

CITY OF FAIRBORN, OHIO



Single Audit Reports

December 31, 2019

PLATTENBURG
Certified Public Accountants

OHIO AUDITOR OF STATE
KEITH FABER



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Members of Council
City of Fairborn
44 W. Hebble Avenue
Fairborn, Ohio 45324

We have reviewed the *Independent Auditor's Report* of the City of Fairborn, Greene County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2019 through December 31, 2019. 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 Fairborn is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 31, 2020

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CITY OF FAIRBORN, OHIO
Schedule of Expenditures of Federal Awards
For the year ended December 31, 2019

Federal Grantor/Pass Through Grantor/Program Title	Grant or Pass-Through Number	Federal CFDA Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
Direct programs:			
CDBG - Entitlement Grants Cluster			
Community Development Block Grants/Entitlement Grants	B-14-MC-39-0032	14.218	\$ 26,239
Community Development Block Grants/Entitlement Grants	B-15-MC-39-0032	14.218	21,231
Community Development Block Grants/Entitlement Grants	B-16-MC-39-0032	14.218	14,150
Community Development Block Grants/Entitlement Grants	B-17-MC-39-0032	14.218	20,320
Community Development Block Grants/Entitlement Grants	B-18-MC-39-0032	14.218	23,036
Community Development Block Grants/Entitlement Grants	B-19-MC-39-0032	14.218	124,662
Total CDBG - Entitlement Grants Cluster			229,638
Passed through the State Department of Development:			
Home Investment Partnerships Program	A-C-18-2BK-2	14.239	198,122
Total U.S. Department of Housing and Urban Development			427,760
<u>U.S. Department of Justice</u>			
Direct programs:			
Bulletproof Vest Partnership Program	N/A	16.607	1,584
Passed through the Ohio Attorney General:			
Crime Victim Assistance	2018-VAGENE482	16.575	85,655
Crime Victim Assistance	2019-VAGENE482	16.575	22,223
Passed through the Office of Criminal Justice Services:			
Violence Against Women Formula Grants	2017-WF-VA2-8932	16.588	24,985
Violence Against Women Formula Grants	2018-WF-VA2-8932	16.588	34,998
Passed through Greene County:			
Equitable Sharing Program	N/A	16.922	10,013
Total U.S. Department of Justice			179,458
<u>U.S. Department of Transportation</u>			
Passed through the Ohio Department of Transportation:			
Highway Planning and Construction Cluster			
Surface Transportation Program - Kauffman Widening & CGH/Kauffman Roundabout	98157	20.205	584,134
Safety Grant - CGH/Kauffman Roundabout	98157	20.205	41,375
Total Highway Planning and Construction Cluster			625,509
Total U.S. Department of Transportation			625,509
<u>U.S. Department of Homeland Security</u>			
Passed through the Ohio Task Force 1:			
National Urban Search and Rescue Response System	N/A	97.025	649
Total U.S. Department of Homeland Security			649
TOTAL - ALL FEDERAL PROGRAMS			\$ 1,233,376

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.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor, City Council and City Manager
City of Fairborn

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 Fairborn (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 29, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Dayton, Ohio

July 29, 2020

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

Honorable Mayor, City Council and City Manager
City of Fairborn

Report on Compliance for Each Major Federal Program

We have audited the City of Fairborn's (the City) compliance with the types of compliance requirements described 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, 2019. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

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, 2019.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated July 29, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted 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.
Dayton, Ohio
July 29, 2020

CITY OF FAIRBORN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2019

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:

Highway Planning and Construction Cluster CFDA #20.205

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

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**CITY OF FAIRBORN
December 31, 2019**

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

The City had no prior audit findings or questioned costs.

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

2019

CITY OF FAIRBORN, OHIO

For the year ended December 31, 2019

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CITY OF FAIRBORN, OHIO

GREENE COUNTY

Comprehensive Annual Financial Report

For the Year Ended December 31, 2019

Prepared by:
Department of Finance

Randall J. Groves, CPFO, CGFM
Finance Director

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FAIRBORN
A CITY IN MOTION

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I N T R O D U C T O R Y S E C T I O N



FAIRBORN
A CITY IN MOTION

City of Fairborn, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2019
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**CITY OF FAIRBORN
FINANCE DEPARTMENT**

44 W. Hebble Avenue
Fairborn, OH 45324
(937) 754-3005
Fax: (937) 754-3115

July 29, 2020

Honorable Mayor and
Members of Council
City of Fairborn
44 West Hebble Avenue
Fairborn, Ohio 45324

Submitted for your review is the Comprehensive Annual Financial Report (CAFR) of the City of Fairborn (the “City”) for the year ended December 31, 2019. The report has been prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38, which requires that cities reporting on a GAAP basis file an unaudited annual report with the Auditor of State within 150 days of year-end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Introduction

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Fairborn to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City finance department. We believe the data, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operation of the City, and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

The Reporting Entity

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14/39, "*The Financial Reporting Entity*" in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards, commissions and jointly governed organizations that are part of the primary government, which includes the following services: public safety (police, fire, emergency medical services and public prosecutor), sanitation, social services, culture and recreation, water and sewer, planning and zoning, construction and maintenance of highways, streets and infrastructure, income tax collection, municipal court and general administrative services. City council and the City manager have direct responsibility for these activities.

The City of Fairborn

The City of Fairborn is located in the west central part of the state of Ohio, approximately 60 miles north of Cincinnati, 70 miles west of Columbus and 10 miles northeast of Dayton, on Interstate 675. Easy access to both Interstates 70 and 75 place Fairborn within approximately a one-hour drive of Cincinnati and Columbus. The home of aviation, Fairborn is the site of Wright State University, Wright-Patterson Air Force Base, the Wright Brothers Memorial, Air Force Institute of Technology and Wright Field.

The City of Fairborn is a home rule municipal corporation operating under its own charter. In November 1946, the electors of the Village of Osborn adopted a charter to take effect January 1, 1948. In the November 1948 election, the Village of Osborn voted to annex the Village of Fairfield and to change the name of the Village to Fairborn, effective January 1, 1950. The Village of Fairborn became a City on August 20, 1951, with the electorate adopting the City's first charter on November 2, 1971.

The City operates under a council-manager form of government. City council consists of seven members, six of which are elected to four-year terms in the general municipal election. The mayor, as seventh council member, is elected to a two-year term by a separate ballot from the municipality at large. City council appoints the City manager who oversees the daily operations of the City. The City manager appoints all department managers of the City.

Council is required to adopt, by ordinance, an annual budget for each fiscal year. Upon presentation by the City manager of a proposed budget, council calls and publicizes a public hearing on the budget. Following the public hearing council adopts the budget as it may have been amended, as the City's annual budget effective for the next fiscal year. If the annual budget is not adopted prior to the beginning of the fiscal year, council may adopt a temporary budget to cover the first three months of the year, with the annual budget required to be adopted by April 1st.

Economic Condition and Outlook

With economic diversity, key governmental institutions, and prime land for additional development, the City has what it takes to fuel business growth. Wise and prudent City planning as well as collaboration with other organizations helps the City maintain its current business base and expand horizons with new and exciting ventures in commercial, industrial, government, and office development.

Located with four interchanges on I-675 near the intersection of I-70, Fairborn is ideally situated for connectivity to the Dayton regional market and larger metro markets. This connectivity provides easy access for not only transportation and distribution operations but also for the local workforce whose average commute times are five minutes lower than the national average. Another benefit to the local workforce is the very competitive cost of living which currently is approximately 20% less than the national average.

As home to Wright State University (WSU) and the gateway to Wright-Patterson Air Force Base, the City gains economic strength from two of the largest employers in the Miami Valley region. WSU is the region's largest university with nearly 11,000 students and is a fully accredited State university. Its eight colleges and three schools offer more than 90 undergraduate degrees and 88 graduate, masters, doctoral, and professional degree programs. The WSU Nutter Center provides a 12,000-seat sport and entertainment venue that continually draws national performers and events to the Dayton region. Additionally, WSU provides a significant draw for complimentary businesses who either work in partnership or do research with the institution.

Because of its close proximity to Wright-Patterson Air Force Base, the City attracts defense industry and related businesses that serve the Air Force and other branches of the military. While government and defense-related businesses are a vital part of the City's economy, there are many others that provide economic support and add to the diversity of the business community including manufacturing, distribution, healthcare, education, information technology and various retail and hospitality venues.

Recognizing that Fairborn has a unique opportunity to capitalize on its location, economic makeup, transportation network, buildable land, and various other factors the City leadership recently took steps to enhance economic development activity within the community. First, the City officially established and funded a new economic development department with the sole purpose to assist the local business community and encourage new investment within the City. Second, the City revived its community improvement corporation, now doing business as the Fairborn Development Corporation (FDC). The FDC is a 501(c)(3) non-profit organization created to advance, encourage, promote and pursue civic, economic, commercial and industrial development within the greater Fairborn area. The FDC serves as an important advisory board that allows community stakeholders and business leaders the opportunity to participate and contribute in a meaningful way to local economic development efforts.

Many other organizations are attracted to the City due to the available real estate poised for development. The City has the next great development frontier along I-675, which connects I-75 to I-70. The Dayton-Yellow Springs Road, State Route 235, and State Route 444 interchanges on I-675 provide prime industrial, office and commercial development sites. Fairborn is located

within 600 miles of 64% of the US population, 50% of the Canadian population, 63% of all US manufacturing, 70% of all the North American manufacturing and 80% of all U.S. headquarters. If air travel is a concern, Fairborn is fortunate to be located within 60 minutes of three international airports with daily operations that rival most metropolitan areas. The Dayton International Airport is conveniently located along a major highway network allowing the local businesses to easily reach 55% of the total US population in only 90 minutes by air.

Wright State University's Vishal Soin Innovation Park along Colonel Glenn Highway, adjacent to the technology-based business office space in Wright Executive Park, continues to encourage growth in technology-based fields and will be home to the recently announced Caci Inc., a company that provides information solutions and services in support of national security missions and government transformation for intelligence, defense, and federal civilian customers. The Valle Greene North development continues to see interest with its acres of shovel ready sites available adjacent to the new Kroger Marketplace and the newly completed Menard's Home Improvement Center opening in June 2020. The City is ready to assist businesses looking for prime locations along I-675. The City is also one of a very limited number of cities that has rail service adjacent to industrial zoned land that is also ready for development.

The City's progress in economic growth would not be possible without the assistance of the Fairborn Chamber of Commerce and the Downtown Fairborn Committee. These groups of caring residents and business professionals help facilitate business growth by organizing networking opportunities through various programs and events held during the year. Looking to the future, the City will continue to pursue successful collaborations among businesses, community organizations, and government as a catalyst for economic growth in the City.

Major Initiatives

For 2019

Economic Development - In 2019, the City continued to focus on its historic downtown area. Spark-Fairborn, a kitchen incubator and co-working space, completed a successful first year of operation with Blue Bike Bakery anchoring the shared kitchen space. The City also engaged Ratio Architects to create a revitalization strategy for the downtown area, and created a façade improvement program utilizing Community Development Block Grant funding.

The City also continued to provide incentive programs that help with growing/transforming the current business and helping move the business to Fairborn. The year 2019 saw many businesses open or break ground including the Menards, Hoshi Ramen, Hector's Taco, the new Fairborn primary school, Pizza Hut, Sassy Sisters Boutique, Sweet & Sassy Boutique, Frontier Self-Storage, DeCoach Rehab, ACERT Healthcare Training, 55 Rivers Cold Brew, Fairborn Theater, Goodwill, and the completion and dedication of two Habitat for Humanity Homes.

Public Safety Police and Fire - Voters approved at the November 2014 ballot a one-quarter of one percent (0.25%) income tax rate for ten years for police and fire equipment and operations. This replaced the 0.25% income tax that for the previous ten years had been used for the acquisition of fire and EMS equipment and facility capital improvements that expired as of December 31, 2014. This levy generated approximately \$2.3 million dollars in 2019, and is used for police and fire equipment and vehicles, as well as a portion of the police and fire personnel costs.

Streets - Residents also approved in 2014 a renewal of the one-quarter of one percent income tax levy for resurfacing, reconstructing and repairing the City's thoroughfares and residential streets. The renewal of this levy was important as it provides predictable funding that allows the City to continue its efforts to upgrade and maintain City streets for a ten-year period. This levy generated approximately \$2.3 million in 2019.

Annually, a street program is undertaken that addresses streets that need repair or treatments to extend their useful life. The 2019 Street Program included a variety of treatments that covered 15 street segments. The treatment types included asphalt milling and resurfacing, base repairs and resurfacing. The work covered approximately 4 centerline miles of streets.

Ahead of the street program, a curb-sidewalk-approach (CSA) program is typically performed. This program replaces deteriorated concrete infrastructure between the street and right-of-way line and is performed the year before planned street work is conducted. The 2020 CSA program was postponed and will be completed at a later date. It is built with the Americans with Disabilities Act (ADA) curb ramp program, which constructs or reconstructs ramps to ADA standards.

Several major street renovation projects were also undertaken in 2019, including a roundabout at the intersection of Colonel Glenn Highway and Kauffman Avenue and the widening of Kauffman Avenue. A safety grant of \$300,000 was received through the Ohio Department of Transportation (ODOT) Safety Program to help cover the costs of the new roundabout. The project also received funds from ODOT's Surface Transportation Program (STP) in the amounts of \$336,624 and \$1,110,778, as well as an Ohio Public Works Commission grant in the amount of \$1,000,000. This project added an additional lane to southbound Kauffman Avenue, resurfaced the entire roadway of Kauffman Avenue from Lindberg Avenue to just past Colonel Glenn Highway, made signal improvements at Kauffman Avenue and Garland Avenue, and installed a new roundabout at Kauffman Avenue and Colonel Glenn Highway. This project will be finished in May of 2020.

Phase 1 of the Broad Street improvements project will be completed in the summer of 2020. The project included widening from 2 lanes to 3 lanes, installation of curb and gutter, new storm sewer and the installation of a ten-foot wide bike path from Sandhill Road to Spangler Road. The project was partially funded by a \$959,365 ODOT Surface Transportation Program (STP) grant and a not-to-exceed \$400,000 loan from the Ohio Public Works Commission.

The Chapelgate Road extension was completed in 2019 and included the construction of a new cul-de-sac north of Xenia Drive with new storm sewer, sidewalk, asphalt roadway and curb and gutter. This project was partially funded from an Ohio 629 grant for \$224,000 and Ohio JAC grant for \$111,000.

The Xenia Drive waterline and resurfacing project began in 2019 and will be finished in spring of 2020. This project includes the replacement of the waterline along Xenia Drive from Broad Street to Dayton Drive, and the resurfacing of the roadway with the replacement of a couple of storm water catch basins. This project was partially funded by ODOT's Urban Paving Program in the amount of \$307,390.

Water and Sewer - As with most cities of similar vintage, the City of Fairborn is beginning to see condition concerns as the water and sewer infrastructure ages. Assets are continually being evaluated to determine needs for renovation or replacement, their ability to meet current and future needs, and methods that can be utilized to extend the life of this important and expensive infrastructure.

In an effort to address older, problematic infrastructure, water main replacement projects are being paired with major street improvements. In 2019, this included the replacement and upsizing of 6-inch cast iron main with 8-inch ductile iron main on Xenia Drive from Broad Street to Dayton Drive. All service lines, the majority of which were galvanized iron, were also replaced with new copper service lines to the property line.

In 2019, two clarifiers at the Water Reclamation Center were renovated with metal repair and application of a protective coating to extend operational life. A new jet truck was purchased to ensure the ability to respond to sewer emergencies as well as performing routine cleaning and hydro excavation. The former front-line vehicle has been placed in reserve to provide backup or for use by a second crew when needed.

Parks – The City received a grant from the National Fitness Campaign for the installation of a state-of-the-art outdoor fitness court, joining the cities of Cincinnati and Cleveland as only the third such fitness court in Ohio. Community Park's largest and most utilized Shelter #2 received a new standing seam metal roof. Fairfield Park's concession stand and maintenance building received a new roof, new doors and some siding repairs.

Plant Maintenance – Buildings currently residing on City property on Kauffman Avenue were demolished to make way for construction of the new public works facility scheduled for construction in 2020. A new roof was installed on the public library. The Government Center received upgraded lighting in the parking lot and around the exterior of the building. The Court building was completely repainted inside.

For the Future

The City's comprehensive plan helps facilitate managed and orderly growth. Growth however, continues to challenge the capacity of City infrastructure and the City's ability to maintain it, especially its water distribution, sewer collection, wastewater treatment, and street and thoroughfare systems. The City remains steadfast in its commitment to ensure the maintenance of existing infrastructure and the development of adequate new infrastructure to meet future demands. A perpetual five-year capital improvement plan is maintained and updated annually to assist the City in targeting the most important near-term capital improvements and the resources required to fund them.

Streets - The Engineering Division continues to oversee the paving program for the 467 public streets in Fairborn. The vision for the future is to diversify the road treatments to most efficiently treat City streets to result in the lowest life cycle cost for the roadway system.

Maple Avenue between Dayton Drive and Dayton-Yellow Springs Road will be improved over the next several years. Improvements will include narrowing the roadway, creating a consistent three-lane cross section to help calm traffic, and installing a ten-foot bike path along the corridor. The waterline will also be replaced and/or upsized along the roadway according to the water master plan. Phase 1 of this project, going from Dayton Drive to Doris Drive, received a STP grant from ODOT and the Miami Valley Regional Planning Commission (MVRPC) for \$1,297,344, and an Ohio Public Works Commission (OPWC) grant for \$800,000. Phase 2, from Doris Drive to Dayton-Yellow Springs Road, received a STP Grant from ODOT and MVRPC for \$1,754,344, and an OPWC Grant for \$1,000,000.

Broad Street will also be improved over the next several years from Dayton Drive to Spangler Road. Improvements will include bicycle facilities in the form of striped bike lanes near downtown, and a separated path as you leave town down to I-675. The projects will also create a more consistent roadway cross section throughout the corridor. This project has been broken down into four phases and three of the phases have already been approved for grant funding thru ODOT. Phase 1 is under construction, phase 2 from Dayton Drive to Pierce Drive received a TA grant from ODOT and the MVRPC for \$350,000, and phase 3 from Central Avenue to Sandhill Road received a STP grant from ODOT and MVRPC for \$1,518,870.

Yellow Springs Fairfield Road will also be improved and a ten-foot wide bike path will be installed from Spangler Road to the eastern corporation limit. The road will also receive curb and gutter and will be widened at Black Lane with left turn lanes. This project received a STP grant from ODOT and MVRPC for \$1,163,745, and an OPWC loan for \$1,000,000.

Central Avenue is being reconstructed from Dayton Drive to Lindberg Avenue. This project will have the road base replaced, and new storm water inlets installed. This project received Urban Paving Dollars from ODOT in the amount of \$232,050 and an Ohio Public Works Commission loan for \$500,000.

Water and Sewer - Long range planning for water and sewer systems is driven not only by anticipated growth but also by Ohio Environmental Protection Agency rules and mandates, advances in treatment and contamination detection technology, aging facilities, and the aesthetic demands of citizens.

Pairing water main replacement with street projects will continue in 2020 with the replacement of cast iron main on Maple Avenue from Dayton Drive to Doris Drive and the design of the Phase 2 Maple Avenue water main improvements from Doris Drive to Five Points.

In 2019, design was undertaken of a new well to replace a failing, low capacity 1970's vintage unit. The new well will be installed in 2020 and will feature a variable frequency drive and high capacity pumping capabilities. It will be connected to the well field generator to provide automatic operation even during loss of power, and to the SCADA system to allow for monitoring, alarm notifications, and operation based on plant demand.

Sewer mains will be lined in areas that have been identified as having condition concerns based on City televising efforts. The lining process, which requires no excavation, results in regained pipe capacity, reduced entry of ground and surface water into the sanitary sewer system, and extends the infrastructure's life by fifty years or more.

Parks - Community Park's basketball court will have lights added to it so the City will now have two lighted courts for residents to enjoy. Sandhill Park's dog park, the Fairborn Wag Pad, will receive a permanent restroom facility. Osborn Park will see the installation of a "pump track" which will pair nicely with the existing skate park currently located in that park.

Plant Maintenance - The municipal court building will be completely re-carpeted in 2020 and the City garage will see renovations and a roof reseal. The Government Center will have all the internal lights changed over to LED, providing a savings in electrical and maintenance costs. The Government Center will also get a much-needed update to all its restroom facilities. The building housing the public library will get the much needed relining of its copper gutters.

Economic Development - In today's climate, economic development is a very challenging endeavor. Many communities focus their efforts on the recruitment of large employers. With so many cities concentrating on this type of development, the likelihood of success is marginal at best. Over the last three years, the City of Fairborn has focused economic development efforts on the revitalization of the downtown area, the retention and expansion of current businesses, the cultivation of small startup businesses within the City, as well as preparing the areas adjacent to Wright State University and Wright-Patterson Air Force Base for redevelopment.

Business outreach activity will build upon last year's efforts. Specifically, the economic development team will continue to focus on meeting with current businesses to gain a greater understanding of their current positions and needs. Staff does not come empty handed to these meetings as we offer incentive programs that help with growing/transforming the current business and helping move the business to Fairborn.

Revitalization is a key long-term project moving forward and the City continues to see growth and new developments with the opening of Goodwill, the expansion of Speedway, the opening of Menards, the opening of the new Fairborn Primary School, the start of construction on the new Fairborn Intermediate School, and improvements to City streets with significant road projects planned.

Other specific areas of focus include all property adjacent to Wright-Patterson Air Force Base including the Broad Street central business district, Kauffman Avenue, and National Road, as well as the Colonel Glenn/Kauffman Avenue area near Wright State University. Multiple buildings have been acquired and demolished to allow for redevelopment, which will allow the community to capitalize on the needs and draw of Wright State University and Wright-Patterson Air Force Base.

To encourage military and civilian personnel to choose Fairborn as a place to reside, the City works to encourage new housing developments and to preserve existing housing stock. The strong residential growth that has occurred over the last several years likely will increase in the future with the addition of a variety of residential choices being offered within several planned developments. With the completion of the Bluffs on Trebein, the City looks forward to a continued partnership with Fischer Home as development begins on Arden Place, a new 162 single-family home development just north of the Bluffs of Trebein. Other notable developments under construction include Section 11 of Ryan Homes' Waterford Landing subdivision and Redwood's Fairfield Oakes (high-end "empty nester" rentals). Sales and rentals in each of these communities have been robust. In addition to the new housing developments taking place, the City recently began a housing strategy initiative that seeks to establish housing solutions, not only for new housing units, but also areas of improvements in existing neighborhoods and business areas around the City.

All of the City's major initiatives, whether improving the quality and capacity of infrastructure, enhancing the park system, revitalizing neighborhoods and business districts, enhancing business outreach, or preparing land for future development, are tied to the City's newest focus – making the City of Fairborn "A City in Motion" for the residential and business community.

Financial Information

Basis of Accounting

The City uses fund accounting to maintain its financial records and operates on a cash basis of accounting during the year. For the purposes of this report and to present the most accurate picture of the City's finances for the fiscal year ended December 31, the cash basis records are converted to the modified accrual and the accrual basis of accounting consistent with generally accepted accounting principles (GAAP) as applied to governmental units.

Internal Control Structure

Development of the City's accounting system included consideration of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements. The concept of reasonable assurance states that internal control should be evaluated to ensure that the expense associated with providing internal controls does not exceed the benefit expected to be derived from its implementation. This evaluation involves estimates and judgment by City administration and members of the finance department. The administrative and financial management personnel believe that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary Control

The City adopts an annual budget that includes estimated revenues and appropriations (authorized spending levels) for the year for all funds except for certain custodial funds. The budget is amended during the year as appropriate according to Ohio budgetary law. Budgetary control is maintained by encumbering appropriations prior to ordering goods or services or the release of

purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the purchase amount. Transaction detail for budgeted and actual revenues, appropriations, expenditures, and fund balances are available at any time via queries of the financial system or are contained in monthly reports. The legal level of budgetary control is by fund, department, and line item.

A more detailed description of the basis of accounting, budgetary process, and various funds and accounts utilized by the City are included in Note 2 to the basic financial statements.

Management's Discussion and Analysis (MD&A)

GASB Statement No. 34 requires management to provide an introductory overview and narrative, known as Management's Discussion and Analysis (MD&A), to accompany the basic financial statements. This transmittal letter is intended to be read in conjunction with that analysis. The MD&A can be found immediately following the independent Auditor's report.

Independent Audit

Ohio law and the City charter require an annual audit of the City's financial statements by an independent auditor. Plattenburg and Associates performed the audit for the year ended December 31, 2019, and included in this report is their unmodified opinion rendered on the City's basic financial statements. The annual audit also provides an opportunity for an independent review of the City's financial policies and procedures and the comments and recommendations generated continually strengthen the City's accounting and budgeting controls. The results of the audit are presented in the independent Auditor's report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Fairborn for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018. This was the thirtieth consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A certificate of achievement is valid for one year. We believe our current report for the fiscal year ended December 31, 2019, continues to conform to program requirements and we will be submitting it to the GFOA to determine its eligibility for another certificate of achievement.

Acknowledgements

The preparation of this CAFR was made possible by the efficient and dedicated services of the entire staff of the finance department and fiscal personnel in other City departments. Special appreciation is expressed to Annetta Williams, assistant finance director, and supporting finance staff for their efforts and commitment to the preparation of this report and to ensuring it conforms to the highest standards in governmental financial reporting. We also thank the members of City council for their interest and support in planning and conducting the financial operations of the City of Fairborn in a responsible and progressive manner.

It is the mission of the finance department to serve the City and its citizens with the highest degree of fiscal responsibility and professionalism. By issuing this CAFR, we endeavor to remain fiscally accountable in order to preserve the public's confidence in our ability to govern the City's finances.

Respectfully submitted,



Randall J. Groves, CPFO, CGFM
Finance Director



Government Finance Officers Association

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

Presented to

**City of Fairborn
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

City of Fairborn, Ohio

Principal Officials

December 31, 2019

COUNCIL - MANAGER FORM OF GOVERNMENT

CITY COUNCIL

Paul Keller, Mayor

Colin Morrow, Deputy Mayor

Rob Hoffman, Council Member

Donna Wilson, Council Member

Clint Allen, Council Member

Kevin Knepp, Council Member

Tana Stanton, Council Member

CITY MANAGER

Rob Anderson

CITY SOLICITOR

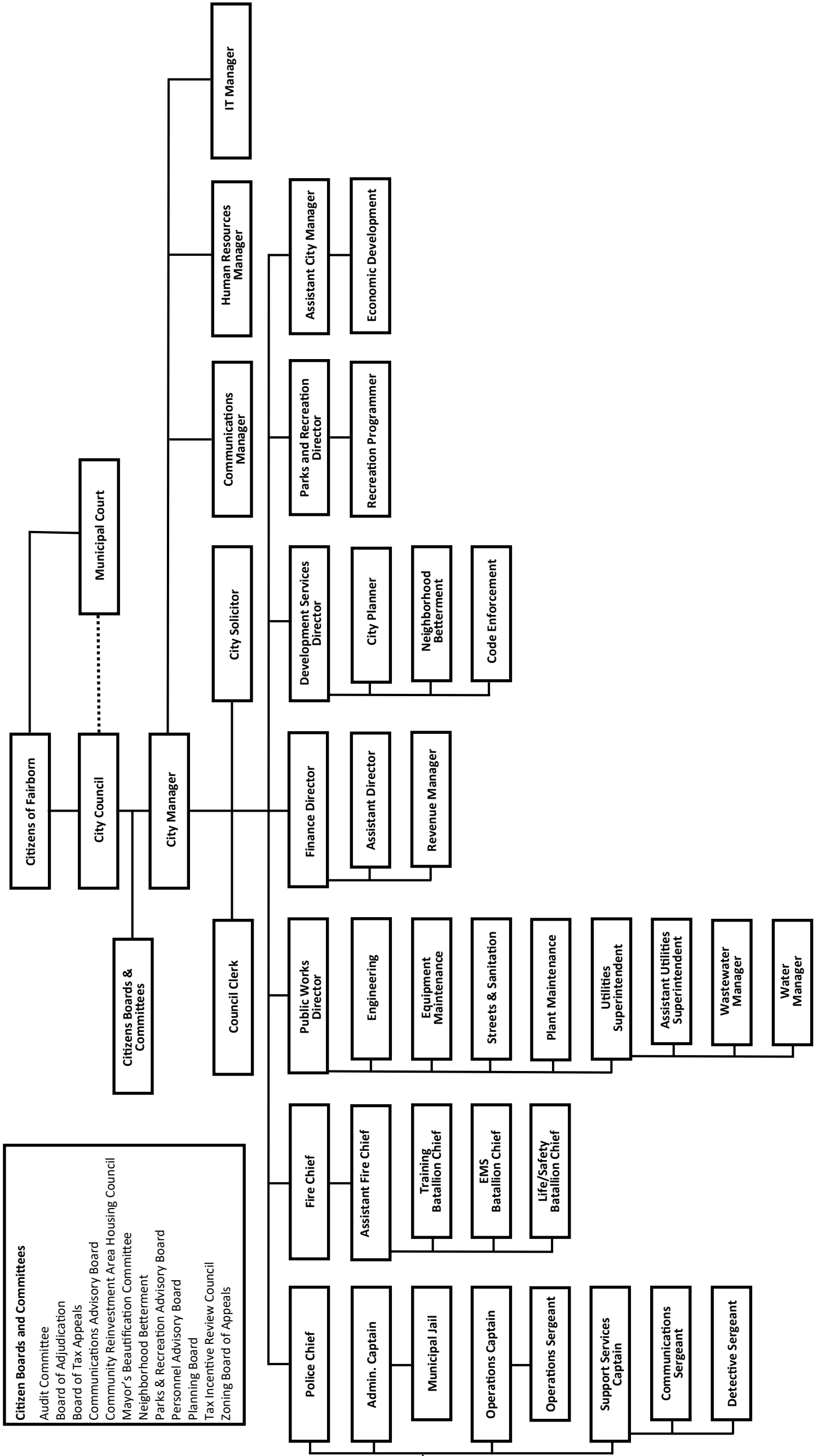
Michael Mayer

FINANCE DIRECTOR

Randall J. Groves

ASSISTANT FINANCE DIRECTOR

Annetta L. Williams



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FAIRBORN

A CITY IN MOTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Council and City Manager
City of Fairborn

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fairborn (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Fire & EMS Fund, Police Fund, County Motor Vehicle Tax Fund, and Public Safety Police/Fire Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 24 to the financial statements, during 2020, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Dayton, Ohio
July 29, 2020

City of Fairborn, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis is an introspective look at the finances of the City of Fairborn for the year ending December 31, 2019, providing an overview of the City's financial performance as a whole while assisting readers in interpreting the basic financial statements. In addition to the information presented here, readers are also encouraged to review the transmittal letter, notes to the basic financial statements, combining financial statements and individual fund schedules to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- In accordance with the requirements of GASB 68 and GASB 75, the City was required to report a net pension liability (asset) and a net post-employment benefit other than pension liability (OPEB). For reasons discussed below in The City as a Whole and detailed in Notes 12 and 13, reporting the net pension liability (asset) and net OPEB liability distorts the financial statements causing a significant reduction to net position of governmental activities and business-type activities. The net pension liability for governmental activities increased 44 percent to \$44.8 million and the net OPEB liability decreased 63 percent to \$10 million. The net pension liability for business-type activities increased 82 percent to \$4.2 million and the net OPEB liability increased 24 percent to \$2 million.
- The effects of GASB 68 and GASB 75 thus also significantly affected the total net position of governmental activities which realized an increase of 45 percent to \$50.5 million, driven mainly by a change to the OPEB benefit plan by the Ohio Police and Fire pensions system (OP&F). Governmental activities total net position now makes up 66 percent of the City's total net position. Business-type activities total net position decreased four percent to \$25.6 million.
- The net pension and net OPEB liabilities also significantly influenced unrestricted net position of governmental activities, which is now deficit. Unrestricted net position of governmental activities increased 31 percent in 2019 to negative \$26.7 million. Unrestricted business-type activities net position decreased 20 percent to \$8.1 million.
- Net Investment in Capital Assets for governmental activities increased 4 percent to \$63.8 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a long-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

City of Fairborn, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

REPORTING THE CITY AS A WHOLE

Statement of Net Position and the Statement of Activities

The analysis of the City as a whole begins with the Statement of Net Position and the Statement of Activities. These government-wide financial statements provide information that will help the reader to determine if the City of Fairborn is financially better or worse as a result of the year's activities. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting which is 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. These changes inform 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 should take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

In the Statement of Net Position and the Statement of Activities, the City's operations are divided into two kinds of activities, governmental activities and business-type activities.

Governmental Activities – Most of the City's services are reported here including police, fire and emergency medical services, court operations, community development, recreation, street maintenance and repair, and general government administration. Municipal income taxes, property taxes, intergovernmental revenues, court fines and costs, and charges for services finance most of these activities.

Business-type Activities – These activities consist of water, sewer, and sanitation services. Service charges for these operations are assessed based upon the amount of usage and a usage fee. The intent is that the fees charged to users provide sufficient funding to cover operating costs, capital outlay and associated debt service, while maintaining an appropriate reserve balance.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Information about the City's major funds is presented in the fund financial statements that begin on page 20. 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 some by bond covenants. Other funds may be established by the City, 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 the use of grants. The City's major funds are the General, Fire and EMS, Police, County Motor Vehicle Tax, Public Safety Police/Fire, Water, Sewer, and Sanitation funds.

City of Fairborn, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

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 future spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily 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 City 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.

Enterprise Funds

Services for which the City charges its citizens fees to generate sufficient funding to cover operating costs, capital outlay and associated debt service are generally reported in enterprise funds. Enterprise funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected on the government-wide financial statements because the resources of these funds are not available to support the City's programs. All of the City's fiduciary assets and liabilities are reported in a separate Statement of Fiduciary Net Position.

THE CITY AS A WHOLE

As stated previously, the Statement of Net Position looks at the City as a whole. Over time, net position can serve as a useful indicator of a government's financial position. Table 1 provides a summary of the City's net position for 2019 compared to 2018.

City of Fairborn, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
(Unaudited)

Table 1 Net Position							
	Governmental Activities		Business-type Activities		Total		
	2019	Restated 2018	2019	2018	2019	Restated 2018	Change
Assets:							
Current Assets	\$38,311,380	\$36,178,342	\$14,261,289	\$15,372,998	\$52,572,669	\$51,551,340	\$1,021,329
Net Pension Asset	55,764	81,187	16,655	24,253	72,419	105,440	(33,021)
Capital Assets, Net	74,811,424	71,934,724	36,403,254	36,058,277	111,214,678	107,993,001	3,221,677
Total Assets	113,178,568	108,194,253	50,681,198	51,455,528	163,859,766	159,649,781	4,209,985
Deferred Outflow of Resources:							
Deferred Charges on Refunding	0	0	79,340	97,475	79,340	97,475	(18,135)
Pension	12,877,267	6,070,478	1,354,194	640,977	14,231,461	6,711,455	7,520,006
OPEB	3,178,276	3,267,653	211,764	150,291	3,390,040	3,417,944	(27,904)
Total Deferred Outflow of Resources	16,055,543	9,338,131	1,645,298	888,743	17,700,841	10,226,874	7,473,967
Liabilities:							
Current and other liabilities	6,022,893	7,772,849	1,563,831	1,717,080	7,586,724	9,489,929	(1,903,205)
Long-Term Liabilities:							
Net Pension Liability	44,772,648	30,993,420	4,205,243	2,306,106	48,977,891	33,299,526	15,678,365
Net OPEB Liability	10,024,989	26,790,170	1,971,617	1,584,746	11,996,606	28,374,916	(16,378,310)
Other Amounts	10,034,513	7,748,582	18,916,580	19,496,340	28,951,093	27,244,922	1,706,171
Total Liabilities	70,855,043	73,305,021	26,657,271	25,104,272	97,512,314	98,409,293	(896,979)
Deferred Inflow of Resources:							
Property Tax	5,200,470	5,094,379	0	0	5,200,470	5,094,379	106,091
Revenue In Lieu Of Taxes	702,786	511,622	0	0	702,786	511,622	191,164
Pension	755,206	3,178,550	62,023	555,442	817,229	3,733,992	(2,916,763)
OPEB	1,198,787	645,003	5,349	118,053	1,204,136	763,056	441,080
Total Deferred Inflows of Resources	7,857,249	9,429,554	67,372	673,495	7,924,621	10,103,049	(2,178,428)
Net Position:							
Net Investment in							
Capital Assets	63,758,772	61,482,208	17,509,040	16,390,665	81,267,812	77,872,873	3,394,939
Restricted	13,476,539	11,824,721	0	0	13,476,539	11,824,721	1,651,818
Unrestricted (Deficit)	(26,713,492)	(38,509,120)	8,092,813	10,175,839	(18,620,679)	(28,333,281)	9,712,602
Total Net Position	\$50,521,819	\$34,797,809	\$25,601,853	\$26,566,504	\$76,123,672	\$61,364,313	\$14,759,359

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2019, and is reported pursuant to GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The City also adopted GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pension.” For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City’s actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB and net pension asset.

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

GASB 68 and GASB 75 require the net pension liability (asset) and the net OPEB liability to equal the City's proportionate share of each plan's collective: Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service, minus plan assets available to pay these benefits.

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

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

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

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

For 2019, OP&F recognized a change in benefit terms for their OPEB plan. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years. These changes contributed to OPEB expense decreasing from \$1,805,656 in 2018 to a negative OPEB expense of \$16,790,282 for 2019.

Governmental activities net position makes up 66 percent of the City's total net position. The unrestricted net position of governmental activities increased in 2019 by \$11.8 million. Current assets increased six percent due to an increase in receivables driven mainly by an increase in intergovernmental receivables from local government funds, gasoline tax, and the transportation grants received for the Kauffman Avenue roundabout construction. Unrestricted net position of business-type activities decreased by \$2.1 million, and the total net position of the City as a whole increased by 24 percent to \$76.1 million.

Table 2 shows the changes in net position for the year ended December 31, 2019, compared to 2018.

