

FAIRFIELD

O H I O



POPULAR ANNUAL FINANCIAL REPORT

For the year ended December 31, 2024

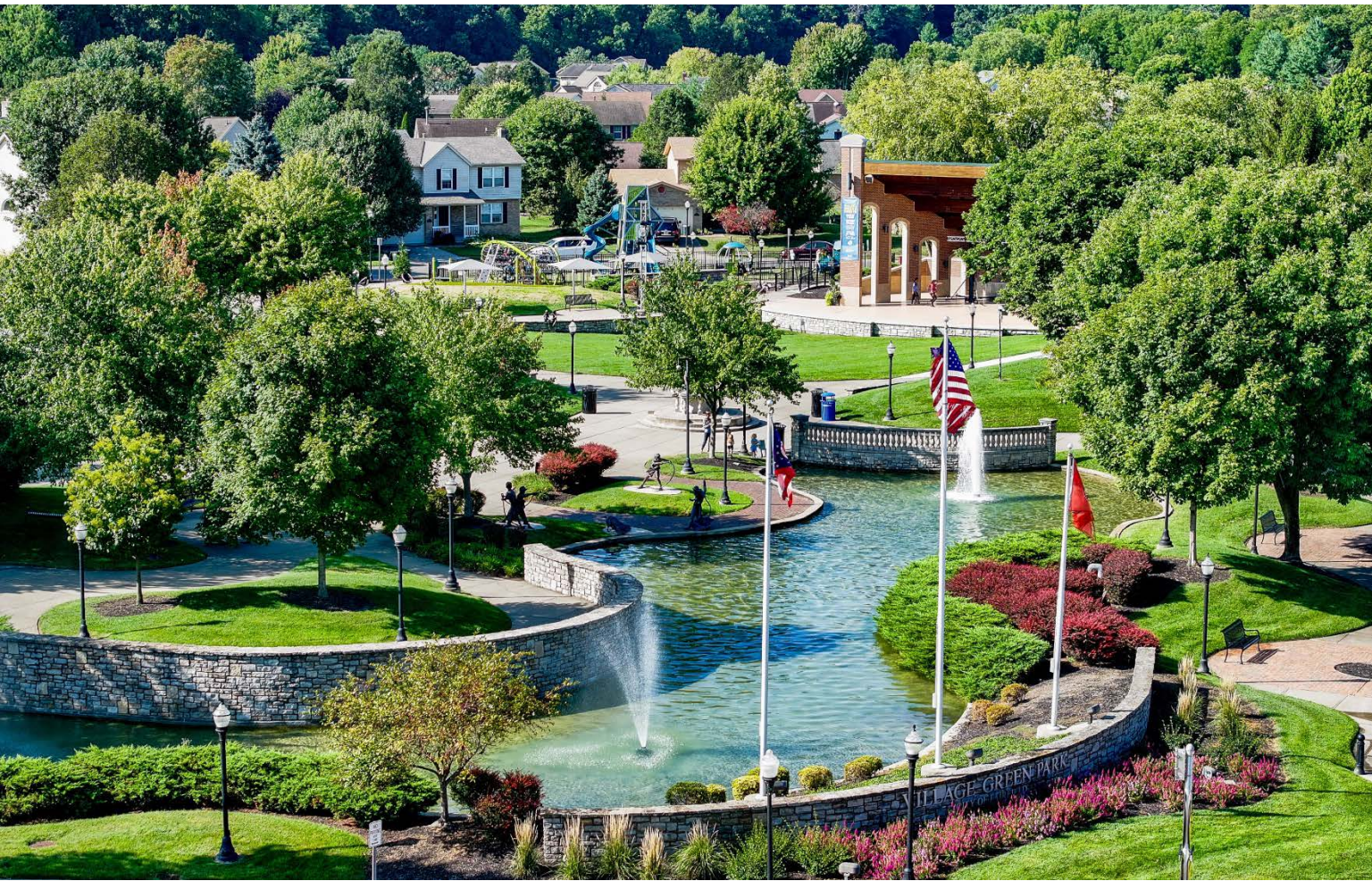


TABLE OF CONTENTS



Introduction

- 1 – City Council, City Manager, Mission Statement
- 2 – Letter From the Director of Finance, Awards
- 3 – Fairfield at a Glance

Where the Money Comes From

- 4 – Governmental Activity and Proprietary Fund Revenue
- 5 – Income Tax, Charges for Services
- 6 – Property Tax

Where the Money Goes

- 7 – Governmental Fund Expenditures, Proprietary Fund Expenses

General Fund

- 8 – General Fund Analysis

Major Initiatives

- 9 – Significant Projects - 2024
- 10 – Upcoming Projects - 2025



CITY COUNCIL



Seated, left to right: **Adam Kraft** (4th Ward), **Matt Davidson** (At-Large), **Dale Paullus** (2nd Ward),
Tim Meyers (At-Large)
Standing, left to right: **Gwen Brill** (At-Large), **Leslie Besl** (1st Ward), **Mitch Rhodus** (Mayor), **Debbie Pennington** (3rd Ward)

CITY MANAGER

City Manager Scott W. Timmer was appointed by City Council on February 7, 2022, and serves as the Chief Executive Officer and head of the administrative branch of the City. The Manager is responsible for the proper administration of all the affairs of the City, the supervision of all City departments, preparation of the annual operating budget and oversight of financial condition, and the enforcement of all laws and Ordinances within the City.

