

**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



CITY OF FAIRFIELD  
BUTLER COUNTY

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

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

To the City Council:

We have audited the general-purpose financial statements of the City of Fairfield, Butler County, Ohio (the City), as of and for the year ended December 31, 2000, and have issued our report thereon dated June 7, 2001, in which report we noted the City amended its method of accounting for income taxes. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 instance of noncompliance that is required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the Audit Committee, City Council and management, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

**Jim Petro**  
Auditor of State

June 7, 2001



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

To the City Council:

**Compliance**

We have audited the compliance of the City of Fairfield, Butler County, Ohio (the City), with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2000. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. 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. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2000.

**Internal Control Over Compliance**

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### **Schedule of Federal Awards Expenditures**

We have audited the general-purpose financial statements of the City as of and for the year ended December 31, 2000, and have issued our report thereon dated June 7, 2001, wherein we noted the City revised its method of accounting for income taxes. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information and use of the Audit Committee, management, city council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Jim Petro**  
Auditor of State

June 7, 2001



**CITY OF FAIRFIELD  
BUTLER COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Disbursements
<b>U.S. DEPARTMENT OF HOUSING and URBAN DEVELOPMENT</b>				
<i>Passed Through Ohio Department of Development:</i>				
Community Development Block Grant	A-F-98-119-1	14.228	\$139,300	\$139,300
<i>Passed Through Butler County Community Development Block Grant Program:</i>				
Community Development Block Grant	B-99-UC-39-0034	14.228	<u>150,000</u>	<u>150,000</u>
			289,300	289,300
Total Department of Housing and Urban Development			<u>289,300</u>	<u>289,300</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>				
Public Safety Partnership and Community Policing Grant	98-UM-WX-1689	16.710	50,000	50,000
Local Law Enforcement Block Grant	99-LB-VX-7654	16.592	<u>53,180</u>	<u>24,122</u>
Total Department of Justice			<u>103,180</u>	<u>74,122</u>
<b>TOTAL FEDERAL ASSISTANCE</b>			<b><u>\$392,480</u></b>	<b><u>\$363,422</u></b>

*The accompanying notes to this schedule are an integral part of this schedule.*

**CITY OF FAIRFIELD  
BUTLER COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
DECEMBER 31, 2000**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Government's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

Certain Federal programs require that the Government contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Government has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

**CITY OF FAIRFIELD  
BUTLER COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2000**

**SUMMARY OF AUDITOR'S RESULTS**

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	<i>Community Development Block Grants: Entitlement Grants, CFDA #14.228</i>
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

None

**FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None





# City of Fairfield, Ohio

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## Comprehensive Annual Financial Report

For The Year Ended December 31, 2000



# Introductory Section

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**CITY OF FAIRFIELD, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
For the year ended December 31, 2000

Prepared by

**DEPARTMENT OF FINANCE**

James A. Hanson, Director





**CITY OF FAIRFIELD  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 YEAR ENDED DECEMBER 31, 2000**

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June 7, 2001

The Honorable Robert Wolpert, Mayor  
Members of City Council  
City of Fairfield  
5350 Pleasant Avenue  
Fairfield, Ohio 45014

The Comprehensive Annual Financial Report of the City of Fairfield, Ohio for the fiscal year ended December 31, 2000 is submitted herewith. The Department of Finance prepared the report. The responsibility for both the accuracy of the presented data and the completeness and the fairness of the presentation, including all disclosures, rests with the City of Fairfield, specifically with the Department of Finance. We believe that the enclosed data is accurate in all material respects; and is presented in a manner designed to fairly set forth the financial position and results of operations of the various funds of the City. We further believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included. This report represents and reflects upon the City's financial operations and condition to the City's residents, its elected officials, management personnel, financial institutions, City bondholders, rating agencies and all other parties interested in the financial affairs of the City.

### **THE REPORTING ENTITY**

A basis for preparing the Comprehensive Annual Financial Report for the City of Fairfield was the identification of the reporting entity. Various potential component units were evaluated to determine whether they should be reported in the City's Comprehensive Annual Financial Report. A component unit was considered to be part of the City's reporting entity when it was concluded that the City was financially accountable for the entity or the nature and significance of the relationship between the City and entity was such that exclusion would cause the City's financial statements to be misleading or incomplete. This report includes all of the funds and account groups of the City of Fairfield.

The City of Fairfield is a political subdivision of the State of Ohio, which provides public safety, public service and general government to its approximately 42,000 residents. In addition to general government activities, the City operates water and sewer utility and a public golf course.

## **THE REPORTING ENTITY(continued)**

The Fairfield School District and the Lane Public Library of Butler County have not met the established criteria for inclusion in the reporting entity, and accordingly are excluded from this report.

## **THE COMPREHENSIVE ANNUAL FINANCIAL REPORT**

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the government's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report on financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis

## **INDEPENDENT AUDIT**

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

## **FUND STRUCTURE**

The City's accounting system is organized and operated on the "fund basis" which is the basic fiscal and accounting entity in governmental accounting. The classification of said funds follows:

<b>CATEGORY</b>	<b>FUND TYPE</b>
Governmental Funds	General, Special Revenue, Capital Projects, Debt Service
Proprietary Funds	Enterprise, Internal Service
Fiduciary Funds	Trust and Agency

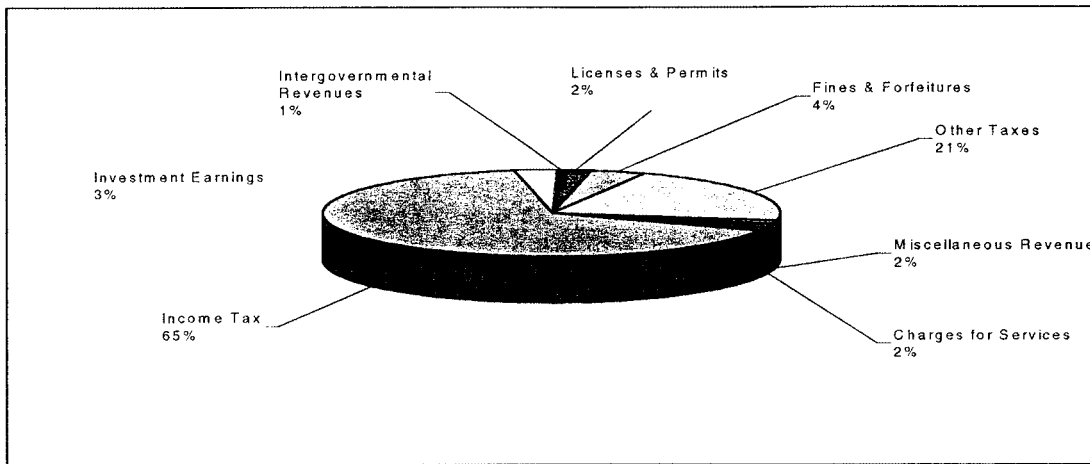
Included in Notes 1 and 2 of the Notes to Financial Statements are the description of all the City's fund types and a summary of the significant accounting policies.

**GENERAL AND SPECIAL REVENUE FUNDS**

**General Fund-Revenues**

Income tax revenues produced 65.5% of the General Fund's total revenues compared to 63.7% last year. The \$365,402 or 3.4% increase in Income Tax is the result of the growing employment base experienced with the arrival and relocation of businesses to the City of Fairfield. The \$191,975 or 5.6% increase in Other Taxes is the result of a new alternate formula implemented by the County Budget Commission to distribute local government funds to political subdivisions in the county and an increase in the assessed valuation of the City property values. The \$43,700 or 10.6% decrease in Charges for Services is the result of a reduction in billings made as a result of the City's sidewalk reconstruction project taking place in the City in 2000. The \$48,942 or 10.5% increase in Investment Earnings is the result of an increase in the amount of monies available to invest from the General Fund. The \$48,942 or 10.5% increase in Investment Earnings is the result of an increase in the amount of monies available to invest from the General Fund. The \$125,940 or 93.8% increase in Miscellaneous Revenues is the result of donations and contributions made by residents for various City sponsored events and activities. The sources of revenues and variances from last year with all comparisons, are shown in the following tabulation:

REVENUES	2000	1999	AMOUNT	PERCENT
Income Tax	\$11,180,374	\$10,814,972	\$ 365,402	3.4%
Other Taxes	3,593,662	3,401,687	191,975	5.6
Intergovernmental Revenues	101,367	113,432	(12,065)	(10.6)
Licenses and Permits	341,570	503,586	(162,016)	(32.2)
Charges for Services	399,394	443,094	(43,700)	(9.9)
Fines and Forfeitures	668,036	604,470	63,566	10.5
Investment Earnings	516,276	467,334	48,942	10.5
Miscellaneous Revenues	260,267	134,327	125,940	93.8
Totals	\$17,060,946	\$16,482,902	\$ 578,044	3.5%

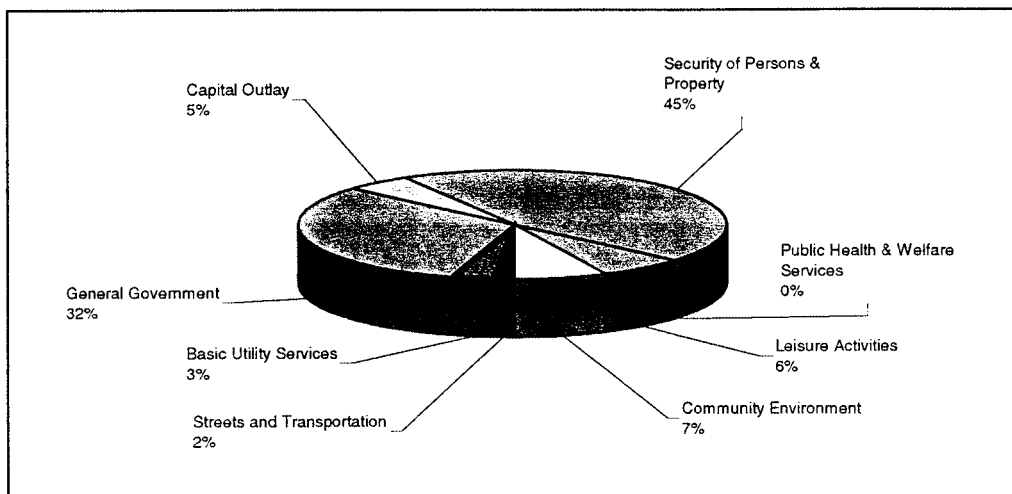


**GENERAL AND SPECIAL REVENUE FUNDS (Continued)**

**General Fund-Expenditures**

Expenditures of the General fund excluding other financing uses in 2000 were \$13,150,286, an increase of 8.0% over 1999. In 2000, \$5,870,018 was expended from the General Fund for Police and Safety Services (Security of Persons and Property), which was a \$369,985 or 6.7% increase resulting from an increase in the personnel costs as a result of hiring additional officers. The increase of \$54,660 or 6.9% in Leisure Activities resulted from an increase in additional personnel in the Parks and Recreation Division, which expanded operations in 1999. The increase of \$60,030 or 17.5% in Basic Utility Services resulted from an increase in the cost of electric for street lighting. The \$759,777 or 22.1% increase in General Government reflects increases in the number of administrative personnel. In 2000, \$250,000 was expended from the General Fund for Streets and Transportation; this amount represents a subsidy granted to the Butler County Regional Transit Authority for providing bus service to the residents of the City. The \$232,852 or 26.7% decrease in Capital Outlay reflects the administration's decision to program less monies from the General Fund for equipment purchases and capital improvements. The following reflects levels of expenditures in 2000 and 1999:

<b>EXPENDITURES</b>	<b>2000</b>	<b>1999</b>	<b>AMOUNT</b>	<b>PERCENT</b>
Security of Persons & Property	\$5,870,003	\$5,500,018	\$369,985	6.7%
Public Health & Welfare Services	27,315	27,521	(206)	(.7)
Leisure Activities	842,935	788,275	54,660	6.9
Community Environment	915,681	955,929	(40,248)	(4.2)
Basic Utility Services	402,185	342,155	60,030	17.5
Streets and Transportation	250,000	250,300	(300)	(.1)
General Government	4,202,259	3,442,482	759,777	22.1
Capital Outlay	639,908	872,760	(232,852)	(26.7)
<b>Totals</b>	<b>\$13,150,286</b>	<b>\$12,179,440</b>	<b>\$970,846</b>	<b>8.0%</b>





## **GENERAL AND SPECIAL REVENUE FUNDS (Continued)**

### **Special Revenue Funds**

The revenues of the Special Revenue Funds are derived from specific sources and are designated for specific uses. Special Revenue Funds consist of the following:

**Street Construction, Maintenance and Repair Fund**  
**State Highway Improvement Fund**  
**Fire Levy Fund**  
**Paramedical Services Levy Fund**  
**Tax Recreation Fund**  
**County Motor Vehicle Registration Fee Fund**  
**Municipal Motor Vehicle Registration Fee Fund**  
**Community Development Block Grant Fund**  
**Law Enforcement & Education Fund**  
**Drug & Alcohol Treatment Fund**  
**Law Enforcement Fund**  
**Local Law Enforcement Fund**  
**Probation Services Fund**  
**Court Computer Fund**  
**Special Projects Fund**

Special Revenue Funds had revenues of \$4,211,573 and expenditures of \$5,530,827 in 2000.

## **INTERNAL ACCOUNTING AND BUDGETARY CONTROLS**

We believe that the City's internal control structure adequately safeguarded assets and provided reasonable assurance of proper recording of financial transactions. It is further our intention to review these controls in depth on an ongoing basis for continued refinements and improvements.

Budgetary control is maintained at the fund level by the use of encumbrances for purchase order amounts to vendors. Open encumbrances are reported as reservations of the fund balance for the governmental fund types at December 31, 2000.

## **CASH MANAGEMENT**

Excluding investments held by trustees, cash temporarily idle during the year 2000 was invested in State Treasury Asset Reserves or Repurchase Agreements (collateralized by U.S. Treasury Bills). As of year-end, State Treasury Asset Reserves made up 28.4% of the City's total investments, U.S. government securities 40.1%, certificates of deposits 25.1%, money market accounts 1.9% and repurchase agreements 4.5%. Yields on these investment instruments ranged from 4.90% to 6.50%. The amount of interest earned during the year was \$2,821,737 as compared to \$2,516,471 earned in 1999.

## DEBT ADMINISTRATION

The ratio of net debt to assessed valuation and net debt per capita is useful indications of the City of Fairfield's debt position to all interested parties. The data for the City of Fairfield as of December 31, 2000 was as follows:

<b>2000 Population</b>	<b>42,097</b>
<b>Assessed Valuation</b>	<b>830,227,888</b>
<b>Total General Obligation (G.O.) Debt</b>	<b>5,950,000</b>
<b>Less Amount Available in Debt Service Fund</b>	<b>369,924</b>
<b>Net General Obligation Debt</b>	<b>5,580,076</b>
<b>Ratio of Net G.O. Debt to Assessed Valuation</b>	<b>.67%</b>
<b>Debt per Capita</b>	<b>\$132.55</b>

The City's total debt at the close of 2000 included the above mentioned \$5,580,076 in net General Obligation debt, \$305,000 in special assessment bonded debt and \$22,035,109 in enterprise debt. The City's General Obligation bonds continue to have an excellent rating, which they have carried for the past several years. In 1999, Moody's Investor's Service upgraded the City's bonds to carry an "Aa3" credit rating.

## CITY INCOME TAX

The 1.5% locally levied tax applies to gross salaries, wages and other personal service compensation earned by residents, both in and out of the City and upon earnings of non-residents earned in the City. It also applies to net income of business organizations derived from business activities conducted in the City. In November of 1990, the citizens of Fairfield voted to change the distribution of the income taxes, which allocated monies to the Sewer Funds. The current 1.5% tax rate is now subdivided into three components. The first 1.0% is used for operating expenses of the General fund. Next, .3% is used for street construction, improvement and repair. Third, .2% of the tax is earmarked for capital improvements of a permanent nature.

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

	2000	1999
Allocated to <b>General Fund</b>	\$11,180,374	\$10,814,972
Allocated to <b>.3% Street Fund</b>	3,354,113	3,282,652
Allocated to <b>.2% Capital Improvement Fund</b>	2,236,075	2,188,434
<b>Gross Revenues</b>	<b>\$16,770,562</b>	<b>\$16,286,058</b>

## GENERAL FIXED ASSETS

The General Fixed Assets of the City are those fixed assets used in the performance of General Governmental functions and exclude the fixed assets of the Enterprise Funds. As of December 31, 2000, the assets of the City amounted to \$31,685,692. This represents the original cost of the assets and is considerably less than their present value. Depreciation of the General Fixed Assets is not recognized in the City's accounting system.

## UTILITY ENTERPRISE OPERATIONS

The City's water, sewer and solid waste management utility showed a decrease of 4.5% in operating revenues due to reduced consumption of water for irrigation during the summer months. Comparative data for the years ending December 31, 2000 and 1999, are presented in the following tabulation:

	Year Ended 12/31/00	Year Ended 12/31/99
Operating Revenues	\$8,076,044	\$8,453,386
Operating Expenses	7,671,480	7,141,888
Operating Income	404,564	1,311,498
Net Income	1,211,423	2,231,896
Income Available for Debt Service (1)	2,641,448	3,936,529
Annual Debt Service	2,293,341	1,960,013

(1) Amount includes operating income (loss), interest and depreciation expense, permits, grants, and other revenues/expenses.

## RECREATION ENTERPRISE OPERATIONS

The recreation facilities net loss in 2000 was (\$12,553) as compared to a net loss of (\$6,292) in 1999, this was the result of an increase in interest expenses associated with the family aquatic center facility. Comparative data for the years ending December 31, 2000 and 1999, are presented in the following tabulation:

	Year Ended 12/31/00	Year Ended 12/31/99
Operating Revenues	\$1,345,740	\$1,348,304
Operating Expenses	1,344,311	1,354,065
Operating Income (Loss)	1,429	(5,761)
Net Income (Loss)	(12,553)	(6,292)
Income Available for Debt Service (1)	156,117	211,830
Annual Debt Service	194,852	191,060

(1) Amount includes operating income (loss), interest and depreciation expense, permits, and other revenues/expenses.

## RISK MANAGEMENT

By statute and court decisions, Ohio retains only limited tort immunity for local government. In addition to potential tort liabilities, the City is liable for employees' Workers' Compensation claims, plus the risk of casualty loss to real and personal property owned by the City, and must provide faithful performance bonds for certain City officials. The City must also manage the risk of dental expense claims by employees eligible for health care coverage as a fringe benefit.

## FIDUCIARY OPERATIONS

Fiduciary Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds. At December 31, 2000, assets held by these funds totaled \$43,684. Liabilities relating to these funds amounted to \$41,198.

## SIGNIFICANT EVENTS

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

- 1) The City continued its strong efforts to attract and retain quality economic development throughout 2000. The Rural Enterprise Zone Tax Incentive Program was widely used in 1992 through 2000 to encourage business to locate in the City of Fairfield. As a result of this initiative, the City has created 2,111 new jobs and retained 2,942 jobs.
- 2) The City finished construction on **Village Green Park**, which cost the City approximately \$2.5 million, including the cost of land. Included in the new park is an amphitheater, a reflection pond and playground equipment. The park is located in the heart of the City's downtown area, and will serve as a focal point for various city activities and events.
- 3) The City completed construction on \$14 million of **Wastewater System Improvements**, and \$6.7 million of **Water System Improvements**. The water improvements have doubled the size of the current water plant to provide additional capacity in order to service the industrial area of the City. The wastewater improvements have been designed to increase sewer capacity for expected growth.
- 4) The City of Fairfield completed construction on a new \$1.5 million **Fire Station** to replace one of three stations located in the City of Fairfield. The new station replaces a facility, which was over 25 years old and was not adequate to accommodate the Fire Department's equipment and fleet.

## ECONOMIC OUTLOOK

The City of Fairfield's standards for services are considered excellent and its tax rates compare favorably to other area governments. The City of Fairfield is located in the southwestern part of the state, which ranks as one of the top growth areas in Ohio. The economic condition and outlook of the City have substantially improved during the past five years, following several years of slower economic growth attributable to a general decline in manufacturing activities. This year alone, for example, a number of service related firms have started or expanded activities in the area. This growth has had a positive effect on the government's tax base.

The City's Income Tax has remained stable over the last few years, and this trend is expected to gradually improve with the development of various commercial and industrial facilities in the City.

