

**CITY OF FAIRFIELD  
BUTLER COUNTY**



**SINGLE AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2023**



OHIO AUDITOR OF STATE  
KEITH FABER



65 East State Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

Honorable Mayor and Members of City Council  
City of Fairfield  
5350 Pleasant Ave  
Fairfield, Ohio 45014

We have reviewed the *Independent Auditor's Report* of the City of Fairfield, Butler County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads 'Keith Faber'.

Keith Faber  
Auditor of State  
Columbus, Ohio

**June 28, 2024**

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**CITY OF FAIRFIELD  
BUTLER COUNTY  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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CITY OF FAIRFIELD, OHIO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2023

| Federal Grantor/Pass - Through<br>Grantor, Program Title         | Pass Through<br>Entity<br>Number | Assistance<br>Listing<br>Number | Total<br>Federal<br>Expenditures |
|--|----------------------------------|---------------------------------|----------------------------------|
| <b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>                  |                                  |                                 |                                  |
| <i>Pass-Through Ohio Department of Transportation:</i>           |                                  |                                 |                                  |
| Highway Planning and Construction:                               |                                  |                                 |                                  |
| Rte 4, Michael Lane  | PID 108270                       | 20.205                          | \$ 584,990                       |
| Rte 4 Improvements   | PID 110415                       | 20.205                          | 2,199,254                        |
| Total Highway Planning and Construction                          |                                  |                                 | 2,784,244                        |
| Subtotal - U.S. Department of Transportation                     |                                  |                                 | 2,784,244                        |
| <b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>               |                                  |                                 |                                  |
| Staffing for Adequate Fire and Emergency Response                | EMW-2021-FF-00003                | 97.083                          | 857,930                          |
| Assistance to Firefighters Grant                                 | EMW-2021-FG-00610                | 97.044                          | 174,663                          |
| Assistance to Firefighters Grant                                 | EMW-2022-FG-00001                | 97.044                          | 37,014                           |
| Total Assistance to Firefighters Grant                           |                                  |                                 | 211,677                          |
| Subtotal - U.S. Department of Homeland Security                  |                                  |                                 | 1,069,607                        |
| <b><u>US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>     |                                  |                                 |                                  |
| <i>Pass Through Butler County, Ohio:</i>                         |                                  |                                 |                                  |
| CDBG - Entitlement Grants Cluster:                               |                                  |                                 |                                  |
| Community Development Block Grants / Entitlement Grants          | B-20-UC-39-0008                  | 14.218                          | 200,000                          |
| Community Development Block Grants / Entitlement Grants          | B-22-UC-39-0008                  | 14.218                          | 131,300                          |
| Total CDBG - Entitlement Grants Cluster                          |                                  |                                 | 331,300                          |
| Subtotal - U.S. Department of Housing and Urban Development      |                                  |                                 | 331,300                          |
| <b><u>US DEPARTMENT OF THE TREASURY</u></b>                      |                                  |                                 |                                  |
| <i>Pass Through Ohio Office of Budget and Management:</i>        |                                  |                                 |                                  |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds       | 5CV4                             | 21.027                          | 1,525,462                        |
| <i>Pass Through Butler County Board of County Commissioners:</i> |                                  |                                 |                                  |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds       | 22-12-01985                      | 21.027                          | 600,000                          |
| <i>Pass Through Ohio Emergency Management Agency:</i>            |                                  |                                 |                                  |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds       | N/A                              | 21.027                          | 334,762                          |
| Total Coronavirus State and Local Fiscal Recovery Funds          |                                  |                                 | 2,460,224                        |
| Subtotal - U.S. Department of the Treasury                       |                                  |                                 | 2,460,224                        |
| Total Expenditures of Federal Awards                             |                                  |                                 | \$ 6,645,375                     |

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards is a summary of the activity of the City's federal award programs. The schedule has been prepared using the cash basis of accounting. The information in this schedule is presented 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). The City did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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

City Council  
City of Fairfield  
Butler County  
5350 Pleasant Avenue  
Fairfield, Ohio 45014

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fairfield, Ohio (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 14, 2024.

### Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### Report on Compliance and Other Matters

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



## Purpose of this Report

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 14, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

City Council  
City of Fairfield  
Butler County  
5350 Pleasant Avenue  
Fairfield, Ohio 45014

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Fairfield, Ohio's (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. 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 audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 14, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plattensburg & Associates, Inc.*

Plattensburg & Associates, Inc.  
Cincinnati, Ohio  
June 14, 2024

**CITY OF FAIRFIELD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended December 31, 2023**

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

**Financial Statements**

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Noncompliance material to financial statements noted? No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

COVID-19 Coronavirus State and Local Fiscal Recovery Funds ALN 21.027  
Staffing for Adequate Fire and Emergency Response ALN 97.083

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? No

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

None

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

None

**CITY OF FAIRFIELD**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
2 CFR 200.511(b)  
Year Ended December 31, 2023**

The City had no prior audit findings or questioned costs.



# CITY OF FAIRFIELD



## Annual Comprehensive Financial Report



City of Fairfield, Ohio  
For the Year Ended  
December 31, 2023

# **CITY OF FAIRFIELD, OHIO**

## **Annual Comprehensive Financial Report**

**For the Year Ended December 31, 2023**

**Prepared By:  
Department of Finance  
Chris Hacker, Director**





**On the Cover**

**A gazebo at Veterans Memorial Park, surrounded by fall foliage and flowers planted by the City's Parks Department.**

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# INTRODUCTORY SECTION

City of Fairfield, Ohio

June 14, 2024

To the Honorable Mayor, Mitch Rhodus,  
Members of City Council, and Citizens of  
the City of Fairfield, Ohio

The Annual Comprehensive Financial Report of the City of Fairfield, Ohio for the fiscal year ended December 31, 2023, is submitted herewith. The Department of Finance prepared the report. The responsibility for both the accuracy of the presented data and the completeness and the fairness of the presentation, including all disclosures, rests with the City of Fairfield, specifically with the Department of Finance. We believe that the enclosed data is accurate in all material respects; and is presented in a manner designed to fairly set forth the financial position and results of operations of the various funds of the City. We further believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

This Annual Comprehensive Financial Report incorporates GASB Statement No. 34 – Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments. Statement No. 34 was developed to make annual financial reports of state and local governments easier to understand and more useful to those who make decisions using governmental financial information. This report represents and reflects upon the City's financial operations and condition to the City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other parties interested in the financial affairs of the City.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management 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 City’s MD&A can be found immediately following the independent auditor report.

### **City Overview**

---

The City is located in the southwest portion of Ohio in Butler County, approximately 15 miles north of downtown Cincinnati, Ohio. Surrounded by rolling hills, Fairfield is rich in resources that include a population and government dedicated to progress and is strategically positioned for successful residential and commercial development.

Incorporated in 1955, the City operates under a charter and is served by a Council/City Manager form of government. The legislative body of Fairfield consists of a mayor and seven council members who are responsible for the legislative affairs of the City. Council also makes appointments to various statutory and advisory boards and appoints the City Manager, Law Director and Clerk of Council. As chief executive officer, the City Manager is responsible for enforcement of all laws and ordinances, the efficient delivery of services, and preparation of capital and operating budgets.

The City provides many of the municipal services normally associated with a municipality, including emergency services, street construction and maintenance, engineering, building and planning services, economic development and recreation activities. In addition, water, sanitary sewer, solid waste collection and disposal, and recreational facilities are operated under an Enterprise fund concept with user charges set by City Council or the Park Board to ensure adequate coverage of expenses and payments on outstanding debt.

### **Economic Conditions and Outlook**

---

The City of Fairfield's standards for services are considered excellent and its tax rates compare favorably to other area governments. Geographically, the City consists of approximately 20 square miles of residential neighborhoods, commercial and industrial developments. The City of Fairfield is located within minutes of four major interstates, I-75, I-71, I-74 and I-275.

The City's employer base continues to help provide a stable backbone for the City's main revenue source, income tax. While many other communities experienced loss of jobs and/or industries over past years, Fairfield has been fortunate to retain and attract desirable businesses and industries into the City.

The residents approved an income tax reapportionment of the 1.5% income tax in 2012 to offset losses in State revenue. This reapportionment was effective in 2013 and reallocated monies to the General fund by reducing the Street and Capital Improvement funds each by 0.05%. It was understood at the time of the reapportionment should the General fund have available funds above the reserve balance, funds would be transferred back to the Street Improvement and Capital Improvement funds to replace the 0.05%. In 2023, the City replenished the revenue to the Street Improvement and Capital Improvement funds to fund the substantial five-year Capital Improvement Program. The City will continue to do so as long as income tax revenues are sufficient to maintain the General fund operations and reserves.

### **Relevant Financial Policies**

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In 2017, the State of Ohio passed changes to the municipal income tax statute and revenue collection streams. In December 2016, over 150 Ohio municipalities filed a lawsuit to try and prevent the changes to the municipal income tax statute. The concerns revolve around the State Department of Taxation becoming a central filing and collection point for business profit returns, assessing the municipality a fee to process the returns and limiting access to tax information necessary for a municipal jurisdiction to review and audit returns as well as to enforce the local tax laws. In February, 2018 the Franklin County Judge ruled in favor of the State of Ohio. An appeal was filed, and in November of 2020 the Judge ruled that the State could become a central filing and collection point for business profit returns, however the State is not allowed to charge Local municipalities the administrative fee for collection of the net profit tax, due to this ruling the State refunded local municipalities fees that were previously assessed. At this time, the total financial impact is negligible.

### **Major Initiatives**

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The following were among the many diverse activities and/or programs to which both the elected officials and staff devoted their energies in 2023:



- 1) The Wastewater Division has begun improvements to the Aeration System for the activated sludge treatment process and includes the replacement of all diffusers, blowers, air headers, and instrumentation components. In addition to increased efficiency and reduces maintenance costs, these improvements will bring the system into regulatory compliance and decrease energy consumption required for the operations of the wastewater treatment facilities. The cost of construction and installation is \$6,450,000.
- 2) The construction of a new 1.25 million gallon elevated water tank, the City's sixth water storage tower was completed and activated on Port Union Road. This tower was constructed provide necessary water supply for the expanded industrial growth and fire suppression and protection on the eastern side of the City. The cost of this construction was \$5,547,488.

### **Future Projects**

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Accomplishments and significant capital projects to look forward to in 2024 include the following:

- 1) The Water Division will be converting the process equipment for the treating of drinking water from chlorine and fluoride chemical feeds to sodium hypochlorite. In addition to creating a better tasting drinking water, it creates a safer environment for City staff working at the water treatment facility by eliminating the need to store and use harsh and volatile chemicals. This project is anticipated to cost \$1,500,000.
- 2) The Public Works Department will make significant improvements on South Gilmore Road from Resor Road to Mack Road, widening to accommodate an additional southbound lane and eliminating a merge lane. In addition to the new pavement, this construction will also include signal improvements, pedestrian walks and crossings, and storm sewer improvements. The anticipated cost of this construction is \$4,800,000.

### **Internal Accounting and Budgetary Controls**

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The City believes that the internal control structure adequately safeguarded assets and provided reasonable assurance of proper recording of financial transactions. The cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. It is further the City's intention to review these controls in depth on an ongoing basis for continued refinements and improvements.

Budgetary control is maintained at the department level by the use of encumbrances for purchase order amounts to vendors. Open encumbrances are reported as assignments of the fund balance for the governmental fund types as of December 31, 2023.

### **City Income Tax**

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Under the Ohio Revised Code, Section 718, municipal governments can levy an income tax. Since 1960, the City has levied an income tax on gross salaries, wages and other personal service compensation earned by residents, both in and out of the City and upon earnings of non-residents earned in the City. It also applies to net income of business organizations derived from business activities conducted in the City.

The current income tax rate of 1.5% was approved by voters in 1971 and since then the allocation of the income taxes has changed 4 times. The latest voter approved allocation occurred in 2012, effective for 2013. The current allocation of the income tax is 1.2% to the General fund, 0.15% to the Street Improvement fund and 0.15% to the Capital Improvement fund.

Receipts from this tax are directly related to employment levels and the general economic conditions in the Cincinnati area. Gross collections and allocations for the past two years are as follows:

|                          |       | <u>2023</u>         | <u>2022</u>         |
|--------------------------|-------|---------------------|---------------------|
| General Fund             | 1.20% | \$33,526,681        | \$32,575,827        |
| Street Improvement Fund  | 0.15% | 4,190,835           | 4,071,978           |
| Capital Improvement Fund | 0.15% | <u>4,190,835</u>    | <u>4,071,978</u>    |
| Gross Revenues           |       | <u>\$41,908,351</u> | <u>\$40,719,783</u> |

### **Independent Audit**

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The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Plattenburg & Associates, Inc., an independent accounting firm, has completed an audit of the financial statements. Their opinion on the City's financial statements is included in the financial section of this Annual Comprehensive Financial Report.

### **Acknowledgements**

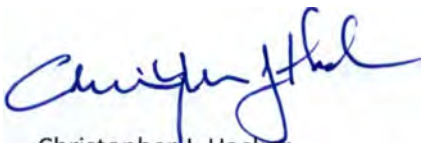
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Preparation of this report could not have been accomplished without the professional, efficient and dedicated services of the entire staff of the Finance Department and various department heads and employees who assisted and contributed to its preparation. Further appreciation is extended to the Mayor and City Council for their encouragement, assistance and approval. It is a pleasure to be employed by a group of people who appreciate and respect principles of financial and budgetary restraint that prevails in the City of Fairfield.

Respectfully submitted,  
City of Fairfield



Scott W. Timmer  
City Manager



Christopher J. Hacker  
Director of Finance

**CITY OF FAIRFIELD  
PUBLIC OFFICIALS**

**MAYOR**

Mitch Rhodus

**COUNCIL MEMBERS**

Vice Mayor – Tim Meyers

Leslie Besl  
Gwen Brill  
Dale Paullus

Matt Davidson  
Terry Senger  
Adam Kraft

**APPOINTED OFFICIALS**

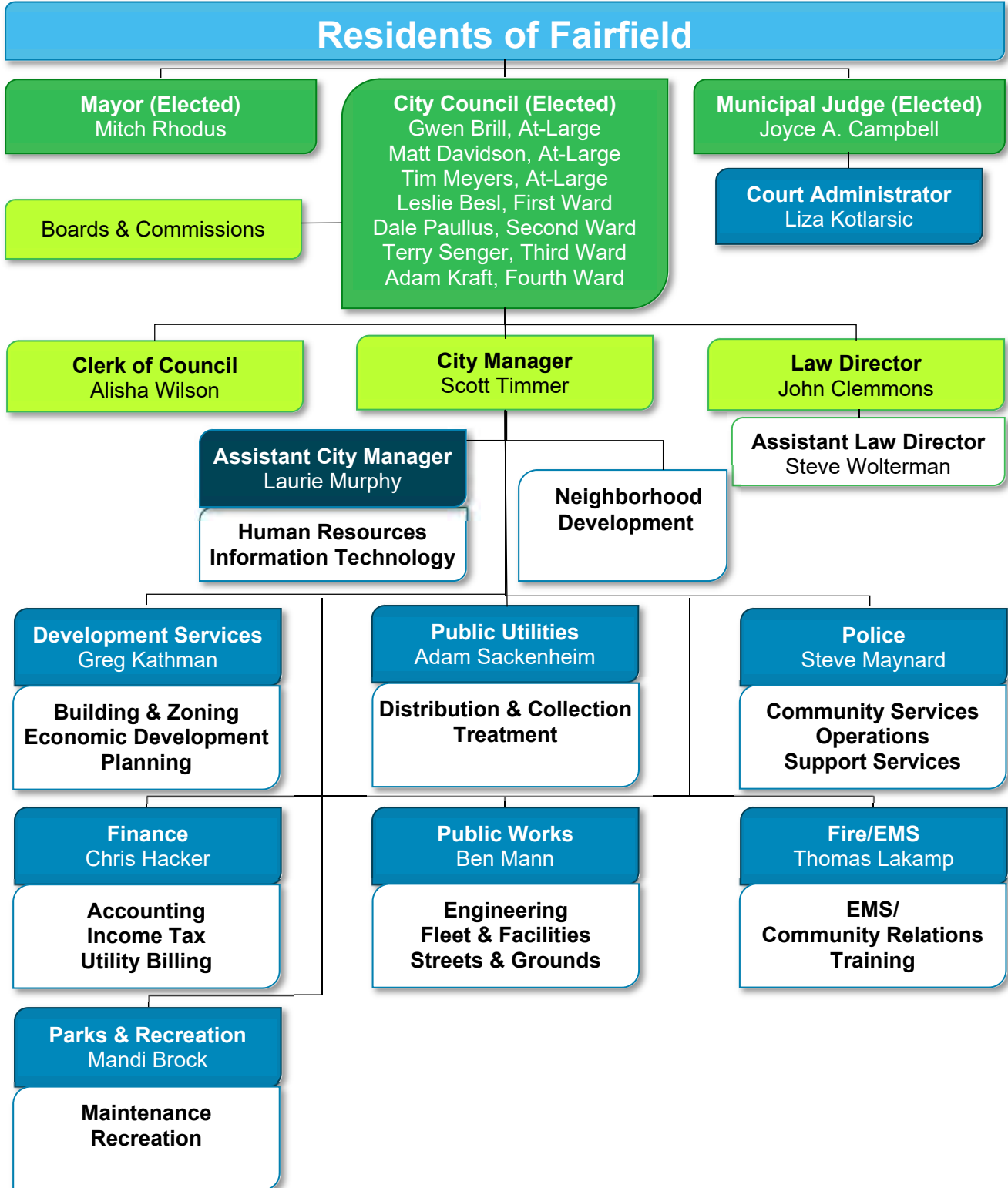
City Manager  
Assistant City Manager  
Director of Finance  
Director of Law  
Director of Public Works  
Director of Parks and Recreation  
Director of Public Utilities  
Director of Development Services  
Chief of Police  
Chief of Fire  
Clerk of Council

Scott Timmer  
Laurie Murphy  
Chris Hacker  
John Clemmons  
Ben Mann  
Mandi Brock  
Adam Sackenheim  
Greg Kathman  
Steve Maynard  
Thomas Lakamp  
Alisha Wilson

**DEPARTMENT OF FINANCE**

Director of Finance  
Income Tax Administrator  
Payroll Administrator

Chris Hacker  
Megan Burns  
Karen Broughton





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Fairfield  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

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# FINANCIAL SECTION

City of Fairfield, Ohio

**INDEPENDENT AUDITOR'S REPORT**

City Council  
City of Fairfield  
Butler County  
5350 Pleasant Avenue  
Fairfield, Ohio 45014

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fairfield, Ohio (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
Cincinnati, Ohio  
June 14, 2024

**City of Fairfield, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
**(Unaudited)**

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The City of Fairfield's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2023. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the transmittal letter and the City's financial statements.

**Financial Highlights**

- The City's total net position increased \$20,851,122. Net position of governmental activities increased \$15,552,122, net position of business-type activities increased by \$5,299,000.
- The general fund reported a fund balance of \$32,943,928.
- Business-type operations reflected operating income of \$4,421,490.
- The City had \$62,867,510 in expenses relating to governmental activities; program revenues offset \$18,083,171 of these expenses. General revenues and transfers of \$60,336,461 were also used to provide for these programs.

**Overview of the Financial Statements**

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City's financial situation as a whole and also give a detailed view of the City's fiscal condition.

The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major 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 the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

**Government-wide Financial Statements**

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City of Fairfield is financially better off or worse off as a result of the year's activities. These statements include all assets, liabilities and deferred outflows/inflows of resources using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes to that position. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements need to take into account non-financial factors that also impact the City's financial wellbeing. Some of these factors include the City's tax base and the condition of capital assets.

**City of Fairfield, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
**(Unaudited)**

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In the Government-wide Financial Statements, the City is divided into two kinds of activities.

- **Governmental Activities** - Most of the City's services are reported here including police, fire, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, building permits and interest finance most of these activities.
- **Business-Type Activities** - These services include water, sewer, waste collection utilities and the operation of recreation facilities. Service fees for these operations are charged based upon the amount of usage or a usage fee. The intent is that the fees charged recoup operational costs.

**Fund Financial Statements**

The analysis of the City's major funds is presented later in the Management's Discussion and Analysis section. Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the Finance Director, with approval of council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General, Fire Levy, Street Improvement, Water Utility, and Sewer Utility.

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

**Proprietary Funds** - When the City charges citizens for the services it provides, with the intent of recapturing operating costs, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. Internal service funds are used to report activities that provide services to the City's other funds and departments.

**Fiduciary Funds** - The City is the custodial fiscal agent for the Municipal Court and the Joint Economic Development District. The City's fiduciary responsibility is reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these balances from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in this fund are used for their intended purposes.

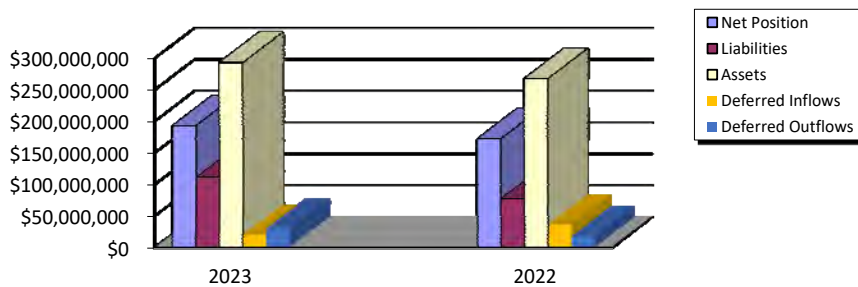
**City of Fairfield, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
(Unaudited)

**The City as a Whole**

As stated previously, the Statement of Net Position looks at the City as a whole. Table 1 provides a summary of the City's net position for 2023 compared to 2022.

**Table 1**  
**Net Position**

|   | Governmental Activities |                      | Business-Type Activities |                     | Total                |                      |
|---|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|   | 2023                    | 2022-Restated        | 2023                     | 2022                | 2023                 | 2022-Restated        |
| <b>Assets:</b>                              |                         |                      |                          |                     |                      |                      |
| Current and Other Assets                    | \$121,253,408           | \$109,228,233        | \$32,419,486             | \$28,486,981        | 153,672,894          | \$137,715,214        |
| Capital Assets                              | 87,679,088              | 81,908,842           | 50,773,955               | 47,178,439          | 138,453,043          | 129,087,281          |
| <b>Total Assets</b>                         | <b>208,932,496</b>      | <b>191,137,075</b>   | <b>83,193,441</b>        | <b>75,665,420</b>   | <b>292,125,937</b>   | <b>266,802,495</b>   |
| <b>Deferred Outflows of Resources:</b>      |                         |                      |                          |                     |                      |                      |
| Deferred Charge on Refunding                | 213,442                 | 269,424              | 0                        | 0                   | 213,442              | 269,424              |
| OPEB  | 3,818,113               | 3,186,292            | 493,717                  | 0                   | 4,311,830            | 3,186,292            |
| Pension                                     | 22,096,162              | 12,503,983           | 3,089,532                | 963,168             | 25,185,694           | 13,467,151           |
| <b>Total Deferred Outflows of Resources</b> | <b>26,127,717</b>       | <b>15,959,699</b>    | <b>3,583,249</b>         | <b>963,168</b>      | <b>29,710,966</b>    | <b>16,922,867</b>    |
| <b>Liabilities:</b>                         |                         |                      |                          |                     |                      |                      |
| Other Liabilities                           | 9,245,807               | 8,788,730            | 8,346,170                | 9,823,916           | 17,591,977           | 18,612,646           |
| Long-Term Liabilities                       | 71,333,379              | 46,794,653           | 21,716,492               | 11,694,228          | 93,049,871           | 58,488,881           |
| <b>Total Liabilities</b>                    | <b>80,579,186</b>       | <b>55,583,383</b>    | <b>30,062,662</b>        | <b>21,518,144</b>   | <b>110,641,848</b>   | <b>77,101,527</b>    |
| <b>Deferred Inflows of Resources:</b>       |                         |                      |                          |                     |                      |                      |
| Property Taxes                              | 11,540,700              | 11,421,000           | 0                        | 0                   | 11,540,700           | 11,421,000           |
| Grants and Other Taxes                      | 239,307                 | 237,613              | 0                        | 0                   | 239,307              | 237,613              |
| Leases                                      | 1,793,740               | 1,211,019            | 286,967                  | 300,632             | 2,080,707            | 1,511,651            |
| OPEB  | 3,200,377               | 3,681,707            | 57,469                   | 943,407             | 3,257,846            | 4,625,114            |
| Pension                                     | 1,991,101               | 14,798,372           | 83,754                   | 2,879,567           | 2,074,855            | 17,677,939           |
| <b>Total Deferred Inflows of Resources</b>  | <b>18,765,225</b>       | <b>31,349,711</b>    | <b>428,190</b>           | <b>4,123,606</b>    | <b>19,193,415</b>    | <b>35,473,317</b>    |
| <b>Net Position:</b>                        |                         |                      |                          |                     |                      |                      |
| Net Investment In Capital Assets            | 80,782,165              | 74,649,663           | 32,459,897               | 33,248,528          | 113,242,062          | 107,898,191          |
| Restricted                                  | 46,462,460              | 42,140,398           | 1,092,433                | 1,943,805           | 47,554,893           | 44,084,203           |
| Unrestricted                                | 8,471,177               | 3,373,619            | 22,733,508               | 15,794,505          | 31,204,685           | 19,168,124           |
| <b>Total Net Position</b>                   | <b>\$135,715,802</b>    | <b>\$120,163,680</b> | <b>\$56,285,838</b>      | <b>\$50,986,838</b> | <b>\$192,001,640</b> | <b>\$171,150,518</b> |



Total net position of the City as a whole increased \$20,851,122. Net position of the City’s governmental activities increased \$15,552,122, while the net position of the City’s business-type activities increased \$5,299,000 from 2022. The largest portion of the City’s net position reflect its investment in capital assets, less any related debt to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens of the City. The City had an unrestricted net position balance of \$31,204,685. Capital Assets increased mainly due to current year additions being greater than depreciation expense. Total Long-Term Liabilities increased mainly due to issuances of OWDA loans during 2023 and also due to changes in net pension and OPEB liabilities.

**City of Fairfield, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
**(Unaudited)**

Table 2 shows the changes in net position at year-end and revenue and expense comparisons for 2023 to 2022.

**Table 2**  
**Changes in Net Position**

|  | Governmental Activities |                      | Business-Type Activities |                     | Total                |                      |
|--|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|  | 2023                    | 2022                 | 2023                     | 2022                | 2023                 | 2022                 |
| <b>Program Revenues:</b>                             |                         |                      |                          |                     |                      |                      |
| Charges for Services                                 | \$6,256,717             | \$6,001,072          | \$22,883,017             | \$20,744,249        | \$29,139,734         | \$26,745,321         |
| Operating Grants and Contributions                   | 7,855,366               | 5,170,779            | 0                        | 0                   | 7,855,366            | 5,170,779            |
| Capital Grants and Contributions                     | 3,971,088               | 1,894,677            | 0                        | 0                   | 3,971,088            | 1,894,677            |
| <b>Total Program Revenues</b>                        | <b>18,083,171</b>       | <b>13,066,528</b>    | <b>22,883,017</b>        | <b>20,744,249</b>   | <b>40,966,188</b>    | <b>33,810,777</b>    |
| <b>General Revenues:</b>                             |                         |                      |                          |                     |                      |                      |
| Income Taxes   | 40,404,187              | 40,717,948           | 0                        | 0                   | 40,404,187           | 40,717,948           |
| Property Taxes                                       | 13,209,532              | 8,421,302            | 0                        | 0                   | 13,209,532           | 8,421,302            |
| Grants and Entitlements                              | 1,724,887               | 2,214,961            | 0                        | 0                   | 1,724,887            | 2,214,961            |
| Investment Earnings                                  | 3,439,857               | (117,392)            | 755,824                  | (31,082)            | 4,195,681            | (148,474)            |
| Other Revenues                                       | 1,907,998               | 1,368,018            | 306,133                  | 373,320             | 2,214,131            | 1,741,338            |
| <b>Total General Revenues</b>                        | <b>60,686,461</b>       | <b>52,604,837</b>    | <b>1,061,957</b>         | <b>342,238</b>      | <b>61,748,418</b>    | <b>52,947,075</b>    |
| <b>Total Revenues</b>                                | <b>78,769,632</b>       | <b>65,671,365</b>    | <b>23,944,974</b>        | <b>21,086,487</b>   | <b>102,714,606</b>   | <b>86,757,852</b>    |
| <b>Program Expenses:</b>                             |                         |                      |                          |                     |                      |                      |
| General Government                                   | 11,244,764              | 9,154,428            | 0                        | 0                   | 11,244,764           | 9,154,428            |
| Public Safety  | 29,173,859              | 22,687,609           | 0                        | 0                   | 29,173,859           | 22,687,609           |
| Community Development                                | 2,687,755               | 1,619,909            | 0                        | 0                   | 2,687,755            | 1,619,909            |
| Liesure Time Activities                              | 4,905,986               | 3,987,994            | 0                        | 0                   | 4,905,986            | 3,987,994            |
| Transportation and Street Repair                     | 13,420,437              | 11,840,154           | 0                        | 0                   | 13,420,437           | 11,840,154           |
| Basic Utility Service                                | 555,039                 | 362,300              | 0                        | 0                   | 555,039              | 362,300              |
| Public Health and Welfare                            | 729,927                 | 20,370               | 0                        | 0                   | 729,927              | 20,370               |
| Interest and Other Charges                           | 149,743                 | 161,071              | 0                        | 0                   | 149,743              | 161,071              |
| Water Utility  | 0                       | 0                    | 6,935,239                | 8,952,833           | 6,935,239            | 8,952,833            |
| Sewer Utility  | 0                       | 0                    | 6,986,355                | 8,665,514           | 6,986,355            | 8,665,514            |
| Solid Waste  | 0                       | 0                    | 2,733,330                | 2,582,473           | 2,733,330            | 2,582,473            |
| Recreation   | 0                       | 0                    | 2,341,050                | 1,631,519           | 2,341,050            | 1,631,519            |
| <b>Total Program Expenses</b>                        | <b>62,867,510</b>       | <b>49,833,835</b>    | <b>18,995,974</b>        | <b>21,832,339</b>   | <b>81,863,484</b>    | <b>71,666,174</b>    |
| Increase (Decrease) in Net Position before Transfers | 15,902,122              | 15,837,530           | 4,949,000                | (745,852)           | 20,851,122           | 15,091,678           |
| Transfers - Internal Activities                      | (350,000)               | (350,000)            | 350,000                  | 350,000             | 0                    | 0                    |
| <b>Change in Net Position</b>                        | <b>15,552,122</b>       | <b>15,487,530</b>    | <b>5,299,000</b>         | <b>(395,852)</b>    | <b>20,851,122</b>    | <b>15,091,678</b>    |
| Net Position - Beginning of Year                     | 120,163,680             | 104,676,150          | 50,986,838               | 51,382,690          | 171,150,518          | 156,058,840          |
| <b>Net Position - End of Year</b>                    | <b>\$135,715,802</b>    | <b>\$120,163,680</b> | <b>\$56,285,838</b>      | <b>\$50,986,838</b> | <b>\$192,001,640</b> | <b>\$171,150,518</b> |

**Governmental Activities**

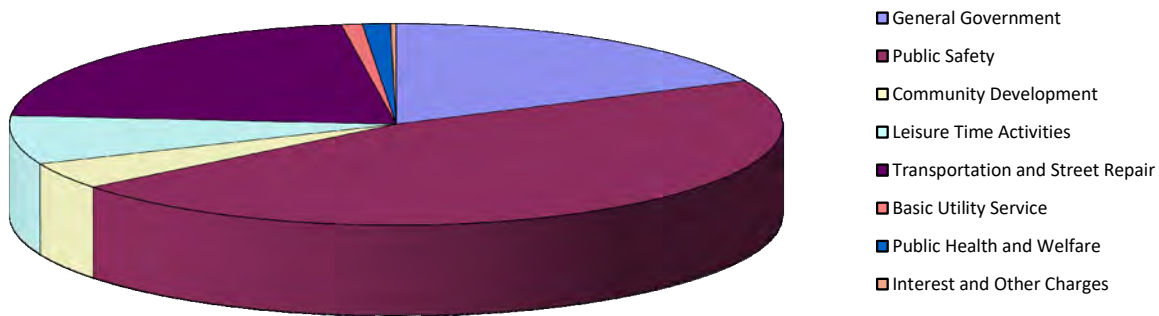
The City had an increase in revenues mainly due to an increase in investment earnings and property taxes that the City received in 2023. Total expenses increased from 2022 mainly due to the City’s public safety services that they provide, street maintenance and repairs they provide and the general government services that they provide throughout the City.

Revenues generated by the earnings tax represent approximately 51.5% of the City’s governmental activities revenues. The City’s 2023 earnings tax revenues decreased approximately .77% when compared to 2022 earnings tax revenues.

**City of Fairfield, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
(Unaudited)

**Governmental Activities Program Expenses for the Current Year**

|                                  | <u>Percentage</u>     |
|----------------------------------|-----------------------|
| General Government               | 17.89%                |
| Public Safety                    | 46.40%                |
| Community Development            | 4.28%                 |
| Leisure Time Activities          | 7.80%                 |
| Transportation and Street Repair | 21.35%                |
| Basic Utility Service            | 0.88%                 |
| Public Health and Welfare        | 1.16%                 |
| Interest and Other Charges       | <u>0.24%</u>          |
| Total                            | <u><u>100.00%</u></u> |



General Government includes legislative and executive as well as judicial expenses. The City seeks to improve the quality and efficiency of existing services as well as consider additional services. Leaf and brush pickup, storm sewer projects, and aggressive street resurfacing program, amenities in the parks, and police and fire services all culminate into a full service city. Services in the City of Fairfield have increased over the years and this has been accomplished by the City Council and the City’s work force.

**Income Tax**

This tax was originally levied in 1960, at a rate of 0.6%, to provide funds for street improvements, drainage improvements, and garbage collection. A 0.4% increase in 1966 was solely for the installation and operation of storm and sanitary sewers and the sewage disposal plant. A 0.5% increase in 1971, to the current 1.5% rate, was for the purpose of general operations, maintenance, and improvement of services.

The 1.5% locally levied tax applies to gross salaries, wages and other personal service compensation earned by residents, both in and out of the City and upon earnings of non-residents earned in the City. It also applies to net income of business organizations derived from business activities conducted in the City. In November of 1990, the citizens of Fairfield voted to change the distribution of the income taxes that allocated monies to the Sewer Funds. The 1.5% tax rate was subdivided into three components. The first 1.0% is used for operating expenses of the General Fund. Next, 0.3% is used for street construction, improvement and repair. Third, 0.2% of the tax is earmarked for capital improvements of a permanent nature.

**City of Fairfield, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
**(Unaudited)**

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In 2001, the City Council decided to begin an initiative to develop and revitalize the downtown area of Fairfield which consisted of constructing two new public buildings, a Community Arts Center and a Municipal Court and Polices Services Facility. In order to fund this major capital investment Council asked the voters to change the allocation of the Income Tax revenues. In November of 2002, the citizens of Fairfield approved the change which, beginning in January of 2004, the current tax rate allocates 1.1% for the operating expenses of the General Fund, 0.2% for street construction, improvement and repair and 0.2% for capital improvements of a permanent nature.

In 2012, Council asked the voters to change the allocation of the Income Tax revenues in order to maintain current service levels. The current economic conditions, coupled with losses in state revenue, had caused City income to decrease since 2008. The City trimmed the operational budget over that time, resulting in approximately \$1.5 million in cuts and was able to maintain services to the residents by drawing down on fund reserves. In 2012, those fund reserves were at a minimal acceptable level and continuing to draw them down further would put the City's financial situation in a non-sustainable position. In November 2012, the citizens of Fairfield approved the change which, beginning in January 2014, the current tax rate allocates 1.2% for the operating expenses of the General Fund, 0.15% for street construction, improvement and repair and 0.15% for capital improvements of a permanent nature.

***Business-Type Activities***

The City's business-type activities include Water Utility, Sewer Utility, Solid Waste Management and Recreation Facilities operations. The City's business-type activities had operating income of \$4,421,490 for 2023. The operating revenues for business-type activities were \$23,189,150, while operating expenses were \$18,767,660 for 2023. The increase in operating income for 2023 was mainly due to a decrease in the City's operating expenses, in 2023 as compared to 2022.

**Water** – The City of Fairfield has been providing public water services to residents since 1958. The initial plant consisted of an ion exchange plant, with one train that could provide 750,000 gallons of water per day. A second train was constructed in 1965 provided a combined capacity of 1.5 million gallons of water per day.

For the next nearly twenty years, the City operated the ion exchange plant as its primary source of drinking water. But as the City grew, the supply was not sufficient to keep up with demand. As a result, the City entered into an agreement with the City of Hamilton to purchase supplemental water supplies, with more and more supplemental water required each year. In 1984, the City decided to become self-sufficient again for its water supply and initiated an expansion of the City's water plant. The expansion included construction of a separate wing providing treatment by lime/soda ash softening, as opposed to the existing process involving ion exchange treatment. This initial addition of the lime/soda ash plant consisted of a 4.5 MGD expansion. A second addition to the lime/soda ash plant was completed in 1990. Today, the plant has a combined capacity of 10.5 MGD day. This includes 1.5 MGD for the original ion exchange plant, and 4.5 MGD for each of the two phases of the lime/soda ash plant expansion.

Traditionally, engineering and design standards have been very conservative, with actual working capacities greatly exceeding design standards. Re-rating is a formal, regulatory process that allows the plant - with a few, low-capital intensive improvements to be rated for increased capacity. In 2003 the City petitioned the state of Ohio and was granted to have the capacity of the lime/soda ash plant re-rated from 9.0 to 13.5 million gallons per day. This should meet all potential demands for the City of Fairfield for the foreseeable future.



**City of Fairfield, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
**(Unaudited)**

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Today, the Fairfield Water Department serves nearly 11,400 residential and 900 commercial accounts. This represents a population base of nearly 47,000 people. This includes the operation of the treatment plant; five elevated water towers and 180 miles of water mains in its distribution system. The City also maintains emergency connections with cities of Hamilton and Cincinnati for providing back-up water supplies in the event of an emergency.

**Wastewater** – The City of Fairfield has been operating a public wastewater collection and treatment system since 1965. The Wastewater Treatment Plant is located on Groh Lane and discharges treated water to the Great Miami River. The Wastewater Treatment Plant consists of conventional activated sludge treatment process, with a treatment capacity of 10.0 million gallons per day (MGD) and a hydraulic capacity of 15.0 MGD. The flows average approximately 4.7 MGD.

As part of the treatment process, water solids-laden sludge is produced. The sludge, called bio-solids, has been stabilized to destroy infectious organisms and is used as a soil conditioner for managed farming operations. The bio-solids improve soil matrixes by adding nutrients and water retention capacities. In addition, they help to add bulking characteristics that help to aerate the soil. The bio-solids disposal program is coordinated with area farmers who are able to take advantage of the agronomic enriching characteristics.

In an effort to respond to increased flows induced during period of extended rainfall, the City embarked on an extensive sewer relief project to alleviate surcharging caused by storm water entering the sanitary sewer system. The relief sewer system captures potential overflows and conveys excess flows to off-line storage facilities at the Wastewater Treatment Plant. The excess flows can then be metered into the Treatment Plant once storm conditions subside.

The sanitary sewer collection system includes nearly 180 miles of sanitary sewer main, and 4,000 manholes. It also includes thirteen (13) lift stations to elevate collected wastewater to a height that it can resume a normal flow by gravity.

**Waste Collection** – The City contracts with Rumpke, a private organization, to provide waste removal and recycling services to residential customers in the City of Fairfield. In 2017, Council authorized a contract renewal for five additional years with Rumpke for Fairfield residents' waste and recycling collection services. Per the City's contract the 2018 rate was \$12.35 per month for curbside service and \$7.00 per month for dumpster service. The rates increased in September, 2019 to \$12.96 per month for curbside service and \$7.28 per month for dumpster service. The full costs of the services are passed-through to the residents. Annual increases are scheduled throughout the contract which will result in the curbside rate to be \$13.39 and the dumpster rate to be \$7.58 at the end of the five year contract.

**Recreation Facilities** – The City of Fairfield acquired the Pleasant Run Country Club in 1978, with assistance through the Land and Water Conservation Fund grant program and immediately re-named the facility the Pleasant Run Golf Course, since then the Golf Course was re-named to Fairfield South Trace Golf Course. With its acquisition, the City added an 18-hole championship golf course, clubhouse facility and 4-lane/25 meter swimming pool to its recreational inventory.

In the late 1980's the City retained the services of Hurdzan Golf Course Architects to provide a master plan for a series of improvements at the Fairfield South Trace Golf Course, in order to make the course more playable, enjoyable and safer for the golfer. These improvements were implemented over a five-year period.

**City of Fairfield, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
**(Unaudited)**

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In the late 1980's the City acquired approximately 55 acres north of the golf course to construct a flood detention basin. As the community grew, the need for recreational opportunities increased. In an early 1990's recreational needs assessment study, the replacement of the swimming pool was rated as a top priority. The City retained the services of Brandstetter/Carroll Architects to begin the design work on a new aquatic facility for the community. In summer of 1997, the City opened the Fairfield Aquatic Center. The center housed an eight-lane/25 meter competitive pool, diving area, children's wading pool, 90-foot water slide, zero depth entry, three in-water play features, grass beach area, concession building, bath house, sand volleyball courts, large sun deck, and two play structures.

As the community struggled with the maintenance of its flood detention projects an idea emerged to construct a 9-hole executive golf course within the detention basin adjacent to the existing 18-hole golf course. After researching the possible alternatives, the City again retained the services of Hurdzan Golf Course Architects to design of the 9-hole executive golf course. Since the City would be operating two golf courses, that were contiguous to each other but separate operations, it was necessary that both courses be easily recognizable but identifiable as separate golf courses. Therefore after careful study, the 18-hole golf course was re-named Fairfield Greens Golf Course/South Trace and the new golf course was named the Fairfield Greens Golf Course/North Trace.

### **The City's Funds**

The City has three major governmental funds: the General Fund, Fire Levy Fund, and Street Improvement Fund. Assets of these funds comprised \$74,311,642 (63%) of the total governmental fund assets.

**General Fund:** Fund balance at December 31, 2023 was \$32,943,928, an increase in fund balance of \$3,558,529 from 2022. The increase in fund balance was mainly due to a decrease in the amount transfers out from the prior year, which are used to move unrestricted revenues collected in the General Fund to provide additional resources for current operations, or debt service, or for anticipated capital projects of other funds.

**Fire Levy Fund:** Fund balance at December 31, 2023 was \$4,188,553, an increase of \$2,729,267 from 2022. The increase in fund balance from the prior year was mainly due to an increase in property and other taxes collected in 2023.

**Street Improvement Fund:** Fund balance at December 31, 2023 was \$12,630,166, an increase in fund balance of \$580,936 from 2022. This increase was mainly due to the additional grant monies (intergovernmental revenues) that the City received for street repairs and improvements that were completed throughout the City during 2023.

### **General Fund Budgeting Highlights**

The City's General Fund budget is formally adopted at the department and object level. Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls.

**City of Fairfield, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
(Unaudited)

For the General Fund, the final budgeted expenditures were \$35,108,146 and the final actual expenditures were \$31,748,241. The difference was \$3,359,905. Variations from the final budgeted expenditures to the final actual expenditures are primarily due to the following: the City conservatively budgeted for general services and the police expenditures for 2023. As the City completed the year, its General Fund balance reported an actual fund balance of \$30,010,008, on a Non-GAAP Budgetary Basis.

**Capital Assets and Debt Administration**

**Capital Assets**

At year end, the City had \$138,453,043 invested in land, construction in progress, buildings and improvements, equipment and infrastructure. Table 3 shows 2023 balances compared to 2022:

**Table 3**  
**Capital Assets**

|                            | Governmental Activities |                  | Business-Type Activities |              | Total         |                  |
|----------------------------|-------------------------|------------------|--------------------------|--------------|---------------|------------------|
|                            | 2023                    | Restated<br>2022 | 2023                     | 2022         | 2023          | Restated<br>2022 |
| Land                       | \$21,448,073            | \$21,428,462     | \$1,736,949              | \$1,736,949  | \$23,185,022  | \$23,165,411     |
| Construction in Progress   | 9,580,975               | 2,554,170        | 5,910,077                | 7,931,912    | 15,491,052    | 10,486,082       |
| Buildings and Improvements | 50,318,664              | 49,766,618       | 56,220,613               | 52,082,988   | 106,539,277   | 101,849,606      |
| Equipment                  | 19,946,339              | 18,260,332       | 5,839,505                | 5,344,247    | 25,785,844    | 23,604,579       |
| Infrastructure             | 116,056,607             | 116,056,607      | 45,370,310               | 42,320,996   | 161,426,917   | 158,377,603      |
| Lease Asset                | 0                       | 0                | 70,547                   | 141,092      | 70,547        | 141,092          |
| Subscription Based Asset   | 1,081,407               | 462,607          | 0                        | 0            | 1,081,407     | 462,607          |
| Accumulated Depreciation   | (130,752,977)           | (126,619,954)    | (64,374,046)             | (62,379,745) | (195,127,023) | (188,999,699)    |
| Total Net Capital Assets   | \$87,679,088            | \$81,908,842     | \$50,773,955             | \$47,178,439 | \$138,453,043 | \$129,087,281    |

The increase in net capital assets was mainly due to additions being greater than depreciation expense.

See Note 6 to the notes to the basic financial statements for further details on the City’s capital assets.

**Debt**

The City had \$7,110,365 in Governmental Activities long-term debt and \$13,054,058 in Business-Type Activities long-term debt.

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**City of Fairfield, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
(Unaudited)

**Table 4**  
**Outstanding Debt at Year End**

|  | 2023                | Restated<br>2022   |
|--|---------------------|--------------------|
| Governmental Activities:                                       |                     |                    |
| <u>General Obligation Bonds:</u>                               |                     |                    |
| 2017 Refunding of 2009 Various Purpose Golf and Justice Center | \$2,240,000         | \$2,590,000        |
| 2020 Refunding of A Roadway Improvement Bonds                  | 3,760,000           | 4,275,000          |
| Premium on Issuances   | 148,994             | 200,996            |
| SBITA Liability  | 961,371             | 462,607            |
| Total Governmental Activities                                  | <u>\$7,110,365</u>  | <u>\$7,528,603</u> |
| Business Type Activities:                                      |                     |                    |
| <u>OWDA Loans from Direct Borrowing:</u>                       |                     |                    |
| OWDA - WWTP Multi-Purpose Facility                             | \$2,309,197         | \$2,071,760        |
| OWDA - Smart Water Metering System                             | 5,911,116           | 4,519,654          |
| OWDA - Port Union Water Tower                                  | 4,762,453           | 1,738,497          |
| Lease Liability  | 71,292              | 141,685            |
| Total Business Type Activities                                 | <u>\$13,054,058</u> | <u>\$8,471,596</u> |

The unvoted Various Purpose General Obligation Bonds for street improvement will be paid with municipal income tax revenue. The Various Purpose General Obligation Bonds for other improvements will be paid with property tax revenues via transfers from the General Fund. See Note 9 to the notes to the basic financial statements for further details on the City’s long-term debt.

**Economic Factors**

Following the Great Recession (2007-2009), the City saw its main revenue source, income tax, stabilize and continue to see slight growth due to strong employment base. The City continued to see income tax growth in 2020 through 2023, despite the economic conditions caused by the COVID-19 pandemic. In fact, the years since 2020 have been strong years for economic growth in the City with numerous positive development announcements and milestones. A boom of speculative industrial development is occurring within the city, creating space for new job creation. All five (5) speculative industrial buildings at Fairfield Commerce Park (totaling 1,600,000 square feet) are now complete. Hilco Vision, a major eye care accessory company, leased the first building and is adding 200 jobs at the site. DSG-Canusa, a high-tech wire insulation firm, leased the final building, bringing Fairfield Commerce Park to full occupancy and creating 65 new jobs in the city. In total, the park is expected to house more than 800 jobs within the next three (3) years. Additional industrial parks are underway, including Seward Pointe property ( 550,000 square feet) and Trade Center property (600,000 square feet). Smaller speculative industrial projects have added an additional 300,000 square feet to the Fisher Park and Fairfield Commerce Center industrial parks. Recent expansions of existing industrial companies also contributed to this growth, including projects at ART Metals Group, Pacific Manufacturing, and Koch Foods. These three expansions nearing completion retained 2,023 jobs and created 640 new jobs. The Koch Foods project alone represents more than a \$250 million investment. Koch Foods is the City’s largest industrial employer (~1,600 jobs) and largest utility user. This project substantially increased water and sewer use at the property, providing additional utility revenue to the City. These investments as well as the recent property revaluation, have resulted in an increase of property tax revenues of 17.4% in the last five (5) years.

**City of Fairfield, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended December 31, 2023**  
**(Unaudited)**

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In 2013, the City residents approved a reapportionment to replace the \$1,500,000 in lost revenue from cuts in local funding in the State operating budget and elimination of the estate tax. At that time the City apportioned the income tax to the General, Street Improvement and Capital funds. The reapportionment of the income tax beginning in 2013 became 1.2% to the General fund and 0.15% each to the Street Improvement and Capital Improvement funds. It was understood at the time of the reapportionment should the General fund have available funds above the reserve balance, funds would be transferred back to the Street Improvement and Capital Improvement funds to replace the 0.05%. In 2021, the City replenished the revenue to the Street Improvement and Capital Improvement funds to fund the substantial five-year Capital Improvement Program. The City will continue to do so as long as income tax revenues are sufficient to maintain the General fund operations and reserves.

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Director, City of Fairfield, 5350 Pleasant Avenue, Fairfield, Ohio 45014.