MISSION STATEMENT

The mission of the City of Fairfield is to provide opportunities for all to experience an exceptional quality of life in a safe, well-balanced, and attractive environment by creating progressive partnerships to build our future.



LETTER FROM THE DIRECTOR OF FINANCE

The Department of Finance is proud to present the City of Fairfield's Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2024. The PAFR summarizes the City's financial activities from a more detailed report called the Annual Comprehensive Financial Report, which contains financial statements prepared in conformance with Generally Accepted Accounting Principles (GAAP) and audited by Plattenburg & Associates, an independent auditing firm.

The 2024 Annual Comprehensive Financial Report received an unmodified (clean) opinion, and the PAFR uses that same information presented in a more reader-friendly format. The City of Fairfield's 2024 Annual Comprehensive Financial Report is available at the City Building in the Finance Office or on the City of Fairfield website at the following location: [2024 ACFR](#)

The City of Fairfield's PAFR is unaudited and presented on a GAAP basis unless otherwise noted. The purpose of the PAFR is to provide summarized financial data as a means of increasing awareness and knowledge of the operations of the City. We believe our citizens deserve transparency when it comes to their tax dollars. This report is designed to help you gain a better understanding of the City's resources and how we put your tax dollars to use.

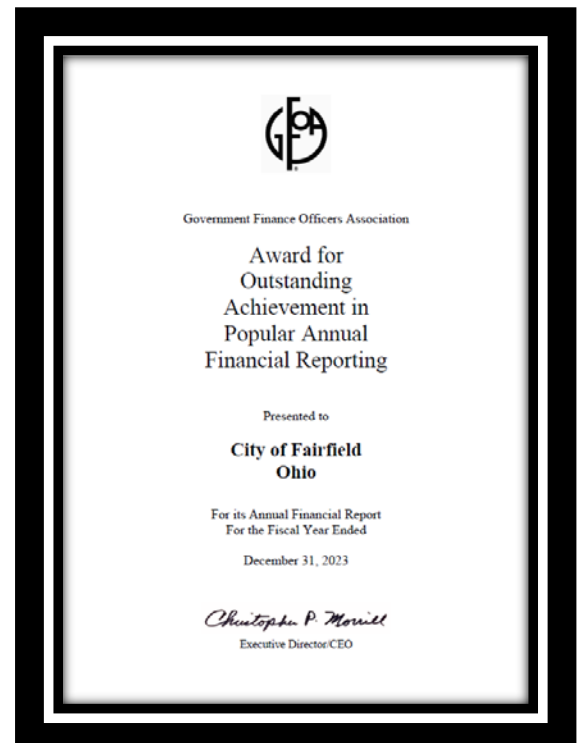


Diana Davenport
Director of Finance

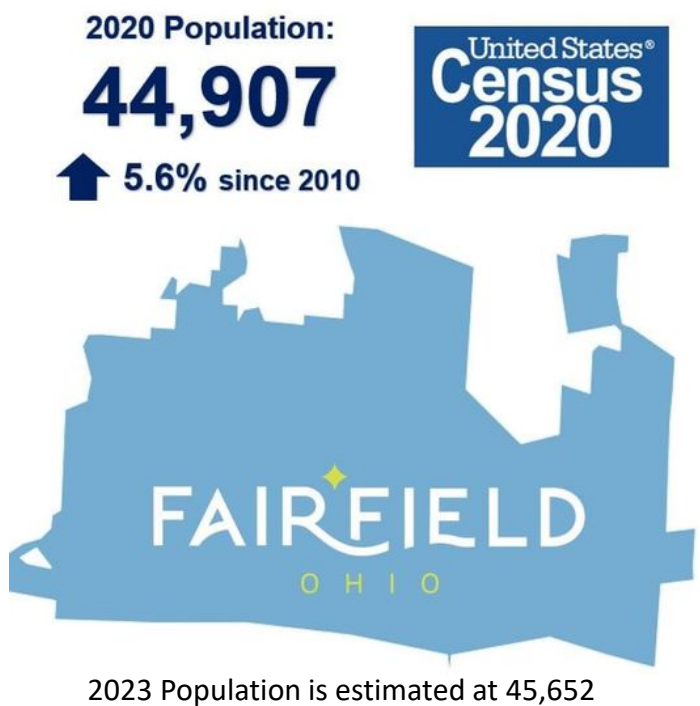
AWARDS

The City received the Government Finance Officers Association (GFOA) Award for Outstanding Achievement in Popular Annual Financial Reporting for our PAFR for the fiscal year ended December 31, 2023, as well as a Certificate of Achievement for Excellence in Financial Reporting for our Annual Comprehensive Financial Report for the same fiscal year.