## FUTURE PROJECTS

Significant capital projects in 2001 include the following:

- 1) In October of 2000, the City began the construction of a nine-hole executive golf course. The project is estimated to cost \$1.5 million and is scheduled for completion in October of 2001.
- 2) The City of Fairfield will continue construction on a new **Public Library**, which will be leased back to the Lane Public Library System. The new library will be 25,000 square feet and is being constructed to accommodate the growing population of the City. The estimated cost to build the new library is \$4.5 million and should be completed in 2001.
- 3) The City entered into a construction agreement with the Transportation Improvement District of Butler County to construct the extension of **Symmés Road** east to State Route 747. The project will provide the City a five lane eastbound connection to Interstate 75. The total project cost is approximately \$8 million with the City of Fairfield contributing \$5 million to the cost of the project. The project is scheduled for completion in early 2002.
- 4) The City will begin acquiring right of way for the Mack/Muhlhauser/Route 4 project. This project consists of widening Muhlhauser Road to five lanes from Route 4 and Mack Road to State Route 747. As part of the project, a bridge is to be constructed over the railroad tracks located near Route 4. Total estimated project cost is approximately \$12 million with most of the funding being provided under state and federal grants.

## CERTIFICATE OF ACHIEVEMENT

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 Fairfield for its Comprehensive Annual Financial Report (CAFR) for the year ending December 31, 1999. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## ACKNOWLEDGEMENTS

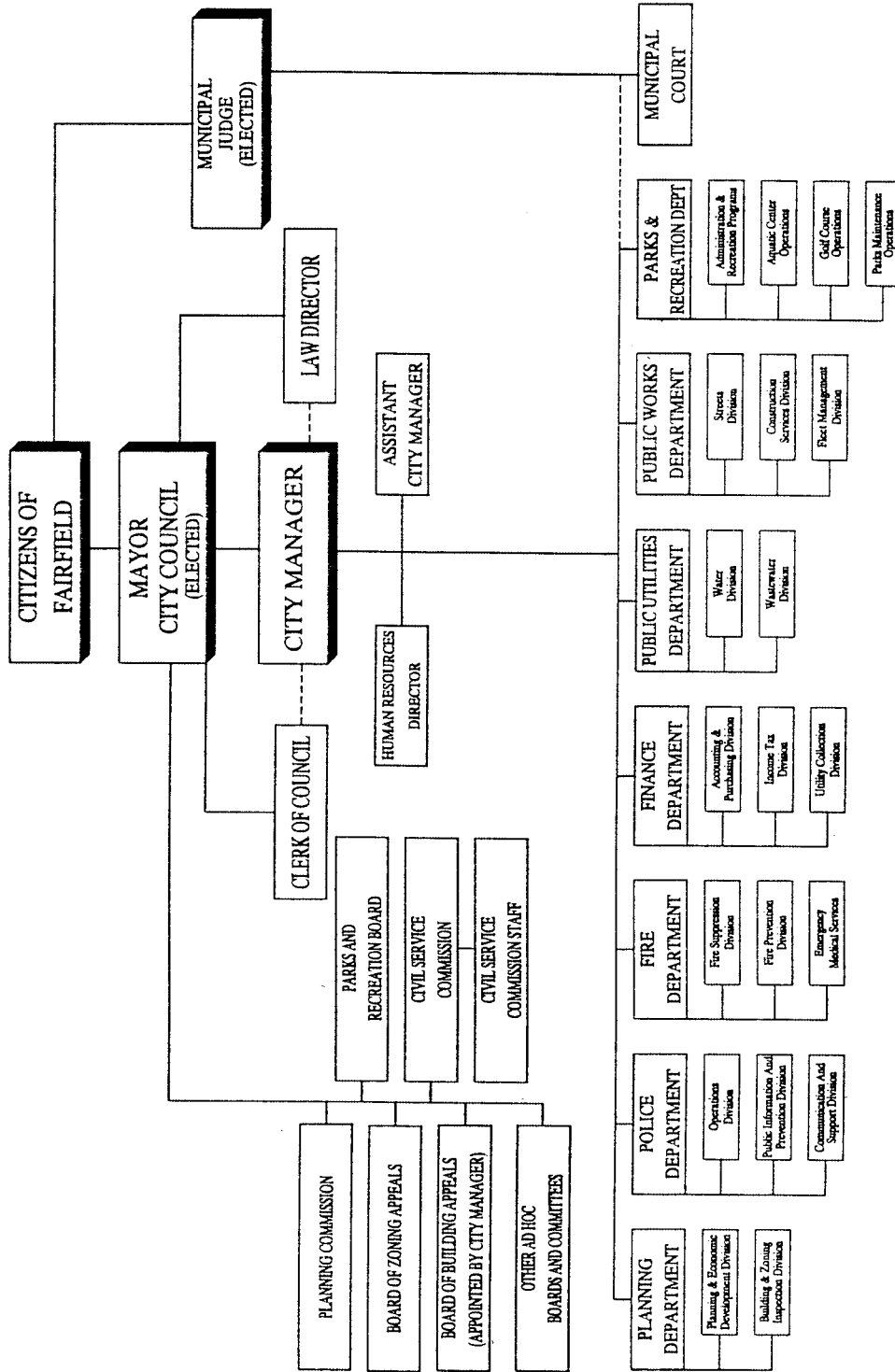
Preparation of this report could not have been accomplished without the professional, efficient and dedicated services of the entire staff of the Finance Department and the various department heads and employees who assisted and contributed to its preparation. Further appreciation is extended to the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

Respectfully submitted,  
CITY OF FAIRFIELD



James A. Hanson  
Director of Finance

# CITY OF FAIRFIELD, OHIO ORGANIZATIONAL CHART



REVISED 11 / 99

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fairfield,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Anne Spray Kinney*  
President

*Jeffrey L. Esler*  
Executive Director





## Financial Section

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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## INDEPENDENT ACCOUNTANTS' REPORT

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

To the City Council:

We have audited the accompanying general-purpose financial statements of the City of Fairfield, Butler County, Ohio (the City), as of and for the year ended December 31, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Fairfield, Butler County, Ohio, as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 20, during 2000, the City revised its accounting for income taxes. The adjustment affects the General and Capital Projects funds only.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2001, 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the City, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", written over a horizontal line.

**Jim Petro**  
Auditor of State

June 7, 2001

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**EXHIBIT 1  
CITY OF FAIRFIELD  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
DECEMBER 31, 2000**

	GOVERNMENTAL FUND TYPES			PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTAL	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	LONG TERM DEBT	MEMORANDUM ONLY
										1999
<b>ASSETS AND OTHER DEBITS</b>										
Assets:										
Equity in Pooled Cash and Deposits	\$301,192	\$423,897	\$88,091	\$415,429	\$1,134,178	\$122,563	\$43,684			\$703,461
Equity in Pooled Investments	6,054,558	1,265,000	1,258,940	15,240,000	18,082,263	350,000				42,082,035
Receivables										
Accounts	11,103				882,642					883,745
Accrued Interest	66,447	12,782	7,631	337,590	144,426					573,981
Taxes	1,963,681	3,031,555	376,012	572,540						5,567,776
Special Assessments										376,012
Loan					417,941					417,941
Due From Other Funds			44,469		157,541					92,731
Inventory					144,075					44,469
Issuance Costs										157,541
Restricted Assets										118,520
Cash & Deposits										144,075
Investments					157,163					157,163
Property, Plant & Equip., Net					1,866,332					1,866,332
Other Debits:					51,094,402			\$31,685,692		82,780,094
Amount Available in Debt Service Fund									\$1,351,918	1,351,918
Amount To Be Provided to Retire Long-Term Debt									4,158,082	4,158,082
Amount To Be Provided to Retire Other Obligations									1,006,917	1,006,917
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$8,396,981</b>	<b>\$4,733,234</b>	<b>\$1,775,143</b>	<b>\$16,565,559</b>	<b>\$74,080,963</b>	<b>\$472,563</b>	<b>\$43,684</b>	<b>\$31,685,692</b>	<b>\$5,516,917</b>	<b>\$144,270,736</b>
<b>LIABILITIES, EQUITY &amp; OTHER CREDITS</b>										
Liabilities:										
Accounts Payable	\$82,103	\$139,890	\$360	\$273,044	\$200,572	\$11,831				\$707,800
Accrued Liabilities			46,853	56,018	56,018	13,245				116,116
Accrued Payroll, Vacation and Sick Leave	757,691	191,723			562,004	26,063		\$1,006,917		2,460,819
Due to Other Funds				44,469						44,469
Due to Other Governmental Units					30,506					30,506
Deferred Revenues	818,602	3,031,555	376,012				\$41,198			3,285,196
Deposits Payable					115,600					115,600
Notes Payable				745,000	3,000,000					3,745,000
Current Portion of Long-Term Debt					1,188,668					1,188,668
Long-Term Debt					17,846,442				5,510,000	23,356,442
<b>TOTAL LIABILITIES</b>	<b>1,658,396</b>	<b>3,363,168</b>	<b>423,225</b>	<b>1,062,513</b>	<b>22,999,810</b>	<b>51,139</b>	<b>41,198</b>	<b>6,516,917</b>	<b>35,667,611</b>	<b>\$618,133</b>
Equity & Other Credits:										
Contributed Capital					8,743,786					8,743,786
Investment in General Fixed Assets								\$31,685,692		31,685,692
Retained Earnings					1,989,081					1,989,081
Reserved Due to Restricted Assets					40,348,286	438,044				438,044
Reserved for Claims Unreserved						(16,620)				255,727
Fund Balance										40,331,666
Reserved for Encumbrances	522,932	126,159		6,587,982						7,247,083
Reserved for Debt Service Unreserved			1,351,918				2,486			1,351,918
Undesignated	6,215,653	1,243,907		8,905,054						16,367,100
<b>TOTAL EQUITY &amp; OTHER CREDITS</b>	<b>6,738,585</b>	<b>1,370,066</b>	<b>1,351,918</b>	<b>15,503,046</b>	<b>51,081,153</b>	<b>421,424</b>	<b>2,486</b>	<b>31,685,692</b>	<b>108,154,370</b>	<b>101,453,684</b>
<b>TOTAL LIABILITIES, EQUITY &amp; OTHER CREDITS</b>	<b>\$8,396,981</b>	<b>\$4,733,234</b>	<b>\$1,775,143</b>	<b>\$16,565,559</b>	<b>\$74,080,963</b>	<b>\$472,563</b>	<b>\$43,684</b>	<b>\$31,685,692</b>	<b>\$5,516,917</b>	<b>\$144,270,736</b>

See accompanying notes to financial statements.

**EXHIBIT 2**  
**CITY OF FAIRFIELD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**YEAR ENDED DECEMBER 31, 2000**

REVENUES	GOVERNMENTAL FUND TYPES			FIDUCIARY	TOTAL	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	FUND TYPES	MEMORANDUM ONLY
					2000	1999
Taxes	\$14,766,678	\$3,578,735		\$5,590,188	\$23,935,601	\$23,173,477
Licenses and Permits	341,570	47,763			389,333	537,132
Intergovernmental Revenues	101,367	342,480		715,158	1,169,005	484,917
Charges for Services	399,394				399,394	432,979
Fines and Forfeitures	668,036	139,812			807,848	612,778
Special Assessments	7,358	\$172,832			180,190	194,228
Investment Earnings	516,276	83,498		1,022,297	1,705,009	1,442,894
All Other Revenues	260,267	19,845	1,953	1,100,567	1,382,832	156,298
<b>TOTAL REVENUES</b>	<b>17,060,946</b>	<b>4,211,573</b>	<b>258,283</b>	<b>8,428,210</b>	<b>29,959,212</b>	<b>27,034,703</b>
<b>EXPENDITURES</b>						
Current						
Security of Persons and Property	5,870,003	3,288,686			9,158,689	8,200,367
Public Health & Welfare Services	27,315				27,315	27,521
Leisure Activities	842,935				842,935	788,275
Community Environment	915,681				915,681	955,929
Basic Utility Services	402,185				402,185	342,155
Streets and Transportation	250,000	1,730,761			1,980,761	1,998,534
General Government	4,202,259	14,888			4,217,321	3,449,168
Capital Outlay	639,908	496,492		9,417,888	10,554,288	10,081,517
Debt Service						
Principal Retirement		350,000			350,000	335,000
Interest and Fiscal Charges		361,833			361,833	359,868
<b>TOTAL EXPENDITURES</b>	<b>13,150,286</b>	<b>5,530,827</b>	<b>711,833</b>	<b>9,417,888</b>	<b>28,811,008</b>	<b>26,538,334</b>
Excess (Deficiency) of Revenues Over Expenditures	3,910,660	(1,319,254)	(453,550)	(989,678)	1,148,204	496,369
Other Financing Sources (Uses)						
Proceeds of Debt					0	4,500,000
Proceeds from Sale of Assets		800,000	561,082	30,615	3,761,082	627,309
Operating Transfers-In				(561,082)	(4,311,082)	5,203,657
Operating Transfers-Out						(5,608,657)
<b>Total Other Financing Sources (Uses)</b>	<b>(3,750,000)</b>	<b>800,000</b>	<b>561,082</b>	<b>1,869,533</b>	<b>(519,385)</b>	<b>4,722,309</b>
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over Expenditures	160,660	(519,254)	107,532	879,855	628,819	5,218,678
Fund Balance, Beginning of Year (As restated-See Note 20)	6,577,925	1,889,320	1,244,386	14,623,191	24,337,282	19,118,604
Fund Balance, End of Year	\$6,738,585	\$1,370,066	\$1,351,918	\$15,503,046	\$24,966,101	\$24,337,282

See accompanying notes to financial statements.

**EXHIBIT 3**  
**CITY OF FAIRFIELD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES (NON-GAAP BUDGETARY BASIS)**  
**YEAR ENDED DECEMBER 31, 2000**

REVENUES	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Taxes	\$13,676,432	\$14,814,157	\$1,137,725	\$3,738,250	\$3,578,735	(\$159,515)
Licenses and Permits	476,750	341,570	(135,180)	\$30,000	\$18,750	(11,250)
Intergovernmental Revenues	465,250	101,367	(363,883)	\$342,800	\$342,480	(10,320)
Charges for Services	467,525	435,448	(32,078)			
Fines and Forfeitures	601,200	717,390	116,190	\$115,000	\$168,825	53,825
Special Assessments						
Investment Earnings	397,500	529,995	132,495	\$87,550	\$98,935	11,385
All Other Revenues	262,255	414,405	152,150	\$11,200	\$19,846	8,646
<b>TOTAL REVENUES</b>	<b>16,346,912</b>	<b>17,354,331</b>	<b>1,007,419</b>	<b>4,334,800</b>	<b>4,227,571</b>	<b>(107,229)</b>
<b>EXPENDITURES</b>						
Current						
Security of Persons & Property	6,390,978	6,085,771	305,207	3,307,344	3,264,838	42,506
Public Health & Welfare Services	35,000	27,315	7,685			
Leisure Activities	928,123	847,276	80,847			
Community Environment	1,099,670	978,295	121,374			
Basic Utility Services	406,479	402,185	4,294	1,944,262	1,844,218	100,044
Streets & Transportation				54,900	24,288	30,612
General Government	6,141,340	5,734,292	407,047			
Debt Service						
Principal Payment						
Interest & Fiscal Charges						
Capital Outlay				534,615	508,437	26,178
<b>TOTAL EXPENDITURES</b>	<b>15,001,589</b>	<b>14,075,135</b>	<b>926,454</b>	<b>5,841,121</b>	<b>5,641,781</b>	<b>199,340</b>
Excess (Deficiency) of Revenues over Expenditures	1,345,323	3,279,197	1,933,874	(1,506,321)	(1,414,210)	92,111
Other Financing Sources (Uses)						
Proceeds from Sale of Debt						
Operating Transfers-In						
Operating Transfers-Out	(3,750,000)	(3,750,000)		900,000	800,000	(100,000)
Total Other Financing Uses	(3,750,000)	(3,750,000)		900,000	800,000	(100,000)
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over Expenditures	(2,404,677)	(470,803)	1,933,874	(606,321)	(614,210)	(7,889)
Fund Balance, Beginning of Year	5,666,817	5,666,817		1,886,064	1,886,064	
Prior Year Encumbrances Appropriated	554,703	554,703		150,994	150,994	
Fund Balance, End of Year	\$3,816,842	\$5,750,716	\$1,933,874	\$1,430,737	\$1,422,848	(\$7,889)

(Continued)

See accompanying notes to financial statements.



**EXHIBIT 3**  
**CITY OF FAIRFIELD**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL**  
**ALL GOVERNMENTAL FUND TYPES (NON-GAAP BUDGETARY BASIS)**  
**YEAR ENDED DECEMBER 31, 2000**

REVENUES	DEBT SERVICE FUND			CAPITAL PROJECT FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Taxes				\$5,200,000	\$5,613,927	\$413,927
Licenses and Permits						
Intergovernmental Revenues				1,000,000	715,158	(284,842)
Charges for Services						
Fines and Forfeitures						
Special Assessments	212,800	225,802	13,002	582,800	922,066	339,266
Investment Earnings	75,000	75,868	868	525,000	1,131,183	606,183
All Other Revenues						
<b>TOTAL REVENUES</b>	<b>287,800</b>	<b>301,670</b>	<b>13,870</b>	<b>7,307,800</b>	<b>8,382,334</b>	<b>1,074,534</b>
<b>EXPENDITURES</b>						
Current						
Security of Persons & Property						
Public Health & Welfare Services						
Leisure Activities						
Community Environment						
Basic Utility Services						
Streets & Transportation						
General Government						
Debt Service						
Principal Payment	650,000	646,000	4,000	1,269,560	1,170,187	99,373
Interest & Fiscal Charges	409,000	368,597	40,403			
Capital Outlay						
<b>TOTAL EXPENDITURES</b>	<b>1,059,000</b>	<b>1,014,597</b>	<b>44,403</b>	<b>17,008,470</b>	<b>16,170,019</b>	<b>838,451</b>
Excess (Deficiency) of Revenues over Expenditures	<b>(771,200)</b>	<b>(712,927)</b>	<b>58,273</b>	<b>(9,700,670)</b>	<b>(7,787,685)</b>	<b>1,912,985</b>
Other Financing Sources (Uses)						
Proceeds from Sale of Debt		1,953	1,953			
Operating Transfers-In	1,000,000	809,990	(190,010)	1,400,000	2,400,000	1,000,000
Operating Transfers-Out				(809,991)	(809,990)	1
Total Other Financing Uses	1,000,000	811,943	(188,057)	590,009	1,590,010	1,000,001
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over Expenditures	<b>228,800</b>	<b>99,016</b>	<b>(129,784)</b>	<b>(9,110,661)</b>	<b>(6,197,675)</b>	<b>2,912,986</b>
Fund Balance, Beginning of Year	1,247,655	1,247,656	0	8,787,563	8,787,563	
Prior Year Encumbrances Appropriated				6,194,503	6,194,503	
Fund Balance, End of Year	<b>\$1,476,455</b>	<b>\$1,346,672</b>	<b>(\$129,784)</b>	<b>\$5,871,405</b>	<b>\$8,784,391</b>	<b>\$2,912,986</b>

See accompanying notes to financial statements.

**EXHIBIT 4  
CITY OF FAIRFIELD  
COMBINED STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND EQUITY  
ALL PROPRIETARY FUND TYPES  
FOR YEAR ENDED DECEMBER 31, 2000**

	ENTERPRISE	INTERNAL SERVICE	TOTAL	
			2000	1999
			----- MEMORANDUM ONLY	
<b>Operating Revenues</b>				
Charges for Services	\$9,421,784	\$1,698,611	\$11,120,395	\$11,338,559
<b>Operating Expenses</b>				
Personal Services	3,159,731	295,441	3,455,172	3,301,596
Contractual Services	2,684,245	1,256,651	3,940,896	3,690,629
Materials and Supplies	996,367	222,986	1,219,353	1,210,135
Utilities	576,753		576,753	571,404
Depreciation and Amortization	1,598,695		1,598,695	1,308,290
<b>Total Operating Expenses</b>	9,015,791	1,775,078	10,790,869	10,082,054
<b>Operating Income (Loss)</b>	405,993	(76,467)	329,526	1,256,505
<b>Non-Operating Revenues (Expenses)</b>				
Interest Revenue	1,106,362	10,366	1,116,728	1,073,576
Interest Expense	(950,684)		(950,684)	(959,278)
Permits	333,138		333,138	537,160
Other Revenues	4,061		4,061	
<b>Total Non-Operating Revenues (Expenses)- Net</b>	492,877	10,366	503,243	651,458
<b>Net Income (Loss) Before Operating Transfers</b>	898,870	(66,101)	832,769	1,907,963
<b>Operating Transfers from General Fund</b>	300,000	250,000	550,000	405,000
<b>Net Income</b>	1,198,870	183,899	1,382,769	2,312,963
<b>Retained Earnings, Beginning of Year</b>	41,138,497	237,525	41,376,022	39,063,059
<b>Retained Earnings, End of Year</b>	42,337,367	421,424	42,758,791	41,376,022
<b>Contributed Capital, Beginning of Year</b>	8,743,786		8,743,786	8,705,892
<b>Proceeds of Grant</b>				37,894
<b>Contributed Capital, End of Year</b>	8,743,786		8,743,786	8,743,786
<b>Fund Equity, End of Year</b>	\$51,081,153	\$421,424	\$51,502,577	\$50,119,808
	=====	=====	=====	=====

See accompanying notes to financial statements.