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For the Year Ended December 31, 2019
(Unaudited)

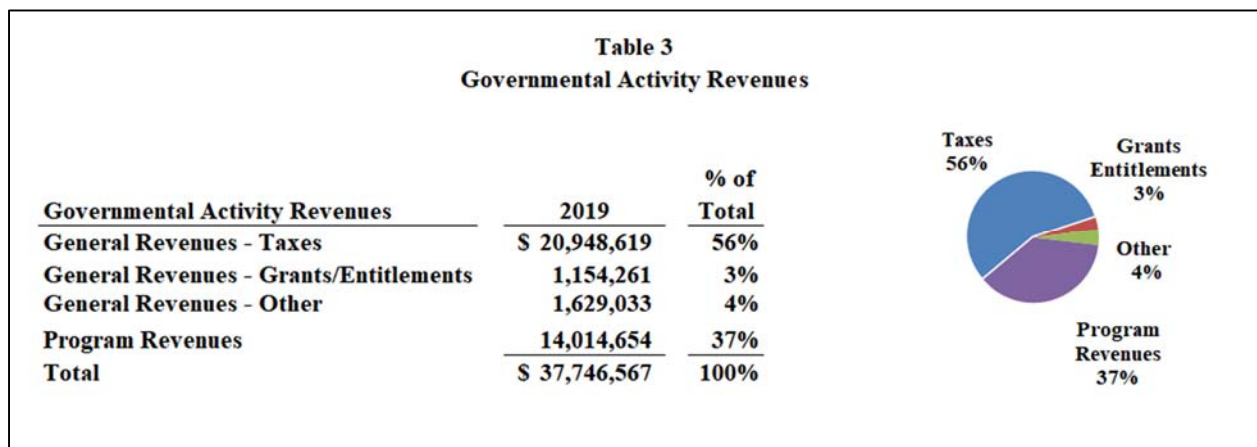
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues:						
Charges for Services	\$7,089,762	\$7,746,751	\$13,800,126	\$13,578,444	\$20,889,888	\$21,325,195
Operating Grants and Contributions	6,583,089	4,554,107	0	0	6,583,089	4,554,107
Capital Grants and Contributions	341,803	997,091	180,500	120,650	522,303	1,117,741
Total Program Revenues	14,014,654	13,297,949	13,980,626	13,699,094	27,995,280	26,997,043
General Revenues:						
Property Taxes	5,408,405	5,196,515	0	0	5,408,405	5,196,515
Other Local Taxes	842,432	896,209	0	0	842,432	896,209
Revenue in Lieu of Taxes	728,180	592,090	0	0	728,180	592,090
Income Taxes	13,969,602	13,479,882	0	0	13,969,602	13,479,882
Grants and Entitlements not Restricted to Specific Programs	1,154,261	986,697	0	0	1,154,261	986,697
Investment Earnings	737,247	448,000	63,884	71,411	801,131	519,411
Other	891,786	697,406	225,855	204,141	1,117,641	901,547
Total General Revenues	23,731,913	22,296,799	289,739	275,552	24,021,652	22,572,351
Total Revenues	37,746,567	35,594,748	14,270,365	13,974,646	52,016,932	49,569,394
Program Expenses:						
General Government	13,054,969	12,114,843	0	0	13,054,969	12,114,843
Public Safety	2,731,748	21,071,688	0	0	2,731,748	21,071,688
Leisure Time Activities	536,633	624,857	0	0	536,633	624,857
Community Development	2,216,799	3,138,321	0	0	2,216,799	3,138,321
Transportation and Street Repair	2,914,006	4,993,499	0	0	2,914,006	4,993,499
Public Health and Welfare	149,716	118,836	0	0	149,716	118,836
Interest and Fiscal Charges	418,686	411,131	0	0	418,686	411,131
Water	0	0	4,360,322	4,686,146	4,360,322	4,686,146
Sewer	0	0	7,623,935	6,575,149	7,623,935	6,575,149
Sanitation	0	0	3,250,759	3,050,745	3,250,759	3,050,745
Total Expenses	22,022,557	42,473,175	15,235,016	14,312,040	37,257,573	56,785,215
Change in Net Position	15,724,010	(6,878,427)	(964,651)	(337,394)	14,759,359	(7,215,821)
Net Position January 1	34,797,809	41,676,236	26,566,504	26,903,898	61,364,313	68,580,134
Net Position December 31	\$50,521,819	\$34,797,809	\$25,601,853	\$26,566,504	\$76,123,672	\$61,364,313

Governmental Activities

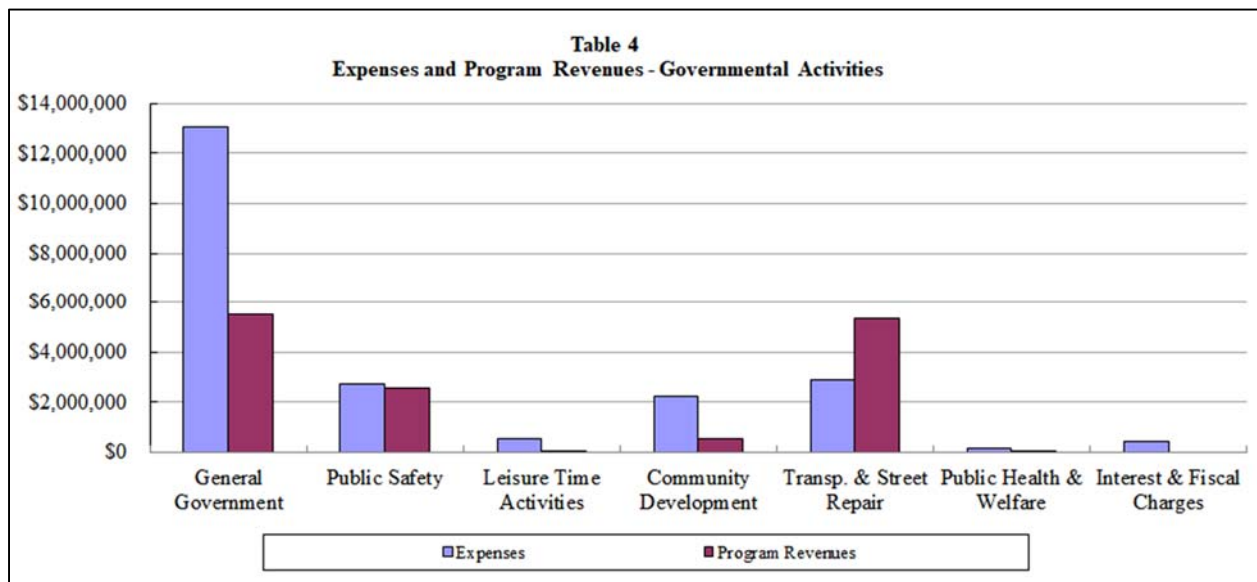
The City's governmental activity expenses are funded partially through program revenues consisting of charges for services and operating and capital grants and contributions. Program revenues increased five percent in 2019 as increases to operating grants and contributions more than offset decreases in charges for services and capital grants and contributions. Program revenues still make up only 37 percent of total governmental activity revenues in 2019, and thus the City relied heavily on general revenues to fund program expenses.

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General revenues fund the vast majority of governmental activities and consist mainly of property and income taxes. With property taxes and income taxes both increasing four percent, total general revenues increased \$1.4 million in 2019 and exceeded 2018 general revenues by 6.4 percent. The City's reliance upon tax revenues from property owners, residents, and non-residents working in the City is demonstrated in Table 3, which shows that tax revenues account for 56 percent of total governmental activity revenues. The City's income tax is 1.5 percent of all salaries, wages, commissions and other compensation, and net profits earned from residents living within the City, as well as salaries and wages earned by non-residents that work within the City. However, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.



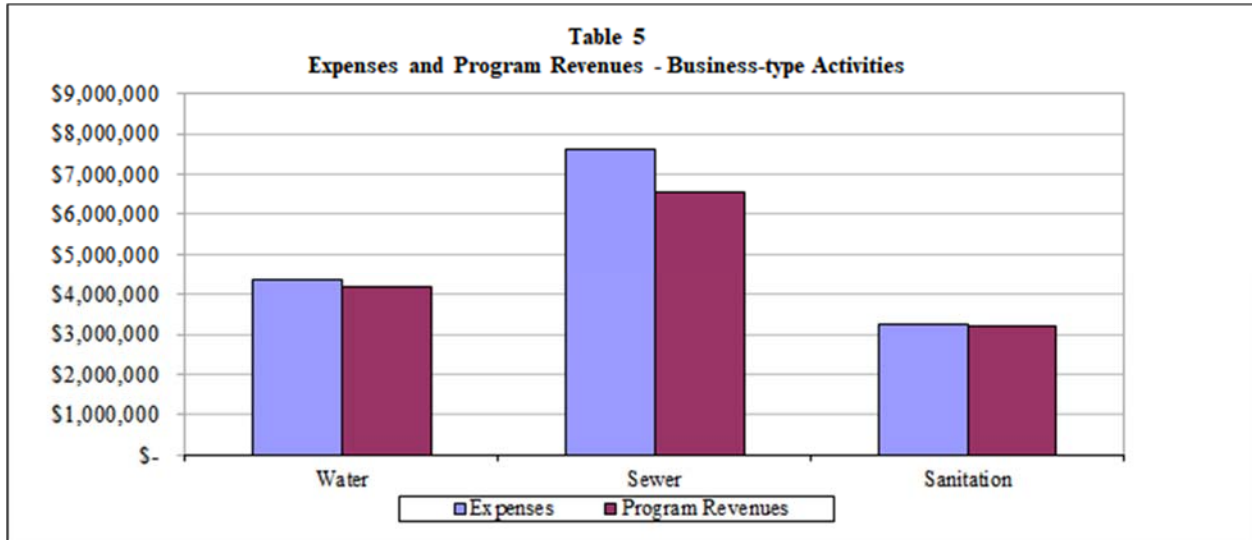
Governmental activity expenses decreased 48 percent in 2019 yet still exceeded program revenues by \$8 million. With an infusion of a total of \$23.7 million of general revenues, the City realized a \$15.7 million increase in the net position of governmental activities to \$50.5 million at December 31, 2019. Table 4 demonstrates graphically the disparity between governmental activities expenses and the program revenues that are generated to support these services.



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Business-type Activities

Expenses in the business-type activities exceeded revenues by \$0.96 million and net position fell four percent to \$25.6 million. Net position of the City's Water and Sewer Funds constitute 95 percent of the business-type activities net position, with the Sanitation Fund making up the remainder. Business-type activities receive no support from tax revenues. Table 5 summarizes 2019 expenses and program revenues for business-type activities.



THE CITY'S FUNDS

The financial activity for governmental funds is reported with a focus on the near-term flow of expendable resources which assists in demonstrating fiscal accountability. Thus, fund balances provide us with a snapshot of what resources are available at year-end for near-term spending, and an analysis of changes to fund balances over time assists in evaluating the degree to which a specific program, or a group of activities, is "living within its means."

The City has five major governmental funds including the General, Fire and EMS, Police, County Motor Vehicle Tax, and Public Safety Police/Fire, which combine for 72 percent of all governmental fund balances and 70 percent of the governmental funds' total assets of \$37.4 million.

General Fund: General Fund revenues were nearly four percent greater in 2019 than the previous year, due mostly to increases in property taxes, municipal income taxes, and investment earnings. With General Fund expenditures and transfers slightly less in 2019 than the previous year, the General Fund balance increased nearly 2 percent to \$9.3 million.

Fire and EMS Fund: Fire and emergency medical service (EMS) operations are accounted for in the Fire and EMS Fund. Property taxes and EMS billings are the most significant sources of revenue for this fund, which also relies on transfers from the General Fund that are made monthly in amounts as needed. Total property tax collections in the Fire and EMS Fund were \$2.2 million in 2019, the third year of tax collections from the 4.4 mill fire and EMS renewal levy approved by

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voters in March 2016. The renewal of this levy contributes greatly to lessening the burden on the General Fund to subsidize fire and EMS operations with transfers and thus is critical to maintain the current level of services to City residents and businesses. Charges for services of \$1.2 million in this fund are generated for the most part by the City's policy to bill non-resident patients that have received EMS treatment and/or transport services from the fire department.

Expenditures in 2019 were 1.2 percent greater than the previous year due to the increases to wages and health insurance expenditures. Accrued expenditures exceeded accrued revenues at year-end reducing the December 31, 2019, fund balance to \$0.3 million.

Police Fund: Police operations are accounted for in the Police Fund, which also benefits from a five-year 4.4 mill renewal property tax levy approved in March 2016, which raised \$2.2 million in 2019, the third year of its collections. In addition to the property tax revenues, the General Fund subsidizes a large portion of police operation with monthly transfers in amounts as needed with the intent that a minimum cash balance is maintained. Transfers from the General fund in 2019 totaled \$3.85 million.

Expenditures in 2019 were about 1.4 percent greater than the previous year due to the increases to wages and health insurance expenditures as mentioned above. Accrued expenditures exceeded accrued revenues at year-end decreasing the December 31, 2019, fund balance to nearly \$0.04 million.

County Motor Vehicle Tax Fund: In November 2014, City residents approved a renewal of the ten-year 0.25 percent income tax levy for funding street maintenance, repair, and resurfacing for the years 2015 through 2024. This levy raised \$2.1 million in 2019 for this fund, which also receives project financing in the form of intergovernmental permissive motor vehicle license tax distributions and state and federal grants which totaled \$2.5 million. Accrued expenditures exceeded accrued revenues and the fund balance decreased 3.7 percent to \$2.6 million. Major projects funded in 2019 included the Kauffman Avenue widening, Xenia Drive resurfacing improvements, and the construction of the Ali Roadway.

Public Safety Police/Fire Fund: The Public Safety Police/Fire Fund accounts for the 0.25 percent income tax levy voters approved in November of 2014 for police and fire vehicles, equipment, and personnel. The ten-year levy generated \$2.3 million in revenues in 2019. Accrued expenditures exceeded accrued revenues and transfers and the fund balance decreased to \$0.6 million.

General Fund Budgetary Highlights

The City's budget is required by Ohio law and is prepared on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The General Fund expenditures and other uses were originally budgeted in 2019 to exceed revenues and other sources by \$0.9 million. The final budget for revenues was slightly lower than the original budget as a decrease in expected municipal income taxes, other local taxes, and fines, licenses and permits exceeded an increase in expected charges for services, investment earnings, and intergovernmental. The final budget for expenditures was greater than the original budget by nearly three percent, mostly due to unbudgeted capital needs and the need to increase the transfer-out to the Fire and EMS fund. As a result, the final budget's projected net change to the fund balance increased to negative \$1.4 million.

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General Fund actual revenues were ever so slightly higher than the final budget with actual revenue equal to or exceeding budget estimates for all revenues except municipal income and other local taxes. Municipal income taxes actual revenue fell about one percent short of the final budget as fourth quarter revenues were less than expected. General Fund actual expenditures and other financing uses were two percent less than the final budgeted amounts due to actual expenditures on salaries and health insurance coming in less than budgeted. As a result, the General Fund balance actually decreased by only \$0.9 million to \$7.5 million, a better outcome than what was finally budgeted.

Transfers-out of \$7.7 million were used to subsidize various City operations including police, fire, community redevelopment, and victim assistance and also to provide funding for general capital outlay, maintenance, or debt associated with City building and land capital improvements including the City's portion of curb and sidewalk program and handicap ramps; storm sewer and catch basin repair; the downtown Wi-Fi project, replacing downtown streetlight lenses, and debt associated with the dispatch center improvements. Transfers to the Fire and EMS Fund in the amount of \$2.98 million and to the Police Fund in the amount of \$3.85 million, make up the vast majority of these transfers.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets represent all assets over the capitalization threshold used in operations that have an initial useful life of greater than one year. Table 6 summarizes the capital assets of governmental and business-type activities, net of accumulated depreciation.

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$19,286,299	\$18,608,114	\$159,633	\$159,633	\$19,445,932	\$18,767,747
Construction in Progress	5,627,354	1,974,726	959,806	2,594,654	6,587,160	4,569,380
Buildings	12,240,584	12,288,292	15,195,606	14,970,230	27,436,190	27,258,522
Improvements Other Than Buildings	822,650	917,945	3,467,322	3,809,373	4,289,972	4,727,318
Machinery and Equipment	1,993,169	2,092,526	3,424,938	3,080,292	5,418,107	5,172,818
Vehicles	3,549,911	3,549,985	1,080,170	772,720	4,630,081	4,322,705
Infrastructure	31,291,457	32,503,136	12,115,779	10,671,375	43,407,236	43,174,511
Total	\$74,811,424	\$71,934,724	\$36,403,254	\$36,058,277	\$111,214,678	\$107,993,001

Total capital assets used in governmental activities are \$2.9 million greater than the previous year. The \$3.7 million increase in construction in progress is due to the Kauffman Avenue widening and roundabout and other smaller street projects in progress. The \$0.7 million increase in land is due to the City's street additions, developer donated properties, and the City's acquisition of downtown parcels. The \$1.2 million decrease in infrastructure is mostly from depreciation. The net effect of

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all additions, deletions, and depreciation to capital assets used in business-type activities was a one percent increase. Construction in progress in business-type activities decreased \$1.6 million from 2018 as the cost of construction projects completed in 2019 exceeded those projects that had been started but not completed at year-end. See Note 10 in the notes to the basic financial statements for further details on the City's capital assets.

Debt Administration

Table 7 summarizes the 2019 and 2018 long-term debt activity of governmental and business-type activities.

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Long-term Notes	\$6,455,998	\$4,010,555	\$6,827,540	\$6,828,909	\$13,283,538	\$10,839,464
General Obligation Bonds	0	0	6,687,340	6,824,831	6,687,340	6,824,831
Tax Increment Financing Bonds	1,038,944	1,131,498	0	0	1,038,944	1,131,498
Refunding Bonds	0	0	5,076,322	5,541,045	5,076,322	5,541,045
Special Assessment Bonds	269,000	230,000	40,000	50,000	309,000	280,000
Loans	308,258	319,467	0	0	308,258	319,467
Landfill Closure and Postclosure	0	0	39,571	24,462	39,571	24,462
Claims Payable	477,325	587,099	0	0	477,325	587,099
Compensated Absences Payable	1,484,988	1,469,963	245,807	227,093	1,730,795	1,697,056
Net Pension Liability						
OP&F	30,694,228	23,272,972	0	0	30,694,228	23,272,972
OPERS	14,078,420	7,720,448	4,205,243	2,306,106	18,283,663	10,026,554
Total Net Pension Liability	44,772,648	30,993,420	4,205,243	2,306,106	48,977,891	33,299,526
Net OPEB Liability						
OP&F	3,424,358	21,484,713	0	0	3,424,358	21,484,713
OPERS	6,600,631	5,305,457	1,971,617	1,584,746	8,572,248	6,890,203
Total Net OPEB Liability	10,024,989	26,790,170	1,971,617	1,584,746	11,996,606	28,374,916
Totals	<u>\$64,832,150</u>	<u>\$65,532,172</u>	<u>\$25,093,440</u>	<u>\$23,387,192</u>	<u>\$89,925,590</u>	<u>\$88,919,364</u>

Long-term obligations include the net pension liability per GASB 68 as well as the net OPEB liability per GASB 75. Governmental activity total debt decreased by one percent and business-type activity total debt increased by seven percent in 2019. These changes were due mainly to changes in the net pension and net OPEB liabilities. As indicated above in The City as a Whole section, changes in pension and other postemployment benefits, contribution rates, and return on investments affect the balance of the net pension and net OPEB liabilities.

See Note 16 in the notes to the basic financial statements for further details on the City's long-term obligations.

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For the Year Ended December 31, 2019
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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. Questions about this report or requests for additional financial information can be directed to Randy Groves, Finance Director, at the Fairborn Government Center, located at 44 West Hebble Avenue, Fairborn, Ohio 45324; by phone at 937-754-3005 or through the City's website at www.fairbornoh.gov/dept/finance.



City of Fairborn, Ohio
Statement of Net Position
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$20,115,483	\$11,549,894	\$31,665,377
Property Taxes Receivable	5,501,070	0	5,501,070
Other Local Taxes Receivable	110,816	0	110,816
Municipal Income Taxes Receivable	5,473,369	0	5,473,369
Revenue in Lieu of Taxes Receivable	702,786	0	702,786
Accounts Receivable	828,455	1,893,583	2,722,038
Intergovernmental Receivable	2,753,667	0	2,753,667
Accrued Interest Receivable	48,034	0	48,034
Internal Balances	(365,132)	365,132	0
Special Assessments Receivable	278,666	40,000	318,666
Loans Receivable	500,000	0	500,000
Assets Held for Resale	2,088,201	0	2,088,201
Materials and Supplies Inventory	275,965	412,680	688,645
Net Pension Asset	55,764	16,655	72,419
Nondepreciable Capital Assets	24,913,653	1,119,439	26,033,092
Depreciable Capital Assets, net	49,897,771	35,283,815	85,181,586
<i>Total Assets</i>	<u>113,178,568</u>	<u>50,681,198</u>	<u>163,859,766</u>
Deferred Outflows of Resources:			
Deferred Charge on Refunding	0	79,340	79,340
Pension	12,877,267	1,354,194	14,231,461
OPEB	3,178,276	211,764	3,390,040
<i>Total Deferred Outflows of Resources</i>	<u>16,055,543</u>	<u>1,645,298</u>	<u>17,700,841</u>
Liabilities:			
Accounts Payable	472,195	624,419	1,096,614
Contracts Payable	1,332,753	392,099	1,724,852
Retainage Payable	166,771	0	166,771
Accrued Wages Payable	429,221	56,657	485,878
Intergovernmental Payable	141,602	10,748	152,350
Deposits Held and Due to Others	24,711	306,828	331,539
Accrued Interest Payable	142,624	170,080	312,704
Notes Payable	3,313,016	3,000	3,316,016
Long-Term Liabilities:			
Due Within One Year	1,338,430	819,000	2,157,430
Due in More Than One Year:			
Net Pension Liability	44,772,648	4,205,243	48,977,891
Net OPEB Liability	10,024,989	1,971,617	11,996,606
Other Amounts	8,696,083	18,097,580	26,793,663
<i>Total Liabilities</i>	<u>70,855,043</u>	<u>26,657,271</u>	<u>97,512,314</u>
Deferred Inflows of Resources:			
Property Taxes	5,200,470	0	5,200,470
Revenue in Lieu of Taxes	702,786	0	702,786
Pension	755,206	62,023	817,229
OPEB	1,198,787	5,349	1,204,136
<i>Total Deferred Inflows of Resources</i>	<u>7,857,249</u>	<u>67,372</u>	<u>7,924,621</u>
Net Position:			
Net Investment in Capital Assets	63,758,772	17,509,040	81,267,812
Restricted for Debt Service	889,673	0	889,673
Restricted for Capital Outlay	1,036,171	0	1,036,171
Restricted for Public Safety	2,800,097	0	2,800,097
Restricted for Transportation and Street Repair	7,458,965	0	7,458,965
Restricted for Community Development	1,291,633	0	1,291,633
Unrestricted (Deficit)	(26,713,492)	8,092,813	(18,620,679)
<i>Total Net Position</i>	<u>\$50,521,819</u>	<u>\$25,601,853</u>	<u>\$76,123,672</u>

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Activities
For the Year Ended December 31, 2019

	Expenses	Program Revenues		
		Charges for Services	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities:				
General Government	\$13,054,969	\$5,508,487	\$0	\$5,930
Public Safety	2,731,748	1,483,093	1,103,580	0
Leisure Time Activities	536,633	18,251	0	3,197
Community Development	2,216,799	7,822	512,080	0
Transportation and Street Repair	2,914,006	40,791	4,967,429	332,676
Public Health and Welfare	149,716	31,318	0	0
Interest and Fiscal Charges	418,686	0	0	0
<i>Total Governmental Activities</i>	<u>22,022,557</u>	<u>7,089,762</u>	<u>6,583,089</u>	<u>341,803</u>
Business-Type Activities:				
Water	4,360,322	4,089,684	0	94,650
Sewer	7,623,935	6,490,299	0	85,850
Sanitation	3,250,759	3,220,143	0	0
<i>Total Business-Type Activities</i>	<u>15,235,016</u>	<u>13,800,126</u>	<u>0</u>	<u>180,500</u>
<i>Totals</i>	<u>\$37,257,573</u>	<u>\$20,889,888</u>	<u>\$6,583,089</u>	<u>\$522,303</u>

General Revenues:
Property Taxes Levied For:
 General Purposes
 Fire and EMS
 Police
Other Local Taxes
Revenue in Lieu of Taxes
Municipal Income Taxes Levied For:
 General Purposes
 Street Programs
 Public Safety
Grants and Entitlements not
 Restricted to Specific Programs
Investment Earnings
Other

Total General Revenues

Change in Net Position

Net Position at Beginning of Year

Net Position at End of Year

See accompanying notes to the basic financial statements

<u>Net (Expense) Revenue and Changes in Net Position</u>		
<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
(\$7,540,552)	\$0	(\$7,540,552)
(145,075)	0	(145,075)
(515,185)	0	(515,185)
(1,696,897)	0	(1,696,897)
2,426,890	0	2,426,890
(118,398)	0	(118,398)
(418,686)	0	(418,686)
<u>(8,007,903)</u>	<u>0</u>	<u>(8,007,903)</u>
0	(175,988)	(175,988)
0	(1,047,786)	(1,047,786)
0	(30,616)	(30,616)
<u>0</u>	<u>(1,254,390)</u>	<u>(1,254,390)</u>
<u>(8,007,903)</u>	<u>(1,254,390)</u>	<u>(9,262,293)</u>
877,515	0	877,515
2,265,445	0	2,265,445
2,265,445	0	2,265,445
842,432	0	842,432
728,180	0	728,180
9,312,525	0	9,312,525
2,328,539	0	2,328,539
2,328,538	0	2,328,538
1,154,261	0	1,154,261
737,247	63,884	801,131
891,786	225,855	1,117,641
<u>23,731,913</u>	<u>289,739</u>	<u>24,021,652</u>
15,724,010	(964,651)	14,759,359
<u>34,797,809</u>	<u>26,566,504</u>	<u>61,364,313</u>
<u>\$50,521,819</u>	<u>\$25,601,853</u>	<u>\$76,123,672</u>

City of Fairborn, Ohio
Balance Sheet
Governmental Funds
December 31, 2019

	General Fund	Fire and EMS Fund	Police Fund
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$8,160,194	\$349,838	\$184,914
Receivables:			
Property Taxes	895,954	2,302,558	2,302,558
Other Local Taxes	87,354	0	0
Municipal Income Taxes	3,648,025	0	0
Revenue in Lieu of Taxes	0	0	0
Accounts	0	151,474	0
Intergovernmental	556,242	135,252	149,420
Accrued Interest	48,034	0	0
Interfund	451,000	0	0
Special Assessments	7,752	0	0
Loans	0	0	0
Assets Held for Resale	5,400	0	0
Materials and Supplies Inventory	21,949	0	7,293
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	59,663	0	0
<i>Total Assets</i>	<u>\$13,941,567</u>	<u>\$2,939,122</u>	<u>\$2,644,185</u>
Liabilities:			
Accounts Payable	\$272,678	\$33,940	\$6,800
Contracts Payable	1,400	0	0
Retainage Payable	0	0	0
Interfund Payable	0	0	0
Accrued Wages Payable	122,312	113,787	122,339
Intergovernmental Payable	42,069	35,345	39,798
Deposits Held and Due to Others	0	0	0
Accrued Interest Payable	0	0	0
Notes Payable	0	0	0
<i>Total Liabilities</i>	<u>438,459</u>	<u>183,072</u>	<u>168,937</u>
Deferred Inflows of Resources:			
Property Taxes	844,958	2,177,756	2,177,756
Revenue in Lieu of Taxes	0	0	0
Unavailable Revenue	3,316,788	260,054	260,054
<i>Total Deferred Inflows of Resources</i>	<u>4,161,746</u>	<u>2,437,810</u>	<u>2,437,810</u>
Fund Balances:			
Nonspendable	81,612	0	7,293
Restricted	0	318,240	30,145
Committed	0	0	0
Assigned	3,206,819	0	0
Unassigned (Deficit)	6,052,931	0	0
<i>Total Fund Balances (Deficits)</i>	<u>9,341,362</u>	<u>318,240</u>	<u>37,438</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$13,941,567</u>	<u>\$2,939,122</u>	<u>\$2,644,185</u>

See accompanying notes to the basic financial statements

County Motor Vehicle Tax Fund	Public Safety Police/Fire Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$3,367,758	\$817,174	\$5,500,501	\$18,380,379
0	0	0	5,501,070
0	0	23,462	110,816
702,672	912,672	210,000	5,473,369
0	0	702,786	702,786
0	0	676,981	828,455
878,977	0	1,033,776	2,753,667
0	0	0	48,034
0	0	0	451,000
0	0	270,914	278,666
0	0	500,000	500,000
0	0	2,082,801	2,088,201
0	0	180,021	209,263
0	0	0	59,663
<u>\$4,949,407</u>	<u>\$1,729,846</u>	<u>\$11,181,242</u>	<u>\$37,385,369</u>
\$1,110	\$22,377	\$56,811	\$393,716
1,217,877	113,476	0	1,332,753
166,771	0	0	166,771
0	0	451,000	451,000
0	21,748	30,601	410,787
2,704	8,571	9,504	137,991
0	0	24,711	24,711
0	4,298	25,471	29,769
0	216,597	3,096,419	3,313,016
<u>1,388,462</u>	<u>387,067</u>	<u>3,694,517</u>	<u>6,260,514</u>
0	0	0	5,200,470
0	0	702,786	702,786
<u>982,215</u>	<u>715,720</u>	<u>1,854,191</u>	<u>7,389,022</u>
<u>982,215</u>	<u>715,720</u>	<u>2,556,977</u>	<u>13,292,278</u>
0	0	180,021	268,926
2,578,730	627,059	5,614,997	9,169,171
0	0	716,683	716,683
0	0	562,794	3,769,613
0	0	(2,144,747)	3,908,184
<u>2,578,730</u>	<u>627,059</u>	<u>4,929,748</u>	<u>17,832,577</u>
<u>\$4,949,407</u>	<u>\$1,729,846</u>	<u>\$11,181,242</u>	<u>\$37,385,369</u>

City of Fairborn, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2019*

Total Governmental Fund Balances \$17,832,577

Amounts reported for governmental activities in the Statement of Net Position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Capital Assets:

Land	19,286,299
Construction in Progress	5,627,354
Buildings	21,779,069
Improvements Other Than Buildings	2,972,550
Machinery and Equipment	6,686,374
Vehicles	8,046,662
Infrastructure	82,028,422
Accumulated Depreciation	<u>(71,615,306)</u>

Total 74,811,424

Internal service funds are used by management to charge the costs of equipment repairs and maintenance, information technology services and payments of employee assistance programs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

Net Position	(16,071)
Net Pension Asset	(5,067)
Capital Assets	(296,403)
Deferred Outflows - Pension	(412,146)
Deferred Outflows - OPEB	(64,448)
Net Pension Liability	1,279,853
Net OPEB Liability	600,057
Deferred Inflows - Pension	18,875
Deferred Inflows - OPEB	1,628
Compensated Absences Payable	<u>58,016</u>

Total 1,164,294

Adjustment to reflect the consolidation of internal service fund activities related to enterprise activity. (365,132)

Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of resources in the funds:

Property Taxes	300,600
Municipal Income Taxes	4,293,460
Intergovernmental	1,816,947
Special Assessments	278,666
Accounts	676,981
Accrued Interest	<u>22,368</u>

Total \$7,389,022

(continued)

City of Fairborn, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2019
 (Continued)*

The net pension/OPEB liabilities are not due and payable in the current period; therefore, the liabilities (asset) and related deferred inflows/outflows are not reported in the governmental funds:

Net Pension Asset	\$55,764
Deferred Outflows - Pension	12,877,267
Deferred Outflows - OPEB	3,178,276
Net Pension Liability	(44,772,648)
Net OPEB Liability	(10,024,989)
Deferred Inflows - Pension	(755,206)
Deferred Inflows - OPEB	<u>(1,198,787)</u>

Total (40,640,323)

In the Statement of Activities, interest is accrued on long-term debt, whereas in governmental funds, an interest expenditure is reported when due. (112,855)

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

Notes Payable	(6,430,981)
Tax Increment Financing Revenue Bonds	(1,015,000)
Special Assessment Bonds	(269,000)
OPWC Loan	(308,258)
Compensated Absences Payable	(1,484,988)
Premium on Debt Issued	<u>(48,961)</u>

Total (9,557,188)

Net Position of Governmental Activities \$50,521,819

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General Fund	Fire and EMS Fund	Police Fund
Revenues:			
Property Taxes	\$862,530	\$2,228,979	\$2,228,979
Other Local Taxes	633,249	0	0
Municipal Income Taxes	9,223,111	0	0
Revenue in Lieu of Taxes	0	0	0
Fines, Licenses, and Permits	1,399,849	750	1,480
Charges for Services	3,585,817	1,234,601	74,847
Investment Earnings	704,439	0	0
Intergovernmental	1,071,476	276,224	588,378
Special Assessments	38,576	0	0
Contributions and Donations	0	0	0
Other	404,872	60,737	75,129
<i>Total Revenues</i>	<u>17,923,919</u>	<u>3,801,291</u>	<u>2,968,813</u>
Expenditures:			
Current:			
General Government	8,212,572	0	0
Public Safety	0	7,164,774	7,438,358
Leisure Time Activities	364,104	0	0
Community Development	1,274,176	0	0
Transportation and Street Repair	0	0	0
Public Health and Welfare	0	0	0
Capital Outlay	96,660	6,810	3,972
Intergovernmental	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	155,519	0	0
<i>Total Expenditures</i>	<u>10,103,031</u>	<u>7,171,584</u>	<u>7,442,330</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>7,820,888</u>	<u>(3,370,293)</u>	<u>(4,473,517)</u>
Other Financing Sources (Uses):			
Special Assessment Bonds Issued	3,960	0	0
Notes Issued	0	0	0
Premium on Debt Issued	0	0	0
Proceeds from the Sale of Capital Assets	24,960	14,072	0
Transfers-In	0	2,979,700	3,850,000
Transfers-Out	(7,683,335)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(7,654,415)</u>	<u>2,993,772</u>	<u>3,850,000</u>
<i>Net Change in Fund Balances</i>	166,473	(376,521)	(623,517)
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>9,174,889</u>	<u>694,761</u>	<u>660,955</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$9,341,362</u></u>	<u><u>\$318,240</u></u>	<u><u>\$37,438</u></u>

See accompanying notes to the basic financial statements

County Motor Vehicle Tax Fund	Public Safety Police/Fire Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$0	\$0	\$5,320,488
0	0	209,183	842,432
2,096,179	2,306,178	210,000	13,835,468
0	0	728,180	728,180
31,833	0	463,943	1,897,855
0	0	237,529	5,132,794
56,863	0	77,949	839,251
2,498,029	3,690	2,447,929	6,885,726
0	0	38,266	76,842
0	6,567	7,876	14,443
31,537	35,001	284,510	891,786
<u>4,714,441</u>	<u>2,351,436</u>	<u>4,705,365</u>	<u>36,465,265</u>
0	0	390,754	8,603,326
0	1,409,662	533,264	16,546,058
0	0	18,343	382,447
0	0	634,036	1,908,212
935,268	0	1,386,023	2,321,291
0	0	125,069	125,069
3,866,405	895,068	885,161	5,754,076
0	0	436,813	436,813
11,209	2,138,075	2,003,150	4,152,434
0	54,818	221,346	431,683
<u>4,812,882</u>	<u>4,497,623</u>	<u>6,633,959</u>	<u>40,661,409</u>
<u>(98,441)</u>	<u>(2,146,187)</u>	<u>(1,928,594)</u>	<u>(4,196,144)</u>
0	0	85,040	89,000
0	1,921,683	4,509,298	6,430,981
0	13,413	47,319	60,732
0	0	0	39,032
0	0	903,635	7,733,335
0	0	(50,000)	(7,733,335)
<u>0</u>	<u>1,935,096</u>	<u>5,495,292</u>	<u>6,619,745</u>
(98,441)	(211,091)	3,566,698	2,423,601
<u>2,677,171</u>	<u>838,150</u>	<u>1,363,050</u>	<u>15,408,976</u>
<u>\$2,578,730</u>	<u>\$627,059</u>	<u>\$4,929,748</u>	<u>\$17,832,577</u>

City of Fairborn, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019*

Net Change in Fund Balances - Total Governmental Funds \$2,423,601

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

Governmental funds report capital outlays as expenditures. However, in the Statement of

Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	6,302,887
Capital assets donated by developers	332,676
Depreciation	<u>(3,507,407)</u>

Excess of Capital Outlay and Capital Contributions over Depreciation Expense 3,128,156

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal.

Proceeds from the Sale of Capital Assets	(39,032)
Loss on Disposal of Capital Assets	<u>(212,424)</u>

Total (251,456)

Repayment of long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consist of:

Notes Payable	4,001,225
Tax Increment Financing Revenue Bonds	90,000
Special Assessment Bonds	50,000
Loans Payable	<u>11,209</u>

Total 4,152,434

The Internal Service Funds used by management to charge the costs of equipment repairs and maintenance to individual funds, is reported in the Statement of Activities. The changes in net position of the internal service funds are reported with governmental activities, net of the adjustment to reflect the consolidation of internal service fund activities related to business-type activities.