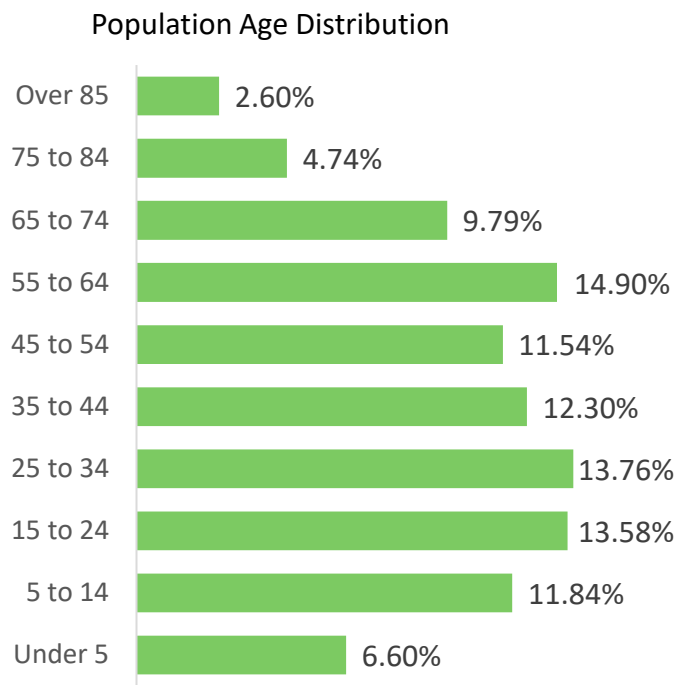
Additionally, GFOA presented a Distinguished Budget Presentation Award to City of Fairfield for its Annual Budget for the fiscal year beginning January 1, 2025. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, a financial plan, an operations guide, and a communications device. This award is valid for a period of one year only.



FAIRFIELD AT A GLANCE



Fairfield's Top Ten Employers Company	Employees
Cincinnati Financial Corporation	3,300
Koch Foods	1,600
Mercy Health	1,350
Fairfield City School District	1,000
Pacific Manufacturing	900
Express Scripts	750
Martin Bower	450
Takumi Stamping	400
Quality Gold	350
Veritiv Corporation	300



Household Income Income Level	Percentage
Less than \$10k	4.6%
\$10,000 to \$14,999	1.8%
\$15,000 to \$24,999	6.6%
\$25,000 to \$49,999	23.7%
\$50,000 to \$74,999	15.8%
\$75,000 to \$99,999	13.1%
\$100,000 to \$149,999	18.0%
\$150,000 to \$199,999	9.3%
\$200,000 or more	7.1%

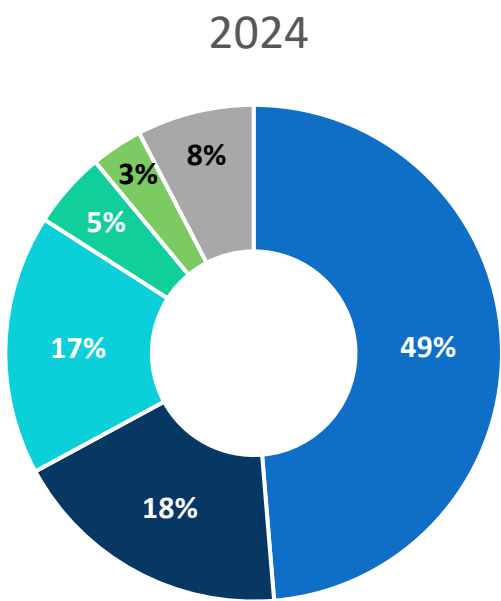
Housing Information:	
Median Household Income:	\$69,624
Owner-occupied rate:	61.3%
Median Value:	\$215,700

Sources: United States Census Bureau and City of Fairfield Income Tax Division

WHERE THE MONEY COMES FROM

Revenues – Governmental Activities

The funding the City receives in order to provide services to its residents and business community comes from a variety of sources. The charts below summarize the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds from page 21 of the 2024 Annual Comprehensive Financial Report. The significance of income taxes is recognizable as it makes up 49% of governmental activities revenue in 2024. Maintaining a strong local tax base is critical for continued success.