**EXHIBIT 5  
CITY OF FAIRFIELD  
COMBINED STATEMENT OF CASH FLOWS  
ALL PROPRIETARY FUND TYPES  
FOR YEAR ENDED DECEMBER 31, 2000  
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

			TOTAL ----- MEMORANDUM ONLY	
	ENTERPRISE	INTERNAL SERVICE	2000	1999
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Charges	\$9,708,741	\$1,698,611	\$11,407,352	\$11,403,096
Cash Payments for Refunds	(375,045)		(375,045)	(258,678)
Cash Payments for Goods and Services	(4,357,614)	(1,473,989)	(5,831,603)	(5,320,399)
Cash Payments for Wages and Benefits	(3,121,403)	(289,650)	(3,411,053)	(3,266,836)
Other Operating Revenues	147,335		147,335	218,181
<b>Net Cash Flows from Operating Activities</b>	2,002,014	(65,028)	1,936,986	2,775,364
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Permit Fees Received	336,210		336,210	537,162
Payments from Other Funds	300,000	250,000	550,000	405,000
<b>Net Cash Flows from Non-Capital Financing Activities</b>	636,210	250,000	886,210	942,162
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition and Construction of Capital Assets	(1,439,524)		(1,439,524)	(6,406,366)
Proceeds from Issuance of Bonds and Notes	3,128,221		3,128,221	3,747,661
Proceeds of Grant				37,894
Principal Paid on Bonds and Notes	(1,294,395)		(1,294,395)	(1,086,002)
Interest Paid on Bonds and Notes	(993,789)		(993,789)	(969,271)
Repayment of Notes	(1,900,000)		(1,900,000)	(2,350,000)
<b>Net Cash Flows from Capital and Related Financing Activities</b>	(2,499,487)		(2,499,487)	(7,026,084)
<b>Cash Flows from Investing Activities:</b>				
Payments for Investments	(1,434,270)	(250,000)	(1,684,270)	(785,924)
Proceeds from Sale and Maturity of Investments	1,031,381	160,000	1,191,381	2,725,000
Interest on Cash, Deposits and Investments	1,298,015	10,366	1,308,381	1,126,126
<b>Net Cash Flows from Investing Activities</b>	895,126	(79,634)	815,492	3,065,202
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,033,863	105,338	1,139,201	(243,356)
<b>Cash and Cash Equivalent (includes Restricted Assets), Beginning of Year</b>	257,478	17,225	274,703	518,059
<b>Cash and Cash Equivalent (includes Restricted Assets), End of Year</b>	\$1,291,341	\$122,563	\$1,413,904	\$274,703
<b>Reconciliation of Operating Income to Net Cash Provided By (Used For) Operating Activities:</b>				
Operating Income (Loss)	\$405,993	(\$71,134)	\$334,859	\$1,256,505
Adjustment to reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	1,598,695		1,598,695	1,308,290
Changes in Assets and Liabilities				
(Increase) Decrease in Accounts Receivables	51,434		51,434	33,486
(Increase) in Inventory	(39,021)		(39,021)	(7,131)
Increase (Decrease) in Accounts Payable	(53,415)	(389)	(53,804)	158,618
Increase (Decrease) in Accrued Liabilities		703	703	(11,463)
Increase (Decrease) in Accrued Payroll, Sick and Vacation Leave	38,328	5,792	44,120	34,760
<b>Net Cash Flows from Operating Activities</b>	\$2,002,014	(\$65,028)	\$1,936,986	\$2,773,065

See accompanying notes to financial statements.

**CITY OF FAIRFIELD**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2000**

**NOTE 1-DESCRIPTION OF CITY AND BASIS OF PRESENTATION:**

**A. REPORTING ENTITY**

The City of Fairfield, Ohio ("the City") operates as a Home Rule City in accordance with Article XVIII of the Ohio Constitution under a City Manager-Council form of government.

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either: a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

**Blended Component Unit**

This type of component unit is a legally separate entity from the City, but is so intertwined with the City that it is, in substance, the same as the City. It is reported as part of the City and blended into the appropriate funds.

**Discretely Presented Component Units**

Discretely presented component units are entities separate from the City, but for which the City is financially accountable, or whose relationships with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. These component units are reported in separate columns to emphasize that they are legally separate from the City.

The City of Fairfield does not have any component units to be included in its Comprehensive Annual Financial Report.

## A. REPORTING ENTITY (continued)

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

## B. MEASUREMENT FOCUS

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds and the Expendable Trust Fund are accounted for on a spending or "financial flow" measurement focus. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net assets.

All Proprietary Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities associated with this activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

## C. BASIS OF PRESENTATION

The accounts of the City are organized on the basis of funds or groups of accounts. The individual funds are grouped in the financial statements as follows:

### GOVERNMENTAL FUNDS

**General fund** - used to account for all revenues and expenditures except those required to be accounted for in another fund.

**Special Revenue funds** - used to account for the revenue from specific sources (other than special assessments) which are legally restricted for specific purposes.

**Debt Service fund** - used to account for the payment of principal and interest on certain general obligation and special assessment debt. The principal sources of revenue are income tax revenues transferred from the Capital Projects funds and assessments levied against specific benefited properties.

## C. BASIS OF PRESENTATION (continued)

**Capital Projects funds** - used to account for revenues and expenditures related to the acquisition or construction of major capital facilities (other than those financed by proprietary funds or special assessment funds).

### PROPRIETARY FUNDS

**Enterprise funds** - used to account for operations where the intention is to finance such operations primarily through user charges, or where the City has decided that the periodic determination of revenues, expenses and net income is appropriate.

**Internal Service funds** - used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

### FIDUCIARY FUNDS

**Expendable Trust fund** - used to account for assets held by the City as a trustee for individuals. The measurement focus of the expendable trust fund is the same as the governmental funds and is, therefore, maintained on the modified accrual basis of accounting.

**Agency fund** - used to account for funds collected and held by the City as trustee or agent for individuals, private organizations, other governmental units and/or other funds. The Agency fund is purely custodial and does not involve the measurement of results of operations.

### ACCOUNT GROUPS

**General Fixed Assets** - used to account for those capital assets with a useful life of greater than one year (other than those accounted for in the proprietary funds).

**General Long-Term Debt** - used to account for general obligation bonds with maturities in excess of one year (except for those accounted for in the proprietary funds) and other non-current general obligations of the City. These bonds are collateralized by the credit of the City as a whole and are payable from general government resources. Repayment of these bonds is made through earnings taxes.

## D. TOTAL (MEMORANDUM ONLY) COLUMNS

Total columns on the General Purpose Financial Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Information in these columns is not intended to and does not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Such information should not be considered comparable to a consolidation. Comparative data for the prior year has also been provided in the general purpose financial statements in order to provide an understanding of changes in the City's financial position and operations.

## NOTE 2-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The City of Fairfield's financial statements are prepared in accordance with generally accepted accounting principles for state and local governmental units. The following is a summary of the City's significant accounting policies.

### A. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

**Modified Accrual Basis of Accounting** - The modified accrual basis of accounting is followed in the Governmental fund types and the Expendable Trust and Agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay current liabilities within 30 days. Expenditures are recognized in the accounting period in which fund liability is incurred, if measurable.

**Accrual Basis of Accounting** - The accrual basis of accounting is followed in all Proprietary funds. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when incurred.

In accordance with Statement No. 20 of the Governmental Accounting Standards Board, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting," the City has elected not to apply the provisions of the Statements and Interpretations of the Financial Accounting Standards Board issued after November 30, 1989. The City will continue applying all applicable pronouncements issued by the Governmental Accounting Standards Board.

## **B. THE BUDGET PROCESS**

The City follows these procedures in establishing and legally adopting the budgetary information for the Governmental fund types reflected in the financial statements:

- (1) The Administration prepares the annual budget and submits it to the City Council for adoption. This budget is based upon estimated receipts and expenditures.
- (2) Prior to holding a public hearing on the proposed budget, it is made available for review by the public at the offices of the Clerk of Council.
- (3) City Council holds a public hearing on the proposed budget.
- (4) City Council adopts the budget, by fund, for the following year by ordinance on or before July 15th of each year.
- (5) After adoption, the budget and the ordinance, which is approved, are certified to the County Budget Commission by July 20th. The Commission conducts another public hearing and determines if the budget fairly represents the needs of the City.
- (6) The City accepts and levies the County Budget Commission's estimated necessary tax rate. Their acceptance must be certified to the County Auditor on or before October 1st.
- (7) The Finance Director files a certificate of estimated resources and expenditures for the ensuing year on or about January 1st.
- (8) On or about January 1st, an appropriation measure, by fund, is passed by City Council for the ensuing year. The budgeted amounts by department, division or function reflected in the financial statements and supplemental data include this initial appropriation measure and all revisions thereto for the year, as described below.
- (9) The Finance Director is authorized to transfer budgeted amounts between expenditure categories within any department, division or function; however, any transfers or other revisions that affect the total appropriation measure for any fund must be authorized by City Council. The legal level of control is the fund.



## **B. THE BUDGET PROCESS (continued)**

- (10) Supplemental appropriations are made because of several factors. Amendments to the appropriation ordinance made during the year totaled \$3,468,602 for the General Fund, \$536,893 for Special Revenue Funds, \$70,000 for Debt Service Funds and \$11,351,172 for Capital Projects Funds and are reflected in the revised budget amounts in the budget and actual comparisons.
- (11) At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the fund from which it was appropriated, and is subject to future appropriation. The encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. The encumbrances appropriated balance is carried forward to the succeeding fiscal year and need not be reappropriated.

## **C. BUDGET BASIS OF ACCOUNTING**

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--General Fund, Special Revenue Fund Types, Debt Service Fund and Capital Project Fund Types (Non-GAAP Budgetary Basis) is presented to provide a comparison of actual results with the budget. It is the City's policy to formally budget those funds, which derive their primary revenues from levied taxes. The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts and disbursements

### **The major differences between the budget basis and the GAAP basis are:**

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
- (2) Certain expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (i.e., vacation leave accrued in the current period, which is the GAAP basis);
- (3) Certain revenues and expenditures are recorded (budget) as opposed to being eliminated to conform to GAAP (extinguishment of bonds issued by and then purchased by the City).
- (4) Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP).

**C. BUDGET BASIS OF ACCOUNTING (Continued)**

The following summarizes the effects on the December 31, 2000 (GAAP Basis) Excess Revenues (Expenditures) and Fund Balances had they been recorded on the City's budget basis of accounting.

**Excess of Revenues and Other Financing Sources  
Over Expenditures and Other Uses  
December 31, 2000**

	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Capital Project Funds</b>
As Reported (GAAP Basis)	\$ 160,660	\$(519,254)	\$107,532	\$879,855
Revenue:				
Received in 2000 accrued in 1999	1,043,714	28,778	43,376	679,502
Received in 2001 earned in 2000	(1,222,629)	(12,782)	(44,469)	(910,130)
Expenditures:				
Paid in 2000 accrued in 1999	(687,308)	(176,516)	(46,646)	(1,038,378)
Accrued in 2000 paid in 2001	757,691	191,723	39,223	789,468
Outstanding Encumbrances	(522,931)	(126,159)		(6,597,992)
Budgetary Basis	<u><u>\$(470,803)</u></u>	<u><u>\$ (614,210)</u></u>	<u><u>\$99,016</u></u>	<u><u>\$(6,197,675)</u></u>

**Fund Balances  
December 31, 2000**

	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Capital Project Funds</b>
As Reported (GAAP Basis)	6,738,585	1,370,066	1,351,918	15,503,046
Revenue:				
Received in 2001 earned in 2000	(1,222,629)	(12,782)	(44,469)	(910,130)
Expenditures:				
Accrued in 2000 paid in 2001	757,691	191,723	39,223	789,468
Outstanding Encumbrances	(522,931)	(126,159)		(6,597,992)
Budgetary Basis	<u><u>\$5,750,716</u></u>	<u><u>\$1,422,848</u></u>	<u><u>\$1,346,672</u></u>	<u><u>\$8,784,391</u></u>

#### **D. REVENUE RECOGNITION**

Butler County ("the County") is responsible for assessing, collecting and remitting to the City, taxes related to property located in the City (see Note 10). Property taxes levied for 2000 are not collectible and available for appropriation until 2001. Accordingly the uncollected taxes at December 31, 2000 are recorded as Taxes Receivable, net of uncollectibles with a corresponding liability to Deferred Revenues. Special Assessments are recorded as revenues in the year the assessments are collected and received by the City. Income taxes collectible within one month of year-end and available to pay obligations of the current period are susceptible to accrual. All other taxes are generally not deemed available until remitted to the City and, accordingly, are recorded when received (See Note 10).

Investment earnings are recorded as earned since they are measurable and available. Interest revenue is allocated to the funds, as authorized by the City Manager and the Director of Finance, based on month-end anticipated excess cash balances.

Licenses and permits, fines and forfeitures, charges for services other than utility services and miscellaneous revenues are recorded when received, as they generally are not measurable until such time.

#### **E. CASH AND INVESTMENTS**

Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value, which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost. The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each had maintained its own cash and investment account.

The City has invested funds in the State Treasury Asset reserve of Ohio (STAR Ohio) during fiscal 2000. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2000.

## F. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the City of Fairfield considers all cash and deposits with financial institutions to be cash equivalents. Certificates of deposits, repurchase agreements, investments with outside investment pools, money market accounts, and U.S. Government securities are considered investments.

## G. INVENTORIES

Inventories are stated at the lower of cost or market determined on the first-in, first-out (FIFO) basis and consist principally of chemicals and other water and sewer utility supplies.

## H. INTERFUND RECEIVABLES/PAYABLES

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services and service debt. To the extent that certain transactions had not been paid or received as of December 31, 2000, balances of interfund amounts receivable and payable were:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Debt Service Funds:		
General Bond Retirement Fund	\$44,469	
Capital Project Funds:		
.2% Capital Improvement Fund		\$23,250
.3% Capital Improvement Fund		21,219
Total	<u>\$44,469</u>	<u>\$44,469</u>

## I. GENERAL FIXED ASSETS

General fixed assets, which consist of property and equipment acquired through expenditures of governmental funds, are recorded at cost or estimated historical cost, or with respect to donated assets, fair market value at date of donation. Public domain infrastructure assets such as roads, sidewalks, drainage systems and improvements other than buildings are not capitalized. Depreciation has not been provided for general fixed assets.

## J. PROPERTY AND EQUIPMENT-ENTERPRISE FUNDS

Property and equipment owned by the enterprise funds is stated at cost, or estimated historical cost, or with respect to donated assets, the fair market value at the date of donation. Depreciation is provided over the estimated useful lives using the straight-line method. Estimated useful lives are as follows:

Improvements other than Buildings	50 years
Buildings and Structures	30 to 50 years
Equipment	5 years

Maintenance and repair costs are charged to expense as incurred. The cost and related accumulated depreciation of property and equipment retired or otherwise disposed of are removed from the accounts with any resulting gain or loss reflected in income.

## K. ENCUMBRANCES

Encumbrances for purchase orders, contracts and other commitments are recorded in the governmental funds to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as reserves of the fund balances since they do not constitute expenditures or liabilities.

## L. RESTRICTED ASSETS:

Restricted assets are those assets required by the bond agreements and trust indentures to be used for payment of revenue bond principal and interest and additional funds provided by management for future bond requirements (See Note 6).

## **NOTE 3-EQUITY IN POOLED CASH AND DEPOSITS AND INVESTMENTS:**

The City follows the practice of pooling cash and investments except for restricted funds generally held by outside custodians on behalf of the Enterprise Funds and the cash of the Municipal Court Agency Fund. Cash and investments are summarized by each fund type in the combined balance sheet as equity in pooled cash and investments.

**Cash and Deposits** - At year-end, the carrying amount of the City's deposits was \$12,516,654 and the depository balance was \$13,161,582. Of the depository balance, \$200,000 was covered by federal depository insurance; \$12,961,582 was covered by collateral held by third party trustees in single financial institution collateral pools, but not in the City's name, collateralizing all public funds on deposit with the specific depository institution. In accordance with Section 135.18 of the Ohio Revised Code, all deposits with eligible financial institutions must be collateralized in an amount equal to 110% of uninsured deposits. A qualified trustee as defined by state law must hold the collateral.

**NOTE 3-EQUITY IN POOLED CASH AND DEPOSITS AND INVESTMENTS:**  
**(continued)**

**Investments** - The City is authorized by state law to make direct investments in U.S. government, federal agency and instrumentality obligations, repurchase agreements in obligations of the U.S. government and federal agencies, obligations of the State of Ohio and the State Treasurer's investment pool. The Director of Finance may enter into repurchase agreements for a period not to exceed thirty days. Such agreements shall be entered into with only eligible financial institutions as defined by state law. At December 31, 2000, the carrying amount of investments consisted of the following:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Deposits with the State Treasury	\$12,025,000	\$975,000	\$13,000,000
U.S. Government Securities	18,725,761		18,725,761
Repurchase Agreement	1,512,381	157,162	1,669,543
Money Market Mutual Fund		891,332	891,332
Total	<u>\$32,263,142</u>	<u>\$2,023,494</u>	<u>\$34,286,636</u>

The City's investments are categorized according to credit risk into the following categories: (1) insured or registered, or securities held by the City or its agent (bank trust department) in the City's name; or (2) uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name; or (3) uninsured, unregistered securities held by the counterparty, or its trust department or agent but not in the City's name. Investments in mutual funds made by a trustee who is managing the Enterprise Fund's restricted assets are unclassified since they are not evidenced by securities that exist in physical or book entry form.

	<u>Categories</u>			<u>Carrying Amount</u>	<u>Fair Value</u>
	<u>1</u>	<u>2</u>	<u>3</u>		
Categorized Investments:					
U.S. Government Securities	\$ 18,725,761			\$ 18,725,761	\$18,725,761
Repurchase Agreement			\$1,669,543	1,669,543	1,669,543
Uncategorized Investments:					
Investments in the State					
Treasurer's Investment Pool				13,000,000	13,000,000
Money Market Mutual Fund				891,332	891,332
Total	<u>\$ 18,725,761</u>		<u>\$1,669,543</u>	<u>\$34,286,636</u>	<u>\$34,286,636</u>

**NOTE 3-EQUITY IN POOLED CASH AND DEPOSITS AND INVESTMENTS:**  
**(continued)**

**Reconciliation of Cash, Cash Equivalents and Investments** - The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. The classification of cash and cash equivalents for purposes of this note is based on criteria set forth in GASB Statement Number 3.

A reconciliation between classifications of cash and investments on the combined financial statements and the classifications of this note are as follows:

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per Combined Balance Sheet	\$2,686,197	\$44,117,093
Investments:		
Repurchase Agreement	(1,669,543)	1,669,543
Certificates of Deposit	11,500,000	(11,500,000)
Per GASB Statement No. 3	<u>\$12,516,654</u>	<u>\$34,286,636</u>

**NOTE 4-FIXED ASSETS AND DEPRECIATION:**

The changes in the General Fixed Assets Account Group during 2000 were as follows:

	<u>1/1/00</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/00</u>
Land	\$ 4,154,175			\$ 4,154,175
Buildings	14,362,705	\$3,929,744		18,292,449
Equipment	8,479,714	1,217,011	\$457,657	9,239,068
Totals	<u>\$26,996,594</u>	<u>\$5,146,755</u>	<u>\$457,657</u>	<u>\$31,685,692</u>

**NOTE 4-FIXED ASSETS AND DEPRECIATION: (continued)**

The changes in the Proprietary Fund Type Fixed Assets and Accumulated Depreciation during 2000 were as follows:

	<u>1/1/00</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/00</u>
Land	\$1,091,351			\$1,091,351
Buildings	31,243,304	\$6,719,228		37,962,532
Improvements	30,136,052	130,672		30,266,724
Construction in Progress	5,657,400		\$5,657,400	
Equipment	2,446,527	349,933		2,796,460
Totals	70,574,634	7,199,833	5,657,400	72,117,067
Accumulated Depreciation	19,435,020	1,587,645		21,022,665
Net	<u>\$51,139,614</u>	<u>\$5,612,188</u>	<u>\$5,657,400</u>	<u>\$51,094,402</u>

**NOTE 5-TEMPORARY BORROWINGS:**

Under State law and by order of the City Council, the City is authorized to borrow funds on a temporary basis for the following purposes:

- (1) to fund current operating costs prior to the collection of tax revenues by issuance of revenue anticipation notes,
- (2) to fund capital project costs incurred prior to selling permanent debt by issuance of bond anticipation notes, and
- (3) in anticipation of the issuance of special assessment bonds for periods not longer than five (5) years.

The temporary borrowings are general obligations of the City and carry maturity dates limited by statute to not more than twelve months. In accordance with Section 133.32 of the Ohio Revised Code, the City has issued \$745,000 and \$3,000,000 in bond anticipation notes expecting to extinguish this debt with revenues of the Capital Projects and Enterprise Funds, respectively, over a period not to exceed five years.