Change in Net Position	166,978
Capital Assets	(43,070)
Compensated Absences	737
Contractually Required Contributions for Pension	(93,903)
Contractually Required Contributions for OPEB	(673)
Pension Expense	308,112
OPEB Expense	65,407
Adjustment to business type activities	<u>(24,763)</u>

Total 378,825

Some revenues that will not be collected for several months after the City's year-end are not considered "available" revenues and are therefore recorded as deferred inflows of resources in the funds. Deferred inflows of resources related to the following items changed by the amounts shown below:

Property Taxes	87,917
Municipal Income Taxes	134,134
Investment Earnings	(11,740)
Charges for Services	(27,111)
Intergovernmental	735,107
Special Assessments	<u>9,382</u>

Total \$927,689

(continued)

City of Fairborn, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019
(Continued)*

The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Position, the debt is reported as a liability.		
Special Assessment Bonds	(\$89,000)	
Notes	(6,430,981)	
Premium on Debt	<u>(60,732)</u>	
Total		(6,580,713)
Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.		
Pension	2,906,290	
OPEB	<u>51,206</u>	
Total		2,957,496
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability (asset) are reported as pension expense in the Statement of Activities.		
Pension	(7,480,808)	
OPEB	<u>16,070,814</u>	
Total		8,590,006
Amortization of bond premiums as well as accrued interest payable on the bonds are not reported in the funds, but are allocated as expenses over the life of the debt in the Statement of Activities.		
Accrued Interest	(34,602)	
Amortization of Premium	<u>47,599</u>	
Total		12,997
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:		
Increase in Compensated Absences		<u>(15,025)</u>
<i>Change in Net Position of Governmental Activities</i>		<u><u>\$15,724,010</u></u>

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$860,974	\$862,524	\$862,530	\$6
Other Local Taxes	776,704	651,704	629,594	(22,110)
Municipal Income Taxes	9,529,012	9,229,947	9,145,699	(84,248)
Fines, Licenses and Permits	1,502,810	1,372,810	1,385,394	12,584
Charges for Services	3,321,994	3,568,350	3,585,817	17,467
Investment Earnings	242,743	322,743	430,220	107,477
Intergovernmental	972,386	1,021,143	1,052,349	31,206
Special Assessments	37,986	37,986	38,576	590
Other	163,228	321,580	325,873	4,293
<i>Total Revenues</i>	<u>17,407,837</u>	<u>17,388,787</u>	<u>17,456,052</u>	<u>67,265</u>
Expenditures:				
Current:				
General Government	8,723,170	8,764,794	8,500,553	264,241
Leisure Time Activities	447,773	432,091	416,354	15,737
Community Development	1,492,892	1,431,684	1,361,017	70,667
Capital Outlay	24,615	163,538	162,906	632
Debt Service:				
Interest and Fiscal Charges	200,000	200,000	155,519	44,481
<i>Total Expenditures</i>	<u>10,888,450</u>	<u>10,992,107</u>	<u>10,596,349</u>	<u>395,758</u>
<i>Excess of Revenues Over Expenditures</i>	<u>6,519,387</u>	<u>6,396,680</u>	<u>6,859,703</u>	<u>463,023</u>
Other Financing Sources (Uses):				
Special Assessment Bonds Issued	0	0	3,960	3,960
Proceeds from the Sale of Capital Assets	5,000	5,000	24,960	19,960
Advances-In	65,000	0	0	0
Advances-Out	(200,000)	(100,000)	(80,000)	20,000
Transfers-Out	(7,276,200)	(7,705,900)	(7,683,335)	22,565
<i>Total Other Financing Sources (Uses)</i>	<u>(7,406,200)</u>	<u>(7,800,900)</u>	<u>(7,734,415)</u>	<u>66,485</u>
<i>Net Change in Fund Balance</i>	(886,813)	(1,404,220)	(874,712)	529,508
<i>Fund Balance at Beginning of Year</i>	7,828,705	7,828,705	7,828,705	0
<i>Prior Year Encumbrances Appropriated</i>	<u>581,136</u>	<u>581,136</u>	<u>581,136</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$7,523,028</u></u>	<u><u>\$7,005,621</u></u>	<u><u>\$7,535,129</u></u>	<u><u>\$529,508</u></u>

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Fire and EMS Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$2,191,700	\$2,229,020	\$2,228,979	(\$41)
Fines, Licenses and Permits	1,200	1,200	750	(450)
Charges for Services	2,327,242	1,238,242	1,237,397	(845)
Intergovernmental	277,473	282,819	276,224	(6,595)
Other	0	59,300	60,737	1,437
<i>Total Revenues</i>	4,797,615	3,810,581	3,804,087	(6,494)
Expenditures:				
Current:				
Public Safety	7,601,544	7,418,699	7,354,005	64,694
Capital Outlay	0	11,638	11,638	0
<i>Total Expenditures</i>	7,601,544	7,430,337	7,365,643	64,694
<i>Excess of Revenues Under Expenditures</i>	(2,803,929)	(3,619,756)	(3,561,556)	58,200
Other Financing Sources:				
Proceeds from the Sale of Fixed Assets	0	14,000	14,072	72
Transfers-In	2,200,000	2,979,700	2,979,700	0
<i>Total Other Financing Sources</i>	2,200,000	2,993,700	2,993,772	72
<i>Net Change in Fund Balance</i>	(603,929)	(626,056)	(567,784)	58,272
<i>Fund Balance at Beginning of Year</i>	652,108	652,108	652,108	0
<i>Prior Year Encumbrances Appropriated</i>	128,046	128,046	128,046	0
<i>Fund Balance at End of Year</i>	\$176,225	\$154,098	\$212,370	\$58,272

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Police Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$2,191,700	\$2,228,870	\$2,228,979	\$109
Fines, Licenses and Permits	1,063	1,063	1,480	417
Charges for Services	35,685	63,185	74,847	11,662
Intergovernmental	615,599	582,201	591,407	9,206
Other	33,752	75,852	75,129	(723)
<i>Total Revenues</i>	<u>2,877,799</u>	<u>2,951,171</u>	<u>2,971,842</u>	<u>20,671</u>
Expenditures:				
Current:				
Public Safety	7,504,756	7,624,830	7,529,173	95,657
Capital Outlay	0	6,730	6,730	0
<i>Total Expenditures</i>	<u>7,504,756</u>	<u>7,631,560</u>	<u>7,535,903</u>	<u>95,657</u>
<i>Excess of Revenues Under Expenditures</i>	(4,626,957)	(4,680,389)	(4,564,061)	116,328
Other Financing Sources:				
Transfers-In	4,200,000	3,850,000	3,850,000	0
<i>Net Change in Fund Balance</i>	(426,957)	(830,389)	(714,061)	116,328
<i>Fund Balance at Beginning of Year</i>	807,381	807,381	807,381	0
<i>Prior Year Encumbrances Appropriated</i>	51,086	51,086	51,086	0
<i>Fund Balance at End of Year</i>	<u>\$431,510</u>	<u>\$28,078</u>	<u>\$144,406</u>	<u>\$116,328</u>

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
County Motor Vehicle Tax Fund
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal Income Taxes	\$2,194,676	\$2,066,375	\$2,076,375	\$10,000
Fines, Licenses and Permits	50,000	50,000	31,833	(18,167)
Investment Earnings	7,000	39,000	56,863	17,863
Intergovernmental	5,061,227	1,952,991	2,112,779	159,788
Other	0	31,500	31,537	37
<i>Total Revenues</i>	<u>7,312,903</u>	<u>4,139,866</u>	<u>4,309,387</u>	<u>169,521</u>
Expenditures:				
Current:				
Transportation and Street Repair	4,424,067	1,667,574	1,628,576	38,998
Capital Outlay	4,080,520	4,493,657	4,460,738	32,919
Debt Service:				
Principal Retirements	11,209	11,209	11,209	0
<i>Total Expenditures</i>	<u>8,515,796</u>	<u>6,172,440</u>	<u>6,100,523</u>	<u>71,917</u>
<i>Net Change in Fund Balance</i>	(1,202,893)	(2,032,574)	(1,791,136)	241,438
<i>Fund Balance at Beginning of Year</i>	1,573,758	1,573,758	1,573,758	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,024,771</u>	<u>1,024,771</u>	<u>1,024,771</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$1,395,636</u>	<u>\$565,955</u>	<u>\$807,393</u>	<u>\$241,438</u>

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Public Safety Police/Fire Fund
For the Year Ended December 31, 2019

	Original	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Municipal Income Taxes	\$2,404,676	\$2,276,175	\$2,286,374	\$10,199
Intergovernmental	0	3,690	3,690	0
Contributions and Donations	0	4,000	6,567	2,567
Other	23,000	34,900	35,001	101
<i>Total Revenues</i>	<u>2,427,676</u>	<u>2,318,765</u>	<u>2,331,632</u>	<u>12,867</u>
Expenditures:				
Current:				
Public Safety	1,120,889	1,547,339	1,499,002	48,337
Capital Outlay	1,962,363	992,392	980,125	12,267
Debt Service:				
Principal Retirement	2,148,075	2,148,075	2,148,075	0
Interest and Fiscal Charges	55,898	57,095	51,721	5,374
<i>Total Debt Service</i>	<u>2,203,973</u>	<u>2,205,170</u>	<u>2,199,796</u>	<u>5,374</u>
<i>Total Expenditures</i>	<u>5,287,225</u>	<u>4,744,901</u>	<u>4,678,923</u>	<u>65,978</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,859,549)</u>	<u>(2,426,136)</u>	<u>(2,347,291)</u>	<u>78,845</u>
Other Financing Sources:				
Notes Issued	3,200,855	2,138,075	2,138,075	0
Premium on Debt Issued	13,900	14,640	14,644	4
<i>Total Other Financing Sources</i>	<u>3,214,755</u>	<u>2,152,715</u>	<u>2,152,719</u>	<u>4</u>
<i>Net Change in Fund Balance</i>	355,206	(273,421)	(194,572)	78,849
<i>Fund Balance at Beginning of Year</i>	53,875	53,875	53,875	0
<i>Prior Year Encumbrances Appropriated</i>	694,130	694,130	694,130	0
<i>Fund Balance at End of Year</i>	<u>\$1,103,211</u>	<u>\$474,584</u>	<u>\$553,433</u>	<u>\$78,849</u>

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2019

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Total	
Assets:					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	\$2,777,914	\$7,639,125	\$826,027	\$11,243,066	\$1,675,441
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	102,276	102,276	102,276	306,828	0
Accounts Receivable	487,680	991,893	414,010	1,893,583	0
Special Assessments Receivable	0	40,000	0	40,000	0
Materials and Supplies Inventory	303,593	109,087	0	412,680	66,702
<i>Total Current Assets</i>	<u>3,671,463</u>	<u>8,882,381</u>	<u>1,342,313</u>	<u>13,896,157</u>	<u>1,742,143</u>
Non-current Assets					
Net Pension Asset	7,966	7,966	723	16,655	5,067
Nondepreciable Capital Assets	426,400	299,162	393,877	1,119,439	4,732
Depreciable Capital Assets, Net	12,756,022	22,317,908	209,885	35,283,815	291,671
<i>Total Non-current Assets</i>	<u>13,190,388</u>	<u>22,625,036</u>	<u>604,485</u>	<u>36,419,909</u>	<u>301,470</u>
<i>Total Assets</i>	<u>16,861,851</u>	<u>31,507,417</u>	<u>1,946,798</u>	<u>50,316,066</u>	<u>2,043,613</u>
Deferred Outflows of Resources:					
Deferred Charge on Refunding	30,941	48,399	0	79,340	0
Pension	647,657	647,657	58,880	1,354,194	412,146
OPEB	101,278	101,278	9,208	211,764	64,448
<i>Total Deferred Outflows of Resources</i>	<u>779,876</u>	<u>797,334</u>	<u>68,088</u>	<u>1,645,298</u>	<u>476,594</u>
Liabilities:					
Current Liabilities					
Accounts Payable	82,842	213,106	328,471	624,419	78,479
Contracts Payable	37,569	17,714	336,816	392,099	0
Retainage Payable	0	0	0	0	0
Claims Payable	0	0	0	0	116,193
Accrued Wages Payable	25,310	27,894	3,453	56,657	18,434
Intergovernmental Payable	4,905	5,261	582	10,748	3,611
Accrued Interest Payable	65,504	104,412	164	170,080	0
Notes Payable	0	3,000	0	3,000	0
General Obligation Bonds Payable	251,050	353,950	0	605,000	0
Landfill Postclosure Costs Payable	0	0	39,571	39,571	0
Special Assessment Bonds Payable	0	10,000	0	10,000	0
Compensated Absences Payable	62,967	97,715	3,747	164,429	47,892
<i>Total Current Liabilities</i>	<u>\$530,147</u>	<u>\$833,052</u>	<u>\$712,804</u>	<u>\$2,076,003</u>	<u>\$264,609</u>

(continued)

City of Fairborn, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2019
(Continued)

	Enterprise Funds				
	Water Fund	Sewer Fund	Sanitation Fund	Total	Internal Service Funds
Long-Term Liabilities					
Deposits Held and Due to Others	\$102,276	\$102,276	\$102,276	\$306,828	\$0
Notes Payable	2,980,916	3,838,590	8,034	6,827,540	0
General Obligation Bonds Payable	2,797,399	8,361,263	0	11,158,662	0
Special Assessment Bonds Payable	0	30,000	0	30,000	0
Claims Payable	0	0	0	0	361,132
Compensated Absences Payable	30,845	50,110	423	81,378	10,124
Net Pension Liability	2,011,203	2,011,201	182,839	4,205,243	1,279,853
Net OPEB Liability	942,948	942,948	85,721	1,971,617	600,057
<i>Total Long-Term Liabilities</i>	<u>8,865,587</u>	<u>15,336,388</u>	<u>379,293</u>	<u>24,581,268</u>	<u>2,251,166</u>
<i>Total Liabilities</i>	<u>9,395,734</u>	<u>16,169,440</u>	<u>1,092,097</u>	<u>26,657,271</u>	<u>2,515,775</u>
Deferred Inflows of Resources:					
Pension	29,662	29,664	2,697	62,023	18,875
OPEB	2,558	2,558	233	5,349	1,628
<i>Total Deferred Inflows of Resources</i>	<u>32,220</u>	<u>32,222</u>	<u>2,930</u>	<u>67,372</u>	<u>20,503</u>
Net Position:					
Net Investment in Capital Assets	7,195,756	10,052,005	261,279	17,509,040	296,403
Unrestricted (Deficit)	1,018,017	6,051,084	658,580	7,727,681	(312,474)
<i>Total Net Position (Deficit)</i>	<u>\$8,213,773</u>	<u>\$16,103,089</u>	<u>\$919,859</u>	<u>25,236,721</u>	<u>(\$16,071)</u>
Net Position reported for business-type activities in the statement of net position is different because it includes a proportionate share of the balance of the internal service fund.				<u>365,132</u>	
Net Position of Business-Type Activities				<u>\$25,601,853</u>	

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2019

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Total	
Operating Revenues:					
Charges for Services	\$4,089,684	\$6,490,299	\$3,220,143	\$13,800,126	\$5,711,177
Other	174,083	51,102	670	225,855	233,531
<i>Total Operating Revenues</i>	<u>4,263,767</u>	<u>6,541,401</u>	<u>3,220,813</u>	<u>14,025,981</u>	<u>5,944,708</u>
Operating Expenses:					
Personal Services	1,826,683	1,907,470	216,514	3,950,667	1,271,684
Contractual Services	1,581,950	3,732,422	2,999,443	8,313,815	1,090,466
Materials and Supplies	129,529	230,190	8,309	368,028	896,605
Claims	0	0	0	0	2,477,605
Depreciation	693,673	1,336,957	25,755	2,056,385	62,307
<i>Total Operating Expenses</i>	<u>4,231,835</u>	<u>7,207,039</u>	<u>3,250,021</u>	<u>14,688,895</u>	<u>5,798,667</u>
<i>Operating Income (Loss)</i>	<u>31,932</u>	<u>(665,638)</u>	<u>(29,208)</u>	<u>(662,914)</u>	<u>146,041</u>
Non-Operating Revenues (Expenses):					
Investment Earnings	24,291	39,593	0	63,884	20,937
Interest and Fiscal Charges	(137,560)	(433,167)	(157)	(570,884)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(113,269)</u>	<u>(393,574)</u>	<u>(157)</u>	<u>(507,000)</u>	<u>20,937</u>
<i>Income (Loss) Before Capital Contributions</i>	<u>(81,337)</u>	<u>(1,059,212)</u>	<u>(29,365)</u>	<u>(1,169,914)</u>	<u>166,978</u>
Capital Contributions	94,650	85,850	0	180,500	0
<i>Change in Net Position</i>	<u>13,313</u>	<u>(973,362)</u>	<u>(29,365)</u>	<u>(989,414)</u>	<u>166,978</u>
<i>Net Position (Deficit) at Beginning of Year</i>	<u>8,200,460</u>	<u>17,076,451</u>	<u>949,224</u>		<u>(183,049)</u>
<i>Net Position (Deficit) at End of Year</i>	<u>\$8,213,773</u>	<u>\$16,103,089</u>	<u>\$919,859</u>		<u>(\$16,071)</u>
<i>Adjustments to reflect the consolidation of Internal Service Funds' activity related to Enterprise Funds</i>				<u>24,763</u>	
<i>Change in net position of business-type activities</i>				<u>(\$964,651)</u>	

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Total	
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities:					
Cash Received From Customers	\$4,041,846	\$6,272,249	\$3,201,711	\$13,515,806	\$0
Cash Received From Interfund Services Provided	0	0	0	0	5,711,177
Cash Received From Other Operating Revenues	174,083	53,709	670	228,462	233,531
Cash Payments for Claims	0	0	0	0	(2,587,379)
Cash Payments for Employee Services and Benefits	(1,387,433)	(1,462,875)	(179,671)	(3,029,979)	(996,649)
Cash Payments to Suppliers	(1,829,566)	(4,580,467)	(2,683,428)	(9,093,461)	(1,878,170)
<i>Net Cash Provided by Operating Activities</i>	<u>998,930</u>	<u>282,616</u>	<u>339,282</u>	<u>1,620,828</u>	<u>482,510</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	(1,889,691)	(124,008)	(387,663)	(2,401,362)	(105,377)
Note Proceeds	2,975,825	3,835,025	8,025	6,818,875	0
Note Premiums	20,382	26,275	54	46,711	0
Notes Principal Payments	(2,975,825)	(3,843,925)	(8,025)	(6,827,775)	0
Interest and Fiscal Charges on Notes	(66,774)	(92,548)	(190)	(159,512)	0
General Obligation Bond Principal Payments	0	(140,000)	0	(140,000)	0
General Obligation Bond Interest Payments	0	(293,576)	0	(293,576)	0
Refunding Bonds Principal Payments	(246,050)	(208,950)	0	(455,000)	0
Refunding Bonds Interest Payments	(82,677)	(53,736)	0	(136,413)	0
Capital Contributions by Customers	94,650	85,850	0	180,500	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(2,170,160)</u>	<u>(809,593)</u>	<u>(387,799)</u>	<u>(3,367,552)</u>	<u>(105,377)</u>
Cash Flows from Investing Activities:					
Interest	24,291	37,243	0	61,534	20,937
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(1,146,939)	(489,734)	(48,517)	(1,685,190)	398,070
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>4,027,129</u>	<u>8,231,135</u>	<u>976,820</u>	<u>13,235,084</u>	<u>1,277,371</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$2,880,190</u>	<u>\$7,741,401</u>	<u>\$928,303</u>	<u>\$11,549,894</u>	<u>\$1,675,441</u>

(continued)

City of Fairborn, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2019
(Continued)

	Enterprise Funds				Internal Service Fund
	Water Fund	Sewer Fund	Sanitation Fund	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Operating Income (Loss)	\$31,932	(\$665,638)	(\$29,208)	(\$662,914)	\$146,041
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	693,673	1,336,957	25,755	2,056,385	62,307
Landfill Closure and Postclosure Costs	0	0	15,109	15,109	0
Decrease (Increase) in Assets:					
Accounts Receivable	(93,513)	(261,118)	(64,107)	(418,738)	0
Materials and Supplies Inventory	(103,593)	(36,387)	0	(139,980)	54,541
Net Pension Asset	(2,392)	(2,392)	(217)	(5,001)	(1,522)
Deferred Outflows of Resources - Pension	471,875	471,875	42,898	986,648	300,287
Deferred Outflows of Resources - OPEB	65,958	65,958	5,996	137,912	41,974
Increase (Decrease) in Liabilities:					
Accounts Payable	9,536	7,900	5,071	22,507	54,553
Claims Payable	0	0	0	0	(109,774)
Contracts Payable	5,952	(405,126)	334,126	(65,048)	(193)
Retainage Payable	0	(154,260)	0	(154,260)	0
Accrued Wages Payable	2,412	6,720	626	9,758	2,938
Intergovernmental Payable	(9,866)	(9,546)	(1,165)	(20,577)	(7,583)
Deposits Held and Due to Others	15,693	15,693	15,693	47,079	0
Compensated Absences Payable	8,370	12,811	(2,467)	18,714	737
Net Pension Liability	(2,181)	(2,183)	(198)	(4,562)	(1,388)
Net OPEB Liability	51,653	51,653	4,694	108,000	32,870
Deferred Inflows of Resources - Pension	(130,692)	(134,414)	(11,880)	(276,986)	(83,168)
Deferred Inflows of Resources - OPEB	(15,887)	(15,887)	(1,444)	(33,218)	(10,110)
Net Cash Provided by Operating Activities	<u>\$998,930</u>	<u>\$282,616</u>	<u>\$339,282</u>	<u>\$1,620,828</u>	<u>\$482,510</u>

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Statement of Fiduciary Net Position
Custodial Fund
December 31, 2019

	<u>Municipal Court Fund</u>
Assets:	
Cash and Cash Equivalents in Segregated Accounts	<u>\$146,748</u>
Liabilities:	
Due to Other Governments	<u>\$146,748</u>
See accompanying notes to the basic financial statements	

City of Fairborn, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Year Ended December 31, 2019

	Municipal Court Fund
Additions:	
Fines and Forfeitures for Other Governments	\$2,124,714
Deductions:	
Distributions to the State of Ohio	637,441
Distributions to Other Governments	1,487,273
<i>Total Deductions</i>	2,124,714
<i>Change in Net Position</i>	0
<i>Net Position at Beginning of Year</i>	0
<i>Net Position at End of Year</i>	\$0

See accompanying notes to the basic financial statements

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 1 – Description Of The City And Reporting Entity

The City of Fairborn (the "City") is a home rule municipal corporation created under the laws of the State of Ohio which operates under its own charter. A charter was first adopted by the electors of the Village of Osborn at the general election held in November 1946, effective January 1, 1948. In the November 1948 election, the Village of Osborn voted to annex the Village of Fairfield and to name the newly created entity the Village of Fairborn, effective January 1, 1950. The Village of Fairborn became a city on August 20, 1951. The current charter was first adopted by the electorate on November 2, 1971.

The municipal government provided by the charter is known as a council-manager form of government. Elected officials include six City Council members and a mayor. The Council appoints a city manager who executes the laws and administers the government of the City. The city manager appoints all the department managers of the City.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, and activities that are not legally separate from the City. They comprise the City's legal entity which provides various services including police, fire, emergency medical, planning and zoning, street construction, maintenance and repair, administrative services, water services, sewer services and postclosure care of a landfill. Council and the city manager have direct responsibility for these activities.

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 organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt or the levying of its taxes. The City has no component units.

The City participates in six jointly governed organizations. A jointly governed organization is governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. The City also participates in two public entity shared risk pools. These organizations are presented in Notes 19 and 20.

Jointly Governed Organizations:

Miami Valley Regional Planning Commission
Regional Emergency Response Team

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Greene County Agencies for Combined Enforcement
Fairborn Development Corporation
Greene County Regional Planning and Coordination Commission
Regional Income Tax Agency

Public Entity Shared Risk Pool:
Public Entities Pool of Ohio
Jefferson Health Plan

Note 2 – Summary Of Significant Accounting Policies

The financial statements of the City of Fairborn have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more 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 the agency funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

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 governmental program or business segment is self-financing or draws from the general revenues of the City.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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. Nonmajor funds are aggregated and presented in a single column. Internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

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 utilized by the City: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the City 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 purpose 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 liabilities and deferred inflows of resources are reported as fund balance. The following are the City's major governmental funds:

General Fund – The General Fund accounts for and reports all financial resources not accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the Charter of the City.

Fire and EMS Fund – The Fire and EMS Fund accounts for and reports the .30 mills of inside millage that is expended for fire pension payments and a property tax levy that is expended for the cost of operating the fire and EMS departments as well as charges for services, related intergovernmental revenue, and transfers from the General Fund.

Police Fund – The Police Fund accounts for and reports the .30 mills of inside millage that is expended for police pension payments and a property tax levy that is expended for the cost of operating the police department, as well as charges for services, related intergovernmental revenue, and transfers from the General Fund.

County Motor Vehicle Tax Fund – The County Motor Vehicle Tax Fund accounts for and reports municipal income taxes restricted for street projects and permissive license taxes received from Greene County for street projects approved by the County Engineer.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Public Safety Police/Fire Fund – The Public Safety Police/Fire Fund accounts for and reports restricted income tax money to provide police, fire and emergency medical services.

The nonmajor governmental funds of the City account for grants and other resources whose use is restricted for a particular purpose.

Proprietary Funds

Proprietary funds are used to account for the City's ongoing activities that are similar to those found in the private sector that focus on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary funds are enterprise and internal service funds.

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 Fund – The Water Fund is used to account for and report the operation of the City's water service.

Sewer Fund – The Sewer Fund is used to account for and report the operation of the City's sanitary sewer system.

Sanitation Fund – The Sanitation Fund is used to account for and report the operation of the City's refuse collection system, street sweeping services, and landfill monitoring.

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 vehicle and equipment maintenance services, information technology services, employee assistance programs associated with employee health benefits, and Jefferson Health Plan associated with employee health and prescription drug benefits.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be separated in a trust fund. The City has one custodial fund which is used to account for monies that flow through the clerk of court's office.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total 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 generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Fund Net Position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the Statement of Changes in Fund Net Position presents increase (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.

Fiduciary funds present a Statement of Changes in Fiduciary Net Position which reports additions to and deductions from the custodial fund.

Basis of Accounting

The basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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 the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available” means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, revenue in lieu of taxes, municipal income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes and revenue in lieu of taxes is recognized in the year for which the taxes are levied (See Notes 7 and 9). Revenue from municipal income taxes is recognized in the year in which the exchange on which the tax is imposed takes place (See Note 8). 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 the modified accrual basis, revenue from non-exchange 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: municipal income taxes, intergovernmental revenues (including motor vehicle license tax, gasoline tax, and local government assistance) fines and forfeitures, and grants.

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, represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension, and OPEB. A deferred charge 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 statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, revenue in lieu of taxes, pension, OPEB, and unavailable revenue. Property taxes and revenue in lieu of taxes represent

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance 2020 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, intergovernmental grants, special assessments, accounts receivable, and accrued interest. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 22. 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.

Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. The City holds money for unclaimed monies and utility deposits. These balances are recorded as "Restricted Assets: Equity in Pooled Cash and Cash Equivalents."

The City's Municipal Court has its own checking accounts for the collection and distribution of court fines and forfeitures which are presented on the financial statements as "Cash and Cash Equivalents in Segregated Accounts."

During 2019, the City invested in Federal Home Loan Bank Serial/Consolidation Bonds, Federal Home Loan Bank Mortgage Bonds, Federal Home Loan Bank Mortgage Notes, Federal National Mortgage Association Bonds, and Federal Farm Credit Bonds. Investments are reported at fair value which is based on quoted market prices.

The City Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue, including increases in the fair value of investments, credited to the General Fund during 2019 amounted to \$704,439, which includes \$233,649 assigned from other funds.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as cash equivalents.

Assets Held for Resale

Assets held for resale represent properties purchased by the City which will be sold after beautification has been completed.

Interfund Receivables/Payables

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “Interfund Receivable/Payable.” Interfund balances are eliminated on the government-wide Statement of Net Position except for any net residual amounts due between governmental and business-type activities, which are presented as “Internal Balances.”

Materials and Supplies Inventory

On government-wide financial statements, inventories are presented at cost on a first-in, first-out basis and are expensed when used. Inventory consists of expendable supplies held for consumption.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditures/expenses when used.

Restricted Assets

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund represent cash and cash equivalents held as unclaimed monies. Restricted assets in the enterprise funds represent cash and cash equivalents which have been set aside for the repayment of deposits to water, sewer and sanitation customers.

Capital Assets

General capital assets are capital assets that are associated with and generally arise from governmental activities. They generally result from expenditures in 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 governmental fund financial statements. Internal service funds that are considered governmental activities report their capital assets in their fund financial statements as well as in the governmental activities column of the government-wide Statement of

City of Fairborn, Ohio
Notes to the Basic Financial Statements
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Net Position. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values on the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized and 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 expensed.

All capital assets, except land and construction in progress, are depreciated. 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 replacements. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings	20-45 years
Improvements Other Than Buildings	10-20 years
Machinery and Equipment	5-15 years
Vehicles	6-20 years
Infrastructure	8-100 years

The City's infrastructure system consists of streets, curbs, gutters, sidewalks, street lights, bridges, a storm water system, and water and sewer lines.

Compensated Absences

Vacation and compensatory time 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 City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation and compensatory time when earned for all employees with more than one year of service.

Sick leave benefits are accrued using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for all employees after 20 years of service with the City.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the 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 compensated absences that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes, bonds, and loans are recognized as liabilities on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB asset/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.

Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This deferred amount is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

Fund Balance

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

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash. The nonspendable fund balances for the City includes material and supplies inventory and unclaimed monies.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Restricted – The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party – such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of Council. Those committed amounts cannot be used for any other purpose unless Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund and General Capital Improvements Fund, assigned amounts represent intended uses established by the City Council or a City official delegated that authority by ordinance or by State statute. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The assigned fund balance in the General Fund includes future appropriations to cover a gap between estimated revenue and appropriations in the 2020 appropriation budget.

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

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

The City applies restricted resources 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.

Net Position

Net position represents the difference between all other elements in a statement of financial position. The net investment in capital assets component of net position, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Interfund Transactions/Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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 non-operating 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.

Budgetary Process

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 ordinance, 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 ordinance 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 budgetary control has

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

been established by Council at the object level (personal services, contractual services, materials and supplies, etc.) within each department and fund. Modifications to appropriations may only be made by ordinance of Council.

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 amended certificate of estimated resources in effect at the time final appropriations were passed by Council.

The appropriations ordinance 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 appropriations ordinance 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, including all supplemental appropriations.

Bond Discounts, Premiums

On the government-wide financial statements (and in the enterprise funds), bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line (bonds outstanding) method, which approximates the effective interest method. Bond premiums/discounts are presented as additions/reductions to the face amount of bonds payable.

On the governmental fund financial statements, bond premiums and discounts are recognized in the period when the debt is issued. Note premiums are presented as an addition to the face of the notes payable.

Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, sewer, sanitation, repair and maintenance of City equipment and vehicles, information technology services, employee assistance programs, and the City's self-insurance program. Operating expenses are the necessary costs incurred to provide the services that are the primary activities of these funds. Revenues and expenses that do not meet these definitions are reported as non-operating.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Contributions of Capital

Contributions of capital arise from outside contributions of capital assets and grants, or outside contributions of resources restricted to capital acquisition and construction or transfers of governmental capital assets financed by governmental funds to enterprise funds.

Estimates

The preparation of 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.

Note 3 – Changes In Accounting Principles And Restatement Of Net Position

The Governmental Accounting Standards Board (GASB) recently issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The City evaluated implementing these certain GASB pronouncements based on the guidance in GASB 95.

For 2019, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, and related guidance from (GASB) Implementation Guide No. 2019-2, *Fiduciary Activities*.

For 2019, the City also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2018-1*. These changes were incorporated in the City's 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 84 established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. The City reviewed its agency funds and certain funds will be reported in the new fiduciary fund classification of custodial funds, while other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of the City's financial statements.

Restatement of Fund Balances and Net Position

The implementation of GASB Statement No. 84 had no effect on fund balance, or governmental or business-type net position as of December 31, 2018.

Due to the implementation of GASB Statement No. 84, the new classification of custodial fund is reporting beginning assets and liabilities of \$214,320 with no net position. \$11,211 of beginning assets and liabilities are reported in governmental funds with no fund balance or net position. Also related to the implementation of GASB statement No. 84, the City will no longer be reporting agency funds. At December 31, 2018, agency funds reported assets and liabilities of \$225,531.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 4 – Accountability

At December 31, 2019, the following funds had deficit fund balances:

<u>Funds</u>	<u>Amounts</u>
Special Revenue Funds:	
Community Development Block Grant Fund	\$28,419
Capital Projects Fund:	
I-675 Corridor TIF Fund	2,116,328
Internal Service Funds:	
Equipment Fund	499,030
Information Technology Fund	43,758

The General Fund is liable for the deficit in these funds and will provide transfers when cash is required, not when accruals occur.

Note 5 – Budgetary Basis Of Accounting

While 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 Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Basis) for the General, Fire and EMS, Police, County Motor Vehicle Tax, and Public Safety Police/Fire Funds 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 the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
4. The change in fair value of investments is not included on the budget basis operating statement. This amount is included on the GAAP basis operating statement.
5. Cash is held by the custodial fund on behalf of the City on a budget basis and allocated and reported on the balance sheet (GAAP basis) in the appropriate City funds.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

6. Budgetary revenues and expenditures of the Uninsured Loss special revenue fund is classified to the General Fund for GAAP Reporting.
7. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

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

Net Change in Fund Balance

	General Fund	Fire and EMS Fund	Police Fund
GAAP Basis	\$166,473	(\$376,521)	(\$623,517)
Revenue Accruals	(61,869)	2,796	3,029
Expenditure Accruals	(37,824)	(56,591)	(53,065)
Encumbrances	(511,592)	(137,468)	(40,508)
Change in Fair Value of Investments - 2019	640	0	0
Change in Fair Value of Investments - 2018	(312,720)	0	0
Custodial Fund Allocation - 2019	(100,523)	0	0
Custodial Fund Allocation - 2018	85,604	0	0
Excess of revenues over expenditures for Uninsured Loss Fund	(22,901)	0	0
Advances	(80,000)	0	0
Budget Basis	(\$874,712)	(\$567,784)	(\$714,061)

	County Motor Vehicle Tax Fund	Public Safety Police/Fire Fund
GAAP Basis	(\$98,441)	(\$211,091)
Revenue Accruals	(405,054)	197,819
Expenditure Accruals	1,272,724	82,441
Encumbrances	(2,560,365)	(263,741)
Budget Basis	(\$1,791,136)	(\$194,572)

Note 6 – Deposits And Investments

The City is a charter City and has adopted an investment policy through City ordinance. The City has elected to follow the provisions of State statute. State statutes classify monies held by the City into three categories.

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

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

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

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 institutions 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.

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

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

City of Fairborn, Ohio
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5. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

At December 31, 2019, the City's Self Insurance – Jefferson Health Plan Internal Service Fund had a \$876,929 balance with Jefferson Health Plan, a risk sharing, claims servicing, and insurance purchasing pool (See Note 20). The balance is held by the claims administrator in a pooled account which is representative of numerous entities and therefore cannot be included in the risk disclosures reported by the City. Disclosures for the Jefferson Health Plan as a whole may be obtained from the Plan's fiscal agent, the Jefferson County Educational Service Center. To obtain financial information, write to the Jefferson Health Plan, Treasurer, Jefferson County Educational Service Center, Steubenville, Ohio 43952.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, 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.

Investments

Investments are reported at fair value. As of December 31, 2019, the City had the following investments:

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Measurement/Investment	Measurement Amount	Maturity	S&P Rating	Percent of Total Investments
Fair Value - Level Two Inputs:				
Federal Home Loan Bank Serial/Consolidation Bonds	\$3,998,740	Less than five years	AA+	24.99 %
Federal Home Loan Bank Mortgage Bonds	1,000,130	Less than five years	AA+	6.25
Federal Home Loan Bank Mortgage Notes	7,000,430	Less than five years	AA+	43.76
Federal National Mortgage Association Bonds	1,999,520	Less than two years	AA+	12.5
Federal Farm Credit Bonds	2,000,040	Less than five years	AA+	12.5
Total Investments	<u>\$15,998,860</u>			

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2019. All of the City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk

As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires the portfolio to remain sufficiently liquid to enable the City to meet all operating requirements reasonably anticipated. Unless matched to a specific cash flow requirement, the City will not directly invest in securities maturing more than five years from the date of purchase. In the alternative, given the prevalence of newly issued investment securities, including callable and structured federal agency securities, in which the repayment of principal is anticipated prior to the stated final maturity date, the City will not directly invest in securities with a projected average life of more than five years from the date of purchase.

Credit Risk

The City's investment policy states that credit risk will be minimized by diversifying assets and ensuring that the minimum credit quality ratings required by Ohio Law exist.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
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Concentration of Credit Risk

The City's investment policy states that no more than 20 percent of the City's investment portfolio will be placed with any particular issuer of commercial paper or other corporate debt excepting funds which are able to be converted into cash within 24 hours of notification to the issuer or the issuer's fiscal agent.

Note 7 – Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2019 for real and public utility property taxes represents collections of 2018 taxes.

2019 real property taxes were levied after October 1, 2019, on the assessed value as of January 1, 2019, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2019 real property taxes are collected in and intended to finance 2020.

Real property taxes are payable annually or semi-annually. If paid annually, 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.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2019 public utility property taxes which became a lien December 31, 2018, are levied after October 1, 2019, and are collected in 2020 with real property taxes.

The effective tax rate for all City operations for the year ended December 31, 2019, was \$11.14 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2019 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$522,658,010
Public Utility Personal	19,235,850
Totals	<u><u>\$541,893,860</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2019, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2019 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

City of Fairborn, Ohio
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Note 8 – Municipal Income Tax

The City levies a municipal income tax of 1.5 percent on all salaries, wages, commissions, other compensation and net profits earned within the City as well as on incomes of residents earned outside the City. However, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

One percent of the income tax was enacted effective October 1, 1976, to provide funds for the purposes of general City operations, maintenance, new equipment, extension and enlargement of City services and facilities and capital improvements of the City and is deposited into the General Fund. Three percent of the proceeds of this income tax is designated by ordinance for the purchase, lease, maintenance, repair, renovation or construction of City buildings and lands, excluding park lands, and therefore is transferred annually to the Building and Lands Fund.

One-quarter of one percent of the income tax was approved by the voters effective beginning January 1, 2015, and expiring December 31, 2024, for the purpose of thoroughfare and residential street improvements and is deposited into the County Motor Vehicle Tax Fund and the Street Maintenance and Repair Fund.

One-quarter of one percent of the income tax was approved by the voters effective beginning January 1, 2015, and expiring December 31, 2024, for the purpose of providing fire, police and emergency medical services and is deposited into the Public Safety Police/Fire Fund.

Note 9 – Receivables

Receivables at December 31, 2019, consisted of property taxes, other local taxes, municipal income taxes, revenue in lieu of taxes, accounts, intergovernmental, accrued interest, interfund, special assessments, and loans receivables arising from grants, entitlements and shared revenues. All receivables are considered fully collectible and will be received within one year with the exception of property taxes, income taxes, revenue in lieu of taxes, special assessments, and loans.

Property, income, and revenue in lieu of taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Special assessments expected to be collected in more than one year amount to \$199,914 in the General Bond Retirement Fund, and \$30,000 in the Sewer Fund. The City has \$10,314 of delinquent special assessments at December 31, 2019.

Loans receivable represent loans to stimulate new economic development by creating and/or expanding investment and employment in the City. The loan bears interest at a rate of 7.5 percent and is to be paid upon maturity. The entire loan is expected to be collected in more than one year.

City of Fairborn, Ohio
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A summary of the principal items of intergovernmental receivables follows:

Governmental Activities:	Amount
Local Government	\$477,762
Homestead Exemption and Rollbacks	324,158
Gasoline Tax	861,837
MVRPC STP Kauffman Roundabout Grant	670,507
ODOT Safety Kauffman Roundabout Grant	190,271
Motor Vehicle Tax	97,204
Community Development Block Grant	45,888
Victims of Crime Act Grant	7,408
Domestic Violence/Stalking Investigation Grant	10,990
Federal Emergency Management Agency Grant	21,439
City of Beavercreek	24,826
Permissive Motor Vehicle License Tax	18,199
Greene County	3,178
Total Governmental Funds	\$2,753,667

Revenue in Lieu of Taxes Receivable

The City granted real property tax exemptions to landowners for improvements made to their properties. The City requires the owners to make an annual payment to the City in lieu of taxes in the amount that would be payable on the increase in the value of the property if not for the exemption. The City then uses these monies to pay for public infrastructure improvements benefiting the owners. Additional payments are made to Fairborn City School District and Greene County Vocational School District since they are impacted by the tax exemption for a period of up to 30 years. The City accrues a receivable for the amount measurable at December 31, 2019, with a corresponding credit to deferred inflows of resources-revenue in lieu of taxes.

Note 10 – Capital Assets

Changes in general capital assets for the year ended December 31, 2019, were as follows:

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	Balance at 12/31/2018	Additions	Deletions	Balance at 12/31/2019
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$18,608,114	\$678,185	\$0	\$19,286,299
Construction in Progress	1,974,726	4,054,535	(401,907)	5,627,354
Total Capital Assets Not Being Depreciated	20,582,840	4,732,720	(401,907)	24,913,653
Depreciable Capital Assets:				
Buildings	21,359,592	564,155	(144,678)	21,779,069
Improvements Other Than Buildings	2,951,100	21,450	0	2,972,550
Machinery and Equipment	6,388,578	297,796	0	6,686,374
Vehicles	8,448,242	654,990	(1,056,570)	8,046,662
Infrastructure	81,591,816	766,359	(329,753)	82,028,422
Total Depreciable Capital Assets	120,739,328	2,304,750	(1,531,001)	121,513,077
Less Accumulated Depreciation:				
Buildings	(9,071,300)	(507,105)	39,920	(9,538,485)
Improvements Other Than Buildings	(2,033,155)	(116,745)	0	(2,149,900)
Machinery and Equipment	(4,296,052)	(397,153)	0	(4,693,205)
Vehicles	(4,898,257)	(579,364)	980,870	(4,496,751)
Infrastructure	(49,088,680)	(1,907,040)	258,755	(50,736,965)
Total Accumulated Depreciation	(69,387,444)	(3,507,407)	1,279,545	(71,615,306)
Depreciable Capital Assets, Net	51,351,884	(1,202,657)	(251,456)	49,897,771
Governmental Activities Capital Assets, Net	\$71,934,724	\$3,530,063	(\$653,363)	\$74,811,424

Additions to capital assets being depreciated include \$332,676 in assets donated by developers for the year ended December 31, 2019.

Depreciation expense was charged to governmental programs as follows:

General Government	\$2,610,116
Public Safety	622,895
Leisure Time Activity	169,435
Public Health	1,894
Transportation and Street Repair	103,067
	<u>\$3,507,407</u>

City of Fairborn, Ohio
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Capital assets activities of the business-type activities for the year ended December 31, 2019, were as follows:

	Balance at 12/31/2018	Additions	Deletions	Balance at 12/31/2019
<u>Business-type Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$159,633	\$0	\$0	\$159,633
Construction in Progress	2,594,654	541,193	(2,176,041)	959,806
Total Capital Assets, Not Being Depreciated	<u>2,754,287</u>	<u>541,193</u>	<u>(2,176,041)</u>	<u>1,119,439</u>
Depreciable Capital Assets:				
Buildings	27,275,706	903,321	0	28,179,027
Improvements Other Than Buildings	5,817,807	0	0	5,817,807
Machinery and Equipment	6,489,921	734,299	(542,044)	6,682,176
Vehicles	2,205,646	480,293	(68,243)	2,617,696
Infrastructure	30,611,722	1,918,297	0	32,530,019
Total Depreciable Capital Assets	<u>72,400,802</u>	<u>4,036,210</u>	<u>(610,287)</u>	<u>75,826,725</u>
Less Accumulated Depreciation:				
Buildings	(12,305,476)	(677,945)	0	(12,983,421)
Improvements Other Than Buildings	(2,008,434)	(342,051)	0	(2,350,485)
Machinery and Equipment	(3,409,629)	(389,653)	542,044	(3,257,238)
Vehicles	(1,432,926)	(172,843)	68,243	(1,537,526)
Infrastructure	(19,940,347)	(473,893)	0	(20,414,240)
Total Accumulated Depreciation	<u>(39,096,812)</u>	<u>(2,056,385)</u>	<u>610,287</u>	<u>(40,542,910)</u>
Depreciable Capital Assets, Net	<u>33,303,990</u>	<u>1,979,825</u>	<u>0</u>	<u>35,283,815</u>
Business-type Activities Capital Assets, Net	<u>\$36,058,277</u>	<u>\$2,521,018</u>	<u>(\$2,176,041)</u>	<u>\$36,403,254</u>

City of Fairborn, Ohio
Notes to the Basic Financial Statements
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Note 11 – Risk Management

The City is exposed to various risks of property and casualty losses, and injuries to employees.