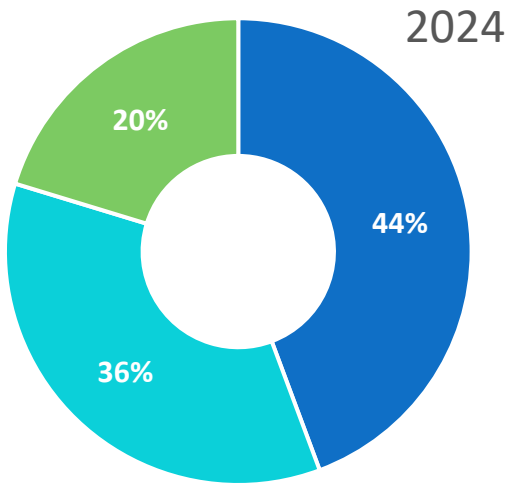
	2022	2023	2024
Income Taxes	\$38,843,151	\$40,041,093	\$39,444,773
Intergovernmental	\$9,328,126	\$13,524,843	\$14,922,024
Property Taxes	\$8,480,625	\$13,234,843	\$13,726,154
Charges for Services	\$3,216,346	\$3,493,016	\$4,007,723
Fines, Licenses & Permits	\$3,172,232	\$2,848,840	\$2,735,105
Other Revenue	\$766,417	\$4,837,178	\$6,182,260
	\$63,806,897	\$77,979,813	\$81,018,039

The City saw a marked increase in intergovernmental revenue primarily due to a \$1.1 million grant from FEMA for Staffing for Adequate Fire and Emergency Response and \$600,000 from State of Ohio using federal funds from the American Rescue Plan Act to fund 3 full-time firefighter positions. We also saw a \$500,000 increase in investment earnings, which are included in Other Revenue above.

Revenues – Proprietary Funds

Proprietary Fund revenue represents revenues that arise from charges to customers who directly benefit from goods or services in the City of Fairfield. The charts below summarize the Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds from page 25 of the Annual Comprehensive Financial Report. Examples of Proprietary Fund charges for service are charges for water, sewer, and solid waste. Additionally, charges for service can include fees at the City’s aquatic center and golf courses.

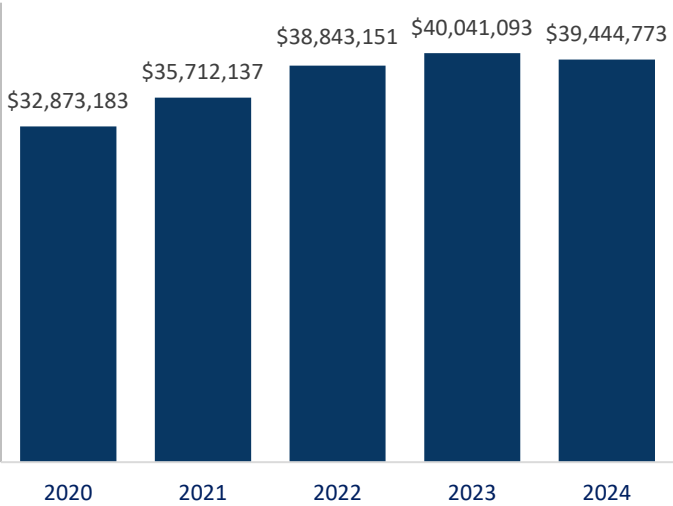
	2022	2023	2024
Water Utility	\$9,017,788	\$9,924,179	\$10,805,492
Sewer Utility	\$7,825,840	\$8,580,601	\$8,625,038
Other Enterprise	\$4,273,941	\$4,684,370	\$4,947,188
	\$21,117,569	\$23,189,150	\$24,377,718



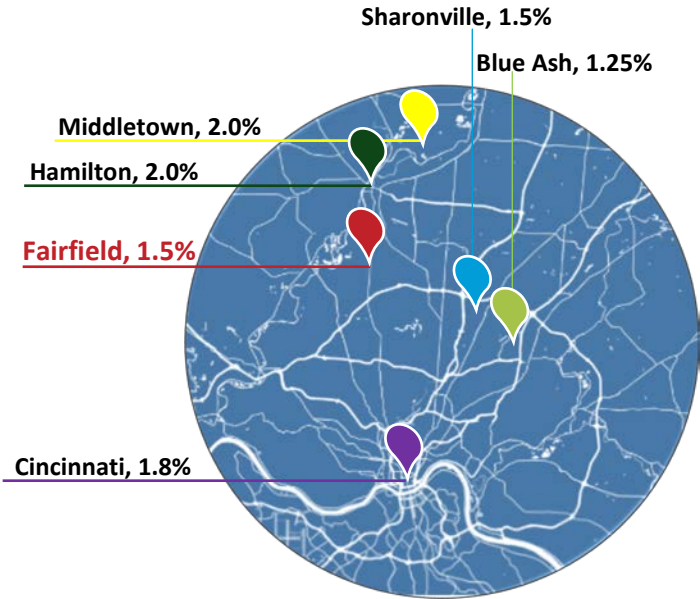
Income Taxes

Income taxes represent the largest source of revenue for the City, and were down 1.5% in 2024 compared to 2023. Income tax collections are comprised of three sources: taxes withheld from employees working in the City, taxes from individual residents, and taxes on net profits of businesses operating in the City. Revenue from withholding represents 70% of the City’s total income tax revenue. The importance of this withholding revenue outlines the financial impact of nonresidential development in the City.