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City of Fairfield, Ohio  
Statement of Net Position  
December 31, 2023

|   | Governmental<br>Activities | Business-Type<br>Activities | Total                |
|---|----------------------------|-----------------------------|----------------------|
| <b>Assets:</b>                              |                            |                             |                      |
| Equity in Pooled Cash and Investments       | \$91,744,585               | \$27,951,035                | \$119,695,620        |
| Restricted Cash                             | 0                          | 1,092,433                   | 1,092,433            |
| <b>Receivables (Net):</b>                   |                            |                             |                      |
| Taxes                                       | 23,383,103                 | 0                           | 23,383,103           |
| Accounts                                    | 311,423                    | 2,795,886                   | 3,107,309            |
| Interest                                    | 53,886                     | 45,614                      | 99,500               |
| Intergovernmental                           | 3,928,796                  | 0                           | 3,928,796            |
| Leases                                      | 1,831,615                  | 286,962                     | 2,118,577            |
| Inventory                                   | 0                          | 247,556                     | 247,556              |
| Nondepreciable Capital Assets               | 31,029,048                 | 7,647,026                   | 38,676,074           |
| Depreciable Capital Assets, Net             | 56,650,040                 | 43,126,929                  | 99,776,969           |
| <b>Total Assets</b>                         | <b>208,932,496</b>         | <b>83,193,441</b>           | <b>292,125,937</b>   |
| <b>Deferred Outflows of Resources:</b>      |                            |                             |                      |
| Deferred Charge on Refunding                | 213,442                    | 0                           | 213,442              |
| Pension                                     | 22,096,162                 | 3,089,532                   | 25,185,694           |
| OPEB  | 3,818,113                  | 493,717                     | 4,311,830            |
| <b>Total Deferred Outflows of Resources</b> | <b>26,127,717</b>          | <b>3,583,249</b>            | <b>29,710,966</b>    |
| <b>Liabilities:</b>                         |                            |                             |                      |
| Accounts Payable                            | 967,263                    | 2,038,112                   | 3,005,375            |
| Accrued Wages and Benefits                  | 1,785,667                  | 269,442                     | 2,055,109            |
| Contracts Payable                           | 1,221,736                  | 0                           | 1,221,736            |
| Retainage Payable                           | 205,926                    | 169,712                     | 375,638              |
| Accrued Interest Payable                    | 11,155                     | 178,255                     | 189,410              |
| Due to Other Governments                    | 8,102                      | 179,119                     | 187,221              |
| Claims Payable                              | 223,340                    | 1,663                       | 225,003              |
| Other Liabilities                           | 0                          | 249,867                     | 249,867              |
| Unearned Revenue                            | 4,822,618                  | 0                           | 4,822,618            |
| General Obligation Notes Payable            | 0                          | 5,260,000                   | 5,260,000            |
| <b>Long-Term Liabilities:</b>               |                            |                             |                      |
| Due Within One Year                         | 2,365,240                  | 982,028                     | 3,347,268            |
| Due In More Than One Year                   |                            |                             |                      |
| Net Pension Liability                       | 57,106,194                 | 7,620,097                   | 64,726,291           |
| Net OPEB Liability                          | 3,377,974                  | 166,640                     | 3,544,614            |
| Other Amounts                               | 8,483,971                  | 12,947,727                  | 21,431,698           |
| <b>Total Liabilities</b>                    | <b>80,579,186</b>          | <b>30,062,662</b>           | <b>110,641,848</b>   |
| <b>Deferred Inflows of Resources:</b>       |                            |                             |                      |
| Property Taxes                              | 11,540,700                 | 0                           | 11,540,700           |
| Grants and Other Taxes                      | 239,307                    | 0                           | 239,307              |
| Leases                                      | 1,793,740                  | 286,967                     | 2,080,707            |
| Pension                                     | 1,991,101                  | 83,754                      | 2,074,855            |
| OPEB  | 3,200,377                  | 57,469                      | 3,257,846            |
| <b>Total Deferred Inflows of Resources</b>  | <b>18,765,225</b>          | <b>428,190</b>              | <b>19,193,415</b>    |
| <b>Net Position:</b>                        |                            |                             |                      |
| Net Investment in Capital Assets            | 80,782,165                 | 32,459,897                  | 113,242,062          |
| <b>Restricted for:</b>                      |                            |                             |                      |
| Debt Service                                | 1,856,158                  | 0                           | 1,856,158            |
| Capital Projects                            | 28,054,495                 | 1,092,433                   | 29,146,928           |
| Street Construction and Maintenance         | 5,361,309                  | 0                           | 5,361,309            |
| Court Services                              | 5,089,439                  | 0                           | 5,089,439            |
| Public Safety                               | 4,568,833                  | 0                           | 4,568,833            |
| Tax increment Financing Projects            | 70,790                     | 0                           | 70,790               |
| Grants                                      | 137,195                    | 0                           | 137,195              |
| Other Purposes                              | 1,324,241                  | 0                           | 1,324,241            |
| Unrestricted                                | 8,471,177                  | 22,733,508                  | 31,204,685           |
| <b>Total Net Position</b>                   | <b>\$135,715,802</b>       | <b>\$56,285,838</b>         | <b>\$192,001,640</b> |

See accompanying notes to the basic financial statements.

City of Fairfield, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2023

|   | Expenses            | Program Revenues                  |                                       |                                     | Net (Expense) Revenue<br>and Changes in Net Position |                             |                      |
|---|---------------------|-----------------------------------|---------------------------------------|-------------------------------------|--|-----------------------------|----------------------|
|   |                     | Charges for<br>Services and Sales | Operating Grants<br>and Contributions | Capital Grants<br>and Contributions | Governmental<br>Activities                           | Business-Type<br>Activities | Total                |
| <b>Governmental Activities:</b>             |                     |                                   |                                       |                                     |  |                             |                      |
| General Government                          | \$11,244,764        | \$2,442,428                       | \$2,771,682                           | \$0                                 | (\$6,030,654)  | \$0                         | (\$6,030,654)        |
| Public Safety                               | 29,173,859          | 1,987,536                         | 1,022,467                             | 0                                   | (26,163,856)   | 0                           | (26,163,856)         |
| Community Development                       | 2,687,755           | 1,559,749                         | 0                                     | 308,600                             | (819,406)  | 0                           | (819,406)            |
| Leisure Time Activities                     | 4,905,986           | 267,004                           | 0                                     | 0                                   | (4,638,982)  | 0                           | (4,638,982)          |
| Transportation and Street Repair            | 13,420,437          | 0                                 | 3,461,217                             | 3,662,488                           | (6,296,732)  | 0                           | (6,296,732)          |
| Basic Utility Service                       | 555,039             | 0                                 | 0                                     | 0                                   | (555,039)  | 0                           | (555,039)            |
| Public Health and Welfare                   | 729,927             | 0                                 | 600,000                               | 0                                   | (129,927)  | 0                           | (129,927)            |
| Interest and Other Charges                  | 149,743             | 0                                 | 0                                     | 0                                   | (149,743)  | 0                           | (149,743)            |
| <b>Total Governmental Activities</b>        | <b>62,867,510</b>   | <b>6,256,717</b>                  | <b>7,855,366</b>                      | <b>3,971,088</b>                    | <b>(44,784,339)</b>                                  | <b>0</b>                    | <b>(44,784,339)</b>  |
| <b>Business-Type Activities:</b>            |                     |                                   |                                       |                                     |  |                             |                      |
| Water Utility                               | 6,935,239           | 9,752,027                         | 0                                     | 0                                   | 0  | 2,816,788                   | 2,816,788            |
| Sewer Utility                               | 6,986,355           | 8,500,503                         | 0                                     | 0                                   | 0  | 1,514,148                   | 1,514,148            |
| Solid Waste                                 | 2,733,330           | 2,712,188                         | 0                                     | 0                                   | 0  | (21,142)                    | (21,142)             |
| Recreation                                  | 2,341,050           | 1,918,299                         | 0                                     | 0                                   | 0  | (422,751)                   | (422,751)            |
| <b>Total Business-Type Activities</b>       | <b>18,995,974</b>   | <b>22,883,017</b>                 | <b>0</b>                              | <b>0</b>                            | <b>0</b>   | <b>3,887,043</b>            | <b>3,887,043</b>     |
| <b>Totals</b>                               | <b>\$81,863,484</b> | <b>\$29,139,734</b>               | <b>\$7,855,366</b>                    | <b>\$3,971,088</b>                  | <b>(44,784,339)</b>                                  | <b>3,887,043</b>            | <b>(40,897,296)</b>  |
| <b>General Revenues:</b>                    |                     |                                   |                                       |                                     |  |                             |                      |
| Income Taxes                                |                     |                                   |                                       |                                     | 40,404,187   | 0                           | 40,404,187           |
| Property Taxes Levied for:                  |                     |                                   |                                       |                                     |  |                             |                      |
| General Purposes                            |                     |                                   |                                       |                                     | 2,082,536  | 0                           | 2,082,536            |
| Special Revenue Purposes                    |                     |                                   |                                       |                                     | 11,126,996   | 0                           | 11,126,996           |
| Grants and Entitlements, Not Restricted     |                     |                                   |                                       |                                     | 1,724,887  | 0                           | 1,724,887            |
| Revenue in Lieu of Taxes                    |                     |                                   |                                       |                                     | 134,858  | 0                           | 134,858              |
| Investment Earnings                         |                     |                                   |                                       |                                     | 3,439,857  | 755,824                     | 4,195,681            |
| Other Revenues                              |                     |                                   |                                       |                                     | 1,773,140  | 306,133                     | 2,079,273            |
| Transfers-Internal Activities               |                     |                                   |                                       |                                     | (350,000)  | 350,000                     | 0                    |
| <b>Total General Revenues and Transfers</b> |                     |                                   |                                       |                                     | <b>60,336,461</b>                                    | <b>1,411,957</b>            | <b>61,748,418</b>    |
| Change in Net Position                      |                     |                                   |                                       |                                     | 15,552,122   | 5,299,000                   | 20,851,122           |
| Net Position - Beginning of Year            |                     |                                   |                                       |                                     | 120,163,680  | 50,986,838                  | 171,150,518          |
| Net Position - End of Year                  |                     |                                   |                                       |                                     | <b>\$135,715,802</b>                                 | <b>\$56,285,838</b>         | <b>\$192,001,640</b> |

See accompanying notes to the basic financial statements.



City of Fairfield, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2023

|  | General             | Fire Levy           | Street Improvement  | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|---------------------|---------------------|--------------------------|--------------------------|
| <b>Assets:</b>   |                     |                     |                     |                          |                          |
| Equity in Pooled Cash and Investments                        | \$31,284,617        | \$4,895,668         | \$11,985,721        | \$40,078,987             | \$88,244,993             |
| <b>Receivables (Net):</b>                                    |                     |                     |                     |                          |                          |
| Taxes  | 10,819,667          | 10,219,134          | 1,172,151           | 1,172,151                | 23,383,103               |
| Accounts   | 311,423             | 0                   | 0                   | 0                        | 311,423                  |
| Interest   | 19,248              | 2,926               | 15,814              | 15,898                   | 53,886                   |
| Intergovernmental  | 774,305             | 378,806             | 600,547             | 2,175,138                | 3,928,796                |
| Leases   | 1,831,615           | 0                   | 0                   | 0                        | 1,831,615                |
| <b>Total Assets</b>  | <b>45,040,875</b>   | <b>15,496,534</b>   | <b>13,774,233</b>   | <b>43,442,174</b>        | <b>117,753,816</b>       |
| <b>Liabilities:</b>  |                     |                     |                     |                          |                          |
| Accounts Payable   | 314,488             | 36,825              | 0                   | 598,968                  | 950,281                  |
| Accrued Wages and Benefits                                   | 1,014,229           | 620,581             | 0                   | 116,845                  | 1,751,655                |
| Compensated Absences   | 1,551               | 47,675              | 0                   | 0                        | 49,226                   |
| Contracts Payable  | 0                   | 0                   | 302,709             | 919,027                  | 1,221,736                |
| Retainage Payable  | 0                   | 0                   | 0                   | 205,926                  | 205,926                  |
| Due to Other Governments                                     | 8,102               | 0                   | 0                   | 0                        | 8,102                    |
| Claims Payable   | 5,961               | 2,457               | 0                   | 719                      | 9,137                    |
| Unearned Revenue   | 0                   | 0                   | 0                   | 4,822,618                | 4,822,618                |
| <b>Total Liabilities</b>                                     | <b>1,344,331</b>    | <b>707,538</b>      | <b>302,709</b>      | <b>6,664,103</b>         | <b>9,018,681</b>         |
| <b>Deferred Inflows of Resources:</b>                        |                     |                     |                     |                          |                          |
| Property Taxes   | 1,442,459           | 10,219,134          | 0                   | 0                        | 11,661,593               |
| Income Taxes   | 6,622,646           | 0                   | 827,831             | 827,831                  | 8,278,308                |
| Grants and Other Taxes                                       | 565,884             | 378,806             | 0                   | 1,647,497                | 2,592,187                |
| Special Assessments  | 190,476             | 0                   | 0                   | 0                        | 190,476                  |
| Unavailable Revenue  | 137,411             | 2,503               | 13,527              | 13,599                   | 167,040                  |
| Leases   | 1,793,740           | 0                   | 0                   | 0                        | 1,793,740                |
| <b>Total Deferred Inflows of Resources</b>                   | <b>10,752,616</b>   | <b>10,600,443</b>   | <b>841,358</b>      | <b>2,488,927</b>         | <b>24,683,344</b>        |
| <b>Fund Balances:</b>  |                     |                     |                     |                          |                          |
| Restricted   | 0                   | 4,188,553           | 12,630,166          | 26,909,077               | 43,727,796               |
| Assigned   | 469,977             | 0                   | 0                   | 7,380,067                | 7,850,044                |
| Unassigned   | 32,473,951          | 0                   | 0                   | 0                        | 32,473,951               |
| <b>Total Fund Balances</b>                                   | <b>32,943,928</b>   | <b>4,188,553</b>    | <b>12,630,166</b>   | <b>34,289,144</b>        | <b>84,051,791</b>        |
| <b>Total Liabilities, Deferred Inflows and Fund Balances</b> | <b>\$45,040,875</b> | <b>\$15,496,534</b> | <b>\$13,774,233</b> | <b>\$43,442,174</b>      | <b>\$117,753,816</b>     |

See accompanying notes to the basic financial statements.

City of Fairfield, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 December 31, 2023

|  |                     |                      |
|--|---------------------|----------------------|
| Total Governmental Fund Balance  |                     | \$84,051,791         |
| Amounts reported for governmental activities in the statement of net position are different because:   |                     |                      |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.  |                     |                      |
| Capital assets used in the operation of Governmental Funds   |                     | 87,679,088           |
| Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.   |                     |                      |
| Income Taxes   | 8,278,308           |                      |
| Delinquent Property Taxes  | 120,893             |                      |
| Interest   | 46,093              |                      |
| Intergovernmental  | 2,352,880           |                      |
| Other Receivables  | 311,423             |                      |
|  | <u>11,109,597</u>   |                      |
| An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. |                     |                      |
| Internal Service Net Position  |                     | 2,640,771            |
| In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.       |                     |                      |
|  |                     | (11,155)             |
| Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.                                    |                     |                      |
| Compensated Absences   |                     | (3,567,654)          |
| Deferred outflow of resources associated with long-term liabilities are not reported in the funds.   |                     |                      |
|  |                     | 213,442              |
| Deferred outflows and inflows or resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.  |                     |                      |
| Deferred outflows of resources related to pensions   | 21,760,765          |                      |
| Deferred inflows of resources related to pensions  | (1,982,009)         |                      |
| Deferred outflows of resources related to OPEB   | 3,764,516           |                      |
| Deferred inflows of resources related to OPEB  | (3,194,138)         |                      |
|  | <u>20,349,134</u>   |                      |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.   |                     |                      |
| Net Pension Liability  | (56,278,963)        |                      |
| Net OPEB Liability   | (3,359,884)         |                      |
| Other Amounts  | (7,110,365)         |                      |
|  | <u>(66,749,212)</u> |                      |
| Net Position of Governmental Activities  |                     | <u>\$135,715,802</u> |

See accompanying notes to the basic financial statements.

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City of Fairfield, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2023

|  | General             | Fire Levy          | Street Improvement  | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|--------------------|---------------------|--------------------------|--------------------------|
| <b>Revenues:</b>   |                     |                    |                     |                          |                          |
| Property and Other Taxes   | \$2,081,556         | \$11,153,287       | \$0                 | \$0                      | \$13,234,843             |
| Income Taxes   | 31,951,703          | 0                  | 4,044,695           | 4,044,695                | 40,041,093               |
| Charges for Services   | 1,940,919           | 1,552,097          | 0                   | 0                        | 3,493,016                |
| Investment Earnings  | 1,738,615           | 125,901            | 346,680             | 1,210,624                | 3,421,820                |
| Intergovernmental  | 2,013,542           | 991,110            | 3,683,852           | 6,836,339                | 13,524,843               |
| Special Assessments  | 68,417              | 0                  | 0                   | 0                        | 68,417                   |
| Fines, Licenses & Permits  | 2,104,255           | 5,625              | 0                   | 738,960                  | 2,848,840                |
| Revenue in Lieu of Taxes   | 0                   | 0                  | 0                   | 134,858                  | 134,858                  |
| Other Revenues   | 679,009             | 11,142             | 417,859             | 104,073                  | 1,212,083                |
| <b>Total Revenues</b>  | <b>42,578,016</b>   | <b>13,839,162</b>  | <b>8,493,086</b>    | <b>13,069,549</b>        | <b>77,979,813</b>        |
| <b>Expenditures:</b>   |                     |                    |                     |                          |                          |
| <b>Current:</b>  |                     |                    |                     |                          |                          |
| General Government   | 8,759,638           | 0                  | 0                   | 1,204,238                | 9,963,876                |
| Public Safety  | 13,991,001          | 11,109,895         | 0                   | 48,719                   | 25,149,615               |
| Community Development  | 1,580,678           | 0                  | 0                   | 1,002,499                | 2,583,177                |
| Leisure Time Activities  | 3,382,280           | 0                  | 0                   | 305,754                  | 3,688,034                |
| Transportation and Street Repair                                   | 0                   | 0                  | 3,697,526           | 7,002,936                | 10,700,462               |
| Basic Utility Service  | 555,039             | 0                  | 0                   | 0                        | 555,039                  |
| Public Health and Welfare  | 20,134              | 0                  | 0                   | 709,793                  | 729,927                  |
| Capital Outlay   | 659,829             | 0                  | 5,000,520           | 5,776,334                | 11,436,683               |
| <b>Debt Service:</b>   |                     |                    |                     |                          |                          |
| Principal  | 120,036             | 0                  | 0                   | 865,000                  | 985,036                  |
| Interest and Other Charges   | 0                   | 0                  | 0                   | 147,426                  | 147,426                  |
| <b>Total Expenditures</b>  | <b>29,068,635</b>   | <b>11,109,895</b>  | <b>8,698,046</b>    | <b>17,062,699</b>        | <b>65,939,275</b>        |
| <b>Excess of Revenues Over (Under) Expenditures</b>                | <b>13,509,381</b>   | <b>2,729,267</b>   | <b>(204,960)</b>    | <b>(3,993,150)</b>       | <b>12,040,538</b>        |
| <b>Other Financing Sources (Uses):</b>                             |                     |                    |                     |                          |                          |
| Proceeds from Sale of Capital Assets                               | 0                   | 0                  | 0                   | 96,331                   | 96,331                   |
| Proceeds of Subscription Based Information Technology Arrangements | 618,800             | 0                  | 0                   | 0                        | 618,800                  |
| Transfers In   | 0                   | 0                  | 785,896             | 8,928,756                | 9,714,652                |
| Transfers (Out)  | (10,569,652)        | 0                  | 0                   | 0                        | (10,569,652)             |
| <b>Total Other Financing Sources (Uses)</b>                        | <b>(9,950,852)</b>  | <b>0</b>           | <b>785,896</b>      | <b>9,025,087</b>         | <b>(139,869)</b>         |
| <b>Net Change in Fund Balance</b>                                  | <b>3,558,529</b>    | <b>2,729,267</b>   | <b>580,936</b>      | <b>5,031,937</b>         | <b>11,900,669</b>        |
| <b>Fund Balance - Beginning of Year</b>                            | <b>29,385,399</b>   | <b>1,459,286</b>   | <b>12,049,230</b>   | <b>29,257,207</b>        | <b>72,151,122</b>        |
| <b>Fund Balance - End of Year</b>                                  | <b>\$32,943,928</b> | <b>\$4,188,553</b> | <b>\$12,630,166</b> | <b>\$34,289,144</b>      | <b>\$84,051,791</b>      |

See accompanying notes to the basic financial statements.

City of Fairfield, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended December 31, 2023

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Net Change in Fund Balance - Total Governmental Funds \$11,900,669

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

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

|  |             |           |
|--|-------------|-----------|
| Capital Assets used in Governmental Activities | 11,455,809  |           |
| Depreciation Expense                           | (5,630,335) |           |
|  |             | 5,825,474 |

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (55,228)

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

|                       |             |             |
|-----------------------|-------------|-------------|
| Pension Contributions | 4,141,033   |             |
| Pension Expense       | (7,733,697) |             |
| OPEB Contributions    | 68,647      |             |
| OPEB Expense          | 260,271     |             |
|                       |             | (3,263,746) |

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

|                           |          |         |
|---------------------------|----------|---------|
| Income Taxes              | 363,094  |         |
| Delinquent Property Taxes | (25,311) |         |
| Interest                  | 18,038   |         |
| Intergovernmental         | 335,572  |         |
| Other                     | 57,323   |         |
|                           |          | 748,716 |

Repayment of bond, lease and SBITA principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 985,036

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 1,663

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

|  |           |           |
|--|-----------|-----------|
| Compensated Absences                         | (267,216) |           |
| Amortization of Bond Premium                 | 52,002    |           |
| Amortization of Deferred Charge on Refunding | (55,982)  |           |
|  |           | (271,196) |

(Continued)

City of Fairfield, Ohio  
Reconciliation of the Statement of Revenues, Expenditures, and Changes  
in Fund Balance of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended December 31, 2023

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The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

Change in Net Position - Internal Service Funds 299,534

Proceeds from debt issues, including leases and SBITA, are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position.

(618,800)

Change in Net Position of Governmental Activities

\$15,552,122

See accompanying notes to the basic financial statements.

City of Fairfield, Ohio  
Statement of Net Position  
Proprietary Funds  
December 31, 2023

|   | Business-Type Activities<br>Enterprise Funds |                     |                              |                                      | Governmental<br>Activities |
|---|--|---------------------|------------------------------|--------------------------------------|----------------------------|
|   | Water<br>Utility                             | Sewer<br>Utility    | Other<br>Enterprise<br>Funds | Total<br>Business-Type<br>Activities | Internal Service<br>Funds  |
| <b>Current Assets:</b>                      |  |                     |                              |                                      |                            |
| Equity in Pooled Cash and Investments       | \$12,451,271                                 | \$13,790,292        | \$1,709,472                  | \$27,951,035                         | \$3,499,592                |
| Restricted Cash                             | 1,092,433                                    | 0                   | 0                            | 1,092,433                            | 0                          |
| Receivables (Net):                          |  |                     |                              |                                      |                            |
| Accounts                                    | 1,176,274                                    | 1,250,935           | 368,677                      | 2,795,886                            | 0                          |
| Interest                                    | 19,866                                       | 25,748              | 0                            | 45,614                               | 0                          |
| Leases                                      | 286,962                                      | 0                   | 0                            | 286,962                              | 0                          |
| Inventory                                   | 220,819                                      | 0                   | 26,737                       | 247,556                              | 0                          |
| <b>Total Current Assets</b>                 | <b>15,247,625</b>                            | <b>15,066,975</b>   | <b>2,104,886</b>             | <b>32,419,486</b>                    | <b>3,499,592</b>           |
| <b>Noncurrent Assets:</b>                   |  |                     |                              |                                      |                            |
| <b>Capital Assets:</b>                      |  |                     |                              |                                      |                            |
| Nondepreciable Capital Assets               | 6,208,785                                    | 931,241             | 507,000                      | 7,647,026                            | 0                          |
| Depreciable Capital Assets, Net             | 19,386,925                                   | 21,474,099          | 2,265,905                    | 43,126,929                           | 0                          |
| <b>Total Noncurrent Assets</b>              | <b>25,595,710</b>                            | <b>22,405,340</b>   | <b>2,772,905</b>             | <b>50,773,955</b>                    | <b>0</b>                   |
| <b>Total Assets</b>                         | <b>40,843,335</b>                            | <b>37,472,315</b>   | <b>4,877,791</b>             | <b>83,193,441</b>                    | <b>3,499,592</b>           |
| <b>Deferred Outflows of Resources:</b>      |  |                     |                              |                                      |                            |
| Pension                                     | 1,227,711                                    | 1,357,804           | 504,017                      | 3,089,532                            | 335,397                    |
| OPEB  | 196,192                                      | 216,981             | 80,544                       | 493,717                              | 53,597                     |
| <b>Total Deferred Outflows of Resources</b> | <b>1,423,903</b>                             | <b>1,574,785</b>    | <b>584,561</b>               | <b>3,583,249</b>                     | <b>388,994</b>             |
| <b>Liabilities:</b>                         |  |                     |                              |                                      |                            |
| <b>Current Liabilities:</b>                 |  |                     |                              |                                      |                            |
| Accounts Payable                            | 975,709                                      | 564,620             | 497,783                      | 2,038,112                            | 16,982                     |
| Accrued Wages and Benefits                  | 112,871                                      | 126,840             | 29,731                       | 269,442                              | 34,012                     |
| Compensated Absences                        | 99,341                                       | 167,270             | 22,563                       | 289,174                              | 18,570                     |
| Retainage Payable                           | 64,920                                       | 104,792             | 0                            | 169,712                              | 0                          |
| Accrued Interest Payable                    | 155,211                                      | 23,044              | 0                            | 178,255                              | 0                          |
| Due to Other Governments                    | 0  | 179,119             | 0                            | 179,119                              | 0                          |
| Leases Payable                              | 0  | 0                   | 71,292                       | 71,292                               | 0                          |
| Claims Payable                              | 674  | 734                 | 255                          | 1,663                                | 214,203                    |
| Other Liabilities                           | 249,867                                      | 0                   | 0                            | 249,867                              | 0                          |
| General Obligation Notes Payable            | 4,580,000                                    | 680,000             | 0                            | 5,260,000                            | 0                          |
| Long-Term Liabilities Due Within One Year   | 247,406                                      | 374,156             | 0                            | 621,562                              | 0                          |
| <b>Total Current Liabilities</b>            | <b>6,485,999</b>                             | <b>2,220,575</b>    | <b>621,624</b>               | <b>9,328,198</b>                     | <b>283,767</b>             |
| <b>Long-Term Liabilities:</b>               |  |                     |                              |                                      |                            |
| Compensated Absences                        | 237,708                                      | 326,585             | 22,230                       | 586,523                              | 103,396                    |
| Bonds, Notes & Loans Payable                | 7,470,605                                    | 4,890,599           | 0                            | 12,361,204                           | 0                          |
| Net Pension Liability                       | 3,028,056                                    | 3,348,920           | 1,243,121                    | 7,620,097                            | 827,231                    |
| Net OPEB Liability                          | 66,219                                       | 73,236              | 27,185                       | 166,640                              | 18,090                     |
| <b>Total Noncurrent Liabilities</b>         | <b>10,802,588</b>                            | <b>8,639,340</b>    | <b>1,292,536</b>             | <b>20,734,464</b>                    | <b>948,717</b>             |
| <b>Total Liabilities</b>                    | <b>17,288,587</b>                            | <b>10,859,915</b>   | <b>1,914,160</b>             | <b>30,062,662</b>                    | <b>1,232,484</b>           |
| <b>Deferred Inflows of Resources:</b>       |  |                     |                              |                                      |                            |
| Leases                                      | 286,967                                      | 0                   | 0                            | 286,967                              | 0                          |
| Pension                                     | 33,282                                       | 36,809              | 13,663                       | 83,754                               | 9,092                      |
| OPEB  | 22,837                                       | 25,257              | 9,375                        | 57,469                               | 6,239                      |
| <b>Total Deferred Inflows of Resources</b>  | <b>343,086</b>                               | <b>62,066</b>       | <b>23,038</b>                | <b>428,190</b>                       | <b>15,331</b>              |
| <b>Net Position:</b>                        |  |                     |                              |                                      |                            |
| Net Investment in Capital Assets            | 13,297,699                                   | 16,460,585          | 2,701,613                    | 32,459,897                           | 0                          |
| Restricted for:                             |  |                     |                              |                                      |                            |
| Capital Projects                            | 1,092,433                                    | 0                   | 0                            | 1,092,433                            | 0                          |
| Unrestricted                                | 10,245,433                                   | 11,664,534          | 823,541                      | 22,733,508                           | 2,640,771                  |
| <b>Total Net Position</b>                   | <b>\$24,635,565</b>                          | <b>\$28,125,119</b> | <b>\$3,525,154</b>           | <b>\$56,285,838</b>                  | <b>\$2,640,771</b>         |

See accompanying notes to the basic financial statements.

City of Fairfield, Ohio  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2023

|  | Business-Type Activities<br>Enterprise Funds |                  |                              | Total<br>Business-Type<br>Activities | Governmental<br>Activities |
|--|--|------------------|------------------------------|--------------------------------------|----------------------------|
|  | Water<br>Utility                             | Sewer<br>Utility | Other<br>Enterprise<br>Funds |                                      | Internal Service<br>Funds  |
| Operating Revenues:                              |  |                  |                              |                                      |                            |
| Charges for Services                             | \$9,752,027                                  | \$8,500,503      | \$4,630,487                  | \$22,883,017                         | \$7,841,764                |
| Other Revenues                                   | 172,152                                      | 80,098           | 53,883                       | 306,133                              | 3,759                      |
| Total Operating Revenues                         | 9,924,179                                    | 8,580,601        | 4,684,370                    | 23,189,150                           | 7,845,523                  |
| Operating Expenses:                              |  |                  |                              |                                      |                            |
| Personal Services                                | 2,448,133                                    | 3,085,874        | 962,385                      | 6,496,392                            | 663,862                    |
| Contactual Services                              | 2,164,507                                    | 2,227,590        | 3,372,784                    | 7,764,881                            | 6,997,282                  |
| Materials and Supplies                           | 1,049,018                                    | 410,660          | 457,835                      | 1,917,513                            | 392,721                    |
| Depreciation                                     | 1,088,084                                    | 1,220,841        | 279,949                      | 2,588,874                            | 0                          |
| Total Operating Expenses                         | 6,749,742                                    | 6,944,965        | 5,072,953                    | 18,767,660                           | 8,053,865                  |
| Operating Income (Loss)                          | 3,174,437                                    | 1,635,636        | (388,583)                    | 4,421,490                            | (208,342)                  |
| Non-Operating Revenues (Expenses):               |  |                  |                              |                                      |                            |
| Investment Earnings                              | 268,290                                      | 474,795          | 12,739                       | 755,824                              | 2,876                      |
| Interest (Expense)                               | (190,197)                                    | (41,390)         | (1,427)                      | (233,014)                            | 0                          |
| Gain on Disposal of Capital Assets               | 4,700  | 0                | 0                            | 4,700                                | 0                          |
| Total Non-Operating Revenues (Expenses)          | 82,793                                       | 433,405          | 11,312                       | 527,510                              | 2,876                      |
| Income (Loss) Before Contributions and Transfers | 3,257,230                                    | 2,069,041        | (377,271)                    | 4,949,000                            | (205,466)                  |
| Transfers In                                     | 0  | 0                | 350,000                      | 350,000                              | 505,000                    |
| Change in Net Position                           | 3,257,230                                    | 2,069,041        | (27,271)                     | 5,299,000                            | 299,534                    |
| Net Position - Beginning of Year                 | 21,378,335                                   | 26,056,078       | 3,552,425                    | 50,986,838                           | 2,341,237                  |
| Net Position - End of Year                       | \$24,635,565                                 | \$28,125,119     | \$3,525,154                  | \$56,285,838                         | \$2,640,771                |

See accompanying notes to the basic financial statements.



City of Fairfield, Ohio  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended December 31, 2023

|  | Business-Type Activities<br>Enterprise Funds |                    |                              | Governmental<br>Activities           |                           |
|--|--|--------------------|------------------------------|--------------------------------------|---------------------------|
|  | Water<br>Utility                             | Sewer<br>Utility   | Other<br>Enterprise<br>Funds | Total<br>Business-Type<br>Activities | Internal Service<br>Funds |
| <b>Cash Flows from Operating Activities:</b>   |  |                    |                              |                                      |                           |
| Cash Received from Customers   | \$9,843,050                                  | \$8,467,378        | \$4,669,144                  | \$22,979,572                         | \$7,845,523               |
| Cash Payments to Employees   | (2,600,835)                                  | (2,984,840)        | (919,999)                    | (6,505,674)                          | (693,163)                 |
| Cash Payments to Suppliers   | (3,464,245)                                  | (3,615,987)        | (3,807,433)                  | (10,887,665)                         | (424,592)                 |
| Cash Payments for Claims   | 0  | 0                  | 0                            | 0                                    | (6,806,205)               |
| <b>Net Cash Provided (Used) by Operating Activities</b>  | <b>3,777,970</b>                             | <b>1,866,551</b>   | <b>(58,288)</b>              | <b>5,586,233</b>                     | <b>(78,437)</b>           |
| <b>Cash Flows from Noncapital Financing Activities:</b>  |  |                    |                              |                                      |                           |
| Payments from Other Funds  | 0  | 0                  | 350,000                      | 350,000                              | 505,000                   |
| <b>Net Cash Provided (Used) by Noncapital Financing Activities</b>                                   | <b>0</b>                                     | <b>0</b>           | <b>350,000</b>               | <b>350,000</b>                       | <b>505,000</b>            |
| <b>Cash Flows from Capital and Related Financing Activities:</b>                                     |  |                    |                              |                                      |                           |
| Payments for Capital Acquisitions  | (3,994,566)                                  | (2,059,009)        | (130,815)                    | (6,184,390)                          | 0                         |
| Debt Proceeds  | 8,299,687                                    | 1,729,314          | 0                            | 10,029,001                           | 0                         |
| Debt and Lease Principal Payments  | (4,580,000)                                  | (1,136,146)        | (70,393)                     | (5,786,539)                          | 0                         |
| Debt and Lease Interest Payments   | (112,592)                                    | (35,629)           | (1,427)                      | (149,648)                            | 0                         |
| Gain on the Disposal of Capital Assets   | 4,700  | 0                  | 0                            | 4,700                                | 0                         |
| <b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>                          | <b>(382,771)</b>                             | <b>(1,501,470)</b> | <b>(202,635)</b>             | <b>(2,086,876)</b>                   | <b>0</b>                  |
| <b>Cash Flows from Investing Activities:</b>   |  |                    |                              |                                      |                           |
| Earnings on Investments  | 265,675                                      | 463,576            | 12,856                       | 742,107                              | 2,876                     |
| <b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>                              | <b>265,675</b>                               | <b>463,576</b>     | <b>12,856</b>                | <b>742,107</b>                       | <b>2,876</b>              |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>  | <b>3,660,874</b>                             | <b>828,657</b>     | <b>101,933</b>               | <b>4,591,464</b>                     | <b>429,439</b>            |
| Cash and Cash Equivalents - Beginning of Year  | 9,882,830                                    | 12,961,635         | 1,607,539                    | 24,452,004                           | 3,070,153                 |
| <b>Cash and Cash Equivalents - End of Year</b>   | <b>13,543,704</b>                            | <b>13,790,292</b>  | <b>1,709,472</b>             | <b>29,043,468</b>                    | <b>3,499,592</b>          |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b> |  |                    |                              |                                      |                           |
| Operating Income (Loss)  | 3,174,437                                    | 1,635,636          | (388,583)                    | 4,421,490                            | (208,342)                 |
| <b>Adjustments:</b>  |  |                    |                              |                                      |                           |
| Depreciation   | 1,088,084                                    | 1,220,841          | 279,949                      | 2,588,874                            | 0                         |
| <b>Changes in Assets &amp; Liabilities:</b>  |  |                    |                              |                                      |                           |
| (Increase) Decrease in Receivables   | (108,339)                                    | (113,223)          | (15,226)                     | (236,788)                            | 0                         |
| (Increase) Decrease in Inventory   | 57,581                                       | 0                  | (3,817)                      | 53,764                               | 0                         |
| (Increase) Decrease in Deferred Outflows of Resources  | (1,017,582)                                  | (1,166,241)        | (436,258)                    | (2,620,081)                          | (278,265)                 |
| (Increase) Decrease in Net OPEB Asset  | 360,984                                      | 362,960            | 131,756                      | 855,700                              | 98,374                    |
| Increase (Decrease) in Claims Payable  | (392)  | (338)              | (264)                        | (994)                                | 169,363                   |
| Increase (Decrease) in Retainage Payable   | (371,542)                                    | (359,341)          | 0                            | (730,883)                            | 0                         |
| Increase (Decrease) in Other Liabilities   | 2,375  | 0                  | 0                            | 2,375                                | 0                         |
| Increase (Decrease) in Payables  | 101,741                                      | (618,396)          | 27,003                       | (489,652)                            | (10,254)                  |
| Increase (Decrease) in Accrued Liabilities   | (62,137)                                     | 18,542             | (3,066)                      | (46,661)                             | (5,793)                   |
| Increase (Decrease) in Deferred Inflows of Resources   | (1,570,299)                                  | (1,559,514)        | (565,603)                    | (3,695,416)                          | (424,170)                 |
| Increase (Decrease) in Net Pension Liability   | 2,056,840                                    | 2,372,389          | 888,636                      | 5,317,865                            | 562,560                   |
| Increase (Decrease) in Net OPEB Liability  | 66,219                                       | 73,236             | 27,185                       | 166,640                              | 18,090                    |
| <b>Net Cash Provided (Used) by Operating Activities</b>  | <b>\$3,777,970</b>                           | <b>\$1,866,551</b> | <b>(\$58,288)</b>            | <b>\$5,586,233</b>                   | <b>(\$78,437)</b>         |

See accompanying notes to the basic financial statements.

City of Fairfield, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Fund  
December 31, 2023

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|   | Custodial<br>Funds      |
|---|-------------------------|
| Assets:   |                         |
| Equity in Pooled Cash and Investments             | \$250,200               |
| Receivables (Net):                                |                         |
| Accounts  | <u>275,475</u>          |
| Total Assets                                      | <u>525,675</u>          |
| Liabilities:                                      |                         |
| Accounts Payable                                  | <u>136,283</u>          |
| Total Liabilities                                 | <u>136,283</u>          |
| Net Position:                                     |                         |
| Restricted for:                                   |                         |
| Individuals, Organizations, and Other Governments | 62,409                  |
| Economic Development                              | <u>326,983</u>          |
| Total Net Position                                | <u><u>\$389,392</u></u> |

See accompanying notes to the basic financial statements.

City of Fairfield, Ohio  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Fiscal Year Ended December 31, 2023

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|   | Custodial<br>Funds      |
|---|-------------------------|
| Additions:  |                         |
| Investment Earnings                               | \$209                   |
| Municipal Court Receipts                          | 1,217,430               |
| Joint Economic Development District Receipts      | <u>2,474,825</u>        |
| Total Additions                                   | <u>3,692,464</u>        |
| Deductions:                                       |                         |
| Municipal Court Disbursements                     | 1,248,358               |
| Joint Economic Development District Disbursements | <u>2,562,978</u>        |
| Total Deductions                                  | <u>3,811,336</u>        |
| Change in Net Position                            | (118,872)               |
| Net Position - Beginning of Year                  | <u>508,264</u>          |
| Net Position - End of Year                        | <u><u>\$389,392</u></u> |

See accompanying notes to the basic financial statements.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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**Note 1 – Description of the City and Reporting Entity**

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The City of Fairfield, Ohio (the “City”) was incorporated in 1955 and operates as a Home Rule City in accordance with Article XVIII of the Ohio Constitution under a City Manager-Council form of government.

**Reporting Entity**

Among the activities and services as authorized by the City of Fairfield’s charter are public safety/municipal court, recreation, sanitation, health and social services, public improvements, planning and zoning, highway and streets and general administrative services. Each of these services is under direct control of the City Manager-Council form of government, which appropriates for and finances the operation of service. Each is, therefore, included as part of the financial reporting entity.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. There are no component units included as part of this report.

The City participates in a joint venture called the West Chester Township Joint Economic Development District (JEDD) and Fairfield Township Joint Economic Development District (JEDD). These joint ventures are presented in Note 18.

**Note 2 – Summary of Significant Accounting Policies**

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The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the City’s accounting policies are described below.

**Basis of Presentation**

The City’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 City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The services provided and used of the internal service fund are eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. 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 City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City 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 City at this more detailed level. The focus of governmental and enterprise fund 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. The internal service funds are presented in a single column on the face of the proprietary fund statements. The City's only fiduciary funds are custodial funds.

**Measurement Focus**

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, liabilities and deferred outflows/inflows associated with the operation of the City are included on the Statement of Net Position.

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 and current liabilities and 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 include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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**Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

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 and deferred outflows and liabilities and deferred inflows are reported as fund balance. The following are the City's major governmental funds:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

Fire Levy - Special Revenue Fund – This special revenue fund accounts for expenditures of property tax revenues and other resources in the operation of the City's Fire Department.

Street Improvement - Capital Projects Fund - This capital projects fund accounts for the construction and repair of the City's streets. Financing has been derived from 0.15% of the City's income tax.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

Proprietary Funds

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Utility Fund - The water fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

Sewer Utility Fund - The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Internal Service Funds - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on self-insured health care operations (Employees' Benefits) and for the cost of maintaining the City's equipment and automotive fleet (Municipal Garage).

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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Fiduciary Funds

The Custodial Fiduciary Funds are used to account for the collection and disbursement of monies by the City on behalf of other individuals, organizations or other governmental entities. The following are the City's custodial fiduciary funds, the Municipal Court Fund and two Joint Economic Joint District Funds. The Municipal Court Fund accounts for activity relating to the City's Municipal Court. The West Chester Joint Economic Development District 1 and the Fairfield Township Joint Economic Development District 1 accounts for the activities relating to each Joint Economic Development Districts (JEDD) for the purpose of facilitating economic development to create jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio and in the area of the contracting parties through facilitating economic development.

**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. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange 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 City, available means expected to be received within thirty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the 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 year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City 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 year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants and fees.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferral on refunding, pension, and other post employment benefits reported in the government-wide statement of net position and the proprietary statement of net position. A deferral 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. The deferred outflows of resources related to pension and OPEB are explained in Notes 12 and 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future periods and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, income taxes, grants and other taxes, leases, special assessments, pension, OPEB, and unavailable revenue (account and investment revenue). Property taxes and revenue in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance year 2024 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements, while income taxes, special assessments, and unavailable revenue are only included on the governmental fund financial statements. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 12 and 13.)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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.

**Equity in Pooled Cash and Investments**

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

Investments are reported at fair value, which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost. For investments in open-end mutual funds, fair value is determined by the fund's share price.

For purposes of the statement of cash flows and for presentation on the statement of net position/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.



**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following the Ohio Revised Code, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue during 2023 amounted to \$1,738,615 in the general fund, \$125,901 in the fire levy fund, \$346,680 in the street improvement fund and \$1,210,624 in other governmental funds.

**Lease Asset**

A lease asset is a lessee's right to use an asset over the life of a lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received. The amortization period of the lease asset is from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. At the termination of the lease, the lease asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a gain or loss at that time.

**Subscription Based Information Technology Arrangement Asset**

A subscription asset is a subscriber's right to use an asset over the life of a subscription-based information technology arrangement (SBITA). The asset is calculated as the initial subscription liability, plus any payments made to the SBITA supplier before commencement of the subscription term, and any capitalizable implementation costs. Amortization of the subscription asset is recognized as an outflow of resources over the subscription term. Preliminary project activity outlays for costs such as selecting a SBITA supplier are expensed as incurred. Initial implementation costs, including ancillary charges to place the subscription asset into service, are capitalized. Operational and any subsequent implementation activities are expensed as incurred unless they meet specific capitalization criteria. At the termination of the subscription, the subscription asset and associated liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a gain or loss at that time.

**Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets 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. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective proprietary funds.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, and water and sewer lines. 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. The City will capitalize capital assets with a cost of \$5,000 or more, depending on the Asset Class.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

| <u>Description</u>         | <u>Estimated Lives</u> |
|----------------------------|------------------------|
| Buildings and Improvements | 20-50 years            |
| Equipment                  | 5-10 years             |
| Infrastructure             | 10-50 years            |

**Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for 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 employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, compensated absences are recognized 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 fund from which the employees who have accumulated leave are paid. Compensated absences are reported in governmental funds only if they have matured. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, and compensated absences 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 year. Bonds and long-term loans are recognized as a liability on the fund financial statements when due.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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

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

**Fund Balance**

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – spendable resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – spendable resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, City Council. This is done by ordinance by City Council.

Assigned – resources that are intended to be used for specific purposes as approved through the City's formal purchasing procedure by the Finance Director.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts, which had been restricted, committed or assigned for said purposes.

The City applies restricted resource first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are 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.

**Restricted Assets**

Restricted assets consist of resources whose use is restricted by bond covenant agreements.

**Net Position**

Net position represents the difference between assets, and deferred outflows of resources, and liabilities and deferred inflows of resources. Net Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the City's \$47,554,893 in restricted net position, none was restricted by enabling legislation.

**Operating Revenues and Expenses**

The City, in its proprietary funds, distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

As a general rule, the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

**Gain/Loss on Refunding**

On the government-wide and proprietary financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt (the gain/loss on refunding) is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method.

**Estimates**

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

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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**Note 3 – Equity in Pooled Cash and Investments**

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Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAROhio).
- (7) Commercial paper and banker's acceptances, which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institution's 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.

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

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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 City, 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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of December 31, 2023, \$27,393,101 of the City's bank balance of \$27,714,637 was exposed to custodial credit risk because it was uninsured and collateralized.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105% of the deposits being secured; or

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 fair value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

**Investments**

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of December 31, 2023:

| Investment Type                        | Fair Value Measurements Using |   | Net Asset Value*    | Weighted Average Maturity (Years) |
|--|-------------------------------|---|---------------------|-----------------------------------|
|  | Net Asset Value* / Fair Value | Significant Other Observable Inputs Level 2 |                     |                                   |
| STAR Ohio*                             | \$48,460,032                  |   | \$48,460,032        | 0.13                              |
| Commercial Paper                       | 9,741,273                     | \$9,741,273                                 |                     | 0.46                              |
| Federal National Mortgage Association  | 961,362                       | 961,362                                     |                     | 0.88                              |
| Federal Farm Credit Bank               | 2,648,270                     | 2,648,270                                   |                     | 1.62                              |
| Federal Home Loan Bank                 | 5,737,993                     | 5,737,993                                   |                     | 1.55                              |
| Negotiable Certificate of Deposit      | 11,144,709                    | 11,144,709                                  |                     | 1.63                              |
| Federal Home Loan Mortgage Corporation | 1,261,970                     | 1,261,970                                   |                     | 1.87                              |
| US Treasury Note                       | 693,746                       | 693,746                                     |                     | 1.30                              |
| Municipal Bonds                        | 1,469,195                     | 1,469,195                                   |                     | 2.03                              |
| Money Market Funds                     | 12,142,618                    |   | 12,142,618          | 0.00                              |
|  | <u>\$94,261,168</u>           | <u>\$33,658,518</u>                         | <u>\$60,602,650</u> |                                   |
| Portfolio Weighted Average Maturity    |                               |   |                     | 0.52                              |

The City categorizes its fair value measurements with 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

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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are significant other observable inputs. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs.

The above table identifies the City's recurring fair value measurements as of December 31, 2023. STAROhio is reported at its share price (Net Asset value per share) and there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest Rate Risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years, unless matched to a specified obligation or debt of the City.

Credit Risk – It is the City's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments, which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Municipal Bonds, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank, Federal Farm Credit Bank and US Treasury Notes were rated AA+ by Standard and Poor's and Aaa by Moody's. Investments in Commercial Paper were rated A-1+ by Standard & Poor's and P-1 by Moody's Investors Service. Investments in STAROhio were rated AAAM by Standard & Poors. Negotiable CDs and Money Market Funds are not rated.

Concentration of Credit Risk – The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested 1% in US Treasury Notes, 2% in Municipal Bonds, 1% in Federal National Mortgage Association, 1% in Federal Home Loan Mortgage Corporation, 3% in Federal Farm Credit Bank, 6% in Federal Home Loan Bank, 10% in Commercial Paper, 12% in Negotiable CDs, 51% in STAR Ohio, and 13% in Money Market Funds.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City's securities are either insured and registered in the name of the City or at least registered in the name of the City.

**Note 4 – Receivables**

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Receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, leases, accrued interest on investments, and accounts receivable. No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

**Property Taxes**

Property taxes include amounts levied against all real estate and public utility. Real property taxes (other than public utility) collected during 2023 were levied after October 1, 2022 on assessed values as of January 1, 2022, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. Real property taxes are

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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payable annually or semi-annually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The assessed values of real and tangible personal property upon which current year property tax receipts were based are as follows:

|                 |                               |
|-----------------|-------------------------------|
| Real Property   | \$1,474,774,460               |
| Public Utility  | <u>66,473,040</u>             |
| Total Valuation | <u><u>\$1,541,247,500</u></u> |

Real property taxes are payable annually or semi-annually. If paid annually, the payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

The City receives property taxes from Butler County. The County Treasurer collects property taxes on behalf of all taxing districts in the counties. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2023, and for which there is an enforceable legal claim. In the funds, the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2023 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On an accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

**Income Taxes**

The City levies a 1.5% income tax on substantially all income earned within the City. If an individual pays income taxes to another municipality, a credit of up to one and one-half percent (1.5%) is allowed. Additional increases in the income tax rate require voter approval.

Employers within the City withhold income tax on employee compensation and remit at least quarterly. Corporations and other individual taxpayers pay estimated taxes quarterly and file an annual declaration.

**Note 5 – Risk Management**

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**Description**

The City carries insurance to cover general liability risks, fire protection, police professional liability, automotive fleet and errors and omissions for public officials. The City has established an Employees Benefit Fund to account for the cost of the City's self-insured dental care claims and the payment of insurance premiums for medical benefits and worker's compensation. A third party administrator who furnishes claims review and processing administers the program. City Funds are charged a premium based on the number of employees participating in the Dental and Health Benefits Plan. The "premium" payments are accounted for as an expenditure in the paying fund and as a revenue in an internal service fund.



**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

**Claim Liabilities**

Beginning August 1, 2014, the City began to provide employee health insurance benefits through a self-insured program.

The City records an estimated liability for dental, health and worker's compensation claims against the City. Claims liabilities are based on estimates of the ultimate cost of reported claims and an estimate for claims incurred but not reported on historical experience. All claims payable are expected to be paid off in one year.