The City belongs to the Public Entities Pool of Ohio (PEP), a public entity shared risk pool (see Note 20) available to Ohio local governments. PEP provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (York), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which, like PEP, is administered by York. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2019, PEP retained \$500,000 for casualty claims and \$250,000 for property claims.

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

Financial Position

PEP's financial statements (audited by other accountants) conform to generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2019, and 2018:

	<u>2019</u>	<u>2018</u>
Assets	\$54,973,597	\$49,921,998
Liabilities	<u>16,440,940</u>	<u>14,676,199</u>
Net Position - Unrestricted	<u>\$38,532,657</u>	<u>\$35,245,799</u>
Unpaid Claims to be Billed in the Future	\$13.7 million	\$11.8 million
Number of Members	553	538

The unpaid claims to be billed in the future will be included in future contributions from members when the related claims are due for payment. The City's share of these unpaid claims collectible in future years is approximately \$250,000. This amount includes the subsequent year's contribution due if the City terminates participation, as described as follows.

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Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership. The City's contributions for the last three years are:

<u>Contributions to PEP</u>	<u>Amount</u>
2017	\$294,668
2018	265,249
2019	267,676

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

The City insures against injuries to employees through the Ohio Bureau of Workers' Compensation. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The City provides health insurance to its employees through a self-insurance plan. The City pays \$622 per month for eligible employees electing single coverage and \$1,803 for eligible employees electing family coverage, with the employees paying \$131 per month for single coverage, and \$379 per month for family coverage. The City participated in the Jefferson Health Plan during 2019. Jefferson Health Plan administers the health insurance plan.

	<u>Balance at January 1,</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at December 31,</u>
2018	\$528,936	\$2,794,385	\$2,736,222	\$587,099
2019	587,099	2,477,605	2,587,379	477,325

Note 12 – Defined Benefit Pension Plans

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

Net Pension Liability (Asset)/Net OPEB Liability

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and

City of Fairborn, Ohio
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benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represent 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 (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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 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 (asset). Resulting adjustments to the net pension/OPEB liability (asset) 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 net pension/OPEB asset or 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 intergovernmental payable on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

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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 CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides 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 retiring prior to January 7, 2013, current law provides for a 3 percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

City of Fairborn, Ohio
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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 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), 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.

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

	<u>State and Local</u>
2019 Statutory Maximum Contribution Rates:	
Employer	14.0%
Employee *	10.0%
2019 Actual Contribution Rates:	
Employer:	
Pension **	14.0%
Post-employment Health Care Benefits **	0.0
Total Employer	14.0%
Employee	10.0%

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

** 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.

For 2019, the City's contractually required contribution was \$1,309,209 for the traditional plan, \$32,275 for the combined plan and \$24,083 for the member-directed plan. Of these amounts, \$30,390 is reported as an intergovernmental payable for the traditional plan, \$750 for the combined plan, and \$559 for the member-directed plan.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Plan Description – Ohio Police and 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 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 CAFR 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, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3 percent or the percent increase, if any, in the Consumer Price Index over the 13 month period ending on September 30th of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013, is equal to 3 percent of their base pension or disability benefit.

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

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

	<u>Police</u>	<u>Firefighters</u>
2019 Statutory Maximum Contribution Rates:		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2019 Actual Contribution Rates:		
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	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,873,347 for 2019. Of this amount, \$194,654 is reported as an intergovernmental payable.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.06675800%	0.06476200%	0.37603300%	
Prior Measurement Date	<u>0.06391200%</u>	<u>0.07745400%</u>	<u>0.37919600%</u>	
Change in Proportionate Share	<u>0.00284600%</u>	<u>(0.01269200%)</u>	<u>(0.00316300%)</u>	
Proportionate Share of the:				
Net Pension (Asset)	\$0	(\$72,419)	\$0	(\$72,419)
Net Pension Liability	18,283,663	0	30,694,228	48,977,891
Pension Expense	4,380,437	21,137	4,087,874	8,489,448

2019 pension expense for the member-directed defined contribution plan was \$24,038. The aggregate pension expense for all pension plans was \$8,513,486 for 2019.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources:				
Differences between expected and actual experience	\$844	\$0	\$1,261,103	\$1,261,947
Changes of assumptions	1,591,638	16,174	813,746	2,421,558
Net difference between projected and actual earnings on pension plan investments	2,481,605	15,600	3,781,503	6,278,708
Changes in proportion and differences between City contributions and proportionate share of contributions	430,058	10,398	613,961	1,054,417
City contributions subsequent to the measurement date	<u>1,309,209</u>	<u>32,275</u>	<u>1,873,347</u>	<u>3,214,831</u>
Total Deferred Outflows of Resources	<u>\$5,813,354</u>	<u>\$74,447</u>	<u>\$8,343,660</u>	<u>\$14,231,461</u>
Deferred Inflows of Resources:				
Differences between expected and actual experience	\$240,075	\$29,578	\$28,662	\$298,315
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>0</u>	<u>0</u>	<u>518,914</u>	<u>518,914</u>
Total Deferred Inflows of Resources	<u>\$240,075</u>	<u>\$29,578</u>	<u>\$547,576</u>	<u>\$817,229</u>

\$3,214,831 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability or increase to the net pension asset in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

<u>Year Ending December 31:</u>	OPERS Traditional	OPERS Combined	OP&F	Total
	Plan	Plan		
2020	\$1,925,616	\$3,729	\$1,824,361	\$3,753,706
2021	954,103	614	997,461	1,952,178
2022	230,219	942	1,154,598	1,385,759
2023	1,154,132	5,826	1,817,960	2,977,918
2024	0	(586)	128,357	127,771
Thereafter	0	2,069	0	2,069
Total	<u>\$4,264,070</u>	<u>\$12,594</u>	<u>\$5,922,737</u>	<u>\$10,199,401</u>

Actuarial Assumptions – OPERS

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

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, 2018, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2018, are presented below.

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change was effective beginning with the 2018 valuation.

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

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

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2018, 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 a loss of 2.94 percent for 2018.

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 table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

City of Fairborn, Ohio
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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00%	2.79%
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other investments	18.00	5.50
Total	100.00%	5.95%

Discount Rate For 2018, the discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. For 2017, the discount rate used to measure the total pension liability was 7.5 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 City’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the City’s proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability (asset):			
OPERS Traditional Plan	\$27,010,287	\$18,283,663	\$11,031,760
OPERS Combined Plan	(23,962)	(72,419)	(107,505)

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, 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

City of Fairborn, Ohio
Notes to the Basic Financial Statements
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involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, 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, 2018, are presented below.

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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

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

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

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

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

City of Fairborn, Ohio
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For the Year Ended December 31, 2019

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00%	0.80%
Domestic Equity	16.00	5.50
Non-US Equity	16.00	5.90
Private Markets	8.00	8.40
Core Fixed Income *	23.00	2.60
High Yield Fied Income	7.00	4.80
Private Credit	5.00	7.50
U.S. Inflation Linked Bonds *	17.00	2.30
Master Limited Partnerships	8.00	6.40
Real Assests	8.00	7.00
Private Real Estate	12.00	6.10
Total	<u>120.00%</u>	

Note: Assumptions are geometric.

* levered 2x

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 their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.00 percent. The 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 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$40,345,449	\$30,694,228	\$22,629,241

Note 13 – Post Employment Benefits

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

Plan Description – 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, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
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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, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary. This is the maximum employer contribution rate 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. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and 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 2019 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution was \$9,615 for 2019. Of this amount, \$223 is reported as an intergovernmental payable.

Plan Description – Ohio Police and 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 Fairborn, Ohio
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A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. 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.

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 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 2019, 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 \$43,803 for 2019. Of this amount, \$4,586 is reported as an intergovernmental payable.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
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OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, 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, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. 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 and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.06575000%	0.37603300%	
Prior Measurement Date	<u>0.06345000%</u>	<u>0.37919600%</u>	
Change in Proportionate Share	<u>0.00230000%</u>	<u>(0.00316300%)</u>	
Proportionate Share of the Net OPEB Liability	\$8,572,248	\$3,424,358	\$11,996,606
OPEB Expense	\$934,374	(\$16,790,282)	(\$15,855,908)

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources:			
Differences between expected and actual experience	\$2,903	\$0	\$2,903
Changes of assumptions	276,379	1,775,022	2,051,401
Net difference between projected and actual earnings on pension plan investments	392,987	115,918	508,905
Changes in proportion and differences between City contributions and proportionate share of contributions	238,823	534,590	773,413
City contributions subsequent to the measurement date	<u>9,615</u>	<u>43,803</u>	<u>53,418</u>
Total Deferred Outflows of Resources	<u>\$920,707</u>	<u>\$2,469,333</u>	<u>\$3,390,040</u>

City of Fairborn, Ohio
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	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$23,259	\$91,746	\$115,005
Changes of assumptions	0	948,024	948,024
Changes in proportion and differences between City contributions and proportionate share of contributions	0	141,107	141,107
Total Deferred Inflows of Resources	<u>\$23,259</u>	<u>\$1,180,877</u>	<u>\$1,204,136</u>

\$53,418 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31:</u>	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2020	\$455,082	\$220,262	\$675,344
2021	167,528	220,262	387,790
2022	67,251	220,262	287,513
2023	197,972	255,322	453,294
2024	0	200,047	200,047
Thereafter	0	128,498	128,498
Total	<u>\$887,833</u>	<u>\$1,244,653</u>	<u>\$2,132,486</u>

Actuarial Assumptions – OPERS

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

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, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

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Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.96 percent
Prior Measurement date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	3.71 percent
Prior Measurement date	3.31 percent
Health Care Cost Trend Rate:	
Current measurement date	10.0 percent, initial 3.25 percent, ultimate in 2029
Prior Measurement date	7.25 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age Normal

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change was be effective for the 2018 valuation.

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

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

The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2018, 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

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Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.6 percent for 2018.

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 table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00%	2.42%
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	100.00%	5.16%

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. 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 rate of 3.71 percent. 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 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

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Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
City's proportionate share of the net OPEB liability	\$10,967,100	\$8,572,248	\$6,667,708

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuary's project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$8,239,790	\$8,572,248	\$8,955,150

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, 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 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.

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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 as follows.

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	4.66 percent
Prior measurement date	3.24 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

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

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

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

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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, 2016.

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 12.

Discount Rate For 2019, the total OPEB liability was calculated using the discount rate of 4.66 percent. For 2018, the total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 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, a municipal bond rate of 4.13 percent at December 31, 2018 and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 4.66 percent for 2018 and 3.24 percent for 2017. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2031. The long-term expected rate of return on health care investments was applied to projected costs through 2031, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.66 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 (3.66 percent), or one percentage point higher (5.66 percent) than the current rate.

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
City's proportionate share of the net OPEB liability	\$4,171,802	\$3,424,358	\$2,796,942

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Sensitivity of the City's 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 – Other Employee Benefits

Compensated Absences

All full-time City employees earn vacation at varying rates based upon the employee's years of service. Employees are allowed to carry over up to two years of accumulated vacation. Upon separation from the City, the employee (or his estate) with six months or more of service, receives accumulated, unused vacation up to an allowable maximum ranging from one year to two years of accrual. Most City employees earn sick leave at a rate of 1.25 days per month of work completed. Firefighters earn sick leave at a rate of 1.76 days per month of work completed. Upon retirement, eligible employees will be compensated for their accumulated sick leave at a maximum rate of one-third of the balance provided they meet minimum accumulated sick leave hours ranging from 480 to 720 hours and do not exceed varying maximums ranging from 1,200 to 1,800 hours. The monetary compensation is calculated at the hourly rate of compensation of the employee at the time of retirement.

Medical, Dental and Life Insurance Benefits

The City provides medical, dental and life insurance benefits for all employees regularly scheduled to work 30 hours or more per week. On an annual basis, the City reviews health insurance options and determines the level of coverage offered, insurance carrier and plan. Currently, all employees can select either a single or family United Healthcare (UHC) health savings account (HSA). The City provides a portion of the HSA annual deductible amount on behalf of the employee; currently \$1,500 for single plans and \$3,000 for family plans.

Effective March 1, 2015, the City joined the Jefferson Health Plan consortium for the administration of the health insurance plan. The Jefferson Health Plan enables eligible employers to provide individually designed benefit programs to their employees while being able to enjoy the cost-saving advantages of group purchasing through the consortium. The fiscal agent for the consortium is the Jefferson County Educational Service Center. In its capacity as fiscal agent, the Jefferson County Educational Service Center has engaged the services of outside auditors to maintain the accuracy and integrity of the financial records of the consortium, including monthly financial reports provided to individual member organizations. Individual member organizations have the capability to monitor their financial activities daily.

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The City also provides life insurance through Standard Insurance Company in the amount of \$50,000 for nonunion, FOP and IAFF personnel. The City provides, through the Ohio AFSCME Care Plan, life insurance, accidental death and dismemberment, vision and hearing aid insurance for AFSCME personnel. Life insurance through the AFSCME Care Plan is based on their hourly wage with a minimum and maximum of \$14,000 and \$26,000, respectively.

The City also provides, through the Ohio AFSCME Care Plan, dental insurance for AFSCME, FOP and IAFF personnel. Dental Insurance for non-union personnel is provided by Delta Dental.

Note 15 – Short-Term Obligations

Changes in short-term obligations during 2019 were as follows:

Types/Issues	Balance at 12/31/2018	Increases	Decreases	Balance at 12/31/2019
<u>Governmental Activities:</u>				
2018 Various Purpose Bond Anticipation Note Series A	\$45,000	\$0	\$45,000	\$0
2018 Special Obligation Nontax Revenue Note Series B	1,525,000	0	1,525,000	0
Premium	9,628	0	9,628	0
2018 Special Obligation Nontax Revenue Note Series C	520,000	0	520,000	0
Premium	6,649	0	6,649	0
2018 Special Obligation Nontax Revenue Note Series D	1,000,000	0	1,000,000	0
Premium	7,933	0	7,933	0
2018 Various Purpose Bond Anticipation Note Series B	2,795,000	0	2,795,000	0
Premium	15,485	0	15,485	0
2019 Various Purpose Bond Anticipation Note Series A	0	602,244	0	602,244
Premium	0	2,805	2,338	467
2019 Special Obligation Nontax Revenue Note Series C	0	37,000	0	37,000
2019 Various Purpose Bond Anticipation Note Series B	0	2,662,000	0	2,662,000
Premium	0	16,957	5,652	11,305
Total Governmental Activities	<u>5,924,695</u>	<u>3,321,006</u>	<u>5,932,685</u>	<u>3,313,016</u>
<u>Business-type Activities:</u>				
2018 Various Purpose Bond Anticipation Note Series A (Sewer)	8,900	0	8,900	0
2019 Various Purpose Bond Anticipation Note Series A (Sewer)	0	3,000	0	3,000
Total Business-type Activities	<u>\$8,900</u>	<u>\$3,000</u>	<u>\$8,900</u>	<u>\$3,000</u>

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The notes are issued in anticipation of long-term bond financing and will be refinanced until such bonds are issued. They are backed by the full faith and credit of the City and mature within one year. The liability for the notes is presented in the fund that received the note proceeds.

On March 20, 2019, the City issued \$605,244 in various purpose bond anticipation notes series A. The notes were issued to retire a portion of the 2018 various purpose bond anticipation notes. The notes were issued at 2.50 percent and matured on March 19, 2020. The notes were paid from the Street Maintenance and Repair, Building and Land, Public Safety Police/Fire Special Revenue Funds, and Sewer Enterprise Fund.

On August 13, 2019, the City issued \$37,000 in special obligation nontax revenue notes series C. The notes were issued to retire the 2018 special obligation nontax revenue notes series C. The notes were issued at 3.570 percent and matured on June 3, 2020. The notes were paid from the Community Redevelopment Fund.

On September 5, 2019, the City issued \$2,662,000 in various purpose bond anticipation notes series B. The notes were issued to retire the 2018 various purpose notes series B. The notes were issued at 2.00 percent and will mature on September 3, 2020. The notes will be paid from the I-675 Corridor TIF, and Community Redevelopment Funds.

Note 16 – Long-Term Obligations

The summary of changes in long-term obligations of the governmental activities of the City during 2019 follows:

Types/Issues	Balance at 12/31/2018	Increases	Decreases	Balance at 12/31/2019	Due Within One Year
<u>Long Term Notes:</u>					
2018 2.25% - Various Purpose Bond Anticipation Notes Series A	\$3,001,225	\$0	\$3,001,225	\$0	\$0
Premium	4,474	0	4,474	0	0
2018 3.75% - Special Obligation Nontax Revenue Notes Series A	1,000,000	0	1,000,000	0	0
Premium	4,856	0	4,856	0	0
2019 2.50% - Various Purpose Bond Anticipation Notes Series A	0	2,398,981	0	2,398,981	0
Premium	0	17,752	13,311	4,441	0
2019 3.57% - Special Obligation Nontax Revenue Notes Series A	0	1,000,000	0	1,000,000	0
Premium	0	10,940	6,384	4,556	0
2019 3.57% - Special Obligation Nontax Revenue Notes Series B	0	1,525,000	0	1,525,000	0
Premium	0	15,921	7,960	7,961	0
2019 3.57% - Special Obligation Nontax Revenue Notes Series C	0	507,000	0	507,000	0
Premium	0	5,679	2,840	2,839	0
2019 3.57% - Special Obligation Nontax Revenue Notes Series D	0	1,000,000	0	1,000,000	0
Premium	0	10,440	5,220	5,220	0
Total Notes Payable	\$4,010,555	\$6,491,713	\$4,046,270	\$6,455,998	\$0

(continued)

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Types/Issues	Balance at 12/31/2018	Increases	Decreases	Balance at 12/31/2019	Due Within One Year
<u>Tax Increment Financing Revenue Bonds:</u>					
2013 1.5-3% Various Purpose					
Revenue Bonds (TIF)	\$1,105,000	\$0	\$90,000	\$1,015,000	\$90,000
Premium	26,498	0	2,554	23,944	0
Total Tax Increment Financing Revenue Bonds	<u>1,131,498</u>	<u>0</u>	<u>92,554</u>	<u>1,038,944</u>	<u>90,000</u>
<u>Special Assessment Bonds with</u>					
<u>Governmental Commitment:</u>					
2003 4.00 to 8.30% Dayton - Yellow Springs					
Improvement \$305,000	100,000	0	20,000	80,000	20,000
2016 1.9% Curb and Sidewalk \$85,000	55,000	0	15,000	40,000	20,000
2018 3.22% Curb and Sidewalk \$75,000	75,000	0	15,000	60,000	15,000
2019 2.97% Sidewalk Construction \$89,000	0	89,000	0	89,000	16,000
Total Special Assessment Bonds	<u>230,000</u>	<u>89,000</u>	<u>50,000</u>	<u>269,000</u>	<u>71,000</u>
<u>Loans Payable:</u>					
OPWC 0% \$334,832	319,467	0	11,209	308,258	5,605
<u>Other Long-Term Obligations:</u>					
Claims Payable	587,099	2,477,605	2,587,379	477,325	116,193
Compensated Absences Payable	1,469,963	1,187,965	1,172,940	1,484,988	1,055,632
Total Other Long-Term Obligations	<u>2,057,062</u>	<u>3,665,570</u>	<u>3,760,319</u>	<u>1,962,313</u>	<u>1,171,825</u>
<u>Net Pension Liability:</u>					
OP&F	23,272,972	7,421,256	0	30,694,228	0
OPERS	7,720,448	6,357,972	0	14,078,420	0
Total Net Pension Liability	<u>30,993,420</u>	<u>13,779,228</u>	<u>0</u>	<u>44,772,648</u>	<u>0</u>
<u>Net OPEB Liability:</u>					
OP&F	21,484,713	0	18,060,355	3,424,358	0
OPERS	5,305,457	1,295,174	0	6,600,631	0
Total Net OPEB Liability	<u>26,790,170</u>	<u>1,295,174</u>	<u>18,060,355</u>	<u>10,024,989</u>	<u>0</u>
Total Governmental Activities	<u>\$65,532,172</u>	<u>\$25,320,685</u>	<u>\$26,020,707</u>	<u>\$64,832,150</u>	<u>\$1,338,430</u>

On March 20, 2019, the City issued \$2,398,981 in various purpose bond anticipation notes series A. The notes were issued to retire a portion of the 2018 various purpose bond anticipation notes, and for public works improvements. The notes were issued at 2.50 percent and matured on March 19, 2020. The notes were paid from the Building and Land, and Public Safety Police/Fire Funds. The City had \$264,355 in unspent proceeds at December 31, 2019.

On June 4, 2019, the City issued \$1,000,000 in special obligation nontax revenue notes series A. The notes were issued to retire the 2018 special obligation nontax revenue notes series A. The notes were issued at 3.625 percent and matured on June 3, 2020. The notes were paid from the Community Redevelopment Fund.

On August 13, 2019, the City issued \$1,525,000 in special obligation nontax revenue notes series B. The notes were issued to retire the 2018 special obligation nontax revenue notes series B. The notes were issued at 3.570 percent and matured on June 3, 2020. The notes were paid from the Community Redevelopment Fund.

On August 13, 2019, the City issued \$507,000 in special obligation nontax revenue notes series C. The notes were issued to retire the 2018 special obligation nontax revenue notes series C. The notes were issued at 3.570 percent and matured on June 3, 2020. The notes were paid from the Community Redevelopment Fund.

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On August 13, 2019, the City issued \$1,000,000 in special obligation nontax revenue notes series D. The notes were issued to retire the 2018 special obligation nontax revenue notes series D. The notes were issued at 3.570 percent and matured on June 3, 2020. The notes were paid from the Community Redevelopment Fund.

On April 16, 2013, the City issued \$1,700,000 in various purpose tax increment financing bonds to retire \$1,460,000 of the 2012 tax increment financing bond anticipation note and \$70,000 of the 2012 various purpose curb & sidewalk bond anticipation note. The bonds were issued with interest rates varying from 1.5 to 3.0 percent for a 16 year period. The bonds will be paid from the Tax Increment Financing and General Capital Improvements Capital Projects Funds, respectively.

The Dayton – Yellow Springs Improvement special assessment bonds were issued to finance the expansion and improvements of Dayton – Yellow Springs Road. These bonds are being paid through the General Bond Retirement Debt Service Fund with special assessments revenue.

The 2016 and 2018 Curb and Sidewalk and 2019 Sidewalk Construction special assessment bonds were issued for the purpose of constructing and repairing curbs, sidewalks and driveway approaches throughout the City. Each bond issue is being paid through the General Bond Retirement Debt Service Fund with special assessments revenue.

The special assessment bond issues are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt.

The OPWC loan consists of money owed to the Ohio Public Works Commission for various construction projects within the City. The loan is a 30 year general obligation loan payable. The loan will be repaid from the County Motor Vehicle Tax Fund.

Compensated absences will be paid from the General, the Fire and EMS, Police, Street Maintenance and Repair, State Highway, Cemetery, Community Development and Victim Witness Special Revenue Funds, the Water, Sewer and Sanitation Enterprise Funds and the Equipment and Information Technology Internal Service Funds. There is no repayment schedule for the net pension/OPEB liability. However, employer pension/OPEB contributions are made from the General, the Fire and EMS, Police, Street Maintenance and Repair, State Highway, Cemetery, Community Development and Victim Witness Special Revenue Funds, the Water, Sewer and Sanitation Enterprise Funds and the Equipment and Information Technology Internal Service Funds. For additional information related to the net pension and net OPEB liabilities see notes 12 and 13.

A summary of the long-term obligations reported for business-type activities during 2019 is as follows:

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Types/Issues	Balance at 12/31/2018	Increases	Decreases	Balance at 12/31/2019	Due Within One Year
<u>Notes Payable:</u>					
2018 2.25% - Water Various Purpose					
Bond Anticipation Series A	\$2,975,825	\$0	\$2,975,825	\$0	\$0
Premium	4,376	0	4,376	0	0
2018 2.25% - Sewer Various Purpose					
Bond Anticipation Series A	3,835,025	0	3,835,025	0	0
Premium	5,646	0	5,646	0	0
2018 2.25% - Sanitation Various Purpose					
Bond Anticipation Series A	8,025	0	8,025	0	0
Premium	12	0	12	0	0
2019 2.50% - Water Various Purpose					
Bond Anticipation Series A	0	2,975,825	0	2,975,825	0
Premium	0	20,382	15,291	5,091	0
2019 2.50% - Sewer Various Purpose					
Bond Anticipation Series A	0	3,832,025	0	3,832,025	0
Premium	0	26,275	19,710	6,565	0
2019 2.50% Sanitation Various Purpose					
Bond Anticipation Series A	0	8,025		8,025	0
Premium	0	54	45	9	0
Total Notes Payable	6,828,909	6,862,586	6,863,955	6,827,540	0
<u>General Obligation Bonds:</u>					
2010 2.00 to 4.50% - Sewer Various Purpose \$7,460,000	6,875,000	0	140,000	6,735,000	145,000
Discount	(50,169)	0	(2,509)	(47,660)	0
Total General Obligation Bonds	6,824,831	0	137,491	6,687,340	145,000
<u>General Obligation Refunding Bonds:</u>					
2013 1.5% to 3.0% Water Various Purpose Bonds	2,775,000	0	170,000	2,605,000	175,000
Premium	47,819	0	3,575	44,244	0
2013 1.5% to 3.0% Water Various Purpose Bonds	468,000	0	76,050	391,950	76,050
Premium	8,913	0	1,658	7,255	0
2013 1.5% to 3.0% Sewer Various Purpose Bonds	732,000	0	118,950	613,050	118,950
Premium	13,942	0	2,593	11,349	0
2013 1.5% to 3.0% Sewer Various Purpose Bonds	1,470,000	0	90,000	1,380,000	90,000
Premium	25,371	0	1,897	23,474	0
Total General Obligation Refunding Bonds	5,541,045	0	464,723	5,076,322	460,000
<u>Special Assessment Bonds with Governmental Commitment</u>					
2003 5.00% Sewer Various Purpose \$170,000	50,000	0	10,000	40,000	10,000
<u>Other Long-Term Obligations</u>					
Landfill Closure and Postclosure	24,462	39,571	24,462	39,571	39,571
Compensated Absences Payable	227,093	181,739	163,025	245,807	164,429
Net Pension Liability - OPERS	2,306,106	1,899,137	0	4,205,243	0
Net OPEB Liability - OPERS	1,584,746	386,871	0	1,971,617	0
Total Other Long-Term Obligations	4,142,407	2,507,318	187,487	6,462,238	204,000
Total Business-type Activities	\$23,387,192	\$9,369,904	\$7,663,656	\$25,093,440	\$819,000

On March 20, 2019, the City issued \$6,815,875 in various purpose bond anticipation notes series A. The notes were issued to retire the 2018 various purpose bond anticipation notes series A. The notes were issued at 2.50 percent and matured on March 19, 2020. The notes were paid from the Water, Sewer, and Sanitation Funds with charges. The City had \$88,742 in unspent proceeds at December 31, 2019.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

On May 20, 2010, the City issued \$7,460,000 in Sewer Various Purpose general obligation bonds for the purpose of paying the costs of designing, constructing, and improving a water reclamation center office building and laboratory with related site improvements and necessary appurtenances. Of these bonds, \$3,130,000 were serial bonds and \$4,330,000 were term bonds. The bonds were issued for a 29 year period with final maturity in May of 2038. The bonds will be retired from the Sewer Fund with charges.

The term bonds issued at \$4,330,000 and maturing May 2038 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed plus accrued interest to the date of redemption, on May 6, in the years and in the respective principal amounts as follows:

<u>Year</u>	<u>Amount</u>
2022	\$315,000
2024	335,000
2034	1,335,000
2038	<u>2,070,000</u>
Total	<u><u>\$4,055,000</u></u>

On April 16, 2013, the City issued \$5,770,000 in various purpose general obligation bonds to retire \$3,770,000 of the 2012 water various purpose bond anticipation note and \$2,000,000 of the 2012 sewer various purpose bond anticipation note. The bonds were issued with interest rates varying from 1.5 to 3.0 percent for a 19 year period. The bonds will be paid from the Water and Sewer Funds with charges.

On April 16, 2013, the City issued \$1,995,000 in general obligation bonds to refund a portion of the 2004 water various purpose bonds and 2004 sewer various purpose bonds in order to take advantage of lower interest rates. The bonds were issued with interest rates varying from 1.5 to 3.0 percent. The bonds were issued for 11 year period with a final maturity during 2024. The bonds will be retired through the Water and Sewer Funds with charges. The amount unmaturing, unpaid as of December 31, 2019, is \$1,380,000.

The Sewer Various Purpose special assessment bonds were issued to finance the construction of sewer lines around Dayton – Yellow Springs Road. These bonds are being paid through the Sewer Fund with special assessments revenue. These bonds are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Compensated absences will be paid from the Water, Sewer, and Sanitation Enterprise Funds. There is no repayment schedule for the net pension/OPEB liability. However, employer pension/OPEB contributions are made from the Water, Sewer and Sanitation Enterprise Funds. For additional information related to the net pension and net OPEB liabilities see notes 12 and 13.

The City's overall legal debt margin was \$55,987,449 at December 31, 2019, and the unvoted debt margin was \$28,892,756.

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2019, follows:

Governmental Activities					
December 31,	TIF Revenue Bonds		Special Assessment Bonds		OPWC Loan
	Principal	Interest	Principal	Interest	Principal
2020	\$90,000	\$26,438	\$71,000	\$9,573	\$5,605
2021	95,000	24,636	72,000	6,697	11,209
2022	95,000	22,738	53,000	4,429	11,209
2023	95,000	20,838	54,000	2,512	11,209
2024	100,000	18,700	19,000	565	11,209
2025-2029	540,000	49,650	0	0	56,045
2030-2034	0	0	0	0	56,045
2035-2039	0	0	0	0	56,048
2040-2044	0	0	0	0	56,050
2045-2047	0	0	0	0	33,629
Total	\$1,015,000	\$163,000	\$269,000	\$23,776	\$308,258

Business type Activities				
December 31,	General Obligation Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest
2020	\$605,000	\$418,613	\$10,000	\$1,880
2021	620,000	403,976	10,000	1,410
2022	635,000	388,476	10,000	940
2023	650,000	372,577	10,000	470
2024	665,000	355,063	0	0
2025-2029	3,295,000	1,453,884	0	0
2030-2034	3,185,000	817,770	0	0
2035-2038	2,070,000	237,825	0	0
Total	\$11,725,000	\$4,448,184	\$40,000	\$4,700

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 17 – Landfill Closure And Postclosure Care Cost

State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site after closure. The City's landfill placed its final cover in 1989. The \$39,571 reported as a landfill post-closure care liability in the Sanitation Enterprise Fund at December 31, 2019, represents the estimated cost of maintenance and monitoring through 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City is not required by State and federal laws and regulations to provide assurances that financial resources will be available to provide for post-closure care and remediation or containment of environmental hazards at the landfill. On March 1, 1990, the financial assurance rules went into effect. Prior to that, post-closure care was required (as long as the facility closed between March 1, 1987, and February 28, 1990), but there were no requirements for financial assurance since no financial assurance rules existed.

Note 18 – Interfund Assets/Liabilities

Interfund balances at December 31, 2019, consisted of the following amounts and result from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All are expected to be paid within one year.

	<u>Interfund Receivable</u>
<u>Interfund Payable</u>	General
Nonmajor Governmental Funds	Fund
	\$451,000

Interfund transfers for the year ended December 31, 2019, consisted of the following:

	<u>Transfers To</u>			
	Fire and EMS Fund	Police Fund	Nonmajor Governmental Funds	
<u>Transfers From</u>				
General Fund	\$2,979,700	\$3,850,000	\$853,635	\$7,683,335
Nonmajor Governmental Funds	0	0	50,000	50,000
<u>Total</u>	<u>\$2,979,700</u>	<u>\$3,850,000</u>	<u>\$903,635</u>	<u>\$7,733,335</u>

Transfers from the General Fund are used to move General Fund revenues into other funds to subsidize various programs and for debt service requirements. The transfer between nonmajor governmental funds and nonmajor governmental funds of \$50,000 was to assist in equipment acquisitions.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 19 – Jointly Governed Organizations

Miami Valley Regional Planning Commission

The Miami Valley Regional Planning Commission (the “Commission”) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami, and Montgomery Counties, along with the cities of Clayton, Huber Heights, Riverside, New Carlisle, and Dayton. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses which affect the development of the region. The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Payments to the Commission are made from the General Fund. Each member’s degree of control is limited to its representation on the Board. The City contributed \$14,882 for the operation of the Commission during 2019. Financial information may be obtained from the Miami Valley Regional Planning Commission, Ten North Ludlow Street, Suite 700, Dayton, Ohio 45402.

Regional Emergency Response Team (RERT)

The Regional Emergency Response Team (RERT) is a jointly governed organization between the following cities: Huber Heights, Fairborn, and Beavercreek. The organization was created through an agreement by the cities to establish a regional council of governments for the RERT. The regional council of governments collects and expends resources to assist the RERT in fighting crime and for other related activities. The purpose of the RERT is to foster cooperation among municipalities through sharing of equipment/facilities/collective team expenses, team consultant expenses and grant sharing costs, for their common benefit. This includes the mutual interchange and sharing of police equipment, as well as police equipment to be jointly acquired and owned, to be utilized by all participating members. The Board of the RERT is made up of one representative from each municipality. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member’s degree of control is limited to its representation on the Board. Payments to the RERT are made from the General Fund. The City contributed \$6,083 for the operation of the RERT for 2019. Financial information can be obtained from the fiscal agent by writing to the Regional Emergency Response Team, c/o the City of Beavercreek, at 1368 Research Park Drive, Beavercreek, Ohio 45432.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Greene County Agencies for Combined Enforcement (ACE Task Force)

The Greene County Agencies for Combined Enforcement (ACE Task Force) is a jointly governed organization comprised of the Greene County Sheriff's Office; the Beavercreek, Fairborn, Xenia, Yellow Springs Police Departments; and Greene County Prosecutor's Office. The ACE Task Force is a multi-jurisdictional, multi-disciplinary partnership to share information and resources in order to target the flow of illegal drugs and organized criminal activity into Ohio communities, ensuring the safety and security of Ohio's citizens. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. Payments to the Task Force are made from the General Fund. The City contributed \$20,000 during 2019. Financial information can be obtained from Greene County Agencies for Combined Enforcement (ACE Task Force), 120 East Main Street, Xenia, OH 45385.

Fairborn Development Corporation

The Fairborn Development Corporation is a jointly governed organization created as a not-for-profit corporation under Chapter 1724 of the Ohio Revised Code. The Fairborn Development Corporation was formed to advance, encourage, and promote the industrial, economic, commercial, and civic development of the Greene County, Ohio and the municipal corporations located therein. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. The City did not contribute to the Fairborn Development Corporation during 2019. Financial information can be obtained by writing to Fairborn Development Corporation, c/o The City of Fairborn, at 44 West Hebble Avenue, Fairborn, OH 45324.

Greene County Regional Planning and Coordination Commission (GCRPCC)

The Greene County Regional Planning and Coordination Commission (GCRPCC) is a jointly governed organization between Green County area municipalities, townships and villages. There are two governing bodies; the Planning Commission which consists of one elected official from each member jurisdiction (two Cities, five Villages and twelve Townships) and the three County Commissioners; and the Executive Committee which consists of five member of the Planning Commission.

GCRPCC guides the physical development of land in the unincorporated areas of Greene County. Specifically, the GCRPCC oversees the administration of many county development regulations, including subdivisions. The GCRPCC provides professional planning services and technical assistance to the member jurisdictions and county departments so as to enhance the quality of life for those who live, work and recreate in Greene County.

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. The City contributed \$3,354 during 2019. Financial information can be obtained from the Greene County Regional Planning and Coordination Commission, 651 Dayton-Xenia Road, Suite #1, Xenia, Ohio 45385.

Regional Income Tax Agency (RITA)

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collection income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2019, the City paid RITA \$394,765 for income tax collection services.

Note 20 – Public Entity Shared Risk Pool

Public Entities Pool of Ohio (PEP)

The Public Entities Pool of Ohio (PEP) is a statutory entity created pursuant to section 2744.081, of the Ohio Revised Code, by the execution of an intergovernmental contract ("Participation Agreements"). PEP enables the subscribing subdivisions to pool risk for property, liability and public official liability. PEP has no employees, rather it is administered through contracts with various professionals.

Pursuant to a contract, the firm of USI Insurance Services administers PEP. PEP is a separate legal entity. PEP subcontracts certain self-insurance, administrative and claims functions to a "Pool Operator," currently Pottering Insurance. PEP has executed contracts with various professionals for actuary services, as independent auditors, as loss control representatives, as litigation management and defense law firms, as counsel to PEP and others as required.

PEP is governed by a seven member Board of Trustees elected by the members of PEP. The City makes an annual contribution to PEP for the coverage it is provided, based on rates established by PEP. Financial information may be obtained by writing to the Public Entities Pool of Ohio, 10100 Innovation Drive, Dayton, Ohio, 45342.

Jefferson Health Plan

The City participates in the Jefferson Health Plan, a risk-sharing, claims servicing, and insurance purchasing pool comprised of over one hundred members, including five insurance consortiums. Each participant appoints a member of the insurance plan's assembly. The Plan's business and

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

affairs are conducted by a nine member Board of Directors elected from the assembly. The plan offers medical, dental, vision, and prescription drug coverage to the members on a self-insured basis, as well as the opportunity to participate in the group purchasing of life insurance coverage. The medical coverage plan provides each plan participant the opportunity to choose a self-insurance deductible limit which can range from \$35,000 to \$250,000 under which the individual member is responsible for all claims through the claims servicing pool. Plan participants also participate in a shared risk internal pool for individual claims between the self-insurance deductible limit and \$1,500,000, and all claims between the deductible and the \$1,500,000 are paid from the Large Claim Reimbursement Program (LCRP). The LCRP is not owned by the plan participants. All participants pay a premium rate that is actuarially calculated based on the participants' actual claims experience which are utilized for the payment of claims within the LCRP up to the self-insurance deductible limit; and for this portion of the plan, all plan participants retain their own risk. All participants pay an additional fee for participation in the LCRP that is based on the claims of the LCRP in aggregate and is not based on individual claims experience.

In the event of a deficiency in the LCRP, participants would be charged a higher rate for participation, and in the event of a surplus, the internal pool pays dividends to the participants. For all individual claims exceeding \$1,500,000, stop loss coverage is purchased, as well as for an annual total plan aggregate claims amount. All plan participants also pay a monthly administrative fee for fiscal services and third party administrative services. The plan also purchases fully insured life insurance for plan participants.

