57,718
Total Acres: 19.175

Arrowood Elementary School

1588 Pawnee Dr., Xenia, Ohio 45385

Constructed in 2012
Total Building Square Footage: 56,659
Total Acres: 15.134

Tecumseh Elementary School

1058 Old Springfield Pk., Xenia, Ohio 45385

Constructed in 2012
Total Building Square Footage: 57,718
Total Acres: 13.096

Xenia High School

303 Kinsey Rd., Xenia, Ohio 45385

Constructed in 1976
Total Building Square Footage: 177,050
Total Acres: 43.33

**XENIA COMMUNITY SCHOOL DISTRICT
GREENE COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio
2009	\$ 54,172,909	4,839	\$ 11,195	4.30%	419	11.5
2010	57,493,699	4,789	12,005	7.24%	426	11.2
2011	60,766,435	4,761	12,763	6.31%	428	11.1
2012	53,836,998	4,590	11,729	-8.10%	389	11.8
2013	49,151,510	4,444	11,060	-5.70%	371	12.0
2014	51,018,027	4,303	11,856	7.20%	342	12.6
2015	52,740,399	4,219	12,501	5.43%	351	12.0
2016	55,054,854	4,264	12,912	3.29%	348	12.3
2017	61,341,505	4,234	14,488	12.21%	357	11.9
2018	37,379,692	4,330	8,633	-40.41%	365	11.9

Source: School District Records.

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OHIO AUDITOR OF STATE
KEITH FABER



XENIA COMMUNITY SCHOOL DISTRICT

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
FEBRUARY 7, 2019**