The temporary borrowing recorded in the Capital Projects Funds as of December 31, 2000 was:

<u>Issue</u>	<u>Interest Rate</u>	<u>Balance Outstanding</u>
Various Purpose Road Improvement Notes	5.25%	\$745,000



**NOTE 5-TEMPORARY BORROWINGS: (continued)**

The temporary borrowings recorded in the Enterprise Funds as of December 31, 2000 were:

<u>Issue</u>	<u>Interest Rate</u>	<u>Balance Outstanding</u>
Wastewater System Improvement Notes	4.40%	\$ 500,000
Family Aquatic Center Notes	4.75%	1,000,000
Golf Course Notes	4.75%	1,500,000

The City intends to refinance all notes at their maturity.

The following is a summary of note transactions for the year ended December 31, 2000.

	<u>Capital Projects Funds</u>	<u>Enterprise Funds</u>
Notes/Loans Payable at 1/1/00	\$ 995,000	\$ 1,900,000
Additions		1,500,000
Reductions	(250,000)	(400,000)
Notes/Loans Payable at 12/31/00	<u>\$745,000</u>	<u>\$3,000,000</u>

**NOTE 6-LONG-TERM DEBT:**

The City of Fairfield has received loans from the Ohio Public Works Commission (OPWC) and from the Ohio Water Development Authority (OWDA). The repayment of the loans will be made over a period of five to twenty years.

The OPWC and OWDA loans recorded in the Enterprise Funds as of December 31, 2000 were:

<u>Issue</u>	<u>Interest Rate</u>	<u>Balance Outstanding</u>
OPWC Seward Road Water Tank Loan	2.00%	\$ 510,751
OWDA Wastewater Improvement Loans	3.79% - 4.12%	12,464,359
		<u>\$12,975,110</u>

**NOTE 6-LONG-TERM DEBT: (continued)**

Debt service requirements for the OPWC and OWDA loans for principal and interest in future years are as follows:

<b>Years Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2001	\$ 728,667	\$ 508,179	\$ 1,236,846
2002	753,833	483,013	1,236,846
2003	674,691	456,920	1,131,611
2004	593,344	433,032	1,026,376
2005	617,106	409,270	1,026,376
2006 – 2010	3,476,636	1,655,245	5,131,881
2011 – 2015	4,230,875	901,005	5,131,880
2016 – 2019	1,899,959	125,835	2,025,794
<b>Totals</b>	<b>\$12,975,110</b>	<b>\$4,972,501</b>	<b>\$17,947,611</b>

As of December 31, 2000 the bonds payable of the Enterprise Funds consisted of the following:

<b>Issue</b>	<b>Interest Rate</b>	<b>Balance Outstanding</b>
Water, Mortgage Revenue Refunding, serial maturities through the year 2003, term bonds in the years 2004 and 2005	3.00% - 6.20%	\$1,570,000
Water, Mortgage Revenue Refunding, serial maturities through the year 2017, term bonds in the years 2013 and 2017	3.76% - 5.05%	\$4,490,000
		<u>\$6,060,000</u>

The Mortgage Revenue Refunding Bonds are payable only from the revenues of the Water Funds. The Mortgage Revenue Refunding Bonds are subject to optional redemption in whole or in part at diminishing premiums from 1% and are collateralized by substantially all of the property of the Water Funds.

Debt service requirements for principal and interest in future years are as follows:

<b>Years Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2001	\$ 460,000	\$ 302,425	\$ 762,425
2002	485,000	279,875	764,875
2003	510,000	255,470	765,470
2004	535,000	229,010	764,010
2005	565,000	200,663	765,663
2006 – 2010	1,225,000	742,123	1,967,213
2011 – 2015	1,550,000	424,411	1,974,411
2016 – 2019	730,000	55,803	785,803
<b>Totals</b>	<b>\$6,060,000</b>	<b>\$2,494,779</b>	<b>\$8,549,779</b>

**NOTE 6-LONG-TERM DEBT: (continued)**

The City, as required by the applicable bond indentures, maintains certain cash balances and investments primarily for debt service and replacement of and improvement to the water system. As of December 31, 2000, the cash balance restricted as required by the Bond Indentures are:

Bond & Interest Fund (restricted)	\$ 671,202
Bond Redemption & Reserve (restricted)	846,503
Totals	<u>\$1,517,705</u>

As of December 31, 2000, debt recorded in the General Long-Term Debt Account Group consisted of:

<u>Issue</u>	<u>Interest Rate</u>	<u>Balance Outstanding</u>
General Obligation Justice Center Acquisition Bonds, serial maturities through 2007	7.00%	350,000
General Obligation Fire Station bonds, serial Maturities through 2010	6.90%	660,000
Various Purpose Bonds, serial maturities through 2015	4.40%	<u>4,195,000</u>
<b>Total General Obligation Bonds</b>		<b>\$5,205,000</b>
<b>Special Assessment Bonds with Governmental Commitment</b>		
Corporate Court, special assessment, serial Maturities through 2001	13.00%	\$ 20,000
LeSaint Drive, special assessment, serial Maturities through 2002	12.625%	45,000
Industrial Park, special assessment, serial Maturities through 2003	9.875%	90,000
Woodridge Blvd. special assessment, serial Maturities through 2006	7.625%	<u>150,000</u>
<b>Total Special Assessment Debt with Governmental Commitment</b>		<b><u>\$305,000</u></b>
<b>Total General Obligation &amp; Special Assessment Debt with Governmental Commitment</b>		<b><u>\$5,510,000</u></b>

Debt service requirements for principal and interest in future years are as follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$ 355,000	\$ 289,088	\$ 644,088
2002	345,000	264,945	609,945
2003	330,000	242,546	572,546
2004	310,000	222,732	532,732
2005	325,000	205,311	530,311
2006 – 2010	1,555,000	765,091	2,320,091
2011 – 2015	1,320,000	409,874	1,729,874
2016 – 2019	970,000	90,850	1,060,850
Totals	<u>\$5,510,000</u>	<u>\$2,490,438</u>	<u>\$8,000,438</u>

**NOTE 6-LONG-TERM DEBT: (continued)**

The full faith and credit of the City back the General Obligation Bonds. Special Assessment Bonds are issued for public improvements to specific properties and are general obligations of the City to be funded through special assessments on such properties. The City would be obligated for any debt service, which is not funded by the special tax assessments. In the event of default, a lien is placed on the property and the county at a tax sale eventually sells it. The City is then reimbursed for any special assessment bond payments the City made. The City is subject to certain constitutional and statutory general obligation debt limitations. As of December 31, 2000, the City has not exceeded the debt limitations.

**NOTE 7-DEFEASANCE OF BONDS:**

**Mortgage Revenue Bonds**-In prior years, the City defeased certain Mortgage Revenue Bonds by the deposit of Treasury Bonds and Notes with Trustees in an amount sufficient to meet principal and interest payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On December 31, 2000, \$1,040,000 of bonds outstanding is considered defeased.

**Special Assessment Bonds**-The Special Assessment Fund purchased special assessment sidewalk bonds issued by the City. The value of the bonds at December 31, 2000 was \$108,939. The transaction has been eliminated for the financial statement purposes by removing any proceeds from the issuance of debt from the operating statement and the investment.

**NOTE 8-CHANGES IN LONG-TERM DEBT:**

The following is a summary of bond transactions in the General Long-Term Debt Account of the City for the year ended December 31, 2000.

	<u>General Obligations</u>	<u>Special Assessments</u>	<u>Total</u>
Bonds Payable at 1/1/00	\$5,455,000	\$405,000	\$5,860,000
Bonds Issued			
Bonds Retired	(250,000)	(100,000)	(350,000)
Bonds Payable at 12/31/00	<u>\$5,205,000</u>	<u>\$305,000</u>	<u>\$5,510,000</u>

**NOTE 8- CHANGES IN LONG-TERM DEBT: (continued)**

The following is a summary of bond transactions in the Enterprise Funds of the City for the year ended December 31, 2000.

	<u>Mortgage Revenue Bonds</u>	<u>OPWC and OWDA Loans</u>	<u>Total</u>
Amounts Payable at 1/1/00	\$6,500,000	\$13,679,505	\$20,179,505
Amounts Issued			
Amounts Retired	<u>(440,000)</u>	<u>(704,395)</u>	<u>(1,144,395)</u>
Amounts Payable at 12/31/00	<u>\$6,060,000</u>	<u>\$12,975,110</u>	<u>\$19,035,110</u>

The following is a summary of changes in long-term liabilities for Accrued Sick Leave for the year ended December 31, 2000.

	<u>Accrued Sick Leave</u>
Balance at 1/1/00	\$1,053,049
Amount Incurred	99,152
Amount Retired	<u>(145,284)</u>
Balance at 12/31/00	<u>\$1,006,917</u>

**NOTE 9-INDUSTRIAL AND ECONOMIC DEVELOPMENT REVENUE BONDS:**

The City issued \$55,712,748 in industrial and economic development revenue bonds for various projects between the years 1973 through 1990. In February of 2000, the City issued \$6,625,000 in industrial development revenue bonds. As of December 31, 2000, \$6,485,000 was outstanding. The bonds are not a liability nor are the proceeds of the issues assets of the City and, accordingly, they are not reflected on the City's financial records. Debt service on these issues is payable solely from the revenues of the Company and/or individual for whom the debt was issued.

**NOTE 10-PROPERTY TAXES:**

Property taxes are levied against all real and public utility property, and tangible personal property used for business purposes and located in the City. Real property taxes are levied each January 1st. The due date and lien date for the 1999 levy was February 15, 2000 for all or one-half of the taxes due. The second half due date was July 15, 2000. Property tax revenues are recognized as a receivable in the year that they are levied. Real property and public utility taxes are levied based on the assessed values listed at the beginning of the year. The County Auditor at 35% of the appraised market value establishes assessed values.

**NOTE 10-PROPERTY TAXES: (continued)**

The laws of the State of Ohio presently require that all property be revalued no less than every six years, at any time the County Auditor finds that the true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed if ordered by the State Commissioner of Tax Equalization. Tangible personal property taxes on machinery and equipment and inventories are assessed on 25% of the statutory basis of these assets. Household goods and motor vehicles are excluded from this assessment.

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 may be paid on either an annual or semiannual basis. The City Charter limits City Council's authority to levy property taxes as provided by the Constitution and the laws of the State of Ohio.

**NOTE 11-EMPLOYEE BENEFITS:**

The following note disclosure has been prepared in accordance with Governmental Accounting Standards Board (GASB) No. 27 "Accounting for Pensions by State and Local Governmental Employers".

**Plan Descriptions** - All employees (except policemen and firemen) of the City are members of the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer defined benefit pension plan, administered by the State of Ohio. Police officers and five full-time firemen are members of the Police and Firemen's Disability and Pension Fund (PFDPF), a cost-sharing multiple-employer defined benefit pension plan, administered by the State of Ohio.

The PERS provides retirement pension and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The PFDPF provides pension and disability benefits annual cost of living adjustments to qualified police and firemen and survivor and death benefits to qualified spouses, children and dependent parents. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code for PERS and Chapter 742 of the Ohio Revised Code for PFDPF.

**Eligibility** - All full-time employees are eligible and must participate in the State of Ohio PERS or PFDPF plans. Prior to 1991, employees (except policemen and firemen) working less than 20 hours per week or students working less than 1,500 hours per calendar year had the option to exclude themselves from membership.

**NOTE 11-EMPLOYEE BENEFITS: (continued)**

Effective in 1991, all exemptions were eliminated except for certain qualified students and PERS retirants and retirants from any other Ohio system that are coming into PERS-covered employment to contribute to PERS from the first day of employment.

**Funding Policy** - The Ohio Revised Code provides statutory authority for the employee and employer contributions. Employees covered under PERS are required to contribute 8.5% of their covered payroll. The current required employer contribution rate for the City is 10.84% of covered payroll. The City's contributions to PERS for the years ending December 31, 1998, 1999 and 2000 were \$833,506, \$916,951 and \$880,334 respectively, equal to the required contributions for each year.

Employees covered under PFDPF are required to contribute 10% of their covered payroll. The total police employer contribution rate under PFDPF is 19.5% of covered payroll and the total firemen's employer contribution rate under PFDPF is 24% of covered payroll. The City's contributions to PFDPF for the years ending December 31, 1998, 1999 and 2000 were \$541,993, \$611,137 and \$692,824 respectively, equal to the required contributions for each year.

The City's current-year covered payroll for employees under PERS was \$7,535,654. The City's current-year covered payroll for employees under PFDPF was \$3,114,137 for Police and \$702,216 for Fire. The City's payroll for the year ended December 31, 2000 was \$12,068,115.

PERS and PFDPF issue stand-alone financial reports that include financial statement and required supplementary information. The PERS financial report may be obtained by making a written request to the Public Employees Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085. The PFDPF financial report may be obtained by making a written request to the Police and Firemen's Disability and Pension Fund of Ohio, 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

**NOTE 12-POSTEMPLOYMENT BENEFITS:**

In addition to the pension benefits described in Note 11, both the Public Employees Retirement System (PERS) and the Police and Firemen's Disability and Pension Fund (PFDPF) provide postretirement health care coverage that is considered to be Other Post-employment Benefits (OPEB) as described in GASB Statement No. 12.

PERS provides health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and primary survivor recipients of such retirants.

**NOTE 12-POSTEMPLOYMENT BENEFITS: (continued)**

Health care coverage for disability recipients is available. A portion of each employer's contribution to PERS is set-aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer PERS contributions. The PERS health care funding and accounting is on an "advance funded" basis. The 2000 employer contribution rate for the City was 13.55% of covered payroll; 4.3% of that was the portion used to fund health care for the year 2000. For the year ended December 31, 2000, the City's actual contribution to fund PERS OPEB was \$37,854.

The Ohio Revised Code provides the statutory authority allowing PFDPF's Board of Trustees to provide health care coverage to all eligible individuals. The PFDPF provides postretirement health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending full-time or on a 2/3 basis. The Ohio Revised Code provides that PFDPF health care cost paid from the funds of the PFDPF shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5% of covered payroll and the total firemen's employer contribution rate is 24% of covered payroll.

The PERS OPEB is financed through employer contributions and investment earnings there on. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely. During 2000, the PERS Retirement Board enacted a temporary employer contribution rate rollback for calendar year 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rollback was 20% for the City. The board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The proportion of contribution dedicated to funding OPEB increased during the year for those reasons.

PERS unaudited estimated net assets available for future OPEB payments at December 31, 1999, were \$10,805.5 million. The number of active contributing participants was 401,339. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively.

The PFDPF health care funding and accounting is on a pay-as-you-go basis. Currently, 7.0% of covered payroll, the Board-defined allocation issued to pay retiree health care expense. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. The number of participants eligible to receive health care benefits as of December 31, 1999 is 12,467 for police and 9,807 for firemen.



**NOTE 12-POSTEMPLOYMENT BENEFITS: (continued)**

For the year ended December 31, 2000, the City's contribution to fund OPEB was \$204,135 for police and \$43,510 for firemen, which was exactly equal to the required contribution. The PFDPF's total health care expenses for the year ended December 31, 1999, the date of the last actuarial valuation available was \$95,004,683, which was net of member contributions of \$5,518,098.

**NOTE 13-ACCRUED VACATION AND SICK LEAVE:**

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

All full time City employees are credited with 96 sick hours at the beginning of each year. Sick leave accumulation may not exceed 960 hours. Any excess over the 960 maximum is paid to the employee. In the case of death, termination, or retirement an employee, depending on length of service with the City, is paid for his unused sick leave up to a maximum of 960 hours. At December 31, 2000, liabilities of 562,004 and \$1,006,917 for accrued sick leave benefits have been recorded in the Proprietary Fund Type and the General Long-Term Debt Account Group, respectively, representing the City's commitment to fund such costs from operations.

**NOTE 14-SERVICE AGREEMENTS AND OTHER COMMITMENTS:**

The City has entered into various long-term maintenance and service agreements. Expenditures under these non-cancelable agreements were \$2,840,692 in 2000.

Minimum future payments as of December 31, 2000 are:

<u>Years</u>	<u>Garbage Collection</u>	<u>Paramedical Services</u>	<u>Total</u>
2001	\$1,605,973	\$1,057,203	\$2,663,176
2002	1,228,286	1,094,205	2,322,491
2003		1,132,503	1,132,503
2004		1,172,140	1,172,140
2005		1,213,166	1,213,166
2006		345,643	345,643
Totals	<u>\$2,834,259</u>	<u>\$6,014,860</u>	<u>\$8,849,119</u>

**NOTE 15-SEGMENT INFORMATION FOR ENTERPRISE FUNDS:**

Included in the services provided by the City that are financed primarily by user charges are water utility, sewer utility and recreation facilities. The key financial information for the year ended December 31, 2000 for these non-similar enterprise activities is as follows:

	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Recreational Facilities</b>	<b>Solid Waste Management</b>	<b>Totals</b>
Operating Revenues	\$3,186,714	\$3,465,165	\$1,345,740	\$1,424,165	\$9,421,784
Operating Expenses:					
Depreciation and Amortization	\$346,885	\$916,877	\$168,670		\$1,598,695
Other Expenses	\$2,326,681	\$2,202,871	\$1,175,641	\$1,711,903	\$7,417,096
Operating Income(Loss)	\$346,885	\$345,417	\$1,429	\$(287,738)	\$405,993
Net Income(Loss)	\$787,774	\$402,585	\$(12,553)	\$21,064	\$1,198,870
Property, Plant and Equipment Additions and Deletions	\$843,169	\$665,271	\$ 33,993		\$1,542,433
Net Working Capital	\$10,369,770	\$5,786,842	\$(444,357)	\$97,443	\$15,809,698
Total Assets	\$30,912,599	\$37,118,609	\$5,947,527	\$102,228	\$74,080,963
Notes Payable		\$500,000	\$2,500,000		\$3,000,000
Bonds Payable and Other Long-Term Liabilities	\$6,570,751	\$12,464,359			\$19,035,110
Total Equity	\$23,855,834	\$23,844,840	\$3,282,996	\$97,443	\$51,081,153

**NOTE 16-RESERVES AND DESIGNATIONS OF EQUITY:**

The following is a list of all reserves used by the City and a description of each:

**Reserved for Encumbrances** - an account used to segregate a portion of fund balance for expenditure upon vendor performance.

**Reserved for Debt Service** - an account used to segregate a portion of fund balance for debt service resources legally restricted for the payment of long term debt principal and interest amounts maturing in future years.

**Reserved for Claims** - an account used to segregate a portion of fund balance to indicate that resources have been restricted for the payment of medical insurance. Designated portions of fund balance indicate tentative future spending plans, which may be changed and are subject to subsequent authorization before expenditures can be made.

**NOTE 17-RISK MANAGEMENT:**

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

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

**Claims Liabilities:** The City records an estimated liability for health claims against the City. Claims liabilities are based on estimates of the ultimate cost of reported claims and an estimate for claims incurred but not reported on historical experience.

**Unpaid Claims Liabilities:** The following figures represent the changes in medical and dental claims liabilities for the City from January 1, 1999 to December 31, 2000:

Claims Liability, 1/1/99	\$ 24,005
Claims net of changes in estimates	1,097,114
Payments	<u>(1,108,577)</u>
Claims Liability, 12/31/99	12,542
Claims net of changes in estimates	1,240,817
Payments	<u>(1,240,114)</u>
Claims Liability, 12/31/00	<u>\$ 13,245</u>

**NOTE 18-DEFICIT FUND BALANCE:**

The **Municipal Garage Fund (Internal Service Fund)** has a deficit fund balance of (\$16,620) due to the recording of liabilities for Accounts Payable and Accrued Payroll, Vacation and Sick Leave.

**NOTE 19-CLAIMS AND CONTINGENCIES:**

**Contingencies Under Grant Programs:** The City has received federal and state grants for specific purposes that are subject to review by the grantor agencies. Such reviews could lead to requests for reimbursements to the grant agency for expenditures disallowed under the terms of the grant. City management believes such disallowances, in any, will be minor

**Judgments and Claims:** There are several pending lawsuits and claims against the City arising in the normal course of business. City Management is of the opinion that any resulting liability will not have a material effect upon the City's financial position.

**NOTE 20-PRIOR PERIOD ADJUSTMENTS:**

**General Fund and Capital Projects Fund:** The fund balances of the General Fund and the Capital Project Funds has been restated from amounts previously reported to accrue for income taxes receivable for the year ended December 31, 1999. As a result of the restatement, the General Fund balance and the Capital Project Funds balance as of the beginning of the year has been increased by \$884,285 and \$442,142, respectively.

	<b>General Fund</b>	<b>Capital Project Funds</b>
Fund Balance, As Previously Reported	\$5,693,640	\$14,181,049
Taxes Receivable Adjustment	884,285	442,142
Fund Balance, As Adjusted	<u>\$6,577,925</u>	<u>\$14,623,191</u>
Taxes, As Previously Reported	\$13,332,374	\$5,028,944
Revenue Accrual Adjustment	884,285	442,142
Taxes, As Adjusted	<u>\$14,216,659</u>	<u>\$5,471,086</u>

**NOTE 21-SUBSEQUENT EVENT:**

On January 26, 2001, the City issued \$4,000,000 of Symmes Road Extension Project Bond Anticipation Notes (Series 2001), dated January 26, 2001, bearing an interest rate of 3.65%. The proceeds of the note have been programmed to provide for the extension of Symmes Road from Seward Road to State Route 747. Repayment of the debt service on the bond anticipation notes is scheduled to begin January 25, 2002.