Note 21 - Significant Commitments

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

At year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<u>Governmental Funds:</u>	
General	\$511,592
Fire and EMS	137,468
Police	40,508
County Motor Vehicle Tax	2,560,365
Public Safety Police/Fire	263,741
Other Governmental Funds	760,233
Total Governmental Funds	\$4,273,907
	(continued)

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Enterprise Funds:

Water	\$790,375
Sewer	839,448
Sanitation	389,112
Total Enterprise Funds	2,018,935

Internal Service Funds:

Equipment	56,523
Information Technology	69,208
Total Internal Service Funds	125,731
Total	\$6,418,573

Contractual Commitments

As of December 31, 2019, the City had the following commitments with respect to capital projects:

Project	Construction Commitments
Tyler Technology Software	\$49,709
Kauffman Avenue Widening Design	421,777
Maple Avenue Phase I Design	115,764
Broad Street Improvements	94,091
Maple Avenue Phase II Design	379,194
Digesters 1 and 2 Blower Upgrade	22,509
Colonel Glenn Highway Phase 1 Enhancement	104,661
Kauffman/Colonel Glenn Roundabout	552,185
Yellow Springs-Fairfield Road Improvement	47,925
Xenia Drive	45,334
Central Avenue	74,458
Dayton Yellow Springs Road - Gateway to Commerce	325,000
Public Works Facility	222,465
Park Office Lean To	64,000
Five Points Tower Painting	31,106
Five Points Tower Maintenance	42,757
Solids Dewatering	75,000
MR Well 3	124,188
Clarifier 1 and 2 Metal Repair 2019	220,000
Family Video Demolition	24,988
Commerical Waste Disposal Contract	35,787
Residential Waste Disposal	284,070
Oxidation Ditch Clarifier Process Modeling	76,211

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 22 – Fund Balance

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 governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

Fund Balances	General Fund	Fire and EMS Fund	Police Fund	County Motor Vehicle Tax Fund
<u>Nonspendable:</u>				
Material and Supplies	\$21,949	\$0	\$7,293	\$0
Unclaimed Monies	59,663	0	0	0
Total Nonspendable	<u>81,612</u>	<u>0</u>	<u>7,293</u>	<u>0</u>
<u>Restricted for:</u>				
Public Safety	0	318,240	30,145	0
Transportation and Street Repair	0	0	0	2,578,730
Total Restricted	<u>0</u>	<u>318,240</u>	<u>30,145</u>	<u>2,578,730</u>
<u>Assigned to:</u>				
Purchases on Order for:				
General Government	285,341	0	0	0
Leisure Time Services	46,203	0	0	0
Community and Economic Development	80,595	0	0	0
Capital Projects	60,310	0	0	0
General Capital Improvements	0	0	0	0
Future Appropriations	2,734,370	0	0	0
Total Assigned	<u>3,206,819</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Unassigned (Deficits):</u>	<u>6,052,931</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances (Deficits)	<u>\$9,341,362</u>	<u>\$318,240</u>	<u>\$37,438</u>	<u>\$2,578,730</u>

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Fund Balances	Public Safety Police/Fire Fund	Nonmajor Governmental Funds	Total
<u>Nonspendable:</u>			
Material and Supplies	\$0	\$180,021	\$209,263
Unclaimed Monies	0	0	59,663
Total Nonspendable	<u>0</u>	<u>180,021</u>	<u>268,926</u>
<u>Restricted for:</u>			
Debt Service	0	103,594	103,594
Capital Improvements	0	1,036,171	1,036,171
Public Safety	627,059	957,682	1,933,126
Transportation and Street Repair	0	1,290,757	3,869,487
Community and Economic Development	0	2,226,793	2,226,793
Total Restricted	<u>627,059</u>	<u>5,614,997</u>	<u>9,169,171</u>
<u>Committed to:</u>			
Cemetery Operations	0	56,606	56,606
Land and Building Improvements	0	336,368	336,368
Recreation Improvements	0	323,709	323,709
Total Committed	<u>0</u>	<u>716,683</u>	<u>716,683</u>
<u>Assigned to:</u>			
Purchases on Order for:			
General Government	0	0	285,341
Leisure Time Services	0	0	46,203
Community and Economic Development	0	0	80,595
Capital Projects	0	0	60,310
General Capital Improvements	0	562,794	562,794
Future Appropriations	0	0	2,734,370
Total Assigned	<u>0</u>	<u>562,794</u>	<u>3,769,613</u>
<u>Unassigned (Deficits):</u>	<u>0</u>	<u>(2,144,747)</u>	<u>3,908,184</u>
Total Fund Balances (Deficits)	<u>\$627,059</u>	<u>\$4,929,748</u>	<u>\$17,832,577</u>

City of Fairborn, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 23 – Contingent Liabilities

Litigation

The City of Fairborn is currently a party to legal proceeding seeking damages or injunctive relief generally incidental to its operations and pending projects as of December 31, 2019. The City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Federal and State Grants

For the period January 1, 2019, to December 31, 2019, the City received federal and State grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to 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 24 – Subsequent Events

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the investments of the pension and other employee benefit plans in which the City participates have not incurred a significant decline in fair value. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses, if any, that will be recognized in subsequent periods, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

On March 19, 2020, the City issued various Bond Anticipation Notes in the amount of \$6,567,100.

On June 3, 2020, the City issued Special Obligation Nontax Revenue Bond Anticipation Notes in the amount of \$4,032,000.

REQUIRED SUPPLEMENTARY INFORMATION



City of Fairborn, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Six Years (1)

	2019	2018	2017
City's Proportion of the Net Pension Liability	0.06675800%	0.06391200%	0.06196500%
City's Proportionate Share of the Net Pension Liability	\$18,283,663	\$10,026,554	\$14,071,198
City's Covered Payroll	\$9,016,814	\$9,037,292	\$8,025,850
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	202.77%	110.95%	175.32%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

2016	2015	2014
0.06053100%	0.06062000%	0.06062000%
\$10,484,734	\$7,311,449	\$7,146,308
\$7,517,724	\$7,432,075	\$7,261,831
139.47%	98.38%	98.41%
81.08%	86.45%	86.36%

City of Fairborn, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System - Combined Plan
Last Two Years (1)

	2019	2018
City's Proportion of the Net Pension Liability	0.06476200%	0.07745400%
City's Proportionate Share of the Net Pension (Asset)	(\$72,419)	(\$105,440)
City's Covered Payroll	\$276,979	\$317,215
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	(26.15%)	(33.24%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset	126.64%	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

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

See accompanying notes to the required supplementary information.

City of Fairborn, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System - OPEB Plan
Last Three Years (1)

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.06575000%	0.06345000%	0.06145000%
City's Proportionate Share of the Net OPEB Liability	\$8,572,248	\$6,890,203	\$6,206,659
City's Covered Payroll	\$9,536,868	\$9,578,782	\$8,492,908
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	89.89%	71.93%	73.08%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

City of Fairborn, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Ohio Police and Fire Pension Fund
Last Six Years (1)

	2019	2018
City's Proportion of the Net Pension Liability	0.03760330%	0.37919600%
City's Proportionate Share of the Net Pension Liability	\$30,694,228	\$23,272,972
City's Covered Payroll	\$8,385,409	\$8,979,786
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	366.04%	259.17%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

2017	2016	2015	2014
0.36342900%	0.37672500%	0.37679490%	0.37679490%
\$23,019,228	\$24,234,984	\$19,519,547	\$18,351,094
\$6,865,876	\$7,521,151	\$7,331,137	\$6,483,988
335.27%	322.22%	266.26%	283.02%
68.36%	66.77%	72.20%	73.00%



City of Fairborn, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Ohio Police and Fire Pension Fund
Last Three Years (1)

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.03760330%	0.37919600%	0.36342900%
City's Proportionate Share of the Net OPEB Liability	\$3,424,358	\$21,484,713	\$17,251,157
City's Covered Payroll	\$8,385,409	\$8,979,786	\$6,865,876
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	40.84%	239.26%	251.26%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.57%	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information.

City of Fairborn, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employees Retirement System
Last Seven Years (1) (2)

	2019	2018	2017
Net Pension Liability - Traditional Plan:			
Contractually Required Contribution	\$1,309,209	\$1,262,354	\$1,174,848
Contributions in Relation to the Contractually Required Contribution	<u>(1,309,209)</u>	<u>(1,262,354)</u>	<u>(1,174,848)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$9,351,493	\$9,016,814	\$9,037,292
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%
Net Pension Liability - Combined Plan:			
Contractually Required Contribution	\$32,275	\$38,777	\$41,238
Contributions in Relation to the Contractually Required Contribution	<u>(32,275)</u>	<u>(38,777)</u>	<u>(41,238)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll	\$230,536	\$276,979	\$317,215
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.00%
Net OPEB Liability - OPEB Plan:			
Contractually Required Contribution	\$9,615	\$9,723	\$102,516
Contributions in Relation to the Contractually Required Contribution	<u>(9,615)</u>	<u>(9,723)</u>	<u>(102,516)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll (3)	\$9,822,404	\$9,536,868	\$9,578,782
OPEB Contributions as a Percentage of Covered Payroll	0.10%	0.10%	1.07%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2013 is not available for the traditional plan, and information prior to 2015 is not available for the combined plan. An additional column will be added each year.

(2) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented for the OPEB plan.

(3) The OPEB plan includes the members from the traditional plan, the combined plan, and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information.

2016	2015	2014	2013
\$963,102	\$902,127	\$891,849	\$944,038
<u>(963,102)</u>	<u>(902,127)</u>	<u>(891,849)</u>	<u>(944,038)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$8,025,850	\$7,517,724	\$7,432,075	\$7,261,831
12.00%	12.00%	12.00%	13.00%
\$35,104	\$30,795		
<u>(35,104)</u>	<u>(30,795)</u>		
<u>\$0</u>	<u>\$0</u>		
\$292,533	\$256,625		
12.00%	12.00%		
\$173,349			
<u>(173,349)</u>			
<u>\$0</u>			
\$8,492,908			
2.04%			

City of Fairborn, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

	2019	2018	2017	2016
Net Pension Liability:				
Contractually Required Contribution	\$1,873,347	\$1,795,179	\$1,925,564	\$1,472,036
Contributions in Relation to the Contractually Required Contribution	<u>(1,873,347)</u>	<u>(1,795,179)</u>	<u>(1,925,564)</u>	<u>(1,472,036)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's Covered Payroll (1)	\$8,760,530	\$8,385,409	\$8,979,786	\$6,865,876
Pension Contributions as a Percentage of Covered Payroll	21.38%	21.41%	21.44%	21.44%
Net OPEB Liability:				
Contractually Required Contribution	\$43,803	\$41,927	\$44,899	\$34,329
Contributions in Relation to the Contractually Required Contribution	<u>(43,803)</u>	<u>(41,927)</u>	<u>(44,899)</u>	<u>(34,329)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%
Total Contributions as a Percentage of Covered Payroll	<u>21.88%</u>	<u>21.91%</u>	<u>21.94%</u>	<u>21.94%</u>

(1) The City's covered payroll is the same for pension and OPEB.

See accompanying notes to the required supplementary information.

2015	2014	2013	2012	2011	2010
\$1,614,648	\$1,576,862	\$1,196,038	\$999,985	\$987,882	\$1,112,011
<u>(1,614,648)</u>	<u>(1,576,862)</u>	<u>(1,196,038)</u>	<u>(999,985)</u>	<u>(987,882)</u>	<u>(1,112,011)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$7,521,151	\$7,331,137	\$6,483,988	\$6,594,406	\$6,505,473	\$7,322,201
21.47%	21.51%	18.45%	15.16%	15.19%	15.19%
\$37,605	\$36,655	\$234,505	\$445,122	\$439,119	\$494,249
<u>(37,605)</u>	<u>(36,655)</u>	<u>(234,505)</u>	<u>(445,122)</u>	<u>(439,119)</u>	<u>(494,249)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
0.50%	0.50%	3.62%	6.75%	6.75%	6.75%
<u>21.97%</u>	<u>22.01%</u>	<u>22.07%</u>	<u>21.91%</u>	<u>21.94%</u>	<u>21.94%</u>

City of Fairborn, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

Changes in Assumptions – OPERS Pension

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used beginning in 2017 and in 2016 and prior are presented below:

	<u>2019</u>	<u>2018 and 2017</u>	<u>2016 and prior</u>
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

Changes in Assumptions – OP&F Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

City of Fairborn, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

	2018	2017 and Prior
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Amounts reported beginning in 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

Amounts reported beginning in 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

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

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

City of Fairborn, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

Changes in Assumptions – OPERS OPEB

For 2019, the single discount rate changed from 3.85 percent to 3.96 percent and the municipal bond rate changed from 3.31 percent to 3.71 percent. For 2019, the health care cost trend rate was 10 percent, initial; 3.25 ultimate in 2029. For 2018, the health care cost trend rate was 7.25 percent, initial; 3.25 percent ultimate in 2028.

For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

Changes in Assumptions – OP&F OPEB

For 2019, the single discount rate changed from 3.24 percent to 4.66 percent.

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

COMBINING FINANCIAL STATEMENTS
AND
INDIVIDUAL FUND SCHEDULES

City of Fairborn, Ohio
Nonmajor Fund Descriptions

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted or committed by law and administrative action to expenditures for specified purposes. The following are descriptions of the City's nonmajor special revenue funds:

Nonmajor Special Revenue Funds

Street Maintenance and Repair Fund

Street Maintenance and Repair Fund accounts for and reports municipal income taxes restricted for street projects, and restricted gasoline tax and motor vehicle license fees remitted to the City for routine maintenance and repairs of City streets.

State Highway Fund

State Highway Fund accounts for and reports gasoline taxes and motor vehicle license fees restricted for routine maintenance of State highways within the City.

Community Development Fund

Community Development Fund accounts for and reports restricted federal government grant money under the Community Development Block Grant program. This fund had no cash activity during 2019, therefore no budgetary statement is presented.

Cemetery Fund

Cemetery Fund accounts for and report revenues received from the sale of lots, charges for burial service and foundations committed to operation and maintenance of the City cemetery.

Neighborhood Stabilization Fund

Neighborhood Stabilization Program Fund accounts for and reports restricted federal grant money received through the Neighborhood Stabilization Program for improvements to housing stock and living environments in eligible communities.

Neighborhood Stabilization II Fund

Neighborhood Stabilization Program Fund II accounts for and reports restricted federal grant money received through the State of Ohio through the American Recovery and Reinvestment Act to improve the housing stock and living environment in eligible communities to primarily benefit low, moderate, and middle income households. The grant money was provided to the community for renovations, and is now being returned to the city. This Fund had no cash activity during 2019, therefore no budgetary statement is presented.

Community Development Block Grant Fund

Community Development Block Grant Fund accounts for and reports restricted federal government grant money under the Community Development Block Grant program.

(continued)

City of Fairborn, Ohio
Nonmajor Fund Descriptions
(Continued)

Victim Witness Fund

Victim Witness Fund accounts for and reports restricted State grant money used for local crime victim assistance programs.

Home Fund

Home Fund accounts for and reports restricted federal grant money received through U.S. Housing and Urban Development's HOME Investment Partnerships Program to create affordable housing for low income households.

Justice Reinvestment and Incentive Grant Fund

Justice Reinvestment and Incentive Grant Fund accounts for and reports restricted State grant money received for corrections and public safety programs.

Law Enforcement Trust Fund

Law Enforcement Trust Fund accounts for and reports restricted fines and forfeitures revenue generated from the prosecution of those in possession of contraband and the proceeds gained from the sale of the confiscated contraband.

Drug Law Enforcement Fund

Drug Law Enforcement Fund accounts for and reports restricted fines generated from the prosecution of illegal drug usage and sales and donations from interested civic groups.

Indigent Drivers Alcohol Treatment Fund

Indigent Drivers Alcohol Treatment fund accounts for and reports restricted fines imposed by the Municipal Court for the purpose of paying the costs of attendance of indigent OMVI offenders at alcohol and drug addiction treatment programs.

Alcohol Enforcement and Education Fund

Alcohol Enforcement and Education Fund accounts for and reports restricted fines imposed by the Municipal Court for the purpose of educating the public and enforcing the laws governing the operation of a motor vehicle while under the influence of alcohol.

Federal Forfeitures Fund

Federal Forfeitures Fund accounts for and reports restricted federal forfeitures received by the Fairborn Police Department. The revenue is used for law enforcement purposes only, excluding salaries.

Municipal Probation Services Fund

Municipal Probation Services Fund accounts for and reports restricted fees from the Municipal Court and used by the Probation Department for staff, equipment, and probation treatment programs.

(continued)

City of Fairborn, Ohio
Nonmajor Fund Descriptions
(Continued)

Traffic Intervention Fund

Traffic Intervention Fund accounts for and reports restricted fines from the Municipal Court to create a traffic intervention program to increase the number of licensed and insured drivers in the community.

Court Legal Research/Computerization Fund

Court Legal Research/Computerization Fund accounts for and reports a three dollar fee charged by the Municipal Court restricted for court computerization and to procure and maintain computerized legal research services.

Court Clerk Computerization Fund

Court Clerk Computerization Fund accounts for and reports a three dollar fee charged by the Municipal Court restricted to procure and maintain computer systems for the court clerk.

Indigent Driver's Interlock and Alcohol Monitoring Fund

Indigent Driver's Interlock and Alcohol Monitoring Fund accounts for and reports the monies received from fines imposed by the Municipal Court restricted for the purpose of paying costs to procure alcohol monitoring or driver interlock devices for indigent defendants.

Moving Ohio Forward Fund

Moving Ohio Forward Fund accounts for and reports restricted money received to reimburse the City for the demolition of vacant, abandoned, and blighted properties that detract from existing home values and may lead to increased crime.

Federal Emergency Management Agency Fund

Federal Emergency Management Agency Fund accounts for and reports restricted federal grant money used to aid in cost reimbursements.

Community Redevelopment Fund

The Community Redevelopment Fund accounts for and reports restricted monies for the community development department to demolish, renovate, and reconstruct blighted properties in the City.

Fire Loss Escrow Fund

To account for and report insurance proceeds arising from destruction by fire of an insured building or structure within the municipality restricted for the purpose of providing the municipality with security for the expenses in removing, repairing or securing the building or other structure.

Uninsured Loss Fund

Uninsured Loss Fund accounts for and reports expenditures to repair damage to City property. This fund is included with the General Fund for GAAP reporting as it does not have a restricted or committed revenue source.

(continued)

City of Fairborn, Ohio
Nonmajor Fund Descriptions
(Continued)

Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Nonmajor Debt Service Fund

General Bond Retirement Fund

To account for and report the accumulation of resources restricted to the payment of principal and interest.

Capital Projects Funds

Capital projects funds are used to account for restricted, committed, or assigned financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

Nonmajor Capital Projects Funds

Court Special Projects Fund

Court Special Projects Fund accounts for and reports restricted fines levied by the Municipal Court to be used by the court for special projects.

General Capital Improvement Fund

General Capital Improvement Fund accounts for and reports revenues assigned to purchase or construct equipment or buildings.

Parks and Recreation Improvements Fund

Parks and Recreation Improvement Fund accounts for and reports committed hotel/motel taxes received for improvements in the City's park system.

Building and Land Fund

Building and Land Fund accounts for and reports three percent of income tax revenue that is transferred from the General Fund and is committed to fund major repairs, replacements and improvements of City owned buildings and land.

Tax Increment Financing Fund

The Tax Increment Financing Fund accounts for and reports restricted revenue received from payments in lieu of taxes from area businesses that are within tax increment financing districts, which are used for capital infrastructure improvements or pay for associated debt on past capital improvements within the designated area as well as reimbursing local school districts for a portion of the taxes lost as a result of the exemptions.

(continued)

City of Fairborn, Ohio
Nonmajor Fund Descriptions
(Continued)

Special Assessment Construction Fund

Special Assessment Construction Fund accounts for and reports the sale of notes and the collection of special assessments restricted for the construction of specific projects which will be paid from special assessments.

I-675 Corridor Tax Increment Financing Fund

The I-675 Corridor Tax Increment Financing Fund accounts for and reports restricted revenue received from payments in lieu of taxes from area businesses that are within tax increment financing district of the I-675 Corridor, which are used for capital infrastructure improvements or pay for associated debt on past capital improvements within the designated area as well as reimbursing local school districts for a portion of the taxes lost as a result of the exemptions.



City of Fairborn, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$2,965,502	\$103,594	\$2,431,405	\$5,500,501
Receivables:				
Other Local Taxes	0	0	23,462	23,462
Municipal Income Taxes	210,000	0	0	210,000
Revenue in Lieu of Taxes	0	0	702,786	702,786
Accounts	0	676,981	0	676,981
Intergovernmental	1,033,776	0	0	1,033,776
Special Assessments	0	270,914	0	270,914
Loans	500,000	0	0	500,000
Assets Held for Resale	2,082,801	0	0	2,082,801
Materials and Supplies Inventory	180,021	0	0	180,021
<i>Total Assets</i>	<u>\$6,972,100</u>	<u>\$1,051,489</u>	<u>\$3,157,653</u>	<u>\$11,181,242</u>
Liabilities:				
Accounts Payable	\$42,944	\$0	\$13,867	\$56,811
Interfund Payable	451,000	0	0	451,000
Accrued Wages Payable	26,580	0	4,021	30,601
Intergovernmental Payable	8,883	0	621	9,504
Deposits Held and Due to Others	24,711	0	0	24,711
Accrued Interest Payable	8,648	0	16,823	25,471
Notes Payable	819,598	0	2,276,821	3,096,419
<i>Total Liabilities</i>	<u>1,382,364</u>	<u>0</u>	<u>2,312,153</u>	<u>3,694,517</u>
Deferred Inflows of Resources:				
Revenue in Lieu of Taxes	0	0	702,786	702,786
Unavailable Revenue	906,296	947,895	0	1,854,191
<i>Total Deferred Inflows of Resources</i>	<u>906,296</u>	<u>947,895</u>	<u>702,786</u>	<u>2,556,977</u>
Fund Balances:				
Nonspendable	180,021	0	0	180,021
Restricted	4,475,232	103,594	1,036,171	5,614,997
Committed	56,606	0	660,077	716,683
Assigned	0	0	562,794	562,794
Unassigned (Deficit)	(28,419)	0	(2,116,328)	(2,144,747)
<i>Total Fund Balances (Deficits)</i>	<u>4,683,440</u>	<u>103,594</u>	<u>142,714</u>	<u>4,929,748</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$6,972,100</u>	<u>\$1,051,489</u>	<u>\$3,157,653</u>	<u>\$11,181,242</u>

City of Fairborn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Other Local Taxes	\$0	\$0	\$209,183	\$209,183
Municipal Income Taxes	210,000	0	0	210,000
Revenue in Lieu of Taxes	0	0	728,180	728,180
Fines, Licenses and Permits	262,573	0	201,370	463,943
Charges for Services	39,140	100,551	97,838	237,529
Investment Earnings	44,211	23,610	10,128	77,949
Intergovernmental	2,398,929	0	49,000	2,447,929
Special Assessments	0	38,266	0	38,266
Contributions and Donations	7,876	0	0	7,876
Other	220,907	0	63,603	284,510
<i>Total Revenues</i>	<u>3,183,636</u>	<u>162,427</u>	<u>1,359,302</u>	<u>4,705,365</u>
Expenditures:				
Current:				
General Government	159,102	1,662	229,990	390,754
Public Safety	533,264	0	0	533,264
Leisure Time Activities	0	0	18,343	18,343
Community Development	634,036	0	0	634,036
Transportation and Street Repair	1,386,023	0	0	1,386,023
Public Health and Welfare	125,069	0	0	125,069
Capital Outlay	389,628	0	495,533	885,161
Intergovernmental	0	0	436,813	436,813
Debt Service:				
Principal Retirement	1,230,000	50,000	723,150	2,003,150
Interest and Fiscal Charges	121,840	8,524	90,982	221,346
<i>Total Expenditures</i>	<u>4,578,962</u>	<u>60,186</u>	<u>1,994,811</u>	<u>6,633,959</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,395,326)</u>	<u>102,241</u>	<u>(635,509)</u>	<u>(1,928,594)</u>
Other Financing Sources (Uses):				
Special Assessment Bonds Issued	0	1,241	83,799	85,040
Notes Issued	4,032,000	0	477,298	4,509,298
Premium on Debt Issued	42,980	0	4,339	47,319
Transfers-In	421,700	0	481,935	903,635
Transfers-Out	(50,000)	0	0	(50,000)
<i>Total Other Financing Sources (Uses)</i>	<u>4,446,680</u>	<u>1,241</u>	<u>1,047,371</u>	<u>5,495,292</u>
<i>Net Change in Fund Balances</i>	3,051,354	103,482	411,862	3,566,698
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>1,632,086</u>	<u>112</u>	<u>(269,148)</u>	<u>1,363,050</u>
<i>Fund Balances at End of Year</i>	<u>\$4,683,440</u>	<u>\$103,594</u>	<u>\$142,714</u>	<u>\$4,929,748</u>

City of Fairborn, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Street Maintenance and Repair Fund	State Highway Fund	Community Development Fund
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$1,051,014	\$205,840	\$38,646
Receivables:			
Municipal Income Taxes	210,000	0	0
Intergovernmental	887,111	71,930	0
Loans	0	0	0
Assets Held for Resale	0	0	0
Materials and Supplies Inventory	180,021	0	0
<i>Total Assets</i>	<u>\$2,328,146</u>	<u>\$277,770</u>	<u>\$38,646</u>
Liabilities:			
Accounts Payable	\$18,639	\$1,086	\$0
Interfund Payable	0	0	0
Accrued Wages Payable	13,165	1,419	0
Intergovernmental Payable	6,432	271	0
Deposits Held and Due to Others	0	0	0
Accrued Interest Payable	4,568	0	0
Notes Payable	230,262	0	0
<i>Total Liabilities</i>	<u>273,066</u>	<u>2,776</u>	<u>0</u>
Deferred Inflows of Resources:			
Unavailable Revenue	810,597	48,699	0
Fund Balances:			
Nonspendable	180,021	0	0
Restricted	1,064,462	226,295	38,646
Committed	0	0	0
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficits)</i>	<u>1,244,483</u>	<u>226,295</u>	<u>38,646</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$2,328,146</u>	<u>\$277,770</u>	<u>\$38,646</u>

Cemetery Fund	Neighborhood Stabilization Fund	Neighborhood Stabilization II Fund	Community Development Block Grant Fund	Victim Witness Fund	Home Fund
\$58,958	\$10,251	\$3,000	\$352,566	\$30,522	\$93,975
0	0	0	0	0	0
0	0	0	23,567	7,408	22,321
0	0	0	0	0	0
0	37,605	24,053	0	0	0
0	0	0	0	0	0
<u>\$58,958</u>	<u>\$47,856</u>	<u>\$27,053</u>	<u>\$376,133</u>	<u>\$37,930</u>	<u>\$116,296</u>
\$750	\$0	\$0	\$1,500	\$641	\$0
0	0	0	376,000	0	75,000
1,333	0	0	2,941	4,576	0
269	0	0	544	880	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>2,352</u>	<u>0</u>	<u>0</u>	<u>380,985</u>	<u>6,097</u>	<u>75,000</u>
0	0	0	23,567	0	1,994
0	0	0	0	0	0
0	47,856	27,053	0	31,833	39,302
56,606	0	0	0	0	0
0	0	0	(28,419)	0	0
<u>56,606</u>	<u>47,856</u>	<u>27,053</u>	<u>(28,419)</u>	<u>31,833</u>	<u>39,302</u>
<u>\$58,958</u>	<u>\$47,856</u>	<u>\$27,053</u>	<u>\$376,133</u>	<u>\$37,930</u>	<u>\$116,296</u>

(continued)

City of Fairborn, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019
(Continued)

	Justice Reinvestment and Incentive Grant Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$22,318	\$46,744	\$6,019
Receivables:			
Municipal Income Taxes	0	0	0
Intergovernmental	0	0	0
Loans	0	0	0
Assets Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$22,318</u>	<u>\$46,744</u>	<u>\$6,019</u>
Liabilities:			
Accounts Payable	\$0	\$0	\$0
Interfund Payable	0	0	0
Accrued Wages Payable	1,473	0	0
Intergovernmental Payable	227	0	0
Deposits Held and Due to Others	0	0	0
Accrued Interest Payable	0	0	0
Notes Payable	0	0	0
<i>Total Liabilities</i>	<u>1,700</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:			
Unavailable Revenue	0	0	0
Fund Balances:			
Nonspendable	0	0	0
Restricted	20,618	46,744	6,019
Committed	0	0	0
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficits)</i>	<u>20,618</u>	<u>46,744</u>	<u>6,019</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$22,318</u>	<u>\$46,744</u>	<u>\$6,019</u>

Indigent Drivers Alcohol Treatment Fund	Alcohol Enforcement and Education Fund	Federal Forfeitures Fund	Municipal Probation Services Fund	Traffic Intervention Fund	Court Legal Research/ Computerization Fund
\$254,827	\$3,713	\$39,358	\$155,869	\$15,058	\$63,576
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$254,827</u>	<u>\$3,713</u>	<u>\$39,358</u>	<u>\$155,869</u>	<u>\$15,058</u>	<u>\$63,576</u>
\$0	\$0	\$2,235	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	1,569	0	0
0	0	0	243	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>2,235</u>	<u>1,812</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
254,827	3,713	37,123	154,057	15,058	63,576
0	0	0	0	0	0
0	0	0	0	0	0
<u>254,827</u>	<u>3,713</u>	<u>37,123</u>	<u>154,057</u>	<u>15,058</u>	<u>63,576</u>
<u>\$254,827</u>	<u>\$3,713</u>	<u>\$39,358</u>	<u>\$155,869</u>	<u>\$15,058</u>	<u>\$63,576</u>

(continued)

City of Fairborn, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019
(Continued)

	Court Clerk Computerization Fund	Indigent Driver's Interlock and Alcohol Monitoring Fund	Moving Ohio Forward Fund
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$243,685	\$83,449	\$22,778
Receivables:			
Municipal Income Taxes	0	0	0
Intergovernmental	0	0	0
Loans	0	0	0
Assets Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$243,685</u>	<u>\$83,449</u>	<u>\$22,778</u>
Liabilities:			
Accounts Payable	\$0	\$2,899	\$3,750
Interfund Payable	0	0	0
Accrued Wages Payable	104	0	0
Intergovernmental Payable	17	0	0
Deposits Held and Due to Others	0	0	0
Accrued Interest Payable	0	0	0
Notes Payable	0	0	0
<i>Total Liabilities</i>	<u>121</u>	<u>2,899</u>	<u>3,750</u>
Deferred Inflows of Resources:			
Unavailable Revenue	0	0	0
Fund Balances:			
Nonspendable	0	0	0
Restricted	243,564	80,550	19,028
Committed	0	0	0
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficits)</i>	<u>243,564</u>	<u>80,550</u>	<u>19,028</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$243,685</u>	<u>\$83,449</u>	<u>\$22,778</u>

Federal Emergency Management Agency Fund	Community Redevelopment Fund	Fire Loss Escrow Fund	Total Nonmajor Special Revenue Funds
\$0	\$138,625	\$24,711	\$2,965,502
0	0	0	210,000
21,439	0	0	1,033,776
0	500,000	0	500,000
0	2,021,143	0	2,082,801
0	0	0	180,021
<u>\$21,439</u>	<u>\$2,659,768</u>	<u>\$24,711</u>	<u>\$6,972,100</u>
\$0	\$11,444	\$0	\$42,944
0	0	0	451,000
0	0	0	26,580
0	0	0	8,883
0	0	24,711	24,711
0	4,080	0	8,648
0	589,336	0	819,598
0	604,860	24,711	1,382,364
<u>21,439</u>	<u>0</u>	<u>0</u>	<u>906,296</u>
0	0	0	180,021
0	2,054,908	0	4,475,232
0	0	0	56,606
0	0	0	(28,419)
0	2,054,908	0	4,683,440
<u>\$21,439</u>	<u>\$2,659,768</u>	<u>\$24,711</u>	<u>\$6,972,100</u>

City of Fairborn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019

	Street Maintenance and Repair Fund	State Highway Fund	Community Development Fund
Revenues:			
Municipal Income Taxes	\$210,000	\$0	\$0
Fines, Licenses and Permits	0	0	0
Charges for Services	0	0	0
Investment Earnings	17,826	3,505	0
Intergovernmental	1,515,618	122,888	0
Contributions and Donations	0	0	0
Other	112,340	698	0
<i>Total Revenues</i>	<u>1,855,784</u>	<u>127,091</u>	<u>0</u>
Expenditures:			
Current:			
General Government	0	0	0
Public Safety	0	0	0
Community Development	0	0	0
Transportation and Street Repair	1,283,022	103,001	0
Public Health and Welfare	0	0	0
Capital Outlay	310,917	1,326	0
Debt Service:			
Principal Retirement	230,000	0	0
Interest and Fiscal Charges	8,871	0	0
<i>Total Expenditures</i>	<u>1,832,810</u>	<u>104,327</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>22,974</u>	<u>22,764</u>	<u>0</u>
Other Financing Sources (Uses):			
Notes Issued	0	0	0
Premium on Debt Issued	0	0	0
Transfers-In	0	0	0
Transfers-Out	(50,000)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(50,000)</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(27,026)	22,764	0
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>1,271,509</u>	<u>203,531</u>	<u>38,646</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$1,244,483</u></u>	<u><u>\$226,295</u></u>	<u><u>\$38,646</u></u>

Cemetery Fund	Neighborhood Stabilization Fund	Neighborhood Stabilization II Fund	Community Development Block Grant Fund	Victim Witness Fund	Home Fund
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
31,318	0	0	0	0	0
0	0	0	0	0	0
0	0	0	341,105	140,724	196,128
0	0	0	0	0	0
846	0	0	1,208	2,338	5,305
32,164	0	0	342,313	143,062	201,433
0	0	0	0	0	0
0	0	0	0	241,438	0
0	0	0	290,947	0	202,422
0	0	0	0	0	0
125,069	0	0	0	0	0
1,133	0	0	3,003	0	0
0	0	0	0	0	0
0	0	0	0	0	0
126,202	0	0	293,950	241,438	202,422
(94,038)	0	0	48,363	(98,376)	(989)
0	0	0	0	0	0
0	0	0	0	0	0
80,000	0	0	0	91,700	0
0	0	0	0	0	0
80,000	0	0	0	91,700	0
(14,038)	0	0	48,363	(6,676)	(989)
70,644	47,856	27,053	(76,782)	38,509	40,291
\$56,606	\$47,856	\$27,053	(\$28,419)	\$31,833	\$39,302

(continued)

City of Fairborn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019
(Continued)

	Justice Reinvestment and Incentive Grant Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund
Revenues:			
Municipal Income Taxes	\$0	\$0	\$0
Fines, Licenses and Permits	0	0	1,752
Charges for Services	0	0	0
Investment Earnings	(464)	0	0
Intergovernmental	77,109	1,888	0
Contributions and Donations	0	7,876	0
Other	0	20,145	0
<i>Total Revenues</i>	<u>76,645</u>	<u>29,909</u>	<u>1,752</u>
Expenditures:			
Current:			
General Government	0	0	0
Public Safety	89,440	14,771	0
Community Development	0	0	0
Transportation and Street Repair	0	0	0
Public Health and Welfare	0	0	0
Capital Outlay	0	13,314	6,000
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>89,440</u>	<u>28,085</u>	<u>6,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(12,795)</u>	<u>1,824</u>	<u>(4,248)</u>
Other Financing Sources (Uses):			
Notes Issued	0	0	0
Premium on Debt Issued	0	0	0
Transfers-In	0	0	0
Transfers-Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(12,795)	1,824	(4,248)
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>33,413</u>	<u>44,920</u>	<u>10,267</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$20,618</u></u>	<u><u>\$46,744</u></u>	<u><u>\$6,019</u></u>

Indigent Drivers Alcohol Treatment Fund	Alcohol Enforcement and Education Fund	Federal Forfeitures Fund	Municipal Probation Services Fund	Traffic Intervention Fund	Court Legal Research/ Computerization Fund
\$0	\$0	\$0	\$0	\$0	\$0
40,213	1,621	0	76,677	13,376	16,906
0	0	0	0	0	0
0	0	707	0	0	0
0	0	2,400	0	0	0
0	0	0	0	0	0
0	0	2,999	0	0	0
40,213	1,621	6,106	76,677	13,376	16,906
0	0	0	0	0	0
24,125	1,897	13,038	90,661	0	14,719
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	1,754	1,547	0	0	10,778
0	0	0	0	0	0
0	0	0	0	0	0
24,125	3,651	14,585	90,661	0	25,497
16,088	(2,030)	(8,479)	(13,984)	13,376	(8,591)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
16,088	(2,030)	(8,479)	(13,984)	13,376	(8,591)
238,739	5,743	45,602	168,041	1,682	72,167
<u>\$254,827</u>	<u>\$3,713</u>	<u>\$37,123</u>	<u>\$154,057</u>	<u>\$15,058</u>	<u>\$63,576</u>

(continued)

City of Fairborn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019
(Continued)

	Court Clerk Computerization Fund	Indigent Driver's Interlock and Alcohol Monitoring Fund	Moving Ohio Forward Fund
Revenues:			
Municipal Income Taxes	\$0	\$0	\$0
Fines, Licenses and Permits	91,158	20,870	0
Charges for Services	0	0	0
Investment Earnings	0	0	0
Intergovernmental	0	0	0
Contributions and Donations	0	0	0
Other	0	0	0
<i>Total Revenues</i>	<u>91,158</u>	<u>20,870</u>	<u>0</u>
Expenditures:			
Current:			
General Government	159,102	0	0
Public Safety	0	29,475	0
Community Development	0	0	17,947
Transportation and Street Repair	0	0	0
Public Health and Welfare	0	0	0
Capital Outlay	28,412	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>187,514</u>	<u>29,475</u>	<u>17,947</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(96,356)</u>	<u>(8,605)</u>	<u>(17,947)</u>
Other Financing Sources (Uses):			
Notes Issued	0	0	0
Premium on Debt Issued	0	0	0
Transfers-In	0	0	0
Transfers-Out	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(96,356)	(8,605)	(17,947)
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>339,920</u>	<u>89,155</u>	<u>36,975</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u><u>\$243,564</u></u>	<u><u>\$80,550</u></u>	<u><u>\$19,028</u></u>

Federal Emergency Management Agency Fund	Community Redevelopment Fund	Fire Loss Escrow Fund	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$210,000
0	0	0	262,573
0	7,822	0	39,140
0	22,637	0	44,211
1,069	0	0	2,398,929
0	0	0	7,876
0	16,502	58,526	220,907
1,069	46,961	58,526	3,183,636
0	0	0	159,102
13,700	0	0	533,264
0	64,194	58,526	634,036
0	0	0	1,386,023
0	0	0	125,069
0	11,444	0	389,628
0	1,000,000	0	1,230,000
0	112,969	0	121,840
13,700	1,188,607	58,526	4,578,962
(12,631)	(1,141,646)	0	(1,395,326)
0	4,032,000	0	4,032,000
0	42,980	0	42,980
0	250,000	0	421,700
0	0	0	(50,000)
0	4,324,980	0	4,446,680
(12,631)	3,183,334	0	3,051,354
12,631	(1,128,426)	0	1,632,086
\$0	\$2,054,908	\$0	\$4,683,440

City of Fairborn, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2019

	Court Special Projects Fund	General Capital Improvement Fund	Parks and Recreation Improvements Fund
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$424,604	\$563,894	\$311,297
Receivables:			
Other Local Taxes	0	0	23,462
Revenue in Lieu of Taxes	0	0	0
<i>Total Assets</i>	<u>\$424,604</u>	<u>\$563,894</u>	<u>\$334,759</u>
Liabilities:			
Accounts Payable	\$1,107	\$1,100	\$11,050
Accrued Wages Payable	4,021	0	0
Intergovernmental Payable	621	0	0
Accrued Interest Payable	0	0	0
Notes Payable	0	0	0
<i>Total Liabilities</i>	<u>5,749</u>	<u>1,100</u>	<u>11,050</u>
Deferred Inflows of Resources:			
Revenue in Lieu of Taxes	0	0	0
Fund Balances:			
Restricted	418,855	0	0
Committed	0	0	323,709
Assigned	0	562,794	0
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficits)</i>	<u>418,855</u>	<u>562,794</u>	<u>323,709</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$424,604</u>	<u>\$563,894</u>	<u>\$334,759</u>

Building and Land Fund	Tax Increment Financing Fund	Special Assessment Construction Fund	I-675 Corridor TIF Fund	Total Nonmajor Capital Projects Funds
\$495,315	\$525,017	\$92,909	\$18,369	\$2,431,405
0	0	0	0	23,462
0	702,786	0	0	702,786
<u>\$495,315</u>	<u>\$1,227,803</u>	<u>\$92,909</u>	<u>\$18,369</u>	<u>\$3,157,653</u>
\$0	\$0	\$610	\$0	\$13,867
0	0	0	0	4,021
0	0	0	0	621
3,095	0	0	13,728	16,823
155,852	0	0	2,120,969	2,276,821
<u>158,947</u>	<u>0</u>	<u>610</u>	<u>2,134,697</u>	<u>2,312,153</u>
0	702,786	0	0	702,786
0	525,017	92,299	0	1,036,171
336,368	0	0	0	660,077
0	0	0	0	562,794
0	0	0	(2,116,328)	(2,116,328)
<u>336,368</u>	<u>525,017</u>	<u>92,299</u>	<u>(2,116,328)</u>	<u>142,714</u>
<u>\$495,315</u>	<u>\$1,227,803</u>	<u>\$92,909</u>	<u>\$18,369</u>	<u>\$3,157,653</u>

City of Fairborn, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019

	Court Special Projects Fund	General Capital Improvement Fund	Parks and Recreation Improvements Fund	Building and Land Fund
Revenues:				
Other Local Taxes	\$0	\$0	\$209,183	\$0
Revenue in Lieu of Taxes	0	0	0	0
Fines, Licenses and Permits	201,370	0	0	0
Charges for Services	0	0	18,251	0
Investment Earnings	0	5,930	4,197	0
Intergovernmental	0	0	49,000	0
Other	0	0	63,603	0
<i>Total Revenues</i>	<u>201,370</u>	<u>5,930</u>	<u>344,234</u>	<u>0</u>
Expenditures:				
Current:				
General Government	156,313	3,000	0	48,779
Leisure Time Activities	0	0	18,343	0
Capital Outlay	4,400	63,236	258,247	169,650
Intergovernmental	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	633,150
Interest and Fiscal Charges	0	0	0	18,407
<i>Total Expenditures</i>	<u>160,713</u>	<u>66,236</u>	<u>276,590</u>	<u>869,986</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>40,657</u>	<u>(60,306)</u>	<u>67,644</u>	<u>(869,986)</u>
Other Financing Sources:				
Special Assessment Bonds Issued	0	0	0	0
Notes Issued	0	0	0	477,298
Premium on Debt Issued	0	0	0	4,339
Transfers-In	0	222,774	0	259,161
<i>Total Other Financing Sources</i>	<u>0</u>	<u>222,774</u>	<u>0</u>	<u>740,798</u>
<i>Net Change in Fund Balances</i>	40,657	162,468	67,644	(129,188)
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>378,198</u>	<u>400,326</u>	<u>256,065</u>	<u>465,556</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$418,855</u>	<u>\$562,794</u>	<u>\$323,709</u>	<u>\$336,368</u>

Tax Increment Financing Fund	Special Assessment Construction Fund	I-675 Corridor TIF Fund	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$209,183
712,932	0	15,248	728,180
0	0	0	201,370
0	79,587	0	97,838
0	1	0	10,128
0	0	0	49,000
0	0	0	63,603
<u>712,932</u>	<u>79,588</u>	<u>15,248</u>	<u>1,359,302</u>
2,893	12,211	6,794	229,990
0	0	0	18,343
0	0	0	495,533
427,593	0	9,220	436,813
90,000	0	0	723,150
27,788	2,895	41,892	90,982
<u>548,274</u>	<u>15,106</u>	<u>57,906</u>	<u>1,994,811</u>
<u>164,658</u>	<u>64,482</u>	<u>(42,658)</u>	<u>(635,509)</u>
0	83,799	0	83,799
0	0	0	477,298
0	0	0	4,339
0	0	0	481,935
<u>0</u>	<u>83,799</u>	<u>0</u>	<u>1,047,371</u>
164,658	148,281	(42,658)	411,862
360,359	(55,982)	(2,073,670)	(269,148)
<u>\$525,017</u>	<u>\$92,299</u>	<u>(\$2,116,328)</u>	<u>\$142,714</u>

City of Fairborn, Ohio
Nonmajor Fund Descriptions

Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department to other departments within the City.