**Unpaid Claim Liabilities**

The following represent the changes in workers compensation, dental, and health claims payable for the City from January 1, 2022 to December 31, 2023:

|                                    |                         |
|------------------------------------|-------------------------|
| Claims Liability, 1/1/2022         | \$169,618               |
| Claims net of changes in estimates | 2,225,932               |
| Payments                           | <u>(2,335,170)</u>      |
| Claims Liability, 12/31/2022       | 60,380                  |
| Claims net of changes in estimates | 2,876,643               |
| Payments                           | <u>(2,712,020)</u>      |
| Claims Liability, 12/31/2023       | <u><u>\$225,003</u></u> |

**Note 6 – Capital Assets**

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Capital asset activity for the current year end was as follows:

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**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

|   | Restated<br>Beginning<br>Balance | Additions          | Deletions        | Ending<br>Balance   |
|---|----------------------------------|--------------------|------------------|---------------------|
| <b>Governmental Activities</b>                    |                                  |                    |                  |                     |
| <b>Capital Assets, not being depreciated:</b>     |                                  |                    |                  |                     |
| Land  | \$21,428,462                     | \$19,611           | \$0              | \$21,448,073        |
| Construction in Progress                          | 2,554,170                        | 7,026,805          | 0                | 9,580,975           |
| <b>Capital Assets, being depreciated:</b>         |                                  |                    |                  |                     |
| Buildings and Improvements                        | 49,766,618                       | 568,517            | 16,471           | 50,318,664          |
| Equipment   | 18,260,332                       | 3,222,076          | 1,536,069        | 19,946,339          |
| Infrastructure                                    | 116,056,607                      | 0                  | 0                | 116,056,607         |
| Totals at Historical Cost                         | <u>208,066,189</u>               | <u>10,837,009</u>  | <u>1,552,540</u> | <u>217,350,658</u>  |
| Less Accumulated Depreciation:                    |                                  |                    |                  |                     |
| Buildings and Improvements                        | 33,764,545                       | 1,443,631          | 12,200           | 35,195,976          |
| Equipment   | 14,457,228                       | 1,521,039          | 1,485,112        | 14,493,155          |
| Infrastructure                                    | 78,398,181                       | 2,550,013          | 0                | 80,948,194          |
| Total Accumulated Depreciation                    | <u>126,619,954</u>               | <u>5,514,683</u>   | <u>1,497,312</u> | <u>130,637,325</u>  |
| Capital Assets, Net                               | <u>81,446,235</u>                | <u>5,322,326</u>   | <u>55,228</u>    | <u>86,713,333</u>   |
| Subscription Based Asset (SBITA)                  | 462,607                          | 618,800            | 0                | 1,081,407           |
| Less Accumulated Depreciation:                    |                                  |                    |                  |                     |
| Subscription Based Asset                          | 0                                | 115,652            | 0                | 115,652             |
| Subscription Based Asset, Net                     | <u>462,607</u>                   | <u>503,148</u>     | <u>0</u>         | <u>965,755</u>      |
| Total Governmental Activities Capital Assets, Net | <u>\$81,908,842</u>              | <u>\$5,825,474</u> | <u>\$55,228</u>  | <u>\$87,679,088</u> |

Depreciation expense was charged to governmental functions as follows:

|                            |                    |
|----------------------------|--------------------|
| General Government         | \$566,910          |
| Public Safety              | 1,450,272          |
| Leisure Time Activities    | 1,038,548          |
| Community Development      | 7,723              |
| Transportation             | 2,566,882          |
| Total Depreciation Expense | <u>\$5,630,335</u> |

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**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

|  | Beginning<br>Balance | Additions           | Deletions          | Ending<br>Balance   |
|--|----------------------|---------------------|--------------------|---------------------|
| <b>Business-Type Activities</b>                    |                      |                     |                    |                     |
| <b>Capital Assets, not being depreciated:</b>      |                      |                     |                    |                     |
| Land   | \$1,736,949          | \$0                 | \$0                | \$1,736,949         |
| Construction in Progress                           | 7,931,912            | 4,955,950           | 6,977,785          | 5,910,077           |
| <b>Capital Assets, being depreciated:</b>          |                      |                     |                    |                     |
| Buildings and Improvements                         | 52,082,988           | 4,137,625           | 0                  | 56,220,613          |
| Equipment  | 5,344,247            | 1,019,285           | 524,027            | 5,839,505           |
| Infrastructure                                     | 42,320,996           | 3,049,314           | 0                  | 45,370,310          |
| Totals at Historical Cost                          | <u>109,417,092</u>   | <u>13,162,174</u>   | <u>7,501,812</u>   | <u>115,077,454</u>  |
| Less Accumulated Depreciation:                     |                      |                     |                    |                     |
| Buildings and Improvements                         | 33,353,636           | 1,109,048           | 0                  | 34,462,684          |
| Equipment  | 4,130,925            | 412,849             | 524,027            | 4,019,747           |
| Infrastructure                                     | 24,895,184           | 996,431             | 0                  | 25,891,615          |
| Total Accumulated Depreciation                     | <u>62,379,745</u>    | <u>2,518,328</u>    | <u>524,027</u>     | <u>64,374,046</u>   |
| Capital Assets, Net                                | <u>47,037,347</u>    | <u>10,643,846</u>   | <u>6,977,785</u>   | <u>50,703,408</u>   |
| <b>Lease Assets:</b>                               |                      |                     |                    |                     |
| Equipment  | 211,638              | 0                   | 0                  | 211,638             |
| Lease Asset  | <u>211,638</u>       | <u>0</u>            | <u>0</u>           | <u>211,638</u>      |
| Less: Accumulated Amortization                     | 70,546               | 70,545              | 0                  | 141,091             |
| Lease Asset, net                                   | <u>141,092</u>       | <u>(70,545)</u>     | <u>0</u>           | <u>70,547</u>       |
| Total Business-type Activities Capital Assets, Net | <u>\$47,178,439</u>  | <u>\$10,573,301</u> | <u>\$6,977,785</u> | <u>\$50,773,955</u> |

**Note 7 – Compensated Absences**

**Accumulated Unpaid Vacation**

Vacation is accumulated based upon length of service at rates from 3.1 hours to 7.7 hours bi-weekly (80 hours) pay period for full time City employees. Vacation accumulation may not exceed three years. Any excess is eliminated from the employee's accumulated balance. In the case of death, termination, or retirement an employee (or his estate) is paid for his unused vacation to a maximum of the three-year accrual.

**Accumulated Unpaid Sick Leave**

All full time City employees (except for police and fire) are credited with 96 sick hours at the beginning of each year. Sick leave accumulation may not exceed 960 hours. An excess over the 960 maximum is paid to the employee. In the case of death, termination, or retirement of an employee, depending on length of service with the City, is paid for his unused sick leave up to a maximum of 960 hours.

Police employees are credited with 102 sick hours at the beginning of each year. Sick leave accumulation may not exceed 1,020 hours. An excess over the 1,020 maximum is paid to the police employee. In the case of death, termination, or retirement of a police employee, depending on length of service with the City, is paid for his unused sick leave up to a maximum of 1,020 hours.

**City of Fairfield, Ohio**  
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Fire employees are credited with 130 sick hours at the beginning of each year. Sick leave accumulation may not exceed 1,300 hours. An excess over the 1,300 maximum is paid to the fire employee. In the case of death, termination, or retirement of a fire employee, depending on length of service with the City, is paid for his unused sick leave up to a maximum of 1,300 hours.

**Note 8 – Notes Payable**

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A summary of the note transactions for the current year end are as follows:

|                             |       | Beginning<br>Balance | Issued             | Retired            | Ending<br>Balance  |
|-----------------------------|-------|----------------------|--------------------|--------------------|--------------------|
| Water Utility Fund:         |       |                      |                    |                    |                    |
| Various Purpose Series 2023 | 4.13% | \$0                  | \$3,320,000        | \$0                | \$3,320,000        |
| Various Purpose Series 2023 | 4.13% | 0                    | 1,260,000          | 0                  | 1,260,000          |
| Various Purpose Series 2022 | 2.50% | 1,980,000            | 0                  | 1,980,000          | 0                  |
| Various Purpose Series 2022 | 2.50% | 1,600,000            | 0                  | 1,600,000          | 0                  |
| Various Purpose Series 2022 | 2.50% | 1,000,000            | 0                  | 1,000,000          | 0                  |
| Sewer Utility Fund:         |       |                      |                    |                    |                    |
| Various Purpose Series 2023 | 4.13% | 0                    | 680,000            | 0                  | 680,000            |
| Various Purpose Series 2022 | 2.50% | 1,020,000            | 0                  | 1,020,000          | 0                  |
| Total Notes Payable         |       | <u>\$5,600,000</u>   | <u>\$5,260,000</u> | <u>\$5,600,000</u> | <u>\$5,260,000</u> |

The City issued a combined \$5,260,000 in short-term bond anticipation notes for the purpose of financing the City's cost of construction improvements to the water and sewer systems.

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund, which received the proceeds.

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**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

**Note 9 – Long-Term Debt**

A schedule of changes in bonds and other long-term obligations of the City during the current year as follows:

|  |       | Restated<br>Beginning<br>Balance | Additions           | Deletions            | Ending<br>Balance   | Due Within<br>One Year |
|--|-------|----------------------------------|---------------------|----------------------|---------------------|------------------------|
| <b>Governmental Activities</b>           |       |                                  |                     |                      |                     |                        |
| <u>General Obligation Bonds</u>          |       |                                  |                     |                      |                     |                        |
| 2017 Refunding of 2009 Various Purpose   |       |                                  |                     |                      |                     |                        |
| Golf and Justice Center                  | 2.00% | \$2,590,000                      | \$0                 | (\$350,000)          | \$2,240,000         | \$345,000              |
| 2020 Refunding of A Roadway              |       |                                  |                     |                      |                     |                        |
| Improvement Bonds                        | 3.74% | 4,275,000                        | 0                   | (515,000)            | 3,760,000           | 515,000                |
| Premium on Issuances                     |       | 200,996                          | 0                   | (52,002)             | 148,994             | 0                      |
| Total General Obligation Bonds           |       | <u>7,065,996</u>                 | <u>0</u>            | <u>(917,002)</u>     | <u>6,148,994</u>    | <u>860,000</u>         |
| Net Pension Liability                    |       | 31,098,140                       | 26,008,054          | 0                    | 57,106,194          | 0                      |
| Net OPEB Liability                       |       | 4,550,820                        | 0                   | (1,172,846)          | 3,377,974           | 0                      |
| Total Net Pension/OPEB Liability         |       | <u>35,648,960</u>                | <u>26,008,054</u>   | <u>(1,172,846)</u>   | <u>60,484,168</u>   | <u>0</u>               |
| SBITA Liability                          |       | 462,607                          | 618,800             | (120,036)            | 961,371             | 260,579                |
| Compensated Absences                     |       | 3,617,090                        | 1,424,639           | (1,302,883)          | 3,738,846           | 1,244,661              |
| Total Governmental Activities            |       | <u>\$46,794,653</u>              | <u>\$28,051,493</u> | <u>(\$3,512,767)</u> | <u>\$71,333,379</u> | <u>\$2,365,240</u>     |
|  |       | Beginning<br>Balance             | Additions           | Deletions            | Ending<br>Balance   | Due Within<br>One Year |
| <b>Business Type Activities</b>          |       |                                  |                     |                      |                     |                        |
| <u>OWDA Loans from Direct Borrowing</u>  |       |                                  |                     |                      |                     |                        |
| OWDA #9261 - WWTP Multi-Purpose Facility | 0.43% | \$2,071,760                      | \$353,583           | (\$116,146)          | \$2,309,197         | \$126,750              |
| OWDA #9870 - Smart Water Metering System | 3.05% | 4,519,654                        | 1,391,462           | 0                    | 5,911,116           | 494,812                |
| OWDA #9871 - Port Union Water Tower      | 3.17% | 1,738,497                        | 3,023,956           | 0                    | 4,762,453           | 0                      |
| Total OWDA Loans from Direct Borrowing   |       | <u>8,329,911</u>                 | <u>4,769,001</u>    | <u>(116,146)</u>     | <u>12,982,766</u>   | <u>621,562</u>         |
| Net Pension Liability                    |       | 2,302,232                        | 5,317,865           | 0                    | 7,620,097           | 0                      |
| Net OPEB Liability                       |       | 0                                | 166,640             | 0                    | 166,640             | 0                      |
| Total Net Pension/OPEB Liability         |       | <u>2,302,232</u>                 | <u>5,484,505</u>    | <u>0</u>             | <u>7,786,737</u>    | <u>0</u>               |
| Lease Liability                          |       | 141,685                          | 0                   | (70,393)             | 71,292              | 71,292                 |
| Compensated Absences                     |       | 920,400                          | 198,842             | (243,545)            | 875,697             | 289,174                |
| Total Business-Type Activities           |       | <u>\$11,694,228</u>              | <u>\$10,452,348</u> | <u>(\$430,084)</u>   | <u>\$21,716,492</u> | <u>\$982,028</u>       |

The City's bonds and loans will be paid from the General Bond Retirement Fund, Water Utility Fund and the Sewer Utility Fund. Compensated Absences will be paid from the fund from which the person is paid. Historically, this is the General Fund, a Special Revenue Fund, or an Enterprise Fund. There are no repayment schedules for the net pension and OPEB liabilities; however, employer contributions are made from the fund benefiting from the related employees' services. In the past, contributions have been paid primarily by the General, Water Utility, Sewer Utility and the remainder by the other governmental, other enterprise, and internal service funds. See Notes 12 and 13 for further information related to the net pension and OPEB liabilities.

The City's outstanding OWDA loans from direct borrowings of \$12,982,766 contain a provision that in an event of default, the amount of such default shall bear interest thereafter at the rate equal to the Contract Interest Rate plus three percentage points annum until the date of payment, and outstanding amounts become immediately due. The full amount of the Port Union Water Tower OWDA loan was not disbursed as of year-end and an amortization schedule is not available.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
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Principal and interest requirements to retire the City’s long-term obligations outstanding at year end are as follows:

| Year Ending<br>December 31 | General<br>Obligation Bonds |                  | OWDA Loans<br>from Direct Borrowing* |                    |
|----------------------------|-----------------------------|------------------|--------------------------------------|--------------------|
|                            | Principal                   | Interest         | Principal                            | Interest           |
| 2024                       | \$860,000                   | \$132,232        | \$621,562                            | \$95,109           |
| 2025                       | 870,000                     | 111,634          | 438,086                              | 182,628            |
| 2026                       | 900,000                     | 97,770           | 448,452                              | 172,262            |
| 2027                       | 920,000                     | 76,108           | 459,125                              | 161,589            |
| 2028                       | 935,000                     | 53,780           | 470,113                              | 150,601            |
| 2029-2033                  | 1,515,000                   | 38,244           | 2,527,079                            | 576,491            |
| 2034-2038                  | 0                           | 0                | 2,854,848                            | 248,722            |
| 2039-2043                  | 0                           | 0                | 401,048                              | 9,794              |
| <b>Total</b>               | <b>\$6,000,000</b>          | <b>\$509,768</b> | <b>\$8,220,313</b>                   | <b>\$1,597,196</b> |

\*-Does not include Port Union Water Tower OWDA loan not fully disbursed

**Note 10 – Subscription-Based Information Technology Arrangement (SBITA) Liability**

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In prior years and in the current year, the City has entered into contracts that conveys the control of the right to use their nonfinancial assets (the underlying assets) for subscription software as specified in the contract for a period of time. The basis and terms of the prior year contract was for 6 years after the commencement date, while the current year contract is for 4 years after the commencement date. During the period, there were no outflows of resources recognized for variable payments not previously included in the measurement of the SBITA liability. Also, there were no outflows of resources recognized for other payments, such as residual value guarantees or termination penalties, not previously included in the measurement of the SBITA liability during the period. There were no commitments under SBITA before the commencement of the lease term.

Principal and interest amounts for the next three years and thereafter are as follows:

| Fiscal Year<br>Ending June 30, | Principal        | Interest        | Total              |
|--------------------------------|------------------|-----------------|--------------------|
| 2024                           | \$260,579        | \$8,695         | \$269,274          |
| 2025                           | 258,949          | 17,787          | 276,736            |
| 2026                           | 273,357          | 11,214          | 284,571            |
| 2027                           | 168,486          | 4,277           | 172,763            |
|                                | <b>\$961,371</b> | <b>\$41,973</b> | <b>\$1,003,344</b> |

**Note 11 – Defeasance of Bonds**

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**Special Assessment Bonds**

The Special Assessment Fund purchased special assessment sidewalk bonds issued by the City. The value of the bonds at December 31, 2023 was \$155,147. Bonds are issued for the purpose of providing funds to pay the property owners share of the cost of sidewalk repairs in the City. The transaction has been eliminated for the financial statement purposes by removing any proceeds from the issuance of debt from the operating statement and the investment.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
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**Note 12 – Defined Benefit Pension Plans**

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The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

***Net Pension Liability/Net OPEB Liability***

Pensions and OPEB are a component of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions are provided to an employee - on a deferred-payment basis - as part of the total compensation package offered by an employer for employee services each financial period.

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

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

The remainder of this note includes the pension disclosures. See Note 13 for the OPEB disclosures.

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

**Plan Description**

City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement

**City of Fairfield, Ohio**  
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system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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

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

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| <u>Group A</u><br>Eligible to retire prior to<br>January 7, 2013 or five years<br>after January 7, 2013   | <u>Group B</u><br>20 years of service credit prior to<br>January 7, 2013 or eligible to retire<br>ten years after January 7, 2013               | <u>Group C</u><br>Members not in other Groups<br>and members hired on or after<br>January 7, 2013   |
|---|---|---|
| <u>State and Local</u>  | <u>State and Local</u>  | <u>State and Local</u>  |
| Age and Service Requirements:<br>Age 60 with 60 months of service credit<br>or Age 55 with 25 years of service credit                           | Age and Service Requirements:<br>Age 60 with 60 months of service credit<br>or Age 55 with 25 years of service credit                           | Age and Service Requirements:<br>Age 57 with 25 years of service credit<br>or Age 62 with 5 years of service credit                             |
| Traditional Plan Formula:<br>2.2% of FAS multiplied by years of<br>service for the first 30 years and 2.5%<br>for service years in excess of 30 | Traditional Plan Formula:<br>2.2% of FAS multiplied by years of<br>service for the first 30 years and 2.5%<br>for service years in excess of 30 | Traditional Plan Formula:<br>2.2% of FAS multiplied by years of<br>service for the first 35 years and 2.5%<br>for service years in excess of 35 |
| <u>Public Safety</u>  | <u>Public Safety</u>  | <u>Public Safety</u>  |
| Age and Service Requirements:<br>Age 48 with 25 years of service credit<br>or Age 52 with 15 years of service credit                            | Age and Service Requirements:<br>Age 48 with 25 years of service credit<br>or Age 52 with 15 years of service credit                            | Age and Service Requirements:<br>Age 52 with 25 years of service credit<br>or Age 56 with 15 years of service credit                            |
| <u>Law Enforcement</u>  | <u>Law Enforcement</u>  | <u>Law Enforcement</u>  |
| Age and Service Requirements:<br>Age 52 with 15 years of service credit   | Age and Service Requirements:<br>Age 48 with 25 years of service credit<br>or Age 52 with 15 years of service credit                            | Age and Service Requirements:<br>Age 48 with 25 years of service credit<br>or Age 56 with 15 years of service credit                            |
| <u>Public Safety and Law Enforcement</u>  | <u>Public Safety and Law Enforcement</u>  | <u>Public Safety and Law Enforcement</u>  |
| Traditional Plan Formula:<br>2.5% of FAS multiplied by years of<br>service for the first 25 years and 2.1%<br>for service years in excess of 25 | Traditional Plan Formula:<br>2.5% of FAS multiplied by years of<br>service for the first 25 years and 2.1%<br>for service years in excess of 25 | Traditional Plan Formula:<br>2.5% of FAS multiplied by years of<br>service for the first 25 years and 2.1%<br>for service years in excess of 25 |

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits

**City of Fairfield, Ohio**  
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must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

**Funding Policy**

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

|  | <u>State<br/>and Local</u> | <u>Public<br/>Safety</u> | <u>Law<br/>Enforcement</u> |
|--|----------------------------|--------------------------|----------------------------|
| <b>2023 Statutory Maximum Contribution Rates</b> |                            |                          |                            |
| Employer   | 14.0 %                     | 18.1 %                   | 18.1 %                     |
| Employee *                                       | 10.0 %                     | **                       | ***                        |
| <b>2023 Actual Contribution Rates</b>            |                            |                          |                            |
| Employer:  |                            |                          |                            |
| Pension ****                                     | 14.0 %                     | 18.1 %                   | 18.1 %                     |
| Post-employment Health Care Benefits ****        | 0.0                        | 0.0                      | 0.0                        |
| <b>Total Employer</b>                            | <u>14.0 %</u>              | <u>18.1 %</u>            | <u>18.1 %</u>              |
| <b>Employee</b>                                  | <u>10.0 %</u>              | <u>12.0 %</u>            | <u>13.0 %</u>              |

- \* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- \*\* This rate is determined by OPERS' Board and has no maximum rate established by ORC.
- \*\*\* This rate is also determined by OPERS' Board, but is limited by ORC to not more than 2 percent greater than the Public Safety rate.
- \*\*\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

For 2023, the City's contractually required contribution was \$1,886,483, of this amount \$156,357 is reported in accrued wages and benefits.

**City of Fairfield, Ohio**  
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***Ohio Police & Fire Pension Fund (OP&F)***

**Plan Description**

City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, statutory survivors and annuity beneficiaries. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

**City of Fairfield, Ohio**  
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Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

**Funding Policy**

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

|  | <u>Police</u>  | <u>Firefighters</u> |
|--|----------------|---------------------|
| <b>2023 Statutory Maximum Contribution Rates</b> |                |                     |
| Employer   | 19.50 %        | 24.00 %             |
| Employee   | 12.25 %        | 12.25 %             |
| <b>2023 Actual Contribution Rates</b>            |                |                     |
| Employer:  |                |                     |
| Pension  | 19.00 %        | 23.50 %             |
| Post-employment Health Care Benefits             | <u>0.50</u>    | <u>0.50</u>         |
| Total Employer                                   | <u>19.50 %</u> | <u>24.00 %</u>      |
| Employee   | <u>12.25 %</u> | <u>12.25 %</u>      |

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OP&F was \$2,901,900 for 2023, of this amount \$258,293 is reported as accrued wages and benefits.

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

The net pension liability for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F’s total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City’s proportion of the net pension liability was based on the City’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share of the City’s defined benefit pension plans:

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**City of Fairfield, Ohio**  
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|  | OPERS            |              |              |
|--|------------------|--------------|--------------|
|  | Traditional Plan | OPF          | Total        |
| Proportionate Share of the:              |                  |              |              |
| Net Pension Liability                    | \$24,616,900     | \$40,109,391 | \$64,726,291 |
| Proportion of the Net Pension Liability: |                  |              |              |
| Current Measurement Date                 | 0.08333400%      | 0.42224720%  |              |
| Prior Measurement Date                   | 0.08576400%      | 0.41518820%  |              |
| Change in Proportionate Share            | -0.00243000%     | 0.00705900%  |              |
| Pension Expense                          | \$3,120,052      | \$5,672,623  | \$8,792,676  |

At December 31 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | OPERS            |              |              |
|--|------------------|--------------|--------------|
|  | Traditional Plan | OPF          | Total        |
| <u>Deferred Outflows of Resources</u>  |                  |              |              |
| Differences between expected and actual experience                               | \$817,670        | \$601,623    | \$1,419,293  |
| Changes in assumptions   | 260,060          | 3,617,729    | 3,877,789    |
| Net difference between projected and actual earnings on pension plan investments | 7,016,591        | 5,839,435    | 12,856,026   |
| Changes in employer proportionate share of net pension liability                 | 0                | 2,244,203    | 2,244,203    |
| Contributions subsequent to the measurement date                                 | 1,886,483        | 2,901,900    | 4,788,383    |
| Total Deferred Outflows of Resources   | \$9,980,804      | \$15,204,890 | \$25,185,694 |
| <u>Deferred Inflows of Resources</u>   |                  |              |              |
| Differences between expected and actual experience                               | \$0              | \$913,810    | \$913,810    |
| Changes in assumptions   | 0                | 782,122      | 782,122      |
| Changes in employer proportionate share of net pension liability                 | 270,569          | 108,354      | 378,923      |
| Total Deferred Inflows of Resources  | \$270,569        | \$1,804,286  | \$2,074,855  |

\$4,788,383 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Year Ending  | OPERS            |              |              |
|--------------|------------------|--------------|--------------|
|              | Traditional Plan | OPF          | Total        |
| December 31: |                  |              |              |
| 2024         | \$764,923        | \$1,473,917  | \$2,238,840  |
| 2025         | 1,556,289        | 2,569,248    | 4,125,537    |
| 2026         | 2,065,324        | 2,787,923    | 4,853,247    |
| 2027         | 3,437,216        | 3,683,992    | 7,121,208    |
| 2028         | 0                | (16,376)     | (16,376)     |
| Total        | \$7,823,752      | \$10,498,704 | \$18,322,456 |

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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**Actuarial Assumptions – OPERS**

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

|   | <u>OPERS Traditional Plan</u>                                  |
|---|--|
| Wage Inflation                                  | 2.75 percent   |
| Future Salary Increases,<br>including inflation | 2.75 to 10.75 percent<br>including wage inflation              |
| COLA or Ad Hoc COLA:                            |  |
| Pre-January 7, 2013 Retirees                    | 3.0 percent, simple  |
| Post-January 7, 2013 Retirees                   | 3.0 percent, simple through 2023,<br>then 2.05 percent, simple |
| Investment Rate of Return                       | 6.9 percent  |
| Actuarial Cost Method                           | Individual Entry Age   |

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 12.1 percent for 2022.

**City of Fairfield, Ohio**  
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The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board’s investment consultant. For each major class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2022, these best estimates are summarized below:

| Asset Class            | Target Allocation | Weighted Average Long-Term Expected Real Rate of Return (Geometric) |
|------------------------|-------------------|---|
| Fixed Income           | 22.00%            | 2.62%   |
| Domestic Equities      | 22.00             | 4.60  |
| Real Estate            | 13.00             | 3.27  |
| Private Equity         | 15.00             | 7.53  |
| International Equities | 21.00             | 5.51  |
| Risk Parity            | 2.00              | 4.37  |
| Other investments      | 5.00              | 3.27  |
| Total                  | 100.00%           |   |

**Discount Rate**

The discount rate used to measure the total pension liability for the current year was 6.9 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

|  | 1% Decrease<br>(5.90%) | Current<br>Discount Rate<br>(6.90%) | 1% Increase<br>(7.90%) |
|--|------------------------|-------------------------------------|------------------------|
| Proportionate share of the net pension liability | \$36,875,295           | \$24,616,900                        | \$14,420,115           |

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2022, are presented below.

|                            |  |
|----------------------------|--|
| Valuation Date             | January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022  |
| Actuarial Cost Method      | Entry Age Normal   |
| Investment Rate of Return  | 7.5 percent  |
| Projected Salary Increases | 3.75 percent to 10.5 percent   |
| Payroll Growth             | 3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent |
| Cost of Living Adjustments | 2.2 percent simple per year  |

For 2022, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

For 2021, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.



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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

| Asset Class                     | Target Allocation | Long-Term Expected Real Rate of Return |
|---------------------------------|-------------------|--|
| Domestic Equity                 | 18.60 %           | 4.80 %                                 |
| Non-US Equity                   | 12.40             | 5.50                                   |
| Private Markets                 | 10.00             | 7.90                                   |
| Core Fixed Income *             | 25.00             | 2.50                                   |
| High Yield Fixed Income         | 7.00              | 4.40                                   |
| Private Credit                  | 5.00              | 5.90                                   |
| U.S. Inflation Linked Bonds*    | 15.00             | 2.00                                   |
| Midstream Energy Infrastructure | 5.00              | 5.90                                   |
| Real Assets                     | 8.00              | 5.90                                   |
| Gold                            | 5.00              | 3.60                                   |
| Private Real Estate             | 12.00             | 5.30                                   |
| Commodities                     | 2.00              | 3.60                                   |
| <b>Total</b>                    | <b>125.00 %</b>   |  |

Note: Assumptions are geometric.

\* levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
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return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate**

For 2022, 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 longer-term assumed investment rate of return of 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, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the 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 the 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.

|  | 1% Decrease<br>(6.50%) | Current<br>Discount Rate<br>(7.50%) | 1% Increase<br>(8.50%) |
|--|------------------------|-------------------------------------|------------------------|
| Proportionate share of the net pension liability | \$52,912,026           | \$40,109,391                        | \$29,466,560           |

**Note 13 – Postemployment Benefits**

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**Net OPEB Liability**

See Note 12 for a description of the net OPEB liability.

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

**Plan Description**

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. Medicare-enrolled retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice selected with the assistance of an OPERS vendor. Non-Medicare retirees have converted to an arrangement similar to the Medicare-enrolled retirees, and are no longer participating in OPERS provided self-insured group plans.

**City of Fairfield, Ohio**  
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With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to traditional pension plan and combined plan benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

**Medicare Retirees** - Medicare-eligible with a minimum of 20 years of qualifying service credit

**Non-Medicare Retirees** - Non-Medicare retirees qualify based on the following age-and-service criteria:

**Group A** - 30 years of qualifying service credit at any age;

**Group B** - 32 years of qualifying service credit at any age or 31 years of qualifying service credit and minimum age 52;

**Group C** - 32 years of qualifying service credit and minimum age 55; or,

A retiree from groups A, B or C who qualifies for an unreduced pension, but a portion of their service credit is not health care qualifying service, can still qualify for health care at age 60 if they have at least 20 years of qualifying health care service credit.

Retirees who don't meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation

**City of Fairfield, Ohio**  
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that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

The health care trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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

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

**Funding Policy**

The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2023, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2022 was 4.0 percent; however, effective July 1, 2022, a portion of the health care rate was funded with reserves.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2023.

***Ohio Police & Fire Pension Fund (OP&F)***

**Plan Description**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

**City of Fairfield, Ohio**  
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OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**Funding Policy**

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contractually required contribution to OP&F was \$68,647 for 2023.

**City of Fairfield, Ohio**  
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**Net OPEB Liability**

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

|                                       | OPERS<br>Traditional Plan | OPF                | Total       |
|---------------------------------------|---------------------------|--------------------|-------------|
| Proportionate Share of the:           |                           |                    |             |
| Net OPEB Liability                    | \$538,337                 | \$3,006,277        | \$3,544,614 |
| Proportion of the Net OPEB Liability: |                           |                    |             |
| Current Measurement Date              | 0.08538000%               | 0.42224720%        |             |
| Prior Measurement Date                | <u>0.08854700%</u>        | <u>0.41518820%</u> |             |
| Change in Proportionate Share         | <u>-0.00316700%</u>       | <u>0.00705900%</u> |             |
| OPEB Expense                          | (\$1,155,239)             | \$498,304          | (\$656,935) |

At December 31 2023, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | OPERS<br>Traditional Plan | OPF                | Total              |
|--|---------------------------|--------------------|--------------------|
| <u>Deferred Outflows of Resources</u>  |                           |                    |                    |
| Differences between expected and actual experience                               | \$0                       | \$179,396          | \$179,396          |
| Changes in assumptions   | 525,806                   | 1,498,164          | 2,023,970          |
| Net difference between projected and actual earnings on pension plan investments | 1,069,158                 | 257,849            | 1,327,007          |
| Changes in employer proportionate share of net OPEB liability                    | 0                         | 712,810            | 712,810            |
| Contributions subsequent to the measurement date                                 | 0                         | 68,647             | 68,647             |
| Total Deferred Outflows of Resources   | <u>\$1,594,964</u>        | <u>\$2,716,866</u> | <u>\$4,311,830</u> |
| <u>Deferred Inflows of Resources</u>   |                           |                    |                    |
| Differences between expected and actual experience                               | \$134,282                 | \$592,778          | \$727,060          |
| Changes in assumptions   | 43,265                    | 2,458,890          | 2,502,155          |
| Changes in employer proportionate share of net OPEB liability                    | 8,108                     | 20,523             | 28,631             |
| Total Deferred Inflows of Resources  | <u>\$185,655</u>          | <u>\$3,072,191</u> | <u>\$3,257,846</u> |

\$68,647 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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| Year Ending<br>December 31: | OPERS              |                    | Total            |
|-----------------------------|--------------------|--------------------|------------------|
|                             | Traditional Plan   | OPF                |                  |
| 2024                        | \$169,181          | \$211,870          | \$381,051        |
| 2025                        | 390,237            | 209,319            | 599,556          |
| 2026                        | 333,398            | (75,989)           | 257,409          |
| 2027                        | 516,493            | (18,152)           | 498,341          |
| 2028                        | 0                  | (197,997)          | (197,997)        |
| Thereafter                  | 0                  | (553,023)          | (553,023)        |
| <b>Total</b>                | <b>\$1,409,309</b> | <b>(\$423,972)</b> | <b>\$985,337</b> |

**Actuarial Assumptions – OPERS**

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

Projections of health care costs 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 coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

|                                 |  |
|---------------------------------|--|
| Wage Inflation                  | 2.75 percent   |
| Projected Salary Increases,     | 2.75 to 10.75 percent<br>including wage inflation      |
| Single Discount Rate            | 5.22 percent   |
| Prior Year Single Discount Rate | 6.00 percent   |
| Investment Rate of Return       | 6.00 percent   |
| Municipal Bond Rate             | 4.05 percent   |
| Prior Year Municipal Bond Rate  | 1.84 percent   |
| Health Care Cost Trend Rate     | 5.5 percent, initial<br>3.50 percent, ultimate in 2036 |
| Actuarial Cost Method           | Individual Entry Age                                   |

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

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The most recent experience study was completed for the five year period ended December 31, 2020.

During 2022, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 15.6 percent for 2022.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2022, these best estimates are summarized in the following table:

| Asset Class                  | Target Allocation | Weighted Average Long-Term Expected Real Rate of Return (Geometric) |
|------------------------------|-------------------|---|
| Fixed Income                 | 34.00%            | 2.56%   |
| Domestic Equities            | 26.00             | 4.60  |
| Real Estate Investment Trust | 7.00              | 4.70  |
| International Equities       | 25.00             | 5.51  |
| Risk Parity                  | 2.00              | 4.37  |
| Other investments            | 6.00              | 1.84  |
| Total                        | 100.00%           |   |

***Discount Rate***

A single discount rate of 5.22 percent was used to measure the OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond



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rate of 4.05 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

***Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate***

The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 5.22 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (4.22 percent) or one-percentage-point higher (6.22 percent) than the current rate:

|   | 1% Decrease<br>(4.22%) | Current<br>Discount Rate<br>(5.22%) | 1% Increase<br>(6.22%) |
|---|------------------------|-------------------------------------|------------------------|
| Proportionate share of the net OPEB Liability | \$1,832,255            | \$538,337                           | (\$529,356)            |

***Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate***

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net liability or asset calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

|   | 1% Decrease | Current Health Care<br>Cost Trend Rate<br>Assumption | 1% Increase |
|---|-------------|--|-------------|
| Proportionate share of the net OPEB liability | \$504,596   | \$538,337  | \$576,315   |

***Actuarial Assumptions – OP&F***

OP&F’s total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include

**City of Fairfield, Ohio**  
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assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

|   |   |
|---|---|
| Valuation Date                          | January 1, 2022, with actuarial liabilities rolled forward to December 31, 2022 |
| Actuarial Cost Method                   | Entry Age Normal  |
| Investment Rate of Return               | 7.5 percent   |
| Projected Salary Increases              | 3.75 percent to 10.5 percent  |
| Payroll Growth                          | 3.25 percent  |
| Blended discount rate:                  |   |
| Current measurement date                | 4.27 percent  |
| Prior measurement date                  | 2.84 percent  |
| Cost of Living Adjustments              | 2.2 percent simple per year   |
| Projected Depletion Year of OPEB Assets | 2036  |

For 2022, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

**City of Fairfield, Ohio**  
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For 2021, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

For 2021, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

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

The most recent experience study was completed for the five year period ended December 31, 2021.

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

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

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| Asset Class                     | Target Allocation | Long-Term Expected Real Rate of Return |
|---------------------------------|-------------------|--|
| Domestic Equity                 | 18.60 %           | 4.80 %                                 |
| Non-US Equity                   | 12.40             | 5.50                                   |
| Private Markets                 | 10.00             | 7.90                                   |
| Core Fixed Income *             | 25.00             | 2.50                                   |
| High Yield Fixed Income         | 7.00              | 4.40                                   |
| Private Credit                  | 5.00              | 5.90                                   |
| U.S. Inflation Linked Bonds*    | 15.00             | 2.00                                   |
| Midstream Energy Infrastructure | 5.00              | 5.90                                   |
| Real Assets                     | 8.00              | 5.90                                   |
| Gold                            | 5.00              | 3.60                                   |
| Private Real Estate             | 12.00             | 5.30                                   |
| Commodities                     | 2.00              | 3.60                                   |
| Total                           | 125.00 %          |  |

Note: Assumptions are geometric.

\* Levered 2.5x

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

**Discount Rate**

For 2022, the total OPEB liability was calculated using the discount rate of 4.27 percent. For 2021, the total OPEB liability was calculated using the discount rate of 2.84 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, for 2022, the long-term assumed rate of return on investments of 7.50 percent was applied to periods before December 31, 2035, and the Municipal Bond Index Rate of 3.65 percent was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27 percent. For 2021, a municipal bond rate of 2.05 percent at December 31, 2021, was blended with the long-term rate of 7.5 which resulted in a blended discount rate of 2.84. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

**Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.27 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 (3.27 percent), or one percentage point higher (5.27 percent) than the current rate.

|   | 1% Decrease<br>(3.27%) | Current<br>Discount Rate<br>(4.27%) | 1% Increase<br>(5.27%) |
|---|------------------------|-------------------------------------|------------------------|
| Proportionate share of the net OPEB liability | \$3,701,949            | \$3,006,277                         | \$2,418,953            |

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**Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate**

The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

**Note 14 – Construction and Other Commitments**

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The City had the following outstanding commitments at year end:

| <u>Project</u>                        | <u>Spent-to-date</u> | <u>Commitment<br/>Remaining</u> |
|---------------------------------------|----------------------|---------------------------------|
| Port Union Water Tower                | \$4,698,971          | \$786,480                       |
| Harbin Park Renovations               | 621,983              | 3,376,175                       |
| Raw Water Supply Well Installation    | 423,368              | 683,696                         |
| Aeration System Improvements          | 206,902              | 6,509,398                       |
| Bruton Parish Way Culvert Replacement | 5,300                | 314,302                         |
| Total                                 | <u>\$5,956,524</u>   | <u>\$11,670,051</u>             |

The City 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 City’s commitments for encumbrances were as follows:

| <u>Fund</u>        | <u>Amount</u>       |
|--------------------|---------------------|
| General            | \$784,466           |
| Fire Levy          | 12,501              |
| Street Improvement | 922,508             |
| Water Utility      | 2,016,833           |
| Sewer Utility      | 7,775,918           |
| Nonmajor Funds     | <u>11,975,109</u>   |
| Total              | <u>\$23,487,335</u> |

**Note 15 – Contingent Liabilities**

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**Litigation**

The City management is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**Federal and State Grants**

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2023, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to

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the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**Note 16 – Interfund Activity**

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Transfers in and out for the year end, consisted of the following:

|                          | Transfers           |                     |
|--------------------------|---------------------|---------------------|
|                          | In                  | Out                 |
| Major Funds:             |                     |                     |
| General                  | \$0                 | \$10,569,652        |
| Street Improvement       | 785,896             | 0                   |
| Other Governmental Funds | 8,928,756           | 0                   |
| Other Enterprise Funds   | 350,000             | 0                   |
| Internal Service Funds   | 505,000             | 0                   |
| Totals                   | <u>\$10,569,652</u> | <u>\$10,569,652</u> |

The General Fund transfers amounts to other funds to cover street maintenance, state highway, recreation, debt service, municipal garage, and other programs throughout the City. The transfers were also used to pay for capital improvement projects and construction of capital assets.

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

**Note 17 – Lease – Lessor Disclosure**

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The City collectively (the “lessor”) entered into an agreement to lease building space and multiple agreements for cell tower space/land. The lease receivable is measured at the present value of the future minimum lease payments expected to be received during the lease term at various discounted rates.

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Details of each lease are presented below:

The lease for Lane Public Library (building space) was as follows:

| <u>Lease Year</u> | <u>Annual Rent</u> |
|-------------------|--------------------|
| 2024              | \$45,981           |
| 2025              | 47,161             |
| 2026              | 48,372             |
| 2027              | 49,615             |
| 2028              | 50,889             |
| 2029-2031         | 142,184            |
|                   | <u>\$384,202</u>   |

The leases for AT&T, Crown Castle/T-Mobile, T-Mobile, American Tower and Verizon (cell tower space/land) was as follows:

| <u>Lease Year</u> | Crown Castle/               |                             |                                   |                                   |                                   |                            | <u>Total Annual Rent</u> |
|-------------------|-----------------------------|-----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------|--------------------------|
|                   | <u>AT&amp;T Annual Rent</u> | <u>T-Mobile Annual Rent</u> | <u>T-Mobile (B-5) Annual Rent</u> | <u>T-Mobile (B-7) Annual Rent</u> | <u>American Tower Annual Rent</u> | <u>Verizon Annual Rent</u> |                          |
| 2024              | \$11,947                    | \$12,811                    | \$15,451                          | \$4,226                           | \$5,240                           | \$13,378                   | \$63,053                 |
| 2025              | 12,254                      | 13,140                      | 15,848                            | 4,458                             | 5,527                             | 13,406                     | 64,633                   |
| 2026              | 12,568                      | 13,477                      | 16,255                            | 4,702                             | 5,830                             | 13,435                     | 66,267                   |
| 2027              | 12,891                      | 13,823                      | 16,672                            | 4,960                             | 6,150                             | 13,463                     | 67,959                   |
| 2028              | 13,222                      | 14,178                      | 17,100                            | 8,005                             | 8,471                             | 13,492                     | 74,468                   |
| 2029-2033         | 71,381                      | 76,543                      | 92,317                            | 50,154                            | 52,029                            | 67,887                     | 410,311                  |
| 2034-2038         | 81,029                      | 49,342                      | 82,760                            | 82,810                            | 80,332                            | 68,608                     | 444,881                  |
| 2039-2043         | 87,100                      | 0                           | 0                                 | 127,183                           | 102,857                           | 69,337                     | 386,477                  |
| 2044-2047         | 0                           | 0                           | 0                                 | 142,370                           | 0                                 | 13,956                     | 156,326                  |
|                   | <u>\$302,392</u>            | <u>\$193,314</u>            | <u>\$256,403</u>                  | <u>\$428,868</u>                  | <u>\$266,436</u>                  | <u>\$286,962</u>           | <u>\$1,734,375</u>       |

The City recognized \$174,435 in lease revenues and \$64,941 interest revenues from lease activity for 2023.

**Note 18 – Joint Ventures**

West Chester Township, the City of Fairfield, and the City of Springdale contracted to create the West Chester Township Joint Economic Development District (JEDD) for the purpose of facilitating economic development to create jobs and employment opportunities and to improve the economic welfare of the people in the State of Ohio and in the area of the contracting parties through facilitating economic development. The district is comprised of 43 acres located at the northwest corner of Union Centre Boulevard and Cincinnati-Dayton Road in West Chester. For more information and a copy of the financial statements, contact the City of Fairfield.

A 1.0% income tax was enacted for the JEDD. Imposition of tax began on September 15, 2010 and terminates December 31, 2049, with three five year extensions.

The City financial contributions to the JEDD will assist in facilitating the economic development within the District by assisting with marketing of the District.

Distribution of Gross Tax:

- 5% Service Fee for City of Fairfield to collect the income
- 2% Escrow payment for refunds
- 93% Net distribution

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Net Distribution for the first 120 months of the contract:

- 83% West Chester Township
- 7% City of Springdale
- 10% City of Fairfield

Net Distribution after the first 120 months of the contract:

- 90% West Chester Township
- 10% City of Fairfield

Fairfield Township and the City of Fairfield contracted to create the Fairfield Township Joint Economic Development District (JEDD), for the purpose of facilitating economic development to create jobs and employment opportunities and improve the economic welfare of the people of the State of Ohio, and in the area of the contracting parties through economic development. The district is comprised of 146 acres, located to the southwest of the intersection of Tylersville Road and Seward Road, and has a 1.5% income tax rate beginning April 22, 2022 (59 acres), and February 27, 2023 (89 acres). For more information and a copy of the financial statements, contact the City of Fairfield.

The City financial contributions to the JEDD will assist in facilitating the economic development within the District by assisting with the marketing of the District.

Distribution of Gross Tax:

- 5% Service Fee for the City of Fairfield to collect the income
- 2% Escrow payment for refunds
- 93% Net Distribution

Net Distribution:

- 75% Fairfield Township
- 25% City of Fairfield

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**Note 19 – Accountability**

**Accountability**

The following individual funds had deficit fund balances at year end:

|                  |           |
|------------------|-----------|
| Municipal Garage | \$604,683 |
|------------------|-----------|

The deficits in fund balances were primarily due to accrual in GAAP. The general fund is liable for any deficit in these funds and will provide transfers when cash is required not when accruals occur.

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**Note 20 – Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:



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| Fund Balances                              | General             | Fire Levy          | Street Improvement  | Other Governmental Funds | Total               |
|--|---------------------|--------------------|---------------------|--------------------------|---------------------|
| Restricted for:                            |                     |                    |                     |                          |                     |
| Street Improvements                        | \$0                 | \$0                | \$12,630,166        | \$4,279,830              | \$16,909,996        |
| County Motor Vehicle Registration          | 0                   | 0                  | 0                   | 180,074                  | 180,074             |
| Probation Services                         | 0                   | 0                  | 0                   | 2,560,008                | 2,560,008           |
| Court Computer                             | 0                   | 0                  | 0                   | 1,017,294                | 1,017,294           |
| Special Projects                           | 0                   | 0                  | 0                   | 266,592                  | 266,592             |
| Mediation Services                         | 0                   | 0                  | 0                   | 903,632                  | 903,632             |
| Tax Recreation                             | 0                   | 0                  | 0                   | 31,642                   | 31,642              |
| Law Enforcement                            | 0                   | 0                  | 0                   | 373,768                  | 373,768             |
| Drug and Alcohol Treatment                 | 0                   | 0                  | 0                   | 185,517                  | 185,517             |
| Capital Improvements                       | 0                   | 0                  | 0                   | 5,893,231                | 5,893,231           |
| TIF Monies                                 | 0                   | 0                  | 0                   | 411,952                  | 411,952             |
| Debt Service                               | 0                   | 0                  | 0                   | 1,853,662                | 1,853,662           |
| Flood Protection                           | 0                   | 0                  | 0                   | 10,190                   | 10,190              |
| Park Development                           | 0                   | 0                  | 0                   | 7,798,426                | 7,798,426           |
| State Issue I                              | 0                   | 0                  | 0                   | 46,591                   | 46,591              |
| Municipal Motor Vehicle Registration       | 0                   | 0                  | 0                   | 418,729                  | 418,729             |
| OneOhio Opioid Settlement                  | 0                   | 0                  | 0                   | 137,195                  | 137,195             |
| Fire Levy                                  | 0                   | 4,188,553          | 0                   | 0                        | 4,188,553           |
| Indigent Driver Interlock                  | 0                   | 0                  | 0                   | 540,744                  | 540,744             |
| <b>Total Restricted</b>                    | <b>0</b>            | <b>4,188,553</b>   | <b>12,630,166</b>   | <b>26,909,077</b>        | <b>43,727,796</b>   |
| Assigned to:                               |                     |                    |                     |                          |                     |
| Debt Service                               | 0                   | 0                  | 0                   | 4,284                    | 4,284               |
| Downtown Development                       | 0                   | 0                  | 0                   | 36,373                   | 36,373              |
| Active Transportation and Capital Projects | 0                   | 0                  | 0                   | 3,003,158                | 3,003,158           |
| Transformative Economic                    | 0                   | 0                  | 0                   | 4,336,252                | 4,336,252           |
| Purchases on Order                         | 469,977             | 0                  | 0                   | 0                        | 469,977             |
| <b>Total Assigned</b>                      | <b>469,977</b>      | <b>0</b>           | <b>0</b>            | <b>7,380,067</b>         | <b>7,850,044</b>    |
| Unassigned (Deficit)                       | 32,473,951          | 0                  | 0                   | 0                        | 32,473,951          |
| <b>Total Fund Balance</b>                  | <b>\$32,943,928</b> | <b>\$4,188,553</b> | <b>\$12,630,166</b> | <b>\$34,289,144</b>      | <b>\$84,051,791</b> |

Purchases on order will be used for functions of the general government, safety of residences, recreational activities, economic development projects, and purchases of capital items for the City.

**Note 21 – Tax Abatements**

As of December 31, 2023, the City provides tax abatements through the Community Reinvestment Area (CRA) and the Ohio Enterprise Zone Areas:

The Ohio Community Reinvestment Area program with is an economic development tool administered by the City that provides real property tax exemptions for property owners who renovate existing or construct new buildings. Under Ohio Revised Code section 3765 to 3735.70, city, village or county can petition the Ohio Department of Development to confirm that investment in a particular geographical area. Once the Department has confirmed the investment in the area, the community may offer real estate tax exemptions to taxpayers who are willing to invest in the area. Up to 12 years may be exempt for commercial and industrial remodeling and up to 15 years may be exempt for new construction. State law requires reimbursement agreements with school districts for tax revenue losses for CRA in place after 1994. It is the City’s policy to have reimbursement agreements with school districts for any CRA prior to 1994. Payments in lieu of taxes paid by the property owner directly to the school districts as required by the agreement are not reduced from the total amount of taxes abated.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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The Ohio Enterprise Zone Areas are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investments. EZAs are not part of the traditional zoning program, which limits the use of land, instead they allow local officials to negotiate with businesses to encourage new business investment in the zone. The EZA serves as an additional economic development tool for communities attempting to retain and expand their economic base. The EZA is a contract between the City and the company. The zone's geographic area is identified by the local communities involved in the creation of the zone. Once a zone is defined, the local legislative authority participating in the creation must petition the director of the Development Services Agency. The director must then certify the area for it to become an active Enterprise Zone. Tax incentives are negotiated at the local level, and an enterprise zone agreement must be in place before the project begins. Businesses interested in pursuing these incentives should contact the local Enterprise Zone Manager.

| Tax Abatement Programs      | City's Share<br>of Taxes<br>Abated |
|-----------------------------|------------------------------------|
| Community Reinvestment Area | \$167,623                          |

The abatements will be terminated if the property is deemed delinquent, behind on payments, or the terms and conditions of the CRA or EZA are not adhered to and no recapture provisions noted.

**Note 21 – Implementations of new Accounting Principles**

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For fiscal year 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, GASB Statement No. 96, Subscription-Based Information Technology Arrangements.

GASB Statement No. 94 sets out to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. The implementation of GASB Statement No. 94 did not have an effect on the financial statements of the City.

GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

**City of Fairfield, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended December 31, 2023**

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*Effect on Previously Reported Net Position* The implementation of the GASB 96 pronouncement had no net effect on the net position as reported at December 31, 2022:

|  | Governmental<br>Activities  |
|--|-----------------------------|
| Net Position, December 31, 2022          | <u>\$120,163,680</u>        |
| Adjustments-Presentation Changes:        |                             |
| SBITA Asset                              | 462,607                     |
| SBITA Liability                          | <u>(462,607)</u>            |
| Restated Net Position, December 31, 2022 | <u><u>\$120,163,680</u></u> |

***REQUIRED SUPPLEMENTARY INFORMATION***

City of Fairfield, Ohio  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share  
 of the Net Pension Liability  
 Ohio Public Employees Retirement System - Traditional Plan  
 Last Ten Fiscal Years

|  | 2023         | 2022         | 2021         | 2020         | 2019         |
|--|--------------|--------------|--------------|--------------|--------------|
| City's Proportion of the Net Pension Liability   | 0.08333400%  | 0.08576400%  | 0.08615800%  | 0.09144400%  | 0.09202500%  |
| City's Proportionate Share of the Net Pension Liability  | \$24,616,900 | \$7,461,815  | \$12,758,124 | \$18,074,527 | \$25,203,781 |
| City's Covered Payroll   | \$12,916,164 | \$12,378,464 | \$12,200,179 | \$12,865,186 | \$12,429,671 |
| City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 190.59%      | 60.28%       | 104.57%      | 140.49%      | 202.77%      |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                     | 75.74%       | 92.62%       | 86.88%       | 82.17%       | 74.70%       |

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.  
 See accompanying notes to the required supplementary information.

| 2018         | 2017         | 2016         | 2015         | 2014         |
|--------------|--------------|--------------|--------------|--------------|
| 0.09437100%  | 0.09178900%  | 0.09411200%  | 0.09360400%  | 0.09360400%  |
| \$14,804,980 | \$20,843,721 | \$16,301,385 | \$11,289,688 | \$11,034,692 |
| \$12,472,869 | \$11,859,208 | \$14,007,367 | \$11,513,875 | \$13,291,146 |
| 118.70%      | 175.76%      | 116.38%      | 98.05%       | 83.02%       |
| 84.66%       | 77.25%       | 81.08%       | 86.45%       | 86.36%       |

City of Fairfield, Ohio  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share  
 of the Net Pension Liability  
 Ohio Police and Fire Pension Fund  
 Last Ten Fiscal Years

|  | 2023         | 2022         | 2021         | 2020         | 2019         |
|--|--------------|--------------|--------------|--------------|--------------|
| City's Proportion of the Net Pension Liability   | 0.42224720%  | 0.41518820%  | 0.37601090%  | 0.37596610%  | 0.38235400%  |
| City's Proportionate Share of the Net Pension Liability  | \$40,109,391 | \$25,938,557 | \$25,633,001 | \$25,327,085 | \$31,210,190 |
| City's Covered Payroll   | \$10,478,561 | \$10,526,021 | \$9,449,453  | \$8,871,448  | \$9,479,421  |
| City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 382.78%      | 246.42%      | 271.26%      | 285.49%      | 329.24%      |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                     | 62.90%       | 75.03%       | 70.65%       | 69.89%       | 63.07%       |

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.  
 See accompanying notes to the required supplementary information.

| 2018         | 2017         | 2016         | 2015         | 2014         |
|--------------|--------------|--------------|--------------|--------------|
| 0.37500000%  | 0.34855900%  | 0.35860500%  | 0.35010860%  | 0.35010860%  |
| \$23,015,444 | \$22,077,377 | \$23,069,311 | \$18,137,085 | \$17,051,388 |
| \$8,719,700  | \$8,314,016  | \$7,832,215  | \$7,196,375  | \$8,559,063  |
| 263.95%      | 265.54%      | 294.54%      | 252.03%      | 199.22%      |
| 70.91%       | 68.36%       | 66.77%       | 72.20%       | 73.00%       |



City of Fairfield, Ohio  
 Required Supplementary Information  
 Schedule of City's Contributions  
 for Net Pension Liability  
 Ohio Public Employees Retirement System - Traditional Plan  
 Last Ten Fiscal Years

|   | 2023               | 2022               | 2021               | 2020               | 2019               |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Contractually Required Contribution                                     | \$1,886,483        | \$1,808,263        | \$1,732,985        | \$1,708,025        | \$1,801,126        |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(1,886,483)</u> | <u>(1,808,263)</u> | <u>(1,732,985)</u> | <u>(1,708,025)</u> | <u>(1,801,126)</u> |
| Contribution Deficiency (Excess)  | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         |
| City's Covered Payroll  | \$13,474,879       | \$12,916,164       | \$12,378,464       | \$12,200,179       | \$12,865,186       |
| Contributions as a Percentage of<br>Covered Payroll                     | 14.00%             | 14.00%             | 14.00%             | 14.00%             | 14.00%             |

Note:

See accompanying notes to the required supplementary information.

| 2018         | 2017         | 2016         | 2015         | 2014         |
|--------------|--------------|--------------|--------------|--------------|
| \$1,740,154  | \$1,621,473  | \$1,423,105  | \$1,680,884  | \$1,381,665  |
| (1,740,154)  | (1,621,473)  | (1,423,105)  | (1,680,884)  | (1,381,665)  |
| \$0          | \$0          | \$0          | \$0          | \$0          |
| \$12,429,671 | \$12,472,869 | \$11,859,208 | \$14,007,367 | \$11,513,875 |
| 14.00%       | 13.00%       | 12.00%       | 12.00%       | 12.00%       |

City of Fairfield, Ohio  
 Required Supplementary Information  
 Schedule of City's Contributions  
 for Net Pension Liability  
 Ohio Police and Fire Pension Fund  
 Last Ten Fiscal Years

|   | <u>2023</u>        | <u>2022</u>        | <u>2021</u>        | <u>2020</u>        | <u>2019</u>        |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Contractually Required Contribution                                     | \$2,901,900        | \$2,196,645        | \$2,232,569        | \$2,002,339        | \$1,874,537        |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(2,901,900)</u> | <u>(2,196,645)</u> | <u>(2,232,569)</u> | <u>(2,002,339)</u> | <u>(1,874,537)</u> |
| Contribution Deficiency (Excess)  | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         | <u>\$0</u>         |
| City's Covered Payroll  | \$13,729,587       | \$10,478,561       | \$10,526,021       | \$9,449,453        | \$8,871,448        |
| Contributions as a Percentage of<br>Covered Payroll                     | 21.14%             | 20.96%             | 21.21%             | 21.19%             | 21.13%             |

Note:

See accompanying notes to the required supplementary information.

| 2018        | 2017        | 2016        | 2015        | 2014        |
|-------------|-------------|-------------|-------------|-------------|
| \$1,801,090 | \$1,656,743 | \$1,579,663 | \$1,573,492 | \$1,465,182 |
| (1,801,090) | (1,656,743) | (1,579,663) | (1,573,492) | (1,465,182) |
| \$0         | \$0         | \$0         | \$0         | \$0         |
| \$9,479,421 | \$8,719,700 | \$8,314,016 | \$7,832,215 | \$7,196,375 |
| 19.00%      | 19.00%      | 19.00%      | 20.09%      | 20.36%      |

City of Fairfield, Ohio  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share  
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability (Asset)  
 Ohio Public Employees Retirement System - Traditional Plan  
 Last Seven Fiscal Years (1)

|   | 2023         | 2022          | 2021          | 2020         | 2019         |
|---|--------------|---------------|---------------|--------------|--------------|
| City's Proportion of the Net OPEB Liability (Asset)   | 0.08538000%  | 0.08854700%   | 0.08959700%   | 0.09492800%  | 0.09575000%  |
| City's Proportionate Share of the Net OPEB Liability (Asset)  | \$538,337    | (\$2,773,428) | (\$1,596,242) | \$3,713,692  | \$12,483,539 |
| City's Covered Payroll  | \$12,916,164 | \$12,378,464  | \$12,200,179  | \$12,865,186 | \$12,429,671 |
| City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll | 4.17%        | -22.41%       | -13.08%       | 28.87%       | 100.43%      |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)                     | 94.79%       | 115.57%       | 115.57%       | 47.80%       | 46.33%       |

(1 The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

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| 2018         | 2017         |
|--------------|--------------|
| 0.09893000%  | 0.09633508%  |
| \$10,743,069 | \$9,730,170  |
| \$12,472,869 | \$11,859,208 |
| 86.13%       | 82.05%       |
| 54.14%       | 54.04%       |

City of Fairfield, Ohio  
 Required Supplementary Information  
 Schedule of the City's Proportionate Share  
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability  
 Ohio Police and Fire Pension Fund  
 Last Seven Fiscal Years (1)

|   | 2023         | 2022         | 2021        | 2020        | 2019        |
|---|--------------|--------------|-------------|-------------|-------------|
| City's Proportion of the Net OPEB Liability   | 0.42224720%  | 0.41518820%  | 0.37601090% | 0.37596610% | 0.38235400% |
| City's Proportionate Share of the Net OPEB Liability  | \$3,006,277  | \$4,550,820  | \$3,983,897 | \$3,713,692 | \$3,481,920 |
| City's Covered Payroll  | \$10,478,561 | \$10,526,021 | \$9,449,453 | \$8,871,448 | \$9,479,421 |
| City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll | 28.69%       | 43.23%       | 42.16%      | 41.86%      | 36.73%      |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability                     | 52.60%       | 46.90%       | 45.42%      | 47.10%      | 46.57%      |

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note:

Amounts presented as of the City's measurement date which is the prior fiscal year end.  
 See accompanying notes to the required supplementary information.

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| 2018         | 2017         |
|--------------|--------------|
| 0.37500000%  | 0.34855900%  |
| \$21,246,975 | \$16,545,312 |
| \$8,719,700  | \$8,314,016  |
| 243.67%      | 199.01%      |
| 14.13%       | 15.96%       |



City of Fairfield, Ohio  
 Required Supplementary Information  
 Schedule of City's Contributions to  
 Postemployment Benefits Other Than Pension (OPEB)  
 Ohio Public Employees Retirement System - Traditional Plan  
 Last Eight Fiscal Years (1)

|   | 2023         | 2022         | 2021         | 2020         | 2019         |
|---|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution to OPEB                                     | \$0          | \$0          | \$0          | \$0          | \$0          |
| Contributions to OPEB in Relation to the<br>Contractually Required Contribution | 0            | 0            | 0            | 0            | 0            |
| Contribution Deficiency (Excess)  | \$0          | \$0          | \$0          | \$0          | \$0          |
| City's Covered Payroll  | \$13,474,879 | \$12,916,164 | \$12,378,464 | \$12,200,179 | \$12,865,186 |
| Contributions to OPEB as a Percentage of<br>Covered Payroll                     | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        |

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

| 2018         | 2017         | 2016         |
|--------------|--------------|--------------|
| \$0          | \$158,493    | \$206,425    |
| 0            | (158,493)    | (206,425)    |
| \$0          | \$0          | \$0          |
| \$12,429,671 | \$12,472,869 | \$11,859,208 |
| 0.00%        | 1.27%        | 1.74%        |

City of Fairfield, Ohio  
 Required Supplementary Information  
 Schedule of City's Contributions to  
 Postemployment Benefits Other Than Pension (OPEB)  
 Ohio Police and Fire Pension Fund  
 Last Eight Fiscal Years (1)

|   | 2023         | 2022         | 2021         | 2020        | 2019        |
|---|--------------|--------------|--------------|-------------|-------------|
| Contractually Required Contribution to OPEB                                     | \$68,647     | \$52,393     | \$53,331     | \$48,315    | \$45,399    |
| Contributions to OPEB in Relation to the<br>Contractually Required Contribution | (68,647)     | (52,393)     | (53,331)     | (48,315)    | (45,399)    |
| Contribution Deficiency (Excess)  | <u>\$0</u>   | <u>\$0</u>   | <u>\$0</u>   | <u>\$0</u>  | <u>\$0</u>  |
| City's Covered Payroll  | \$13,729,587 | \$10,478,561 | \$10,526,021 | \$9,449,453 | \$8,871,448 |
| Contributions to OPEB as a Percentage of<br>Covered Payroll                     | 0.50%        | 0.50%        | 0.51%        | 0.51%       | 0.51%       |

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

Note:

See accompanying notes to the required supplementary information.

| 2018        | 2017        | 2016        |
|-------------|-------------|-------------|
| \$43,704    | \$41,290    | \$38,147    |
| (43,704)    | (41,290)    | (38,147)    |
| \$0         | \$0         | \$0         |
| \$9,479,421 | \$8,719,700 | \$8,314,016 |
| 0.46%       | 0.47%       | 0.46%       |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | General Fund      |                   |                   |                            |
|---|-------------------|-------------------|-------------------|----------------------------|
|   | Original Budget   | Final Budget      | Actual            | Variance from Final Budget |
| Revenues:                                 |                   |                   |                   |                            |
| Taxes                                     | \$31,525,025      | \$35,725,075      | \$35,608,237      | (\$116,838)                |
| Licenses & Permits                        | 309,750           | 734,750           | 830,564           | 95,814                     |
| Intergovernmental                         | 1,009,550         | 1,944,550         | 2,007,472         | 62,922                     |
| Charges for Services                      | 959,850           | 1,174,850         | 1,123,146         | (51,704)                   |
| Court Costs & Fines                       | 896,500           | 1,171,500         | 1,273,691         | 102,191                    |
| Special Assessments                       | 40,000            | 40,000            | 68,417            | 28,417                     |
| Investment Earnings                       | 90,000            | 1,440,000         | 1,423,040         | (16,960)                   |
| Other Revenues                            | 1,339,538         | 1,339,538         | 1,671,248         | 331,710                    |
| <b>Total Revenues</b>                     | <b>36,170,213</b> | <b>43,570,263</b> | <b>44,005,815</b> | <b>435,552</b>             |
| Expenditures:                             |                   |                   |                   |                            |
| Current:                                  |                   |                   |                   |                            |
| <u>General Government</u>                 |                   |                   |                   |                            |
| City Council                              |                   |                   |                   |                            |
| Personnel Related                         | 207,706           | 207,706           | 207,002           | 704                        |
| Other                                     | 24,375            | 24,375            | 22,541            | 1,834                      |
| Total City Council                        | 232,081           | 232,081           | 229,543           | 2,538                      |
| Mayor                                     |                   |                   |                   |                            |
| Personnel Related                         | 11,324            | 11,324            | 11,187            | 137                        |
| Other                                     | 10,620            | 10,620            | 7,595             | 3,025                      |
| Total Mayor                               | 21,944            | 21,944            | 18,782            | 3,162                      |
| Administration                            |                   |                   |                   |                            |
| Personnel Related                         | 619,059           | 619,059           | 611,776           | 7,283                      |
| Other                                     | 38,597            | 38,597            | 35,260            | 3,337                      |
| Total Administration                      | 657,656           | 657,656           | 647,035           | 10,621                     |
| General Services                          |                   |                   |                   |                            |
| Personnel Related                         | 68,778            | 68,307            | 50,863            | 17,444                     |
| Other                                     | 365,653           | 4,883,734         | 4,431,509         | 452,225                    |
| Total General Services                    | 434,430           | 4,952,041         | 4,482,372         | 469,669                    |
| Law                                       |                   |                   |                   |                            |
| Personnel Related                         | 500               | 500               | 252               | 248                        |
| Other                                     | 233,600           | 613,600           | 613,577           | 23                         |
| Total Law                                 | 234,100           | 614,100           | 613,829           | 271                        |
| Human Resources                           |                   |                   |                   |                            |
| Personnel Related                         | 267,487           | 312,487           | 310,661           | 1,826                      |
| Other                                     | 163,208           | 155,439           | 104,828           | 50,611                     |
| Total Human Resources                     | 430,695           | 467,926           | 415,490           | 52,436                     |
| Finance Administration & Accounting       |                   |                   |                   |                            |
| Personnel Related                         | 715,827           | 715,827           | 661,147           | 54,680                     |
| Other                                     | 35,578            | 35,557            | 26,196            | 9,361                      |
| Total Finance Administration & Accounting | 751,405           | 751,384           | 687,343           | 64,042                     |
| Income Tax                                |                   |                   |                   |                            |
| Personnel Related                         | 639,071           | 639,071           | 608,942           | 30,129                     |
| Other                                     | 55,228            | 120,169           | 113,752           | 6,417                      |
| Total Income Tax                          | 694,299           | 759,240           | 722,693           | 36,547                     |

Continued

City of Fairfield, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2023

|                                       | General Fund    |              |            |                            |
|---------------------------------------|-----------------|--------------|------------|----------------------------|
|                                       | Original Budget | Final Budget | Actual     | Variance from Final Budget |
| Information Technology                |                 |              |            |                            |
| Personnel Related                     | 589,753         | 589,753      | 557,559    | 32,194                     |
| Other                                 | 98,726          | 98,726       | 95,094     | 3,632                      |
| Total Information Technology          | 688,479         | 688,479      | 652,653    | 35,826                     |
| Municipal Court                       |                 |              |            |                            |
| Personnel Related                     | 1,617,905       | 1,617,905    | 1,498,750  | 119,155                    |
| Other                                 | 221,218         | 319,564      | 275,602    | 43,962                     |
| Total Municipal Court                 | 1,839,123       | 1,937,469    | 1,774,352  | 163,117                    |
| Public Works Administration           |                 |              |            |                            |
| Personnel Related                     | 824,824         | 824,824      | 764,033    | 60,791                     |
| Other                                 | 111,252         | 210,280      | 160,337    | 49,943                     |
| Total Public Works Administration     | 936,076         | 1,035,104    | 924,370    | 110,734                    |
| Construction Services                 |                 |              |            |                            |
| Other                                 | 4,852           | 4,822        | 4,822      | 0                          |
| Total Construction Services           | 4,852           | 4,822        | 4,822      | 0                          |
| Municipal Building                    |                 |              |            |                            |
| Personnel Related                     | 237,439         | 252,439      | 250,720    | 1,719                      |
| Other                                 | 234,587         | 234,425      | 190,674    | 43,751                     |
| Total Municipal Building              | 472,026         | 486,864      | 441,394    | 45,470                     |
| Total General Government              | 7,397,165       | 12,609,110   | 11,614,677 | 994,433                    |
| <u>Public Safety</u>                  |                 |              |            |                            |
| Police                                |                 |              |            |                            |
| Personnel Related                     | 13,897,565      | 13,897,565   | 12,074,686 | 1,822,879                  |
| Other                                 | 1,055,735       | 1,153,885    | 994,642    | 159,243                    |
| Total Police                          | 14,953,300      | 15,051,450   | 13,069,329 | 1,982,121                  |
| Justice Center                        |                 |              |            |                            |
| Other                                 | 1,025,452       | 1,363,267    | 1,294,831  | 68,436                     |
| Total Justice Center                  | 1,025,452       | 1,363,267    | 1,294,831  | 68,436                     |
| Total Public Safety                   | 15,978,752      | 16,414,717   | 14,364,160 | 2,050,557                  |
| <u>Community Development</u>          |                 |              |            |                            |
| Planning & Economic Development       |                 |              |            |                            |
| Personnel Related                     | 573,202         | 573,202      | 563,192    | 10,010                     |
| Other                                 | 64,917          | 64,917       | 51,740     | 13,177                     |
| Total Planning & Economic Development | 638,119         | 638,119      | 614,933    | 23,187                     |
| Building & Zoning Inspection          |                 |              |            |                            |
| Personnel Related                     | 818,747         | 818,747      | 798,151    | 20,596                     |
| Other                                 | 99,842          | 107,342      | 82,098     | 25,244                     |
| Total Building & Zoning Inspection    | 918,589         | 926,089      | 880,248    | 45,841                     |
| Total Community Development           | 1,556,708       | 1,564,208    | 1,495,181  | 69,027                     |

Continued

City of Fairfield, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2023

|  | General Fund               |                            |                            |                            |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
|  | Original Budget            | Final Budget               | Actual                     | Variance from Final Budget |
| <u>Leisure Time Activities</u>   |                            |                            |                            |                            |
| Parks & Recreation Administration  |                            |                            |                            |                            |
| Personnel Related  | 1,186,891                  | 1,186,891                  | 1,050,797                  | 136,094                    |
| Other  | <u>637,441</u>             | <u>773,937</u>             | <u>740,374</u>             | <u>33,563</u>              |
| Total Parks & Recreation Administration  | 1,824,332                  | 1,960,828                  | 1,791,171                  | 169,657                    |
| Parks Maintenance Operations   |                            |                            |                            |                            |
| Personnel Related  | 1,091,751                  | 1,091,751                  | 1,041,512                  | 50,239                     |
| Other  | <u>700,782</u>             | <u>783,782</u>             | <u>758,290</u>             | <u>25,492</u>              |
| Total Parks Maintenance Operations   | <u>1,792,533</u>           | <u>1,875,533</u>           | <u>1,799,802</u>           | <u>75,731</u>              |
| Total Leisure Time Activities  | <u>3,616,865</u>           | <u>3,836,361</u>           | <u>3,590,973</u>           | <u>245,388</u>             |
| Capital Outlay   | 0                          | 683,750                    | 683,250                    | 500                        |
| Total Expenditures   | <u>28,549,489</u>          | <u>35,108,146</u>          | <u>31,748,241</u>          | <u>3,359,905</u>           |
| Excess of Revenues Over (Under) Expenditures                                   | <u>7,620,724</u>           | <u>8,462,117</u>           | <u>12,257,573</u>          | <u>3,795,456</u>           |
| Other Financing Sources (uses):  |                            |                            |                            |                            |
| Transfers (Out)  | <u>(1,350,000)</u>         | <u>(11,419,652)</u>        | <u>(10,569,652)</u>        | <u>850,000</u>             |
| Total Other Financing Sources (Uses)   | <u>(1,350,000)</u>         | <u>(11,419,652)</u>        | <u>(10,569,652)</u>        | <u>850,000</u>             |
| Net Change in Fund Balance   | 6,270,724                  | (2,957,535)                | 1,687,921                  | 4,645,456                  |
| Fund Balance Beginning of Year (includes prior year encumbrances appropriated) | <u>28,322,087</u>          | <u>28,322,087</u>          | <u>28,322,087</u>          | <u>0</u>                   |
| Fund Balance End of Year   | <u><u>\$34,592,811</u></u> | <u><u>\$25,364,552</u></u> | <u><u>\$30,010,008</u></u> | <u><u>\$4,645,456</u></u>  |

See accompanying notes to the required supplementary information.

City of Fairfield, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2023

|   | Fire Levy<br>Fund  |                    |                    |                               |
|---|--------------------|--------------------|--------------------|-------------------------------|
|   | Original<br>Budget | Final<br>Budget    | Actual             | Variance from<br>Final Budget |
| <b>Revenues:</b>  |                    |                    |                    |                               |
| Taxes   | \$11,150,000       | \$11,150,000       | \$11,153,287       | \$3,287                       |
| Licenses & Permits  | 5,500              | 5,500              | 5,625              | 125                           |
| Intergovernmental   | 1,139,675          | 1,139,675          | 991,110            | (148,565)                     |
| Charges for Services  | 1,100,000          | 1,525,000          | 1,552,097          | 27,097                        |
| Investment Earnings   | 10,000             | 10,000             | 113,497            | 103,497                       |
| Other Revenues  | 2,000              | 2,000              | 11,142             | 9,142                         |
| <b>Total Revenues</b>   | <b>13,407,175</b>  | <b>13,832,175</b>  | <b>13,826,756</b>  | <b>(5,419)</b>                |
| <b>Expenditures:</b>  |                    |                    |                    |                               |
| Public Safety   |                    |                    |                    |                               |
| Fire Suppression  |                    |                    |                    |                               |
| Personnel Related   | 10,150,434         | 10,290,434         | 9,905,215          | 385,219                       |
| Other   | 1,179,022          | 1,216,630          | 1,212,747          | 3,883                         |
| Total Fire Suppression  | 11,329,456         | 11,507,064         | 11,117,962         | 389,102                       |
| <b>Total Expenditures</b>   | <b>11,329,456</b>  | <b>11,507,064</b>  | <b>11,117,962</b>  | <b>389,102</b>                |
| <b>Net Change in Fund Balance</b>   | <b>2,077,719</b>   | <b>2,325,111</b>   | <b>2,708,794</b>   | <b>383,683</b>                |
| <b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b> | <b>2,192,258</b>   | <b>2,192,258</b>   | <b>2,192,258</b>   | <b>0</b>                      |
| <b>Fund Balance End of Year</b>   | <b>\$4,269,977</b> | <b>\$4,517,369</b> | <b>\$4,901,052</b> | <b>\$383,683</b>              |

See accompanying notes to the required supplementary information.



**City of Fairfield, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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**Note 1 – Budgetary Process**

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All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of 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 amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the department and object level for all funds. The Finance Director, with the approval of the City Manager and respective Department Heads, has been authorized to allocate appropriations to the function and object level within each fund. Council must approve any revisions that alter total fund appropriations.

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

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

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund and fire levy fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General and Fire Levy.

**City of Fairfield, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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**Net Change in Fund Balance**

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|                                     | General     | Fire Levy   |
|-------------------------------------|-------------|-------------|
| GAAP Basis                          | \$3,558,529 | \$2,729,267 |
| Revenue Accruals                    | 1,427,799   | (12,406)    |
| Expenditure Accruals                | (1,895,142) | 4,434       |
| Proceeds of Subscription Based      |             |             |
| Information Technology Arrangements | (618,800)   | 0           |
| Encumbrances                        | (784,465)   | (12,501)    |
| Budget Basis                        | \$1,687,921 | \$2,708,794 |

**Note 2 – Net Pension Liability**

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

**Changes in assumptions:**

2023: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this period.

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date

- Reduction in actuarial assumed rate of return from 7.20% to 6.90%
- Decrease in wage inflation from 3.25% to 2.75%
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%

2021-2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this period.

2019: OPERS Board adopted a change in the investment return assumption, reducing it from 7.50% to 7.20%.

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

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date

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

2016-2014: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

**Changes in benefit terms:**

2023-2014: There were no changes in benefit terms for this period.

**City of Fairfield, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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

**Changes in assumptions:**

2023: Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

- Reduction in actuarial assumed investment rate of return from 8.00% to 7.50%

2021-2019: There have been no OP&F pension plan amendments adopted or changes in assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date.

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

2017-2014: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

**Changes in benefit terms:**

2023-2014: There were no changes in benefit terms for the period.

**Note 3 - Net OPEB Liability (Asset)**

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

**Changes in assumptions:**

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate decreased from 6.00% to 5.22%.
- The municipal bond rate increased from 1.84% to 4.05%.

**City of Fairfield, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The municipal bond rate decreased from 2.00% to 1.84%.
- The initial health care cost trend rate decreased from 8.50% to 5.50%.
- Decrease in wage inflation from 3.25% to 2.75%.
- Change in future salary increases from a range of 3.25%-10.75% to 2.75%-10.75%.

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 3.16% to 6.00%.
- The municipal bond rate decreased from 2.75% to 2.00%.
- The initial health care cost trend rate decreased from 10.50% to 8.50%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate decreased from 3.96% to 3.16%.
- The municipal bond rate decreased from 3.71% to 2.75%.
- The initial health care cost trend rate increased from 10.00% to 10.50%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 3.85% to 3.96%.
- The investment rate of return decreased from 6.50% to 6.00%.
- The municipal bond rate increased from 3.31% to 3.71%.
- The initial health care cost trend rate increased from 7.50% to 10.00%.

2018: The single discount rate changed from 4.23% to 3.85%.

**Changes in Benefit Terms:**

2023: There were no changes in benefit terms for the period.

2022: Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

2021: There were no changes in benefit terms for the period.

2020: On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees.

**City of Fairfield, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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2019-2018: There were no changes in benefit terms for the period.

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

**Changes in assumptions:**

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.84% to 4.27%
- The depletion year of OPEB assets is projected in year 2036
- Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale. Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- The single discount rate changed from 2.96% to 2.84%

2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. The single discount rate changed from 3.56% to 2.96%.

2020: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions. The single discount rate changed from 4.66% to 3.56%.

2019: Beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%. The single discount rate increased from 3.24% to 4.66% and the municipal bond rate from 3.16% to 4.13%.

2018: The single discount rate changed from 3.79% to 3.24%

**City of Fairfield, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended December 31, 2023**

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**Changes in benefit terms:**

2023-2020: There were no changes in benefit terms for the period.

2019: See above regarding change to stipend-based model.

2018: There were no changes in benefit terms for the period.

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***COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES***

## **MAJOR GOVERNMENTAL FUND**

**Street Improvement Fund** - This capital projects fund accounts for the construction and repair of the City's streets. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.



City of Fairfield, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2023

|  | Street<br>Improvement<br>Fund |                            |                               |
|--|-------------------------------|----------------------------|-------------------------------|
|  | Final<br>Budget               | Actual                     | Variance from<br>Final Budget |
| Revenues:  |                               |                            |                               |
| Taxes  | \$4,325,000                   | \$4,190,835                | (\$134,165)                   |
| Intergovernmental  | 3,600,000                     | 3,820,129                  | 220,129                       |
| Investment Earnings  | 275,000                       | 271,002                    | (3,999)                       |
| Other Revenues   | 425,000                       | 417,859                    | (7,141)                       |
| Total Revenues   | <u>8,625,000</u>              | <u>8,699,825</u>           | <u>74,825</u>                 |
| Expenditures:  |                               |                            |                               |
| Capital Outlay   | <u>11,015,477</u>             | <u>10,113,517</u>          | <u>901,960</u>                |
| Total Expenditures   | <u>11,015,477</u>             | <u>10,113,517</u>          | <u>901,960</u>                |
| Excess of Revenues Over (Under) Expenditures                                   | <u>(2,390,477)</u>            | <u>(1,413,693)</u>         | <u>976,784</u>                |
| Other Financing Sources (uses):  |                               |                            |                               |
| Transfers In   | 1,375,000                     | 1,357,326                  | (17,674)                      |
| Transfers (Out)  | <u>(568,096)</u>              | <u>(568,096)</u>           | <u>0</u>                      |
| Total Other Financing Sources (Uses)   | <u>806,904</u>                | <u>789,230</u>             | <u>(17,674)</u>               |
| Net Change in Fund Balance   | (1,583,573)                   | (624,463)                  | 959,110                       |
| Fund Balance Beginning of Year (includes prior year encumbrances appropriated) | <u>11,723,206</u>             | <u>11,723,206</u>          | <u>0</u>                      |
| Fund Balance End of Year   | <u><u>\$10,139,633</u></u>    | <u><u>\$11,098,743</u></u> | <u><u>\$959,110</u></u>       |

## **NONMAJOR GOVERNMENTAL FUNDS**

### **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 specified 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.

### **Debt Service Funds**

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

### **Capital Projects Funds**

Capital Projects 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 projects 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.

City of Fairfield, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2023

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Funds | Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---|--------------------------------------|--|--|
| <b>Assets:</b>   |   |                                      |  |  |
| Equity in Pooled Cash and Investments                        | \$16,673,095                            | \$1,857,524                          | \$21,548,368                             | \$40,078,987                               |
| Receivables (Net):   |   |                                      |  |  |
| Taxes  | 0                                       | 0                                    | 1,172,151                                | 1,172,151                                  |
| Interest   | 5,145                                   | 2,918                                | 7,835                                    | 15,898                                     |
| Intergovernmental  | 1,671,231                               | 239,307                              | 264,600                                  | 2,175,138                                  |
| <b>Total Assets</b>  | <b>18,349,471</b>                       | <b>2,099,749</b>                     | <b>22,992,954</b>                        | <b>43,442,174</b>                          |
| <b>Liabilities:</b>  |   |                                      |  |  |
| Accounts Payable   | 598,968                                 | 0                                    | 0  | 598,968                                    |
| Accrued Wages and Benefits                                   | 116,845                                 | 0                                    | 0  | 116,845                                    |
| Contracts Payable  | 0                                       | 0                                    | 919,027                                  | 919,027                                    |
| Retainage Payable  | 90,753                                  | 0                                    | 115,173                                  | 205,926                                    |
| Claims Payable   | 719                                     | 0                                    | 0  | 719  |
| Unearned Revenue   | 4,822,618                               | 0                                    | 0  | 4,822,618                                  |
| <b>Total Liabilities</b>                                     | <b>5,629,903</b>                        | <b>0</b>                             | <b>1,034,200</b>                         | <b>6,664,103</b>                           |
| <b>Deferred Inflows of Resources:</b>                        |   |                                      |  |  |
| Income Taxes   | 0                                       | 0                                    | 827,831                                  | 827,831                                    |
| Grants and Other Taxes                                       | 1,408,190                               | 239,307                              | 0  | 1,647,497                                  |
| Unavailable Revenue  | 4,401                                   | 2,496                                | 6,702                                    | 13,599                                     |
| <b>Total Deferred Inflows of Resources</b>                   | <b>1,412,591</b>                        | <b>241,803</b>                       | <b>834,533</b>                           | <b>2,488,927</b>                           |
| <b>Fund Balances:</b>  |   |                                      |  |  |
| Restricted   | 11,306,977                              | 1,853,662                            | 13,748,438                               | 26,909,077                                 |
| Assigned   | 0                                       | 4,284                                | 7,375,783                                | 7,380,067                                  |
| <b>Total Fund Balances</b>                                   | <b>11,306,977</b>                       | <b>1,857,946</b>                     | <b>21,124,221</b>                        | <b>34,289,144</b>                          |
| <b>Total Liabilities, Deferred Inflows and Fund Balances</b> | <b>\$18,349,471</b>                     | <b>\$2,099,749</b>                   | <b>\$22,992,954</b>                      | <b>\$43,442,174</b>                        |

City of Fairfield, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2023

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Funds | Nonmajor<br>Capital<br>Projects<br>Funds | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---|--------------------------------------|--|--|
| Revenues:                                    |   |                                      |  |  |
| Income Taxes                                 | \$0                                     | \$0                                  | \$4,044,695                              | \$4,044,695                                |
| Investment Earnings                          | 332,858                                 | 38,946                               | 838,820                                  | 1,210,624                                  |
| Intergovernmental                            | 5,960,424                               | 0                                    | 875,915                                  | 6,836,339                                  |
| Fines, Licenses & Permits                    | 738,960                                 | 0                                    | 0  | 738,960                                    |
| Revenue in Lieu of Taxes                     | 134,858                                 | 0                                    | 0  | 134,858                                    |
| Other Revenues                               | 12,753                                  | 0                                    | 91,320                                   | 104,073                                    |
| <b>Total Revenues</b>                        | <b>7,179,853</b>                        | <b>38,946</b>                        | <b>5,850,750</b>                         | <b>13,069,549</b>                          |
| Expenditures:                                |   |                                      |  |  |
| Current:                                     |   |                                      |  |  |
| General Government                           | 1,203,238                               | 1,000                                | 0  | 1,204,238                                  |
| Public Safety                                | 48,719                                  | 0                                    | 0  | 48,719                                     |
| Community Development                        | 0                                       | 0                                    | 1,002,499                                | 1,002,499                                  |
| Leisure Time Activities                      | 0                                       | 0                                    | 305,754                                  | 305,754                                    |
| Transportation and Street Repair             | 3,087,713                               | 0                                    | 3,915,223                                | 7,002,936                                  |
| Public Health and Welfare                    | 709,793                                 | 0                                    | 0  | 709,793                                    |
| Capital Outlay                               | 1,571,168                               | 0                                    | 4,205,166                                | 5,776,334                                  |
| Debt Service:                                |   |                                      |  |  |
| Principal                                    | 0                                       | 865,000                              | 0  | 865,000                                    |
| Interest and Other Charges                   | 0                                       | 147,426                              | 0  | 147,426                                    |
| <b>Total Expenditures</b>                    | <b>6,620,631</b>                        | <b>1,013,426</b>                     | <b>9,428,642</b>                         | <b>17,062,699</b>                          |
| Excess of Revenues Over (Under) Expenditures | 559,222                                 | (974,480)                            | (3,577,892)                              | (3,993,150)                                |
| Other Financing Sources (Uses):              |   |                                      |  |  |
| Proceeds from Sale of Capital Assets         | 2,075                                   | 0                                    | 94,256                                   | 96,331                                     |
| Transfers In                                 | 0                                       | 1,009,280                            | 7,919,476                                | 8,928,756                                  |
| <b>Total Other Financing Sources (Uses)</b>  | <b>2,075</b>                            | <b>1,009,280</b>                     | <b>8,013,732</b>                         | <b>9,025,087</b>                           |
| Net Change in Fund Balance                   | 561,297                                 | 34,800                               | 4,435,840                                | 5,031,937                                  |
| Fund Balance - Beginning of Year             | 10,745,680                              | 1,823,146                            | 16,688,381                               | 29,257,207                                 |
| Fund Balance - End of Year                   | <u>\$11,306,977</u>                     | <u>\$1,857,946</u>                   | <u>\$21,124,221</u>                      | <u>\$34,289,144</u>                        |

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**Street Construction, Maintenance and Repair** - To account for 92.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on street construction and maintenance.

**State Highway Improvement** - To account for the remaining 7.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on state highways construction and improvements.

**County Motor Vehicle Registration** - To account for the City's share of motor vehicle registration fees. State law requires that such monies be spent on street construction and maintenance of certain specified roads.

**Tax Recreation** - To account for monies received from residential building permits specifically collected for the purpose of providing funds for recreational activities and facilities.

**Law Enforcement** - To account for monies received from the proceeds of the City's law enforcement activities, which participate with federal agencies in the arrest, and seizure of assets.

**Municipal Motor Vehicle Registration** - To account for the City's share of motor vehicle registration fees authorized by the City. State law requires that such monies be spent on street construction, operation and maintenance of City roads.

**Law Enforcement and Education** - To account for monies received from court fines imposed for drivers convicted of driving under the influence of drugs and alcohol. Monies generated under this fund shall be used for enforcement and education of the public of such dangers.

**Drug and Alcohol Treatment** - To account for monies received from court fines imposed for drivers convicted of driving under the influence of drugs and alcohol. Monies generated under this fund shall be used for treatment of chemically dependent drivers.

**Local Law Enforcement** - To account for monies received from the federal government under the Community Development Block Grant program for the renovation of public facilities.

**Probation Services** - To account for monies received from court fines. Monies generated under this fund shall be used for probation services provided by the Court.

**Court Computer** - To account for monies received from court fines. Monies generated under this fund shall be used for computer related expenses of the Court.

**Special Projects** - To account for monies received from court fines. Monies generated under this fund shall be used for special projects of the Court system.

**Mediation Services** - To account for monies received from court fines. Monies generated under this fund shall be used for mediation services of the Court system.

**Tax Increment Equivalent** - To account for the recording of revenues and expenditures related to the tax increment financing project with the Cincinnati Mills Mall.

**Indigent Driver Interlock** - To account for monies collected from court fines. Monies generated under this fund shall be used for electronic monitoring devices for indigent offenders in conjunction with treatment programs.

**American Rescue Plan Act** – To account for grants received through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan. Grants are restricted for various purposes designated by the Department of the Treasury.

**Northeast Area Tax Increment Financing (TIF)** - To account for the recording of revenues and expenditures related to the tax increment financing project within the Northeast Area of the City.

**South Town Center Tax Increment Financing (TIF)** - To account for the recording of revenues and expenditures related to the tax increment financing project for the South Town Center within the City.

**OneOhio Opioid Settlement** - To account for revenues and expenditures related to settlement dollars to be used to prevent, treat and support recovery from addiction including opioids and/or any other co-occurring substance use and/or mental health conditions which are all long-lasting (chronic) diseases that can cause major health, social, and economic problems at the individual, family and/or community level.

**Butler County American Rescue Plan Act** – To account for funds received and disbursed from the American Rescue plan Act through the Butler County Board of Commissioners.

City of Fairfield, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2023

|  | Street Construction,<br>Maintenance<br>and Repair | State<br>Highway<br>Improvement | County<br>Motor Vehicle<br>Registration | Tax<br>Recreation | Law<br>Enforcement |
|--|---|---------------------------------|---|-------------------|--------------------|
| <b>Assets:</b>   |   |                                 |   |                   |                    |
| Equity in Pooled Cash and Investments                        | \$3,728,544                                       | \$438,960                       | \$180,074                               | \$31,642          | \$251,614          |
| <b>Receivables (Net):</b>                                    |   |                                 |   |                   |                    |
| Interest   | 4,267   | 0                               | 0                                       | 0                 | 0                  |
| Intergovernmental  | 1,385,133   | 112,308                         | 0                                       | 0                 | 0                  |
| <b>Total Assets</b>  | <b>5,117,944</b>                                  | <b>551,268</b>                  | <b>180,074</b>                          | <b>31,642</b>     | <b>251,614</b>     |
| <b>Liabilities:</b>  |   |                                 |   |                   |                    |
| Accounts Payable   | 45,439  | 0                               | 0                                       | 0                 | 0                  |
| Accrued Wages and Benefits                                   | 68,676  | 10,448                          | 0                                       | 0                 | 0                  |
| Retainage Payable  | 0   | 0                               | 0                                       | 0                 | 0                  |
| Claims Payable   | 588   | 0                               | 0                                       | 0                 | 0                  |
| Unearned Revenue   | 0   | 0                               | 0                                       | 0                 | 0                  |
| <b>Total Liabilities</b>                                     | <b>114,703</b>                                    | <b>10,448</b>                   | <b>0</b>                                | <b>0</b>          | <b>0</b>           |
| <b>Deferred Inflows of Resources:</b>                        |   |                                 |   |                   |                    |
| Grants and Other Taxes                                       | 1,166,037   | 94,544                          | 0                                       | 0                 | 0                  |
| Unavailable Revenue  | 3,650   | 0                               | 0                                       | 0                 | 0                  |
| <b>Total Deferred Inflows of Resources</b>                   | <b>1,169,687</b>                                  | <b>94,544</b>                   | <b>0</b>                                | <b>0</b>          | <b>0</b>           |
| <b>Fund Balances:</b>  |   |                                 |   |                   |                    |
| Restricted   | 3,833,554   | 446,276                         | 180,074                                 | 31,642            | 251,614            |
| <b>Total Fund Balances</b>                                   | <b>3,833,554</b>                                  | <b>446,276</b>                  | <b>180,074</b>                          | <b>31,642</b>     | <b>251,614</b>     |
| <b>Total Liabilities, Deferred Inflows and Fund Balances</b> | <b>\$5,117,944</b>                                | <b>\$551,268</b>                | <b>\$180,074</b>                        | <b>\$31,642</b>   | <b>\$251,614</b>   |

| Municipal<br>Motor Vehicle<br>Registration | Law Enforcement<br>and Education | Drug and<br>Alcohol<br>Treatment | Local Law<br>Enforcement | Probation<br>Services | Court<br>Computer  | Special<br>Projects |
|--|----------------------------------|----------------------------------|--------------------------|-----------------------|--------------------|---------------------|
| \$409,712                                  | \$73,334                         | \$185,517                        | \$48,820                 | \$2,581,989           | \$1,017,294        | \$269,280           |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 173,790                                    | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| <u>583,502</u>                             | <u>73,334</u>                    | <u>185,517</u>                   | <u>48,820</u>            | <u>2,581,989</u>      | <u>1,017,294</u>   | <u>269,280</u>      |
| 0  | 0                                | 0                                | 0                        | 3,981                 | 0                  | 0                   |
| 17,164                                     | 0                                | 0                                | 0                        | 17,887                | 0                  | 2,670               |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 0  | 0                                | 0                                | 0                        | 113                   | 0                  | 18                  |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 17,164                                     | 0                                | 0                                | 0                        | 21,981                | 0                  | 2,688               |
| 147,609                                    | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 147,609                                    | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 418,729                                    | 73,334                           | 185,517                          | 48,820                   | 2,560,008             | 1,017,294          | 266,592             |
| 418,729                                    | 73,334                           | 185,517                          | 48,820                   | 2,560,008             | 1,017,294          | 266,592             |
| <u>\$583,502</u>                           | <u>\$73,334</u>                  | <u>\$185,517</u>                 | <u>\$48,820</u>          | <u>\$2,581,989</u>    | <u>\$1,017,294</u> | <u>\$269,280</u>    |

Continued



City of Fairfield, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2023

|  | Mediation<br>Services | Tax<br>Increment<br>Equivalent | Indigent<br>Driver<br>Interlock | American Rescue<br>Plan Act | Northeast Area<br>TIF |
|--|-----------------------|--------------------------------|---------------------------------|-----------------------------|-----------------------|
| <b>Assets:</b>   |                       |                                |                                 |                             |                       |
| Equity in Pooled Cash and Investments                        | \$903,632             | \$355,935                      | \$540,744                       | \$3,048,165                 | \$69,814              |
| <b>Receivables (Net):</b>                                    |                       |                                |                                 |                             |                       |
| Interest   | 0                     | 732                            | 0                               | 0                           | 146                   |
| Intergovernmental  | 0                     | 0                              | 0                               | 0                           | 0                     |
| <b>Total Assets</b>  | <b>903,632</b>        | <b>356,667</b>                 | <b>540,744</b>                  | <b>3,048,165</b>            | <b>69,960</b>         |
| <b>Liabilities:</b>  |                       |                                |                                 |                             |                       |
| Accounts Payable   | 0                     | 14,754                         | 0                               | 534,794                     | 0                     |
| Accrued Wages and Benefits                                   | 0                     | 0                              | 0                               | 0                           | 0                     |
| Retainage Payable  | 0                     | 0                              | 0                               | 90,753                      | 0                     |
| Claims Payable   | 0                     | 0                              | 0                               | 0                           | 0                     |
| Unearned Revenue   | 0                     | 0                              | 0                               | 2,422,618                   | 0                     |
| <b>Total Liabilities</b>                                     | <b>0</b>              | <b>14,754</b>                  | <b>0</b>                        | <b>3,048,165</b>            | <b>0</b>              |
| <b>Deferred Inflows of Resources:</b>                        |                       |                                |                                 |                             |                       |
| Grants and Other Taxes                                       | 0                     | 0                              | 0                               | 0                           | 0                     |
| Unavailable Revenue  | 0                     | 626                            | 0                               | 0                           | 125                   |
| <b>Total Deferred Inflows of Resources</b>                   | <b>0</b>              | <b>626</b>                     | <b>0</b>                        | <b>0</b>                    | <b>125</b>            |
| <b>Fund Balances:</b>  |                       |                                |                                 |                             |                       |
| Restricted   | 903,632               | 341,287                        | 540,744                         | 0                           | 69,835                |
| <b>Total Fund Balances</b>                                   | <b>903,632</b>        | <b>341,287</b>                 | <b>540,744</b>                  | <b>0</b>                    | <b>69,835</b>         |
| <b>Total Liabilities, Deferred Inflows and Fund Balances</b> | <b>\$903,632</b>      | <b>\$356,667</b>               | <b>\$540,744</b>                | <b>\$3,048,165</b>          | <b>\$69,960</b>       |

| South Town<br>Center<br>TIF | OneOhio<br>Opioid<br>Settlement | Butler County -<br>American Rescue<br>Plan Act | Total<br>Nonmajor<br>Special Revenue<br>Funds |
|-----------------------------|---------------------------------|--|---|
| \$830                       | \$137,195                       | \$2,400,000                                    | \$16,673,095                                  |
| 0                           | 0                               | 0  | 5,145   |
| 0                           | 0                               | 0  | 1,671,231                                     |
| <u>830</u>                  | <u>137,195</u>                  | <u>2,400,000</u>                               | <u>18,349,471</u>                             |
| 0                           | 0                               | 0  | 598,968                                       |
| 0                           | 0                               | 0  | 116,845                                       |
| 0                           | 0                               | 0  | 90,753  |
| 0                           | 0                               | 0  | 719   |
| 0                           | 0                               | 2,400,000                                      | 4,822,618                                     |
| <u>0</u>                    | <u>0</u>                        | <u>2,400,000</u>                               | <u>5,629,903</u>                              |
| 0                           | 0                               | 0  | 1,408,190                                     |
| 0                           | 0                               | 0  | 4,401   |
| <u>0</u>                    | <u>0</u>                        | <u>0</u>                                       | <u>1,412,591</u>                              |
| <u>830</u>                  | <u>137,195</u>                  | <u>0</u>                                       | <u>11,306,977</u>                             |
| <u>830</u>                  | <u>137,195</u>                  | <u>0</u>                                       | <u>11,306,977</u>                             |
| <u>\$830</u>                | <u>\$137,195</u>                | <u>\$2,400,000</u>                             | <u>\$18,349,471</u>                           |