## **GENERAL OPERATING FUND FINANCIAL STATEMENTS**

The General Fund is the general operating fund of the City and is used to account for all revenues and expenditures not required to be accounted for in other funds. Revenues are primarily derived from income and property taxes. Functions financed from the General Fund include public safety, government administration, community environment and recreational activities.

**STATEMENT A-1  
CITY OF FAIRFIELD  
COMPARATIVE BALANCE SHEET  
GENERAL FUND  
DECEMBER 31, 2000 AND 1999**

<b>ASSETS</b>	<b>2000</b>	<b>1999</b>
Equity in Pooled Cash and Deposits	\$ 301,192	\$ 38,106
Equity in Pooled Investments	6,054,558	6,257,035
Receivables (Net of allowance for estimated uncollectibles)		
Accounts Receivable	11,103	29,908
Accrued Interest	66,447	80,166
Taxes	1,963,681	1,824,205
Due From Other Funds		49,354
	-----	-----
<b>TOTAL ASSETS</b>	<b>\$ 8,396,981</b>	<b>\$ 8,278,774</b>
	=====	=====
<b>LIABILITIES &amp; FUND BALANCE</b>		
Liabilities:		
Accounts Payable	\$ 82,103	\$ 73,622
Accrued Payroll, Vacation & Sick Leave	757,691	687,307
Deferred Revenues	818,602	939,920
	-----	-----
<b>TOTAL LIABILITIES</b>	<b>1,658,396</b>	<b>1,700,849</b>
Fund Balance:		
Reserved for Encumbrances	522,932	554,703
Unreserved	6,215,653	6,023,222
	-----	-----
<b>TOTAL FUND BALANCE</b>	<b>6,738,585</b>	<b>6,577,925</b>
	-----	-----
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 8,396,981</b>	<b>\$ 8,278,774</b>
	=====	=====

**STATEMENT A-2  
CITY OF FAIRFIELD  
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GENERAL FUND  
FOR YEARS ENDED DECEMBER 31, 2000 AND 1999**

<b>REVENUES</b>	<b>2000</b>	<b>1999</b>
Taxes	\$ 14,766,678	\$ 14,216,659
Licenses and Permits	341,570	503,586
Intergovernmental Revenues	101,367	113,432
Charges for Services	399,394	432,979
Fines and Forfeitures	668,036	604,470
Investment Earnings	516,276	467,334
Special Assessments	7,358	10,115
All Other Revenues	260,267	134,327
	-----	-----
<b>TOTAL REVENUES</b>	<b>17,060,946</b>	<b>16,482,902</b>
<b>EXPENDITURES</b>		
Current		
Security of Persons and Property	5,870,003	5,500,018
Streets and Transportation	250,000	250,300
Public Health & Welfare Services	27,315	27,521
Leisure Activities	842,935	788,275
Community Environment	915,681	955,929
Basic Utility Services	402,185	342,155
General Government	4,202,259	3,442,482
Capital Outlay	639,908	872,760
	-----	-----
<b>TOTAL EXPENDITURES</b>	<b>13,150,286</b>	<b>12,179,440</b>
Excess of Revenues Over Expenditures	3,910,660	4,303,462
Other Financing Uses Operating Transfers-Out	(3,750,000)	(5,080,000)
	-----	-----
Excess of Revenues Over Expenditures and Other Financing Uses	160,660	(776,538)
<b>Fund Balance, Beginning of Year (As restated-See Note 20)</b>	<b>6,577,925</b>	<b>7,354,463</b>
<b>Fund Balance, End of Year</b>	<b>\$ 6,738,585</b>	<b>\$ 6,577,925</b>
	=====	=====

**SCHEDULE A-3  
CITY OF FAIRFIELD  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GENERAL FUND-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR YEAR ENDED DECEMBER 31, 2000  
With Comparative Actual Amounts for the Year Ended December 31, 1999**

REVENUES	2000		VARIANCE FAVORABLE (UNFAVORABLE)	1999
	BUDGET	ACTUAL		ACTUAL
Taxes	\$13,676,432	\$14,814,157	\$1,137,725	\$13,681,590
Licenses and Permits	476,750	341,570	(135,180)	503,587
Intergovernmental Revenues	465,250	101,367	(363,883)	113,432
Charges for Services	467,525	435,448	(32,078)	437,863
Fines and Forfeitures	601,200	717,390	116,190	611,277
Investment Earnings	397,500	529,995	132,495	459,812
All Other Revenues	262,255	414,405	152,150	245,335
<b>TOTAL REVENUES</b>	<b>16,346,912</b>	<b>17,354,331</b>	<b>1,007,419</b>	<b>16,052,897</b>
<b>EXPENDITURES</b>				
<b>Current</b>				
Security of Persons & Property				
Police Department	6,390,978	6,085,771	305,207	5,558,341
Public Health & Welfare Services	35,000	27,315	7,685	27,521
Leisure Activities				
Parks Administration	303,281	277,311	25,971	248,126
Parks Maintenance	505,636	456,763	48,872	428,397
Marsh Lake Park	119,206	113,202	6,004	100,819
Community Environment				
Planning Department	451,910	414,768	37,142	472,303
Building Inspection	647,760	563,527	84,232	598,492
Basic Utility Services	406,479	402,185	4,294	342,155
General Government				
Council	192,247	178,620	13,627	150,265
Office of the Mayor	14,670	9,955	4,715	11,496
Office of City Manager	347,056	318,299	28,757	447,892
Department of Law	268,000	267,160	840	251,886
Human Resources	162,486	143,487	18,999	16,455
Administrative Support	2,302,614	2,228,782	73,832	2,381,533
Finance Office	487,711	461,357	26,354	429,629
Income Tax	335,638	281,456	54,183	240,444
Municipal Court	1,008,924	956,090	52,834	670,251
Public Works Administration	141,802	137,041	4,761	126,070
Construction Services	512,907	409,816	103,091	388,031
Municipal Building	154,841	149,709	5,132	152,687
Justice Center	212,444	192,521	19,922	163,266
<b>TOTAL EXPENDITURES</b>	<b>15,001,589</b>	<b>14,075,135</b>	<b>926,454</b>	<b>13,206,057</b>
Excess (Deficiency) of Revenues over Expenditures	1,345,323	3,279,197	1,933,874	2,846,840
Other Financing Sources (Uses) Operating Transfers-Out	(3,750,000)	(3,750,000)		(5,080,000)
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) over Expenditures	(2,404,677)	(470,803)	1,933,874	(2,233,160)
Fund Balance, Beginning of Year	5,666,817	5,666,817		7,283,407
Prior Year Encumbrances Appropriated	554,703	554,703		616,570
<b>Fund Balance, End of Year</b>	<b>\$3,816,842</b>	<b>\$5,750,716</b>	<b>\$1,933,874</b>	<b>\$5,666,817</b>



## SPECIAL REVENUE FUNDS COMBINING FINANCIAL STATEMENTS

Special Revenue Funds are established to account for revenues from specific sources legally restricted to expenditures for specific purposes. A description of the City's special revenue funds follows:

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

**State Highway Improvement Fund** - this fund is used to account for the remaining 7.5% of the City's share of state gasoline taxes and motor vehicle license fees. State law requires that such monies be spent on maintenance and improvement of state highways within the City.

**Fire Levy Fund** - this fund is used to account for monies received from property taxes specifically earmarked for fire protection by a levy passed by the City's electorate.

**Paramedical Services Levy Fund** - this fund is used to account for monies received from property taxes specifically earmarked for paramedical services by a levy passed by the electorate.

**Tax Recreation Fund** - this fund is used to account for monies received from residential building permits specifically collected for the purpose of providing funds for recreational activities and facilities.

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

**Municipal Motor Vehicle Registration Fund** - this fund is used to account for the motor vehicle registration fees authorized by the City. State law requires that such monies be spent on street construction, operation and maintenance of City roads.

**Community Development Block Grant Fund** - this fund is used to account for monies received from the federal government under the Community Development Block Grant program for the renovation of public facilities.

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

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

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

**Local Law Enforcement Fund** - this fund is used to account for monies received from the federal government under the Community Development Block Grant program for the renovation of public facilities.

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

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

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

**STATEMENT B-1  
CITY OF FAIRFIELD  
COMBINING BALANCE SHEET  
ALL SPECIAL REVENUE FUNDS  
DECEMBER 31, 2000**

	STREET CONSTRUCTION MAINTENANCE & REPAIR FUND	STATE HIGHWAY IMPROVEMENT FUND	FIRE/LEVY FUND	PARAMEDICAL SERVICES LEVY FUND	TAX RECREATION FUND	COUNTY MOTOR VEHICLE REGISTRATION FUND	MUNICIPAL MOTOR VEHICLE REGISTRATION FUND	COMMUNITY DEVELOPMENT BLOCK GRANT FUND	LAW EDUCATION & ENFORCEMENT FUND	DRUG & ALCOHOL ENFORCEMENT FUND	LAW ENFORCEMENT FUND	LOCAL LAW ENFORCEMENT FUND	PROBATION SERVICES FUND	COURT COMPUTER FUND	SPECIAL PROJECTS FUND	TOTALS
Equity in Pooled Cash and Deposits	\$ 72,323	\$ 8,022	\$ 25,850	\$ 10,713	\$ 26,226	\$ 58,840	\$ 6,011	\$ 20,979	\$ 13,679	\$ 30,670	\$ 32,477	\$ 51,070	\$ 53,026	\$ 13,911	\$ 423,897	\$ 58,144
Equity in Pooled Pooled Investments	100,000		350,000	350,000	200,000	150,000	25,000		30,000		60,000				1,285,000	2,120,000
Receivables			6,391	6,391											12,782	28,778
Accrued Interest			3,020,360	11,195											3,031,555	1,824,181
Taxes																
<b>TOTAL ASSETS</b>	<b>\$ 172,323</b>	<b>\$ 8,022</b>	<b>\$ 3,402,601</b>	<b>\$ 378,299</b>	<b>\$ 226,226</b>	<b>\$ 208,840</b>	<b>\$ 31,011</b>	<b>\$ 20,979</b>	<b>\$ 43,679</b>	<b>\$ 30,670</b>	<b>\$ 92,477</b>	<b>\$ 51,070</b>	<b>\$ 53,026</b>	<b>\$ 13,911</b>	<b>\$ 4,733,234</b>	<b>\$ 4,031,103</b>
<b>LIABILITIES &amp; FUND BALANCE</b>																
Liabilities:																
Accounts Payable	\$ 73,837		\$ 2,398	\$ 5,738		\$ 57,917									139,890	\$ 141,086
Accrued Payroll, Vacation & Sick Leave	70,011		121,712												191,723	176,516
Deferred Revenues			3,020,360	11,195											3,031,555	1,824,181
<b>TOTAL LIABILITIES</b>	<b>143,848</b>		<b>3,144,470</b>	<b>16,933</b>		<b>57,917</b>									<b>3,363,168</b>	<b>2,141,783</b>
Fund Balance:																
Reserved for Encumbrances	35,185		7,001	4,798		61,611				3,000	5,164		9,400		126,159	150,994
Unreserved	(6,710)	8,022	251,130	356,568	226,226	89,412	31,011	20,979	43,679	27,670	87,313	51,070	43,626	13,911	1,243,907	1,738,326
<b>TOTAL FUND BALANCE</b>	<b>28,475</b>	<b>8,022</b>	<b>258,131</b>	<b>361,366</b>	<b>226,226</b>	<b>151,023</b>	<b>31,011</b>	<b>20,979</b>	<b>43,679</b>	<b>30,670</b>	<b>92,477</b>	<b>51,070</b>	<b>53,026</b>	<b>13,911</b>	<b>1,370,066</b>	<b>1,889,320</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 172,323</b>	<b>\$ 8,022</b>	<b>\$ 3,402,601</b>	<b>\$ 378,299</b>	<b>\$ 226,226</b>	<b>\$ 208,840</b>	<b>\$ 31,011</b>	<b>\$ 20,979</b>	<b>\$ 43,679</b>	<b>\$ 30,670</b>	<b>\$ 92,477</b>	<b>\$ 51,070</b>	<b>\$ 53,026</b>	<b>\$ 13,911</b>	<b>\$ 4,733,234</b>	<b>\$ 4,031,103</b>

STATEMENT B-2  
CITY OF FAIRFIELD  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS BALANCES  
SPECIAL REVENUE FUNDS  
FOR YEAR ENDED DECEMBER 31, 2000

REVENUES	STREET CONSTRUCTION MAINTENANCE & REPAIR FUND	STATE HIGHWAY IMPROVEMENT FUND	FIRE LEVY FUND	PARAMEDICAL SERVICES LEVY FUND	TAX RECREATION FUND	COUNTY MOTOR VEHICLE REGISTRATION FUND	MUNICIPAL MOTOR VEHICLE REGISTRATION FUND	COMMUNITY DEVELOPMENT BLOCK GRANT FUND	LAW EDUCATION & ENFORCEMENT FUND	DRUGS & ALCOHOL FUND	LAW ENFORCEMENT FUND	LOCAL LAW ENFORCEMENT FUND	PROBATION SERVICES FUND	COURT COMPUTER FUND	SPECIAL PROJECTS FUND	TOTALS		
																2000	1999	
Taxes	\$ 1,179,402	\$ 95,627	\$ 1,024,672	\$ 833,248	\$ 14,100	\$ 134,560	\$ 311,226		7,042		21,971					\$ 3,578,735	\$ 3,485,732	
Licenses and Permits			4,650													47,763	33,546	
Intergovernmental Revenues							289,300					53,180				342,480	143,085	
Fines and Forfeitures	3,855		27,691	22,551	12,527	6,873	2,435		11,692				51,560		13,911	139,612	8,308	
Investment Earnings	4,587		14,352	906					1,879			3,561				82,938	95,009	
All Other Revenues																19,845	2,262	
<b>TOTAL REVENUES</b>	<b>1,187,844</b>	<b>95,627</b>	<b>1,071,365</b>	<b>856,705</b>	<b>26,627</b>	<b>141,433</b>	<b>313,661</b>	<b>289,300</b>	<b>13,571</b>	<b>13,571</b>	<b>21,971</b>	<b>56,741</b>	<b>51,560</b>	<b>62,629</b>	<b>13,911</b>	<b>4,211,373</b>	<b>3,767,943</b>	
<b>EXPENDITURES</b>																		
Current																		
Security of Persons and Property			2,172,234	1,116,452			315,270										3,288,686	2,700,349
Streets and Transportation	1,320,751	94,740															1,730,761	1,746,234
General Government					5,133	128,871		289,510	4,775		986	24,122	510	9,603			14,888	6,686
Capital Outlay	1,220		9,653	21,797													496,492	240,217
<b>TOTAL EXPENDITURES</b>	<b>1,321,971</b>	<b>94,740</b>	<b>2,182,087</b>	<b>1,138,249</b>	<b>5,133</b>	<b>128,871</b>	<b>315,270</b>	<b>289,510</b>	<b>4,775</b>	<b>4,775</b>	<b>986</b>	<b>24,122</b>	<b>510</b>	<b>9,603</b>		<b>5,530,827</b>	<b>4,695,486</b>	
Excess (Deficiency) of Revenues Over Expenditures	(134,127)	887	(1,110,722)	(281,544)	21,494	12,562	(1,609)	(210)	(6,392)	8,796	20,985	32,619	51,070	53,026	13,911	(1,319,254)	(927,543)	
Other Financing Sources (Uses)	50,000		750,000													800,000	675,000	
Operating Transfers-In																		
Operating Transfers-Out																		
Total Other Financing Sources (Uses)	50,000		750,000													800,000	675,000	
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(84,127)	887	(360,722)	(281,544)	21,494	12,562	(1,609)	(210)	(6,392)	8,796	20,985	32,619	51,070	53,026	13,911	(519,254)	(252,543)	
Fund Balance, Beginning of Year	112,602	7,135	618,853	642,910	204,732	138,461	32,620	210	27,371	34,883	9,685	59,858				1,889,320	2,141,863	
Fund Balance, End of Year	\$ 26,475	\$ 8,022	\$ 258,131	\$ 361,366	\$ 226,226	\$ 151,023	\$ 31,011	\$ 20,979	\$ 43,679	\$ 43,679	\$ 30,670	\$ 92,477	\$ 51,070	\$ 53,026	\$ 13,911	\$ 1,370,066	\$ 1,889,320	

**SCHEDULE B-3**  
**CITY OF FAIRFIELD**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS (NON-GAAP BUDGETARY BASIS)**  
**FOR YEAR ENDED DECEMBER 31, 2000**  
**With Comparative Actual Amounts for the Year Ended December 31, 1999**

	STREET CONSTR., MAINTENANCE & REPAIR FUND			STATE HIGHWAY IMPROVEMENT FUND		
	2000		1999	2000		1999
REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Taxes	\$1,203,700	\$1,179,401	(\$24,299)	\$113,250	\$95,627	(\$17,623)
Licenses and Permits						
Intergovernmental Revenues						
Fines and Forfeitures	10,000	6,234	(3,766)	500		(500)
Investment Earnings	5,700	4,587	(1,113)			
All Other Revenues						
<b>TOTAL REVENUES</b>	<b>1,219,400</b>	<b>1,190,222</b>	<b>(29,178)</b>	<b>113,750</b>	<b>95,627</b>	<b>(18,123)</b>
EXPENDITURES						
Current						
Security of Persons and Property						
Streets & Transportation	1,427,650	1,372,596	55,055	115,000	94,740	20,260
General Government						
Capital Outlay	1,220	1,220				
<b>TOTAL EXPENDITURES</b>	<b>1,428,870</b>	<b>1,373,815</b>	<b>55,055</b>	<b>115,000</b>	<b>94,740</b>	<b>20,260</b>
Excess (Deficiency) of Revenues over Expenditures	(209,470)	(183,593)	25,877	(1,250)	887	2,137
Other Financing Sources (Uses)						
Operating Transfers-In	50,000	50,000				
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	(159,470)	(133,593)	25,877	(1,250)	887	2,137
Fund Balance, Beginning of Year	149,333	149,333		7,135	7,135	
Prior Year Encumbrances Appropriated	47,562	47,562				
<b>Fund Balance, End of Year</b>	<b>\$37,425</b>	<b>\$63,302</b>	<b>\$25,877</b>	<b>\$5,885</b>	<b>\$8,022</b>	<b>\$2,137</b>

(Continued)

SCHEDULE B-3 (Continued)  
CITY OF FAIRFIELD  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS (NON-GAAP BUDGETARY BASIS)  
FOR YEAR ENDED DECEMBER 31, 2000  
With Comparative Actual Amounts for the Year Ended December 31, 1999

	FIRE LEVY FUND			PARAMEDICAL SERVICES LEVY FUND		
	2000	1999	VARIANCE FAVORABLE (UNFAVORABLE)	2000	1999	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES	BUDGET	ACTUAL		BUDGET	ACTUAL	
Taxes	\$1,071,400	\$1,024,672	(\$46,728)	\$866,900	\$833,248	(\$33,652)
Licenses and Permits	5,000	4,650	(350)			
Intergovernmental Revenues						
Fines and Forfeitures	20,000	33,276	13,276	35,000	30,584	(4,416)
Investment Earnings	5,500	14,352	8,852		907	907
All Other Revenues						
<b>TOTAL REVENUES</b>	<b>1,101,900</b>	<b>1,076,950</b>	<b>(24,950)</b>	<b>901,900</b>	<b>864,738</b>	<b>(37,161)</b>
EXPENDITURES						
Current						
Security of Persons and Property	2,143,852	2,143,588	264	1,163,491	1,121,250	42,242
Streets & Transportation						
General Government	14,014	13,633	381	21,799	21,797	2
Capital Outlay						
<b>TOTAL EXPENDITURES</b>	<b>2,157,866</b>	<b>2,157,221</b>	<b>645</b>	<b>1,185,290</b>	<b>1,143,046</b>	<b>42,244</b>
Excess (Deficiency) of Revenues over Expenditures	(1,055,966)	(1,080,271)	(24,305)	(283,390)	(278,308)	5,083
Other Financing Sources (Uses)	850,000	750,000	(100,000)			
Operating Transfers-In						
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	(205,966)	(330,271)	(124,305)	(283,390)	(278,308)	5,083
Fund Balance, Beginning of Year	695,769	695,769		626,708	626,708	
Prior Year Encumbrances Appropriated	953	953		1,778	1,778	
<b>Fund Balance, End of Year</b>	<b>\$490,756</b>	<b>\$366,451</b>	<b>(\$124,305)</b>	<b>\$345,096</b>	<b>\$350,178</b>	<b>\$5,083</b>