Equipment Fund

To account for and report charges to other funds for the labor, parts, and overhead to repair and maintain City equipment and vehicles.

Information Technology Fund

To account for and report charges to other funds for information technology services.

Employee Assistance Program Fund

To account for and report the payment of employee assistance programs and other human resource costs associated with employees' health and benefits.

Jefferson Health Plan Fund

To account for and report the operation of the City's self-insurance program for employee health benefits and prescription drugs.

City of Fairborn, Ohio
Combining Statement of Fund Net Position
Internal Service Funds
December 31, 2019

	Equipment Fund	Information Technology Fund	Employee Assistance Program Fund	Jefferson Health Plan Fund	Total
Assets:					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	\$300,015	\$371,384	\$127,113	\$876,929	\$1,675,441
Materials and Supplies Inventory	66,702	0	0	0	66,702
<i>Total Current Assets</i>	<u>366,717</u>	<u>371,384</u>	<u>127,113</u>	<u>876,929</u>	<u>1,742,143</u>
Non-current Assets					
Net Pension Asset	2,897	2,170	0	0	5,067
Nondepreciable Capital Assets	0	4,732	0	0	4,732
Depreciable Capital Assets, Net	56,636	235,035	0	0	291,671
<i>Total Non-current Assets</i>	<u>59,533</u>	<u>241,937</u>	<u>0</u>	<u>0</u>	<u>301,470</u>
<i>Total Assets</i>	<u>426,250</u>	<u>613,321</u>	<u>127,113</u>	<u>876,929</u>	<u>2,043,613</u>
Deferred Outflows of Resources:					
Pension	235,513	176,633	0	0	412,146
OPEB	36,827	27,621	0	0	64,448
<i>Total Deferred Outflows of Resources</i>	<u>272,340</u>	<u>204,254</u>	<u>0</u>	<u>0</u>	<u>476,594</u>
Liabilities:					
Current Liabilities					
Accounts Payable	62,274	16,205	0	0	78,479
Claims Payable	0	0	0	116,193	116,193
Accrued Wages Payable	10,142	8,292	0	0	18,434
Intergovernmental Payable	2,003	1,608	0	0	3,611
Compensated Absences Payable	29,467	18,425	0	0	47,892
<i>Total Current Liabilities</i>	<u>103,886</u>	<u>44,530</u>	<u>0</u>	<u>116,193</u>	<u>264,609</u>
Long-Term Liabilities					
Claims Payable	0	0	0	361,132	361,132
Compensated Absences Payable	7,780	2,344	0	0	10,124
Net Pension Liability	731,348	548,505	0	0	1,279,853
Net OPEB Liability	342,890	257,167	0	0	600,057
<i>Total Long-Term Liabilities</i>	<u>1,082,018</u>	<u>808,016</u>	<u>0</u>	<u>361,132</u>	<u>2,251,166</u>
<i>Total Liabilities</i>	<u>1,185,904</u>	<u>852,546</u>	<u>0</u>	<u>477,325</u>	<u>2,515,775</u>
Deferred Inflows of Resources:					
Pension	10,786	8,089	0	0	18,875
OPEB	930	698	0	0	1,628
<i>Total Deferred Inflows of Resources</i>	<u>11,716</u>	<u>8,787</u>	<u>0</u>	<u>0</u>	<u>20,503</u>
Net Position:					
Net Investment in Capital Assets	56,636	239,767	0	0	296,403
Unrestricted (Deficit)	(555,666)	(283,525)	127,113	399,604	(312,474)
<i>Total Net Position (Deficit)</i>	<u>(\$499,030)</u>	<u>(\$43,758)</u>	<u>\$127,113</u>	<u>\$399,604</u>	<u>(\$16,071)</u>

City of Fairborn, Ohio
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2019

	Equipment Fund	Information Technology Fund	Employee Assistance Program Fund	Jefferson Health Plan Fund	Total
Operating Revenues:					
Charges for Services	\$1,468,816	\$858,000	\$0	\$3,384,361	\$5,711,177
Other	486	5,109	1,172	226,764	233,531
<i>Total Operating Revenues</i>	<u>1,469,302</u>	<u>863,109</u>	<u>1,172</u>	<u>3,611,125</u>	<u>5,944,708</u>
Operating Expenses:					
Personal Services	736,625	533,857	1,202	0	1,271,684
Contractual Services	18,920	237,740	7,000	826,806	1,090,466
Materials and Supplies	878,838	17,767	0	0	896,605
Claims	0	0	0	2,477,605	2,477,605
Depreciation	7,780	54,527	0	0	62,307
<i>Total Operating Expenses</i>	<u>1,642,163</u>	<u>843,891</u>	<u>8,202</u>	<u>3,304,411</u>	<u>5,798,667</u>
<i>Operating Income (Loss)</i>	(172,861)	19,218	(7,030)	306,714	146,041
Non-Operating Revenues:					
Investment Earnings	0	0	2,310	18,627	20,937
<i>Change in Net Position</i>	(172,861)	19,218	(4,720)	325,341	166,978
<i>Net Position (Deficit) at Beginning of Year</i>	<u>(326,169)</u>	<u>(62,976)</u>	<u>131,833</u>	<u>74,263</u>	<u>(183,049)</u>
<i>Net Position (Deficit) at End of Year</i>	<u>(\$499,030)</u>	<u>(\$43,758)</u>	<u>\$127,113</u>	<u>\$399,604</u>	<u>(\$16,071)</u>

City of Fairborn, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2019

	Equipment Fund	Information Technology Fund	Employee Assistance Program Fund	Jefferson Health Plan Fund	Total
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities:					
Cash Received From Interfund Services Provided	\$1,468,816	\$858,000	\$0	\$3,384,361	\$5,711,177
Cash Received From Other Operating Revenues	486	5,109	1,172	226,764	233,531
Cash Payments for Claims	0	0	0	(2,587,379)	(2,587,379)
Cash Payments for Employee Services and Benefits	(577,303)	(418,144)	(1,202)	0	(996,649)
Cash Payments to Suppliers	(799,943)	(244,421)	(7,000)	(826,806)	(1,878,170)
<i>Net Cash Provided by (Used for) Operating Activities</i>	92,056	200,544	(7,030)	196,940	482,510
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	0	(105,377)	0	0	(105,377)
Cash Flows from Investing Activities:					
Interest	0	0	2,310	18,627	20,937
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	92,056	95,167	(4,720)	215,567	398,070
<i>Cash and Cash Equivalents at Beginning of Year</i>	207,959	276,217	131,833	661,362	1,277,371
<i>Cash and Cash Equivalents at End of Year</i>	\$300,015	\$371,384	\$127,113	\$876,929	\$1,675,441
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Operating Income (Loss)	(\$172,861)	\$19,218	(\$7,030)	\$306,714	\$146,041
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Depreciation	7,780	54,527	0	0	62,307
Decrease (Increase) in Assets:					
Materials and Supplies Inventory	54,541	0	0	0	54,541
Net Pension Asset	(870)	(652)	0	0	(1,522)
Deferred Outflows of Resources - Pension	171,592	128,695	0	0	300,287
Deferred Outflows of Resources - OPEB	23,985	17,989	0	0	41,974
Increase (Decrease) in Liabilities:					
Accounts Payable	43,274	11,279	0	0	54,553
Claims Payable	0	0	0	(109,774)	(109,774)
Contracts Payable	0	(193)	0	0	(193)
Accrued Wages Payable	1,503	1,435	0	0	2,938
Intergovernmental Payable	(4,149)	(3,434)	0	0	(7,583)
Compensated Absences Payable	2,572	(1,835)	0	0	737
Net Pension Liability	(791)	(597)	0	0	(1,388)
Net OPEB Liability	18,783	14,087	0	0	32,870
Deferred Inflows of Resources - Pension	(47,526)	(35,642)	0	0	(83,168)
Deferred Inflows of Resources - OPEB	(5,777)	(4,333)	0	0	(10,110)
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$92,056	\$200,544	(\$7,030)	\$196,940	\$482,510

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$862,524	\$862,530	\$6
Other Local Taxes	651,704	629,594	(22,110)
Municipal Income Taxes	9,229,947	9,145,699	(84,248)
Fines, Licenses and Permits	1,372,810	1,385,394	12,584
Charges for Services	3,568,350	3,585,817	17,467
Investment Earnings	322,743	430,220	107,477
Intergovernmental	1,021,143	1,052,349	31,206
Special Assessments	37,986	38,576	590
Other	321,580	325,873	4,293
<i>Total Revenues</i>	<u>17,388,787</u>	<u>17,456,052</u>	<u>67,265</u>
Expenditures:			
Current:			
General Government			
City Council			
Personal Services	146,128	141,963	4,165
Contractual Services	74,174	66,755	7,419
Materials and Supplies	6,305	5,880	425
<i>Total City Council</i>	<u>226,607</u>	<u>214,598</u>	<u>12,009</u>
Municipal Court			
Personal Services	1,937,756	1,909,483	28,273
Contractual Services	272,318	270,463	1,855
Materials and Supplies	54,870	46,121	8,749
<i>Total Municipal Court</i>	<u>2,264,944</u>	<u>2,226,067</u>	<u>38,877</u>
City Manager's Office			
Personal Services	685,276	677,130	8,146
Contractual Services	45,264	43,196	2,068
Materials and Supplies	17,780	17,262	518
<i>Total City Manager's Office</i>	<u>748,320</u>	<u>737,588</u>	<u>10,732</u>
Administration and General Accounting			
Personal Services	692,991	671,254	21,737
Contractual Services	81,076	73,963	7,113
Materials and Supplies	9,572	9,573	(1)
<i>Total Administration and General Accounting</i>	<u>783,639</u>	<u>754,790</u>	<u>28,849</u>
Utilities Accounting			
Personal Services	282,059	267,776	14,283
Contractual Services	147,529	147,378	151
Materials and Supplies	4,695	4,674	21
<i>Total Utilities Accounting</i>	<u>\$434,283</u>	<u>\$419,828</u>	<u>\$14,455</u>

(continued)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Year Ended December 31, 2019
(Continued)

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
City Income Tax Accounting			
Personal Services	\$132,694	\$125,217	\$7,477
Contractual Services	548,989	540,092	8,897
Materials and Supplies	3,244	3,244	0
<i>Total City Income Tax Accounting</i>	<u>684,927</u>	<u>668,553</u>	<u>16,374</u>
Legal Department			
Personal Services	253,580	230,982	22,598
Contractual Services	52,888	37,098	15,790
Materials and Supplies	7,050	3,313	3,737
<i>Total Legal Department</i>	<u>313,518</u>	<u>271,393</u>	<u>42,125</u>
Personnel Department			
Personal Services	250,596	232,776	17,820
Contractual Services	126,669	118,132	8,537
Materials and Supplies	12,046	11,796	250
<i>Total Personnel Department</i>	<u>389,311</u>	<u>362,704</u>	<u>26,607</u>
Engineering and Drafting			
Personal Services	524,802	518,591	6,211
Contractual Services	32,643	25,800	6,843
Materials and Supplies	9,631	9,254	377
<i>Total Engineering and Drafting</i>	<u>567,076</u>	<u>553,645</u>	<u>13,431</u>
Plant Maintenance			
Personal Services	539,622	535,877	3,745
Contractual Services	253,613	253,049	564
Materials and Supplies	148,159	142,861	5,298
<i>Total Plant Maintenance</i>	<u>941,394</u>	<u>931,787</u>	<u>9,607</u>
Contingency			
Personal Services	92,901	77,644	15,257
Contractual Services	1,299,632	1,270,476	29,156
Materials and Supplies	18,242	11,480	6,762
<i>Total Contingency</i>	<u>1,410,775</u>	<u>1,359,600</u>	<u>51,175</u>
<i>Total General Government</i>	<u>8,764,794</u>	<u>8,500,553</u>	<u>264,241</u>
Leisure Time Activities			
Parks and Recreation			
Personal Services	259,948	245,010	14,938
Contractual Services	120,627	120,627	0
Materials and Supplies	51,516	50,717	799
<i>Total Leisure Time Activities</i>	<u>\$432,091</u>	<u>\$416,354</u>	<u>\$15,737</u>

(continued)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Year Ended December 31, 2019
(Continued)

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Community Development			
Community Development Urban Planner			
Personal Services	\$473,333	\$446,939	\$26,394
Contractual Services	101,188	96,180	5,008
Materials and Supplies	9,150	8,860	290
<i>Total Community Development Urban Planner</i>	<u>583,671</u>	<u>551,979</u>	<u>31,692</u>
Building Inspection and Zoning Enforcement			
Personal Services	380,706	353,430	27,276
Contractual Services	53,326	53,315	11
Materials and Supplies	15,782	14,591	1,191
<i>Total Building Inspection and Zoning Enforcement</i>	<u>449,814</u>	<u>421,336</u>	<u>28,478</u>
Economic Development			
Personal Services	176,241	173,689	2,552
Contractual Services	211,076	204,730	6,346
Materials and Supplies	10,882	9,283	1,599
<i>Total Economic Development</i>	<u>398,199</u>	<u>387,702</u>	<u>10,497</u>
<i>Total Community Development</i>	<u>1,431,684</u>	<u>1,361,017</u>	<u>70,667</u>
Capital Outlay	163,538	162,906	632
Debt Service:			
Interest and Fiscal Charges	200,000	155,519	44,481
<i>Total Expenditures</i>	<u>10,992,107</u>	<u>10,596,349</u>	<u>395,758</u>
<i>Excess of Revenues Over Expenditures</i>	<u>6,396,680</u>	<u>6,859,703</u>	<u>463,023</u>
Other Financing Sources (Uses):			
Special Assessment Bonds Issued	0	3,960	3,960
Proceeds from the Sale of Capital Assets	5,000	24,960	19,960
Advances-Out	(100,000)	(80,000)	20,000
Transfers-Out	(7,705,900)	(7,683,335)	22,565
<i>Total Other Financing Sources (Uses)</i>	<u>(7,800,900)</u>	<u>(7,734,415)</u>	<u>66,485</u>
<i>Net Change in Fund Balance</i>	(1,404,220)	(874,712)	529,508
<i>Fund Balance at Beginning of Year</i>	7,828,705	7,828,705	0
<i>Prior Year Encumbrances Appropriated</i>	581,136	581,136	0
<i>Fund Balance at End of Year</i>	<u>\$7,005,621</u>	<u>\$7,535,129</u>	<u>\$529,508</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Fire and EMS Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$2,229,020	\$2,228,979	(\$41)
Fines, Licenses and Permits	1,200	750	(450)
Charges for Services	1,238,242	1,237,397	(845)
Intergovernmental	282,819	276,224	(6,595)
Other	59,300	60,737	1,437
<i>Total Revenues</i>	<u>3,810,581</u>	<u>3,804,087</u>	<u>(6,494)</u>
Expenditures:			
Current:			
Public Safety			
Fire Administrative Services			
Personal Services	308,645	302,275	6,370
Contractual Services	571,956	563,503	8,453
Materials and Supplies	30,826	29,692	1,134
<i>Total Fire Administrative Services</i>	<u>911,427</u>	<u>895,470</u>	<u>15,957</u>
Fire Life Safety			
Personal Services	138,365	129,609	8,756
Contractual Services	830	830	0
Materials and Supplies	8,405	8,405	0
<i>Total Fire Life Safety</i>	<u>147,600</u>	<u>138,844</u>	<u>8,756</u>
Fire Operations			
Personal Services	5,834,712	5,829,312	5,400
Contractual Services	145,850	131,454	14,396
Materials and Supplies	230,348	211,345	19,003
<i>Total Fire Operations</i>	<u>6,210,910</u>	<u>6,172,111</u>	<u>38,799</u>
Training			
Personal Services	134,992	133,810	1,182
Contractual Services	7,755	7,755	0
Materials and Supplies	6,015	6,015	0
<i>Total Training</i>	<u>148,762</u>	<u>147,580</u>	<u>1,182</u>
<i>Total Public Safety</i>	<u>7,418,699</u>	<u>7,354,005</u>	<u>64,694</u>
Capital Outlay	11,638	11,638	0
<i>Total Expenditures</i>	<u>7,430,337</u>	<u>7,365,643</u>	<u>64,694</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,619,756)</u>	<u>(3,561,556)</u>	<u>58,200</u>
Other Financing Sources:			
Proceeds from the Sale of Capital Assets	14,000	14,072	72
Transfers-In	2,979,700	2,979,700	0
<i>Total Other Financing Sources</i>	<u>2,993,700</u>	<u>2,993,772</u>	<u>72</u>
<i>Net Change in Fund Balance</i>	<u>(626,056)</u>	<u>(567,784)</u>	<u>58,272</u>
<i>Fund Balance at Beginning of Year</i>	652,108	652,108	0
<i>Prior Year Encumbrances Appropriated</i>	<u>128,046</u>	<u>128,046</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$154,098</u>	<u>\$212,370</u>	<u>\$58,272</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Police Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Property Taxes	\$2,228,870	\$2,228,979	\$109
Fines, Licenses and Permits	1,063	1,480	417
Charges for Services	63,185	74,847	11,662
Intergovernmental	582,201	591,407	9,206
Other	75,852	75,129	(723)
<i>Total Revenues</i>	<u>2,951,171</u>	<u>2,971,842</u>	<u>20,671</u>
Expenditures:			
Current:			
Public Safety			
Police Administrative Services			
Personal Services	1,031,447	990,328	41,119
Contractual Services	490,797	479,715	11,082
Materials and Supplies	42,184	41,563	621
<i>Total Police Administrative Services</i>	<u>1,564,428</u>	<u>1,511,606</u>	<u>52,822</u>
Police Dispatch			
Personal Services	847,201	841,922	5,279
Contractual Services	75,469	70,385	5,084
<i>Total Police Dispatch</i>	<u>922,670</u>	<u>912,307</u>	<u>10,363</u>
Police Detective Section			
Personal Services	885,621	883,737	1,884
Contractual Services	10,971	9,453	1,518
Materials and Supplies	22,705	20,589	2,116
<i>Total Police Detective Section</i>	<u>919,297</u>	<u>913,779</u>	<u>5,518</u>
Police Patrol Section			
Personal Services	3,656,481	3,647,778	8,703
Contractual Services	15,800	15,776	24
Materials and Supplies	120,651	115,421	5,230
<i>Total Police Patrol Section</i>	<u>3,792,932</u>	<u>3,778,975</u>	<u>13,957</u>
D.A.R.E.			
Personal Services	345,060	332,090	12,970
Contractual Services	120	120	0
<i>Total D.A.R.E.</i>	<u>345,180</u>	<u>332,210</u>	<u>12,970</u>
Violence Against Women Act			
Personal Services	80,044	80,017	27
Contractual Services	279	279	0
<i>Total Violence Against Women Act</i>	<u>80,323</u>	<u>80,296</u>	<u>27</u>
<i>Total Public Safety</i>	<u>\$7,624,830</u>	<u>\$7,529,173</u>	<u>\$95,657</u>

(continued)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Police Fund
For the Year Ended December 31, 2019
(Continued)

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Capital Outlay	\$6,730	\$6,730	\$0
<i>Total Expenditures</i>	<u>7,631,560</u>	<u>7,535,903</u>	<u>95,657</u>
<i>Excess of Revenues Under Expenditures</i>	(4,680,389)	(4,564,061)	116,328
Other Financing Sources:			
Transfers-In	<u>3,850,000</u>	<u>3,850,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(830,389)	(714,061)	116,328
<i>Fund Balance at Beginning of Year</i>	807,381	807,381	0
<i>Prior Year Encumbrances Appropriated</i>	<u>51,086</u>	<u>51,086</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$28,078</u></u>	<u><u>\$144,406</u></u>	<u><u>\$116,328</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
County Motor Vehicle Tax Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal Income Taxes	\$2,066,375	\$2,076,375	\$10,000
Fines, Licenses and Permits	50,000	31,833	(18,167)
Investment Earnings	39,000	56,863	17,863
Intergovernmental	1,952,991	2,112,779	159,788
Other	31,500	31,537	37
<i>Total Revenues</i>	<u>4,139,866</u>	<u>4,309,387</u>	<u>169,521</u>
Expenditures:			
Current:			
Transportation and Street Repair Administration			
Contractual Services	163,201	154,991	8,210
Sterling Court Improvements			
Contractual Services	3,545	3,545	0
Maple Ave Phase II			
Contractual Services	300,000	290,847	9,153
Colonel Glenn Highway Phase I Enhancements			
Contractual Services	195,642	191,166	4,476
Colonel Glenn Highway/Kauffman Avenue			
Contractual Services	111,803	111,803	0
Broad Street Improvements/Sandhill-Spangler			
Contractual Services	172,817	170,817	2,000
Maple Avenue Phase I			
Contractual Services	187,303	187,303	0
Kauffman Avenue Widening Design			
Contractual Services	30,599	30,599	0
Development Inspection Services			
Contractual Services	57,590	42,431	15,159
Central Avenue Design			
Contractual Services	239,212	239,212	0
Xenia Drive Improvements			
Contractual Services	35,876	35,876	0
Yellow Springs Fairfield Road			
Contractual Services	\$148,443	\$148,443	\$0

(continued)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
County Motor Vehicle Tax Fund
For the Year Ended December 31, 2019
(Continued)

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Ali Area Roadway Contractual Services	\$21,543	\$21,543	\$0
<i>Total Transportation and Street Repair</i>	1,667,574	1,628,576	38,998
Capital Outlay	4,493,657	4,460,738	32,919
Debt Service:			
Principal Retirement	11,209	11,209	0
<i>Total Expenditures</i>	6,172,440	6,100,523	71,917
<i>Net Change in Fund Balance</i>	(2,032,574)	(1,791,136)	241,438
<i>Fund Balance at Beginning of Year</i>	1,573,758	1,573,758	0
<i>Prior Year Encumbrances Appropriated</i>	1,024,771	1,024,771	0
<i>Fund Balance at End of Year</i>	\$565,955	\$807,393	\$241,438

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Public Safety Police/Fire Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal Income Taxes	\$2,276,175	\$2,286,374	\$10,199
Intergovernmental	3,690	3,690	0
Contributions and Donations	4,000	6,567	2,567
Other	34,900	35,001	101
<i>Total Revenues</i>	<u>2,318,765</u>	<u>2,331,632</u>	<u>12,867</u>
Expenditures:			
Current:			
Public Safety			
Police Patrol			
Personal Services	543,570	514,461	29,109
Contractual Services	95,969	93,403	2,566
Materials and Supplies	15,208	14,310	898
<i>Total Police Patrol</i>	<u>654,747</u>	<u>622,174</u>	<u>32,573</u>
Fire Operations			
Personal Services	590,341	577,143	13,198
Contractual Services	93,012	90,447	2,565
Materials and Supplies	209,239	209,238	1
<i>Total Fire Operations</i>	<u>892,592</u>	<u>876,828</u>	<u>15,764</u>
<i>Total Public Safety</i>	<u>1,547,339</u>	<u>1,499,002</u>	<u>48,337</u>
Capital Outlay	992,392	980,125	12,267
Debt Service:			
Principal Retirement	2,148,075	2,148,075	0
Interest and Fiscal Charges	57,095	51,721	5,374
<i>Total Debt Service</i>	<u>2,205,170</u>	<u>2,199,796</u>	<u>5,374</u>
<i>Total Expenditures</i>	<u>4,744,901</u>	<u>4,678,923</u>	<u>65,978</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,426,136)</u>	<u>(2,347,291)</u>	<u>78,845</u>
Other Financing Sources:			
Notes Issued	2,138,075	2,138,075	0
Premium on Debt Issued	14,640	14,644	4
<i>Total Other Financing Sources</i>	<u>2,152,715</u>	<u>2,152,719</u>	<u>4</u>
<i>Net Change in Fund Balance</i>	(273,421)	(194,572)	78,849
<i>Fund Balance at Beginning of Year</i>	53,875	53,875	0
<i>Prior Year Encumbrances Appropriated</i>	694,130	694,130	0
<i>Fund Balance at End of Year</i>	<u>\$474,584</u>	<u>\$553,433</u>	<u>\$78,849</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Non-GAAP Basis)
Water Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$4,047,155	\$4,041,846	(\$5,309)
Tap-In Fees	87,930	94,650	6,720
Investment Earnings	10,000	24,291	14,291
Notes Issued	3,005,825	2,975,825	(30,000)
Premium on Debt Issued	20,382	20,382	0
Other	121,500	174,083	52,583
<i>Total Revenues</i>	<u>7,292,792</u>	<u>7,331,077</u>	<u>38,285</u>
Expenses:			
Personal Services	1,433,661	1,387,433	46,228
Contractual Services	2,132,826	2,091,542	41,284
Materials and Supplies	280,162	272,534	7,628
Capital Outlay	2,262,814	2,145,556	117,258
Debt Service:			
Principal Retirement	3,221,875	3,221,875	0
Interest and Fiscal Charges	149,751	149,451	300
<i>Total Expenses</i>	<u>9,481,089</u>	<u>9,268,391</u>	<u>212,698</u>
<i>Net Change in Fund Equity</i>	(2,188,297)	(1,937,314)	250,983
<i>Fund Equity at Beginning of Year</i>	3,083,535	3,083,535	0
<i>Prior Year Encumbrances Appropriated</i>	<u>943,591</u>	<u>943,591</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$1,838,829</u>	<u>\$2,089,812</u>	<u>\$250,983</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Non-GAAP Basis)
Sewer Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$6,361,063	\$6,272,249	(\$88,814)
Tap-In Fees	80,000	85,850	5,850
Investment Earnings	28,000	37,243	9,243
Notes Issued	3,835,025	3,835,025	0
Premium on Debt Issued	26,275	26,275	0
Other	31,000	53,709	22,709
<i>Total Revenues</i>	<u>10,361,363</u>	<u>10,310,351</u>	<u>(51,012)</u>
Expenses:			
Personal Services	1,504,745	1,462,875	41,870
Contractual Services	2,919,376	2,823,871	95,505
Materials and Supplies	374,265	357,579	16,686
Capital Outlay	2,523,082	2,362,473	160,609
Debt Service:			
Principal Retirement	4,192,875	4,192,875	0
Interest and Fiscal Charges	439,860	439,860	0
<i>Total Expenses</i>	<u>11,954,203</u>	<u>11,639,533</u>	<u>314,670</u>
<i>Net Change in Fund Equity</i>	(1,592,840)	(1,329,182)	263,658
<i>Fund Equity at Beginning of Year</i>	5,717,375	5,717,375	0
<i>Prior Year Encumbrances Appropriated</i>	2,513,756	2,513,756	0
<i>Fund Equity at End of Year</i>	<u><u>\$6,638,291</u></u>	<u><u>\$6,901,949</u></u>	<u><u>\$263,658</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Non-GAAP Basis)
Sanitation Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$3,126,732	\$3,201,711	\$74,979
Notes Issued	8,025	8,025	0
Premium on Debt Issued	500	54	(446)
Other	0	670	670
<i>Total Revenues</i>	<u>3,135,257</u>	<u>3,210,460</u>	<u>75,203</u>
Expenses:			
Personal Services	184,197	179,671	4,526
Contractual Services	3,454,712	3,433,983	20,729
Materials and Supplies	15,213	9,675	5,538
Capital Outlay	18,045	16,545	1,500
Debt Service:			
Principal Retirement	8,025	8,025	0
Interest and Fiscal Charges	430	190	240
<i>Total Expenses</i>	<u>3,680,622</u>	<u>3,648,089</u>	<u>32,533</u>
<i>Net Change in Fund Equity</i>	(545,365)	(437,629)	107,736
<i>Fund Equity at Beginning of Year</i>	610,452	610,452	0
<i>Prior Year Encumbrances Appropriated</i>	<u>366,368</u>	<u>366,368</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$431,455</u></u>	<u><u>\$539,191</u></u>	<u><u>\$107,736</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Street Maintenance and Repair Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Municipal Income Taxes	\$210,000	\$210,000	\$0
Investment Earnings	12,600	17,826	5,226
Intergovernmental	1,366,000	1,415,175	49,175
Other	110,700	112,340	1,640
<i>Total Revenues</i>	<u>1,699,300</u>	<u>1,755,341</u>	<u>56,041</u>
Expenditures:			
Current:			
Transportation and Street Repair			
General Street Administration			
Personal Services	94,751	88,305	6,446
Contractual Services	124,958	123,439	1,519
Materials and Supplies	2,300	2,027	273
<i>Total General Street Administration</i>	<u>222,009</u>	<u>213,771</u>	<u>8,238</u>
Maintenance and Repairs			
Personal Services	583,861	563,400	20,461
Contractual Services	6,525	6,523	2
Materials and Supplies	314,631	297,518	17,113
<i>Total Maintenance and Repairs</i>	<u>905,017</u>	<u>867,441</u>	<u>37,576</u>
Traffic Signs and Signals			
Personal Services	247,245	229,882	17,363
Contractual Services	35,216	35,216	0
Materials and Supplies	46,500	44,605	1,895
<i>Total Traffic Signs and Signals</i>	<u>328,961</u>	<u>309,703</u>	<u>19,258</u>
<i>Total Transportation and Street Repair</i>	<u>1,455,987</u>	<u>1,390,915</u>	<u>65,072</u>
Capital Outlay	431,950	429,168	2,782
Debt Service:			
Principal Retirement	250,000	250,000	0
Interest and Fiscal Charges	6,606	5,982	624
<i>Total Debt Service</i>	<u>256,606</u>	<u>255,982</u>	<u>624</u>
<i>Total Expenditures</i>	<u>2,144,543</u>	<u>2,076,065</u>	<u>68,478</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(445,243)</u>	<u>(320,724)</u>	<u>124,519</u>
Other Financing Sources (Uses):			
Notes Issued	230,000	230,000	0
Premium on Debt Issued	2,000	1,574	(426)
Transfers Out	(50,000)	(50,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>182,000</u>	<u>181,574</u>	<u>(426)</u>
<i>Net Change in Fund Balance</i>	<u>(263,243)</u>	<u>(139,150)</u>	<u>124,093</u>
<i>Fund Balance at Beginning of Year</i>	741,438	741,438	0
<i>Prior Year Encumbrances Appropriated</i>	<u>271,284</u>	<u>271,284</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$749,479</u>	<u>\$873,572</u>	<u>\$124,093</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
State Highway Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$2,500	\$3,505	\$1,005
Intergovernmental	111,800	114,744	2,944
Other	0	698	698
<i>Total Revenues</i>	<u>114,300</u>	<u>118,947</u>	<u>4,647</u>
Expenditures:			
Current:			
Transportation and Street Repair			
State Highway Maintenance			
Personal Services	85,662	83,605	2,057
Contractual Services	3,455	3,112	343
Materials and Supplies	24,853	21,952	2,901
<i>Total Transportation and Street Repair</i>	<u>113,970</u>	<u>108,669</u>	<u>5,301</u>
Capital Outlay	2,152	2,152	0
<i>Total Expenditures</i>	<u>116,122</u>	<u>110,821</u>	<u>5,301</u>
<i>Net Change in Fund Balance</i>	(1,822)	8,126	9,948
<i>Fund Balance at Beginning of Year</i>	184,038	184,038	0
<i>Prior Year Encumbrances Appropriated</i>	<u>6,316</u>	<u>6,316</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$188,532</u></u>	<u><u>\$198,480</u></u>	<u><u>\$9,948</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Cemetery Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$30,100	\$31,318	\$1,218
Other	50	846	796
<i>Total Revenues</i>	<u>30,150</u>	<u>32,164</u>	<u>2,014</u>
Expenditures:			
Current:			
Public Health and Welfare			
Cemetery Operations			
Personal Services	91,169	90,203	966
Contractual Services	26,574	26,377	197
Materials and Supplies	18,456	16,878	1,578
<i>Total Public Health and Welfare</i>	<u>136,199</u>	<u>133,458</u>	<u>2,741</u>
Capital Outlay	<u>1,823</u>	<u>1,823</u>	<u>0</u>
<i>Total Expenditures</i>	<u>138,022</u>	<u>135,281</u>	<u>2,741</u>
<i>Excess of Revenues Under Expenditures</i>	(107,872)	(103,117)	4,755
Other Financing Sources:			
Transfers-In	<u>80,000</u>	<u>80,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(27,872)	(23,117)	4,755
<i>Fund Balance at Beginning of Year</i>	62,365	62,365	0
<i>Prior Year Encumbrances Appropriated</i>	<u>11,896</u>	<u>11,896</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$46,389</u></u>	<u><u>\$51,144</u></u>	<u><u>\$4,755</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Neighborhood Stabilization Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:	\$0	\$0	\$0
Expenditures:			
Current:			
Community Development			
Neighborhood Stabilization Program			
Contractual Services	4,000	0	4,000
<i>Net Change in Fund Balance</i>	(4,000)	0	4,000
<i>Fund Balance at Beginning of Year</i>	10,252	10,252	0
<i>Fund Balance at End of Year</i>	\$6,252	\$10,252	\$4,000

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Development Block Grant Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$535,817	\$456,487	(\$79,330)
Other	2,600	1,208	(1,392)
<i>Total Revenues</i>	<u>538,417</u>	<u>457,695</u>	<u>(80,722)</u>
Expenditures:			
Current:			
Community Development			
Entitlement Administration			
Personal Services	48,866	27,494	21,372
Contractual Services	78,039	78,037	2
Materials and Supplies	2,780	10	2,770
<i>Total Entitlement Administration</i>	<u>129,685</u>	<u>105,541</u>	<u>24,144</u>
Neighborhood Betterment			
Contractual Services	18,677	18,677	0
Code Enforcement			
Personal Services	88,029	77,167	10,862
Contractual Services	1,876	1,876	0
Materials and Supplies	2,335	1,963	372
<i>Total Code Enforcement</i>	<u>92,240</u>	<u>81,006</u>	<u>11,234</u>
Entitlement Fair Housing			
Personal Services	2,716	2,716	0
Contractual Services	23,790	13,790	10,000
Materials and Supplies	462	462	0
<i>Total Entitlement Fair Housing</i>	<u>26,968</u>	<u>16,968</u>	<u>10,000</u>
Economic Development			
Contractual Services	85,218	85,215	3
Community Development Home Repair			
Personal Services	24,705	19,075	5,630
Contractual Services	98,933	24,365	74,568
<i>Total Community Development Home Repair</i>	<u>123,638</u>	<u>43,440</u>	<u>80,198</u>
<i>Total Community Development</i>	<u>476,426</u>	<u>350,847</u>	<u>125,579</u>
Capital Outlay	3,155	3,155	0
<i>Total Expenditures</i>	<u>479,581</u>	<u>354,002</u>	<u>125,579</u>
<i>Excess of Revenues Over Expenditures</i>	<u>\$58,836</u>	<u>\$103,693</u>	<u>\$44,857</u>

(continued)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Development Block Grant Fund
For the Year Ended December 31, 2019
(Continued)