Income Tax Collections



Southwest Ohio Tax Rates

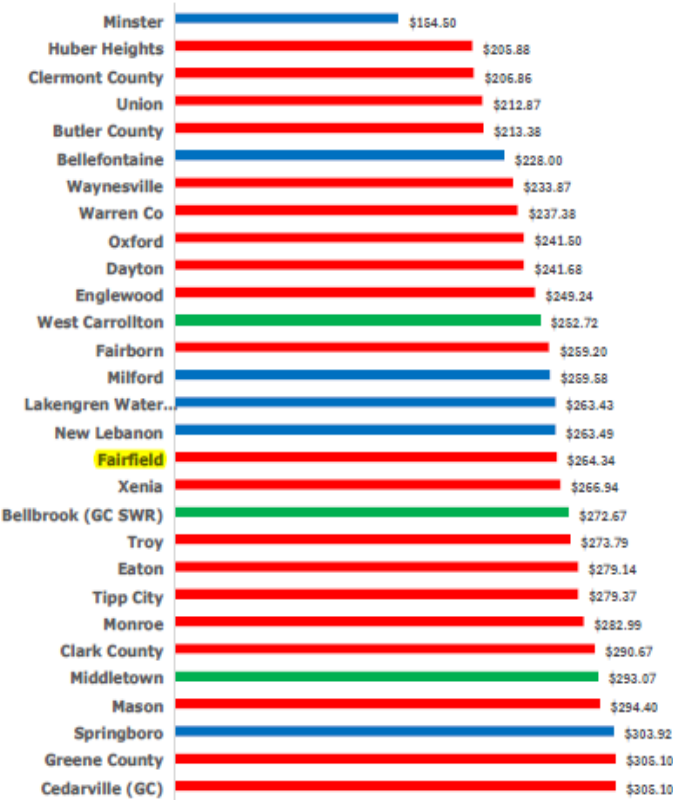


Charges for Services

In October 2020, Fairfield City Council approved utility rate adjustments for years 2021 through 2025. The Water Rate increase is 3.5% per year, and the Sewer Rate increase is 1.5% for 2021-2024 and 3% in 2025.

In the 2024 City of Piqua Water and Sewer Rate Survey, the City of Fairfield ranked 17th lowest out of 65 ranked communities for combined water and sewer cost. If you would like to view the City’s Utility Rates, please visit our website here:

[Fairfield Utility Rates](#)



2024 ANNUAL RATE SURVEY COMBINED

HIGH: \$ 665.60
LOW: \$ 154.50
AVERAGE: \$ 327.97
MEDIAN: \$308.03

COMBINED COSTS HAD AN INCREASE OF 3.718% FROM 2023 RATES

66 JURISDICTIONS WITH BOTH WATER AND SEWER

RED BAR INCREASE
BLUE BAR RATE SAME
GREEN BAR RATE DECREASE

Prepared by:
PIQUA
Utilities Department

Image is truncated and only shows the 29 lowest average rates out of the 66 jurisdictions surveyed.

Property Taxes

Property tax is based on the amount charged per \$1,000 worth of taxable property value, also know as ‘millage.’ Amounts collected for levies, other than general operating levies, must be used for those specific purposes. The Butler County Treasurer’s office collects the property taxes, and the County Auditor’s office distributes those revenues to the appropriate jurisdiction.

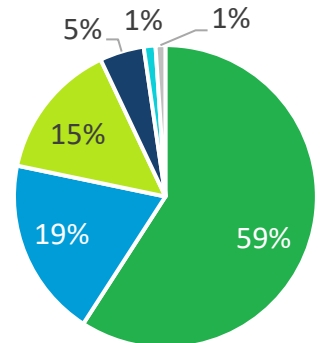
The assessed value of real property (including public utility real property) is 35% of estimated true value. Personal property tax is assessed on all tangible personal property of public utilities in Ohio. The assessed valued of public utility personal property ranges from 24% for taxable production equipment of energy companies to 88% for property of heating and pipeline companies.