(Continued)

**SCHEDULE B-3 (Continued)**  
**CITY OF FAIRFIELD**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS (NON-GAAP BUDGETARY BASIS)**  
**FOR YEAR ENDED DECEMBER 31, 2000**  
**With Comparative Actual Amounts for the Year Ended December 31, 1999**

	TAX RECREATION FUND			COUNTY MOTOR VEHICLE REGISTRATION FUND		
	2000		1999	2000		1999
REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Taxes						
Licenses and Permits	25,000	14,100	(10,900)	\$150,000	\$134,560	(\$15,440)
Intergovernmental Revenues						
Fines and Forfeitures	9,700	12,527	2,827	5,500	6,873	1,373
Investment Earnings						
All Other Revenues						
<b>TOTAL REVENUES</b>	<b>34,700</b>	<b>26,627</b>	<b>(8,073)</b>	<b>155,500</b>	<b>141,433</b>	<b>(14,067)</b>
EXPENDITURES						
Current						
Security of Persons and Property				71,611	61,611	10,000
Streets & Transportation						
General Government	15,133	5,133	10,000	144,560	128,871	15,689
Capital Outlay						
<b>TOTAL EXPENDITURES</b>	<b>15,133</b>	<b>5,133</b>	<b>10,000</b>	<b>216,171</b>	<b>190,483</b>	<b>25,688</b>
Excess (Deficiency) of Revenues over Expenditures	19,567	21,494	1,927	(60,671)	(49,050)	11,621
Other Financing Sources (Uses)						
Operating Transfers-In						
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	19,567	21,494	1,927	(60,671)	(49,050)	11,621
Fund Balance, Beginning of Year	199,598	199,598	212,912	76,849	76,849	68,093
Prior Year Encumbrances Appropriated	5,133	5,133	34,601	61,611	61,611	61,803
<b>Fund Balance, End of Year</b>	<b>\$224,298</b>	<b>\$226,225</b>	<b>\$1,927</b>	<b>\$77,789</b>	<b>\$89,410</b>	<b>\$11,621</b>

(Continued)

**SCHEDULE B-3 (Continued)**  
**CITY OF FAIRFIELD**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS (NON-GAAP BUDGETARY BASIS)**  
**FOR YEAR ENDED DECEMBER 31, 2000**  
**With Comparative Actual Amounts for the Year Ended December 31, 1999**

REVENUES	MUNICIPAL MOTOR VEHICLE REGISTRATION FUND		COMMUNITY DEVELOPMENT BLOCK GRANT FUND			
	2000		2000			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL
Taxes	\$333,000	\$311,227	(\$21,773)	\$306,563		
Licenses and Permits						
Intergovernmental Revenues						
Fines and Forfeitures	2,500	2,435	(65)	3,999		80,892
Investment Earnings						
All Other Revenues						
<b>TOTAL REVENUES</b>	<b>335,500</b>	<b>313,661</b>	<b>(21,838)</b>	<b>310,562</b>		<b>80,892</b>
<b>EXPENDITURES</b>						
Current						
Security of Persons and Property						
Streets & Transportation	330,000	315,270	14,730	319,657		9,514
General Government						71,200
Capital Outlay						
<b>TOTAL EXPENDITURES</b>	<b>330,000</b>	<b>315,270</b>	<b>14,730</b>	<b>319,657</b>		<b>80,714</b>
Excess (Deficiency) of Revenues over Expenditures	5,500	(1,609)	(7,108)	(9,095)		178
Other Financing Sources (Uses)						
Operating Transfers-In						
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	5,500	(1,609)	(7,108)	(9,095)		178
Fund Balance, Beginning of Year	32,620	32,620		41,715		(71,168)
Prior Year Encumbrances Appropriated						71,200
<b>Fund Balance, End of Year</b>	<b>\$38,120</b>	<b>\$31,011</b>	<b>(\$7,108)</b>	<b>\$32,620</b>		<b>\$210</b>

(Continued)

SCHEDULE B-3 (Continued)  
CITY OF FAIRFIELD  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS (NON-GAAP BUDGETARY BASIS)  
FOR YEAR ENDED DECEMBER 31, 2000  
With Comparative Actual Amounts for the Year Ended December 31, 1999

REVENUES	LAW EDUCATION AND ENFORCEMENT FUND			DRUG AND ALCOHOL TREATMENT FUND		
	2000	1999	VARIANCE FAVORABLE (UNFAVORABLE)	2000	1999	VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL		BUDGET	ACTUAL	
Taxes						
Licenses and Permits						
Intergovernmental Revenues	5,500	7,042	1,542	10,000	11,692	1,692
Fines and Forfeitures	1,400	1,566	166	1,600	1,879	279
Investment Earnings						
All Other Revenues						
<b>TOTAL REVENUES</b>	<b>6,900</b>	<b>8,608</b>	<b>1,708</b>	<b>11,600</b>	<b>13,571</b>	<b>1,971</b>
<b>EXPENDITURES</b>						
Current						
Security of Persons and Property						
Streets & Transportation						
General Government						
Capital Outlay	15,000	15,000		15,000	4,775	10,225
<b>TOTAL EXPENDITURES</b>	<b>15,000</b>	<b>15,000</b>		<b>15,000</b>	<b>4,775</b>	<b>10,225</b>
Excess (Deficiency) of Revenues over Expenditures	(8,100)	(6,392)	1,708	(3,400)	8,796	12,196
Other Financing Sources (Uses)						
Operating Transfers-In						
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	(8,100)	(6,392)	1,708	(3,400)	8,796	12,196
Fund Balance, Beginning of Year	12,371	12,371		34,883	34,883	
Prior Year Encumbrances Appropriated	15,000	15,000				
Fund Balance, End of Year	\$19,271	\$20,979	\$1,708	\$31,483	\$43,679	\$12,196

(Continued)



SCHEDULE B-3 (Continued)  
CITY OF FAIRFIELD  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS (NON-GAAP BUDGETARY BASIS)  
FOR YEAR ENDED DECEMBER 31, 2000  
With Comparative Actual Amounts for the Year Ended December 31, 1999

REVENUES	LAW ENFORCEMENT FUND			LOCAL LAW ENFORCEMENT GRANT FUND		
	2000	1999	VARIANCE FAVORABLE (UNFAVORABLE)	2000	1999	VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL		BUDGET	ACTUAL	
Taxes						
Licenses and Permits						
Intergovernmental Revenues						
Fines and Forfeitures	9,500	21,971	12,471 (550)	52,800	53,180	380
Investment Earnings	550			800	3,561	2,761
All Other Revenues						
<b>TOTAL REVENUES</b>	<b>10,050</b>	<b>21,971</b>	<b>11,921</b>	<b>53,600</b>	<b>56,741</b>	<b>3,141</b>
EXPENDITURES						
Current						
Security of Persons and Property						
Streets & Transportation						
General Government	4,000	3,986	14	29,290	29,287	3
Capital Outlay	4,000	3,986	14	29,290	29,287	3
<b>TOTAL EXPENDITURES</b>	<b>8,000</b>	<b>7,972</b>	<b>28</b>	<b>58,580</b>	<b>58,574</b>	<b>6</b>
Excess (Deficiency) of Revenues over Expenditures	2,050	14,000	11,950	(5,980)	(2,833)	(3,147)
Other Financing Sources (Uses)						
Operating Transfers-In						
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	2,050	14,000	11,950	(5,980)	(2,833)	(3,147)
Fund Balance, Beginning of Year	6,050	17,985	11,935	24,310	27,454	3,144
Prior Year Encumbrances Appropriated	9,685	9,685	7,665	40,902	18,957	21,945
<b>Fund Balance, End of Year</b>	<b>\$15,735</b>	<b>\$27,670</b>	<b>\$11,935</b>	<b>\$84,169</b>	<b>\$87,313</b>	<b>\$3,144</b>

(Continued)

SCHEDULE B-3 (Continued)  
CITY OF FAIRFIELD

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS (NON-GAAP BUDGETARY BASIS)  
FOR YEAR ENDED DECEMBER 31, 2000

With Comparative Actual Amounts for the Year Ended December 31, 1999

REVENUES	PROBATION SERVICES FUND			COURT COMPUTER FUND				
	BUDGET	2000 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL	BUDGET	2000 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL
Taxes								
Licenses and Permits								
Intergovernmental Revenues								
Fines and Forfeitures	30,000	51,580	21,580		50,000	62,629	12,629	
Investment Earnings								
All Other Revenues								
<b>TOTAL REVENUES</b>	<b>30,000</b>	<b>51,580</b>	<b>21,580</b>		<b>50,000</b>	<b>62,629</b>	<b>12,629</b>	
EXPENDITURES								
Current								
Security of Persons and Property								
Streets & Transportation								
General Government	13,000	510	12,490		20,000	19,003	997	
Capital Outlay								
<b>TOTAL EXPENDITURES</b>	<b>13,000</b>	<b>510</b>	<b>12,490</b>		<b>20,000</b>	<b>19,003</b>	<b>997</b>	
Excess (Deficiency) of Revenues over Expenditures	17,000	51,070	34,070		30,000	43,626	13,626	
Other Financing Sources (Uses) Operating Transfers-In								
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	17,000	51,070	34,070		30,000	43,626	13,626	
Fund Balance, Beginning of Year Prior Year Encumbrances Appropriated								
<b>Fund Balance, End of Year</b>	<b>\$17,000</b>	<b>\$51,070</b>	<b>\$34,070</b>		<b>\$30,000</b>	<b>\$43,626</b>	<b>\$13,626</b>	

(Continued)

**SCHEDULE B-3 (Continued)**  
**CITY OF FAIRFIELD**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS (NON-GAAP BUDGETARY BASIS)**  
**FOR YEAR ENDED DECEMBER 31, 2000**  
**With Comparative Actual Amounts for the Year Ended December 31, 1999**

REVENUES	SPECIAL PROJECTS FUND		TOTALS		VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL
	BUDGET	2000 ACTUAL	BUDGET	2000 ACTUAL		
Taxes			\$3,578,735		(\$159,515)	\$3,485,732
Licenses and Permits			30,000	18,750	(11,250)	27,161
Intergovernmental Revenues			352,800	342,480	(10,320)	135,536
Fines and Forfeitures		13,912	115,000	168,825	53,825	14,693
Investment Earnings			87,550	98,935	11,385	75,832
All Other Revenues			11,200	19,846	8,646	9,813
<b>TOTAL REVENUES</b>	<b>10,000</b>	<b>13,912</b>	<b>4,334,800</b>	<b>4,227,571</b>	<b>(107,229)</b>	<b>3,748,767</b>
<b>EXPENDITURES</b>						
Current						
Security of Persons and Property			3,307,344	3,264,838	42,506	2,693,414
Streets & Transportation			1,944,262	1,844,218	100,044	1,867,188
General Government			54,900	24,288	30,612	16,201
Capital Outlay			534,615	508,437	26,178	269,600
<b>TOTAL EXPENDITURES</b>			<b>5,841,121</b>	<b>5,641,781</b>	<b>199,340</b>	<b>4,846,403</b>
Excess (Deficiency) of Revenues over Expenditures	10,000	13,912	(1,506,321)	(1,414,210)	92,111	(1,097,636)
Other Financing Sources (Uses)			900,000	800,000	(100,000)	675,000
Operating Transfers-In						
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	10,000	13,912	(606,321)	(614,210)	(7,889)	(422,636)
Fund Balance, Beginning of Year			1,886,064	1,886,064		2,084,410
Prior Year Encumbrances Appropriated			150,994	150,994		224,290
<b>Fund Balance, End of Year</b>	<b>\$10,000</b>	<b>\$13,912</b>	<b>\$1,430,737</b>	<b>\$1,422,848</b>	<b>(\$7,889)</b>	<b>\$1,886,064</b>

**DEBT SERVICE FUNDS  
FINANCIAL STATEMENTS**

The Debt Service Fund accounts for servicing all debt of the City, which is not serviced by the Proprietary Funds.

**General Bond Retirement Fund** - this fund accumulates monies for the payment of long-term and short-term debt issued without a vote of the people. Transfers from the .2% Capital Improvement and .3% Street Improvement Funds support this fund.

**Special Assessment Fund** - this fund accounts for payment of bonds issued for improvements deemed to benefit specific properties against which assessments are levied.

**STATEMENT C-1  
CITY OF FAIRFIELD  
COMBINING BALANCE SHEET  
DEBT SERVICE FUNDS  
DECEMBER 31, 2000**

ASSETS	GENERAL BOND RETIREMENT FUND	SPECIAL ASSESSMENT FUND	TOTALS	
			2000	1999
Equity in Pooled Cash and Deposits	\$ 20,284	\$ 67,807	\$ 88,091	\$ 138,015
Equity in Pooled Investments	350,000	908,940	1,258,940	1,110,000
Receivables		7,631	7,631	
Accrued Interest		376,012	376,012	521,095
Special Assessments			44,469	43,377
Due from Other Funds	44,469			
<b>TOTAL ASSETS</b>	<b>\$ 414,753</b>	<b>\$ 1,360,390</b>	<b>\$ 1,775,143</b>	<b>\$ 1,812,487</b>
<b>LIABILITIES &amp; FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$ 360		\$ 360	
Interest Payable	44,469	\$ 2,384	46,853	\$ 47,006
Deferred Revenues		376,012	376,012	521,095
<b>TOTAL LIABILITIES</b>	<b>44,829</b>	<b>378,396</b>	<b>423,225</b>	<b>568,101</b>
Fund Balance:				
Reserved for Debt Service	369,924	981,994	1,351,918	1,244,386
<b>TOTAL FUND BALANCE</b>	<b>369,924</b>	<b>981,994</b>	<b>1,351,918</b>	<b>1,244,386</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 414,753</b>	<b>\$ 1,360,390</b>	<b>\$ 1,775,143</b>	<b>\$ 1,812,487</b>

**STATEMENT C-2  
CITY OF FAIRFIELD  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
DEBT SERVICE FUNDS  
FOR YEAR ENDED DECEMBER 31, 2000**

<b>REVENUES</b>	GENERAL BOND RETIREMENT FUND	SPECIAL ASSESSMENT FUND	<b>TOTALS</b>	
			2000	1999
Special Assessments		\$ 172,832	\$ 172,832	\$ 184,113
Interest Earnings	21,922	61,576	83,498	58,150
All Other Revenues	1,953		1,953	2,932
<b>TOTAL REVENUES</b>	<b>23,875</b>	<b>234,408</b>	<b>258,283</b>	<b>245,195</b>
<b>EXPENDITURES</b>				
Debt Service				
Principal Repayment	250,000	100,000	350,000	335,000
Interest & Fiscal Charges	318,417	43,416	361,833	359,868
<b>TOTAL EXPENDITURES</b>	<b>568,417</b>	<b>143,416</b>	<b>711,833</b>	<b>694,868</b>
Excess (Deficiency) of Revenues Over Expenditures	(544,542)	90,992	(453,550)	(449,673)
Other Financing Sources (Uses) Operating Transfers-in	561,082		561,082	528,657
Total Other Financing Sources (Uses)	561,082		561,082	528,657
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over Expenditures	16,540	90,992	107,532	78,984
<b>Fund Balance, Beginning of Year</b>	<b>353,384</b>	<b>891,002</b>	<b>1,244,386</b>	<b>1,165,402</b>
<b>Fund Balance, End of Year</b>	<b>\$ 369,924</b>	<b>\$ 981,994</b>	<b>\$ 1,351,918</b>	<b>\$ 1,244,386</b>

**SCHEDULE C-3**  
**CITY OF FAIRFIELD**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**DEBT SERVICE FUNDS (NON-GAAP BUDGETARY BASIS)**  
**FOR YEAR ENDED DECEMBER 31, 2000**  
**With Comparative Actual Amounts for the Year Ended December 31, 1999**

	GENERAL BOND RETIREMENT FUND			SPECIAL ASSESSMENT FUND		
	2000		1999	2000		1999
REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Special Assessments				\$212,800	\$225,802	\$13,002
Investment Earnings				50,000	53,946	3,946
All Other Revenues	25,000	21,922	(3,078)			
<b>TOTAL REVENUES</b>	<b>25,000</b>	<b>21,922</b>	<b>(3,078)</b>	<b>262,800</b>	<b>279,748</b>	<b>16,948</b>
EXPENDITURES						
Debt Service						
Principal Repayment	500,000	500,000		150,000	146,000	4,000
Interest & Fiscal Charges	332,000	317,325	14,675	77,000	51,272	25,728
<b>TOTAL EXPENDITURES</b>	<b>832,000</b>	<b>817,325</b>	<b>14,675</b>	<b>227,000</b>	<b>197,272</b>	<b>29,728</b>
Excess (Deficiency) of Revenues over Expenditures	(807,000)	(795,403)	11,597	35,800	82,476	46,676
Other Financing Sources (Uses)		1,953	1,953			
Proceeds from Sale of Debt	1,000,000	809,990	(190,010)			
Operating Transfers-In						
<b>Total Other Financing Sources (Uses)</b>	<b>1,000,000</b>	<b>811,943</b>	<b>(188,057)</b>			
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	193,000	16,540	(176,460)	35,800	82,476	46,676
Fund Balance, Beginning of Year	353,384	353,384		894,271	894,271	
Prior Year Encumbrances Appropriated						
<b>Fund Balance, End of Year</b>	<b>\$546,384</b>	<b>\$369,924</b>	<b>(\$176,460)</b>	<b>\$930,071</b>	<b>\$976,747</b>	<b>\$46,676</b>

(Continued)

**SCHEDULE C-3**  
**CITY OF FAIRFIELD**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL**  
**DEBT SERVICE FUNDS (NON-GAAP BUDGETARY BASIS)**  
**FOR YEAR ENDED DECEMBER 31, 2000**  
**With Comparative Actual Amounts for the Year Ended December 31, 1999**

	TOTALS		VARIANCE FAVORABLE (UNFAVORABLE)	1999	
	BUDGET	ACTUAL		ACTUAL	ACTUAL
<b>REVENUES</b>					
Special Assessments	\$212,800	\$225,802	\$13,002	\$246,582	
Investment Earnings	75,000	75,868	868	58,149	
All Other Revenues					
<b>TOTAL REVENUES</b>	<b>287,800</b>	<b>301,670</b>	<b>13,870</b>	<b>304,732</b>	
<b>EXPENDITURES</b>					
Debt Service					
Principal Repayment	650,000	646,000	4,000	2,313,086	
Interest & Fiscal Charges	409,000	368,597	40,403	395,191	
<b>TOTAL EXPENDITURES</b>	<b>1,059,000</b>	<b>1,014,597</b>	<b>44,403</b>	<b>2,708,276</b>	
Excess (Deficiency) of Revenues over Expenditures	(771,200)	(712,927)	58,273	(2,403,545)	
Other Financing Sources (Uses)					
Proceeds from Sale of Debt	1,000,000	1,953	1,953	1,402,932	
Operating Transfers-in		809,990	(190,010)	1,078,765	
<b>Total Other Financing Sources (Uses)</b>	<b>1,000,000</b>	<b>811,943</b>	<b>(188,057)</b>	<b>2,481,697</b>	
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	228,800	99,016	(129,784)	78,153	
Fund Balance, Beginning of Year		1,247,656		1,169,503	
Prior Year Encumbrances Appropriated					
<b>Fund Balance, End of Year</b>	<b>\$1,476,455</b>	<b>\$1,346,672</b>	<b>(129,784)</b>	<b>\$1,247,656</b>	



## **CAPITAL PROJECT FUNDS COMBINING FINANCIAL STATEMENTS**

Capital Project Funds are established to account for revenues and expenditures related to the acquisition or construction of capital facilities not financed by proprietary funds. Capital facilities are defined as major and permanent in nature. The City's capital project funds are described below;

**.3% Street Improvement Fund** - this fund is used to account for the construction and repair of the City's streets. Financing has been derived from one-tenth of the City's income tax.

**.2% Capital Improvement Fund** - this fund is used to account for the acquisition, construction or the debt service thereupon of assets with a useful life of five (5) years or more. Financing has been derived from two-tenths of the City's income tax.

**Flood Protection Fund** - this fund is used to account for the construction of a flood protection project, which provides protection from stormwater runoff. Financing is derived from grants from the federal government, the state government and the issuance of notes.

**State Issue II Fund** - this fund is used to account for projects financed through the State of Ohio Public Works Commission. Financing is derived from grants from the state government and local share participation.

**Downtown Development Fund** - this fund is used to account for the construction of major improvements and the development to the City's downtown area. Financing is derived from grants from state governments, transfers from the General Fund and investments earnings.

**Symmes Road Extension Project Fund** - this fund is used to account for the construction of the Symmes Road Extension, which will provide an eastbound connection to Interstate 75. Financing is derived from transfers from the General Fund and investments earnings.