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):			
Advances-In	\$100,000	\$30,000	(\$70,000)
Advances-Out	(3)	0	3
<i>Total Other Financing Sources (Uses)</i>	<u>99,997</u>	<u>30,000</u>	<u>(69,997)</u>
<i>Net Change in Fund Balance</i>	158,833	133,693	(25,140)
<i>Fund Balance at Beginning of Year</i>	101,841	101,841	0
<i>Prior Year Encumbrances Appropriated</i>	<u>55,427</u>	<u>55,427</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$316,101</u></u>	<u><u>\$290,961</u></u>	<u><u>(\$25,140)</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Victim Witness Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$145,177	\$142,812	(\$2,365)
Other	0	2,338	2,338
<i>Total Revenues</i>	<u>145,177</u>	<u>145,150</u>	<u>(27)</u>
Expenditures:			
Current:			
Public Safety			
Administration			
Personal Services	234,546	228,418	6,128
Contractual Services	12,346	12,234	112
Materials and Supplies	3,002	2,987	15
<i>Total Administration</i>	<u>249,894</u>	<u>243,639</u>	<u>6,255</u>
State Victims Assistance Act			
Contractual Services	1,789	1,789	0
Materials and Supplies	500	500	0
<i>Total State Victims Assistance Act</i>	<u>2,289</u>	<u>2,289</u>	<u>0</u>
<i>Total Expenditures</i>	<u>252,183</u>	<u>245,928</u>	<u>6,255</u>
<i>Excess of Revenues Under Expenditures</i>	(107,006)	(100,778)	6,228
Other Financing Sources:			
Transfers-In	91,700	91,700	0
<i>Net Change in Fund Balance</i>	(15,306)	(9,078)	6,228
<i>Fund Balance at Beginning of Year</i>	34,580	34,580	0
<i>Prior Year Encumbrances Appropriated</i>	803	803	0
<i>Fund Balance at End of Year</i>	<u>\$20,077</u>	<u>\$26,305</u>	<u>\$6,228</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Home Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$305,200	\$175,801	(\$129,399)
Other	5,268	5,305	37
<i>Total Revenues</i>	<u>310,468</u>	<u>181,106</u>	<u>(129,362)</u>
Expenditures:			
Current:			
Community Development			
Neighborhood Betterment			
Personal Services	16,176	4,218	11,958
Contractual Services	208,024	207,534	490
<i>Total Expenditures</i>	<u>224,200</u>	<u>211,752</u>	<u>12,448</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	86,268	(30,646)	(116,914)
Other Financing Sources:			
Advances-In	50,000	50,000	0
<i>Net Change in Fund Balance</i>	136,268	19,354	(116,914)
<i>Fund Balance at Beginning of Year</i>	<u>65,291</u>	<u>65,291</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$201,559</u></u>	<u><u>\$84,645</u></u>	<u><u>(\$116,914)</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Justice Reinvestment and Incentive Grant Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$300	(\$464)	(\$764)
Intergovernmental	77,109	77,109	0
<i>Total Revenues</i>	<u>77,409</u>	<u>76,645</u>	<u>(764)</u>
Expenditures:			
Current:			
Public Safety			
Justice Reinvestment Grant			
Personal Services	62,780	61,547	1,233
Contractual Services	8,180	8,180	0
Materials and Supplies	19,950	19,950	0
<i>Total Expenditures</i>	<u>90,910</u>	<u>89,677</u>	<u>1,233</u>
<i>Net Change in Fund Balance</i>	(13,501)	(13,032)	469
<i>Fund Balance at Beginning of Year</i>	<u>35,350</u>	<u>35,350</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$21,849</u>	<u>\$22,318</u>	<u>\$469</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Law Enforcement Trust Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$1,888	\$1,888	\$0
Contributions and Donations	8,900	7,876	(1,024)
Other	21,500	20,145	(1,355)
<i>Total Revenues</i>	<u>32,288</u>	<u>29,909</u>	<u>(2,379)</u>
Expenditures:			
Current:			
Public Safety			
DARE Program			
Contractual Services	4,020	4,020	0
Materials and Supplies	2,980	2,866	114
<i>Total DARE Program</i>	<u>7,000</u>	<u>6,886</u>	<u>114</u>
Safety City Program			
Personal Services	2,431	2,423	8
Contractual Services	6,940	6,940	0
Materials and Supplies	6,550	6,141	409
<i>Total Safety City Program</i>	<u>15,921</u>	<u>15,504</u>	<u>417</u>
<i>Total Public Safety</i>	<u>22,921</u>	<u>22,390</u>	<u>531</u>
Capital Outlay	15,000	14,000	1,000
<i>Total Expenditures</i>	<u>37,921</u>	<u>36,390</u>	<u>1,531</u>
<i>Net Change in Fund Balance</i>	(5,633)	(6,481)	(848)
<i>Fund Balance at Beginning of Year</i>	39,653	39,653	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,267</u>	<u>5,267</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$39,287</u>	<u>\$38,439</u>	<u>(\$848)</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Drug Law Enforcement Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$3,200	\$1,742	(\$1,458)
Expenditures:			
Capital Outlay	6,000	6,000	0
<i>Net Change in Fund Balance</i>	(2,800)	(4,258)	(1,458)
<i>Fund Balance at Beginning of Year</i>	10,236	10,236	0
<i>Prior Year Encumbrances Appropriated</i>	6	6	0
<i>Fund Balance at End of Year</i>	\$7,442	\$5,984	(\$1,458)

City of Fairborn, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget and Actual (Non-GAAP Basis)
 Indigent Drivers Alcohol Treatment Fund
 For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$39,500	\$40,036	\$536
Expenditures:			
Current:			
Public Safety			
Law Enforcement			
Contractual Services	102,580	85,706	16,874
<i>Net Change in Fund Balance</i>	(63,080)	(45,670)	17,410
<i>Fund Balance at Beginning of Year</i>	235,558	235,558	0
<i>Prior Year Encumbrances Appropriated</i>	2,137	2,137	0
<i>Fund Balance at End of Year</i>	<u>\$174,615</u>	<u>\$192,025</u>	<u>\$17,410</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Alcohol Enforcement and Education Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$2,500	\$1,484	(\$1,016)
Expenditures:			
Current:			
Public Safety			
Law Enforcement			
Materials and Supplies	1,900	1,897	3
Capital Outlay	2,000	1,754	246
<i>Total Expenditures</i>	3,900	3,651	249
<i>Net Change in Fund Balance</i>	(1,400)	(2,167)	(767)
<i>Fund Balance at Beginning of Year</i>	5,713	5,713	0
<i>Fund Balance at End of Year</i>	\$4,313	\$3,546	(\$767)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Federal Forfeitures Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$1,000	\$707	(\$293)
Intergovernmental	9,712	3,482	(6,230)
Other	2,800	2,999	199
<i>Total Revenues</i>	<u>13,512</u>	<u>7,188</u>	<u>(6,324)</u>
Expenditures:			
Current:			
Public Safety			
Law Enforcement			
Contractual Services	4,300	4,270	30
Materials and Supplies	16,405	16,404	1
<i>Total Public Safety</i>	<u>20,705</u>	<u>20,674</u>	<u>31</u>
Capital Outlay	1,600	1,547	53
<i>Total Expenditures</i>	<u>22,305</u>	<u>22,221</u>	<u>84</u>
<i>Net Change in Fund Balance</i>	(8,793)	(15,033)	(6,240)
<i>Fund Balance at Beginning of Year</i>	40,195	40,195	0
<i>Prior Year Encumbrances Appropriated</i>	4,322	4,322	0
<i>Fund Balance at End of Year</i>	<u>\$35,724</u>	<u>\$29,484</u>	<u>(\$6,240)</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Municipal Probation Services Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$80,000	\$77,514	(\$2,486)
Expenditures:			
Current:			
Public Safety			
Law Enforcement			
Personal Services	88,399	87,483	916
Contractual Services	4,035	4,030	5
<i>Total Expenditures</i>	92,434	91,513	921
<i>Net Change in Fund Balance</i>	(12,434)	(13,999)	(1,565)
<i>Fund Balance at Beginning of Year</i>	162,423	162,423	0
<i>Prior Year Encumbrances Appropriated</i>	2,308	2,308	0
<i>Fund Balance at End of Year</i>	\$152,297	\$150,732	(\$1,565)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Traffic Intervention Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$13,000	\$13,601	\$601
Expenditures:			
Current:			
Public Safety			
Law Enforcement			
Personal Services	13,701	0	13,701
<i>Net Change in Fund Balance</i>	(701)	13,601	14,302
<i>Fund Balance at Beginning of Year</i>	922	922	0
<i>Fund Balance at End of Year</i>	\$221	\$14,523	\$14,302

City of Fairborn, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget and Actual (Non-GAAP Basis)
 Court Legal Research/Computerization Fund
 For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$16,900	\$16,660	(\$240)
Expenditures:			
Current:			
Public Safety			
Municipal Court			
Contractual Services	25,500	25,500	0
Capital Outlay	34,715	29,716	4,999
<i>Total Expenditures</i>	<u>60,215</u>	<u>55,216</u>	<u>4,999</u>
<i>Net Change in Fund Balance</i>	(43,315)	(38,556)	4,759
<i>Fund Balance at Beginning of Year</i>	41,425	41,425	0
<i>Prior Year Encumbrances Appropriated</i>	<u>39,971</u>	<u>39,971</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$38,081</u></u>	<u><u>\$42,840</u></u>	<u><u>\$4,759</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Court Clerk Computerization Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$89,700	\$90,030	\$330
Expenditures:			
Current:			
General Government			
Municipal Court			
Personal Services	5,508	5,477	31
Contractual Services	164,940	164,640	300
Materials and Supplies	5,000	4,950	50
<i>Total General Government</i>	175,448	175,067	381
Capital Outlay	31,300	31,199	101
<i>Total Expenditures</i>	206,748	206,266	482
<i>Net Change in Fund Balance</i>	(117,048)	(116,236)	812
<i>Fund Balance at Beginning of Year</i>	271,457	271,457	0
<i>Prior Year Encumbrances Appropriated</i>	62,716	62,716	0
<i>Fund Balance at End of Year</i>	\$217,125	\$217,937	\$812

City of Fairborn, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget and Actual (Non-GAAP Basis)
 Indigent Driver's Interlock and Alcohol Monitoring Fund
 For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$21,000	\$21,045	\$45
Expenditures:			
Current:			
Public Safety			
Law Enforcement			
Contractual Services	75,515	51,630	23,885
<i>Net Change in Fund Balance</i>	(54,515)	(30,585)	23,930
<i>Fund Balance at Beginning of Year</i>	57,811	57,811	0
<i>Prior Year Encumbrances Appropriated</i>	35,929	35,929	0
<i>Fund Balance at End of Year</i>	<u>\$39,225</u>	<u>\$63,155</u>	<u>\$23,930</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Moving Ohio Forward Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:	\$0	\$0	\$0
Expenditures:			
Current:			
Community Development			
Contractual Services	25,000	25,000	0
<i>Net Change in Fund Balance</i>	(25,000)	(25,000)	0
<i>Fund Balance at Beginning of Year</i>	22,975	22,975	0
<i>Prior Year Encumbrances Appropriated</i>	14,000	14,000	0
<i>Fund Balance at End of Year</i>	<u>\$11,975</u>	<u>\$11,975</u>	<u>\$0</u>

City of Fairborn, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget and Actual (Non-GAAP Basis)
 Federal Emergency Management Agency Fund
 For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$13,700	\$13,700	\$0
Expenditures:			
Current:			
Public Safety			
Fire Operations			
Personal Services	13,700	13,700	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Redevelopment Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$30,000	\$7,822	(\$22,178)
Investment Earnings	0	22,637	22,637
Other	0	16,502	16,502
<i>Total Revenues</i>	<u>30,000</u>	<u>46,961</u>	<u>16,961</u>
Expenditures:			
Current:			
Community Development			
Neighborhood Betterment			
Contractual Services	71,881	67,328	4,553
Family Video Project			
Contractual Services	32,000	31,756	244
Broad Street Corridor			
Contractual Services	26,460	26,460	0
Tangible Solutions			
Contractual Services	2,840	2,750	90
2017 Redevelopment Phase II			
Contractual Services	6,800	6,750	50
Third & Main Improvements			
Contractual Services	73,838	73,576	262
<i>Total Community Development</i>	<u>213,819</u>	<u>208,620</u>	<u>5,199</u>
Capital Outlay	250,001	239,439	10,562
Debt Service:			
Principal Retirement	4,595,000	4,595,000	0
Interest and Fiscal Charges	190,734	187,270	3,464
<i>Total Debt Service</i>	<u>4,785,734</u>	<u>4,782,270</u>	<u>3,464</u>
<i>Total Expenditures</i>	<u>5,249,554</u>	<u>5,230,329</u>	<u>19,225</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(\$5,219,554)</u>	<u>(\$5,183,368)</u>	<u>\$36,186</u>

(continued)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Community Redevelopment Fund
For the Year Ended December 31, 2019
(Continued)

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources:			
Notes Issued	\$4,618,984	\$4,619,000	\$16
Premium on Debt Issued	49,400	46,484	(2,916)
Transfers-In	250,000	250,000	0
<i>Total Other Financing Sources</i>	<u>4,918,384</u>	<u>4,915,484</u>	<u>(2,900)</u>
<i>Net Change in Fund Balance</i>	(301,170)	(267,884)	33,286
<i>Fund Balance at Beginning of Year</i>	253,762	253,762	0
<i>Prior Year Encumbrances Appropriated</i>	<u>103,881</u>	<u>103,881</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$56,473</u>	<u>\$89,759</u>	<u>\$33,286</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Fire Loss Escrow Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$58,526	\$58,526	\$0
Expenditures:			
Current:			
Community Development			
Fire Loss Escrow			
Contractual Services	56,237	56,237	0
<i>Net Change in Fund Balance</i>	2,289	2,289	0
<i>Fund Balance at Beginning of Year</i>	11,211	11,211	0
<i>Fund Balance at End of Year</i>	<u>\$13,500</u>	<u>\$13,500</u>	<u>\$0</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Uninsured Loss Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$60,000	\$78,999	\$18,999
Expenditures:			
Current:			
General Government			
Uninsured Loss			
Contractual Services	107,457	105,714	1,743
<i>Net Change in Fund Balance</i>	(47,457)	(26,715)	20,742
<i>Fund Balance at Beginning of Year</i>	46,843	46,843	0
<i>Prior Year Encumbrances Appropriated</i>	3,509	3,509	0
<i>Fund Balance at End of Year</i>	<u>\$2,895</u>	<u>\$23,637</u>	<u>\$20,742</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
General Bond Retirement Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$77,000	\$100,551	\$23,551
Special Assessments	71,850	74,226	2,376
<i>Total Revenues</i>	<u>148,850</u>	<u>174,777</u>	<u>25,927</u>
Expenditures:			
Current:			
General Government			
Special Assessments			
Contractual Services	6,400	1,662	4,738
Debt Service:			
Principal Retirement	60,000	60,000	0
Interest and Fiscal Charges	10,874	10,874	0
<i>Total Debt Service</i>	<u>70,874</u>	<u>70,874</u>	<u>0</u>
<i>Total Expenditures</i>	<u>77,274</u>	<u>72,536</u>	<u>4,738</u>
<i>Excess of Revenues Over Expenditures</i>	71,576	102,241	30,665
Other Financing Sources:			
Special Assessment Bonds Issued	0	1,241	1,241
<i>Net Change in Fund Balance</i>	71,576	103,482	31,906
<i>Fund Balance at Beginning of Year</i>	<u>112</u>	<u>112</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$71,688</u></u>	<u><u>\$103,594</u></u>	<u><u>\$31,906</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Court Special Projects Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines, Licenses and Permits	\$185,386	\$198,421	\$13,035
Expenditures:			
Current:			
General Government			
Law Enforcement			
Personal Services	112,135	105,458	6,677
Contractual Services	34,869	22,734	12,135
Materials and Supplies	45,800	32,700	13,100
<i>Total General Government</i>	192,804	160,892	31,912
Capital Outlay	5,000	5,000	0
<i>Total Expenditures</i>	197,804	165,892	31,912
<i>Net Change in Fund Balance</i>	(12,418)	32,529	44,947
<i>Fund Balance at Beginning of Year</i>	356,460	356,460	0
<i>Prior Year Encumbrances Appropriated</i>	10,890	10,890	0
<i>Fund Balance at End of Year</i>	\$354,932	\$399,879	\$44,947

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
General Capital Improvement Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$4,800	\$5,930	\$1,130
Expenditures:			
Current:			
General Government			
General Capital Improvement			
Contractual Services	10,000	10,000	0
Materials and Supplies	52,193	52,193	0
<i>Total General Government</i>	62,193	62,193	0
Capital Outlay	301,631	260,761	40,870
<i>Total Expenditures</i>	363,824	322,954	40,870
<i>Excess of Revenues Under Expenditures</i>	(359,024)	(317,024)	42,000
Other Financing Sources:			
Transfers-In	231,800	222,774	(9,026)
<i>Net Change in Fund Balance</i>	(127,224)	(94,250)	32,974
<i>Fund Balance at Beginning of Year</i>	531,751	531,751	0
<i>Prior Year Encumbrances Appropriated</i>	80,663	80,663	0
<i>Fund Balance at End of Year</i>	\$485,190	\$518,164	\$32,974

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Parks and Recreation Improvements Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other Local Taxes	\$167,000	\$207,465	\$40,465
Charges for Services	18,251	18,251	0
Investment Earnings	1,000	4,197	3,197
Intergovernmental	49,000	49,000	0
Other	63,000	63,603	603
<i>Total Revenues</i>	<u>298,251</u>	<u>342,516</u>	<u>44,265</u>
Expenditures:			
Current:			
Leisure Time Activities			
Park and Recreation Improvements			
Materials and Supplies	20,000	20,000	0
Capital Outlay	<u>279,826</u>	<u>263,435</u>	<u>16,391</u>
<i>Total Expenditures</i>	<u>299,826</u>	<u>283,435</u>	<u>16,391</u>
<i>Net Change in Fund Balance</i>	(1,575)	59,081	60,656
<i>Fund Balance at Beginning of Year</i>	212,413	212,413	0
<i>Prior Year Encumbrances Appropriated</i>	<u>23,479</u>	<u>23,479</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$234,317</u></u>	<u><u>\$294,973</u></u>	<u><u>\$60,656</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Building and Land Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:	\$0	\$0	\$0
Expenditures:			
Current:			
General Government			
Building and Land			
Contractual Services	98,399	94,024	4,375
Materials and Supplies	51,449	51,448	1
<i>Total General Government</i>	149,848	145,472	4,376
Capital Outlay	304,728	304,578	150
Debt Service:			
Principal Retirement	648,150	648,150	0
Interest and Fiscal Charges	16,203	15,574	629
<i>Total Debt Service</i>	664,353	663,724	629
<i>Total Expenditures</i>	1,118,929	1,113,774	5,155
<i>Excess of Revenues Under Expenditures</i>	(1,118,929)	(1,113,774)	5,155
Other Financing Sources:			
Notes Issued	633,150	633,150	0
Premium on Debt Issued	4,191	4,339	148
Transfers-In	272,700	259,161	(13,539)
<i>Total Other Financing Sources</i>	910,041	896,650	(13,391)
<i>Net Change in Fund Balance</i>	(208,888)	(217,124)	(8,236)
<i>Fund Balance at Beginning of Year</i>	167,751	167,751	0
<i>Prior Year Encumbrances Appropriated</i>	392,159	392,159	0
<i>Fund Balance at End of Year</i>	\$351,022	\$342,786	(\$8,236)

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Tax Increment Financing Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Revenue in Lieu of Taxes	\$285,339	\$285,339	\$0
Expenditures:			
Current:			
General Government			
Tax Increment Financing			
Contractual Services	3,800	2,893	907
Debt Service:			
Principal Retirement	90,000	90,000	0
Interest and Fiscal Charges	27,788	27,788	0
<i>Total Debt Service</i>	117,788	117,788	0
<i>Total Expenditures</i>	121,588	120,681	907
<i>Net Change in Fund Balance</i>	163,751	164,658	907
<i>Fund Balance at Beginning of Year</i>	360,359	360,359	0
<i>Fund Balance at End of Year</i>	\$524,110	\$525,017	\$907

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
Special Assessment Construction Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$90,000	\$79,587	(\$10,413)
Investment Earnings	0	1	1
<i>Total Revenues</i>	<u>90,000</u>	<u>79,588</u>	<u>(10,412)</u>
Expenditures:			
Current:			
General Government			
Special Assessments Construction			
Contractual Services	22,380	22,380	0
Capital Outlay	13,028	13,028	0
Debt Service:			
Principal Retirement	190,000	190,000	0
Interest and Fiscal Charges	6,211	5,612	599
<i>Total Debt Service</i>	<u>196,211</u>	<u>195,612</u>	<u>599</u>
<i>Total Expenditures</i>	<u>231,619</u>	<u>231,020</u>	<u>599</u>
<i>Excess of Revenues Under Expenditures</i>	(141,619)	(151,432)	(9,813)
Other Financing Sources:			
Special Assessment Bonds Issued	72,000	83,799	11,799
<i>Net Change in Fund Balance</i>	(69,619)	(67,633)	1,986
<i>Fund Balance at Beginning of Year</i>	100,858	100,858	0
<i>Prior Year Encumbrances Appropriated</i>	48,905	48,905	0
<i>Fund Balance at End of Year</i>	<u>\$80,144</u>	<u>\$82,130</u>	<u>\$1,986</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Non-GAAP Basis)
I-675 Corridor Tax Increment Financing Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Revenue in Lieu of Taxes	\$6,028	\$6,028	\$0
Expenditures:			
Current:			
General Government			
Tax Increment Financing			
Contractual Services	7,743	6,794	949
Debt Service:			
Principal Retirement	2,055,000	2,055,000	0
Interest and Fiscal Charges	62,112	62,036	76
<i>Total Expenditures</i>	<u>2,124,855</u>	<u>2,123,830</u>	<u>1,025</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,118,827)</u>	<u>(2,117,802)</u>	<u>1,025</u>
Other Financing Sources:			
Notes Issued	2,111,400	2,112,000	600
Premium on Debt Issued	12,500	13,453	953
<i>Total Other Financing Sources</i>	<u>2,123,900</u>	<u>2,125,453</u>	<u>1,553</u>
<i>Net Change in Fund Balance</i>	5,073	7,651	2,578
<i>Fund Balance at Beginning of Year</i>	<u>10,718</u>	<u>10,718</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$15,791</u>	<u>\$18,369</u>	<u>\$2,578</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Non-GAAP Basis)
Equipment Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$1,445,728	\$1,468,816	\$23,088
Other	785	486	(299)
<i>Total Revenues</i>	<u>1,446,513</u>	<u>1,469,302</u>	<u>22,789</u>
Expenses:			
Personal Services	584,015	577,303	6,712
Contractual Services	48,405	44,904	3,501
Materials and Supplies	800,941	798,557	2,384
Capital Outlay	13,005	13,005	0
<i>Total Expenses</i>	<u>1,446,366</u>	<u>1,433,769</u>	<u>12,597</u>
<i>Net Change in Fund Equity</i>	147	35,533	35,386
<i>Fund Equity at Beginning of Year</i>	156,602	156,602	0
<i>Prior Year Encumbrances Appropriated</i>	<u>51,356</u>	<u>51,356</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$208,105</u>	<u>\$243,491</u>	<u>\$35,386</u>

City of Fairborn, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Non-GAAP Basis)
Information Technology Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$858,000	\$858,000	\$0
Other	0	5,109	5,109
<i>Total Revenues</i>	<u>858,000</u>	<u>863,109</u>	<u>5,109</u>
Expenses:			
Personal Services	421,603	418,144	3,459
Contractual Services	272,136	271,951	185
Materials and Supplies	22,517	22,318	199
Capital Outlay	179,738	124,737	55,001
<i>Total Expenses</i>	<u>895,994</u>	<u>837,150</u>	<u>58,844</u>
<i>Net Change in Fund Equity</i>	(37,994)	25,959	63,953
<i>Fund Equity at Beginning of Year</i>	195,667	195,667	0
<i>Prior Year Encumbrances Appropriated</i>	<u>80,550</u>	<u>80,550</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$238,223</u></u>	<u><u>\$302,176</u></u>	<u><u>\$63,953</u></u>

City of Fairborn, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Non-GAAP Basis)
Employee Assistance Program Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Other	\$2,000	\$1,172	(\$828)
Expenses:			
Personal Services	15,000	1,202	13,798
Contractual Services	7,292	7,000	292
<i>Total Expenses</i>	22,292	8,202	14,090
<i>Excess of Revenues Under Expenses</i>	(20,292)	(7,030)	13,262
Non-Operating Revenues:			
Investment Earnings	1,000	2,310	1,310
<i>Net Change in Fund Equity</i>	(19,292)	(4,720)	14,572
<i>Fund Equity at Beginning of Year</i>	131,103	131,103	0
<i>Prior Year Encumbrances Appropriated</i>	730	730	0
<i>Fund Equity at End of Year</i>	\$112,541	\$127,113	\$14,572

City of Fairborn, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget and Actual (Non-GAAP Basis)
Jefferson Health Plan Fund
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$3,081,000	\$3,080,476	(\$524)
Other	270,000	227,233	(42,767)
<i>Total Revenues</i>	<u>3,351,000</u>	<u>3,307,709</u>	<u>(43,291)</u>
Expenses:			
Contractual Services	870,000	822,149	47,851
Claims	2,580,000	2,573,208	6,792
<i>Total Expenses</i>	<u>3,450,000</u>	<u>3,395,357</u>	<u>54,643</u>
<i>Excess of Revenues Under Expenses</i>	(99,000)	(87,648)	11,352
Non-Operating Revenues:			
Investment Earnings	19,000	18,801	(199)
<i>Net Change in Fund Equity</i>	(80,000)	(68,847)	11,153
<i>Fund Equity at Beginning of Year</i>	680,574	680,574	0
<i>Fund Equity at End of Year</i>	<u>\$600,574</u>	<u>\$611,727</u>	<u>\$11,153</u>

S T A T I S T I C A L S E C T I O N



FAIRBORN
A CITY IN MOTION

STATISTICAL TABLES

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

<u>CONTENTS</u>	<u>PAGES</u>
Financial Trends	200-209
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	210-219
These schedules contain information to help the reader assess the City’s most significant local revenue sources, property taxes and income taxes.	
Debt Capacity	220-227
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.	
Demographic and Economic Information	228-231
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating information	232-235
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial reports 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 comprehensive annual financial reports for the relevant year.

City of Fairborn
Net Position by Component
Last Ten Years
(accrual basis of accounting)
Schedule 1

	2010	2011	2012	2013
Governmental Activities				
Net Investment in Capital Assets	\$58,223,118	\$59,259,234	\$59,885,657	\$60,422,126
Restricted	10,917,852	13,249,832	13,272,202	12,832,977
Unrestricted (Deficit)	6,468,379	7,587,718	11,621,608	13,227,049
<i>Total Governmental Activities Net Position</i>	<u>\$75,609,349</u>	<u>\$80,096,784</u>	<u>\$84,779,467</u>	<u>\$86,482,152</u>
Business-Type Activities				
Net Investment in Capital Assets	\$12,913,413	\$12,778,599	\$12,182,697	\$10,370,449
Unrestricted	7,461,531	9,037,992	10,509,882	13,781,547
<i>Total Business-Type Activities Net Position</i>	<u>\$20,374,944</u>	<u>\$21,816,591</u>	<u>\$22,692,579</u>	<u>\$24,151,996</u>
Total Primary Government				
Net Investment in Capital Assets	\$71,136,531	\$72,037,833	\$72,068,354	\$70,792,575
Restricted	10,917,852	13,249,832	13,272,202	12,832,977
Unrestricted (Deficit)	13,929,910	16,625,710	22,131,490	27,008,596
<i>Total Primary Government Net Position</i>	<u>\$95,984,293</u>	<u>\$101,913,375</u>	<u>\$107,472,046</u>	<u>\$110,634,148</u>

Note: The City reported the impact of GASB Statement No. 68 beginning in 2014.

Note: The City reported the impact of GASB Statement No. 75 beginning in 2017.

2014	2015	2016	Restated 2017	2018	2019
\$61,971,834	\$62,817,281	\$62,009,840	\$61,539,877	\$61,482,208	\$63,758,772
9,206,263	10,484,017	12,289,605	14,147,204	11,824,721	13,476,539
(7,228,899)	(7,781,865)	(9,725,679)	(34,010,845)	(38,509,120)	(26,713,492)
<u>\$63,949,198</u>	<u>\$65,519,433</u>	<u>\$64,573,766</u>	<u>\$41,676,236</u>	<u>\$34,797,809</u>	<u>\$50,521,819</u>
\$10,132,357	\$10,497,587	\$11,706,766	\$13,837,167	\$16,390,665	\$17,509,040
13,991,246	15,319,546	15,371,576	13,066,731	10,175,839	8,092,813
<u>\$24,123,603</u>	<u>\$25,817,133</u>	<u>\$27,078,342</u>	<u>\$26,903,898</u>	<u>\$26,566,504</u>	<u>\$25,601,853</u>
\$72,104,191	\$73,314,868	\$73,716,606	\$75,377,044	\$77,872,873	\$81,267,812
9,206,263	10,484,017	12,289,605	14,147,204	11,824,721	13,476,539
6,762,347	7,537,681	5,645,897	(20,944,114)	(28,333,281)	(18,620,679)
<u>\$88,072,801</u>	<u>\$91,336,566</u>	<u>\$91,652,108</u>	<u>\$68,580,134</u>	<u>\$61,364,313</u>	<u>\$76,123,672</u>

City of Fairborn
Changes in Net Position
Last Ten Years
(accrual basis of accounting)
Schedule 2

	2010	2011	2012	2013
Program Revenues:				
Governmental Activities:				
Charges for Services:				
General Government	\$4,546,522	\$5,006,470	\$5,321,951	\$4,797,028
Public Safety	2,243,439	1,580,842	2,242,606	2,277,370
Leisure Time Activities	17,755	20,555	20,668	19,345
Community Development	0	0	0	0
Transportation and Street Repair	0	0	16,031	22,314
Public Health and Welfare	31,559	40,585	41,825	41,267
Operating Grants, Contributions and Interest	2,601,148	3,119,605	3,313,243	3,001,991
Capital Grants, Contributions and Interest	1,154,072	3,224,212	1,178,734	857,836
Total Governmental Activities Program Revenues	10,594,495	12,992,269	12,135,058	11,017,151
Business-Type Activities:				
Charges for Services:				
Water	3,737,937	3,957,558	4,199,695	4,168,835
Sewer	5,754,670	5,936,952	6,505,548	6,640,578
Sanitation	2,525,807	2,502,118	2,542,620	2,636,893
Operating Grants, Contributions and Interest:				
Sewer	51,742	0	0	0
Capital Grants, Contributions and Interest:				
Water	27,700	43,300	65,235	0
Sewer	39,540	46,865	56,005	0
Total Business-Type Activities Program Revenues	12,137,396	12,486,793	13,369,103	13,446,306
Total Primary Government Program Revenues	22,731,891	25,479,062	25,504,161	24,463,457
Expenses:				
Governmental Activities:				
General Government	10,210,347	9,358,187	8,905,813	10,125,094
Public Safety	13,166,582	13,148,808	12,978,270	13,969,809
Leisure Time Activities	509,311	353,854	332,663	452,199
Community Development	1,096,602	1,107,951	1,374,945	1,156,363
Transportation and Street Repair	1,829,298	1,858,735	3,421,331	2,617,619
Public Health and Welfare	91,846	96,966	96,413	103,185
Interest and Fiscal Charges	459,319	216,742	346,865	270,515
Intergovernmental	222,316	361,216	223,589	0
Total Governmental Activities Expenses	27,585,621	26,502,459	27,679,889	28,694,784
Business-Type Activities:				
Water	3,456,025	3,211,043	3,450,401	4,038,081
Sewer	5,382,287	5,334,436	6,635,220	5,578,285
Sanitation	2,328,675	2,550,934	2,449,113	2,721,970
Total Business-Type Activities Expenses	11,166,987	11,096,413	12,534,734	12,338,336
Total Primary Government Expenses	\$38,752,608	\$37,598,872	\$40,214,623	\$41,033,120

2014	2015 (1)	2016	2017	2018 (2)	2019
\$4,894,322	\$4,958,113	\$5,611,972	\$5,420,422	\$5,568,073	\$5,508,487
2,056,636	2,271,404	2,270,773	2,011,779	2,060,653	1,483,093
18,477	20,984	19,988	18,251	18,251	18,251
26,642	51,233	38,629	40,423	23,278	7,822
26,954	9,570	31,921	140,092	39,405	40,791
32,391	27,344	35,595	30,829	37,091	31,318
3,306,043	3,299,247	3,559,966	4,436,696	4,554,107	6,583,089
935,184	1,430,177	878,850	615,550	997,091	341,803
11,296,649	12,068,072	12,447,694	12,714,042	13,297,949	14,014,654
4,304,620	4,104,119	4,136,284	4,023,734	4,105,891	4,089,684
6,687,253	6,651,226	6,648,955	6,317,030	6,388,028	6,490,299
2,763,166	2,754,574	2,743,135	3,087,225	3,084,525	3,220,143
0	0	0	0	0	0
36,480	71,290	52,330	55,690	61,680	94,650
25,547	58,820	43,110	49,110	58,970	85,850
13,817,066	13,640,029	13,623,814	13,532,789	13,699,094	13,980,626
25,113,715	25,708,101	26,071,508	26,246,831	26,997,043	27,995,280
9,957,291	10,198,666	10,756,212	11,633,948	12,114,843	13,054,969
14,285,206	14,786,740	17,290,189	17,344,091	21,071,688	2,731,748
404,947	450,208	461,178	604,199	624,857	536,633
4,681,346	2,259,182	1,959,838	2,524,337	3,138,321	2,216,799
3,328,628	3,338,726	3,088,426	2,084,305	4,993,499	2,914,006
116,391	117,755	122,870	119,619	118,836	149,716
214,784	210,577	247,647	358,433	411,131	418,686
0	0	0	0	0	0
32,988,593	31,361,854	33,926,360	34,668,932	42,473,175	22,022,557
4,468,043	3,997,386	3,945,132	4,122,433	4,686,146	4,360,322
5,484,171	5,547,509	6,492,400	5,759,142	6,575,149	7,623,935
2,572,478	2,591,785	2,830,336	2,990,997	3,050,745	3,250,759
12,524,692	12,136,680	13,267,868	12,872,572	14,312,040	15,235,016
\$45,513,285	\$43,498,534	\$47,194,228	\$47,541,504	\$56,785,215	\$37,257,573

(continued)

City of Fairborn
Changes in Net Position
Last Ten Years
(accrual basis of accounting)
Schedule 2
(Continued)

	2010	2011	2012	2013
Net (Expense)/Revenue				
Governmental Activities	(\$16,991,126)	(\$13,510,190)	(\$15,544,831)	(\$17,677,633)
Business-Type Activities	970,409	1,390,380	834,369	1,107,970
Total Primary Government Net Expenses	(16,020,717)	(12,119,810)	(14,710,462)	(16,569,663)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	1,645,992	1,551,379	822,926	834,730
Fire and EMS	380,949	545,417	2,189,418	2,210,684
Police	152,106	340,974	2,189,418	2,210,683
Debt Service	149,388	114,364	0	0
Street Lighting	139,667	124,253	0	0
Other Local Taxes	712,099	810,109	841,187	823,386
Revenue in Lieu of Taxes	339,114	332,269	379,278	362,657
Municipal Income Taxes Levied for:				
General Purposes	7,739,285	7,759,131	8,125,170	7,733,646
Street Programs	1,931,190	1,946,526	2,030,750	1,934,815
Public Safety	1,931,190	1,946,525	2,030,749	1,934,815
Grants and Entitlements not				
Restricted to Specific Programs	2,158,308	1,890,415	1,076,446	1,271,868
Investment Earnings	16,369	135,217	63,005	(53,893)
Other	397,906	501,046	479,167	418,299
Transfers-Internal Activities	0	0	0	(301,372)
Total Governmental Activities	17,693,563	17,997,625	20,227,514	19,380,318
Business-Type Activities:				
Investment Earnings	57,526	25,838	23,729	13,118
Gain on Sale of Capital Assets	0	0	0	0
Other	29,830	25,429	17,890	36,957
Transfers-Internal Activities	0	0	0	301,372
Total Business-Type Activities	87,356	51,267	41,619	351,447
Total Primary Government	17,780,919	18,048,892	20,269,133	19,731,765
Change in Net Position:				
Governmental Activities	702,437	4,487,435	4,682,683	1,702,685
Business-Type Activities	1,057,765	1,441,647	875,988	1,459,417
Total Primary Government	\$1,760,202	\$5,929,082	\$5,558,671	\$3,162,102

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in 2018.

2014	2015 (1)	2016	2017	2018 (2)	2019
(\$21,691,944)	(\$19,293,782)	(\$21,478,666)	(\$21,954,890)	(\$29,175,226)	(\$8,007,903)
1,292,374	1,503,349	355,946	660,217	(612,946)	(1,254,390)
(20,399,570)	(17,790,433)	(21,122,720)	(21,294,673)	(29,788,172)	(9,262,293)
847,262	782,489	818,384	882,524	787,269	877,515
2,240,812	2,045,353	2,166,795	2,135,521	2,204,623	2,265,445
2,240,812	2,045,353	2,166,795	2,135,522	2,204,623	2,265,445
0	0	0	0	0	0
0	0	0	0	0	0
828,945	847,768	841,911	765,467	896,209	842,432
419,134	428,715	411,210	506,595	592,090	728,180
8,080,790	8,231,278	8,958,104	8,728,866	9,008,285	9,312,525
2,018,698	2,057,256	2,239,665	2,181,914	2,235,800	2,328,539
2,018,698	2,057,248	2,239,665	2,181,913	2,235,797	2,328,538
968,659	1,765,047	938,320	808,185	986,697	1,154,261
442,641	191,381	(41,272)	279,331	448,000	737,247
580,160	412,129	479,006	645,871	697,406	891,786
0	0	(685,584)	(283,347)	0	0
20,686,611	20,864,017	20,532,999	20,968,362	22,296,799	23,731,913
30,708	52,369	75,056	65,800	71,411	63,884
0	0	0	22,247	0	0
149,596	137,812	144,623	199,256	204,141	225,855
0	0	685,584	283,347	0	0
180,304	190,181	905,263	570,650	275,552	289,739
20,866,915	21,054,198	21,438,262	21,539,012	22,572,351	24,021,652
(1,005,333)	1,570,235	(945,667)	(986,528)	(6,878,427)	15,724,010
1,472,678	1,693,530	1,261,209	1,230,867	(337,394)	(964,651)
\$467,345	\$3,263,765	\$315,542	\$244,339	(\$7,215,821)	\$14,759,359

City of Fairborn
Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
Schedule 3

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund				
Nondisposable	\$28,888	\$46,497	\$54,586	\$25,166
Assigned	213,705	171,849	262,679	608,978
Unassigned	<u>3,371,738</u>	<u>3,410,686</u>	<u>7,894,685</u>	<u>9,382,356</u>
Total General Fund	<u>3,614,331</u>	<u>3,629,032</u>	<u>8,211,950</u>	<u>10,016,500</u>
All Other Governmental Funds				
Nondisposable	1,284,429	3,412,502	3,329,972	69,678
Restricted	6,575,123	7,071,041	7,360,699	7,176,384
Committed	374,831	491,291	561,203	254,549
Assigned	474,042	593,902	495,287	586,058
Unassigned (Deficit)	<u>(2,553,880)</u>	<u>(3,123,216)</u>	<u>(730,233)</u>	<u>(309,636)</u>
Total all Other Governmental Funds	<u>6,154,545</u>	<u>8,445,520</u>	<u>11,016,928</u>	<u>7,777,033</u>
All Governmental Funds	<u><u>\$9,768,876</u></u>	<u><u>\$12,074,552</u></u>	<u><u>\$19,228,878</u></u>	<u><u>\$17,793,533</u></u>

2014	2015	2016	2017	2018	2019
\$23,665	\$14,298	\$18,950	\$72,838	\$80,503	\$81,612
755,130	983,752	2,023,546	2,721,907	1,752,154	3,206,819
10,042,544	9,480,017	8,378,803	6,936,826	7,342,232	6,052,931
10,821,339	10,478,067	10,421,299	9,731,571	9,174,889	9,341,362
200,574	166,271	669,611	162,712	174,023	187,314
6,062,520	7,295,377	8,206,807	9,172,117	8,202,333	9,169,171
309,296	119,119	258,566	432,467	792,265	716,683
625,356	419,469	459,463	633,701	400,326	562,794
(122,498)	(1,079)	(2,216,842)	(2,101,377)	(3,334,860)	(2,144,747)
7,075,248	7,999,157	7,377,605	8,299,620	6,234,087	8,491,215
\$17,896,587	\$18,477,224	\$17,798,904	\$18,031,191	\$15,408,976	\$17,832,577

City of Fairborn
Changes in Fund Balances - Governmental Funds
Last Ten Years
(modified accrual basis of accounting)
Schedule 4

	2010	2011	2012	2013
Revenues:				
Property Taxes	\$2,458,646	\$2,415,919	\$5,235,512	\$5,404,927
Other Local Taxes	712,099	810,109	841,187	823,386
Municipal Income Taxes	11,442,949	11,574,407	11,994,955	11,691,107
Revenue in Lieu of Taxes	339,114	332,269	379,278	362,657
Fines, Licenses and Permits	1,817,598	1,638,566	1,639,486	1,679,445
Charges for Services	4,868,341	5,048,274	5,778,812	5,342,261
Investment Earnings	165,647	168,589	101,427	(48,747)
Intergovernmental	5,914,059	6,236,284	6,535,383	4,942,122
Special Assessments	414,979	416,412	363,052	321,577
Contributions and Donations	0	46,558	9,276	1,427
Other	397,906	501,046	498,594	418,299
Total Revenues	28,531,338	29,188,433	33,376,962	30,938,461
Expenditures:				
Current:				
General Government	7,517,523	7,025,927	6,410,454	7,359,127
Public Safety	12,772,786	12,379,650	12,282,513	13,351,123
Leisure Time Activities	391,574	201,592	169,189	281,564
Community Development	1,080,457	1,087,343	1,349,975	1,133,762
Transportation and Street Repair	1,460,195	1,763,864	3,309,867	2,607,811
Public Health and Welfare	90,865	95,111	94,743	102,948
Capital Outlay	2,505,157	1,699,918	2,014,611	2,896,232
Intergovernmental	222,316	216,742	223,589	215,666
Debt Service:				
Principal Retirement	2,040,492	2,478,903	1,755,570	3,328,691
Interest and Fiscal Charges	485,687	384,476	363,988	321,975
Issuance Costs	852	11,510	0	0
Total Expenditures	28,567,904	27,345,036	27,974,499	31,598,899
Excess of Revenues				
Over (Under) Expenditures	(36,566)	1,843,397	5,402,463	(660,438)
Other Financing Sources (Uses):				
Special Assessments Bond Issued	0	320,000	120,000	0
Notes Issued	0	0	0	517,500
Proceeds of OPWC Loans	0	0	0	0
Premium on Debt Issued	583	0	16,193	47,589
Proceeds from the Sale of Capital Assets	0	22,279	4,484	25,921
General Obligation Bonds Issued	45,000	0	0	1,630,000
Refunding Notes Issued	710,000	120,000	1,611,186	0
Transfers-In	10,226,724	9,644,754	4,870,028	5,878,722
Transfers-Out	(10,226,724)	(9,644,754)	(4,870,028)	(5,878,722)
Total Other Financing Sources (Uses)	755,583	462,279	1,751,863	2,221,010
Prior Year Restatement of Restricted Fund Balance	0	0	0	(2,995,917)
Net Change in Fund Balances	\$719,017	\$2,305,676	\$7,154,326	(\$1,435,345)
Debt Service as a Percentage				
of Noncapital Expenditures	9.7%	11.2%	8.2%	12.6%

2014	2015	2016	2017	2018	2019
\$5,270,213	\$5,033,037	\$5,146,070	\$5,128,685	\$5,221,852	\$5,320,488
828,945	847,768	841,911	764,241	897,435	842,432
11,911,179	12,165,582	13,164,280	13,016,028	13,491,824	13,835,468
419,134	428,715	411,210	506,595	592,090	728,180
1,809,801	1,701,365	1,744,061	2,175,162	1,971,179	1,897,855
5,370,812	5,552,844	5,628,442	5,614,586	5,501,197	5,132,794
488,097	184,960	26,256	319,513	533,530	839,251
4,722,891	5,945,544	4,451,296	5,018,296	5,711,160	6,885,726
295,972	197,000	187,020	194,139	184,481	76,842
5,384	11,059	15,565	19,076	17,728	14,443
580,160	412,129	479,006	645,871	697,406	891,786
31,702,588	32,480,003	32,095,117	33,402,192	34,819,882	36,465,265
7,121,226	6,987,945	7,330,640	7,996,512	8,431,402	8,603,326
13,496,787	13,815,117	14,806,908	15,595,103	17,309,839	16,546,058
229,166	247,569	268,657	299,904	346,021	382,447
1,655,251	2,259,829	1,883,239	2,353,386	2,960,163	1,908,212
3,258,464	3,234,742	2,949,365	1,850,948	4,782,492	2,321,291
115,122	117,097	118,751	117,643	115,585	125,069
3,399,872	4,335,287	4,737,193	6,577,806	3,014,662	5,754,076
253,670	243,390	235,465	315,411	358,145	436,813
2,136,024	715,368	676,945	1,025,336	3,806,305	4,152,434
255,058	219,918	249,473	337,359	426,430	431,683
0	0	0	0	0	0
31,920,640	32,176,262	33,256,636	36,469,408	41,551,044	40,661,409
(218,052)	303,741	(1,161,519)	(3,067,216)	(6,731,162)	(4,196,144)
0	0	85,000	0	75,000	89,000
310,000	270,000	757,515	3,545,000	4,001,225	6,430,981
0	0	334,832	0	0	0
6,935	2,155	4,726	32,014	29,571	60,732
4,171	4,741	11,710	5,836	3,151	39,032
0	0	0	0	0	0
0	0	0	0	0	0
6,654,118	7,370,918	8,581,627	7,723,776	8,051,918	7,733,335
(6,654,118)	(7,370,918)	(9,292,211)	(8,007,123)	(8,051,918)	(7,733,335)
321,106	276,896	483,199	3,299,503	4,108,947	6,619,745
0	0	0	0	0	0
\$103,054	\$580,637	(\$678,320)	\$232,287	(\$2,622,215)	\$2,423,601
8.4%	3.4%	3.3%	4.6%	11.0%	13.3%

City of Fairborn, Ohio
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years
Schedule 5

Assessed Year	Real Property		Tangible Personal Property			
	Assessed Value	Estimated Actual Value	Public Utility		General Business	
			Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2010	\$552,367,880	\$1,578,193,943	\$10,647,220	\$12,099,114	\$1,138,450	\$1,821,520
2011	555,015,130	1,585,757,514	11,124,480	12,641,455	552,420	883,872
2012	513,212,360	1,466,321,029	11,439,860	12,999,841	0	0
2013	516,359,800	1,475,313,714	14,040,100	15,954,659	0	0
2014	497,344,590	1,420,984,543	14,054,270	15,970,761	0	0
2015	498,165,380	1,423,329,657	14,621,720	16,615,591	0	0
2016	500,809,070	1,430,883,057	15,689,160	17,828,591	0	0
2017	506,280,670	1,446,516,200	16,466,990	18,712,489	0	0
2018	514,907,250	1,471,163,571	17,744,430	20,164,125	0	0
2019	522,658,010	1,493,308,600	19,235,850	21,858,920	0	0

Source: Greene County Auditor

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The 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 tax has been phased out, and during the phase out period, all general business tangible personal property was assessed at 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies, at 5 percent for 2010. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, (except telephone companies whose last year to pay tangible personal property tax was 2010).