Inside millage is levied without a vote and, per the State of Ohio, cannot exceed 10 mills. Currently, the City of Fairfield’s inside millage is 1.29. Outside millage can only be levied with a vote. On May 3, 2022, a new fire levy was passed, increasing the City’s outside millage from 7.15 to 9.25, which took effect for tax year 2022, first collected in 2023.



*Butler County Joint Vocational School District | **Metro Parks of Butler County

Above is an example of the allocation of property tax amounts based on a \$100,000 home in the Fairfield taxing district for Tax Year 2024 (Collection Year 2025)



Property Valuation / 1,000 x Residential Tax Rate x .35 = Estimated Property Tax

$\$100,000 / 1,000 \times 41.03623 \times .35 = \$1,436$

Source: Butler County Auditor

Did you know?

Voters in Fairfield approved a new fire levy in 2022, which has allowed the City of Fairfield Fire Department to transition away from relying heavily on part-time employees to having all firefighters as full-time employees. This will ultimately cut down on hiring and training costs, while increasing employee retention. A full-time force decreases response times, increases fire suppression capability, and provides residents and businesses with a much more experienced first responder team. Since the levy’s passage, the City’s full-time firefighting force has more than doubled, from 34 to 71.

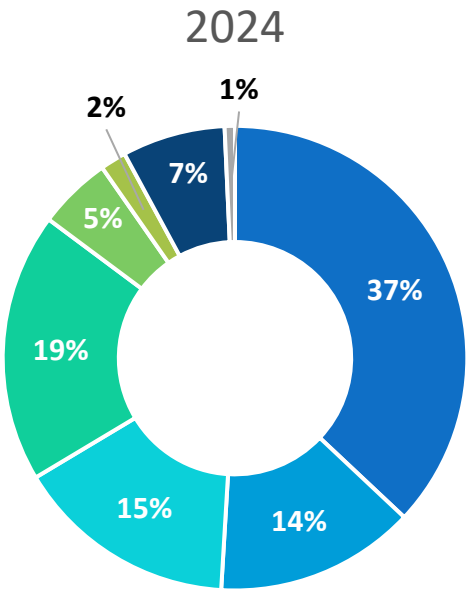


WHERE THE MONEY GOES

Expenditures – Governmental Activities

The City’s governmental activities account for most of the basic services provided by the City’s various departments. The City’s expenditures are reported at the function level, which describes the primary purpose of the expenditures. Within each function, the expenditures of one or more City departments are reported.

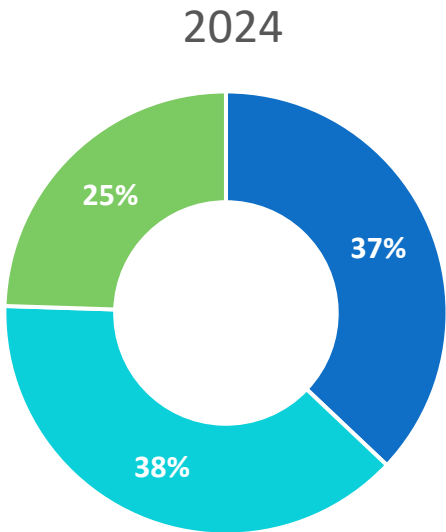
	2022	2023	2024
Public Safety	\$23,666,013	\$25,149,615	\$25,971,008
General Government	\$9,102,262	\$9,963,876	\$9,788,322
Transportation and Street Repair	\$9,514,151	\$10,700,462	\$10,854,631
Capital Outlay	\$4,831,458	\$11,436,683	\$13,176,375
Leisure Time Activities	\$3,251,186	\$3,688,034	\$3,592,872
Debt Service	\$998,696	\$1,132,462	\$1,264,900
Community Development & Public Health	\$1,750,725	\$3,313,104	\$5,033,498
Basic Utility Service	\$362,300	\$555,039	\$502,695
	\$53,476,791	\$65,939,275	\$70,184,301



The most significant increase in expenditures was in Public Health, due to the purchase of a \$1.4 million ladder truck for the Fire Department. The City also saw an increase in Capital Outlay expenditures, which were budgeted for in the 2023-2027 Capital Improvement Plan. Large capital outlay expenditures include \$2.6 million for South Gilmore Road Improvements and \$1 million for the Tylersville and Seward Roundabout Construction.

Expenses – Proprietary Funds

Proprietary Fund expenses consist of those costs associated with operating the individual enterprises. The City of Fairfield owns and operates its own Water and Sewer Utility. Residents who use the services are billed for their usage. Their bills help to recoup the cost of running the utility enterprise. Additionally, the City collects for solid waste charges and operates its own aquatic center and two golf courses.