City of Fairfield, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2023

|  | Street Construction,<br>Maintenance<br>and Repair | State<br>Highway<br>Improvement | County<br>Motor Vehicle<br>Registration | Tax<br>Recreation | Law<br>Enforcement |
|--|---|---------------------------------|---|-------------------|--------------------|
| Revenues:                                    |   |                                 |   |                   |                    |
| Investment Earnings                          | \$87,127  | \$0                             | \$0                                     | \$0               | \$0                |
| Intergovernmental                            | 2,838,091   | 227,578                         | 175,000                                 | 0                 | 0                  |
| Fines, Licenses & Permits                    | 0   | 0                               | 0                                       | 0                 | 110,552            |
| Revenue in Lieu of Taxes                     | 0   | 0                               | 0                                       | 0                 | 0                  |
| Other Revenues                               | 12,753  | 0                               | 0                                       | 0                 | 0                  |
| <b>Total Revenues</b>                        | <b>2,937,971</b>                                  | <b>227,578</b>                  | <b>175,000</b>                          | <b>0</b>          | <b>110,552</b>     |
| Expenditures:                                |   |                                 |   |                   |                    |
| Current:                                     |   |                                 |   |                   |                    |
| General Government                           | 0   | 0                               | 0                                       | 0                 | 0                  |
| Public Safety                                | 0   | 0                               | 0                                       | 0                 | 48,719             |
| Transportation and Street Repair             | 2,638,626   | 134,508                         | 0                                       | 0                 | 0                  |
| Public Health and Welfare                    | 0   | 0                               | 0                                       | 0                 | 0                  |
| Capital Outlay                               | 65,350  | 0                               | 184,829                                 | 0                 | 14,275             |
| <b>Total Expenditures</b>                    | <b>2,703,976</b>                                  | <b>134,508</b>                  | <b>184,829</b>                          | <b>0</b>          | <b>62,994</b>      |
| Excess of Revenues Over (Under) Expenditures | 233,995   | 93,070                          | (9,829)                                 | 0                 | 47,558             |
| Other Financing Sources (Uses):              |   |                                 |   |                   |                    |
| Proceeds from Sale of Capital Assets         | 2,075   | 0                               | 0                                       | 0                 | 0                  |
| <b>Total Other Financing Sources (Uses)</b>  | <b>2,075</b>                                      | <b>0</b>                        | <b>0</b>                                | <b>0</b>          | <b>0</b>           |
| Net Change in Fund Balance                   | 236,070   | 93,070                          | (9,829)                                 | 0                 | 47,558             |
| Fund Balance - Beginning of Year             | 3,597,484   | 353,206                         | 189,903                                 | 31,642            | 204,056            |
| <b>Fund Balance - End of Year</b>            | <b>\$3,833,554</b>                                | <b>\$446,276</b>                | <b>\$180,074</b>                        | <b>\$31,642</b>   | <b>\$251,614</b>   |

| Municipal<br>Motor Vehicle<br>Registration | Law Enforcement<br>and Education | Drug and<br>Alcohol<br>Treatment | Local Law<br>Enforcement | Probation<br>Services | Court<br>Computer  | Special<br>Projects |
|--|----------------------------------|----------------------------------|--------------------------|-----------------------|--------------------|---------------------|
| \$0  | \$0                              | \$0                              | \$0                      | \$22,384              | \$0                | \$0                 |
| 347,132                                    | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 0  | 4,368                            | 31,938                           | 0                        | 347,283               | 93,328             | 53,644              |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 347,132                                    | 4,368                            | 31,938                           | 0                        | 369,667               | 93,328             | 53,644              |
| 0  | 0                                | 6,730                            | 0                        | 474,275               | 84,455             | 85,716              |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 314,579                                    | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 67,073              |
| 314,579                                    | 0                                | 6,730                            | 0                        | 474,275               | 84,455             | 152,789             |
| 32,553                                     | 4,368                            | 25,208                           | 0                        | (104,608)             | 8,873              | (99,145)            |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 0  | 0                                | 0                                | 0                        | 0                     | 0                  | 0                   |
| 32,553                                     | 4,368                            | 25,208                           | 0                        | (104,608)             | 8,873              | (99,145)            |
| 386,176                                    | 68,966                           | 160,309                          | 48,820                   | 2,664,616             | 1,008,421          | 365,737             |
| <u>\$418,729</u>                           | <u>\$73,334</u>                  | <u>\$185,517</u>                 | <u>\$48,820</u>          | <u>\$2,560,008</u>    | <u>\$1,017,294</u> | <u>\$266,592</u>    |

Continued

City of Fairfield, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2023

|   | Mediation<br>Services | Tax<br>Increment<br>Equivalent | Indigent<br>Driver<br>Interlock | American Rescue<br>Plan Act | Northeast Area<br>TIF |
|---|-----------------------|--------------------------------|---------------------------------|-----------------------------|-----------------------|
| <b>Revenues:</b>                                    |                       |                                |                                 |                             |                       |
| Investment Earnings                                 | \$0                   | (\$381)                        | \$0                             | \$223,791                   | (\$63)                |
| Intergovernmental                                   | 0                     | 0                              | 0                               | 1,660,437                   | 0                     |
| Fines, Licenses & Permits                           | 52,150                | 0                              | 45,697                          | 0                           | 0                     |
| Revenue in Lieu of Taxes                            | 0                     | 119,219                        | 0                               | 0                           | 15,003                |
| Other Revenues                                      | 0                     | 0                              | 0                               | 0                           | 0                     |
| <b>Total Revenues</b>                               | <b>52,150</b>         | <b>118,838</b>                 | <b>45,697</b>                   | <b>1,884,228</b>            | <b>14,940</b>         |
| <b>Expenditures:</b>                                |                       |                                |                                 |                             |                       |
| <b>Current:</b>                                     |                       |                                |                                 |                             |                       |
| General Government                                  | 0                     | 14,754                         | 2,514                           | 534,794                     | 0                     |
| Public Safety                                       | 0                     | 0                              | 0                               | 0                           | 0                     |
| Transportation and Street Repair                    | 0                     | 0                              | 0                               | 0                           | 0                     |
| Public Health and Welfare                           | 0                     | 0                              | 0                               | 109,793                     | 0                     |
| Capital Outlay                                      | 0                     | 0                              | 0                               | 1,239,641                   | 0                     |
| <b>Total Expenditures</b>                           | <b>0</b>              | <b>14,754</b>                  | <b>2,514</b>                    | <b>1,884,228</b>            | <b>0</b>              |
| <b>Excess of Revenues Over (Under) Expenditures</b> | <b>52,150</b>         | <b>104,084</b>                 | <b>43,183</b>                   | <b>0</b>                    | <b>14,940</b>         |
| <b>Other Financing Sources (Uses):</b>              |                       |                                |                                 |                             |                       |
| Proceeds from Sale of Capital Assets                | 0                     | 0                              | 0                               | 0                           | 0                     |
| <b>Total Other Financing Sources (Uses)</b>         | <b>0</b>              | <b>0</b>                       | <b>0</b>                        | <b>0</b>                    | <b>0</b>              |
| <b>Net Change in Fund Balance</b>                   | <b>52,150</b>         | <b>104,084</b>                 | <b>43,183</b>                   | <b>0</b>                    | <b>14,940</b>         |
| <b>Fund Balance - Beginning of Year</b>             | <b>851,482</b>        | <b>237,203</b>                 | <b>497,561</b>                  | <b>0</b>                    | <b>54,895</b>         |
| <b>Fund Balance - End of Year</b>                   | <b>\$903,632</b>      | <b>\$341,287</b>               | <b>\$540,744</b>                | <b>\$0</b>                  | <b>\$69,835</b>       |

| South Town<br>Center<br>TIF | OneOhio<br>Opioid<br>Settlement | Butler County -<br>American Rescue<br>Plan Act | Total<br>Nonmajor<br>Special Revenue<br>Funds |
|-----------------------------|---------------------------------|--|---|
| \$0                         | \$0                             | \$0  | \$332,858                                     |
| 0                           | 112,186                         | 600,000  | 5,960,424                                     |
| 0                           | 0                               | 0  | 738,960                                       |
| 636                         | 0                               | 0  | 134,858                                       |
| 0                           | 0                               | 0  | 12,753  |
| 636                         | 112,186                         | 600,000  | 7,179,853                                     |
| 0                           | 0                               | 0  | 1,203,238                                     |
| 0                           | 0                               | 0  | 48,719  |
| 0                           | 0                               | 0  | 3,087,713                                     |
| 0                           | 0                               | 600,000  | 709,793                                       |
| 0                           | 0                               | 0  | 1,571,168                                     |
| 0                           | 0                               | 600,000  | 6,620,631                                     |
| 636                         | 112,186                         | 0  | 559,222                                       |
| 0                           | 0                               | 0  | 2,075   |
| 0                           | 0                               | 0  | 2,075   |
| 636                         | 112,186                         | 0  | 561,297                                       |
| 194                         | 25,009                          | 0  | 10,745,680                                    |
| <u>\$830</u>                | <u>\$137,195</u>                | <u>\$0</u>                                     | <u>\$11,306,977</u>                           |

City of Fairfield, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2023

|   | Street Construction,<br>Maintenance<br>and Repair<br>Fund |                    |                               |
|---|---|--------------------|-------------------------------|
|   | Final<br>Budget   | Actual             | Variance from<br>Final Budget |
| Revenues:   |   |                    |                               |
| Intergovernmental   | \$2,730,000   | \$2,835,077        | \$105,077                     |
| Investment Earnings   | 75,000  | 67,921             | (\$7,079)                     |
| Other Revenues  | 15,000  | 14,828             | (172)                         |
| <b>Total Revenues</b>   | <b>2,820,000</b>  | <b>2,917,825</b>   | <b>97,825</b>                 |
| Expenditures:   |   |                    |                               |
| Transportation and Street Repair  |   |                    |                               |
| Personnel Related   | 1,766,760   | 1,592,381          | 174,379                       |
| Other   | 1,893,576   | 1,610,467          | 283,109                       |
| <b>Total Expenditures</b>   | <b>3,660,336</b>  | <b>3,202,847</b>   | <b>457,489</b>                |
| Excess of Revenues Over (Under) Expenditures                                      | (840,336)   | (285,022)          | 555,314                       |
| Other Financing Sources (uses):   |   |                    |                               |
| Transfers In  | 750,000   | 0                  | (750,000)                     |
| <b>Total Other Financing Sources (Uses)</b>                                       | <b>750,000</b>  | <b>0</b>           | <b>(750,000)</b>              |
| Net Change in Fund Balance  | (90,336)  | (285,022)          | (194,686)                     |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 3,678,260   | 3,678,260          | 0                             |
| <b>Fund Balance End of Year</b>   | <b>\$3,587,924</b>  | <b>\$3,393,238</b> | <b>(\$194,686)</b>            |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | State<br>Highway<br>Improvement<br>Fund |           |                               |
|---|---|-----------|-------------------------------|
|   | Final<br>Budget                         | Actual    | Variance from<br>Final Budget |
| Revenues:   |   |           |                               |
| Intergovernmental   | \$225,000                               | \$227,334 | \$2,334                       |
| Total Revenues  | 225,000                                 | 227,334   | 2,334                         |
| Expenditures:   |   |           |                               |
| Transportation and Street Repair<br>Personnel Related                             | 152,175                                 | 138,848   | 13,327                        |
| Total Expenditures  | 152,175                                 | 138,848   | 13,327                        |
| Net Change in Fund Balance  | 72,825                                  | 88,487    | 15,662                        |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 350,474                                 | 350,474   | 0                             |
| Fund Balance End of Year  | \$423,299                               | \$438,960 | \$15,662                      |



City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | County Motor<br>Vehicle Registration<br>Fund |           |                               |
|---|--|-----------|-------------------------------|
|   | Final<br>Budget                              | Actual    | Variance from<br>Final Budget |
| Revenues:   |  |           |                               |
| Intergovernmental   | \$175,000                                    | \$175,000 | \$0                           |
| Total Revenues  | 175,000                                      | 175,000   | 0                             |
| Expenditures:   |  |           |                               |
| Capital Outlay  | 184,880                                      | 184,880   | 0                             |
| Total Expenditures  | 184,880                                      | 184,880   | 0                             |
| Net Change in Fund Balance  | (9,880)                                      | (9,880)   | 0                             |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 189,905                                      | 189,905   | 0                             |
| Fund Balance End of Year  | \$180,025                                    | \$180,025 | \$0                           |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Tax<br>Recreation<br>Fund |                 |                               |
|---|---------------------------|-----------------|-------------------------------|
|   | Final<br>Budget           | Actual          | Variance from<br>Final Budget |
| Revenues:   |                           |                 |                               |
| Licenses & Permits  | \$1,000                   | \$0             | (\$1,000)                     |
| Investment Earnings   | 200                       | 0               | (200)                         |
| <b>Total Revenues</b>   | <b>1,200</b>              | <b>0</b>        | <b>(1,200)</b>                |
| Expenditures:   |                           |                 |                               |
| Capital Outlay  | 0                         | 0               | 0                             |
| <b>Total Expenditures</b>   | <b>0</b>                  | <b>0</b>        | <b>0</b>                      |
| <b>Net Change in Fund Balance</b>   | <b>1,200</b>              | <b>0</b>        | <b>(1,200)</b>                |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 31,642                    | 31,642          | 0                             |
| <b>Fund Balance End of Year</b>   | <b>\$32,842</b>           | <b>\$31,642</b> | <b>(\$1,200)</b>              |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Law<br>Enforcement<br>Fund |           |                               |
|---|----------------------------|-----------|-------------------------------|
|   | Final<br>Budget            | Actual    | Variance from<br>Final Budget |
| Revenues:   |                            |           |                               |
| Court Costs & Fines   | \$110,000                  | \$110,552 | \$552                         |
| Total Revenues  | 110,000                    | 110,552   | 552                           |
| Expenditures:   |                            |           |                               |
| Public Safety   |                            |           |                               |
| Other   | 67,551                     | 49,243    | 18,308                        |
| Capital Outlay  | 68,156                     | 56,354    | 11,802                        |
| Total Expenditures  | 135,707                    | 105,596   | 30,111                        |
| Net Change in Fund Balance  | (25,707)                   | 4,956     | 30,663                        |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 207,358                    | 207,358   | 0                             |
| Fund Balance End of Year  | \$181,651                  | \$212,314 | \$30,663                      |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Municipal<br>Motor Vehicle<br>Registration<br>Fund |           |                               |
|---|--|-----------|-------------------------------|
|   | Final<br>Budget                                    | Actual    | Variance from<br>Final Budget |
| Revenues:   |  |           |                               |
| Intergovernmental   | \$330,000  | \$347,868 | \$17,868                      |
| Total Revenues  | 330,000  | 347,868   | 17,868                        |
| Expenditures:   |  |           |                               |
| Transportation and Street Repair<br>Personnel Related                             | 329,713  | 321,710   | 8,003                         |
| Total Expenditures  | 329,713  | 321,710   | 8,003                         |
| Net Change in Fund Balance  | 287  | 26,159    | 25,872                        |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 383,554  | 383,554   | 0                             |
| Fund Balance End of Year  | \$383,841  | \$409,712 | \$25,872                      |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Law Enforcement<br>and Education<br>Fund |          |                               |
|---|--|----------|-------------------------------|
|   | Final<br>Budget                          | Actual   | Variance from<br>Final Budget |
| Revenues:   |  |          |                               |
| Court Costs & Fines   | \$30,000                                 | \$4,368  | (\$25,632)                    |
| Total Revenues  | 30,000                                   | 4,368    | (25,632)                      |
| Expenditures:   |  |          |                               |
| Public Safety   |  |          |                               |
| Other   | 30,000                                   | 0        | 30,000                        |
| Total Expenditures  | 30,000                                   | 0        | 30,000                        |
| Net Change in Fund Balance  | 0  | 4,368    | 4,368                         |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 68,965                                   | 68,965   | 0                             |
| Fund Balance End of Year  | \$68,965                                 | \$73,333 | \$4,368                       |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|  | Drug and Alcohol Treatment Fund |                  |                            |
|--|---------------------------------|------------------|----------------------------|
|  | Final Budget                    | Actual           | Variance from Final Budget |
| Revenues:  |                                 |                  |                            |
| Court Costs & Fines  | \$12,000                        | \$31,938         | \$19,938                   |
| Investment Earnings  | 200                             | 0                | (200)                      |
| <b>Total Revenues</b>  | <b>12,200</b>                   | <b>31,938</b>    | <b>19,738</b>              |
| Expenditures:  |                                 |                  |                            |
| General Government   |                                 |                  |                            |
| Other  | 40,000                          | 6,730            | 33,270                     |
| <b>Total Expenditures</b>  | <b>40,000</b>                   | <b>6,730</b>     | <b>33,270</b>              |
| <b>Net Change in Fund Balance</b>  | <b>(27,800)</b>                 | <b>25,208</b>    | <b>53,008</b>              |
| Fund Balance Beginning of Year (includes prior year encumbrances appropriated) | 160,310                         | 160,310          | 0                          |
| <b>Fund Balance End of Year</b>  | <b>\$132,510</b>                | <b>\$185,518</b> | <b>\$53,008</b>            |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Local Law<br>Enforcement<br>Fund |          |                               |
|---|----------------------------------|----------|-------------------------------|
|   | Final<br>Budget                  | Actual   | Variance from<br>Final Budget |
| Revenues:   |                                  |          |                               |
| Intergovernmental   | \$0                              | \$0      | \$0                           |
| Total Revenues  | \$0                              | \$0      | \$0                           |
| Expenditures:   |                                  |          |                               |
| Capital Outlay  | 0                                | 0        | 0                             |
| Total Expenditures  | 0                                | 0        | 0                             |
| Net Change in Fund Balance  | 0                                | 0        | 0                             |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 48,820                           | 48,820   | 0                             |
| Fund Balance End of Year  | \$48,820                         | \$48,820 | \$0                           |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Probation<br>Services<br>Fund |                    |                               |
|---|-------------------------------|--------------------|-------------------------------|
|   | Final<br>Budget               | Actual             | Variance from<br>Final Budget |
| Revenues:   |                               |                    |                               |
| Court Costs & Fines   | \$365,000                     | \$347,283          | (\$17,717)                    |
| Investment Earnings   | 4,000                         | 25,128             | 21,128                        |
| <b>Total Revenues</b>   | <b>369,000</b>                | <b>372,411</b>     | <b>3,411</b>                  |
| Expenditures:   |                               |                    |                               |
| General Government  |                               |                    |                               |
| Personnel Related   | 434,424                       | 422,850            | 11,574                        |
| Other   | 86,500                        | 51,716             | 34,784                        |
| <b>Total Expenditures</b>   | <b>520,924</b>                | <b>474,566</b>     | <b>46,358</b>                 |
| <b>Net Change in Fund Balance</b>   | <b>(151,924)</b>              | <b>(102,155)</b>   | <b>49,769</b>                 |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 2,686,890                     | 2,686,890          | 0                             |
| <b>Fund Balance End of Year</b>   | <b>\$2,534,966</b>            | <b>\$2,584,735</b> | <b>\$49,769</b>               |



City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|  | Court<br>Computer<br>Fund |                    |                               |
|--|---------------------------|--------------------|-------------------------------|
|  | Final<br>Budget           | Actual             | Variance from<br>Final Budget |
| Revenues:  |                           |                    |                               |
| Court Costs & Fines  | \$85,000                  | \$93,328           | \$8,328                       |
| Investment Earnings  | 600                       | 0                  | (600)                         |
| <b>Total Revenues</b>  | <b>85,600</b>             | <b>93,328</b>      | <b>7,728</b>                  |
| Expenditures:  |                           |                    |                               |
| General Government   |                           |                    |                               |
| Other  | 147,700                   | 84,455             | 63,245                        |
| <b>Total Expenditures</b>  | <b>147,700</b>            | <b>84,455</b>      | <b>63,245</b>                 |
| <b>Net Change in Fund Balance</b>  | <b>(62,100)</b>           | <b>8,873</b>       | <b>70,973</b>                 |
| Fund Balance Beginning of Year (includes prior year encumbrances appropriated) | 1,008,420                 | 1,008,420          | 0                             |
| <b>Fund Balance End of Year</b>  | <b>\$946,320</b>          | <b>\$1,017,293</b> | <b>\$70,973</b>               |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Special<br>Projects<br>Fund |                  |                               |
|---|-----------------------------|------------------|-------------------------------|
|   | Final<br>Budget             | Actual           | Variance from<br>Final Budget |
| Revenues:   |                             |                  |                               |
| Court Costs & Fines   | \$50,000                    | \$53,644         | \$3,644                       |
| Investment Earnings   | 350                         | 0                | (350)                         |
| <b>Total Revenues</b>   | <b>50,350</b>               | <b>53,644</b>    | <b>3,294</b>                  |
| Expenditures:   |                             |                  |                               |
| General Government  |                             |                  |                               |
| Personnel Related   | 79,919                      | 78,850           | 1,069                         |
| Other   | 113,000                     | 77,520           | 35,480                        |
| <b>Total Expenditures</b>   | <b>192,919</b>              | <b>156,370</b>   | <b>36,549</b>                 |
| Net Change in Fund Balance  | (142,569)                   | (102,726)        | 39,843                        |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 372,007                     | 372,007          | 0                             |
| <b>Fund Balance End of Year</b>   | <b>\$229,438</b>            | <b>\$269,282</b> | <b>\$39,843</b>               |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Mediation<br>Services<br>Fund |                  |                               |
|---|-------------------------------|------------------|-------------------------------|
|   | Final<br>Budget               | Actual           | Variance from<br>Final Budget |
| Revenues:   |                               |                  |                               |
| Court Costs & Fines   | \$50,000                      | \$52,150         | \$2,150                       |
| Investment Earnings   | 200                           | 0                | (200)                         |
| <b>Total Revenues</b>   | <b>50,200</b>                 | <b>52,150</b>    | <b>1,950</b>                  |
| Expenditures:   |                               |                  |                               |
| General Government  |                               |                  |                               |
| Other   | 5,000                         | 0                | 5,000                         |
| <b>Total Expenditures</b>   | <b>5,000</b>                  | <b>0</b>         | <b>5,000</b>                  |
| <b>Net Change in Fund Balance</b>   | <b>45,200</b>                 | <b>52,150</b>    | <b>6,950</b>                  |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 851,482                       | 851,482          | 0                             |
| <b>Fund Balance End of Year</b>   | <b>\$896,682</b>              | <b>\$903,632</b> | <b>\$6,950</b>                |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Tax Increment<br>Equivalent<br>Fund |           |                               |
|---|-------------------------------------|-----------|-------------------------------|
|   | Final<br>Budget                     | Actual    | Variance from<br>Final Budget |
| Revenues:   |                                     |           |                               |
| Special Assessments   | \$115,000                           | \$119,219 | \$4,219                       |
| Investment Earnings   | 0                                   | 451       | 451                           |
| Total Revenues  | 115,000                             | 119,669   | 4,669                         |
| Expenditures:   |                                     |           |                               |
| General Government  |                                     |           |                               |
| Other   | 21,000                              | 14,754    | 6,246                         |
| Total Expenditures  | 21,000                              | 14,754    | 6,246                         |
| Net Change in Fund Balance  | 94,000                              | 104,916   | 10,916                        |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 237,204                             | 237,204   | 0                             |
| Fund Balance End of Year  | \$331,204                           | \$342,119 | \$10,916                      |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Indigent<br>Driver Interlock<br>Fund |           |                               |
|---|--------------------------------------|-----------|-------------------------------|
|   | Final<br>Budget                      | Actual    | Variance from<br>Final Budget |
| Revenues:   |                                      |           |                               |
| Court Costs & Fines   | \$45,000                             | \$45,697  | \$697                         |
| Total Revenues  | 45,000                               | 45,697    | 697                           |
| Expenditures:   |                                      |           |                               |
| General Government  |                                      |           |                               |
| Other   | 20,000                               | 2,590     | 17,410                        |
| Total Expenditures  | 20,000                               | 2,590     | 17,410                        |
| Net Change in Fund Balance  | 25,000                               | 43,108    | 18,108                        |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 497,636                              | 497,636   | 0                             |
| Fund Balance End of Year  | \$522,636                            | \$540,744 | \$18,108                      |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | America Rescue<br>Plan Act<br>Fund |             |                               |
|---|------------------------------------|-------------|-------------------------------|
|   | Final<br>Budget                    | Actual      | Variance from<br>Final Budget |
| Revenues:   |                                    |             |                               |
| Investment Earnings   | \$200,000                          | \$202,708   | \$2,708                       |
| Total Revenues  | 200,000                            | 202,708     | 2,708                         |
| Expenditures:   |                                    |             |                               |
| General Government  |                                    |             |                               |
| Other   | 4,471,992                          | 4,256,076   | 215,916                       |
| Total Expenditures  | 4,471,992                          | 4,256,076   | 215,916                       |
| Net Change in Fund Balance  | (4,271,992)                        | (4,053,368) | 218,624                       |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 4,381,861                          | 4,381,861   | 0                             |
| Fund Balance End of Year  | \$109,869                          | \$328,493   | \$218,624                     |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Northeast<br>Area TIF<br>Fund |           |                               |
|---|-------------------------------|-----------|-------------------------------|
|   | Final<br>Budget               | Actual    | Variance from<br>Final Budget |
| Revenues:   |                               |           |                               |
| Special Assessments   | \$160,000                     | \$162,640 | \$2,640                       |
| Investment Earnings   | 0                             | 90        | 90                            |
| Total Revenues  | 160,000                       | 162,730   | 2,730                         |
| Expenditures:   |                               |           |                               |
| General Government  |                               |           |                               |
| Other   | 147,637                       | 147,637   | 0                             |
| Total Expenditures  | 147,637                       | 147,637   | 0                             |
| Net Change in Fund Balance  | 12,363                        | 15,093    | 2,730                         |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 54,895                        | 54,895    | 0                             |
| Fund Balance End of Year  | \$67,258                      | \$69,988  | \$2,730                       |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | South Town<br>Center TIF<br>Fund |        |                               |
|---|----------------------------------|--------|-------------------------------|
|   | Final<br>Budget                  | Actual | Variance from<br>Final Budget |
| Revenues:   |                                  |        |                               |
| Special Assessments   | \$0                              | \$636  | \$636                         |
| Total Revenues  | 0                                | 636    | 636                           |
| Expenditures:   |                                  |        |                               |
| General Government  |                                  |        |                               |
| Other   | 0                                | 0      | 0                             |
| Total Expenditures  | 0                                | 0      | 0                             |
| Net Change in Fund Balance  | 0                                | 636    | 636                           |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 194                              | 194    | 0                             |
| Fund Balance End of Year  | \$194                            | \$830  | \$636                         |



City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | OneOhio<br>Opioid<br>Settlement<br>Fund |           |                               |
|---|---|-----------|-------------------------------|
|   | Final<br>Budget                         | Actual    | Variance from<br>Final Budget |
| Revenues:   |   |           |                               |
| Other Revenues  | \$110,000                               | \$112,186 | \$2,186                       |
| Total Revenues  | 110,000                                 | 112,186   | 2,186                         |
| Expenditures:   |   |           |                               |
| General Government  |   |           |                               |
| Personnel Related   | 0                                       | 0         | 0                             |
| Total Expenditures  | 0                                       | 0         | 0                             |
| Net Change in Fund Balance  | 110,000                                 | 112,186   | 2,186                         |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 25,009                                  | 25,009    | 0                             |
| Fund Balance End of Year  | \$135,009                               | \$137,195 | \$2,186                       |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Butler County -<br>American Rescue<br>Plan Act<br>Fund |             |                               |
|---|--|-------------|-------------------------------|
|   | Final<br>Budget  | Actual      | Variance from<br>Final Budget |
| Revenues:   |  |             |                               |
| Other Revenues  | \$3,000,000  | \$3,000,000 | \$0                           |
| Total Revenues  | 3,000,000  | 3,000,000   | 0                             |
| Expenditures:   |  |             |                               |
| General Government  |  |             |                               |
| Other   | 700,000  | 700,000     | 0                             |
| Total Expenditures  | 700,000  | 700,000     | 0                             |
| Net Change in Fund Balance  | 2,300,000  | 2,300,000   | 0                             |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 0  | 0           | 0                             |
| Fund Balance End of Year  | \$2,300,000  | \$2,300,000 | \$0                           |

## **NONMAJOR DEBT SERVICE FUNDS**

### **Fund Descriptions**

**General Bond Retirement** - To accumulate monies for the payment of long-term and short-term debt issued without a vote of the people. Transfers from the Capital Improvements and Street Improvement Funds support this fund.

**Special Assessment** - To account for payment of bonds issued for improvements deemed to benefit specific properties against which assessments are levied.

City of Fairfield, Ohio  
Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2023

|   | General<br>Bond Retirement | Special<br>Assessment | Total<br>Nonmajor<br>Debt Service<br>Funds |
|---|----------------------------|-----------------------|--|
| Assets:   |                            |                       |  |
| Equity in Pooled Cash and Investments                 | \$4,284                    | \$1,853,240           | \$1,857,524                                |
| Receivables (Net):                                    |                            |                       |  |
| Interest  | 0                          | 2,918                 | 2,918                                      |
| Intergovernmental                                     | 0                          | 239,307               | 239,307                                    |
| Total Assets  | <u>4,284</u>               | <u>2,095,465</u>      | <u>2,099,749</u>                           |
| Deferred Inflows of Resources:                        |                            |                       |  |
| Grants and Other Taxes                                | 0                          | 239,307               | 239,307                                    |
| Unavailable Revenue                                   | 0                          | 2,496                 | 2,496                                      |
| Total Deferred Inflows of Resources                   | <u>0</u>                   | <u>241,803</u>        | <u>241,803</u>                             |
| Fund Balances:  |                            |                       |  |
| Restricted  | 0                          | 1,853,662             | 1,853,662                                  |
| Assigned  | 4,284                      | 0                     | 4,284                                      |
| Total Fund Balances                                   | <u>4,284</u>               | <u>1,853,662</u>      | <u>1,857,946</u>                           |
| Total Liabilities, Deferred Inflows and Fund Balances | <u>\$4,284</u>             | <u>\$2,095,465</u>    | <u>\$2,099,749</u>                         |

City of Fairfield, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Debt Service Funds  
For the Fiscal Year Ended December 31, 2023

|  | General<br>Bond Retirement | Special<br>Assessment | Total<br>Nonmajor<br>Debt Service<br>Funds |
|--|----------------------------|-----------------------|--|
| Revenues:                                    |                            |                       |  |
| Investment Earnings                          | \$0                        | \$38,946              | \$38,946                                   |
| Total Revenues                               | 0                          | 38,946                | 38,946                                     |
| Expenditures:                                |                            |                       |  |
| Current:                                     |                            |                       |  |
| General Government                           | 0                          | 1,000                 | 1,000                                      |
| Debt Service:                                |                            |                       |  |
| Principal                                    | 865,000                    | 0                     | 865,000                                    |
| Interest and Other Charges                   | 144,280                    | 3,146                 | 147,426                                    |
| Total Expenditures                           | 1,009,280                  | 4,146                 | 1,013,426                                  |
| Excess of Revenues Over (Under) Expenditures | (1,009,280)                | 34,800                | (974,480)                                  |
| Other Financing Sources (Uses):              |                            |                       |  |
| Transfers In                                 | 1,009,280                  | 0                     | 1,009,280                                  |
| Total Other Financing Sources (Uses)         | 1,009,280                  | 0                     | 1,009,280                                  |
| Net Change in Fund Balance                   | 0                          | 34,800                | 34,800                                     |
| Fund Balance - Beginning of Year             | 4,284                      | 1,818,862             | 1,823,146                                  |
| Fund Balance - End of Year                   | \$4,284                    | \$1,853,662           | \$1,857,946                                |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | General<br>Bond Retirement<br>Fund |             |                               |
|---|------------------------------------|-------------|-------------------------------|
|   | Final<br>Budget                    | Actual      | Variance from<br>Final Budget |
| Revenues:   |                                    |             |                               |
| Debt Proceeds   | \$0                                | \$0         | \$0                           |
| Total Revenues  | \$0                                | \$0         | \$0                           |
| Expenditures:   |                                    |             |                               |
| Current:  |                                    |             |                               |
| Debt Service:   |                                    |             |                               |
| Principal Retirement  | 865,000                            | 865,000     | 0                             |
| Interest and Fiscal Charges   | 144,280                            | 144,280     | 0                             |
| Total Expenditures  | 1,009,280                          | 1,009,280   | 0                             |
| Excess of Revenues Over (Under) Expenditures                                      | (1,009,280)                        | (1,009,280) | 0                             |
| Other Financing Sources (uses):   |                                    |             |                               |
| Transfers In  | 1,009,280                          | 1,009,280   | 0                             |
| Total Other Financing Sources (Uses)  | 1,009,280                          | 1,009,280   | 0                             |
| Net Change in Fund Balance  | 0                                  | 0           | 0                             |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 4,282                              | 4,282       | 0                             |
| Fund Balance End of Year  | \$4,282                            | \$4,282     | \$0                           |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Special<br>Assessment<br>Fund |                    |                               |
|---|-------------------------------|--------------------|-------------------------------|
|   | Final<br>Budget               | Actual             | Variance from<br>Final Budget |
| Revenues:   |                               |                    |                               |
| Special Assessments   | \$295,000                     | \$308,600          | \$13,600                      |
| Investment Earnings   | 5,000                         | 79,417             | 74,417                        |
| <b>Total Revenues</b>   | <b>300,000</b>                | <b>388,017</b>     | <b>88,017</b>                 |
| Expenditures:   |                               |                    |                               |
| Current:  |                               |                    |                               |
| General Government  |                               |                    |                               |
| Other   | 1,114                         | 1,000              | 114                           |
| Debt Service:   |                               |                    |                               |
| Principal Retirement  | 365,547                       | 365,547            | 0                             |
| Interest and Fiscal Charges   | 3,147                         | 3,146              | 1                             |
| <b>Total Expenditures</b>   | <b>369,808</b>                | <b>369,693</b>     | <b>115</b>                    |
| <b>Net Change in Fund Balance</b>   | <b>(69,808)</b>               | <b>18,323</b>      | <b>88,131</b>                 |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 1,838,700                     | 1,838,700          | 0                             |
| <b>Fund Balance End of Year</b>   | <b>\$1,768,892</b>            | <b>\$1,857,023</b> | <b>\$88,131</b>               |

## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Descriptions**

**Capital Improvement** - This capital projects fund accounts for the acquisition, construction, or the debt service thereupon, of assets with a useful life of five (5) years or more. Financing has been derived from two-tenths of the City's income tax.

**Flood Protection** – This capital project fund accounts for the construction of a flood protection project, which provides protection from stormwater runoff. Financing is derived from grants from the federal government, the state government and the issuance of notes.

**State Issue I** - This capital project fund accounts projects financed through the State of Ohio Public Works Commission. Financing is derived from grants from the stat government and local share participation.

**Downtown Development** - This capital projects fund accounts for expenditures of resources to construct major improvements to the City's downtown area.

**Active Transportation and Capital Projects** - This capital projects fund accounts for all revenues and expenditures generated by the implementation of the Fairfield Connects Plan.

**Park Development** - This capital projects fund accounts for the creation and development of Huffman Park.

**Transformative Economic** - This capital projects fund accounts for expenditures of resources for various economic development projects throughout the City.



City of Fairfield, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2023

|  | Capital<br>Improvement | Flood<br>Protection | State<br>Issue I | Downtown<br>Development | Active<br>Transportation And<br>Capital Projects |
|--|------------------------|---------------------|------------------|-------------------------|--|
| <b>Assets:</b>   |                        |                     |                  |                         |  |
| Equity in Pooled Cash and Investments                        | \$6,283,128            | \$10,190            | \$46,591         | \$38,963                | \$3,003,158                                      |
| <b>Receivables (Net):</b>                                    |                        |                     |                  |                         |  |
| Taxes  | 1,172,151              | 0                   | 0                | 0                       | 0  |
| Interest   | 7,835                  | 0                   | 0                | 0                       | 0  |
| Intergovernmental  | 0                      | 0                   | 0                | 0                       | 0  |
| <b>Total Assets</b>  | <b>7,463,114</b>       | <b>10,190</b>       | <b>46,591</b>    | <b>38,963</b>           | <b>3,003,158</b>                                 |
| <b>Liabilities:</b>  |                        |                     |                  |                         |  |
| Contracts Payable  | 735,350                | 0                   | 0                | 2,590                   | 0  |
| Retainage Payable  | 0                      | 0                   | 0                | 0                       | 0  |
| <b>Total Liabilities</b>                                     | <b>735,350</b>         | <b>0</b>            | <b>0</b>         | <b>2,590</b>            | <b>0</b>   |
| <b>Deferred Inflows of Resources:</b>                        |                        |                     |                  |                         |  |
| Income Taxes   | 827,831                | 0                   | 0                | 0                       | 0  |
| Unavailable Revenue  | 6,702                  | 0                   | 0                | 0                       | 0  |
| <b>Total Deferred Inflows of Resources</b>                   | <b>834,533</b>         | <b>0</b>            | <b>0</b>         | <b>0</b>                | <b>0</b>   |
| <b>Fund Balances:</b>  |                        |                     |                  |                         |  |
| Restricted   | 5,893,231              | 10,190              | 46,591           | 0                       | 0  |
| Assigned   | 0                      | 0                   | 0                | 36,373                  | 3,003,158  |
| <b>Total Fund Balances</b>                                   | <b>5,893,231</b>       | <b>10,190</b>       | <b>46,591</b>    | <b>36,373</b>           | <b>3,003,158</b>                                 |
| <b>Total Liabilities, Deferred Inflows and Fund Balances</b> | <b>\$7,463,114</b>     | <b>\$10,190</b>     | <b>\$46,591</b>  | <b>\$38,963</b>         | <b>\$3,003,158</b>                               |

| Park<br>Development | Transformative<br>Economic | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|---------------------|----------------------------|--|
| \$7,830,086         | \$4,336,252                | \$21,548,368                                   |
| 0                   | 0                          | 1,172,151                                      |
| 0                   | 0                          | 7,835  |
| 264,600             | 0                          | 264,600  |
| <u>8,094,686</u>    | <u>4,336,252</u>           | <u>22,992,954</u>                              |
| 181,087             | 0                          | 919,027  |
| 115,173             | 0                          | 115,173  |
| <u>296,260</u>      | <u>0</u>                   | <u>1,034,200</u>                               |
| 0                   | 0                          | 827,831  |
| 0                   | 0                          | 6,702  |
| <u>0</u>            | <u>0</u>                   | <u>834,533</u>                                 |
| 7,798,426           | 0                          | 13,748,438                                     |
| 0                   | 4,336,252                  | 7,375,783                                      |
| <u>7,798,426</u>    | <u>4,336,252</u>           | <u>21,124,221</u>                              |
| <u>\$8,094,686</u>  | <u>\$4,336,252</u>         | <u>\$22,992,954</u>                            |

City of Fairfield, Ohio  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended December 31, 2023

|  | Capital<br>Improvement | Flood<br>Protection | State<br>Issue I | Downtown<br>Development | Active<br>Transportation And<br>Capital Projects |
|--|------------------------|---------------------|------------------|-------------------------|--|
| Revenues:                                    |                        |                     |                  |                         |  |
| Income Taxes                                 | \$4,044,695            | \$0                 | \$0              | \$0                     | \$0  |
| Investment Earnings                          | 183,539                | 0                   | 0                | 0                       | 3,158  |
| Intergovernmental                            | 340,129                | 0                   | 271,186          | 0                       | 0  |
| Other Revenues                               | 50,142                 | 0                   | 0                | 0                       | 0  |
| <b>Total Revenues</b>                        | <b>4,618,505</b>       | <b>0</b>            | <b>271,186</b>   | <b>0</b>                | <b>3,158</b>                                     |
| Expenditures:                                |                        |                     |                  |                         |  |
| Current:                                     |                        |                     |                  |                         |  |
| Community Development                        | 0                      | 0                   | 0                | 0                       | 0  |
| Leisure Time Activities                      | 0                      | 0                   | 0                | 0                       | 0  |
| Transportation and Street Repair             | 2,912,723              | 0                   | 0                | 0                       | 0  |
| Capital Outlay                               | 3,101,864              | 0                   | 271,186          | 5,861                   | 0  |
| <b>Total Expenditures</b>                    | <b>6,014,587</b>       | <b>0</b>            | <b>271,186</b>   | <b>5,861</b>            | <b>0</b>   |
| Excess of Revenues Over (Under) Expenditures | (1,396,082)            | 0                   | 0                | (5,861)                 | 3,158  |
| Other Financing Sources (Uses):              |                        |                     |                  |                         |  |
| Proceeds from Sale of Capital Assets         | 94,256                 | 0                   | 0                | 0                       | 0  |
| Transfers In                                 | 919,476                | 0                   | 0                | 0                       | 3,000,000  |
| <b>Total Other Financing Sources (Uses)</b>  | <b>1,013,732</b>       | <b>0</b>            | <b>0</b>         | <b>0</b>                | <b>3,000,000</b>                                 |
| Net Change in Fund Balance                   | (382,350)              | 0                   | 0                | (5,861)                 | 3,003,158  |
| Fund Balance - Beginning of Year             | 6,275,581              | 10,190              | 46,591           | 42,234                  | 0  |
| Fund Balance - End of Year                   | <u>\$5,893,231</u>     | <u>\$10,190</u>     | <u>\$46,591</u>  | <u>\$36,373</u>         | <u>\$3,003,158</u>                               |

| Park<br>Development | Transformative<br>Economic | Total<br>Nonmajor<br>Capital Projects<br>Funds |
|---------------------|----------------------------|--|
| \$0                 | \$0                        | \$4,044,695                                    |
| 334,227             | 317,896                    | 838,820  |
| 264,600             | 0                          | 875,915  |
| 0                   | 41,178                     | 91,320   |
| <u>598,827</u>      | <u>359,074</u>             | <u>5,850,750</u>                               |
| 0                   | 1,002,499                  | 1,002,499                                      |
| 305,754             | 0                          | 305,754  |
| 0                   | 1,002,500                  | 3,915,223                                      |
| 826,255             | 0                          | 4,205,166                                      |
| <u>1,132,009</u>    | <u>2,004,999</u>           | <u>9,428,642</u>                               |
| <u>(533,182)</u>    | <u>(1,645,925)</u>         | <u>(3,577,892)</u>                             |
| 0                   | 0                          | 94,256   |
| 3,000,000           | 1,000,000                  | 7,919,476                                      |
| <u>3,000,000</u>    | <u>1,000,000</u>           | <u>8,013,732</u>                               |
| 2,466,818           | (645,925)                  | 4,435,840                                      |
| <u>5,331,608</u>    | <u>4,982,177</u>           | <u>16,688,381</u>                              |
| <u>\$7,798,426</u>  | <u>\$4,336,252</u>         | <u>\$21,124,221</u>                            |

City of Fairfield, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2023

|  | Capital<br>Improvement<br>Fund |                    |                               |
|--|--------------------------------|--------------------|-------------------------------|
|  | Final<br>Budget                | Actual             | Variance from<br>Final Budget |
| Revenues:  |                                |                    |                               |
| Taxes  | \$4,325,000                    | \$4,190,835        | (\$134,165)                   |
| Intergovernmental  | 350,000                        | 340,129            | (9,871)                       |
| Investment Earnings  | 5,000                          | 151,758            | 146,758                       |
| Other Revenues   | 9,500                          | 50,142             | 40,642                        |
| Total Revenues   | <u>4,689,500</u>               | <u>4,732,863</u>   | <u>43,363</u>                 |
| Expenditures:  |                                |                    |                               |
| Capital Outlay   | <u>11,267,941</u>              | <u>10,750,859</u>  | <u>517,082</u>                |
| Total Expenditures   | <u>11,267,941</u>              | <u>10,750,859</u>  | <u>517,082</u>                |
| Excess of Revenues Over (Under) Expenditures                                   | <u>(6,578,441)</u>             | <u>(6,017,996)</u> | <u>560,445</u>                |
| Other Financing Sources (uses):  |                                |                    |                               |
| Proceeds from Sale of Capital Assets   | 100,000                        | 94,256             | (5,744)                       |
| Transfers In   | 1,375,000                      | 1,357,326          | (17,674)                      |
| Transfers (Out)  | <u>(427,875)</u>               | <u>(427,875)</u>   | <u>0</u>                      |
| Total Other Financing Sources (Uses)   | <u>1,047,125</u>               | <u>1,023,707</u>   | <u>(23,418)</u>               |
| Net Change in Fund Balance   | (5,531,316)                    | (4,994,289)        | 537,027                       |
| Fund Balance Beginning of Year (includes prior year encumbrances appropriated) | <u>6,985,310</u>               | <u>6,985,310</u>   | <u>0</u>                      |
| Fund Balance End of Year   | <u>\$1,453,994</u>             | <u>\$1,991,021</u> | <u>\$537,027</u>              |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Flood<br>Protection<br>Fund |                 |                               |
|---|-----------------------------|-----------------|-------------------------------|
|   | Final<br>Budget             | Actual          | Variance from<br>Final Budget |
| Revenues:   |                             |                 |                               |
| Total Revenues  | \$0                         | \$0             | \$0                           |
| Total Expenditures  | 0                           | 0               | 0                             |
| Net Change in Fund Balance  | 0                           | 0               | 0                             |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 10,191                      | 10,191          | 0                             |
| Fund Balance End of Year  | <u>\$10,191</u>             | <u>\$10,191</u> | <u>\$0</u>                    |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Final<br>Budget | State<br>Issue I<br>Fund<br>Actual | Variance from<br>Final Budget |
|---|-----------------|------------------------------------|-------------------------------|
| Revenues:   |                 |                                    |                               |
| Intergovernmental   | \$250,000       | \$271,186                          | \$21,186                      |
| Total Revenues  | 250,000         | 271,186                            | 21,186                        |
| Expenditures:   |                 |                                    |                               |
| Capital Outlay  | 310,000         | 271,186                            | 38,814                        |
| Total Expenditures  | 310,000         | 271,186                            | 38,814                        |
| Net Change in Fund Balance  | (60,000)        | 0                                  | 60,000                        |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 46,591          | 46,591                             | 0                             |
| Fund Balance End of Year  | (\$13,409)      | \$46,591                           | \$60,000                      |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Downtown<br>Development<br>Fund |          |                               |
|---|---------------------------------|----------|-------------------------------|
|   | Final<br>Budget                 | Actual   | Variance from<br>Final Budget |
| Revenues:   |                                 |          |                               |
| Intergovernmental   | \$0                             | \$0      | \$0                           |
| Total Revenues  | 0                               | 0        | 0                             |
| Expenditures:   |                                 |          |                               |
| Capital Outlay  | 24,870                          | 24,870   | 0                             |
| Total Expenditures  | 24,870                          | 24,870   | 0                             |
| Net Change in Fund Balance  | (24,870)                        | (24,870) | 0                             |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 42,236                          | 42,236   | 0                             |
| Fund Balance End of Year  | \$17,366                        | \$17,366 | \$0                           |



City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Active<br>Transportation And<br>Capital Projects<br>Fund |                    |                               |
|---|--|--------------------|-------------------------------|
|   | Final<br>Budget  | Actual             | Variance from<br>Final Budget |
| Revenues:   |  |                    |                               |
| Investment Earnings   | \$0  | \$14,203           | \$14,203                      |
| Total Revenues  | \$0  | \$14,203           | \$14,203                      |
| Expenditures:   |  |                    |                               |
| Capital Outlay  | 0  | 0                  | 0                             |
| Total Expenditures  | 0  | 0                  | 0                             |
| Excess of Revenues Over (Under) Expenditures                                      | 0  | 14,203             | 14,203                        |
| Other Financing Sources (uses):   |  |                    |                               |
| Transfers In  | 3,000,000  | 3,000,000          | 0                             |
| Total Other Financing Sources (Uses)  | 3,000,000  | 3,000,000          | 0                             |
| Net Change in Fund Balance  | 3,000,000  | 3,014,203          | 14,203                        |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 0  | 0                  | 0                             |
| Fund Balance End of Year  | <u>\$3,000,000</u>                                       | <u>\$3,014,203</u> | <u>\$14,203</u>               |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Park<br>Development<br>Fund |                    |                               |
|---|-----------------------------|--------------------|-------------------------------|
|   | Final<br>Budget             | Actual             | Variance from<br>Final Budget |
| Revenues:   |                             |                    |                               |
| Investment Earnings   | \$0                         | \$296,609          | \$296,609                     |
| Total Revenues  | 0                           | 296,609            | 296,609                       |
| Expenditures:   |                             |                    |                               |
| Capital Outlay  | 4,896,189                   | 4,420,193          | 475,996                       |
| Total Expenditures  | 4,896,189                   | 4,420,193          | 475,996                       |
| Excess of Revenues Over (Under) Expenditures                                      | (4,896,189)                 | (4,123,584)        | 772,605                       |
| Other Financing Sources (uses):   |                             |                    |                               |
| Transfers In  | 3,625,000                   | 3,000,000          | (625,000)                     |
| Total Other Financing Sources (Uses)  | 3,625,000                   | 3,000,000          | (625,000)                     |
| Net Change in Fund Balance  | (1,271,189)                 | (1,123,584)        | 147,605                       |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 5,399,459                   | 5,399,459          | 0                             |
| Fund Balance End of Year  | <u>\$4,128,270</u>          | <u>\$4,275,875</u> | <u>\$147,605</u>              |

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Transformative<br>Economic<br>Fund |                    |                               |
|---|------------------------------------|--------------------|-------------------------------|
|   | Final<br>Budget                    | Actual             | Variance from<br>Final Budget |
| Revenues:   |                                    |                    |                               |
| Investment Earnings   | \$250,000                          | \$264,549          | \$14,549                      |
| Other Revenues  | 0                                  | 41,178             | 41,178                        |
| <b>Total Revenues</b>   | <b>250,000</b>                     | <b>305,727</b>     | <b>55,727</b>                 |
| Expenditures:   |                                    |                    |                               |
| Capital Outlay  | 2,041,000                          | 2,041,000          | 0                             |
| <b>Total Expenditures</b>   | <b>2,041,000</b>                   | <b>2,041,000</b>   | <b>0</b>                      |
| Excess of Revenues Over (Under) Expenditures                                      | (1,791,000)                        | (1,735,273)        | 55,727                        |
| Other Financing Sources (uses):   |                                    |                    |                               |
| Transfers In  | 1,000,000                          | 1,000,000          | 0                             |
| <b>Total Other Financing Sources (Uses)</b>                                       | <b>1,000,000</b>                   | <b>1,000,000</b>   | <b>0</b>                      |
| <b>Net Change in Fund Balance</b>   | <b>(791,000)</b>                   | <b>(735,273)</b>   | <b>55,727</b>                 |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 5,050,945                          | 5,050,945          | 0                             |
| <b>Fund Balance End of Year</b>   | <b>\$4,259,945</b>                 | <b>\$4,315,672</b> | <b>\$55,727</b>               |

## **OTHER GENERAL FUND**

With the implementation of GASB Statement No. 54, certain funds that the City prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The City has only presented the budget schedule for this funds.

### **Fund Description**

**Compensated Leave Fund** - To account for payment of accrued sick and vacation leave for city employees upon retirement.

City of Fairfield, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2023

|   | Compensated Leave<br>Fund (1) |                  |                               |
|---|-------------------------------|------------------|-------------------------------|
|   | Final<br>Budget               | Actual           | Variance from<br>Final Budget |
| Revenues:   |                               |                  |                               |
| Investment Earnings   | \$800                         | \$437            | (\$363)                       |
| Total Revenues  | 800                           | 437              | (363)                         |
| Total Expenditures  | 0                             | 0                | 0                             |
| Net Change in Fund Balance  | 800                           | 437              | (363)                         |
| Fund Balance Beginning of Year (includes<br>prior year encumbrances appropriated) | 598,382                       | 598,382          | 0                             |
| Fund Balance End of Year  | <u>\$599,182</u>              | <u>\$598,819</u> | <u>(\$363)</u>                |

(1) This fund is combined with the General Fund in the GAAP Statements.

## **NONMAJOR ENTERPRISE FUNDS**

### **Enterprise Funds**

The Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the expense (including depreciation) of provide goods or services primarily or solely to the general public to be financed or recovered primarily through user charges.

### **Fund Descriptions**

**Solid Waste Management** – This fund accounts for the provision of waste collection services for all residents in the City.

**Recreation Facilities** – This fund accounts for operations of the City’s golf course, swimming pool and other recreational facilities, revenues from which come from customers, based on a rate authorized by the Parks Commission.