The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by a 10 percent rollback, a 2 1/2 percent rollback, and homestead exemption before being billed.

Assessed Value	Total		Weighted Average Tax Rate (per \$1,000 of assessed value)
	Estimated Actual Value	Ratio	
\$564,153,550	\$1,592,114,576	35.43	8.80
566,692,030	1,599,282,841	35.43	8.80
524,652,220	1,479,320,869	35.47	8.80
530,399,900	1,491,268,373	35.57	8.80
511,398,860	1,436,955,304	35.59	8.80
512,787,100	1,439,945,248	35.61	11.30
516,498,230	1,448,711,648	35.65	11.30
522,747,660	1,465,228,689	35.68	11.30
532,651,680	1,491,327,696	35.72	11.17
541,893,860	1,515,167,520	35.76	11.14

City of Fairborn, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years
Schedule 6

	2010	2011	2012	2013
Unvoted Millage				
Operating	\$2.50000	\$2.50000	\$2.50000	\$2.50000
Voted Millage - by levy				
1976 Current Expense				
Residential/Agricultural Real	1.1799	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	1.8505	0.0000	0.0000	0.0000
General Business and Public Utility Personal	4.8000	0.0000	0.0000	0.0000
1976 Street Light				
Residential/Agricultural Real	0.2212	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.3470	0.0000	0.0000	0.0000
General Business and Public Utility Personal	0.9000	0.0000	0.0000	0.0000
1982 Emergency Medical Service				
Residential/Agricultural Real	0.3924	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.5398	0.0000	0.0000	0.0000
General Business and Public Utility Personal	1.0000	0.0000	0.0000	0.0000
1990 Bond Levy (\$1,750,000)				
Residential/Agricultural Real	0.2500	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.2500	0.0000	0.0000	0.0000
General Business and Public Utility Personal	0.2500	0.0000	0.0000	0.0000
2011 Police				
Residential/Agricultural Real	0.00000	4.40000	4.40000	4.40000
Commercial/Industrial and Public Utility Real	0.00000	4.40000	4.40000	4.40000
General Business and Public Utility Personal	0.00000	4.40000	4.40000	4.40000
2011 Fire & EMS				
Residential/Agricultural Real	0.00000	4.40000	4.40000	4.40000
Commercial/Industrial and Public Utility Real	0.00000	4.40000	4.40000	4.40000
General Business and Public Utility Personal	0.00000	4.40000	4.40000	4.40000
<i>Total Voted Millage by Type of Property</i>				
Residential/Agricultural Real	2.04350	8.80000	8.80000	8.80000
Commercial/Industrial and Public Utility Real	2.98730	8.80000	8.80000	8.80000
General Business and Public Utility Personal	6.95000	8.80000	8.80000	8.80000
<i>Total Millage by Type of Property</i>				
Residential/Agricultural Real	4.54350	11.30000	11.30000	11.30000
Commercial/Industrial and Public Utility Real	5.48730	11.30000	11.30000	11.30000
General Business and Public Utility Personal	9.45000	11.30000	11.30000	11.30000
<i>Weighted Average</i>	8.80000	8.80000	8.80000	8.80000

2014	2015	2016	2017	2018	2019
\$2.50000	\$2.50000	\$2.50000	\$2.50000	\$2.50000	\$2.50000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
4.40000	4.40000	4.40000	4.33477	4.33249	4.32000
4.40000	4.40000	4.40000	4.40000	4.38531	4.33935
4.40000	4.40000	4.40000	4.40000	4.38531	4.33935
4.40000	4.40000	4.40000	4.33477	4.33249	4.32000
4.40000	4.40000	4.40000	4.40000	4.38531	4.33935
4.40000	4.40000	4.40000	4.40000	4.38531	4.33935
8.80000	8.80000	8.80000	8.66954	8.66498	8.64000
8.80000	8.80000	8.80000	8.80000	8.77062	8.67869
8.80000	8.80000	8.80000	8.80000	8.77062	8.67869
11.30000	11.30000	11.30000	11.16954	11.16498	11.14000
11.30000	11.30000	11.30000	11.30000	11.27062	11.17869
11.30000	11.30000	11.30000	11.30000	11.27062	11.17869
8.80000	11.30000	11.30000	11.30000	11.17000	11.14000

(continued)

City of Fairborn, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years
Schedule 6
(Continued)

Overlapping Rates by Taxing District

	2010	2011	2012	2013
Fairborn City School District				
Residential/Agricultural Real	\$30.1277	\$32.2323	\$32.0765	\$32.1015
Commercial/Industrial and Public Utility Real	31.4438	33.0970	33.1848	33.5243
General Business and Public Utility Personal	51.9000	52.6500	52.5000	52.5000
Greene County Joint Vocational School District				
Residential/Agricultural Real	2.5316	2.6460	2.6473	2.6494
Commercial/Industrial and Public Utility Real	2.6963	2.8188	2.8285	2.8550
General Business and Public Utility Personal	3.4500	3.4500	3.4500	3.4500
General Health District				
Residential/Agricultural Real	0.4578	0.8000	0.8000	0.8000
Commercial/Industrial and Public Utility Real	0.4763	0.8000	0.8000	0.8000
General Business and Public Utility Personal	0.5000	0.8000	0.8000	0.8000
Greene County				
Residential/Agricultural Real	11.5834	11.2744	11.2772	11.2842
Commercial/Industrial and Public Utility Real	11.5388	11.8825	11.9065	11.9692
General Business and Public Utility Personal	12.2500	12.2500	12.2500	12.2500

Source: Greene County Auditor

Note: The rates presented for a particular calendar year are the effective rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year of each reappraisal.

Overlapping rates are those of local and county governments that apply to property owners within the City.

2014	2015	2016	2017	2018	2019
\$33.1700	\$33.1900	\$35.9100	\$35.5983	\$35.3978	\$34.8473
34.0200	34.0300	36.7300	36.7839	36.5250	36.0671
52.6500	52.6500	55.3500	55.3500	55.2500	54.5400
2.6600	2.6500	2.6600	2.5606	3.5877	3.5336
2.8700	2.8000	2.7800	2.7896	3.8335	3.7709
3.4500	3.4500	3.4500	3.4500	4.4800	4.4300
0.8000	0.8000	0.8000	0.7702	0.7693	0.7681
0.8000	0.7800	0.7800	0.7765	0.7801	0.7772
0.8000	0.8000	0.8000	0.8000	0.8000	0.8000
11.6900	13.4900	13.4800	12.5810	13.0729	13.0560
12.4100	13.9300	13.8400	13.3735	13.9304	13.8798
12.6500	14.4500	14.4500	14.4500	14.4500	14.4500

City of Fairborn, Ohio
Principal Property Tax Payers
 2019 and 2010
 Schedule 7

Taxpayer	2019	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light	\$12,851,690	2.37%
Charter Woods LLC	6,166,370	1.14%
Vectren Energy	5,556,550	1.03%
NL Core Avalon Place LLC	5,414,930	1.00%
Brinley Place LLC	3,773,920	0.70%
2377 Commerce Center Blvd. LLC	3,569,870	0.66%
Fairfield Oakes LLC	3,241,900	0.60%
Stag Fairborn LLC	3,185,000	0.59%
Kroger At VG LTD	3,169,990	0.58%
US Bank NA Trustee	3,043,660	0.56%
Total Principal Property Tax Payers	49,973,880	9.23%
Total All Others	491,919,980	90.77%
Total Assessed Value	\$541,893,860	100.00%
Taxpayer	2010	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light	\$8,975,560	1.59%
Charter Woods LLC	6,547,140	1.16%
Wright Executive Hotel	5,642,880	1.00%
MG-Mapleview LTD	4,221,630	0.75%
2377 Commerce Center Blvd.	3,617,500	0.64%
Miami Valley Publishing Co. Inc.	3,290,870	0.58%
Campus Village Wright State LLC	3,265,050	0.58%
NATDayton LLC	3,254,990	0.58%
Highland Apartments	2,967,300	0.53%
Shoppes at VG LTD	2,714,800	0.48%
Total Principal Property Tax Payers	44,497,720	7.89%
Total All Others	519,655,830	92.11%
Total Assessed Value	\$564,153,550	100.00%

Source: County Auditor

City of Fairborn, Ohio
Property Tax Levies and Collections
Last Ten Years
Schedule 8

Collection Year	Total Tax Levied (1)	Current Tax Collection (1)	Percent of Current Levy Collected	Delinquent Tax Collection (2)	Total Tax Collections	Percent of Total Collections To Total Levy
2010	\$2,655,059	\$2,308,396	86.94%	\$195,165	\$2,720,208	102.45%
2011	2,674,411	2,292,610	85.72%	111,913	2,415,927	90.33%
2012	5,710,090	4,942,985	86.57%	269,885	5,235,212	91.68%
2013	5,724,178	5,058,861	88.38%	308,403	5,404,927	94.42%
2014	5,639,412	5,038,661	89.35%	199,257	5,237,918	92.88%
2015	5,447,529	4,795,028	88.02%	207,400	5,002,428	91.83%
2016	5,468,707	4,874,179	89.13%	371,197	5,245,376	95.92%
2017	5,780,266	4,881,684	84.45%	377,457	5,259,141	90.98%
2018	5,165,347	4,996,240	96.73%	208,663	5,204,903	100.77%
2019	5,269,488	5,122,759	97.22%	180,848	5,303,607	100.65%

Source: County Auditor

- (1) Current taxes levied and current tax collections do not include rollback and homestead amounts.
- (2) Delinquent tax collections include amounts collected from penalties, interest, and other delinquent collections. The County does not identify delinquent collections by the year for which the tax was levied.



City of Fairborn, Ohio
Income Tax by Payer Type and Income Tax Rate
Last Ten Years
(cash basis of accounting)
Schedule 9

Calendar Year	Individual		Total Individual	Corporate (1)	Partnership (2)	Total	Income Tax Rate
	Withholding	Non-Withholding					
2010	\$9,052,186	\$1,465,601	\$10,517,787	\$527,885	\$0	\$11,045,672	1.50%
2011	9,090,819	1,503,761	10,594,580	788,138	0	11,382,718	1.50%
2012	9,382,995	1,416,132	10,799,127	875,154	0	11,674,281	1.50%
2013	9,005,623	1,383,442	10,389,065	993,264	0	11,382,329	1.50%
2014	9,499,010	1,424,521	10,923,531	876,994	0	11,800,525	1.50%
2015	9,642,019	1,631,346	11,273,365	810,618	0	12,083,983	1.50%
2016	10,150,511	1,713,279	11,863,791	945,577	0	12,809,368	1.50%
2017	9,969,146	1,741,136	11,710,282	1,077,302	0	12,787,584	1.50%
2018	10,155,797	1,738,788	11,894,585	1,273,677	0	13,168,262	1.50%
2019	10,424,865	1,993,219	12,418,084	946,404	0	13,364,488	1.50%

(1) Corporate includes Partnerships, unable to break out the information.

(2) Information not available.

Note: These amounts are reported at net and take into account tax refunds.
 Increases in the income tax rate requires voter approval.

City of Fairborn, Ohio
Ratios of Outstanding Debt by Type
Last Ten Years
Schedule 10

Calendar Year	Governmental Activities							
	General Obligation Bonds	Special Assessment Bonds	General Obligation Notes (1)	Special Assessment Notes	Income Tax Revenue Bonds	Tax Increment Financing Revenue Bonds	OPWC Loan	Capital Leases
2010	\$570,583	\$1,437,000	\$1,993,163	\$710,000	\$4,802,583	\$0	\$0	\$527,264
2011	390,466	1,394,000	2,009,159	120,000	3,669,437	0	0	395,237
2012	350,350	1,190,000	1,553,293	68,686	2,496,291	0	0	262,874
2013	310,233	1,007,055	448,650	0	1,273,146	1,574,268	0	124,369
2014	200,117	785,943	311,734	0	0	1,486,714	0	90,631
2015	95,000	588,831	270,539	0	0	1,399,160	0	65,825
2016	0	465,719	758,697	0	0	1,311,606	334,832	40,212
2017	0	306,607	3,554,840	0	0	1,224,052	330,676	13,640
2018	0	230,000	4,010,555	0	0	1,131,498	319,467	0
2019	0	269,000	6,455,998	0	0	1,038,944	308,258	0

Notes: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. Population and Personal Income data are presented on Schedule 15.

(1) The General Obligation Notes only include the long-term portion of the notes.

Business-Type Activities

General Obligation Bonds	Special Assessment Bonds	OWDA Loan	OPWC Loan	General Obligation Notes	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
\$10,560,921	\$120,000	\$827,271	\$91,772	\$4,057,000	\$285,848	\$25,983,405	2.21%	\$803
9,657,268	115,000	493,521	75,086	5,577,000	224,744	24,120,918	1.97%	746
9,519,777	110,000	144,178	58,400	6,536,000	172,031	22,461,880	2.93%	694
15,106,946	100,000	0	41,714	100,211	117,313	20,203,905	2.68%	625
14,639,732	90,000	0	25,028	100,459	60,514	17,790,872	2.02%	543
14,087,518	80,000	0	8,342	2,793,746	1,555	19,390,516	2.19%	583
13,525,304	70,000	0	1,449	6,588,700	950	23,097,469	2.59%	690
12,953,090	60,000	0	0	6,591,852	324	25,035,081	2.82%	751
12,365,876	50,000	0	0	6,828,909	0	24,936,305	2.80%	746
11,763,662	40,000	0	0	6,827,540	0	26,703,402	2.96%	788

City of Fairborn, Ohio
*Ratio of General Obligation Bonded Debt to
 Estimated Actual Value and General Obligation Bonded Debt Per Capita
 Last Ten Years
 Schedule 11*

Year	General Bonded Debt	Estimated Actual Value (1)	Population (2)	Ratio of Debt to Estimated Actual Value	Debt Per Capita
2010	\$11,131,504	\$1,592,114,576	32,352	0.70%	\$344.07
2011	10,047,734	1,599,282,841	32,352	0.63%	310.58
2012	9,870,127	1,479,320,869	32,352	0.67%	305.09
2013	15,417,179	1,491,268,373	32,798	1.03%	470.06
2014	14,839,849	1,436,955,304	33,039	1.03%	449.16
2015	14,182,518	1,439,945,248	33,251	0.98%	426.53
2016	13,525,304	1,448,711,648	33,487	0.93%	403.90
2017	12,953,090	1,465,228,689	33,344	0.88%	388.47
2018	12,365,876	1,491,327,696	33,433	0.83%	369.87
2019	11,763,662	1,515,167,520	33,876	0.78%	347.26

Source: (1) Greene County Auditor
 (2) Population estimates provided by U.S. Census Bureau (2000 Census, and 2010 Census, 2014-2018 Est.)

Source: City Records

Notes: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. Also, resources have not been externally restricted for the repayment of debt.

City of Fairborn, Ohio
Direct and Overlapping Governmental Activities Debt
 December 31, 2019
 Schedule 12

Jurisdiction	Debt Outstanding	Percentage Applicable to the City of Fairborn (1)	Amount Applicable to the City of Fairborn
Direct Debt:			
City of Fairborn			
Special Assessment Bonds	\$269,000	100.00%	\$269,000
Notes Payable (3)	6,455,998	100.00%	6,455,998
Tax Increment Financing Revenue Bonds	1,038,944	100.00%	1,038,944
OPWC Loans	308,258	100.00%	308,258
	<u>8,072,200</u>		<u>8,072,200</u>
Total Direct Debt	<u>8,072,200</u>		<u>8,072,200</u>
Overlapping Debt:			
Greene County	17,750,000	12.86%	2,282,650
Beavercreek Township	360,375	2.57%	9,262
Beavercreek City School District (2)	74,965,053	31.34%	23,494,048
Fairborn City School District (2)	43,505,484	78.12%	33,986,484
	<u>136,580,912</u>		<u>59,772,444</u>
Total Overlapping Debt	<u>136,580,912</u>		<u>59,772,444</u>
Grand Total	<u><u>\$144,653,112</u></u>		<u><u>\$67,844,644</u></u>

Source: Greene County Auditor

- (1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.
- (2) The debt outstanding is as of June 30, 2019.
- (3) The General Obligation Notes only include the long-term portion of the notes.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by residents and businesses should be taken into account.

City of Fairborn, Ohio
Legal Debt Margin Information
Last Ten Years
Schedule 13

	2010	2011	2012	2013
Total Assessed Valuation	\$564,153,550	\$566,692,030	\$524,652,220	\$530,399,900
Overall debt limitation - 10.5% of assessed valuation	59,236,123	59,502,663	55,088,483	55,691,990
Debt Outstanding				
General Obligation Bonds	11,205,000	10,115,000	9,560,082	15,272,286
Income Tax Revenue Bonds	4,690,000	3,585,000	2,440,000	1,245,000
Special Assessment Bonds	1,557,000	1,509,000	1,300,000	1,035,000
Loans Payable	919,043	568,607	202,578	41,714
Bond Anticipation Notes	6,747,762	7,692,762	8,403,500	715,000
Total Gross Indebtedness	25,118,805	23,470,369	21,906,160	18,309,000
Less Exempt Debt				
General Obligation Bonds	10,635,000	9,725,000	9,210,082	14,962,286
Income Tax Revenue Bonds	4,690,000	3,585,000	2,440,000	1,245,000
Special Assessment Bonds	1,557,000	1,509,000	1,300,000	1,035,000
Loans Payable	919,043	568,607	202,578	41,714
Bond Anticipation Notes	6,747,762	7,692,762	8,403,500	715,000
Total Exempt Debt	24,548,805	23,080,369	21,556,160	17,999,000
Net Debt Subject to Limitation	570,000	390,000	350,000	310,000
Less amount available in the Debt Service Fund	295,174	283,373	237,023	295,670
Total Net Debt Subject to Limitation	274,826	106,627	112,977	14,330
Legal debt margin within 10.5% limitation	\$58,961,297	\$59,396,036	\$54,975,506	\$55,677,660
Legal Debt Margin as a Percentage of the Debt Limit	99.5%	99.8%	99.8%	100.0%
Unvoted debt limitation 5.5% of assessed valuation	\$31,028,445	\$31,168,062	\$28,855,872	\$29,171,995
Debt Outstanding	25,118,805	23,470,369	21,906,160	18,309,000
Less Exempt Debt				
General Obligation Bonds	10,635,000	9,725,000	9,210,082	14,962,286
Income Tax Revenue Bonds	4,690,000	3,585,000	2,440,000	1,245,000
Special Assessment Bonds	1,557,000	1,509,000	1,300,000	1,035,000
Loans Payable	919,043	568,607	202,578	41,714
Bond Anticipation Notes	6,747,762	7,692,762	8,403,500	715,000
Total Exempt Debt	24,548,805	23,080,369	21,556,160	17,999,000
Net Debt Subject to Limitation	570,000	390,000	350,000	310,000
Less amount available in the Debt Service Fund	295,174	283,373	237,023	295,670
Total Net Debt Subject to Limitation	274,826	106,627	112,977	14,330
Legal debt margin within 5.5% limitation	\$30,753,619	\$31,061,435	\$28,742,895	\$29,157,665
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	99.1%	99.7%	99.6%	100.0%

Ohio Bond Law sets a limit of 10.5 percent for voted debt and 5.5 percent for unvoted debt.

2014	2015	2016	2017	2018	2019
\$511,398,860	\$512,787,100	\$516,498,230	\$522,747,660	\$532,651,680	\$541,893,860
53,696,880	53,842,646	54,232,314	54,888,504	55,928,426	56,898,855
16,326,563	15,480,000	14,745,000	14,095,000	13,425,000	12,740,000
0	0	0	0	0	0
874,000	667,000	534,000	365,000	280,000	309,000
25,028	8,342	336,281	330,676	319,467	308,258
410,000	3,058,900	7,336,518	10,124,003	10,820,100	13,246,856
17,635,591	19,214,242	22,951,799	24,914,679	24,844,567	26,604,114
14,639,732	14,020,000	13,465,000	12,900,000	12,320,000	11,725,000
0	0	0	0	0	0
874,000	667,000	534,000	365,000	280,000	309,000
25,028	8,342	336,281	330,676	319,467	308,258
410,000	3,058,900	7,336,518	10,124,003	10,820,100	13,246,856
15,948,760	17,754,242	21,671,799	23,719,679	23,739,567	25,589,114
1,686,831	1,460,000	1,280,000	1,195,000	1,105,000	1,015,000
251,075	195,510	125,934	64,383	112	103,594
1,435,756	1,264,490	1,154,066	1,130,617	1,104,888	911,406
\$52,261,124	\$52,578,156	\$53,078,248	\$53,757,887	\$54,823,538	\$55,987,449
97.3%	97.7%	97.9%	97.9%	98.0%	98.4%
\$28,126,937	\$28,203,291	\$28,407,403	\$28,751,121	\$29,295,842	\$29,804,162
17,635,591	19,214,242	22,951,799	24,914,679	24,844,567	26,604,114
14,639,732	14,020,000	13,465,000	12,900,000	12,320,000	11,725,000
0	0	0	0	0	0
874,000	667,000	534,000	365,000	280,000	309,000
25,028	8,342	336,281	330,676	319,467	308,258
410,000	3,058,900	7,336,518	10,124,003	10,820,100	13,246,856
15,948,760	17,754,242	21,671,799	23,719,679	23,739,567	25,589,114
1,686,831	1,460,000	1,280,000	1,195,000	1,105,000	1,015,000
251,075	195,510	125,934	64,383	112	103,594
1,435,756	1,264,490	1,154,066	1,130,617	1,104,888	911,406
\$26,691,181	\$26,938,801	\$27,253,337	\$27,620,504	\$28,190,954	\$28,892,756
94.9%	95.5%	95.9%	96.1%	96.2%	96.9%

City of Fairborn, Ohio
Pledged Revenue Coverage
Last Ten Years
Schedule 14

OWDA Loan						
Calendar Year	Gross Revenues	Less: Operating Expenses (1)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2010	\$5,770,826	\$3,955,133	\$1,815,693	\$424,949	\$55,693	3.78%
2011	5,943,585	3,670,074	2,273,511	333,750	33,377	6.19%
2012	6,508,691	5,103,267	1,405,424	349,343	17,787	3.83%
2013	6,656,869	4,142,833	2,514,036	144,178	4,242	16.94%
2014	0	0	0	0	0	0.00%
2015	0	0	0	0	0	0.00%
2016	0	0	0	0	0	0.00%
2017	0	0	0	0	0	0.00%
2018	0	0	0	0	0	0.00%
2019	0	0	0	0	0	0.00%

- (1) Direct operating expenses do not include depreciation expense.
(2) The Income Tax Revenue bonds were issued and the first principal payment was made in 2005.

Income Tax Revenue Bonds

Municipal Income Taxes (2)	Debt Service Requirements			Coverage
	Principal	Interest	Total	
\$11,442,949	\$1,000,000	\$229,050	\$1,229,050	9.31%
11,574,407	1,105,000	194,050	1,299,050	8.91%
11,994,955	1,145,000	152,613	1,297,613	9.24%
11,691,107	1,195,000	106,813	1,301,813	8.98%
11,911,179	1,245,000	56,025	1,301,025	9.16%
0	0	0	0	0.00%
0	0	0	0	0.00%
0	0	0	0	0.00%
0	0	0	0	0.00%
0	0	0	0	0.00%

City of Fairborn, Ohio
Demographic and Economic Statistics
Last Ten Years
Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2010	32,352	\$1,176,642	\$36,370	10.7%
2011	32,352	1,224,264	37,842	9.2%
2012	32,352	765,998	23,677	7.5%
2013	32,798	753,009	22,959	7.1%
2014	33,039	880,787	26,659	4.8%
2015	33,251	886,438	26,659	4.1%
2016	33,487	892,730	26,659	4.1%
2017	33,344	888,918	26,659	4.0%
2018	33,433	891,290	26,659	4.6%
2019	33,876	903,100	26,659 (5)	3.3%

- Sources:
- (1) Population estimates provided by U.S. Census Bureau (2000 Census, and 2010 Census, 2014-2018 Est.) 2019: From US Census Bureau Quick Facts Estimates as of July 2019
 - (2) Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts.
 - (3) US Census Bureau Quick Facts 2014-2018
 - (4) Ohio Labor Market Information
 - (5) Information was not available for 2019; the 2018 amount was used as an estimate

City of Fairborn, Ohio
Principal Employers
 2019 and 2010
 Schedule 16

2019	
Employer	Number of Employees
Wright Patterson AFB	30,000
Wright State University	3,706
Fairborn City Schools	799
Ali Industries	490
Peerless	484
Kroger	320
Ball Aerospace Technologies	300
City of Fairborn	285
Morris Home Furniture Co.	250
I-supply	176
Total Employees	36,810
2010	
Employer	Number of Employees
Wright Patterson AFB	25,000
Wright State University	2,375
Teleperformance USA Inc.	600
Fairborn City Schools	566
Wright-Patt Credit Union (1)	484
Ball Aerospace Technologies	364
City of Fairborn	237
I-supply	175
Morris Home Furniture Co.	167
Ali Industries	164
Total Employees	30,132

Source: Community Development Division

(1) Denotes corporate headquarters

Total employment within the City for either year is not available.

City of Fairborn, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years
Schedule 17

Function/Program	2010	2011	2012	2013
General Government				
City Council	1.4	1.4	1.4	1.4
Municipal Court	29.3	26.2	26.6	27.1
City Administration	3.0	3.0	3.0	3.0
Finance	13.9	13.2	11.6	12.6
Legal	2.0	2.5	2.0	2.0
Personnel	1.0	1.0	1.0	1.5
Engineering	6.4	5.3	4.5	4.5
Plant Maintenance	8.5	8.4	8.4	8.4
Victim Witness	2.0	2.0	2.0	2.0
Public Safety (1)				
Police				
Sworn Officers	42.0	42.0	43.0	42.0
Non-Sworn	18.9	17.0	12.5	18.5
Fire	51.5	47.5	49.5	51.5
Community Environment				
Building Inspection	5.5	5.4	4.2	4.3
City Planner	2.5	2.3	2.3	2.3
Neighborhood Betterment	2.6	3.5	3.6	4.1
Economic Development	0.0	0.0	0.0	1.5
Leisure Time Activities				
Parks and Recreation	2.1	2.1	2.2	2.5
Transportation and Street Repair				
Street	10.0	10.1	10.4	11.4
State Highway	1.0	1.0	1.0	1.0
Public Health and Welfare				
Cemetery	1.0	1.0	1.0	1.0
Basic Utility Service				
Water	16.6	16.7	15.7	18.7
Sewer	21.9	22.1	21.1	17.8
Sanitation	2.1	1.1	1.6	1.6
Internal Service				
ITS	2.9	2.9	2.9	2.9
Equipment Services	7.1	6.1	5.1	6.1
Total	255.1	243.8	236.6	249.7

Source: Various City Departments

(1) Information obtained from department annual reports.

2014	2015	2016	2017	2018	2019
1.4	1.4	1.4	1.4	1.4	1.4
27.3	28.2	29.2	28.9	28.9	28.9
3.0	3.0	3.0	6.0	5.0	5.0
12.6	12.5	13.0	13.5	13.0	13.0
2.0	2.0	2.0	2.0	2.0	2.0
1.5	2.5	2.0	3.5	3.5	3.5
4.5	5.4	5.5	5.5	5.6	5.6
8.4	8.5	9.5	9.5	9.5	9.5
2.0	2.0	3.5	3.5	3.5	3.5
43.0	46.0	46.0	48.0	48.0	48.0
19.0	19.0	23.0	21.0	21.5	21.5
51.5	54.5	54.0	54.0	54.5	56.0
4.0	4.0	4.0	3.5	4.3	4.3
3.5	4.8	5.3	5.4	5.4	5.4
4.2	3.2	2.3	1.7	1.7	1.9
1.5	2.0	2.2	2.0	2.0	1.5
2.8	2.6	2.6	3.0	3.0	3.0
12.4	11.9	11.9	11.9	11.9	11.9
1.0	1.0	1.0	1.0	1.0	1.0
1.5	1.5	1.5	1.5	1.5	1.5
17.4	17.6	17.6	17.6	17.6	17.6
18.4	18.6	18.6	18.6	18.6	18.6
1.6	2.1	2.1	2.1	2.1	2.1
3.7	3.7	4.0	4.0	4.0	4.0
6.1	6.1	6.6	6.6	6.6	6.6
<u>254.2</u>	<u>264.1</u>	<u>271.8</u>	<u>275.7</u>	<u>276.0</u>	<u>277.3</u>

City of Fairborn, Ohio
Operating Indicators by Function/Program
Last Ten Years
Schedule 18

Function/Program	2010	2011	2012	2013
General government				
Municipal Court				
Criminal and Traffic Cases	13,877	13,388	13,677	13,516
Criminal and Traffic Trials	85	62	76	70
Criminal and Traffic Receipts (in 000's)	\$2,791	\$2,747	\$2,634	\$2,792
Civil/Small Claims Cases	2,116	1,857	1,765	1,672
Civil/Small Claims Trials	965	853	819	429
Civil/Small Claims Receipts (in 000's)	\$874	\$896	\$881	\$743
Public Safety				
Police				
Calls for Service	35,194	32,601	34,709	44,920
Parking Violations	822	761	946	1,315
Traffic Violations	4,063	3,947	4,123	5,226
Criminal Citations	1,690	1,362	2,174	2,521
Training Hours	1,814	2,595	3,636	3,391
Fire				
Emergency Responses	6,287	6,464	6,479	6,007
Inspections	889	1,300	1,300	1,156
Training Hours	1,700	2,300	2,300	2,064
Community Environment				
Planning and Development				
Residential Construction Permits Issued	1,068	1,125	1,120	984
Estimated Value of Residential Construction	\$20,844,967	\$25,238,437	\$18,449,074	\$7,012,006
Commercial Construction Permits Issued	312	389	395	395
Estimated value of Commercial Construction	\$6,021,792	\$5,285,194	\$18,962,948	\$7,012,006
Parks and Recreation				
Softball Registrations	65	64	63	54
Weekday Fast-Pitch Registrations (youth) (1)	0	0	0	0
Weekend Softball Tournaments	55	72	72	61
Water				
New Connections	49	62	68	63
Water Main Breaks	44	33	55	88
Average Daily Consumption (millions of gallons)	2.445	2.415	3.600	3.400
Peak Daily Consumption (millions of gallons)	4.258	4.012	4.900	5.110
Total Water Treated (millions of gallons)	1,203	1,200	1,359	1,213
Average Daily Treatment (millions of gallons)	3.3	3.5	3.7	3.5
Hydrants Flushed	1,353	1,500	1,503	1,029
Sewer				
Total Water Treated (millions of gallons)	1,550	1,943	1,479	1,524
Average Daily Treatment (millions of gallons)	4.3	5.3	4.0	4.2

Source: Various City Departments

(1) New youth softball category added in 2014

2014	2015	2016	2017	2018	2019
15,187	14,258	17,124	18,156	16,920	15,605
70	47	52	58	65	29
\$2,768	\$2,801	\$2,738	\$3,340	\$3,172	\$2,674
1,914	1,735	2,036	1,767	1,919	2,117
600	115	133	85	49	100
\$754	\$822	\$903	\$1,045	\$1,098	\$1,167
49,640	49,038	52,754	55,603	56,863	53,834
1,439	1,272	1,444	1,726	1,361	1,309
4,585	4,302	4,085	4,955	4,187	4,326
2,640	2,462	2,410	3,300	2,975	2,889
4,397	5,084	6,632	6,312	5,869	6,302
6,479	6,861	7,018	7,327	7,043	7,015
1,087	646	676	459	526	294
2,397	2,831	6,888	7,346	5,382	1,245
1,114	1,086	1,452	1,590	1,386	1,506
\$14,450,637	\$14,299,730	\$22,288,216	\$25,520,088	\$31,030,516	\$30,790,722
433	457	461	513	320	429
\$5,078,437	\$19,682,700	\$22,279,340	\$31,474,180	\$23,637,850	\$68,315,719
25	28	28	25	37	26
26	21	16	16	24	20
35	36	22	21	24	22
93	40	68	55	80	111
53	59	43	56	55	45
3.460	3.290	3.180	2.360	3.132	3.133
4.310	4.680	4.340	3.770	4.780	4.080
1,140	1,200	1,160	1,020	1,178	1,137
3.5	3.3	3.2	2.8	3.3	3.1
1,496	1,482	1,465	1,465	1,465	1,472
1,479	1,600	1,508	1,599	1,700	1,668
4.4	4.4	4.1	4.4	4.7	4.7

City of Fairborn, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years
Schedule 19

Function/Program	2010	2011	2012	2013
Police				
Stations	1	1	1	1
Patrol units	30	13	13	13
Fire Stations	4	4	4	4
Public Works				
Area of City (square miles)	13.41	13.41	13.41	13.53
Streets (lane miles)	296.13	297.27	298.15	299.24
Streetlights	2,506	2,514	2,552	2,553
Parks and Recreation				
Number of Parks ¹	20	20	20	20
Acreage	715.00	712.33	714.33	714.33
Playgrounds	18	19	19	19
Baseball/softball diamonds ²	15	15	15	11
Soccer/football fields	12	12	12	12
Number of Tennis Courts ³	14	14	14	14
Basketball Courts	0	0	0	0
Pickle Ball Court	0	0	0	0
Amphitheater at Community Park	0	0	0	0
Fitness Court at Central Park	0	0	0	0
Municipal Water Department				
Daily Treatment Capacity (millions of gallons)	5.40	6.50	6.50	6.50
Water Mains (miles)	149.93	151.78	152.26	152.96
Fire hydrants	1,412	1,493	1,493	1,500
Sewers				
Daily Treatment Capacity (millions of gallons)	6.00	6.00	6.00	6.00
Storm Sewers (miles)	113.16	113.82	114.60	114.60
Sanitary Sewers (miles)	137.52	138.02	138.65	138.81

Source: Various City Departments

¹ Includes parks, wetlands and reserves. Excludes Bikeway

² Three fields have been restored and are in service again

³ Four courts have been restored and are in service again

2014	2015	2016	2017	2018	2019
1	1	1	1	1	1
13	14	14	15	15	15
4	4	4	4	4	4
14.01	14.71	14.73	14.73	14.73	14.73
299.52	300.00	301.34	302.11	304.09	305.12
2,553	2,768	2,781	2,781	2,797	2,802
20	20	19	21	21	21
714.33	719.11	689.25	773.41	773.41	781.41
20	20	20	21	21	21
11	10	12	15	15	15
12	12	12	12	12	12
14	10	10	14	14	14
0	0	0	13	13	13
0	0	0	2	4	4
0	0	0	1	1	1
0	0	0	0	0	1
6.50	6.50	6.50	6.50	6.50	6.50
154.06	155.84	158.06	158.40	159.27	161.31
1,505	1,505	1,465	1,545	1,531	1,549
6.00	6.00	6.00	6.00	6.00	6.00
115.08	117.42	121.76	123.00	126.33	127.60
138.93	139.15	141.46	141.80	142.93	143.11





**City of Fairborn
Finance Department
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Telephone: (937) 754-3005
www.fairbornoh.gov**

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF FAIRBORN

GREENE 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 9/10/2020

88 East Broad 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