	2022	2023	2024
Water Utility	\$8,866,083	\$6,749,742	\$7,924,496
Sewer Utility	\$8,646,616	\$6,944,965	\$8,223,540
Other Enterprise Funds	\$4,212,125	\$5,072,953	\$5,238,927
	\$21,724,824	\$18,767,660	\$21,386,963

Water Utility spending increased largely due to a \$1.1 million water main replacement on John Gray Road. Sewer Utility increases were for an on-going Aeration System Improvement Project at the Wastewater Treatment Plant. 2024 spending on this project was \$4.5 million.

GENERAL FUND ANALYSIS

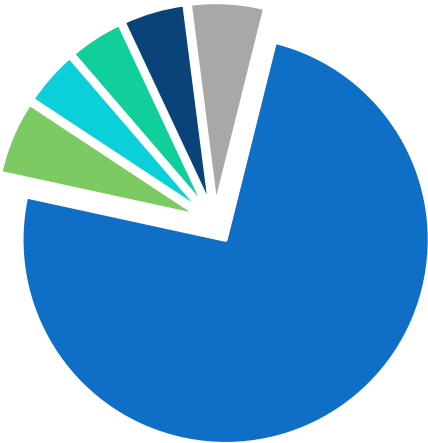
The General Fund is the City’s primary operating fund. It accounts for the majority of all financial activity of the City. The fund pays almost all the personnel and day-to-day operating expenditures with the exception to those relating to Streets, Public Utilities, Fire, and some Recreation Activities (Golf and Aquatic). In 2024, over 80% of the City’s General Fund revenue was derived from taxes, including Income Tax and Property Tax. Additionally, over 90% of the City’s General Fund expenditures are in three categories: General Government, Leisure Time Activities, and Public Safety. Public Safety includes the City’s Police costs. The costs of the City’s Fire Department are paid out of the Fire Levy Fund, which is funded primarily through the City’s Property Tax Levy. The numbers for the charts below are found in the City’s Statement of Revenues, Expenditures, and Changes in Fund Balance on page 21 of the Annual Comprehensive Financial Report.

General Fund Revenues by Category

	2022	2023	2024	% Change
Income Taxes	\$31,005,252	\$31,951,703	\$31,470,647	-1.51%
Property & Other Taxes	\$1,979,134	\$2,081,556	\$2,482,413	19.26%
Fines, Licenses & Permits	\$2,422,622	\$2,104,255	\$1,864,276	-11.40%
Intergovernmental	\$2,371,728	\$2,013,542	\$1,824,305	-9.40%
Charges for Services	\$1,862,668	\$1,940,919	\$2,089,693	7.67%
Other Revenues	\$613,267	\$2,486,041	\$2,500,416	0.58%
	\$40,254,671	\$42,578,016	\$42,231,750	-0.81%

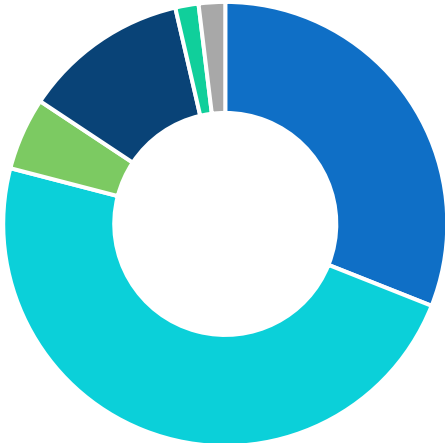
2024 Revenues by Category

Income Taxes	74.52%
Property & Other Taxes	5.88%
Fines, Licences, Permits	4.41%
Intergovernmental	4.32%
Charges for Services	4.95%
Other Revenues	5.92%



General Fund Expenditures by Category

	2022	2023	2024	% Change
General Government	\$8,248,919	\$8,759,638	\$9,234,468	5.42%
Public Safety	\$13,810,123	\$13,991,001	\$14,300,942	2.22%
Community Development	\$1,730,355	\$1,580,678	\$1,571,724	-0.57%
Leisure Time Activities	\$3,251,186	\$3,382,280	\$3,592,872	6.23%
Basic Utility Service	\$362,300	\$555,039	\$502,695	-9.43%
Other	\$57,868	\$799,999	\$574,126	-28.23%
	\$27,460,751	\$29,068,635	\$29,776,827	2.44%



2024 Expenditures by Category

General Government	31.01%
Public Safety	48.03%
Community Development	5.28%
Leisure Time Activities	12.07%
Basic Utility Service	1.69%
Other	1.93%

Did you know?

80% of the income tax collected goes into the City’s general fund. 10% goes into the City’s Street Improvement Fund. The remaining 10% goes to the Capital Improvement Fund, where it is used in the acquisition and construction of assets with a useful life of five years or more.

MAJOR INITIATIVES

With 20% of the City’s income tax revenue dedicated to funding street and capital improvements, Fairfield City Council and Administration are committed to maintaining the City’s existing infrastructure, while also investing in infrastructure enhancements and additional capital assets.