STATEMENT D-1  
CITY OF FAIRFIELD  
COMBINING BALANCE SHEET  
CAPITAL PROJECTS FUND  
DECEMBER 31, 2000

						TOTALS	
	2000	1999				2000	1999
<b>ASSETS</b>							
Equity in Pooled Cash and Deposits		\$ 133,944				\$ 415,429	\$ 133,944
Equity in Pooled Investments		14,985,000				15,240,000	14,985,000
Receivables							
Accrued Interest	90,126			77,559		337,590	237,358
Taxes	343,524			572,540		572,540	442,142
<b>TOTAL ASSETS</b>	<b>\$ 5,611,604</b>			<b>\$ 1,148,531</b>		<b>\$ 16,565,559</b>	<b>\$ 15,798,444</b>
<b>LIABILITIES &amp; FUND BALANCES</b>							
Liabilities:							
Accounts Payable	6,938			12,855		273,044	\$ 136,876
Due to Other Funds	23,250					44,469	43,377
Due to Other Governmental Units							
Notes Payable	745,000					745,000	995,000
<b>TOTAL LIABILITIES</b>	<b>775,188</b>			<b>12,855</b>		<b>1,062,513</b>	<b>1,175,253</b>
Fund Balance							
Reserved for Encumbrances	853,355			34,461		6,597,992	6,194,503
Unreserved							
Designated for Future Projects	3,983,061			1,101,215		8,905,054	8,428,688
Undesignated	4,836,416			1,135,676		15,503,046	14,623,191
<b>TOTAL FUND BALANCES</b>	<b>5,611,604</b>			<b>\$ 1,148,531</b>		<b>\$ 16,565,559</b>	<b>\$ 15,798,444</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>							

**STATEMENT D-2  
CITY OF FAIRFIELD  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUNDS  
FOR YEAR ENDED DECEMBER 31, 2000**

	REVENUES	.3% STREET IMPROVEMENT FUND	.2% CAPITAL IMPROVEMENT FUND	FLOOD PROTECTION FUND	STATE ISSUE II FUND	DOWNTOWN DEVELOPMENT FUND	SYMMES ROAD EXTENSION FUND	TOTALS	
								2000	1999
Taxes		\$ 3,354,113	\$ 2,236,075	150,313	464,845	100,000		\$ 5,590,188	\$ 5,471,086
Intergovernmental Revenues		235,730	162,315	79,684		415,406	129,162	715,158	228,399
Investment Earnings		173,674		7,863		919,030		1,022,297	822,401
All Other Revenues								1,100,567	16,777
<b>TOTAL REVENUES</b>		<b>3,763,517</b>	<b>2,398,390</b>	<b>237,860</b>	<b>464,845</b>	<b>1,434,436</b>	<b>129,162</b>	<b>8,428,210</b>	<b>6,538,663</b>
<b>EXPENDITURES</b>									
Capital Outlay		2,191,430	3,737,034	419,625	464,845	2,584,715	20,239	9,417,888	8,968,540
<b>TOTAL EXPENDITURES</b>		<b>2,191,430</b>	<b>3,737,034</b>	<b>419,625</b>	<b>464,845</b>	<b>2,584,715</b>	<b>20,239</b>	<b>9,417,888</b>	<b>8,968,540</b>
Excess (Deficiency) of Revenues Over Expenditures		1,572,087	(1,338,644)	(181,765)		(1,150,279)	108,923	(989,678)	(2,429,877)
Other Financing Sources (Uses)									
Proceeds from Sale of Debt				1,400,000		1,000,000		2,400,000	4,500,000
Operating Transfers-In		(53,315)	(507,767)					(561,082)	4,000,000
Operating Transfers-Out		16,740	13,875					30,615	(528,657)
Proceeds from Sale of Assets									627,309
Total Other Financing Sources (Uses)		(36,575)	(493,892)	1,400,000		1,000,000		1,869,533	8,598,652
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over Expenditures		1,535,512	(1,832,536)	1,218,235		(150,279)	108,923	879,855	6,168,775
Fund Balance, Beginning of Year (As restated-See Note 20)		3,300,904	3,282,545	895,139		6,117,850	1,026,753	14,623,191	8,454,416
Fund Balance, End of Year		\$ 4,836,416	\$ 1,450,009	\$ 2,113,374		\$ 5,967,571	\$ 1,135,676	\$ 15,503,046	\$ 14,623,191

SCHEDULE D-3  
CITY OF FAIRFIELD  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
CAPITAL PROJECT FUNDS (NON-GAAP BUDGETARY BASIS)  
FOR YEAR ENDED DECEMBER 31, 2000  
With Comparative Actual Amounts for the Year Ended December 31, 1999

	.3% STREET IMPROVEMENT FUND			.2% CAPITAL IMPROVEMENT FUND		
	2000	1999	VARIANCE FAVORABLE (UNFAVORABLE)	2000	1999	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES	BUDGET	ACTUAL		BUDGET	ACTUAL	
Taxes	\$3,120,000	\$3,368,356	\$248,356	\$2,080,000	\$2,245,571	\$165,571
Intergovernmental Revenues			0			0
Investment Earnings	145,000	194,948	49,948	185,800	191,700	5,900
All Other Revenues		190,414	190,414	25,000	13,875	(11,125)
<b>TOTAL REVENUES</b>	<b>3,265,000</b>	<b>3,753,718</b>	<b>488,718</b>	<b>2,290,800</b>	<b>2,451,146</b>	<b>160,346</b>
EXPENDITURES						
Current						
General Government	520,857	485,220	35,637	195,164	177,556	17,608
Capital Outlay	2,702,894	2,652,047	50,847	4,153,483	4,136,179	17,304
<b>TOTAL EXPENDITURES</b>	<b>3,223,750</b>	<b>3,137,267</b>	<b>86,483</b>	<b>4,348,646</b>	<b>4,313,735</b>	<b>34,911</b>
Excess (Deficiency) of Revenues over Expenditures	41,250	616,451	575,201	(2,057,846)	(1,862,589)	195,257
Other Financing Sources (Uses)						
Proceeds from Sales of Debt						
Operating Transfers-In						
Operating Transfers-Out	(301,106)	(301,105)	(1)	(508,885)	(508,885)	
Total Other Financing Sources (Uses)	(301,106)	(301,105)	(1)	(508,885)	(508,885)	
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	(259,856)	315,346	575,200	(2,566,731)	(2,371,474)	195,257
Fund Balance, Beginning of Year	2,754,762	2,754,762	1,926,833	692,499	692,499	1,633,913
Prior Year Encumbrances Appropriated	1,247,553	1,247,553	790,881	2,387,050	2,387,050	1,556,384
Fund Balance, End of Year	\$3,742,459	\$4,317,661	\$575,200	\$512,818	\$708,075	\$195,257

(Continued)

SCHEDULE D-3 (Continued)  
CITY OF FAIRFIELD  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
CAPITAL PROJECT FUNDS (NON-GAAP BUDGETARY BASIS)  
FOR YEAR ENDED DECEMBER 31, 2000  
With Comparative Actual Amounts for the Year Ended December 31, 1999

REVENUES	FLOOD PROTECTION FUND				STATE ISSUE II FUND			
	2000		1999		2000		1999	
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	ACTUAL	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	ACTUAL
Taxes								
Intergovernmental Revenues		\$ 150,313	\$ 150,313		\$ 1,000,000	\$ 464,845	\$ (535,155)	\$ 115,980
Investment Earnings	\$ 41,700	57,201	15,501	\$ 84,954				
All Other Revenues	0	7,863	7,863	540,610				
<b>TOTAL REVENUES</b>	<b>41,700</b>	<b>215,377</b>	<b>173,677</b>	<b>625,564</b>	<b>1,000,000</b>	<b>464,845</b>	<b>(535,155)</b>	<b>115,980</b>
EXPENDITURES								
Current								
General Government	193,247	172,382	20,865	116,063			0	402,360
Capital Outlay	2,039,698	1,856,558	183,140	1,713,602	578,269	567,140	11,129	402,360
<b>TOTAL EXPENDITURES</b>	<b>2,232,945</b>	<b>2,028,940</b>	<b>204,005</b>	<b>1,829,665</b>	<b>578,269</b>	<b>567,140</b>	<b>11,129</b>	<b>402,360</b>
Excess (Deficiency) of Revenues over Expenditures	(2,191,245)	(1,813,563)	377,682	(1,204,100)	421,731	(102,295)	(524,026)	(286,380)
Other Financing Sources (Uses)								
Proceeds from Sales of Debt	1,400,000	1,400,000						
Operating Transfers-In								
Operating Transfers-Out								
<b>Total Other Financing Sources (Uses)</b>	<b>1,400,000</b>	<b>1,400,000</b>						
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	(791,245)	(413,563)	377,682	(1,204,100)	421,731	(102,295)	(524,026)	(286,380)
Fund Balance, Beginning of Year	603,778	603,778		172,092	(286,380)	(286,380)		
Prior Year Encumbrances Appropriated	267,403	267,403		1,635,786	286,380	286,380		
<b>Fund Balance, End of Year</b>	<b>\$79,936</b>	<b>\$457,618</b>	<b>\$377,682</b>	<b>\$603,778</b>	<b>\$421,731</b>	<b>(\$102,295)</b>	<b>(\$524,026)</b>	<b>(\$286,380)</b>

(Continued)

SCHEDULE D-3 (Continued)  
CITY OF FAIRFIELD  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
CAPITAL PROJECT FUNDS (NON-GAAP BUDGETARY BASIS)  
FOR YEAR ENDED DECEMBER 31, 2000  
With Comparative Actual Amounts for the Year Ended December 31, 1999

	DOWNTOWN DEVELOPMENT FUND			SYMMES ROAD EXTENSION FUND				
	2000			2000				
REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL
Taxes								
Intergovernmental Revenues	\$ 160,300	\$ 100,000	\$ 100,000	\$ 186,801	\$ 50,000	\$ 62,811	\$ 12,811	\$ 15,546
Investment Earnings	500,000	415,406	255,106	10,000				
All Other Revenues		919,031	419,031					
<b>TOTAL REVENUES</b>	<b>660,300</b>	<b>1,434,437</b>	<b>774,137</b>	<b>196,801</b>	<b>50,000</b>	<b>62,811</b>	<b>12,811</b>	<b>15,546</b>
EXPENDITURES								
Current								
General Government	360,293	335,029	25,264	429,166				
Capital Outlay	6,204,396	5,733,208	471,188	2,382,726	60,170	54,700	5,470	
<b>TOTAL EXPENDITURES</b>	<b>6,564,689</b>	<b>6,068,237</b>	<b>496,452</b>	<b>2,811,892</b>	<b>60,170</b>	<b>54,700</b>	<b>5,470</b>	
Excess (Deficiency) of Revenues over Expenditures	(5,904,389)	(4,633,800)	1,270,589	(2,615,091)	(10,170)	8,111	18,281	15,546
Other Financing Sources (Uses)								
Proceeds from Sales of Debt		1,000,000	1,000,000	3,000,000				1,000,000
Operating Transfers-In								
Operating Transfers-Out								
<b>Total Other Financing Sources (Uses)</b>		<b>1,000,000</b>	<b>1,000,000</b>	<b>3,000,000</b>				<b>1,000,000</b>
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	(5,904,389)	(3,633,800)	2,270,589	384,909	(10,170)	8,111	18,281	1,015,546
Fund Balance, Beginning of Year	4,007,359	4,007,359		3,184,324	1,015,546	1,015,546		
Prior Year Encumbrances Appropriated	2,006,117	2,006,117		438,126				
<b>Fund Balance, End of Year</b>	<b>\$109,087</b>	<b>\$2,379,676</b>	<b>\$2,270,589</b>	<b>\$4,007,359</b>	<b>\$1,005,376</b>	<b>\$1,023,657</b>	<b>\$18,281</b>	<b>\$1,015,546</b>

(Continued)

SCHEDULE D-3 (Continued)  
 CITY OF FAIRFIELD  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL  
 CAPITAL PROJECT FUNDS (NON-GAAP BUDGETARY BASIS)  
 FOR YEAR ENDED DECEMBER 31, 2000  
 With Comparative Actual Amounts for the Year Ended December 31, 1999

	TOTALS		VARIANCE FAVORABLE (UNFAVORABLE)	1999 ACTUAL
	BUDGET	2000 ACTUAL		
<b>REVENUES</b>				
Taxes	\$5,200,000	\$5,613,927	\$413,927	\$5,139,952
Intergovernmental Revenues	1,000,000	715,158	(284,842)	115,980
Investment Earnings	582,800	922,066	339,266	689,603
All Other Revenues	525,000	1,131,183	606,183	756,505
<b>TOTAL REVENUES</b>	<b>7,307,800</b>	<b>8,382,334</b>	<b>1,074,534</b>	<b>6,702,039</b>
<b>EXPENDITURES</b>				
Current				
General Government	1,269,560	1,170,187	99,373	1,452,392
Capital Outlay	15,738,910	14,999,832	739,078	13,821,659
<b>TOTAL EXPENDITURES</b>	<b>17,008,470</b>	<b>16,170,019</b>	<b>838,451</b>	<b>15,274,051</b>
Excess (Deficiency) of Revenues over Expenditures	(9,700,670)	(7,787,685)	1,912,985	(8,572,011)
Other Financing Sources (Uses)				
Proceeds from Sales of Debt	1,400,000	2,400,000	1,000,000	3,100,000
Operating Transfers-In	(809,991)	(809,990)	1	(1,078,765)
Operating Transfers-Out				
<b>Total Other Financing Sources (Uses)</b>	<b>590,009</b>	<b>1,590,010</b>	<b>1,000,001</b>	<b>6,021,235</b>
Excess (Deficiency) of Revenues and Financing Sources (Uses) over Expenditures	(9,110,661)	(6,197,675)	2,912,986	(2,550,776)
Fund Balance, Beginning of Year	8,787,563	8,787,563		6,917,162
Prior Year Encumbrances Appropriated	6,194,503	6,194,503		4,421,177
<b>Fund Balance, End of Year</b>	<b>\$5,871,405</b>	<b>\$8,784,391</b>	<b>\$2,912,986</b>	<b>\$8,787,563</b>

**ENTERPRISE FUNDS  
COMBINING FINANCIAL STATEMENTS**

Enterprise funds are established to account for operations where the intention is to finance such operations primarily through user charges, or where the City has decided that the periodic determination of revenues, expenses and net income is appropriate.

The City has four enterprise funds, which are described below:

**Water Utility Fund** - this fund is used to account for the operations of the City's water utility, revenues of which come from customers, based on usage and rates authorized by City Council.

**Sewer Utility Fund** - this fund is used to account for the operations of the City's sewer utility. Sources of revenues for this fund come from utility service charges to customers, based on usage and rates authorized by City Council.

**Recreation Facilities Fund** - this fund is used to account for the operations of the City's golf course, swimming pool and other recreational facilities, revenues from which come from customers, based on a rate authorized by the Parks Commission.

**Solid Waste Management Fund** - this fund is used to account for the operations of the City's solid waste collection and recycling service. Sources of revenues for this fund come from service charges to customers, based on rates authorized by City Council.



STATEMENT E-1  
CITY OF FAIRFIELD  
COMBINING BALANCE SHEET  
ENTERPRISE FUNDS  
DECEMBER 31, 2000

						TOTALS	
ASSETS	WATER UTILITY FUND	SEWER UTILITY FUND	RECREATION FACILITIES FUND	SOLID WASTE MANAGEMENT FUND	2000	1999	
Current Assets:							
Equity in Pooled Cash and Deposits	\$708,133	\$286,933	\$124,690	\$14,422	\$1,134,178	\$233,625	
Equity in Pooled Investments	10,112,993	5,919,270	2,050,000		18,082,263	17,350,000	
Receivables							
Accounts	352,086	442,750		87,806	882,642	934,076	
Accrued Interest	81,399	56,729	6,298		144,426	227,679	
Loan		417,941			417,941	546,162	
Inventory	118,355		39,186		157,541	118,520	
Issuance Costs	144,075				144,075	159,992	
Total Current Assets	11,517,041	7,123,623	2,220,174	102,228	20,963,066	19,570,044	
Restricted Assets:							
Equity in Pooled Cash and Deposits	51,374	105,789			157,163	23,853	
Equity in Pooled Investments	1,468,332	400,000			1,866,332	2,195,706	
Total Restricted Assets	1,517,706	505,789			2,023,495	2,219,559	
<b>PROPERTY, PLANT &amp; EQUIPMENT, NET</b>	17,877,852	29,489,197	3,727,353		51,094,402	51,139,614	
<b>TOTAL ASSETS</b>	\$30,912,599	\$37,118,609	\$5,947,527	\$102,228	\$74,080,963	\$72,929,217	
<b>LIABILITIES AND FUND EQUITY</b>							
Current Liabilities:							
Accounts Payable	\$68,152	\$90,797	\$40,698	\$925	\$200,572	\$259,662	
Accrued Interest	25,904	8,510	21,604		56,018	53,989	
Accrued Payroll, Vacation & Sick Leave	276,358	179,557	102,229	3,860	562,004	523,676	
Deposits Payable	115,600				115,600	109,925	
Due to Other Governments		30,506			30,506	20,177	
Notes Payable		500,000	2,500,000		3,000,000	1,900,000	
Current Portion of Long-Term Debt	661,257	527,411			1,188,668	1,144,395	
Total Current Liabilities	1,147,271	1,336,781	2,664,531	4,785	5,153,368	4,011,824	
Non-Current Liabilities:							
Revenue Bonds, less Current Portion	5,600,000				5,600,000	6,060,000	
State Loan, less Current Portion	309,494	11,936,948			12,246,442	12,975,110	
Total Non-Current Liabilities	5,909,494	11,936,948			17,846,442	19,035,110	
<b>TOTAL LIABILITIES</b>	\$7,056,765	\$13,273,729	\$2,664,531	\$4,785	\$22,999,810	\$23,046,934	
<b>FUND EQUITY</b>							
Contributed Capital	214,534	6,475,265	2,053,987		8,743,786	8,743,786	
Retained Earnings	1,491,802	497,279		97,443	1,989,081	2,181,392	
Reserve Due to Restricted Assets	22,149,498	16,872,336	1,229,009		40,348,286	38,957,105	
Retained Earnings							
<b>TOTAL FUND EQUITY</b>	23,855,834	23,844,880	3,282,996	97,443	51,081,153	49,882,283	
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	\$30,912,599	\$37,118,609	\$5,947,527	\$102,228	\$74,080,963	\$72,929,217	

STATEMENT E-2  
CITY OF FAIRFIELD  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND EQUITY  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000

	WATER UTILITY FUND	SEWER UTILITY FUND	RECREATION FACILITIES FUND	SOLID WASTE MANAGEMENT FUND	TOTALS
	2000	1999			
<b>Operating Revenues</b>					
Charges for Services	\$3,186,714	\$3,465,165	\$1,345,740	\$1,424,165	\$9,421,784
<b>Operating Expenses</b>					
Personal Services	1,189,572	1,374,650	583,082	12,427	3,159,731
Contractual Services	407,011	312,889	265,753	1,696,592	2,684,245
Materials and Supplies	444,240	296,534	254,709	884	996,367
Utilities	285,858	218,798	72,097		576,753
Depreciation and Amortization	513,148	916,877	168,670		1,598,695
<b>Total Operating Expenses</b>	<b>2,839,829</b>	<b>3,119,748</b>	<b>1,344,311</b>	<b>1,711,903</b>	<b>9,015,791</b>
<b>Operating Income (Loss)</b>	<b>346,885</b>	<b>345,417</b>	<b>1,429</b>	<b>(287,738)</b>	<b>405,993</b>
<b>Non-Operating Revenues (Expenses)</b>					
Interest Revenue	670,830	380,078	36,652	8,802	1,066,985
Interest Expense	(346,451)	(553,599)	(50,634)		(950,684)
Permits	113,438	219,700			333,138
Other Revenues	3,072	989			4,061
<b>Total Non-Operating Revenues (Expenses)-Net</b>	<b>440,889</b>	<b>57,168</b>	<b>(13,982)</b>	<b>8,802</b>	<b>492,877</b>
<b>Income before Operating Transfers</b>	<b>787,774</b>	<b>402,585</b>	<b>(12,553)</b>	<b>(278,936)</b>	<b>898,870</b>
<b>Operating Transfers from General Fund</b>					
General Fund	787,774	402,585		300,000	300,000
<b>Net Income (Loss)</b>			<b>(12,553)</b>	<b>21,064</b>	<b>1,198,870</b>
<b>Retained Earnings, Beginning of Year</b>	<b>22,853,526</b>	<b>16,967,030</b>	<b>1,241,562</b>	<b>76,379</b>	<b>41,138,497</b>
<b>Retained Earnings, End of Year</b>	<b>23,641,300</b>	<b>17,369,615</b>	<b>1,229,009</b>	<b>97,443</b>	<b>42,337,367</b>
<b>Contributed Capital, Beginning of Year</b>	<b>214,534</b>	<b>6,475,265</b>	<b>2,053,987</b>		<b>8,743,786</b>
<b>Grants</b>					
Grants					37,894
<b>Contributed Capital, End of Year</b>	<b>214,534</b>	<b>6,475,265</b>	<b>2,053,987</b>		<b>8,743,786</b>
<b>Total Fund Equity, End of Year</b>	<b>\$23,855,834</b>	<b>\$23,844,880</b>	<b>\$3,282,996</b>	<b>\$97,443</b>	<b>\$51,081,153</b>