City of Fairfield, Ohio  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
December 31, 2023

|   | Solid Waste<br>Management | Recreation<br>Facilities | Total Nonmajor<br>Enterprise<br>Funds |
|---|---------------------------|--------------------------|---------------------------------------|
| <b>Assets:</b>                              |                           |                          |                                       |
| Equity in Pooled Cash and Investments       | \$513,642                 | \$1,195,830              | \$1,709,472                           |
| <b>Receivables (Net):</b>                   |                           |                          |                                       |
| Accounts                                    | 368,677                   | 0                        | 368,677                               |
| Inventory                                   | 0                         | 26,737                   | 26,737                                |
| <b>Total Current Assets</b>                 | <b>882,319</b>            | <b>1,222,567</b>         | <b>2,104,886</b>                      |
| <b>Noncurrent Assets:</b>                   |                           |                          |                                       |
| <b>Capital Assets:</b>                      |                           |                          |                                       |
| Nondepreciable Capital Assets               | 0                         | 507,000                  | 507,000                               |
| Depreciable Capital Assets, Net             | 0                         | 2,265,905                | 2,265,905                             |
| <b>Total Noncurrent Assets</b>              | <b>0</b>                  | <b>2,772,905</b>         | <b>2,772,905</b>                      |
| <b>Total Assets</b>                         | <b>882,319</b>            | <b>3,995,472</b>         | <b>4,877,791</b>                      |
| <b>Deferred Outflows of Resources:</b>      |                           |                          |                                       |
| Pension                                     | 0                         | 504,017                  | 504,017                               |
| OPEB  | 0                         | 80,544                   | 80,544                                |
| <b>Total Deferred Outflows of Resources</b> | <b>0</b>                  | <b>584,561</b>           | <b>584,561</b>                        |
| <b>Liabilities:</b>                         |                           |                          |                                       |
| <b>Current Liabilities:</b>                 |                           |                          |                                       |
| Accounts Payable                            | 464,885                   | 32,898                   | 497,783                               |
| Accrued Wages and Benefits                  | 0                         | 29,731                   | 29,731                                |
| Compensated Absences                        | 0                         | 22,563                   | 22,563                                |
| Leases Payable                              | 0                         | 71,292                   | 71,292                                |
| Claims Payable                              | 0                         | 255                      | 255                                   |
| <b>Total Current Liabilities</b>            | <b>464,885</b>            | <b>156,739</b>           | <b>621,624</b>                        |
| <b>Long-Term Liabilities:</b>               |                           |                          |                                       |
| Compensated Absences                        | 0                         | 22,230                   | 22,230                                |
| Net Pension Liability                       | 0                         | 1,243,121                | 1,243,121                             |
| Net OPEB Liability                          | 0                         | 27,185                   | 27,185                                |
| <b>Total Noncurrent Liabilities</b>         | <b>0</b>                  | <b>1,292,536</b>         | <b>1,292,536</b>                      |
| <b>Total Liabilities</b>                    | <b>464,885</b>            | <b>1,449,275</b>         | <b>1,914,160</b>                      |
| <b>Deferred Inflows of Resources:</b>       |                           |                          |                                       |
| Pension                                     | 0                         | 13,663                   | 13,663                                |
| OPEB  | 0                         | 9,375                    | 9,375                                 |
| <b>Total Deferred Inflows of Resources</b>  | <b>0</b>                  | <b>23,038</b>            | <b>23,038</b>                         |
| <b>Net Position:</b>                        |                           |                          |                                       |
| Net Investment in Capital Assets            | 0                         | 2,701,613                | 2,701,613                             |
| Unrestricted                                | 417,434                   | 406,107                  | 823,541                               |
| <b>Total Net Position</b>                   | <b>\$417,434</b>          | <b>\$3,107,720</b>       | <b>\$3,525,154</b>                    |

City of Fairfield, Ohio  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2023

|   | Solid Waste<br>Management | Recreation<br>Facilities | Total Nonmajor<br>Enterprise<br>Funds |
|---|---------------------------|--------------------------|---------------------------------------|
| Operating Revenues:                                     |                           |                          |                                       |
| Charges for Services                                    | \$2,712,188               | \$1,918,299              | \$4,630,487                           |
| Other Revenues  | 0                         | 53,883                   | 53,883                                |
| <b>Total Operating Revenues</b>                         | <b>2,712,188</b>          | <b>1,972,182</b>         | <b>4,684,370</b>                      |
| Operating Expenses:                                     |                           |                          |                                       |
| Personal Services                                       | 0                         | 962,385                  | 962,385                               |
| Contactual Services                                     | 2,733,330                 | 639,454                  | 3,372,784                             |
| Materials and Supplies                                  | 0                         | 457,835                  | 457,835                               |
| Depreciation  | 0                         | 279,949                  | 279,949                               |
| <b>Total Operating Expenses</b>                         | <b>2,733,330</b>          | <b>2,339,623</b>         | <b>5,072,953</b>                      |
| <b>Operating Income (Loss)</b>                          | <b>(21,142)</b>           | <b>(367,441)</b>         | <b>(388,583)</b>                      |
| Non-Operating Revenues (Expenses):                      |                           |                          |                                       |
| Investment Earnings                                     | 0                         | 12,739                   | 12,739                                |
| Interest (Expense)                                      | 0                         | (1,427)                  | (1,427)                               |
| <b>Total Non-Operating Revenues (Expenses)</b>          | <b>0</b>                  | <b>11,312</b>            | <b>11,312</b>                         |
| <b>Income (Loss) Before Contributions and Transfers</b> | <b>(21,142)</b>           | <b>(356,129)</b>         | <b>(377,271)</b>                      |
| Transfers In  | 0                         | 350,000                  | 350,000                               |
| <b>Change in Net Position</b>                           | <b>(21,142)</b>           | <b>(6,129)</b>           | <b>(27,271)</b>                       |
| <b>Net Position - Beginning of Year</b>                 | <b>438,576</b>            | <b>3,113,849</b>         | <b>3,552,425</b>                      |
| <b>Net Position - End of Year</b>                       | <b>\$417,434</b>          | <b>\$3,107,720</b>       | <b>\$3,525,154</b>                    |



City of Fairfield, Ohio  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2023

|  | Solid Waste<br>Management | Recreation<br>Facilities | Total Nonmajor<br>Enterprise<br>Funds |
|--|---------------------------|--------------------------|---------------------------------------|
| <b>Cash Flows from Operating Activities:</b>   |                           |                          |                                       |
| Cash Received from Customers   | \$2,696,962               | \$1,972,182              | \$4,669,144                           |
| Cash Payments to Employees   | 0                         | (919,999)                | (919,999)                             |
| Cash Payments to Suppliers   | (2,714,992)               | (1,092,441)              | (3,807,433)                           |
| <b>Net Cash Provided (Used) by Operating Activities</b>  | <b>(18,030)</b>           | <b>(40,258)</b>          | <b>(58,288)</b>                       |
| <b>Cash Flows from Noncapital Financing Activities:</b>  |                           |                          |                                       |
| Payments from Other Funds  | 0                         | 350,000                  | 350,000                               |
| <b>Net Cash Provided (Used) by Noncapital Financing Activities</b>                                   | <b>0</b>                  | <b>350,000</b>           | <b>350,000</b>                        |
| <b>Cash Flows from Capital and Related Financing Activities:</b>                                     |                           |                          |                                       |
| Payments for Capital Acquisitions  | 0                         | (130,815)                | (130,815)                             |
| Debt and Lease Principal Payments  | 0                         | (70,393)                 | (70,393)                              |
| Debt and Lease Interest Payments   | 0                         | (1,427)                  | (1,427)                               |
| <b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>                          | <b>0</b>                  | <b>(202,635)</b>         | <b>(202,635)</b>                      |
| <b>Cash Flows from Investing Activities:</b>   |                           |                          |                                       |
| Earnings on Investments  | 0                         | 12,856                   | 12,856                                |
| <b>Net Cash Provided (Used) by Cash Flows from Investing Activities</b>                              | <b>0</b>                  | <b>12,856</b>            | <b>12,856</b>                         |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>  | <b>(18,030)</b>           | <b>119,963</b>           | <b>101,933</b>                        |
| Cash and Cash Equivalents - Beginning of Year  | 531,672                   | 1,075,867                | 1,607,539                             |
| Cash and Cash Equivalents - End of Year  | 513,642                   | 1,195,830                | 1,709,472                             |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b> |                           |                          |                                       |
| Operating Income (Loss)  | (21,142)                  | (367,441)                | (388,583)                             |
| <b>Adjustments:</b>  |                           |                          |                                       |
| Depreciation   | 0                         | 279,949                  | 279,949                               |
| <b>Changes in Assets &amp; Liabilities:</b>  |                           |                          |                                       |
| (Increase) Decrease in Receivables   | (15,226)                  | 0                        | (15,226)                              |
| (Increase) Decrease in Inventory   | 0                         | (3,817)                  | (3,817)                               |
| (Increase) Decrease in Deferred Outflows of Resources  | 0                         | (436,258)                | (436,258)                             |
| (Increase) Decrease in Net OPEB Asset  | 0                         | 131,756                  | 131,756                               |
| Increase (Decrease) in Claims Payable  | 0                         | (264)                    | (264)                                 |
| Increase (Decrease) in Payables  | 18,338                    | 8,665                    | 27,003                                |
| Increase (Decrease) in Accrued Liabilities   | 0                         | (3,066)                  | (3,066)                               |
| Increase (Decrease) in Deferred Inflows of Resources   | 0                         | (565,603)                | (565,603)                             |
| Increase (Decrease) in Net Pension Liability   | 0                         | 888,636                  | 888,636                               |
| Increase (Decrease) in OPEB Liability  | 0                         | 27,185                   | 27,185                                |
| <b>Net Cash Provided (Used) by Operating Activities</b>  | <b>(\$18,030)</b>         | <b>(\$40,258)</b>        | <b>(\$58,288)</b>                     |

## **NONMAJOR FUNDS**

### ***Internal Service Funds***

The Internal Service Funds are established to account for goods and services furnished by a designated agency to other departments within the same government unit on a cost reimbursement basis.

### **Fund Descriptions**

**Employees' Benefits** - To account for the cost of the City's self-insured health care operations.

**Municipal Garage** - To account for the cost of maintaining the City's equipment and automotive fleet.

### ***Custodial Funds***

Custodial Funds are used to account for assets held by the City for individuals, private organizations, other governmental units.

### **Fund Descriptions**

**Fairfield Township Economic Development District 1** - To account for various economic development projects between Fairfield Township and the City of Fairfield.

**Municipal Court** - To account for funds collected by the court until such time as the funds can be distributed to individuals, private organizations, other governmental units and/or other funds.

**West Chester Joint Economic Development District 1** - To account for various economic development projects between West Chester Township, the City of Springdale and the City of Fairfield.

City of Fairfield, Ohio  
Combining Statement of Net Position  
Internal Service Funds  
December 31, 2023

|   | Employees'<br>Benefits | Municipal<br>Garage | Total<br>Internal Service<br>Funds |
|---|------------------------|---------------------|------------------------------------|
| <b>Current Assets:</b>                      |                        |                     |                                    |
| Equity in Pooled Cash and Investments       | \$3,460,262            | \$39,330            | \$3,499,592                        |
| <b>Total Current Assets</b>                 | <b>3,460,262</b>       | <b>39,330</b>       | <b>3,499,592</b>                   |
| <b>Deferred Outflows of Resources:</b>      |                        |                     |                                    |
| Pension                                     | 0                      | 335,397             | 335,397                            |
| OPEB  | 0                      | 53,597              | 53,597                             |
| <b>Total Deferred Outflows of Resources</b> | <b>0</b>               | <b>388,994</b>      | <b>388,994</b>                     |
| <b>Liabilities:</b>                         |                        |                     |                                    |
| <b>Current Liabilities:</b>                 |                        |                     |                                    |
| Accounts Payable                            | 792                    | 16,190              | 16,982                             |
| Accrued Wages and Benefits                  | 0                      | 34,012              | 34,012                             |
| Compensated Absences                        | 0                      | 18,570              | 18,570                             |
| Claims Payable                              | 214,016                | 187                 | 214,203                            |
| <b>Total Current Liabilities</b>            | <b>214,808</b>         | <b>68,959</b>       | <b>283,767</b>                     |
| <b>Long-Term Liabilities:</b>               |                        |                     |                                    |
| Compensated Absences                        | 0                      | 103,396             | 103,396                            |
| Net Pension Liability                       | 0                      | 827,231             | 827,231                            |
| Net OPEB Liability                          | 0                      | 18,090              | 18,090                             |
| <b>Total Long-Term Liabilities</b>          | <b>0</b>               | <b>948,717</b>      | <b>948,717</b>                     |
| <b>Total Liabilities</b>                    | <b>214,808</b>         | <b>1,017,676</b>    | <b>1,232,484</b>                   |
| <b>Deferred Inflows of Resources:</b>       |                        |                     |                                    |
| Pension                                     | 0                      | 9,092               | 9,092                              |
| OPEB  | 0                      | 6,239               | 6,239                              |
| <b>Total Deferred Inflows of Resources</b>  | <b>0</b>               | <b>15,331</b>       | <b>15,331</b>                      |
| <b>Net Position:</b>                        |                        |                     |                                    |
| Unrestricted                                | 3,245,454              | (604,683)           | 2,640,771                          |
| <b>Total Net Position</b>                   | <b>\$3,245,454</b>     | <b>(\$604,683)</b>  | <b>\$2,640,771</b>                 |

City of Fairfield, Ohio  
Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
Internal Service Funds  
For the Fiscal Year Ended December 31, 2023

|  | Employees'<br>Benefits | Municipal<br>Garage | Total<br>Internal Service<br>Funds |
|--|------------------------|---------------------|------------------------------------|
| Operating Revenues:                              |                        |                     |                                    |
| Charges for Services                             | \$6,970,186            | \$871,578           | \$7,841,764                        |
| Other Revenues                                   | 3,380                  | 379                 | 3,759                              |
| Total Operating Revenues                         | <u>6,973,566</u>       | <u>871,957</u>      | <u>7,845,523</u>                   |
| Operating Expenses:                              |                        |                     |                                    |
| Personal Services                                | 0                      | 663,862             | 663,862                            |
| Contactual Services                              | 6,975,077              | 22,205              | 6,997,282                          |
| Materials and Supplies                           | 0                      | 392,721             | 392,721                            |
| Total Operating Expenses                         | <u>6,975,077</u>       | <u>1,078,788</u>    | <u>8,053,865</u>                   |
| Operating Income (Loss)                          | <u>(1,511)</u>         | <u>(206,831)</u>    | <u>(208,342)</u>                   |
| Non-Operating Revenues (Expenses):               |                        |                     |                                    |
| Investment Earnings                              | <u>2,876</u>           | <u>0</u>            | <u>2,876</u>                       |
| Total Non-Operating Revenues (Expenses)          | <u>2,876</u>           | <u>0</u>            | <u>2,876</u>                       |
| Income (Loss) Before Contributions and Transfers | 1,365                  | (206,831)           | (205,466)                          |
| Transfers In                                     | <u>255,000</u>         | <u>250,000</u>      | <u>505,000</u>                     |
| Change in Net Position                           | 256,365                | 43,169              | 299,534                            |
| Net Position - Beginning of Year                 | <u>2,989,089</u>       | <u>(647,852)</u>    | <u>2,341,237</u>                   |
| Net Position - End of Year                       | <u>\$3,245,454</u>     | <u>(\$604,683)</u>  | <u>\$2,640,771</u>                 |

City of Fairfield, Ohio  
Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended December 31, 2023

|   | Employees'<br>Benefits  | Municipal<br>Garage  | Total<br>Internal Service<br>Funds |
|---|-------------------------|----------------------|------------------------------------|
| Cash Flows from Operating Activities:   |                         |                      |                                    |
| Cash Received from Customers  | \$6,973,566             | \$871,957            | \$7,845,523                        |
| Cash Payments to Employees  | 0                       | (693,163)            | (693,163)                          |
| Cash Payments to Suppliers  | 0                       | (424,592)            | (424,592)                          |
| Cash Payments for Claims  | (6,806,205)             | 0                    | (6,806,205)                        |
| Net Cash Provided (Used) by Operating Activities  | <u>167,361</u>          | <u>(245,798)</u>     | <u>(78,437)</u>                    |
| Cash Flows from Noncapital Financing Activities:  |                         |                      |                                    |
| Payments from Other Funds   | <u>255,000</u>          | <u>250,000</u>       | <u>505,000</u>                     |
| Net Cash Provided (Used) by Noncapital Financing Activities                                   | 255,000                 | 250,000              | 505,000                            |
| Cash Flows from Investing Activities:   |                         |                      |                                    |
| Earnings on Investments   | <u>2,876</u>            | <u>0</u>             | <u>2,876</u>                       |
| Net Cash Provided (Used) by Cash Flows from Investing Activities                              | <u>2,876</u>            | <u>0</u>             | <u>2,876</u>                       |
| Net Increase (Decrease) in Cash and Cash Equivalents  | 425,237                 | 4,202                | 429,439                            |
| Cash and Cash Equivalents - Beginning of Year   | <u>3,035,025</u>        | <u>35,128</u>        | <u>3,070,153</u>                   |
| Cash and Cash Equivalents - End of Year   | <u><u>3,460,262</u></u> | <u><u>39,330</u></u> | <u><u>3,499,592</u></u>            |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities |                         |                      |                                    |
| Operating Income (Loss)   | (1,511)                 | (206,831)            | (208,342)                          |
| Changes in Assets & Liabilities:  |                         |                      |                                    |
| (Increase) Decrease in Deferred Outflows of Resources   | 0                       | (278,265)            | (278,265)                          |
| (Increase) Decrease in Net OPEB Asset   | 0                       | 98,374               | 98,374                             |
| Increase (Decrease) in Claims Payable   | 169,460                 | (97)                 | 169,363                            |
| Increase (Decrease) in Payables   | (588)                   | (9,666)              | (10,254)                           |
| Increase (Decrease) in Accrued Liabilities  | 0                       | (5,793)              | (5,793)                            |
| Increase (Decrease) in Deferred Inflows of Resources  | 0                       | (424,170)            | (424,170)                          |
| Increase (Decrease) in Net Pension Liability  | 0                       | 562,560              | 562,560                            |
| Increase (Decrease) in Net OPEB Liability   | 0                       | 18,090               | 18,090                             |
| Net Cash Provided (Used) by Operating Activities  | <u>\$167,361</u>        | <u>(\$245,798)</u>   | <u>(\$78,437)</u>                  |

City of Fairfield, Ohio  
Combining Statement of Net Position  
Custodial Funds  
December 31, 2023

|   | Fairfield Township<br>Joint Economic<br>Development District 1 | Municipal<br>Court | West Chester<br>Joint Economic<br>Development District 1 | Totals           |
|---|--|--------------------|--|------------------|
| <b>Assets:</b>                                    |  |                    |  |                  |
| Equity in Pooled Cash and Investments             | \$89   | \$62,409           | \$187,702  | \$250,200        |
| Receivables (Net):                                |  |                    |  |                  |
| Accounts  | <u>0</u>   | <u>0</u>           | <u>275,475</u>   | <u>275,475</u>   |
| <b>Total Assets</b>                               | <u>89</u>  | <u>62,409</u>      | <u>463,177</u>   | <u>525,675</u>   |
| <b>Liabilities:</b>                               |  |                    |  |                  |
| Accounts Payable                                  | <u>0</u>   | <u>0</u>           | <u>136,283</u>   | <u>136,283</u>   |
| <b>Total Liabilities</b>                          | <u>0</u>   | <u>0</u>           | <u>136,283</u>   | <u>136,283</u>   |
| <b>Net Position:</b>                              |  |                    |  |                  |
| Restricted for:                                   |  |                    |  |                  |
| Individuals, Organizations, and Other Governments | 0  | 62,409             | 0  | 62,409           |
| Economic Development                              | <u>89</u>  | <u>0</u>           | <u>326,894</u>   | <u>326,983</u>   |
| <b>Total Net Position</b>                         | <u>\$89</u>  | <u>\$62,409</u>    | <u>\$326,894</u>   | <u>\$389,392</u> |

City of Fairfield, Ohio  
Combining Statement of Changes in Net Position  
Custodial Funds  
For the Fiscal Year Ended December 31, 2023

|   | Fairfield Township<br>Joint Economic<br>Development District 1 | Municipal<br>Court | West Chester<br>Joint Economic<br>Development District 1 | Totals           |
|---|--|--------------------|--|------------------|
| <b>Additions:</b>                                 |  |                    |  |                  |
| Investment Earnings                               | \$0  | \$0                | \$209  | \$209            |
| Municipal Court Receipts                          | 0  | 1,217,430          | 0  | 1,217,430        |
| Joint Economic Development District Receipts      | 89   | 0                  | 2,474,736  | 2,474,825        |
| <b>Total Additions</b>                            | <b>89</b>  | <b>1,217,430</b>   | <b>2,474,945</b>   | <b>3,692,464</b> |
| <b>Deductions:</b>                                |  |                    |  |                  |
| Municipal Court Disbursements                     | 0  | 1,248,358          | 0  | 1,248,358        |
| Joint Economic Development District Disbursements | 0  | 0                  | 2,562,978  | 2,562,978        |
| <b>Total Deductions</b>                           | <b>0</b>   | <b>1,248,358</b>   | <b>2,562,978</b>   | <b>3,811,336</b> |
| <b>Change in Net Position</b>                     | <b>89</b>  | <b>(30,928)</b>    | <b>(88,033)</b>  | <b>(118,872)</b> |
| <b>Net Position - Beginning of Year</b>           | <b>0</b>   | <b>93,337</b>      | <b>414,927</b>   | <b>508,264</b>   |
| <b>Net Position - End of Year</b>                 | <b>\$89</b>  | <b>\$62,409</b>    | <b>\$326,894</b>   | <b>\$389,392</b> |



# STATISTICAL SECTION

City of Fairfield, Ohio



## STATISTICAL SECTION

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

### **Contents**

**Financial Trends** - These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

**Revenue Capacity** - These schedules contain information to help the reader understand and assess the City's most significant local revenue sources, the income tax and property tax.

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

**Economic and Demographic Information** - These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

**Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

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City of Fairfield, Ohio  
Net Position by Component  
Last Ten Calendar Years  
(accrual basis of accounting)  
Schedule 1

|  | 2014                 | 2015                 | 2016                 | 2017 (1)             | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Governmental Activities</b>                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets                   | \$70,400,669         | \$70,871,957         | \$72,702,624         | \$73,664,366         | \$77,707,285         | \$78,671,198         | \$74,485,490         | \$74,289,642         | \$74,649,663         | \$80,782,165         |
| Restricted   | 16,288,586           | 15,892,445           | 18,160,599           | 20,743,247           | 22,525,145           | 24,601,200           | 32,170,370           | 34,773,809           | 42,140,398           | 46,462,460           |
| Unrestricted                                       | 16,492,976           | (5,843,139)          | (5,913,774)          | (30,084,299)         | (32,132,889)         | (18,294,804)         | (22,347,006)         | (4,387,301)          | 3,373,619            | 8,471,177            |
| <b>Total Governmental Activities Net Position</b>  | <b>\$103,182,231</b> | <b>\$80,921,263</b>  | <b>\$84,949,449</b>  | <b>\$64,323,314</b>  | <b>\$68,099,541</b>  | <b>\$84,977,594</b>  | <b>\$84,308,854</b>  | <b>\$104,676,150</b> | <b>\$120,163,680</b> | <b>\$135,715,802</b> |
| <b>Business-type activities</b>                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets                   | \$38,873,969         | \$39,709,765         | \$40,221,046         | \$39,221,993         | \$38,133,776         | \$37,401,334         | \$37,067,270         | \$34,374,363         | \$33,248,528         | \$32,459,897         |
| Restricted   | 1,022,736            | 1,023,003            | 1,024,340            | 1,027,000            | 1,031,796            | 1,083,318            | 1,085,053            | 1,085,442            | 1,943,805            | 1,092,433            |
| Unrestricted                                       | 9,242,621            | 5,784,274            | 4,814,362            | 2,516,460            | 5,581,039            | 7,583,053            | 11,391,294           | 15,922,885           | 15,794,505           | 22,733,508           |
| <b>Total Business-Type Activities Net Position</b> | <b>\$49,139,326</b>  | <b>\$46,517,042</b>  | <b>\$46,059,748</b>  | <b>\$42,765,453</b>  | <b>\$44,746,611</b>  | <b>\$46,067,705</b>  | <b>\$49,543,617</b>  | <b>\$51,382,690</b>  | <b>\$50,986,838</b>  | <b>\$56,285,838</b>  |
| <b>Total Primary Government</b>                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets                   | \$109,274,638        | \$110,581,722        | \$112,923,670        | \$112,886,359        | \$115,841,061        | \$116,072,532        | \$111,552,760        | \$108,664,005        | \$107,898,191        | \$113,242,062        |
| Restricted   | 17,311,322           | 16,915,448           | 19,184,939           | 21,770,247           | 23,556,941           | \$25,684,518         | 33,255,423           | 35,859,251           | 44,084,203           | 47,554,893           |
| Unrestricted                                       | 25,735,597           | (58,865)             | (1,099,412)          | (27,567,839)         | (26,551,850)         | (\$10,711,751)       | (10,955,712)         | 11,535,584           | 19,168,124           | 31,204,685           |
| <b>Total Primary Government Net Position</b>       | <b>\$152,321,557</b> | <b>\$127,438,305</b> | <b>\$131,009,197</b> | <b>\$107,088,767</b> | <b>\$112,846,152</b> | <b>\$131,045,299</b> | <b>\$133,852,471</b> | <b>\$156,058,840</b> | <b>\$171,150,518</b> | <b>\$192,001,640</b> |

(1) - Restated for GASB Statement No. 75 Implementation

Source: City Records

City of Fairfield, Ohio  
Changes in Net Position  
Last Ten Calendar Years  
(accrual basis of accounting)  
Schedule 2

|  | 2014                | 2015                | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Expenses                                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental Activities:                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| General Government                             | \$8,179,792         | \$8,240,596         | \$7,968,208         | \$9,420,931         | \$9,476,038         | \$8,302,443         | \$12,617,792        | \$7,440,303         | \$9,154,428         | \$11,244,764        |
| Public Safety                                  | 17,231,019          | 18,459,890          | 18,841,094          | 19,659,072          | 22,968,209          | 13,416,020          | 22,689,176          | 15,832,041          | 22,687,609          | 29,173,859          |
| Community Development                          | 1,483,394           | 1,094,499           | 1,950,158           | 2,088,857           | 2,117,719           | 968,163             | 1,644,000           | 1,015,903           | 1,619,909           | 2,687,755           |
| Leisure Time Activities                        | 3,294,693           | 3,020,368           | 3,746,235           | 3,523,300           | 3,643,483           | 3,083,191           | 3,957,029           | 3,173,971           | 3,987,994           | 4,905,986           |
| Transportation and Street Repair               | 8,004,851           | 8,667,858           | 8,097,174           | 8,471,472           | 9,083,304           | 10,668,855          | 9,766,869           | 9,667,667           | 11,840,154          | 13,420,437          |
| Basic Utility Service                          | 442,800             | 441,845             | 458,368             | 464,115             | 502,866             | 444,198             | 483,211             | 488,930             | 362,300             | 555,039             |
| Public Health and Welfare                      | 21,581              | 21,248              | 21,125              | 20,962              | 20,582              | 20,791              | 3,036,447           | 22,183              | 20,370              | 729,927             |
| Interest and Fiscal Charges                    | 815,863             | 780,363             | 732,471             | 696,672             | 562,058             | 514,315             | 381,288             | 220,424             | 161,071             | 149,743             |
| Total Governmental Activities Expenses         | <u>39,473,993</u>   | <u>40,726,667</u>   | <u>41,814,833</u>   | <u>44,345,381</u>   | <u>48,374,259</u>   | <u>37,417,976</u>   | <u>54,575,812</u>   | <u>37,861,422</u>   | <u>49,833,835</u>   | <u>62,867,510</u>   |
| Business-Type Activities:                      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Water Utility                                  | 5,044,656           | 5,225,446           | 6,407,038           | 6,733,916           | 5,703,566           | 7,311,842           | 7,105,394           | 7,229,429           | 8,952,833           | 6,935,239           |
| Sewer Utility                                  | 5,272,460           | 5,591,952           | 5,735,840           | 5,950,929           | 6,835,855           | 6,517,745           | 5,329,744           | 6,715,790           | 8,665,514           | 6,986,355           |
| Solid Waste Management                         | 2,173,408           | 2,216,074           | 2,259,529           | 2,295,473           | 2,328,509           | 2,378,343           | 2,436,344           | 2,486,619           | 2,582,473           | 2,733,330           |
| Recreation Facilities                          | 2,280,222           | 2,174,232           | 1,873,055           | 1,962,035           | 1,832,164           | 2,194,858           | 1,152,094           | 2,455,741           | 1,631,519           | 2,341,050           |
| Total Business-Type Activities Expenses        | <u>14,770,746</u>   | <u>15,207,704</u>   | <u>16,275,462</u>   | <u>16,942,353</u>   | <u>16,700,094</u>   | <u>18,402,788</u>   | <u>16,023,576</u>   | <u>18,887,579</u>   | <u>21,832,339</u>   | <u>18,995,974</u>   |
| Total Primary Government Expenses              | <u>\$54,244,739</u> | <u>\$55,934,371</u> | <u>\$58,090,295</u> | <u>\$61,287,734</u> | <u>\$65,074,353</u> | <u>\$55,820,764</u> | <u>\$70,599,388</u> | <u>\$56,749,001</u> | <u>\$71,666,174</u> | <u>\$81,863,484</u> |
| Program Revenues                               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Governmental Activities:                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Charges for Services and Sales:                |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| General Government                             | \$1,802,079         | \$1,795,353         | \$1,422,096         | \$1,930,245         | \$1,899,530         | \$2,120,563         | \$1,884,468         | \$2,147,617         | \$2,603,634         | \$2,442,428         |
| Public Safety                                  | 1,162,252           | 1,144,227           | 1,130,784           | 1,101,654           | 1,187,677           | 1,251,438           | 1,053,317           | 1,175,084           | 1,415,445           | 1,987,536           |
| Community Development                          | 529,106             | 223,544             | 1,194,603           | 1,137,106           | 1,337,230           | 1,274,609           | 1,120,383           | 1,303,478           | 1,743,203           | 1,559,749           |
| Leisure Time Activities                        | 248,952             | 497,097             | 958,658             | 244,100             | 261,393             | 265,147             | 64,622              | 178,846             | 238,790             | 267,004             |
| Transportation and Street Repair               | 37,452              | 593,242             | 1,705,115           | 39,889              | 35,065              | 39,230              | 0                   | 0                   | 0                   | 0                   |
| Basic Utility Service                          | 566,935             | 77,917              | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Operating Grants and Contributions             | 2,944,428           | 3,077,018           | 3,243,396           | 3,301,379           | 3,403,213           | 6,073,045           | 7,280,416           | 4,734,913           | 5,170,779           | 7,855,366           |
| Capital Grants and Contributions               | 14,506              | 897,858             | 185,742             | 1,257,952           | 3,472,908           | 1,578,511           | 546,409             | 1,082,121           | 1,894,677           | 3,971,088           |
| Total Governmental Activities Program Revenues | <u>\$7,305,710</u>  | <u>\$8,306,256</u>  | <u>\$9,840,394</u>  | <u>\$9,012,325</u>  | <u>\$11,597,016</u> | <u>\$12,602,543</u> | <u>\$11,949,615</u> | <u>\$10,622,059</u> | <u>\$13,066,528</u> | <u>\$18,083,171</u> |

City of Fairfield, Ohio  
Changes in Net Position  
Last Ten Calendar Years  
(accrual basis of accounting)  
Schedule 2 (Continued)

|   | 2014                  | 2015                  | 2016                  | 2017                  | 2018                  | 2019                  | 2020                  | 2021                  | 2022                  | 2023                  |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Business-Type Activities:</b>                          |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Charges for Services and Sales:</b>                    |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Water Utility   | \$4,825,443           | \$4,944,528           | \$5,121,220           | \$5,686,777           | \$6,885,777           | \$7,305,160           | \$7,805,290           | \$8,289,494           | \$8,757,842           | \$9,752,027           |
| Sewer Utility   | 5,968,424             | 5,992,562             | 6,145,668             | 6,306,111             | 7,047,636             | 7,134,527             | 7,393,112             | 7,479,674             | 7,751,281             | 8,500,503             |
| Solid Waste Management                                    | 2,165,612             | 2,218,507             | 2,261,648             | 2,273,206             | 2,346,009             | 2,359,581             | 2,451,999             | 2,487,148             | 2,556,126             | 2,712,188             |
| Recreation Facilities                                     | 1,831,891             | 1,859,761             | 1,769,065             | 1,791,263             | 1,615,420             | 1,704,784             | 1,284,947             | 1,717,037             | 1,679,000             | 1,918,299             |
| Operating Grants and Contributions                        | 88,048                | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| Capital Grants and Contributions                          | 900                   | 12,090                | 0                     | 0                     | 0                     | 64,868                | 0                     | 0                     | 0                     | 0                     |
| <b>Total Business-Type Activities Program Revenues</b>    | <b>14,880,318</b>     | <b>15,027,448</b>     | <b>15,297,601</b>     | <b>16,057,357</b>     | <b>17,894,842</b>     | <b>18,568,920</b>     | <b>18,935,348</b>     | <b>19,973,353</b>     | <b>20,744,249</b>     | <b>22,883,017</b>     |
| <b>Total Primary Government Program Revenues</b>          | <b>\$22,186,028</b>   | <b>\$23,333,704</b>   | <b>\$25,137,995</b>   | <b>\$25,069,682</b>   | <b>\$29,491,858</b>   | <b>\$31,171,463</b>   | <b>\$30,884,963</b>   | <b>\$30,595,412</b>   | <b>\$33,810,777</b>   | <b>\$40,966,188</b>   |
| <b>Net (Expense)/Revenue</b>                              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental Activities                                   | (\$32,168,283)        | (\$32,420,411)        | (\$31,974,439)        | (\$35,333,056)        | (\$36,777,243)        | (\$24,815,433)        | (\$42,626,197)        | (\$27,239,363)        | (\$36,767,307)        | (\$44,784,339)        |
| Business-type activities                                  | 109,572               | (180,256)             | (977,861)             | (884,996)             | 1,194,748             | 166,132               | 2,911,772             | 1,085,774             | (1,088,090)           | 3,887,043             |
| <b>Total Primary Government Net Expenses</b>              | <b>(\$32,058,711)</b> | <b>(\$32,600,667)</b> | <b>(\$32,952,300)</b> | <b>(\$36,218,052)</b> | <b>(\$35,582,495)</b> | <b>(\$24,649,301)</b> | <b>(\$39,714,425)</b> | <b>(\$26,153,589)</b> | <b>(\$37,855,397)</b> | <b>(\$40,897,296)</b> |
| <b>General Revenues and Other Changes in Net Position</b> |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Governmental Activities:</b>                           |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Income Taxes  | \$23,586,464          | \$25,318,834          | \$28,822,572          | \$28,041,922          | \$30,739,815          | \$30,773,706          | \$33,288,670          | \$37,330,331          | \$40,717,948          | \$40,404,187          |
| <b>Property Taxes Levied for:</b>                         |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| General Purposes  | 1,987,282             | 1,636,590             | 1,439,432             | 1,677,991             | 1,540,349             | 1,722,680             | 1,490,543             | 1,786,540             | 1,958,925             | 2,082,536             |
| Special Revenue Purposes                                  | 3,587,886             | 3,642,740             | 3,722,358             | 6,017,623             | 5,915,444             | 6,116,111             | 6,101,744             | 6,396,533             | 6,462,377             | 11,126,996            |
| Grants and Entitlements not Restricted                    | 1,580,380             | 1,194,667             | 1,413,792             | 1,092,049             | 1,194,021             | 1,417,520             | 1,440,893             | 1,339,306             | 2,214,961             | 1,724,887             |
| Investment Earnings                                       | 140,964               | 185,456               | 147,846               | 423,476               | 663,060               | 1,120,183             | 280,478               | (34,539)              | (117,392)             | 3,439,857             |
| Other Revenues  | 1,253,901             | 722,374               | 671,625               | 774,223               | 855,781               | 1,078,286             | 1,266,258             | 1,278,488             | 1,368,018             | 1,907,998             |
| Transfers-Internal Activities                             | (295,000)             | (315,000)             | (215,000)             | (175,000)             | (355,000)             | (535,000)             | (490,000)             | (490,000)             | (350,000)             | (350,000)             |
| <b>Total Governmental Activities</b>                      | <b>31,841,877</b>     | <b>32,385,661</b>     | <b>36,002,625</b>     | <b>37,852,284</b>     | <b>40,553,470</b>     | <b>41,693,486</b>     | <b>43,378,586</b>     | <b>47,606,659</b>     | <b>52,254,837</b>     | <b>60,336,461</b>     |
| <b>Business-Type Activities:</b>                          |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Investment Earnings                                       | 24,544                | 11,405                | 28,592                | 81,541                | 179,666               | 411,729               | 69,958                | (23,156)              | (31,082)              | 755,824               |
| Other Revenues  | 204,500               | 244,583               | 276,975               | 264,497               | 251,744               | 208,233               | 190,022               | 286,455               | 373,320               | 306,133               |
| Transfers-Internal Activities                             | 295,000               | 315,000               | 215,000               | 175,000               | 355,000               | 535,000               | 490,000               | 490,000               | 350,000               | 350,000               |
| <b>Total Business-Type Activities</b>                     | <b>524,044</b>        | <b>570,988</b>        | <b>520,567</b>        | <b>521,038</b>        | <b>786,410</b>        | <b>1,154,962</b>      | <b>749,980</b>        | <b>753,299</b>        | <b>692,238</b>        | <b>1,411,957</b>      |
| <b>Total Primary Government</b>                           | <b>\$32,365,921</b>   | <b>\$32,956,649</b>   | <b>\$36,523,192</b>   | <b>\$38,373,322</b>   | <b>\$41,339,880</b>   | <b>\$42,848,448</b>   | <b>\$44,128,566</b>   | <b>\$48,359,958</b>   | <b>\$52,947,075</b>   | <b>\$61,748,418</b>   |

City of Fairfield, Ohio  
 Changes in Net Position  
 Last Ten Calendar Years  
 (accrual basis of accounting)  
 Schedule 2 (Concluded)

|                          | 2014        | 2015       | 2016        | 2017        | 2018        | 2019         | 2020        | 2021         | 2022         | 2023         |
|--------------------------|-------------|------------|-------------|-------------|-------------|--------------|-------------|--------------|--------------|--------------|
| Change in Net Position   |             |            |             |             |             |              |             |              |              |              |
| Governmental Activities  | (\$326,406) | (\$34,750) | \$4,028,186 | \$2,519,228 | \$3,776,227 | \$16,878,053 | \$752,389   | \$20,367,296 | \$15,487,530 | \$15,552,122 |
| Business-Type Activities | 633,616     | 390,732    | (457,294)   | (363,958)   | 1,981,158   | 1,321,094    | 3,661,752   | 1,839,073    | (395,852)    | 5,299,000    |
| Total Primary Government | \$307,210   | \$355,982  | \$3,570,892 | \$2,155,270 | \$5,757,385 | \$18,199,147 | \$4,414,141 | \$22,206,369 | \$15,091,678 | \$20,851,122 |

Source: City Records

City of Fairfield, Ohio  
Fund Balances, Governmental Funds  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
Schedule 3

|                                    | 2014                | 2015                | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Assigned                           | \$1,276,408         | \$673,678           | \$1,779,678         | \$370,256           | \$298,960           | \$313,800           | \$179,886           | \$409,318           | \$919,788           | \$469,977           |
| Unassigned                         | 13,107,411          | 14,274,603          | 14,034,551          | 15,599,686          | 19,292,199          | 21,244,703          | 23,768,885          | 29,343,074          | 28,465,611          | 32,473,951          |
| Total General Fund                 | <u>14,383,819</u>   | <u>14,948,281</u>   | <u>15,814,229</u>   | <u>15,969,942</u>   | <u>19,591,159</u>   | <u>21,558,503</u>   | <u>23,948,771</u>   | <u>29,752,392</u>   | <u>29,385,399</u>   | <u>32,943,928</u>   |
| All Other Governmental Funds       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Restricted                         | 14,631,812          | 14,507,341          | 16,656,232          | 20,684,196          | 20,847,065          | 22,460,400          | 30,359,706          | 32,535,539          | 37,737,028          | 43,727,796          |
| Assigned                           | 186,814             | 164,254             | 148,835             | 118,002             | 57,567              | 55,917              | 46,998              | 46,518              | 5,028,695           | 7,380,067           |
| Unassigned                         | (346,988)           | (431,443)           | (69,540)            | (657,721)           | (818,708)           | (306,936)           | (78,769)            | 0                   | 0                   | 0                   |
| Total all Other Governmental Funds | <u>\$14,471,638</u> | <u>\$14,240,152</u> | <u>\$16,735,527</u> | <u>\$20,144,477</u> | <u>\$20,085,924</u> | <u>\$22,209,381</u> | <u>\$30,327,935</u> | <u>\$32,582,057</u> | <u>\$42,765,723</u> | <u>\$51,107,863</u> |

Source: City Records

City of Fairfield, Ohio  
Changes in Fund Balances, Governmental Funds  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
Schedule 4

|                                  | 2014                | 2015                | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues:</b>                 |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Taxes                            | \$28,234,609        | \$31,186,625        | \$33,784,963        | \$36,031,807        | \$37,867,327        | \$38,378,455        | \$40,543,817        | \$43,804,845        | \$47,323,776        | \$53,275,936        |
| Charges for Services             | 2,675,730           | 2,747,915           | 2,598,343           | 2,698,535           | 2,796,234           | 2,929,600           | 2,726,764           | 2,809,802           | 3,216,346           | 3,493,016           |
| Investment Earnings              | 142,171             | 175,768             | 135,229             | 431,784             | 675,646             | 1,093,906           | 311,715             | (36,245)            | (132,853)           | 3,421,820           |
| Intergovernmental                | 5,461,873           | 5,446,943           | 5,934,448           | 5,191,496           | 8,417,569           | 8,210,034           | 9,665,620           | 7,094,239           | 9,328,126           | 13,524,843          |
| Special Assessments              | 40,587              | 250,298             | 223,868             | 17,367              | 56,636              | 58,556              | 71,188              | 71,754              | 122,564             | 68,417              |
| Fines, Licenses & Permits        | 1,859,215           | 1,784,422           | 1,975,184           | 2,140,372           | 2,093,158           | 2,303,782           | 1,899,532           | 2,425,952           | 3,172,232           | 2,848,840           |
| Other Revenues                   | 441,998             | 462,221             | 1,032,869           | 514,038             | 482,702             | 515,173             | 815,824             | 806,255             | 776,706             | 1,346,941           |
| <b>Total Revenues</b>            | <b>\$38,856,183</b> | <b>\$42,054,192</b> | <b>\$45,684,904</b> | <b>\$47,025,399</b> | <b>\$52,389,272</b> | <b>\$53,489,506</b> | <b>\$56,034,460</b> | <b>\$56,976,602</b> | <b>\$63,806,897</b> | <b>\$77,979,813</b> |
| <b>Expenditures:</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Current:</b>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| General Government               | \$8,062,959         | \$8,338,732         | \$7,926,097         | \$8,341,413         | \$8,581,493         | \$9,241,331         | \$9,578,771         | \$7,850,436         | \$9,102,262         | \$9,963,876         |
| Public Safety                    | 16,157,770          | 16,829,972          | 17,148,478          | 17,784,469          | 19,027,936          | 19,586,285          | 17,359,953          | 22,328,294          | 23,666,013          | 25,149,615          |
| Community Development            | 1,434,544           | 1,457,640           | 1,555,296           | 1,465,974           | 1,412,325           | 1,431,198           | 1,463,355           | 1,443,679           | 1,730,355           | 2,583,177           |
| Leisure Time Activities          | 2,526,615           | 2,588,912           | 2,565,624           | 2,598,885           | 2,665,024           | 2,808,303           | 2,627,991           | 2,764,872           | 3,251,186           | 3,688,034           |
| Transportation and Street Repair | 5,314,576           | 3,351,636           | 3,211,071           | 3,239,569           | 3,454,387           | 6,886,517           | 6,319,056           | 8,171,442           | 9,514,151           | 10,700,462          |
| Basic Utility Service            | 442,800             | 441,845             | 458,368             | 464,115             | 502,866             | 444,198             | 483,211             | 488,930             | 362,300             | 555,039             |
| Public Health and Welfare        | 21,581              | 21,248              | 21,125              | 20,962              | 20,582              | 20,791              | 3,036,447           | 22,183              | 20,370              | 729,927             |
| Capital Outlay                   | 3,633,918           | 5,739,648           | 6,690,901           | 7,192,216           | 10,586,483          | 6,735,184           | 2,383,394           | 2,646,867           | 4,831,458           | 11,436,683          |
| <b>Debt Service:</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Principal Retirement             | 1,654,765           | 1,680,000           | 1,740,000           | 1,425,000           | 1,440,000           | 1,145,000           | 1,270,000           | 2,245,000           | 840,000             | 985,036             |
| Interest and Fiscal Charges      | 835,371             | 800,002             | 747,541             | 630,909             | 581,485             | 528,942             | 341,487             | 223,264             | 158,696             | 147,426             |
| Bond Issuance Cost               | 0                   | 0                   | 0                   | 85,090              | 0                   | 0                   | 58,858              | 0                   | 0                   | 0                   |
| <b>Total Expenditures</b>        | <b>\$40,084,899</b> | <b>\$41,249,635</b> | <b>\$42,064,501</b> | <b>\$43,248,602</b> | <b>\$48,272,581</b> | <b>\$48,827,749</b> | <b>\$44,922,523</b> | <b>\$48,184,967</b> | <b>\$53,476,791</b> | <b>\$65,939,275</b> |



City of Fairfield, Ohio  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Calendar Years  
 (modified accrual basis of accounting)  
 Schedule 4 (Continued)

|  | 2014          | 2015        | 2016        | 2017        | 2018        | 2019        | 2020         | 2021        | 2022         | 2023         |
|--|---------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|--------------|--------------|
| Excess (Deficiency) of Revenues<br>Over Expenditures           | (\$1,228,716) | \$804,557   | \$3,620,403 | \$3,776,797 | \$4,116,691 | \$4,661,757 | \$11,111,937 | \$8,791,635 | \$10,330,106 | \$12,040,538 |
| Other Financing Sources (Uses)                                 |               |             |             |             |             |             |              |             |              |              |
| Proceeds from Sale of Capital Assets                           | \$73,910      | \$68,419    | \$155,920   | \$77,776    | \$973       | \$164,044   | \$28,027     | \$56,108    | \$111,567    | \$96,331     |
| Proceeds of Subscription Based                                 |               |             |             |             |             |             |              |             |              |              |
| Information Technology Arrangements                            | 0             | 0           | 0           | 0           | 0           | 0           | 0            | 0           | 0            | 618,800      |
| Sale of Refunding Bonds  | 0             | 0           | 0           | 3,615,000   | 0           | 0           | 5,345,000    | 0           | 0            | 0            |
| Payments to Refunded Bond Escrow Agent                         | 0             | 0           | 0           | (3,855,969) | 0           | 0           | (5,286,142)  | 0           | 0            | 0            |
| Premium/(Discount) on Sale of Refunded Bonds                   | 0             | 0           | 0           | 326,059     | 0           | 0           | 0            | 0           | 0            | 0            |
| Transfers In   | 6,531,244     | 3,900,000   | 8,074,458   | 4,950,000   | 2,376,763   | 3,465,127   | 6,277,532    | 4,672,378   | 12,558,860   | 9,714,652    |
| Transfers (Out)  | (7,026,244)   | (4,440,000) | (8,489,458) | (5,325,000) | (2,931,763) | (4,200,127) | (6,967,532)  | (5,462,378) | (13,183,860) | (10,569,652) |
| Total Other Financing Sources (Uses)                           | (421,090)     | (471,581)   | (259,080)   | (212,134)   | (554,027)   | (570,956)   | (603,115)    | (733,892)   | (513,433)    | (139,869)    |
| Net Change in Fund Balances                                    | (\$1,649,806) | \$332,976   | \$3,361,323 | \$3,564,663 | \$3,562,664 | \$4,090,801 | \$10,508,822 | \$8,057,743 | \$9,816,673  | \$11,900,669 |
| Debt service as a percentage<br>of noncapital expenditures (1) | 6.9%          | 6.5%        | 6.7%        | 5.6%        | 5.0%        | 3.9%        | 3.7%         | 5.4%        | 2.1%         | 2.1%         |

Source: City Records

(1) - Noncapital expenditures is total expenditures minus capital assets used in governmental activities

City of Fairfield, Ohio  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Calendar Years  
 Schedule 5

| Calendar<br>Year | Assessed Value |                              |               | Estimated<br>Actual Value | Direct<br>Rate |
|------------------|----------------|------------------------------|---------------|---------------------------|----------------|
|                  | Real Property  | Public<br>Utilities Personal | Total         | Total                     | Total          |
| 2014             | \$914,754,880  | \$34,544,460                 | \$949,299,340 | \$2,637,907,192           | 5.94           |
| 2015             | 903,236,750    | 38,373,230                   | 941,609,980   | 2,616,540,045             | 5.94           |
| 2016             | 903,187,030    | 41,633,890                   | 944,820,920   | 2,625,462,586             | 8.44           |
| 2017             | 956,212,820    | 43,078,190                   | 999,291,010   | 2,776,823,738             | 8.44           |
| 2018             | 1,000,644,150  | 47,648,580                   | 1,048,292,730 | 2,912,989,418             | 8.44           |
| 2019             | 984,802,100    | 49,484,530                   | 1,034,286,630 | 2,874,069,353             | 8.44           |
| 2020             | 1,154,528,940  | 55,581,820                   | 1,210,110,760 | 3,362,648,368             | 8.44           |
| 2021             | 1,156,490,950  | 58,580,940                   | 1,215,071,890 | 3,376,434,326             | 8.44           |
| 2022             | 1,153,419,586  | 58,655,933                   | 1,212,075,519 | 3,368,108,029             | 10.54          |
| 2023             | 1,474,774,460  | 66,473,040                   | 1,541,247,500 | 4,282,809,113             | 10.54          |

Source: County Auditor

Note:

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

City of Fairfield, Ohio  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 6

| Calendar Year | Direct Rate  |             |               |       | Overlapping Rates |             |                        |
|---------------|--------------|-------------|---------------|-------|-------------------|-------------|------------------------|
|               | General Fund | Police Levy | Fire/EMS Levy | Total | County Levy       | School Levy | Vocational School Levy |
| 2014          | 0.99         | 0.30        | 4.65          | 5.94  | 9.72              | 65.80       | 1.93                   |
| 2015          | 0.99         | 0.30        | 4.65          | 5.94  | 9.72              | 65.80       | 1.93                   |
| 2016          | 0.99         | 0.30        | 7.15          | 8.44  | 9.72              | 64.30       | 1.93                   |
| 2017          | 0.99         | 0.30        | 7.15          | 8.44  | 9.72              | 64.30       | 1.93                   |
| 2018          | 0.99         | 0.30        | 7.15          | 8.44  | 9.72              | 64.30       | 1.93                   |
| 2019          | 0.99         | 0.30        | 7.15          | 8.44  | 9.72              | 64.30       | 1.93                   |
| 2020          | 0.99         | 0.30        | 7.15          | 8.44  | 9.22              | 63.30       | 1.93                   |
| 2021          | 0.99         | 0.30        | 7.15          | 8.44  | 9.22              | 63.30       | 1.93                   |
| 2022          | 0.99         | 0.30        | 9.25          | 10.54 | 9.22              | 63.30       | 1.93                   |
| 2023          | 0.99         | 0.30        | 9.25          | 10.54 | 9.28              | 62.30       | 1.93                   |

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Fairfield, Ohio  
Principal Property Tax Payers  
Current Year and Nine Years Ago (1)  
Schedule 7

| 2023 (1)                       |                      |   |
|--------------------------------|----------------------|---|
| Taxpayer                       | Assessed<br>Value    | Percentage<br>of Total<br>Assessed<br>Value |
| Duke Energy Ohio               | \$71,917,113         | 4.67%                                       |
| Cincinnati Financial Corp      | 13,955,266           | 0.91%                                       |
| LIT Industrial Partnership     | 10,024,051           | 0.65%                                       |
| Koch Foods of Cincinnati LLC   | 9,813,298            | 0.64%                                       |
| Duke Reality Ohio              | 9,541,719            | 0.62%                                       |
| Faith Village Park Apartments  | 9,458,983            | 0.61%                                       |
| Villages of Wildwood Owner LLC | 9,446,670            | 0.61%                                       |
| VP Woodridge LLC               | 9,212,558            | 0.60%                                       |
| Rajole LLC                     | 9,142,916            | 0.59%                                       |
| Camelot East Properties LLC    | 9,052,639            | 0.59%                                       |
|                                | <u>\$161,565,212</u> | <u>10.49%</u>                               |

| 2014 (2)                      |                     |   |
|-------------------------------|---------------------|---|
| Taxpayer                      | Assessed<br>Value   | Percentage<br>of Total<br>Assessed<br>Value |
| Duke Energy Ohio              | \$33,152,010        | 3.49%                                       |
| Boymel Family                 | 7,621,310           | 0.80%                                       |
| Sisters of Mercy              | 6,777,750           | 0.71%                                       |
| Fath Village Park Apartments  | 5,642,110           | 0.59%                                       |
| BWIP Wookstock Glen Eagle     | 5,361,060           | 0.56%                                       |
| Timber Hollow Spe             | 5,125,150           | 0.54%                                       |
| Ohio Casualty Insurance       | 5,158,470           | 0.54%                                       |
| Rajole LLC                    | 4,890,590           | 0.52%                                       |
| Camelot East Owners           | 4,791,740           | 0.50%                                       |
| Penn Gardens Capital Partners | 4,242,050           | 0.45%                                       |
|                               | <u>\$82,762,240</u> | <u>8.70%</u>                                |

Source: County Auditor

(1) - Calendar Year 2023

(2) - Collection Year 2014

City of Fairfield, Ohio  
Property Tax Levies and Collections  
Last Ten Calendar Years  
Schedule 8

| Calendar Year | Taxes Levied for the Calendar Year | Collected within the Calendar Year of the Levy |                    | Delinquent Taxes Collected | Total Collections to Date |                    |
|---------------|------------------------------------|--|--------------------|----------------------------|---------------------------|--------------------|
|               |                                    | Amount   | Percentage of Levy |                            | Amount                    | Percentage of Levy |
| 2014          | \$5,245,233                        | \$5,081,457                                    | 96.88%             | \$163,776                  | \$5,245,233               | 100.00%            |
| 2015          | 5,163,152                          | 5,099,800                                      | 98.77%             | 63,352                     | 5,163,152                 | 100.00%            |
| 2016          | 5,200,000                          | 5,162,354                                      | 99.28%             | 37,646                     | 5,200,000                 | 100.00%            |
| 2017          | 3,450,963                          | 3,295,748                                      | 95.50%             | 115,784                    | 3,411,532                 | 98.86%             |
| 2018          | 4,362,689                          | 3,877,743                                      | 88.88%             | 420,253                    | 4,297,996                 | 98.52%             |
| 2019          | 5,022,670                          | 4,613,713                                      | 91.86%             | 342,147                    | 4,955,860                 | 98.67%             |
| 2020          | 5,557,878                          | 5,144,863                                      | 92.57%             | 340,558                    | 5,485,421                 | 98.70%             |
| 2021          | N/A                                | N/A  | N/A                | N/A                        | N/A                       | N/A                |
| 2022          | 8,323,630                          | 8,231,692                                      | 98.90%             | 91,938                     | 8,323,630                 | 100.00%            |
| 2023          | 12,818,699                         | 12,667,635                                     | 98.82%             | 151,064                    | 12,818,699                | 100.00%            |

N/A - Information not available

Source: County Auditor

City of Fairfield, Ohio  
Income Tax by Payer Type and Income Tax Rate  
Last Ten Calendar Years  
(cash basis of accounting)  
Schedule 9

| Calendar Year | Income Tax Rate |              |             |             |              | Percentage of Total |          |             |        |
|---------------|-----------------|--------------|-------------|-------------|--------------|---------------------|----------|-------------|--------|
|               |                 | Withholding  | Business    | Individuals | Total        | Withholding         | Business | Individuals | Total  |
| 2014          | 1.50%           | \$20,354,912 | \$3,117,922 | \$3,059,354 | \$26,532,188 | 76.7%               | 11.8%    | 11.5%       | 100.0% |
| 2015          | 1.50%           | 21,408,938   | 2,967,608   | 3,085,033   | 27,461,579   | 78.0%               | 10.8%    | 11.2%       | 100.0% |
| 2016          | 1.50%           | 22,319,907   | 3,364,012   | 3,435,563   | 29,119,482   | 76.6%               | 11.6%    | 11.8%       | 100.0% |
| 2017          | 1.50%           | 23,873,512   | 3,482,717   | 3,364,962   | 30,721,191   | 77.7%               | 11.3%    | 11.0%       | 100.0% |
| 2018          | 1.50%           | 24,672,582   | 3,008,899   | 3,431,538   | 31,113,019   | 79.3%               | 9.7%     | 11.0%       | 100.0% |
| 2019          | 1.50%           | 25,053,223   | 3,853,758   | 3,364,071   | 32,271,052   | 77.6%               | 11.9%    | 10.4%       | 100.0% |
| 2020          | 1.50%           | 25,601,868   | 4,101,810   | 3,169,869   | 32,873,547   | 77.8%               | 12.5%    | 9.7%        | 100.0% |
| 2021          | 1.50%           | 26,399,353   | 6,118,165   | 3,989,165   | 36,506,683   | 72.3%               | 16.8%    | 10.9%       | 100.0% |
| 2022          | 1.50%           | 27,902,372   | 7,829,029   | 4,988,384   | 40,719,785   | 68.5%               | 19.2%    | 12.3%       | 100.0% |
| 2023          | 1.50%           | 28,023,353   | 8,657,818   | 5,505,494   | 42,186,665   | 66.4%               | 20.5%    | 13.1%       | 100.0% |

Source: City Finance Department

City of Fairfield, Ohio  
Principal Income Taxpayers  
Current Calendar Year and Nine Years Ago  
(cash basis of accounting)  
Schedule 10

| <u>2023</u>                                  |                    |
|--|--------------------|
| <u>Name</u>                                  | <u>Amount</u>      |
| Cincinnati Insurance Corporation             | \$2,906,747        |
| Bon Secours Mercy Health                     | 1,836,270          |
| Koch Meat Co Inc                             | 1,514,323          |
| Fairfield City School District               | 899,231            |
| Pacific Manufacturing Ohio Inc               | 617,449            |
| Martin Brower Co LLC                         | 429,710            |
| City of Fairfield                            | 422,621            |
| Veritiv Operating Company                    | 335,092            |
| Express Scripts Pharmacy Inc                 | 277,477            |
| Fedex Freight Inc                            | 258,069            |
| Total Collections - Principal Taxpayers      | <u>\$9,496,989</u> |
| Total Collections                            | \$42,186,665       |
| Combined percentage of<br>total income taxes | 22.5%              |

| <u>2014</u>                                  |                    |
|--|--------------------|
| <u>Name</u>                                  | <u>Amount</u>      |
| Cincinnati Insurance Corporation             | \$3,720,610        |
| Liberty Mutual Group                         | 1,397,872          |
| Mercy Regional Health System                 | 1,333,228          |
| Fairfield Board of Education                 | 596,135            |
| Express Scripts Services Corporation         | 542,915            |
| Pacific Mfg Ohio Inc.                        | 399,363            |
| Koch Meat Co Inc.                            | 320,087            |
| City of Fairfield                            | 320,087            |
| Martin Brower Co. LLC                        | 242,696            |
| Devco Holdings Inc.                          | 192,136            |
| Total Collections - Principal Taxpayers      | <u>\$9,065,129</u> |
| Total Collections                            | \$26,532,188       |
| Combined percentage of<br>total income taxes | 34.2%              |

Source: City Finance Department

City of Fairfield, Ohio  
Ratios of Outstanding Debt by Type  
Last Ten Calendar Years  
Schedule 11

| Calendar Year | Governmental Activities  |                 | Business-Type Activities |                          |                 | Total Primary Government | Percentage of Personal Income | Per Capita |
|---------------|--------------------------|-----------------|--------------------------|--------------------------|-----------------|--------------------------|-------------------------------|------------|
|               | General Obligation Bonds | SBITA Liability | OWDA Loans               | General Obligation Bonds | Lease Liability |                          |                               |            |
| 2014          | \$18,756,339             | \$0             | \$2,665,171              | \$1,890,957              | \$0             | \$23,312,467             | 0.15%                         | \$548      |
| 2015          | 17,029,916               | 0               | 1,766,809                | 1,453,785                | 0               | 20,250,510               | 0.13%                         | 476        |
| 2016          | 15,248,896               | 0               | 831,812                  | 1,011,613                | 0               | 17,092,321               | 0.10%                         | 402        |
| 2017          | 14,103,851               | 0               | 219,082                  | 574,440                  | 0               | 14,897,373               | 0.09%                         | 350        |
| 2018          | 12,597,749               | 0               | 43,111                   | 437,080                  | 0               | 13,077,940               | 0.07%                         | 308        |
| 2019          | 11,391,165               | 0               | 0                        | 294,720                  | 0               | 11,685,885               | 0.06%                         | 275        |
| 2020          | 10,264,582               | 0               | 0                        | 147,360                  | 0               | 10,411,942               | 0.05%                         | 245        |
| 2021          | 7,957,998                | 0               | 567,897                  | 0                        | 0               | 8,525,895                | 0.04%                         | 190        |
| 2022          | 7,065,996                | 0               | 8,329,911                | 0                        | 141,685         | 15,537,592               | 0.07%                         | 346        |
| 2023          | 6,148,994                | 961,371         | 12,982,766               | 0                        | 71,297          | 20,164,428               | N/A                           | 449        |

Source: City Finance Department

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements

N/A - Information not available



City of Fairfield, Ohio  
Ratios of General Bonded Debt Outstanding  
Last Ten Calendar Years  
Schedule 12

| Calendar Year | General Bonded Debt Outstanding<br>Total General Obligation Bonds | Less: Restricted for Debt Service (1) | General Bonded Debt Outstanding<br>Net General Obligation Bonds | Percentage of Estimated Actual Taxable Value of Property | Per Capita |
|---------------|---|---------------------------------------|---|--|------------|
| 2014          | \$20,647,296  | \$1,929,153                           | \$18,718,143  | 0.71%  | \$440      |
| 2015          | 18,483,701  | 1,829,128                             | 16,654,573  | 0.64%  | 392        |
| 2016          | 16,260,509  | 1,743,468                             | 14,517,041  | 0.55%  | 341        |
| 2017          | 14,678,291  | 1,763,686                             | 12,914,605  | 0.47%  | 304        |
| 2018          | 13,034,829  | 1,781,236                             | 11,253,593  | 0.39%  | 265        |
| 2019          | 11,685,885  | 1,821,273                             | 9,864,612   | 0.34%  | 232        |
| 2020          | 10,411,942  | 1,824,774                             | 8,587,168   | 0.26%  | 202        |
| 2021          | 7,957,998   | 1,818,818                             | 6,139,180   | 0.18%  | 137        |
| 2022          | 7,065,996   | 1,820,808                             | 5,245,188   | 0.16%  | 117        |
| 2023          | 6,148,994   | 1,856,158                             | 4,292,836   | 0.10%  | 96         |

Source: City Finance Department

(1) - Amount from Statement of Net Assets/Net Position

Notes:

Details regarding the city's outstanding debt can be found in the notes to the basic financial statements

City of Fairfield, Ohio  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2023  
Schedule 13

| Governmental Unit                 | Net Debt<br>Outstanding | Estimated<br>Percentage<br>Applicable (1) | Amount<br>Applicable to<br>City of Fairfield |
|-----------------------------------|-------------------------|---|--|
| Butler County                     | \$18,486,960            | 11.74%                                    | \$2,170,369                                  |
| Hamilton County                   | 124,816,000             | 0.00%                                     | 0  |
| Fairfield Township                | 1,465,000               | 0.00%                                     | 0  |
| Fairfield City School District    | 54,715,000              | 66.50%                                    | 36,385,475                                   |
| Lakota Local School District      | 69,335,000              | 0.22%                                     | 152,537                                      |
| Northwest Local School District   | 70,987,000              | 0.00%                                     | 0  |
| Subtotal Overlapping Debt         | 339,804,960             |   | 38,708,381                                   |
| City of Fairfield - Direct Debt   | 6,148,994               | 100.00%                                   | 6,148,994                                    |
| Total Direct and Overlapping Debt | \$345,953,954           |   | \$44,857,375                                 |

Source: Ohio Municipal Advisory Council

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

City of Fairfield, Ohio  
 Legal Debt Margin Information  
 Last Ten Calendar Years  
 Schedule 14

Legal Debt Margin Calculation for Current Calendar Year

|                                       |                 |                 |
|---------------------------------------|-----------------|-----------------|
| Assessed Value                        | \$1,541,247,500 | \$1,541,247,500 |
| Statutory Legal Debt Limitation (1)   | 10.5%           | 5.5%            |
| Total Debt Limitation                 | 161,830,988     | 84,768,613      |
| Debt Applicable to Limit:             |                 |                 |
| Gross Indebtedness                    | 6,220,291       | 6,220,291       |
| Less: Restricted for Debt Service (2) | 1,856,158       | 1,856,158       |
| Total Net Debt Applicable to Limit    | 4,364,133       | 4,364,133       |
| Legal Debt Margin                     | \$157,466,855   | \$80,404,480    |

|   | 2014         | 2015         | 2016         | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          | 2023          |
|---|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Debt Limit (1)  |              |              |              |               |               |               |               |               |               |               |
| Debt Limit (10.5%)  | \$99,676,431 | \$98,869,048 | \$99,206,197 | \$104,925,556 | \$110,070,737 | \$108,600,096 | \$127,061,630 | \$127,582,548 | \$127,267,929 | \$161,830,988 |
| Total Net Debt Applicable to Limit                                      | 20,647,296   | 18,483,701   | 16,260,509   | 14,678,291    | 11,253,593    | 9,864,612     | 8,587,168     | 6,139,180     | 5,245,188     | 4,364,133     |
| Legal Debt Margin   | \$79,029,135 | \$80,385,347 | \$82,945,688 | \$90,247,265  | \$98,817,144  | \$98,735,484  | \$118,474,462 | \$121,443,368 | \$122,022,741 | \$157,466,855 |
| Total Net Debt Applicable to the Limit<br>as a Percentage of Debt Limit | 20.7%        | 18.7%        | 16.4%        | 14.0%         | 10.2%         | 9.1%          | 6.8%          | 4.8%          | 4.1%          | 2.7%          |

|   | 2014         | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Unvoted Debt Limit (1)  |              |              |              |              |              |              |              |              |              |              |
| Debt Limit (5.5%)   | \$52,211,464 | \$51,788,549 | \$51,965,151 | \$54,961,006 | \$57,656,100 | \$56,885,765 | \$66,556,091 | \$66,828,954 | \$66,664,154 | \$84,768,613 |
| Total Net Debt Applicable to Limit                                      | 20,647,296   | 18,483,701   | 16,260,509   | 14,678,291   | 11,253,593   | 9,864,612    | 8,587,168    | 6,139,180    | 5,245,188    | 4,364,133    |
| Legal Debt Margin   | \$31,564,168 | \$33,304,848 | \$35,704,642 | \$40,282,715 | \$46,402,507 | \$47,021,153 | \$57,968,923 | \$60,689,774 | \$61,418,966 | \$80,404,480 |
| Total Net Debt Applicable to the Limit<br>as a Percentage of Debt Limit | 39.5%        | 35.7%        | 31.3%        | 26.7%        | 19.5%        | 17.3%        | 12.9%        | 9.2%         | 7.9%         | 5.1%         |

Source: City Records

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net

(2) - Amount from Statement of Net Assets/Net Position

City of Fairfield, Ohio  
Pledged-Revenue Coverage  
Last Ten Calendar Years  
Schedule 15

| Calendar<br>Year | Special Assessment Bonds             |              |          |          |
|------------------|--------------------------------------|--------------|----------|----------|
|                  | Special<br>Assessment<br>Collections | Debt Service |          | Coverage |
|                  |                                      | Principal    | Interest |          |
| 2014             | \$676,237                            | \$0          | \$0      | N/A      |
| 2015             | 447,881                              | 0            | 0        | N/A      |
| 2016             | 383,176                              | 0            | 0        | N/A      |
| 2017             | 353,787                              | 0            | 0        | N/A      |
| 2018             | 298,208                              | 0            | 0        | N/A      |
| 2019             | 329,318                              | 0            | 0        | N/A      |
| 2020             | 325,955                              | 0            | 0        | N/A      |
| 2021             | 353,456                              | 0            | 0        | N/A      |
| 2022             | 348,052                              | 0            | 0        | N/A      |
| 2023             | 377,017                              | 0            | 0        | N/A      |

Source: County Auditor

Note: Details regarding the city's outstanding debt can be found in the notes to the basic financial statements.

N/A - Information not available

City of Fairfield, Ohio  
Demographic and Economic Statistics - Butler County  
Last Ten Calendar Years  
Schedule 16

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| Calendar Year | Population (1) | Personal Income (Thousands of Dollars) (2) | Per Capita Personal Income (3) | Unemployment Rate (4) |
|---------------|----------------|--|--------------------------------|-----------------------|
| 2014          | 42,510         | \$15,294,977                               | \$40,878                       | 4.50%                 |
| 2015          | 42,510         | 15,631,343                                 | 41,534                         | 4.50%                 |
| 2016          | 42,510         | 16,411,074                                 | 43,423                         | 4.10%                 |
| 2017          | 42,510         | 17,089,200                                 | 44,900                         | 4.70%                 |
| 2018          | 42,510         | 18,127,599                                 | 47,408                         | 4.20%                 |
| 2019          | 42,510         | 18,829,414                                 | 49,146                         | 4.10%                 |
| 2020          | 42,510         | 19,245,282                                 | 49,578                         | 7.30%                 |
| 2021          | 44,907         | 20,284,408                                 | 52,598                         | 3.10%                 |
| 2022          | 44,907         | 21,711,153                                 | 55,636                         | 3.50%                 |
| 2023          | 44,907         | N/A  | N/A                            | 3.20%                 |

Sources:

(1) - Population estimates provided by U.S. Census Bureau (2010 Census for years 2014 - 2020 and 2020 Census for years 2021 - 2023)

(2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts

(3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts

(4) - Ohio Bureau of Employment Services

N/A - Information not available

City of Fairfield, Ohio  
Major Employers (1)  
Current Year and Nine Years Ago  
Schedule 17

2023

| Major Employers (2)             | Type  | Number of Employees | Employer's Percentage of Total Employment |
|---------------------------------|-------|---------------------|---|
| AK Steel Holding Corp           | Mfg   | (3)                 | (4)                                       |
| Cincinnati Financial Corp.      | Ins   | (3)                 | (4)                                       |
| Cornerstone Brants              | Trade | (3)                 | (4)                                       |
| Express Scripts                 | Serv  | (3)                 | (4)                                       |
| Ft Hamilton Memorial Hospital   | Serv  | (3)                 | (4)                                       |
| GE Aviation                     | Mfg   | (3)                 | (4)                                       |
| Koch Foods                      | Serv  | (3)                 | (4)                                       |
| Lakota Local Schools            | Govt  | (3)                 | (4)                                       |
| Mercy Regional Hospital         | Serv  | (3)                 | (4)                                       |
| Miami University                | Govt  | (3)                 | (4)                                       |
| Miller Coors                    | Mfg   | (3)                 | (4)                                       |
| Tyson Foods                     | Mfg   | (3)                 | (4)                                       |
| UC Health West Chester Hospital | Serv  | (3)                 | (4)                                       |

2014

| Major Employers (2)               | Type  | Number of Employees | Employer's Percentage of Total Population |
|-----------------------------------|-------|---------------------|---|
| AK Steel Holding Corp             | Mfg   | (3)                 | (4)                                       |
| Butler County Government          | Govt  | (3)                 | (4)                                       |
| Cincinnati Financial Corp         | Ins   | (3)                 | (4)                                       |
| Cornerstone Brands Inc            | Trade | (3)                 | (4)                                       |
| Ft Hamilton Memorial Hospital     | Serv  | (3)                 | (4)                                       |
| GE Aviation                       | Mfg   | (3)                 | (4)                                       |
| Hamilton City Schools             | Govt  | (3)                 | (4)                                       |
| Lakota Local Schools              | Govt  | (3)                 | (4)                                       |
| Liberty Mutual/Ohio Casualty Corp | Ins   | (3)                 | (4)                                       |
| Mercy Regional Hospital           | Serv  | (3)                 | (4)                                       |
| Miami University                  | Govt  | (3)                 | (4)                                       |
| Middletown Regional Health System | Serv  | (3)                 | (4)                                       |
| Miller Coors                      | Mfg   | (3)                 | (4)                                       |
| Pierre Foods                      | Mfg   | (3)                 | (4)                                       |

Source: Ohio Department of Development

(1) - For all of Butler County

(2) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(3) - The number of employees of each listed major employer was not available.

(4) - The employer's percentage of total employment for each major employer was not available.

City of Fairfield, Ohio  
 Full-Time Equivalent City Government Employees by Function/Program  
 Last Ten Calendar Years  
 Schedule 18

| Function/Program                 | Full-Time Equivalent Employees as of December 31, |            |            |            |            |            |            |            |            |            |
|----------------------------------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                                  | 2014  | 2015       | 2016       | 2017       | 2018       | 2019       | 2020       | 2021       | 2022       | 2023       |
| General Government               |   |            |            |            |            |            |            |            |            |            |
| City Administration              | 5   | 10         | 10         | 12         | 12         | 11         | 9          | 8          | 11         | 10         |
| City Council                     | 1   | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Engineering                      | 6   | 6          | 6          | 6          | 6          | 6          | 6          | 6          | 6          | 6          |
| Facility/Janitors                | 1   | 1          | 1          | 1          | 1          | 2          | 1          | 2          | 2          | 2          |
| Municipal Court                  | 20  | 20         | 20         | 20         | 20         | 20         | 19         | 19         | 18         | 19         |
| Finance                          | 21  | 16         | 18         | 17         | 18         | 17         | 15         | 17         | 14         | 16         |
| Public Safety                    |   |            |            |            |            |            |            |            |            |            |
| Police                           |   |            |            |            |            |            |            |            |            |            |
| Officers                         | 57  | 57         | 58         | 58         | 60         | 60         | 61         | 63         | 63         | 63         |
| Non-Sworn                        | 20  | 20         | 20         | 18         | 19         | 19         | 20         | 21         | 24         | 24         |
| Fire                             | 28  | 27         | 28         | 31         | 34         | 34         | 34         | 44         | 57         | 62         |
| Leisure Time Activities          |   |            |            |            |            |            |            |            |            |            |
| Parks and recreation             | 20  | 20         | 19         | 18         | 18         | 19         | 20         | 20         | 19         | 22         |
| Community Development            |   |            |            |            |            |            |            |            |            |            |
| Planning and Zoning              | 4   | 4          | 3          | 4          | 4          | 4          | 3          | 4          | 3          | 3          |
| Building Inspection              | 8   | 8          | 8          | 8          | 8          | 9          | 8          | 7          | 8          | 8          |
| Economic Development             | 1   | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Basic Utility Service            |   |            |            |            |            |            |            |            |            |            |
| Water                            | 18  | 20         | 21         | 21         | 21         | 31         | 20         | 20         | 20         | 20         |
| Wastewater                       | 22  | 22         | 21         | 21         | 22         | 31         | 20         | 20         | 19         | 22         |
| Transportation and Street Repair | 27  | 28         | 27         | 28         | 28         | 29         | 27         | 27         | 27         | 26         |
| <b>Total</b>                     | <b>259</b>  | <b>261</b> | <b>262</b> | <b>265</b> | <b>273</b> | <b>294</b> | <b>265</b> | <b>280</b> | <b>293</b> | <b>305</b> |

Source: City Finance Department

City of Fairfield, Ohio  
 Operating Indicators by Function/Program  
 Last Ten Calendar Years  
 Schedule 19

| Function/Program                   | 2014         | 2015         | 2016          | 2017         | 2018         | 2019         | 2020         | 2021         | 2022          | 2023          |
|------------------------------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Community Environment              |              |              |               |              |              |              |              |              |               |               |
| Planning and Development           |              |              |               |              |              |              |              |              |               |               |
| Building permits issued            | 1,720        | 1,712        | 1,834         | 1,838        | 1,882        | 1,657        | 1,975        | 1,889        | 1,960         | 1,890         |
| Building inspections conducted     | 2,542        | 2,554        | 3,229         | 3,477        | 2,858        | 2,502        | 2,454        | 2,956        | 3,127         | 3,248         |
| Economic Development               |              |              |               |              |              |              |              |              |               |               |
| Value of Residential Construction  | \$5,589,157  | \$7,516,667  | \$9,058,653   | \$9,667,134  | \$8,551,521  | \$8,600,413  | \$11,677,983 | \$13,795,344 | \$13,407,324  | \$14,250,584  |
| Value of Commercial Construction   | \$25,374,335 | \$35,644,173 | \$122,371,102 | \$56,811,744 | \$49,150,566 | \$39,144,492 | \$38,068,302 | \$85,216,371 | \$186,006,906 | \$129,068,985 |
| General Government                 |              |              |               |              |              |              |              |              |               |               |
| Finance Department - Income Tax    |              |              |               |              |              |              |              |              |               |               |
| Income Tax Refunds                 | 959          | 1,022        | 847           | 819          | 985          | 1,417        | 800          | 743          | 1,892         | 1,921         |
| Dollar Amount of Refunds           | \$3,322,818  | \$1,538,826  | \$564,945     | \$1,477,354  | \$623,538    | \$1,403,977  | \$621,047    | \$669,008    | \$1,410,759   | \$1,800,931   |
| Average Refund Amount              | \$3,465      | \$1,506      | \$667         | \$1,804      | \$633        | \$991        | \$776        | \$900        | \$746         | \$937         |
| Court                              |              |              |               |              |              |              |              |              |               |               |
| Number of Criminal Cases           | 3,590        | 2,869        | 3,303         | 3,464        | 4,065        | 3,682        | 2,988        | 2,637        | 2,834         | 2,492         |
| Number of Civil Cases              | 1,185        | 1,152        | 1,188         | 1,306        | 1,438        | 1,833        | 1,086        | 1,129        | 1,437         | 1,517         |
| Construction Services              |              |              |               |              |              |              |              |              |               |               |
| Square Footage of Sidewalk Repairs | 17,460       | 19,036       | 25,700        | 13,800       | 10,906       | 24,019       | 11,588       | 5,900        | 9,134         | 6,918         |
| Securities of Persons and Property |              |              |               |              |              |              |              |              |               |               |
| Police                             |              |              |               |              |              |              |              |              |               |               |
| Physical arrests:                  |              |              |               |              |              |              |              |              |               |               |
| Adult                              | 2,485        | 2,430        | 2,851         | 3,509        | 3,461        | 3,979        | 3,395        | 1,039        | 3,750         | 3,012         |
| Juvenile                           | 295          | 255          | 265           | 286          | 279          | 49           | 139          | 180          | 113           | 166           |
| Citations                          | 2,842        | 2,980        | 3,048         | 3,450        | 3,609        | 3,948        | 1,718        | 2,173        | 3,034         | 2,928         |
| Accidents                          | 1,322        | 1,440        | 1,358         | 1,386        | 1,447        | 2,039        | 1,626        | 1,793        | 1,815         | 1,626         |
| Fire                               |              |              |               |              |              |              |              |              |               |               |
| Emergency responses                | 5,870        | 4,972        | 5,593         | 6,089        | 5,453        | 5,956        | 5,323        | 5,988        | 6,331         | 6,452         |
| Fire Calls                         | 944          | 915          | 806           | 873          | 1,002        | 971          | 930          | 975          | 1,142         | 1,238         |
| Inspections                        | 1,934        | 1,846        | 1,460         | 1,441        | 1,752        | 1,427        | 938          | 1,427        | 1,400         | 1,263         |
| Transportation                     |              |              |               |              |              |              |              |              |               |               |
| Public Works                       |              |              |               |              |              |              |              |              |               |               |
| Number of Street Miles Resurfaced  | 15           | 12           | 11            | 14           | 32           | 24           | 26           | 24           | 24            | 31            |
| Tons of Street Salt Used           | 4,315        | 4,368        | 2,213         | 1,197        | 4,286        | 3,815        | 852          | 3,977        | 2,680         | 882           |
| Cubic Yards of Leaves Picked-up    | 4,152        | 5,346        | 5,676         | 4,150        | 6,081        | 5,040        | 4,404        | 4,797        | 5,155         | 5,740         |



City of Fairfield, Ohio  
 Operating Indicators by Function/Program  
 Last Ten Calendar Years  
 Schedule 19 (Continued)

| Function/Program  | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020  | 2021   | 2022   | 2023   |
|---|--------|--------|--------|--------|--------|--------|-------|--------|--------|--------|
| Leisure   |        |        |        |        |        |        |       |        |        |        |
| Parks and Recreation                                    |        |        |        |        |        |        |       |        |        |        |
| Number of Theater Patrons                               | 14,120 | 14,158 | 15,336 | 13,562 | 12,630 | 13,615 | 2,213 | 9,633  | 11,025 | 13,788 |
| Number of Pool Admissions                               | 24,641 | 26,511 | 26,062 | 24,893 | 29,621 | 38,984 | 0     | 31,450 | 24,941 | 22,143 |
| Program Attendance:                                     |        |        |        |        |        |        |       |        |        |        |
| Youth/Preschool   | 20,805 | 19,418 | 20,570 | 20,946 | 22,647 | 19,079 | 4,198 | 10,119 | 18,820 | 9,952  |
| Fitness   | 8,976  | 5,659  | 5,838  | 6,600  | 8,502  | 6,656  | 2,207 | 5,316  | 5,684  | 9,994  |
| Senior Activities                                       | 17,898 | 19,160 | 19,896 | 20,500 | 20,540 | 20,258 | 4,458 | 3,237  | 4,982  | 13,279 |
| Water   |        |        |        |        |        |        |       |        |        |        |
| Water main breaks                                       | 81     | 56     | 71     | 59     | 72     | 59     | 55    | 65     | 70     | 46     |
| Average daily consumption<br>(millions of gallons)      | 4.998  | 4.597  | 5.219  | 5.430  | 5.340  | 5.650  | 5.650 | 5.780  | 5.680  | 5.860  |
| Peak daily consumption<br>(millions of gallons)         | 6.978  | 6.884  | 7.256  | 7.319  | 8.280  | 8.050  | 7.820 | 8.400  | 8.100  | 8.370  |
| Wastewater  |        |        |        |        |        |        |       |        |        |        |
| Average daily sewage treatment<br>(millions of gallons) | 5.182  | 5.216  | 4.779  | 5.133  | 5.791  | 5.870  | 5.230 | 5.330  | 5.380  | 4.980  |

Source: Various City Departments

City of Fairfield, Ohio  
 Capital Asset Statistics by Function/Program  
 Last Ten Calendar Years  
 Schedule 20

| Function/Program                          | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   | 2022   | 2023   |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>General Government</b>                 |        |        |        |        |        |        |        |        |        |        |
| Municipal Building (square footage)       | 19,281 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 |
| Municipal Building Annex (square footage) | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  |
| <b>Police</b>                             |        |        |        |        |        |        |        |        |        |        |
| Stations                                  | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Square Footage of Building                | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,333 |
| Police Cruisers                           | 21     | 25     | 28     | 24     | 24     | 24     | 24     | 24     | 24     | 24     |
| <b>Fire</b>                               |        |        |        |        |        |        |        |        |        |        |
| Stations                                  | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      |
| Number of Fire Engines                    | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      |
| Number of EMS Vehicles                    | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 5      | 4      | 4      |
| <b>Public Works</b>                       |        |        |        |        |        |        |        |        |        |        |
| Area of City (square miles)               | 20.18  | 20.18  | 20.18  | 20.18  | 20.18  | 20.18  | 20.18  | 20.85  | 20.85  | 20.85  |
| Streets (miles)                           | 166.3  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  |
| Highways (miles)                          | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   |
| Streetlights                              | 2,983  | 2,983  | 2,986  | 2,986  | 2,986  | 2,995  | 3,005  | 3,021  | 3,044  | 3,060  |
| Traffic signals                           | 63     | 61     | 61     | 61     | 61     | 61     | 61     | 61     | 61     | 61     |
| <b>Parks and Recreation</b>               |        |        |        |        |        |        |        |        |        |        |
| Number of Parks                           | 29     | 37     | 35     | 35     | 36     | 37     | 37     | 30     | 30     | 32     |
| Area of Parks (acreage)                   | 538    | 665    | 659    | 827    | 827    | 839    | 839    | 736    | 736    | 826    |
| Playgrounds                               | 21     | 14     | 14     | 14     | 14     | 15     | 15     | 15     | 15     | 14     |
| Baseball/softball diamonds                | 21     | 20     | 20     | 20     | 20     | 20     | 20     | 20     | 20     | 20     |
| Soccer/football fields                    | 17     | 15     | 15     | 15     | 15     | 15     | 15     | 15     | 15     | 15     |
| Aquatic Center /Swimming pools            | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Community Arts centers                    | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Golf Courses                              | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      |
| <b>Municipal Water</b>                    |        |        |        |        |        |        |        |        |        |        |
| Storage Capacity (millions of gallons)    | 7      | 7      | 7      | 7      | 7      | 7      | 7      | 7      | 7      | 8      |
| Water Mains (miles)                       | 169    | 169    | 169    | 170    | 170    | 189    | 189    | 189    | 189    | 189    |
| Fire hydrants                             | 2,000  | 2,000  | 2,000  | 2,000  | 2,000  | 1,981  | 1,981  | 1,982  | 2,489  | 2,500  |
| <b>Sewers</b>                             |        |        |        |        |        |        |        |        |        |        |
| Treatment Capacity (millions of gallons)  | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     |
| Sanitary Sewers (miles)                   | 175    | 175    | 175    | 175    | 175    | 175    | 175    | 175    | 175    | 175    |

Source: Various City Departments

## STATISTICAL SECTION

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

### **Contents**

**Financial Trends** - These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

**Revenue Capacity** - These schedules contain information to help the reader understand and assess the City's most significant local revenue sources, the income tax and property tax.

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

**Economic and Demographic Information** - These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

**Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

City of Fairfield, Ohio  
 Net Position by Component  
 Last Ten Calendar Years  
 (accrual basis of accounting)  
 Schedule 1

|  | 2014                 | 2015                 | 2016                 | 2017 (1)             | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Governmental Activities</b>                     |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets                   | \$70,400,669         | \$70,871,957         | \$72,702,624         | \$73,664,366         | \$77,707,285         | \$78,671,198         | \$74,485,490         | \$74,289,642         | \$74,649,663         | \$80,782,165         |
| Restricted   | 16,288,586           | 15,892,445           | 18,160,599           | 20,743,247           | 22,525,145           | 24,601,200           | 32,170,370           | 34,773,809           | 42,140,398           | 46,462,460           |
| Unrestricted                                       | 16,492,976           | (5,843,139)          | (5,913,774)          | (30,084,299)         | (32,132,889)         | (18,294,804)         | (22,347,006)         | (4,387,301)          | 3,373,619            | 8,471,177            |
| <b>Total Governmental Activities Net Position</b>  | <b>\$103,182,231</b> | <b>\$80,921,263</b>  | <b>\$84,949,449</b>  | <b>\$64,323,314</b>  | <b>\$68,099,541</b>  | <b>\$84,977,594</b>  | <b>\$84,308,854</b>  | <b>\$104,676,150</b> | <b>\$120,163,680</b> | <b>\$135,715,802</b> |
| <b>Business-type activities</b>                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets                   | \$38,873,969         | \$39,709,765         | \$40,221,046         | \$39,221,993         | \$38,133,776         | \$37,401,334         | \$37,067,270         | \$34,374,363         | \$33,248,528         | \$32,459,897         |
| Restricted   | 1,022,736            | 1,023,003            | 1,024,340            | 1,027,000            | 1,031,796            | 1,083,318            | 1,085,053            | 1,085,442            | 1,943,805            | 1,092,433            |
| Unrestricted                                       | 9,242,621            | 5,784,274            | 4,814,362            | 2,516,460            | 5,581,039            | 7,583,053            | 11,391,294           | 15,922,885           | 15,794,505           | 22,733,508           |
| <b>Total Business-Type Activities Net Position</b> | <b>\$49,139,326</b>  | <b>\$46,517,042</b>  | <b>\$46,059,748</b>  | <b>\$42,765,453</b>  | <b>\$44,746,611</b>  | <b>\$46,067,705</b>  | <b>\$49,543,617</b>  | <b>\$51,382,690</b>  | <b>\$50,986,838</b>  | <b>\$56,285,838</b>  |
| <b>Total Primary Government</b>                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets                   | \$109,274,638        | \$110,581,722        | \$112,923,670        | \$112,886,359        | \$115,841,061        | \$116,072,532        | \$111,552,760        | \$108,664,005        | \$107,898,191        | \$113,242,062        |
| Restricted   | 17,311,322           | 16,915,448           | 19,184,939           | 21,770,247           | 23,556,941           | \$25,684,518         | 33,255,423           | 35,859,251           | 44,084,203           | 47,554,893           |
| Unrestricted                                       | 25,735,597           | (58,865)             | (1,099,412)          | (27,567,839)         | (26,551,850)         | (\$10,711,751)       | (10,955,712)         | 11,535,584           | 19,168,124           | 31,204,685           |
| <b>Total Primary Government Net Position</b>       | <b>\$152,321,557</b> | <b>\$127,438,305</b> | <b>\$131,009,197</b> | <b>\$107,088,767</b> | <b>\$112,846,152</b> | <b>\$131,045,299</b> | <b>\$133,852,471</b> | <b>\$156,058,840</b> | <b>\$171,150,518</b> | <b>\$192,001,640</b> |

(1) - Restated for GASB Statement No. 75 Implementation

Source: City Records

City of Fairfield, Ohio  
Changes in Net Position  
Last Ten Calendar Years  
(accrual basis of accounting)  
Schedule 2

|   | 2014                | 2015                | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Expenses</b>                                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Governmental Activities:</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| General Government                                    | \$8,179,792         | \$8,240,596         | \$7,968,208         | \$9,420,931         | \$9,476,038         | \$8,302,443         | \$12,617,792        | \$7,440,303         | \$9,154,428         | \$11,244,764        |
| Public Safety   | 17,231,019          | 18,459,890          | 18,841,094          | 19,659,072          | 22,968,209          | 13,416,020          | 22,689,176          | 15,832,041          | 22,687,609          | 29,173,859          |
| Community Development                                 | 1,483,394           | 1,094,499           | 1,950,158           | 2,088,857           | 2,117,719           | 968,163             | 1,644,000           | 1,015,903           | 1,619,909           | 2,687,755           |
| Leisure Time Activities                               | 3,294,693           | 3,020,368           | 3,746,235           | 3,523,300           | 3,643,483           | 3,083,191           | 3,957,029           | 3,173,971           | 3,987,994           | 4,905,986           |
| Transportation and Street Repair                      | 8,004,851           | 8,667,858           | 8,097,174           | 8,471,472           | 9,083,304           | 10,668,855          | 9,766,869           | 9,667,667           | 11,840,154          | 13,420,437          |
| Basic Utility Service                                 | 442,800             | 441,845             | 458,368             | 464,115             | 502,866             | 444,198             | 483,211             | 488,930             | 362,300             | 555,039             |
| Public Health and Welfare                             | 21,581              | 21,248              | 21,125              | 20,962              | 20,582              | 20,791              | 3,036,447           | 22,183              | 20,370              | 729,927             |
| Interest and Fiscal Charges                           | 815,863             | 780,363             | 732,471             | 696,672             | 562,058             | 514,315             | 381,288             | 220,424             | 161,071             | 149,743             |
| <b>Total Governmental Activities Expenses</b>         | <b>39,473,993</b>   | <b>40,726,667</b>   | <b>41,814,833</b>   | <b>44,345,381</b>   | <b>48,374,259</b>   | <b>37,417,976</b>   | <b>54,575,812</b>   | <b>37,861,422</b>   | <b>49,833,835</b>   | <b>62,867,510</b>   |
| <b>Business-Type Activities:</b>                      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Water Utility   | 5,044,656           | 5,225,446           | 6,407,038           | 6,733,916           | 5,703,566           | 7,311,842           | 7,105,394           | 7,229,429           | 8,952,833           | 6,935,239           |
| Sewer Utility   | 5,272,460           | 5,591,952           | 5,735,840           | 5,950,929           | 6,835,855           | 6,517,745           | 5,329,744           | 6,715,790           | 8,665,514           | 6,986,355           |
| Solid Waste Management                                | 2,173,408           | 2,216,074           | 2,259,529           | 2,295,473           | 2,328,509           | 2,378,343           | 2,436,344           | 2,486,619           | 2,582,473           | 2,733,330           |
| Recreation Facilities                                 | 2,280,222           | 2,174,232           | 1,873,055           | 1,962,035           | 1,832,164           | 2,194,858           | 1,152,094           | 2,455,741           | 1,631,519           | 2,341,050           |
| <b>Total Business-Type Activities Expenses</b>        | <b>14,770,746</b>   | <b>15,207,704</b>   | <b>16,275,462</b>   | <b>16,942,353</b>   | <b>16,700,094</b>   | <b>18,402,788</b>   | <b>16,023,576</b>   | <b>18,887,579</b>   | <b>21,832,339</b>   | <b>18,995,974</b>   |
| <b>Total Primary Government Expenses</b>              | <b>\$54,244,739</b> | <b>\$55,934,371</b> | <b>\$58,090,295</b> | <b>\$61,287,734</b> | <b>\$65,074,353</b> | <b>\$55,820,764</b> | <b>\$70,599,388</b> | <b>\$56,749,001</b> | <b>\$71,666,174</b> | <b>\$81,863,484</b> |
| <b>Program Revenues</b>                               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Governmental Activities:</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Charges for Services and Sales:                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| General Government                                    | \$1,802,079         | \$1,795,353         | \$1,422,096         | \$1,930,245         | \$1,899,530         | \$2,120,563         | \$1,884,468         | \$2,147,617         | \$2,603,634         | \$2,442,428         |
| Public Safety   | 1,162,252           | 1,444,227           | 1,130,784           | 1,101,654           | 1,187,677           | 1,251,438           | 1,053,317           | 1,175,084           | 1,415,445           | 1,987,536           |
| Community Development                                 | 529,106             | 223,544             | 1,194,603           | 1,137,106           | 1,337,230           | 1,274,609           | 1,120,383           | 1,303,478           | 1,743,203           | 1,559,749           |
| Leisure Time Activities                               | 248,952             | 497,097             | 958,658             | 244,100             | 261,393             | 265,147             | 64,622              | 178,846             | 238,790             | 267,004             |
| Transportation and Street Repair                      | 37,452              | 593,242             | 1,705,115           | 39,889              | 35,065              | 39,230              | 0                   | 0                   | 0                   | 0                   |
| Basic Utility Service                                 | 566,935             | 77,917              | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Operating Grants and Contributions                    | 2,944,428           | 3,077,018           | 3,243,396           | 3,301,379           | 3,403,213           | 6,073,045           | 7,280,416           | 4,734,913           | 5,170,779           | 7,855,366           |
| Capital Grants and Contributions                      | 14,506              | 897,858             | 185,742             | 1,257,952           | 3,472,908           | 1,578,511           | 546,409             | 1,082,121           | 1,894,677           | 3,971,088           |
| <b>Total Governmental Activities Program Revenues</b> | <b>\$7,305,710</b>  | <b>\$8,306,256</b>  | <b>\$9,840,394</b>  | <b>\$9,012,325</b>  | <b>\$11,597,016</b> | <b>\$12,602,543</b> | <b>\$11,949,615</b> | <b>\$10,622,059</b> | <b>\$13,066,528</b> | <b>\$18,083,171</b> |

City of Fairfield, Ohio  
Changes in Net Position  
Last Ten Calendar Years  
(accrual basis of accounting)  
Schedule 2 (Continued)

|   | 2014                  | 2015                  | 2016                  | 2017                  | 2018                  | 2019                  | 2020                  | 2021                  | 2022                  | 2023                  |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Business-Type Activities:</b>                          |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| <b>Charges for Services and Sales:</b>                    |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Water Utility   | \$4,825,443           | \$4,944,528           | \$5,121,220           | \$5,686,777           | \$6,885,777           | \$7,305,160           | \$7,805,290           | \$8,289,494           | \$8,757,842           | \$9,752,027           |
| Sewer Utility   | 5,968,424             | 5,992,562             | 6,145,668             | 6,306,111             | 7,047,636             | 7,134,527             | 7,393,112             | 7,479,674             | 7,751,281             | 8,500,503             |
| Solid Waste Management                                    | 2,165,612             | 2,218,507             | 2,261,648             | 2,273,206             | 2,346,009             | 2,359,581             | 2,451,999             | 2,487,148             | 2,556,126             | 2,712,188             |
| Recreation Facilities                                     | 1,831,891             | 1,859,761             | 1,769,065             | 1,791,263             | 1,615,420             | 1,704,784             | 1,284,947             | 1,717,037             | 1,679,000             | 1,918,299             |
| Operating Grants and Contributions                        | 88,048                | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     | 0                     |
| Capital Grants and Contributions                          | 900                   | 12,090                | 0                     | 0                     | 0                     | 64,868                | 0                     | 0                     | 0                     | 0                     |
| <b>Total Business-Type Activities Program Revenues</b>    | <b>14,880,318</b>     | <b>15,027,448</b>     | <b>15,297,601</b>     | <b>16,057,357</b>     | <b>17,894,842</b>     | <b>18,568,920</b>     | <b>18,935,348</b>     | <b>19,973,353</b>     | <b>20,744,249</b>     | <b>22,883,017</b>     |
| <b>Total Primary Government Program Revenues</b>          | <b>\$22,186,028</b>   | <b>\$23,333,704</b>   | <b>\$25,137,995</b>   | <b>\$25,069,682</b>   | <b>\$29,491,858</b>   | <b>\$31,171,463</b>   | <b>\$30,884,963</b>   | <b>\$30,595,412</b>   | <b>\$33,810,777</b>   | <b>\$40,966,188</b>   |
| <b>Net (Expense)/Revenue</b>                              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental Activities                                   | (\$32,168,283)        | (\$32,420,411)        | (\$31,974,439)        | (\$35,333,056)        | (\$36,777,243)        | (\$24,815,433)        | (\$42,626,197)        | (\$27,239,363)        | (\$36,767,307)        | (\$44,784,339)        |
| Business-type activities                                  | 109,572               | (180,256)             | (977,861)             | (884,996)             | 1,194,748             | 166,132               | 2,911,772             | 1,085,774             | (1,088,090)           | 3,887,043             |
| <b>Total Primary Government Net Expenses</b>              | <b>(\$32,058,711)</b> | <b>(\$32,600,667)</b> | <b>(\$32,952,300)</b> | <b>(\$36,218,052)</b> | <b>(\$35,582,495)</b> | <b>(\$24,649,301)</b> | <b>(\$39,714,425)</b> | <b>(\$26,153,589)</b> | <b>(\$37,855,397)</b> | <b>(\$40,897,296)</b> |
| <b>General Revenues and Other Changes in Net Position</b> |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental Activities:                                  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Income Taxes  | \$23,586,464          | \$25,318,834          | \$28,822,572          | \$28,041,922          | \$30,739,815          | \$30,773,706          | \$33,288,670          | \$37,330,331          | \$40,717,948          | \$40,404,187          |
| Property Taxes Levied for:                                |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| General Purposes  | 1,987,282             | 1,636,590             | 1,439,432             | 1,677,991             | 1,540,349             | 1,722,680             | 1,490,543             | 1,786,540             | 1,958,925             | 2,082,536             |
| Special Revenue Purposes                                  | 3,587,886             | 3,642,740             | 3,722,358             | 6,017,623             | 5,915,444             | 6,116,111             | 6,101,744             | 6,396,533             | 6,462,377             | 11,126,996            |
| Grants and Entitlements not Restricted                    | 1,580,380             | 1,194,667             | 1,413,792             | 1,092,049             | 1,194,021             | 1,417,520             | 1,440,893             | 1,339,306             | 2,214,961             | 1,724,887             |
| Investment Earnings                                       | 140,964               | 185,456               | 147,846               | 423,476               | 663,060               | 1,120,183             | 280,478               | (34,539)              | (117,392)             | 3,439,857             |
| Other Revenues  | 1,253,901             | 722,374               | 671,625               | 774,223               | 855,781               | 1,078,286             | 1,266,258             | 1,278,488             | 1,368,018             | 1,907,998             |
| Transfers-Internal Activities                             | (295,000)             | (315,000)             | (215,000)             | (175,000)             | (355,000)             | (535,000)             | (490,000)             | (490,000)             | (350,000)             | (350,000)             |
| <b>Total Governmental Activities</b>                      | <b>31,841,877</b>     | <b>32,385,661</b>     | <b>36,002,625</b>     | <b>37,852,284</b>     | <b>40,553,470</b>     | <b>41,693,486</b>     | <b>43,378,586</b>     | <b>47,606,659</b>     | <b>52,254,837</b>     | <b>60,336,461</b>     |
| Business-Type Activities:                                 |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Investment Earnings                                       | 24,544                | 11,405                | 28,592                | 81,541                | 179,666               | 411,729               | 69,958                | (23,156)              | (31,082)              | 755,824               |
| Other Revenues  | 204,500               | 244,583               | 276,975               | 264,497               | 251,744               | 208,233               | 190,022               | 286,455               | 373,320               | 306,133               |
| Transfers-Internal Activities                             | 295,000               | 315,000               | 215,000               | 175,000               | 355,000               | 535,000               | 490,000               | 490,000               | 350,000               | 350,000               |
| <b>Total Business-Type Activities</b>                     | <b>524,044</b>        | <b>570,988</b>        | <b>520,567</b>        | <b>521,038</b>        | <b>786,410</b>        | <b>1,154,962</b>      | <b>749,980</b>        | <b>753,299</b>        | <b>692,238</b>        | <b>1,411,957</b>      |
| <b>Total Primary Government</b>                           | <b>\$32,365,921</b>   | <b>\$32,956,649</b>   | <b>\$36,523,192</b>   | <b>\$38,373,322</b>   | <b>\$41,339,880</b>   | <b>\$42,848,448</b>   | <b>\$44,128,566</b>   | <b>\$48,359,958</b>   | <b>\$52,947,075</b>   | <b>\$61,748,418</b>   |