Updated annually, the City of Fairfield Capital Improvements Program (CIP) provides a roadmap for anticipated capital projects ranging from utilities, parks, facilities, transportation, and other capital and infrastructure needs.

- ## Significant Projects in 2024:

 - ✓ **Tylersville and Seward Intersection Improvements** – A roundabout was installed at the intersection of Tylersville and Seward Roads to increase capacity and efficiency while also calming traffic and improving safety for the residents in the adjacent subdivision. Increased capacity is necessary due to a planned industrial park development that will result in increased car and truck traffic. The project’s total cost was \$1.7 million, with outside funding of \$500,000 from ODOT Transportation Improvement Grants and a contribution from Fairfield Township. The industrial park developer paid for the engineering and design.
 - ✓ **Aeration System Improvements** – The wastewater plant is in the process of replacing 50-year-old equipment that provides dissolved oxygen into wastewater, promoting the proper aquatic environment for microbiological populations to flourish, allowing them to digest and break down the waste, resulting in clean water. The project began in late 2023 and will continue into 2025, with a large portion of the work being completed in 2024. Total project costs will be \$7.1 million.
 - ✓ **Harbin Park Renovations** – The multi-phase redevelopment of our largest park is winding down. 2024 saw the addition of a new playground and the construction of a new splash pad that opened in May 2025. This year we will also be adding shelters and restrooms to Lower Harbin Park to complete the \$7 million dollar renovation project.



UPCOMING SIGNIFICANT PROJECTS

Wastewater Treatment Plant

Solar Array:

Fairfield's Public Utilities Department is constructing a ground-mounted, behind-the-meter solar photovoltaic (PV) system at the Wastewater Treatment Plant. This project will reduce electricity bills, reduce emissions, and showcase renewable energy to Fairfield residents and the broader community. Nine acres of land located east of the Wastewater Treatment Plant have been approved to develop solar PV. This \$3.1 million dollar project is projected to save up to \$3.5 million in energy costs over the life of the system. Construction will begin in November 2025 for anticipated operation by March 2026.



Marsh Park Redevelopment:

City Council approved a master plan to make significant improvements to the 146-acre park that is home to a 60-acre lake and over 4,000 feet of accessible shoreline. Planned updates include an expansion of the accessible park area and new walking trails that circumnavigate the entire lake. These trails will connect to the Great Miami River Trail. Trail engineering will begin in 2025, with further development planned on a rolling basis based on fund availability and outside funding sources. The City is in the process of hiring a firm to lead the master plan implementation.



South Gilmore Widening:

The City will continue the South Gilmore widening project, with improvements planned for Old Gilmore to Resor. This stretch of road will be widened from 4 to 5 lanes and allow for a sidewalk on the west side of the road. The project will include a center median near the Resor intersection and 10-foot lanes to match the soon-to-be-completed section from Mack to Resor. These are safety improvements being incorporated to lower speeds and lessen incidents of running of red lights. These concerns were brought up during the public comment period for the project and in speaking with property owners within the corridor. This project is included in the Capital Improvement Program budget at a cost of \$2.3 million in construction.

Contact Us

Emergency – Dial 911
General – 513-867-5300

Utilities – 513-867-5375

Parks – 513-867-5348

Finance – 513-867-5315

5350 Pleasant Avenue
Fairfield, OH 45014

www.fairfieldoh.gov

Residents of Fairfield

Mayor (Elected)
Mitch Rhodus

Boards & Commissions

City Council (Elected)
Gwen Brill, At-Large
Matt Davidson, At-Large
Tim Meyers, At-Large
Leslie Besl, First Ward
Dale Paullus, Second Ward
Debbie Pennington, Third Ward
Adam Kraft, Fourth Ward

Municipal Judge (Elected)
Vacant

Court Administrator
Liza Kotlarsic

Clerk of Council
Alisha Wilson

City Manager
Scott Timmer

Law Director
John Clemmons

Assistant City Manager
Laurie Murphy

Human Resources
Information Technology

Assistant City Manager
Adam Sackenheim

Sustainability

Development Services
Greg Kathman

Building & Zoning
Economic Development
Planning

Finance
Diana Davenport

Accounting
Income Tax
Utility Billing

Police
Stephen Maynard

Community Services
Operations
Support Services

Fire/EMS
Thomas Lakamp

Fire & EMS Operations
Community Engagement
Support Services

Public Utilities
Jason Hunold

Distribution & Collection
Treatment

Public Works
Ben Mann

Engineering
Fleet & Facilities
Streets & Grounds

Parks & Recreation
Mandi Brock

Recreation
Golf Maintenance

Elected

Appointed

COLOR KEY

Department

Division

Asst. City Manager

CITY OF FAIRFIELD, OHIO

POPULAR ANNUAL FINANCIAL REPORT