City of Fairfield, Ohio  
 Changes in Net Position  
 Last Ten Calendar Years  
 (accrual basis of accounting)  
 Schedule 2 (Concluded)

|                          | 2014        | 2015       | 2016        | 2017        | 2018        | 2019         | 2020        | 2021         | 2022         | 2023         |
|--------------------------|-------------|------------|-------------|-------------|-------------|--------------|-------------|--------------|--------------|--------------|
| Change in Net Position   |             |            |             |             |             |              |             |              |              |              |
| Governmental Activities  | (\$326,406) | (\$34,750) | \$4,028,186 | \$2,519,228 | \$3,776,227 | \$16,878,053 | \$752,389   | \$20,367,296 | \$15,487,530 | \$15,552,122 |
| Business-Type Activities | 633,616     | 390,732    | (457,294)   | (363,958)   | 1,981,158   | 1,321,094    | 3,661,752   | 1,839,073    | (395,852)    | 5,299,000    |
| Total Primary Government | \$307,210   | \$355,982  | \$3,570,892 | \$2,155,270 | \$5,757,385 | \$18,199,147 | \$4,414,141 | \$22,206,369 | \$15,091,678 | \$20,851,122 |

Source: City Records

City of Fairfield, Ohio  
Fund Balances, Governmental Funds  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
Schedule 3

|                                    | 2014         | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| General Fund                       |              |              |              |              |              |              |              |              |              |              |
| Assigned                           | \$1,276,408  | \$673,678    | \$1,779,678  | \$370,256    | \$298,960    | \$313,800    | \$179,886    | \$409,318    | \$919,788    | \$469,977    |
| Unassigned                         | 13,107,411   | 14,274,603   | 14,034,551   | 15,599,686   | 19,292,199   | 21,244,703   | 23,768,885   | 29,343,074   | 28,465,611   | 32,473,951   |
| Total General Fund                 | 14,383,819   | 14,948,281   | 15,814,229   | 15,969,942   | 19,591,159   | 21,558,503   | 23,948,771   | 29,752,392   | 29,385,399   | 32,943,928   |
| All Other Governmental Funds       |              |              |              |              |              |              |              |              |              |              |
| Restricted                         | 14,631,812   | 14,507,341   | 16,656,232   | 20,684,196   | 20,847,065   | 22,460,400   | 30,359,706   | 32,535,539   | 37,737,028   | 43,727,796   |
| Assigned                           | 186,814      | 164,254      | 148,835      | 118,002      | 57,567       | 55,917       | 46,998       | 46,518       | 5,028,695    | 7,380,067    |
| Unassigned                         | (346,988)    | (431,443)    | (69,540)     | (657,721)    | (818,708)    | (306,936)    | (78,769)     | 0            | 0            | 0            |
| Total all Other Governmental Funds | \$14,471,638 | \$14,240,152 | \$16,735,527 | \$20,144,477 | \$20,085,924 | \$22,209,381 | \$30,327,935 | \$32,582,057 | \$42,765,723 | \$51,107,863 |

Source: City Records



City of Fairfield, Ohio  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Calendar Years  
 (modified accrual basis of accounting)  
 Schedule 4

|                                  | 2014                | 2015                | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues:</b>                 |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Taxes                            | \$28,234,609        | \$31,186,625        | \$33,784,963        | \$36,031,807        | \$37,867,327        | \$38,378,455        | \$40,543,817        | \$43,804,845        | \$47,323,776        | \$53,275,936        |
| Charges for Services             | 2,675,730           | 2,747,915           | 2,598,343           | 2,698,535           | 2,796,234           | 2,929,600           | 2,726,764           | 2,809,802           | 3,216,346           | 3,493,016           |
| Investment Earnings              | 142,171             | 175,768             | 135,229             | 431,784             | 675,646             | 1,093,906           | 311,715             | (36,245)            | (132,853)           | 3,421,820           |
| Intergovernmental                | 5,461,873           | 5,446,943           | 5,934,448           | 5,191,496           | 8,417,569           | 8,210,034           | 9,665,620           | 7,094,239           | 9,328,126           | 13,524,843          |
| Special Assessments              | 40,587              | 250,298             | 223,868             | 17,367              | 56,636              | 58,556              | 71,188              | 71,754              | 122,564             | 68,417              |
| Fines, Licenses & Permits        | 1,859,215           | 1,784,422           | 1,975,184           | 2,140,372           | 2,093,158           | 2,303,782           | 1,899,532           | 2,425,952           | 3,172,232           | 2,848,840           |
| Other Revenues                   | 441,998             | 462,221             | 1,032,869           | 514,038             | 482,702             | 515,173             | 815,824             | 806,255             | 776,706             | 1,346,941           |
| <b>Total Revenues</b>            | <b>\$38,856,183</b> | <b>\$42,054,192</b> | <b>\$45,684,904</b> | <b>\$47,025,399</b> | <b>\$52,389,272</b> | <b>\$53,489,506</b> | <b>\$56,034,460</b> | <b>\$56,976,602</b> | <b>\$63,806,897</b> | <b>\$77,979,813</b> |
| <b>Expenditures:</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Current:</b>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| General Government               | \$8,062,959         | \$8,338,732         | \$7,926,097         | \$8,341,413         | \$8,581,493         | \$9,241,331         | \$9,578,771         | \$7,850,436         | \$9,102,262         | \$9,963,876         |
| Public Safety                    | 16,157,770          | 16,829,972          | 17,148,478          | 17,784,469          | 19,027,936          | 19,586,285          | 17,359,953          | 22,328,294          | 23,666,013          | 25,149,615          |
| Community Development            | 1,434,544           | 1,457,640           | 1,555,296           | 1,465,974           | 1,412,325           | 1,431,198           | 1,463,355           | 1,443,679           | 1,730,355           | 2,583,177           |
| Leisure Time Activities          | 2,526,615           | 2,588,912           | 2,565,624           | 2,598,885           | 2,665,024           | 2,808,303           | 2,627,991           | 2,764,872           | 3,251,186           | 3,688,034           |
| Transportation and Street Repair | 5,314,576           | 3,351,636           | 3,211,071           | 3,239,569           | 3,454,387           | 6,886,517           | 6,319,056           | 8,171,442           | 9,514,151           | 10,700,462          |
| Basic Utility Service            | 442,800             | 441,845             | 458,368             | 464,115             | 502,866             | 444,198             | 483,211             | 488,930             | 362,300             | 555,039             |
| Public Health and Welfare        | 21,581              | 21,248              | 21,125              | 20,962              | 20,582              | 20,791              | 3,036,447           | 22,183              | 20,370              | 729,927             |
| Capital Outlay                   | 3,633,918           | 5,739,648           | 6,690,901           | 7,192,216           | 10,586,483          | 6,735,184           | 2,383,394           | 2,646,867           | 4,831,458           | 11,436,683          |
| <b>Debt Service:</b>             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Principal Retirement             | 1,654,765           | 1,680,000           | 1,740,000           | 1,425,000           | 1,440,000           | 1,145,000           | 1,270,000           | 2,245,000           | 840,000             | 985,036             |
| Interest and Fiscal Charges      | 835,371             | 800,002             | 747,541             | 630,909             | 581,485             | 528,942             | 341,487             | 223,264             | 158,696             | 147,426             |
| Bond Issuance Cost               | 0                   | 0                   | 0                   | 85,090              | 0                   | 0                   | 58,858              | 0                   | 0                   | 0                   |
| <b>Total Expenditures</b>        | <b>\$40,084,899</b> | <b>\$41,249,635</b> | <b>\$42,064,501</b> | <b>\$43,248,602</b> | <b>\$48,272,581</b> | <b>\$48,827,749</b> | <b>\$44,922,523</b> | <b>\$48,184,967</b> | <b>\$53,476,791</b> | <b>\$65,939,275</b> |

City of Fairfield, Ohio  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Calendar Years  
 (modified accrual basis of accounting)  
 Schedule 4 (Continued)

|   | 2014          | 2015        | 2016        | 2017        | 2018        | 2019        | 2020         | 2021        | 2022         | 2023         |
|---|---------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|--------------|--------------|
| Excess (Deficiency) of Revenues<br>Over Expenditures                  | (\$1,228,716) | \$804,557   | \$3,620,403 | \$3,776,797 | \$4,116,691 | \$4,661,757 | \$11,111,937 | \$8,791,635 | \$10,330,106 | \$12,040,538 |
| Other Financing Sources (Uses)  |               |             |             |             |             |             |              |             |              |              |
| Proceeds from Sale of Capital Assets                                  | \$73,910      | \$68,419    | \$155,920   | \$77,776    | \$973       | \$164,044   | \$28,027     | \$56,108    | \$111,567    | \$96,331     |
| Proceeds of Subscription Based<br>Information Technology Arrangements | 0             | 0           | 0           | 0           | 0           | 0           | 0            | 0           | 0            | 618,800      |
| Sale of Refunding Bonds   | 0             | 0           | 0           | 3,615,000   | 0           | 0           | 5,345,000    | 0           | 0            | 0            |
| Payments to Refunded Bond Escrow Agent                                | 0             | 0           | 0           | (3,855,969) | 0           | 0           | (5,286,142)  | 0           | 0            | 0            |
| Premium/(Discount) on Sale of Refunded Bonds                          | 0             | 0           | 0           | 326,059     | 0           | 0           | 0            | 0           | 0            | 0            |
| Transfers In  | 6,531,244     | 3,900,000   | 8,074,458   | 4,950,000   | 2,376,763   | 3,465,127   | 6,277,532    | 4,672,378   | 12,558,860   | 9,714,652    |
| Transfers (Out)   | (7,026,244)   | (4,440,000) | (8,489,458) | (5,325,000) | (2,931,763) | (4,200,127) | (6,967,532)  | (5,462,378) | (13,183,860) | (10,569,652) |
| Total Other Financing Sources (Uses)                                  | (421,090)     | (471,581)   | (259,080)   | (212,134)   | (554,027)   | (570,956)   | (603,115)    | (733,892)   | (513,433)    | (139,869)    |
| Net Change in Fund Balances   | (\$1,649,806) | \$332,976   | \$3,361,323 | \$3,564,663 | \$3,562,664 | \$4,090,801 | \$10,508,822 | \$8,057,743 | \$9,816,673  | \$11,900,669 |
| Debt service as a percentage<br>of noncapital expenditures (1)        | 6.9%          | 6.5%        | 6.7%        | 5.6%        | 5.0%        | 3.9%        | 3.7%         | 5.4%        | 2.1%         | 2.1%         |

Source: City Records

(1) - Noncapital expenditures is total expenditures minus capital assets used in governmental activities

City of Fairfield, Ohio  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Calendar Years  
 Schedule 5

| Calendar<br>Year | Assessed Value |                              |               | Estimated<br>Actual Value | Direct<br>Rate |
|------------------|----------------|------------------------------|---------------|---------------------------|----------------|
|                  | Real Property  | Public<br>Utilities Personal | Total         | Total                     | Total          |
| 2014             | \$914,754,880  | \$34,544,460                 | \$949,299,340 | \$2,637,907,192           | 5.94           |
| 2015             | 903,236,750    | 38,373,230                   | 941,609,980   | 2,616,540,045             | 5.94           |
| 2016             | 903,187,030    | 41,633,890                   | 944,820,920   | 2,625,462,586             | 8.44           |
| 2017             | 956,212,820    | 43,078,190                   | 999,291,010   | 2,776,823,738             | 8.44           |
| 2018             | 1,000,644,150  | 47,648,580                   | 1,048,292,730 | 2,912,989,418             | 8.44           |
| 2019             | 984,802,100    | 49,484,530                   | 1,034,286,630 | 2,874,069,353             | 8.44           |
| 2020             | 1,154,528,940  | 55,581,820                   | 1,210,110,760 | 3,362,648,368             | 8.44           |
| 2021             | 1,156,490,950  | 58,580,940                   | 1,215,071,890 | 3,376,434,326             | 8.44           |
| 2022             | 1,153,419,586  | 58,655,933                   | 1,212,075,519 | 3,368,108,029             | 10.54          |
| 2023             | 1,474,774,460  | 66,473,040                   | 1,541,247,500 | 4,282,809,113             | 10.54          |

Source: County Auditor

Note:

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

City of Fairfield, Ohio  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 6

| Calendar Year | Direct Rate  |             |               |       | Overlapping Rates |             |                        |
|---------------|--------------|-------------|---------------|-------|-------------------|-------------|------------------------|
|               | General Fund | Police Levy | Fire/EMS Levy | Total | County Levy       | School Levy | Vocational School Levy |
| 2014          | 0.99         | 0.30        | 4.65          | 5.94  | 9.72              | 65.80       | 1.93                   |
| 2015          | 0.99         | 0.30        | 4.65          | 5.94  | 9.72              | 65.80       | 1.93                   |
| 2016          | 0.99         | 0.30        | 7.15          | 8.44  | 9.72              | 64.30       | 1.93                   |
| 2017          | 0.99         | 0.30        | 7.15          | 8.44  | 9.72              | 64.30       | 1.93                   |
| 2018          | 0.99         | 0.30        | 7.15          | 8.44  | 9.72              | 64.30       | 1.93                   |
| 2019          | 0.99         | 0.30        | 7.15          | 8.44  | 9.72              | 64.30       | 1.93                   |
| 2020          | 0.99         | 0.30        | 7.15          | 8.44  | 9.22              | 63.30       | 1.93                   |
| 2021          | 0.99         | 0.30        | 7.15          | 8.44  | 9.22              | 63.30       | 1.93                   |
| 2022          | 0.99         | 0.30        | 9.25          | 10.54 | 9.22              | 63.30       | 1.93                   |
| 2023          | 0.99         | 0.30        | 9.25          | 10.54 | 9.28              | 62.30       | 1.93                   |

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Fairfield, Ohio  
Principal Property Tax Payers  
Current Year and Nine Years Ago (1)  
Schedule 7

| 2023 (1)                       |                      |   |
|--------------------------------|----------------------|---|
| Taxpayer                       | Assessed<br>Value    | Percentage<br>of Total<br>Assessed<br>Value |
| Duke Energy Ohio               | \$71,917,113         | 4.67%                                       |
| Cincinnati Financial Corp      | 13,955,266           | 0.91%                                       |
| LIT Industrial Partnership     | 10,024,051           | 0.65%                                       |
| Koch Foods of Cincinnati LLC   | 9,813,298            | 0.64%                                       |
| Duke Reality Ohio              | 9,541,719            | 0.62%                                       |
| Faith Village Park Apartments  | 9,458,983            | 0.61%                                       |
| Villages of Wildwood Owner LLC | 9,446,670            | 0.61%                                       |
| VP Woodridge LLC               | 9,212,558            | 0.60%                                       |
| Rajole LLC                     | 9,142,916            | 0.59%                                       |
| Camelot East Properties LLC    | 9,052,639            | 0.59%                                       |
|                                | <u>\$161,565,212</u> | <u>10.49%</u>                               |

| 2014 (2)                      |                     |   |
|-------------------------------|---------------------|---|
| Taxpayer                      | Assessed<br>Value   | Percentage<br>of Total<br>Assessed<br>Value |
| Duke Energy Ohio              | \$33,152,010        | 3.49%                                       |
| Boymel Family                 | 7,621,310           | 0.80%                                       |
| Sisters of Mercy              | 6,777,750           | 0.71%                                       |
| Fath Village Park Apartments  | 5,642,110           | 0.59%                                       |
| BWIP Wookstock Glen Eagle     | 5,361,060           | 0.56%                                       |
| Timber Hollow Spe             | 5,125,150           | 0.54%                                       |
| Ohio Casualty Insurance       | 5,158,470           | 0.54%                                       |
| Rajole LLC                    | 4,890,590           | 0.52%                                       |
| Camelot East Owners           | 4,791,740           | 0.50%                                       |
| Penn Gardens Capital Partners | 4,242,050           | 0.45%                                       |
|                               | <u>\$82,762,240</u> | <u>8.70%</u>                                |

Source: County Auditor

(1) - Calendar Year 2023

(2) - Collection Year 2014

City of Fairfield, Ohio  
Property Tax Levies and Collections  
Last Ten Calendar Years  
Schedule 8

| Calendar Year | Taxes Levied for the Calendar Year | Collected within the Calendar Year of the Levy |                    | Delinquent Taxes Collected | Total Collections to Date |                    |
|---------------|------------------------------------|--|--------------------|----------------------------|---------------------------|--------------------|
|               |                                    | Amount   | Percentage of Levy |                            | Amount                    | Percentage of Levy |
| 2014          | \$5,245,233                        | \$5,081,457                                    | 96.88%             | \$163,776                  | \$5,245,233               | 100.00%            |
| 2015          | 5,163,152                          | 5,099,800                                      | 98.77%             | 63,352                     | 5,163,152                 | 100.00%            |
| 2016          | 5,200,000                          | 5,162,354                                      | 99.28%             | 37,646                     | 5,200,000                 | 100.00%            |
| 2017          | 3,450,963                          | 3,295,748                                      | 95.50%             | 115,784                    | 3,411,532                 | 98.86%             |
| 2018          | 4,362,689                          | 3,877,743                                      | 88.88%             | 420,253                    | 4,297,996                 | 98.52%             |
| 2019          | 5,022,670                          | 4,613,713                                      | 91.86%             | 342,147                    | 4,955,860                 | 98.67%             |
| 2020          | 5,557,878                          | 5,144,863                                      | 92.57%             | 340,558                    | 5,485,421                 | 98.70%             |
| 2021          | N/A                                | N/A  | N/A                | N/A                        | N/A                       | N/A                |
| 2022          | 8,323,630                          | 8,231,692                                      | 98.90%             | 91,938                     | 8,323,630                 | 100.00%            |
| 2023          | 12,818,699                         | 12,667,635                                     | 98.82%             | 151,064                    | 12,818,699                | 100.00%            |

N/A - Information not available

Source: County Auditor

City of Fairfield, Ohio  
 Income Tax by Payer Type and Income Tax Rate  
 Last Ten Calendar Years  
 (cash basis of accounting)  
 Schedule 9

| Calendar Year | Income Tax Rate | Withholding  |             |             | Business     |          |             | Individuals |          |             | Total       |          |             | Percentage of Total |             |          |
|---------------|-----------------|--------------|-------------|-------------|--------------|----------|-------------|-------------|----------|-------------|-------------|----------|-------------|---------------------|-------------|----------|
|               |                 | Withholding  | Business    | Individuals | Withholding  | Business | Individuals | Withholding | Business | Individuals | Withholding | Business | Individuals | Total               | Withholding | Business |
| 2014          | 1.50%           | \$20,354,912 | \$3,117,922 | \$3,059,354 | \$26,532,188 | 76.7%    | 11.8%       | 11.5%       | 100.0%   |             |             |          |             |                     |             |          |
| 2015          | 1.50%           | 21,408,938   | 2,967,608   | 3,085,033   | 27,461,579   | 78.0%    | 10.8%       | 11.2%       | 100.0%   |             |             |          |             |                     |             |          |
| 2016          | 1.50%           | 22,319,907   | 3,364,012   | 3,435,563   | 29,119,482   | 76.6%    | 11.6%       | 11.8%       | 100.0%   |             |             |          |             |                     |             |          |
| 2017          | 1.50%           | 23,873,512   | 3,482,717   | 3,364,962   | 30,721,191   | 77.7%    | 11.3%       | 11.0%       | 100.0%   |             |             |          |             |                     |             |          |
| 2018          | 1.50%           | 24,672,582   | 3,008,899   | 3,431,538   | 31,113,019   | 79.3%    | 9.7%        | 11.0%       | 100.0%   |             |             |          |             |                     |             |          |
| 2019          | 1.50%           | 25,053,223   | 3,853,758   | 3,364,071   | 32,271,052   | 77.6%    | 11.9%       | 10.4%       | 100.0%   |             |             |          |             |                     |             |          |
| 2020          | 1.50%           | 25,601,868   | 4,101,810   | 3,169,869   | 32,873,547   | 77.8%    | 12.5%       | 9.7%        | 100.0%   |             |             |          |             |                     |             |          |
| 2021          | 1.50%           | 26,399,353   | 6,118,165   | 3,989,165   | 36,506,683   | 72.3%    | 16.8%       | 10.9%       | 100.0%   |             |             |          |             |                     |             |          |
| 2022          | 1.50%           | 27,902,372   | 7,829,029   | 4,988,384   | 40,719,785   | 68.5%    | 19.2%       | 12.3%       | 100.0%   |             |             |          |             |                     |             |          |
| 2023          | 1.50%           | 28,023,353   | 8,657,818   | 5,505,494   | 42,186,665   | 66.4%    | 20.5%       | 13.1%       | 100.0%   |             |             |          |             |                     |             |          |

Source: City Finance Department

City of Fairfield, Ohio  
Principal Income Taxpayers  
Current Calendar Year and Nine Years Ago  
(cash basis of accounting)  
Schedule 10

| <u>2023</u>                                  |                    |
|--|--------------------|
| <u>Name</u>                                  | <u>Amount</u>      |
| Cincinnati Insurance Corporation             | \$2,906,747        |
| Bon Secours Mercy Health                     | 1,836,270          |
| Koch Meat Co Inc                             | 1,514,323          |
| Fairfield City School District               | 899,231            |
| Pacific Manufacturing Ohio Inc               | 617,449            |
| Martin Brower Co LLC                         | 429,710            |
| City of Fairfield                            | 422,621            |
| Veritiv Operating Company                    | 335,092            |
| Express Scripts Pharmacy Inc                 | 277,477            |
| Fedex Freight Inc                            | 258,069            |
| Total Collections - Principal Taxpayers      | <u>\$9,496,989</u> |
| Total Collections                            | \$42,186,665       |
| Combined percentage of<br>total income taxes | 22.5%              |

| <u>2014</u>                                  |                    |
|--|--------------------|
| <u>Name</u>                                  | <u>Amount</u>      |
| Cincinnati Insurance Corporation             | \$3,720,610        |
| Liberty Mutual Group                         | 1,397,872          |
| Mercy Regional Health System                 | 1,333,228          |
| Fairfield Board of Education                 | 596,135            |
| Express Scripts Services Corporation         | 542,915            |
| Pacific Mfg Ohio Inc.                        | 399,363            |
| Koch Meat Co Inc.                            | 320,087            |
| City of Fairfield                            | 320,087            |
| Martin Brower Co. LLC                        | 242,696            |
| Devco Holdings Inc.                          | 192,136            |
| Total Collections - Principal Taxpayers      | <u>\$9,065,129</u> |
| Total Collections                            | \$26,532,188       |
| Combined percentage of<br>total income taxes | 34.2%              |

Source: City Finance Department



City of Fairfield, Ohio  
Ratios of Outstanding Debt by Type  
Last Ten Calendar Years  
Schedule 11

| Calendar Year | Governmental Activities  |                 | Business-Type Activities |                          |                 | Total Primary Government | Percentage of Personal Income | Per Capita |
|---------------|--------------------------|-----------------|--------------------------|--------------------------|-----------------|--------------------------|-------------------------------|------------|
|               | General Obligation Bonds | SBITA Liability | OWDA Loans               | General Obligation Bonds | Lease Liability |                          |                               |            |
| 2014          | \$18,756,339             | \$0             | \$2,665,171              | \$1,890,957              | \$0             | \$23,312,467             | 0.15%                         | \$548      |
| 2015          | 17,029,916               | 0               | 1,766,809                | 1,453,785                | 0               | 20,250,510               | 0.13%                         | 476        |
| 2016          | 15,248,896               | 0               | 831,812                  | 1,011,613                | 0               | 17,092,321               | 0.10%                         | 402        |
| 2017          | 14,103,851               | 0               | 219,082                  | 574,440                  | 0               | 14,897,373               | 0.09%                         | 350        |
| 2018          | 12,597,749               | 0               | 43,111                   | 437,080                  | 0               | 13,077,940               | 0.07%                         | 308        |
| 2019          | 11,391,165               | 0               | 0                        | 294,720                  | 0               | 11,685,885               | 0.06%                         | 275        |
| 2020          | 10,264,582               | 0               | 0                        | 147,360                  | 0               | 10,411,942               | 0.05%                         | 245        |
| 2021          | 7,957,998                | 0               | 567,897                  | 0                        | 0               | 8,525,895                | 0.04%                         | 190        |
| 2022          | 7,065,996                | 0               | 8,329,911                | 0                        | 141,685         | 15,537,592               | 0.07%                         | 346        |
| 2023          | 6,148,994                | 961,371         | 12,982,766               | 0                        | 71,297          | 20,164,428               | N/A                           | 449        |

Source: City Finance Department

Notes:

Details regarding the city's outstanding debt can be found in the notes to the financial statements

N/A - Information not available

City of Fairfield, Ohio  
Ratios of General Bonded Debt Outstanding  
Last Ten Calendar Years  
Schedule 12

| Calendar Year | General Bonded Debt Outstanding<br>Total General Obligation Bonds | Less:<br>Restricted for Debt Service (1) | General Bonded Debt Outstanding<br>Net General Obligation Bonds | Percentage of Estimated Actual Taxable Value of Property | Per Capita |
|---------------|---|--|---|--|------------|
| 2014          | \$20,647,296  | \$1,929,153                              | \$18,718,143  | 0.71%  | \$440      |
| 2015          | 18,483,701  | 1,829,128                                | 16,654,573  | 0.64%  | 392        |
| 2016          | 16,260,509  | 1,743,468                                | 14,517,041  | 0.55%  | 341        |
| 2017          | 14,678,291  | 1,763,686                                | 12,914,605  | 0.47%  | 304        |
| 2018          | 13,034,829  | 1,781,236                                | 11,253,593  | 0.39%  | 265        |
| 2019          | 11,685,885  | 1,821,273                                | 9,864,612   | 0.34%  | 232        |
| 2020          | 10,411,942  | 1,824,774                                | 8,587,168   | 0.26%  | 202        |
| 2021          | 7,957,998   | 1,818,818                                | 6,139,180   | 0.18%  | 137        |
| 2022          | 7,065,996   | 1,820,808                                | 5,245,188   | 0.16%  | 117        |
| 2023          | 6,148,994   | 1,856,158                                | 4,292,836   | 0.10%  | 96         |

Source: City Finance Department

(1) - Amount from Statement of Net Assets/Net Position

Notes:

Details regarding the city's outstanding debt can be found in the notes to the basic financial statements

City of Fairfield, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2023  
 Schedule 13

| Governmental Unit                 | Net Debt<br>Outstanding | Estimated<br>Percentage<br>Applicable (1) | Amount<br>Applicable to<br>City of Fairfield |
|-----------------------------------|-------------------------|---|--|
| Butler County                     | \$18,486,960            | 11.74%                                    | \$2,170,369                                  |
| Hamilton County                   | 124,816,000             | 0.00%                                     | 0  |
| Fairfield Township                | 1,465,000               | 0.00%                                     | 0  |
| Fairfield City School District    | 54,715,000              | 66.50%                                    | 36,385,475                                   |
| Lakota Local School District      | 69,335,000              | 0.22%                                     | 152,537                                      |
| Northwest Local School District   | 70,987,000              | 0.00%                                     | 0  |
| Subtotal Overlapping Debt         | 339,804,960             |   | 38,708,381                                   |
| City of Fairfield - Direct Debt   | 6,148,994               | 100.00%                                   | 6,148,994                                    |
| Total Direct and Overlapping Debt | \$345,953,954           |   | \$44,857,375                                 |

Source: Ohio Municipal Advisory Council

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

City of Fairfield, Ohio  
 Legal Debt Margin Information  
 Last Ten Calendar Years  
 Schedule 14

Legal Debt Margin Calculation for Current Calendar Year

|                                       |                 |                 |                 |                 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Assessed Value                        | \$1,541,247,500 | \$1,541,247,500 | \$1,541,247,500 | \$1,541,247,500 |
| Statutory Legal Debt Limitation (1)   | 10.5%           | 10.5%           | 10.5%           | 10.5%           |
| Total Debt Limitation                 | 161,830,988     | 161,830,988     | 161,830,988     | 84,768,613      |
| Debt Applicable to Limit:             |                 |                 |                 |                 |
| Gross Indebtedness                    | 6,148,994       | 6,148,994       | 6,148,994       | 6,148,994       |
| Less: Restricted for Debt Service (2) | 1,856,158       | 1,856,158       | 1,856,158       | 1,856,158       |
| Total Net Debt Applicable to Limit    | 4,292,836       | 4,292,836       | 4,292,836       | 4,292,836       |
| Legal Debt Margin                     | \$157,538,152   | \$157,538,152   | \$157,538,152   | \$80,475,777    |

|   | 2014         | 2015         | 2016         | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          | 2023          |
|---|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Debt Limit (1)<br>Debt Limit (10.5%)                              | \$99,676,431 | \$98,869,048 | \$99,206,197 | \$104,925,556 | \$110,070,737 | \$108,600,096 | \$127,061,630 | \$127,582,548 | \$127,267,929 | \$161,830,988 |
| Total Net Debt Applicable to Limit                                      | 20,647,296   | 18,483,701   | 16,260,509   | 14,678,291    | 11,253,593    | 9,864,612     | 8,587,168     | 6,139,180     | 5,245,188     | 4,292,836     |
| Legal Debt Margin   | \$79,029,135 | \$80,385,347 | \$82,945,688 | \$90,247,265  | \$98,817,144  | \$98,735,484  | \$118,474,462 | \$121,443,368 | \$122,022,741 | \$157,538,152 |
| Total Net Debt Applicable to the Limit<br>as a Percentage of Debt Limit | 20.7%        | 18.7%        | 16.4%        | 14.0%         | 10.2%         | 9.1%          | 6.8%          | 4.8%          | 4.1%          | 2.7%          |

|   | 2014         | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Unvoted Debt Limit (1)<br>Debt Limit (5.5%)                       | \$52,211,464 | \$51,788,549 | \$51,965,151 | \$54,961,006 | \$57,656,100 | \$56,885,765 | \$66,556,091 | \$66,828,954 | \$66,664,154 | \$84,768,613 |
| Total Net Debt Applicable to Limit                                      | 20,647,296   | 18,483,701   | 16,260,509   | 14,678,291   | 11,253,593   | 9,864,612    | 8,587,168    | 6,139,180    | 5,245,188    | 4,292,836    |
| Legal Debt Margin   | \$31,564,168 | \$33,304,848 | \$35,704,642 | \$40,282,715 | \$46,402,507 | \$47,021,153 | \$57,968,923 | \$60,689,774 | \$61,418,966 | \$80,475,777 |
| Total Net Debt Applicable to the Limit<br>as a Percentage of Debt Limit | 39.5%        | 35.7%        | 31.3%        | 26.7%        | 19.5%        | 17.3%        | 12.9%        | 9.2%         | 7.9%         | 5.1%         |

Source: City Records

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net

(2) - Amount from Statement of Net Assets/Net Position

City of Fairfield, Ohio  
Pledged-Revenue Coverage  
Last Ten Calendar Years  
Schedule 15

| Calendar<br>Year | Special Assessment Bonds             |              |          |          |
|------------------|--------------------------------------|--------------|----------|----------|
|                  | Special<br>Assessment<br>Collections | Debt Service |          | Coverage |
|                  |                                      | Principal    | Interest |          |
| 2014             | \$676,237                            | \$0          | \$0      | N/A      |
| 2015             | 447,881                              | 0            | 0        | N/A      |
| 2016             | 383,176                              | 0            | 0        | N/A      |
| 2017             | 353,787                              | 0            | 0        | N/A      |
| 2018             | 298,208                              | 0            | 0        | N/A      |
| 2019             | 329,318                              | 0            | 0        | N/A      |
| 2020             | 325,955                              | 0            | 0        | N/A      |
| 2021             | 353,456                              | 0            | 0        | N/A      |
| 2022             | 348,052                              | 0            | 0        | N/A      |
| 2023             | 377,017                              | 0            | 0        | N/A      |

Source: County Auditor

Note: Details regarding the city's outstanding debt can be found in the notes to the basic financial statements.

N/A - Information not available

City of Fairfield, Ohio  
 Demographic and Economic Statistics - Butler County  
 Last Ten Calendar Years  
 Schedule 16

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| Calendar Year | Population (1) | Personal Income (Thousands of Dollars) (2) | Per Capita Personal Income (3) | Unemployment Rate (4) |
|---------------|----------------|--|--------------------------------|-----------------------|
| 2014          | 42,510         | \$15,294,977                               | \$40,878                       | 4.50%                 |
| 2015          | 42,510         | 15,631,343                                 | 41,534                         | 4.50%                 |
| 2016          | 42,510         | 16,411,074                                 | 43,423                         | 4.10%                 |
| 2017          | 42,510         | 17,089,200                                 | 44,900                         | 4.70%                 |
| 2018          | 42,510         | 18,127,599                                 | 47,408                         | 4.20%                 |
| 2019          | 42,510         | 18,829,414                                 | 49,146                         | 4.10%                 |
| 2020          | 42,510         | 19,245,282                                 | 49,578                         | 7.30%                 |
| 2021          | 44,907         | 20,284,408                                 | 52,598                         | 3.10%                 |
| 2022          | 44,907         | 21,711,153                                 | 55,636                         | 3.50%                 |
| 2023          | 44,907         | N/A  | N/A                            | 3.20%                 |

Sources:

(1) - Population estimates provided by U.S. Census Bureau (2010 Census for years 2014 - 2020 and 2020 Census for years 2021 - 2023)

(2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts

(3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts

(4) - Ohio Bureau of Employment Services

N/A - Information not available

City of Fairfield, Ohio  
Major Employers (1)  
Current Year and Nine Years Ago  
Schedule 17

2023

| Major Employers (2)             | Type  | Number of Employees | Employer's Percentage of Total Employment |
|---------------------------------|-------|---------------------|---|
| AK Steel Holding Corp           | Mfg   | (3)                 | (4)                                       |
| Cincinnati Financial Corp.      | Ins   | (3)                 | (4)                                       |
| Cornerstone Brants              | Trade | (3)                 | (4)                                       |
| Express Scripts                 | Serv  | (3)                 | (4)                                       |
| Ft Hamilton Memorial Hospital   | Serv  | (3)                 | (4)                                       |
| GE Aviation                     | Mfg   | (3)                 | (4)                                       |
| Koch Foods                      | Serv  | (3)                 | (4)                                       |
| Lakota Local Schools            | Govt  | (3)                 | (4)                                       |
| Mercy Regional Hospital         | Serv  | (3)                 | (4)                                       |
| Miami University                | Govt  | (3)                 | (4)                                       |
| Miller Coors                    | Mfg   | (3)                 | (4)                                       |
| Tyson Foods                     | Mfg   | (3)                 | (4)                                       |
| UC Health West Chester Hospital | Serv  | (3)                 | (4)                                       |

2014

| Major Employers (2)               | Type  | Number of Employees | Employer's Percentage of Total Population |
|-----------------------------------|-------|---------------------|---|
| AK Steel Holding Corp             | Mfg   | (3)                 | (4)                                       |
| Butler County Government          | Govt  | (3)                 | (4)                                       |
| Cincinnati Financial Corp         | Ins   | (3)                 | (4)                                       |
| Cornerstone Brands Inc            | Trade | (3)                 | (4)                                       |
| Ft Hamilton Memorial Hospital     | Serv  | (3)                 | (4)                                       |
| GE Aviation                       | Mfg   | (3)                 | (4)                                       |
| Hamilton City Schools             | Govt  | (3)                 | (4)                                       |
| Lakota Local Schools              | Govt  | (3)                 | (4)                                       |
| Liberty Mutual/Ohio Casualty Corp | Ins   | (3)                 | (4)                                       |
| Mercy Regional Hospital           | Serv  | (3)                 | (4)                                       |
| Miami University                  | Govt  | (3)                 | (4)                                       |
| Middletown Regional Health System | Serv  | (3)                 | (4)                                       |
| Miller Coors                      | Mfg   | (3)                 | (4)                                       |
| Pierre Foods                      | Mfg   | (3)                 | (4)                                       |

Source: Ohio Department of Development

(1) - For all of Butler County

(2) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(3) - The number of employees of each listed major employer was not available.

(4) - The employer's percentage of total employment for each major employer was not available.

City of Fairfield, Ohio  
 Full-Time Equivalent City Government Employees by Function/Program  
 Last Ten Calendar Years  
 Schedule 18

| Function/Program                 | Full-Time Equivalent Employees as of December 31, |            |            |            |            |            |            |            |            |            |
|----------------------------------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                                  | 2014  | 2015       | 2016       | 2017       | 2018       | 2019       | 2020       | 2021       | 2022       | 2023       |
| General Government               |   |            |            |            |            |            |            |            |            |            |
| City Administration              | 5   | 10         | 10         | 12         | 12         | 11         | 9          | 8          | 11         | 10         |
| City Council                     | 1   | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Engineering                      | 6   | 6          | 6          | 6          | 6          | 6          | 6          | 6          | 6          | 6          |
| Facility/Janitors                | 1   | 1          | 1          | 1          | 1          | 2          | 1          | 2          | 2          | 2          |
| Municipal Court                  | 20  | 20         | 20         | 20         | 20         | 20         | 19         | 19         | 18         | 19         |
| Finance                          | 21  | 16         | 18         | 17         | 18         | 17         | 15         | 17         | 14         | 16         |
| Public Safety                    |   |            |            |            |            |            |            |            |            |            |
| Police                           |   |            |            |            |            |            |            |            |            |            |
| Officers                         | 57  | 57         | 58         | 58         | 60         | 60         | 61         | 63         | 63         | 63         |
| Non-Sworn                        | 20  | 20         | 20         | 18         | 19         | 19         | 20         | 21         | 24         | 24         |
| Fire                             | 28  | 27         | 28         | 31         | 34         | 34         | 34         | 44         | 57         | 62         |
| Leisure Time Activities          |   |            |            |            |            |            |            |            |            |            |
| Parks and recreation             | 20  | 20         | 19         | 18         | 18         | 19         | 20         | 20         | 19         | 22         |
| Community Development            |   |            |            |            |            |            |            |            |            |            |
| Planning and Zoning              | 4   | 4          | 3          | 4          | 4          | 4          | 3          | 4          | 3          | 3          |
| Building Inspection              | 8   | 8          | 8          | 8          | 8          | 9          | 8          | 7          | 8          | 8          |
| Economic Development             | 1   | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Basic Utility Service            |   |            |            |            |            |            |            |            |            |            |
| Water                            | 18  | 20         | 21         | 21         | 21         | 31         | 20         | 20         | 20         | 20         |
| Wastewater                       | 22  | 22         | 21         | 21         | 22         | 31         | 20         | 20         | 19         | 22         |
| Transportation and Street Repair | 27  | 28         | 27         | 28         | 28         | 29         | 27         | 27         | 27         | 26         |
| <b>Total</b>                     | <b>259</b>  | <b>261</b> | <b>262</b> | <b>265</b> | <b>273</b> | <b>294</b> | <b>265</b> | <b>280</b> | <b>293</b> | <b>305</b> |

Source: City Finance Department



City of Fairfield, Ohio  
 Operating Indicators by Function/Program  
 Last Ten Calendar Years  
 Schedule 19

| Function/Program                   | 2014         | 2015         | 2016          | 2017         | 2018         | 2019         | 2020         | 2021         | 2022          | 2023          |
|------------------------------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Community Environment              |              |              |               |              |              |              |              |              |               |               |
| Planning and Development           |              |              |               |              |              |              |              |              |               |               |
| Building permits issued            | 1,720        | 1,712        | 1,834         | 1,838        | 1,882        | 1,657        | 1,975        | 1,889        | 1,960         | 1,890         |
| Building inspections conducted     | 2,542        | 2,554        | 3,229         | 3,477        | 2,858        | 2,502        | 2,454        | 2,956        | 3,127         | 3,248         |
| Economic Development               |              |              |               |              |              |              |              |              |               |               |
| Value of Residential Construction  | \$5,589,157  | \$7,516,667  | \$9,058,653   | \$9,667,134  | \$8,551,521  | \$8,600,413  | \$11,677,983 | \$13,795,344 | \$13,407,324  | \$14,250,584  |
| Value of Commercial Construction   | \$25,374,335 | \$35,644,173 | \$122,371,102 | \$56,811,744 | \$49,150,566 | \$39,144,492 | \$38,068,302 | \$85,216,371 | \$186,006,906 | \$129,068,985 |
| General Government                 |              |              |               |              |              |              |              |              |               |               |
| Finance Department - Income Tax    |              |              |               |              |              |              |              |              |               |               |
| Income Tax Refunds                 | 959          | 1,022        | 847           | 819          | 985          | 1,417        | 800          | 743          | 1,892         | 1,921         |
| Dollar Amount of Refunds           | \$3,322,818  | \$1,538,826  | \$564,945     | \$1,477,354  | \$623,538    | \$1,403,977  | \$621,047    | \$669,008    | \$1,410,759   | \$1,800,931   |
| Average Refund Amount              | \$3,465      | \$1,506      | \$667         | \$1,804      | \$633        | \$991        | \$776        | \$900        | \$746         | \$937         |
| Court                              |              |              |               |              |              |              |              |              |               |               |
| Number of Criminal Cases           | 3,590        | 2,869        | 3,303         | 3,464        | 4,065        | 3,682        | 2,988        | 2,637        | 2,834         | 2,492         |
| Number of Civil Cases              | 1,185        | 1,152        | 1,188         | 1,306        | 1,438        | 1,833        | 1,086        | 1,129        | 1,437         | 1,517         |
| Construction Services              |              |              |               |              |              |              |              |              |               |               |
| Square Footage of Sidewalk Repairs | 17,460       | 19,036       | 25,700        | 13,800       | 10,906       | 24,019       | 11,588       | 5,900        | 9,134         | 6,918         |
| Securities of Persons and Property |              |              |               |              |              |              |              |              |               |               |
| Police                             |              |              |               |              |              |              |              |              |               |               |
| Physical arrests:                  |              |              |               |              |              |              |              |              |               |               |
| Adult                              | 2,485        | 2,430        | 2,851         | 3,509        | 3,461        | 3,979        | 3,395        | 1,039        | 3,750         | 3,012         |
| Juvenile                           | 295          | 255          | 265           | 286          | 279          | 49           | 139          | 180          | 113           | 166           |
| Citations                          | 2,842        | 2,980        | 3,048         | 3,450        | 3,609        | 3,948        | 1,718        | 2,173        | 3,034         | 2,928         |
| Accidents                          | 1,322        | 1,440        | 1,358         | 1,386        | 1,447        | 2,039        | 1,626        | 1,793        | 1,815         | 1,626         |
| Fire                               |              |              |               |              |              |              |              |              |               |               |
| Emergency responses                | 5,870        | 4,972        | 5,593         | 6,089        | 5,453        | 5,956        | 5,323        | 5,988        | 6,331         | 6,452         |
| Fire Calls                         | 944          | 915          | 806           | 873          | 1,002        | 971          | 930          | 975          | 1,142         | 1,238         |
| Inspections                        | 1,934        | 1,846        | 1,460         | 1,441        | 1,752        | 1,427        | 938          | 1,427        | 1,400         | 1,263         |
| Transportation                     |              |              |               |              |              |              |              |              |               |               |
| Public Works                       |              |              |               |              |              |              |              |              |               |               |
| Number of Street Miles Resurfaced  | 15           | 12           | 11            | 14           | 32           | 24           | 26           | 24           | 24            | 31            |
| Tons of Street Salt Used           | 4,315        | 4,368        | 2,213         | 1,197        | 4,286        | 3,815        | 852          | 3,977        | 2,680         | 882           |
| Cubic Yards of Leaves Picked-up    | 4,152        | 5,346        | 5,676         | 4,150        | 6,081        | 5,040        | 4,404        | 4,797        | 5,155         | 5,740         |

City of Fairfield, Ohio  
 Operating Indicators by Function/Program  
 Last Ten Calendar Years  
 Schedule 19 (Continued)

| Function/Program  | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020  | 2021   | 2022   | 2023   |
|---|--------|--------|--------|--------|--------|--------|-------|--------|--------|--------|
| Leisure   |        |        |        |        |        |        |       |        |        |        |
| Parks and Recreation                                    |        |        |        |        |        |        |       |        |        |        |
| Number of Theater Patrons                               | 14,120 | 14,158 | 15,336 | 13,562 | 12,630 | 13,615 | 2,213 | 9,633  | 11,025 | 13,788 |
| Number of Pool Admissions                               | 24,641 | 26,511 | 26,062 | 24,893 | 29,621 | 38,984 | 0     | 31,450 | 24,941 | 22,143 |
| Program Attendance:                                     |        |        |        |        |        |        |       |        |        |        |
| Youth/Preschool   | 20,805 | 19,418 | 20,570 | 20,946 | 22,647 | 19,079 | 4,198 | 10,119 | 18,820 | 9,952  |
| Fitness   | 8,976  | 5,659  | 5,838  | 6,600  | 8,502  | 6,656  | 2,207 | 5,316  | 5,684  | 9,994  |
| Senior Activities                                       | 17,898 | 19,160 | 19,896 | 20,500 | 20,540 | 20,258 | 4,458 | 3,237  | 4,982  | 13,279 |
| Water   |        |        |        |        |        |        |       |        |        |        |
| Water main breaks                                       | 81     | 56     | 71     | 59     | 72     | 59     | 55    | 65     | 70     | 46     |
| Average daily consumption<br>(millions of gallons)      | 4.998  | 4.597  | 5.219  | 5.430  | 5.340  | 5.650  | 5.650 | 5.780  | 5.680  | 5.860  |
| Peak daily consumption<br>(millions of gallons)         | 6.978  | 6.884  | 7.256  | 7.319  | 8.280  | 8.050  | 7.820 | 8.400  | 8.100  | 8.370  |
| Wastewater  |        |        |        |        |        |        |       |        |        |        |
| Average daily sewage treatment<br>(millions of gallons) | 5.182  | 5.216  | 4.779  | 5.133  | 5.791  | 5.870  | 5.230 | 5.330  | 5.380  | 4.980  |

Source: Various City Departments

City of Fairfield, Ohio  
 Capital Asset Statistics by Function/Program  
 Last Ten Calendar Years  
 Schedule 20

| Function/Program                          | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   | 2022   | 2023   |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| General Government                        |        |        |        |        |        |        |        |        |        |        |
| Municipal Building (square footage)       | 19,281 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 | 19,284 |
| Municipal Building Annex (square footage) | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  | 7,424  |
| Police                                    |        |        |        |        |        |        |        |        |        |        |
| Stations                                  | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Square Footage of Building                | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,033 | 50,333 |
| Police Cruisers                           | 21     | 25     | 28     | 24     | 24     | 24     | 24     | 24     | 24     | 24     |
| Fire                                      |        |        |        |        |        |        |        |        |        |        |
| Stations                                  | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      | 3      |
| Number of Fire Engines                    | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      |
| Number of EMS Vehicles                    | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 5      | 4      | 4      |
| Public Works                              |        |        |        |        |        |        |        |        |        |        |
| Area of City (square miles)               | 20.18  | 20.18  | 20.18  | 20.18  | 20.18  | 20.18  | 20.18  | 20.18  | 20.85  | 20.85  |
| Streets (miles)                           | 166.3  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  | 180.0  |
| Highways (miles)                          | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   | 7.27   |
| Streetlights                              | 2,983  | 2,983  | 2,986  | 2,986  | 2,986  | 2,995  | 3,005  | 3,021  | 3,044  | 3,060  |
| Traffic signals                           | 63     | 61     | 61     | 61     | 61     | 61     | 61     | 61     | 61     | 61     |
| Parks and Recreation                      |        |        |        |        |        |        |        |        |        |        |
| Number of Parks                           | 29     | 37     | 35     | 35     | 36     | 37     | 37     | 30     | 30     | 32     |
| Area of Parks (acreage)                   | 538    | 665    | 659    | 827    | 827    | 839    | 839    | 736    | 736    | 826    |
| Playgrounds                               | 21     | 14     | 14     | 14     | 14     | 15     | 15     | 15     | 15     | 14     |
| Baseball/softball diamonds                | 21     | 20     | 20     | 20     | 20     | 20     | 20     | 20     | 20     | 20     |
| Soccer/football fields                    | 17     | 15     | 15     | 15     | 15     | 15     | 15     | 15     | 15     | 15     |
| Aquatic Center /Swimming pools            | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Community Arts centers                    | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Golf Courses                              | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      |
| Municipal Water                           |        |        |        |        |        |        |        |        |        |        |
| Storage Capacity (millions of gallons)    | 7      | 7      | 7      | 7      | 7      | 7      | 7      | 7      | 7      | 8      |
| Water Mains (miles)                       | 169    | 169    | 169    | 170    | 170    | 189    | 189    | 189    | 189    | 189    |
| Fire hydrants                             | 2,000  | 2,000  | 2,000  | 2,000  | 2,000  | 1,981  | 1,981  | 1,982  | 2,489  | 2,500  |
| Sewers                                    |        |        |        |        |        |        |        |        |        |        |
| Treatment Capacity (millions of gallons)  | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     | 10     |
| Sanitary Sewers (miles)                   | 175    | 175    | 175    | 175    | 175    | 175    | 175    | 175    | 175    | 175    |

Source: Various City Departments

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# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF FAIRFIELD**

**BUTLER COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 7/11/2024**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)