STATEMENT E-3  
CITY OF FAIRFIELD  
COMBINING STATEMENT OF CASH FLOWS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000  
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	WATER UTILITY FUND	SEWER UTILITY FUND	RECREATION FACILITIES FUND	SOLID WASTE MANAGEMENT FUND	TOTALS	1999
	2000	2000	2000	2000	2000	1999
<b>Cash Flows from Operating Activities:</b>						
Cash Received from Customers	\$3,179,761	\$3,779,380	\$1,345,507	\$1,404,093	\$9,708,741	\$9,866,227
Cash Payments for Refunds	(44,953)	(328,896)	(1,075)	(121)	(375,045)	(260,977)
Cash Payments for Goods and Services	(1,164,514)	(782,701)	(575,230)	(1,835,169)	(4,037,614)	(4,037,035)
Cash Payments for Wages and Benefits	(1,136,487)	(1,400,050)	(575,875)	(8,991)	(3,121,403)	(2,979,794)
Other Operating Revenues	96,646	36,908	5,712	8,069	147,335	218,181
<b>Net Cash Flows from Operating Activities</b>	<b>930,453</b>	<b>1,304,641</b>	<b>199,039</b>	<b>(432,119)</b>	<b>2,002,014</b>	<b>2,806,602</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>						
Permit Fees Received	116,510	219,700			336,210	539,461
Payments from Other Funds				300,000	300,000	275,000
<b>Net Cash Flows from Non-Capital Financing Activities</b>	<b>116,510</b>	<b>219,700</b>		<b>300,000</b>	<b>636,210</b>	<b>814,461</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Acquisition and Construction of Capital Assets	(843,169)	(562,362)	(33,993)		(1,439,524)	(6,406,366)
Proceeds from Issuance of Bonds and Notes		628,221	2,500,000		3,128,221	3,747,661
Proceeds of Grant						37,894
Principal Paid on Bonds and Notes	(637,291)	(657,104)			(1,294,395)	(1,086,002)
Interest Paid on Bonds and Notes	(343,538)	(605,399)	(44,852)		(993,789)	(969,271)
Repayment of Notes		(750,000)	(1,150,000)		(1,900,000)	(2,350,000)
<b>Net Cash Flows from Capital and Related Financing Activities</b>	<b>(1,823,998)</b>	<b>(1,946,644)</b>	<b>1,271,155</b>		<b>(2,499,487)</b>	<b>(7,026,084)</b>
<b>Cash Flows from Investing Activities:</b>						
Payments for Investments		(44,270)	(1,390,000)		(1,434,270)	(620,824)
Proceeds from Sale and Maturity of Investments	656,381	315,000		60,000	1,031,381	2,675,000
Interest on Cash, Deposits and Investments	737,766	520,065	31,382	8,802	1,298,015	1,119,535
<b>Net Cash Flows from Investing Activities</b>	<b>1,394,147</b>	<b>790,795</b>	<b>(1,358,618)</b>	<b>68,802</b>	<b>895,126</b>	<b>3,173,611</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>617,112</b>	<b>368,492</b>	<b>111,576</b>	<b>(63,317)</b>	<b>1,033,863</b>	<b>(231,410)</b>
<b>Cash and Cash Equivalent (Includes Restricted Assets), Beginning of Year</b>	<b>142,395</b>	<b>24,230</b>	<b>13,114</b>	<b>77,739</b>	<b>257,478</b>	<b>488,888</b>
<b>Cash and Cash Equivalent (Includes Restricted Assets), End of Year</b>	<b>\$759,507</b>	<b>\$392,722</b>	<b>\$124,690</b>	<b>\$14,422</b>	<b>\$1,291,341</b>	<b>\$257,478</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided:</b>						
Operating Income (Loss)	\$346,885	\$345,417	\$1,429	(\$287,738)	\$405,993	\$1,305,737
Adjustment to reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation and Amortization	513,148	916,877	168,670		1,598,695	1,308,290
Changes in Assets and Liabilities				(12,124)	51,434	33,486
(Increase) Decrease in Accounts Receivables	39,065	24,493			(39,021)	(7,131)
(Increase) Decrease in Inventory	(31,809)		(7,212)		(53,415)	151,731
Increase (Decrease) in Accounts Payable	10,079	43,254	28,945	(135,693)		
Increase (Decrease) in Accrued Payroll, Sick and Vacation Leave	53,085	(25,400)	7,207	3,436	36,328	14,489
<b>Net Cash Flows from Operating Activities</b>	<b>\$930,453</b>	<b>\$1,304,641</b>	<b>\$199,039</b>	<b>(\$432,119)</b>	<b>\$2,002,014</b>	<b>\$2,806,602</b>

## **INTERNAL SERVICE FUNDS FINANCIAL STATEMENTS**

Internal Service funds are established to account for goods and services furnished by a designated agency to other departments within the same government unit on a cost reimbursement basis. The accrual basis of accounting is used for these funds and the measurement focus on income determination.

**Employee's Benefits Fund** - this fund is used to account for the cost of the City's self-insured health care operations.

**Compensated Leave Fund** - this fund is used to account for funding the accrued liability of compensated leave of employees.

**Municipal Garage Fund** - this fund is used to account for the cost of maintaining the City's equipment and automotive fleet.

STATEMENT F-1  
CITY OF FAIRFIELD  
COMBINING BALANCE SHEET  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2000

	TOTALS		
ASSETS	EMPLOYEES BENEFIT FUND	COMPENSATED LEAVE FUND	MUNICIPAL GARAGE FUND
ASSETS	2000	1999	
Current Assets:			
Equity in Pooled Cash and Deposits	\$103,144	\$1,706	\$17,713
Equity in Pooled Investments	75,000	275,000	350,000
<b>TOTAL ASSETS</b>	<b>\$178,144</b>	<b>\$276,706</b>	<b>\$472,563</b>
<b>LIABILITIES AND FUND EQUITY</b>			
Current Liabilities:			
Accounts Payable	\$3,561		\$8,270
Claims Payable	13,245		26,063
Accrued Payroll, Vacation & Sick Leave			20,271
<b>TOTAL LIABILITIES</b>	<b>\$16,806</b>		<b>\$34,333</b>
<b>FUND EQUITY</b>			
Retained Earnings Reserved	161,338	276,706	438,044
Retained Earnings			(18,202)
<b>TOTAL FUND EQUITY</b>	<b>161,338</b>	<b>276,706</b>	<b>421,424</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$178,144</b>	<b>\$276,706</b>	<b>\$472,563</b>

STATEMENT F-2  
CITY OF FAIRFIELD  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND EQUITY  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000

	EMPLOYEES BENEFIT FUND	COMPENSATED LEAVE FUND	MUNICIPAL GARAGE FUND	TOTALS
				2000
				1999
<b>Operating Revenues</b>				
Charges for Services	\$1,217,000		\$481,611	\$1,698,611
<b>Operating Expenses</b>				
Personal Services			295,441	307,313
Contractual Services	1,240,817		15,834	1,256,651
Materials and Supplies			222,986	174,827
<b>Total Operating Expenses</b>	1,240,817		534,261	1,775,078
<b>Operating Income (Loss)</b>	(23,817)		(52,650)	(49,232)
<b>Non-Operating Revenues</b>				
Interest Revenue	4,428	1,706	4,232	10,366
<b>Total Non-Operating Revenues</b>	4,428	1,706	4,232	10,366
<b>Net Income (Loss) before Operating Transfers</b>	(19,389)	1,706	(48,418)	(66,101)
<b>Operating Transfers from General Fund</b>		200,000	50,000	250,000
<b>Net Income</b>	(19,389)	201,706	1,582	183,899
<b>Retained Earnings, Beginning of Year</b>	180,727	75,000	(18,202)	237,525
<b>Retained Earnings, End of Year</b>	161,338	276,706	(16,620)	421,424

STATEMENT F-3  
CITY OF FAIRFIELD  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2000  
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	EMPLOYEES BENEFIT FUND	COMPENSATED LEAVE FUND	MUNICIPAL GARAGE FUND	TOTALS
				2000 ----- 1999 -----
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Customers	\$1,217,000		\$481,611	\$1,698,611
Cash Payments for Goods and Services	(1,236,553)		(237,436)	(1,473,989)
Cash Payments for Wages and Benefits			(289,650)	(289,650)
<b>Net Cash Flows from Operating Activities</b>	(19,553)		(45,475)	(65,028)
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Payments from Other Funds		200,000	50,000	250,000
<b>Net Cash Flows from Non-Capital Financing Activities</b>		200,000	50,000	250,000
<b>Cash Flows from Investing Activities:</b>				
Payments for Investments	110,000	(200,000)	(50,000)	(250,000)
Proceeds from Sale and Maturity of Investments	4,428	1,706	50,000	160,000
Interest on Cash, Deposits and Investments			4,232	10,366
<b>Net Cash Flows from Investing Activities</b>	114,428	(198,294)	4,232	(79,634)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	94,875	1,706	8,757	105,338
<b>Cash and Cash Equivalents, Beginning of Year</b>	8,269		8,956	17,225
<b>Cash and Cash Equivalents, End of Year</b>	\$103,144	\$1,706	\$17,713	\$122,563
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided:</b>				
Operating Income (Loss)	(\$18,484)		(\$52,650)	(\$71,134)
Adjustment to reconcile Operating Income to Net Cash Provided by Operating Activities:				
Changes in Assets and Liabilities				
Increase (Decrease) in Accounts Payable	(1,772)		1,383	(389)
Increase (Decrease) in Claims Payable	703			703
Increase (Decrease) in Accrued Payroll, Sick and Vacation Leave			5,792	5,792
<b>Net Cash Flows from Operating Activities</b>	(\$19,553)		(\$45,475)	(\$65,028)

## FIDUCIARY FUNDS FINANCIAL STATEMENTS

The Fiduciary Funds are established to account for funds held by the City as trustee or agent for individuals, private organizations, other governmental units and/or other funds.

**Employee's Trust Fund** - this fund is used to account for revenues and expenditures related to the employee recreational activities. Revenues are generated from commissions from the City's vending machines located in the employees' lunchrooms.

**Municipal Court Fund** - this fund is used to account for funds collected by the Municipal Court until such time as the funds can be distributed to individuals, private organizations, other governmental units and/or other funds.



STATEMENT G-1  
CITY OF FAIRFIELD  
COMBINING BALANCE SHEET  
FIDUCIARY FUNDS  
DECEMBER 31, 2000

	EXPENDABLE TRUST FUND	AGENCY FUND	TOTALS	
	EMPLOYEES TRUST FUND	MUNICIPAL COURT FUND	2000	1999
<b>ASSETS</b>				
Equity in Pooled Cash	\$2,486	\$41,198	\$43,684	\$84,402
<b>TOTAL ASSETS</b>	<b>\$2,486</b>	<b>\$41,198</b>	<b>\$43,684</b>	<b>\$84,402</b>
<b>LIABILITIES &amp; FUND BALANCES</b>				
<b>LIABILITIES</b>				
Due to Other Funds				\$49,354
Due to Other Governmental Units				15,242
Deposits Payable		\$41,198	\$41,198	17,346
<b>TOTAL LIABILITIES</b>		<b>41,198</b>	<b>41,198</b>	<b>81,942</b>
<b>FUND BALANCES</b>				
Fund Balance				
Unreserved				
Undesignated	2,486		2,486	2,460
<b>TOTAL FUND BALANCE</b>	<b>2,486</b>		<b>2,486</b>	<b>2,460</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$2,486</b>	<b>\$41,198</b>	<b>\$43,684</b>	<b>\$84,402</b>

**STATEMENT G-2**  
**CITY OF FAIRFIELD**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**EXPENDABLE TRUST FUNDS**  
**FOR YEAR ENDED DECEMBER 31, 2000**

REVENUES	EMPLOYEES TRUST FUND	TOTALS	
		2000	1999
All Other Revenues			
Commissions	\$200	\$200	
<b>TOTAL REVENUES</b>			
<b>EXPENDITURES</b>			
Current			
General Government			
Non-Departmental	174	174	
<b>TOTAL EXPENDITURES</b>	174	174	
Excess (Deficiency) of Revenues Over Expenditures	26	26	
Fund Balance, Beginning of Year	\$2,460	\$2,460	2,460
Fund Balance, End of Year	\$2,486	\$2,486	\$2,460

**SCHEDULE G-3**  
**CITY OF FAIRFIELD**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND**  
**FOR YEAR ENDED DECEMBER 31, 2000**

MUNICIPAL COURT	BALANCE 1/1/00	ADDITIONS	DEDUCTIONS	BALANCE 12/31/00
<b>ASSETS</b>				
Cash	\$81,942	\$1,264,918	\$1,305,662	\$41,198
<b>LIABILITIES</b>				
Due To Other Funds	\$49,354	\$808,696	\$858,050	
Due To Other Governmental Units	15,242	191,096	206,338	
Deposits Payable	17,346	265,126	241,274	\$41,198
<b>TOTAL LIABILITIES</b>	<b>\$81,942</b>	<b>\$1,264,918</b>	<b>\$1,305,662</b>	<b>\$41,198</b>

## **GENERAL FIXED ASSETS ACCOUNT GROUP**

The General Fixed Assets Account Group accounts for fixed assets not used in the proprietary fund operations.

**STATEMENT H-1  
CITY OF FAIRFIELD  
COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS  
DECEMBER 31, 2000 AND 1999**

<b>GENERAL FIXED ASSETS:</b>	<b>2000</b>	<b>1999</b>
Land	\$4,154,175	\$4,154,175
Buildings	18,292,449	14,362,705
Equipment	9,239,068	8,479,714
	-----	-----
<b>TOTAL GENERAL FIXED ASSETS</b>	<b>\$31,685,692</b>	<b>\$26,996,594</b>
	=====	=====

**INVESTMENT IN GENERAL FIXED ASSETS BY SOURCE:**

General Fund	\$2,898,879	\$2,916,442
Special Revenue Funds	6,595,603	6,463,359
Capital Project Funds	22,191,210	17,616,793
	-----	-----
<b>INVESTMENT IN GENERAL FIXED ASSETS</b>	<b>\$31,685,692</b>	<b>\$26,996,594</b>
	=====	=====

**SCHEDULE H-2**  
**CITY OF FAIRFIELD**  
**SCHEDULE OF GENERAL FIXED ASSETS-BY FUNCTION AND ACTIVITY**  
**AS OF DECEMBER 31, 2000**

FUNCTION	TOTAL	LAND	BUILDINGS	EQUIPMENT
Security of Persons and Property:				
Police	\$1,287,599			\$1,287,599
Justice Center Building	2,832,096	\$376,947	\$2,117,288	337,861
Fire	6,028,673	284,758	3,072,670	2,671,245
Paramedic	359,380		51,900	307,480
Community Environment:				
Planning	116,672			116,672
Building Inspection	175,001			175,001
Streets and Transportation:				
Street Maintenance	6,176,329	630,000	3,458,614	2,087,715
Garage	82,041			82,041
Leisure Activities:				
Parks Administration	6,973,844		5,746,076	89,592
Park Maintenance	332,800			332,800
General Government:				
Council	71,175			71,175
Mayor	7,931	1,138,176		7,931
City Manager	84,629			84,629
Law Director	6,071			6,071
Court	192,762			192,762
Human Resources	22,714			22,714
Administrative Support	2,554,931	1,089,294	1,166,038	299,599
Finance	81,679			81,679
Tax	52,409			52,409
Data Processing	427,603			427,603
Public Works Administration	145,737			145,737
Engineering	324,584			324,584
Municipal Building	3,349,032	635,000	2,679,863	34,169
Total General Fixed Assets	\$31,685,692	\$4,154,175	\$18,292,449	\$9,239,068

SCHEDULE H-3  
CITY OF FAIRFIELD  
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS-BY FUNCTION AND ACTIVITY  
YEAR ENDED DECEMBER 31, 2000

FUNCTION	GENERAL FIXED ASSETS 1/1/00	ADDITIONS	DELETIONS	DEPARTMENTAL TRANSFERS	GENERAL FIXED ASSETS 12/31/00
Security of Persons and Property:					
Police	\$1,190,603	\$182,396	(\$60,259)	(\$25,141)	\$1,287,599
Justice Center	2,832,096				2,832,096
Fire	4,870,476	1,272,116	(68,693)	(45,226)	6,028,673
Paramedic	359,380				359,380
Community Environment:					
Planning	112,249	2,602	(1,120)	2,941	116,672
Building Inspection	142,992	48,215	(300)	(15,906)	175,001
Streets and Transportation:					
Street Maintenance	5,371,481	735,068		69,780	6,176,329
Garage	86,924			(4,883)	82,041
Leisure Activities:					
Parks Administration	5,522,531	1,420,183		31,130	6,973,844
Park Maintenance	306,521	42,629		(16,350)	332,800
General Government:					
Council	70,565			610	71,175
Mayor	7,190			741	7,931
City Manager	91,164	2,721	(2,070)	(7,186)	84,629
Law Director	9,927	200	(5,800)	1,744	6,071
Court	145,167	45,683		1,912	192,762
Human Resources	13,945	4,974	(2,899)	6,694	22,714
Administrative Support	1,474,730	1,166,038	(292,727)	206,890	2,554,931
Finance	71,574	16,093		(5,988)	81,679
Tax	56,196	11,489		(15,276)	52,409
Data Processing	423,963	156,299		(128,870)	427,603
Public Works Administration	139,360	24,040	(23,789)	(17,663)	145,737
Engineering	350,584	14,509		(40,509)	324,584
Municipal Building	3,346,976	1,500		556	3,349,032
Total General Fixed Assets	\$26,996,594	\$5,146,755	(\$457,657)	\$0	\$31,685,692

### **GENERAL LONG-TERM DEBT ACCOUNT GROUP**

The General Long-Term Debt Account Group accounts for the unmatured principal of bonds or other forms of non-current or long-term general obligation indebtedness that is not a specific liability of any proprietary fund.



**STATEMENT I-1  
CITY OF FAIRFIELD  
COMPARATIVE SCHEDULE OF GENERAL LONG-TERM DEBT  
DECEMBER 31, 2000 AND 1999**

	2000	1999
<b>AMOUNTS AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT</b>		
Amount Available in Debt		
Service Fund	\$1,351,918	\$1,244,386
Amount to be Provided to Retire		
Long-Term Debt	4,158,082	4,615,614
Amount to be Provided to Retire		
Other Obligations	1,006,917	1,053,049
	-----	-----
<b>TOTAL AVAILABLE AND TO BE PROVIDED</b>	<b>\$6,516,917</b>	<b>\$6,913,049</b>
	=====	=====
<b>GENERAL LONG-TERM DEBT</b>		
Accrued Payroll, Vacation and		
Sick Leave	\$1,006,917	\$1,053,049
General Obligation Bonds	5,205,000	5,455,000
Special Assessment Bonds		
with Governmental Commitment	305,000	405,000
	-----	-----
<b>TOTAL LONG-TERM DEBT</b>	<b>\$6,516,917</b>	<b>\$6,913,049</b>
	=====	=====

SCHEDULE I-2  
CITY OF FAIRFIELD  
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT  
YEAR ENDED DECEMBER 31, 2000

AMOUNT AVAILABLE AND TO BE PROVIDED FOR RETIREMENT OF GENERAL LONG-TERM DEBT	1/1/00	ADDITIONS	PAYMENTS	DEBT SERVICE FUND OPERATIONS	12/31/00
Amount Available in Debt Service Funds	\$1,244,386			\$107,532	\$1,351,918
Amount to be Provided for Retirement of Bond Principal	4,615,614		(\$350,000)	(107,532)	4,158,082
Amount to be Provided for Retirement of Other Long-Term Debt	1,053,049	\$99,152	(145,284)		1,006,917
<b>Total Available and to be Provided</b>	<b>\$6,913,049</b>	<b>\$99,152</b>	<b>(\$495,284)</b>	<b>\$0</b>	<b>\$6,516,917</b>
<b>GENERAL LONG-TERM DEBT PAYABLE</b>					
General Obligation Bonds					
1986 Justice Building Bonds	\$400,000		(\$50,000)		\$350,000
1990 Fire Station One Bonds	705,000		(45,000)		660,000
1999 Various Purpose Bonds Special Assessment Bonds with Governmental Commitment	4,350,000		(155,000)		4,195,000
1982 Corporate Court Assessment Bonds	40,000		(20,000)		20,000
1982 LeSaint Drive Assessment Bonds	70,000		(25,000)		45,000
1983 Industrial Park Assessment Bonds	120,000		(30,000)		90,000
1986 Woodridge Road Assessment Compensated Absences Payable	175,000		(25,000)		150,000
	1,053,049	\$99,152	(145,284)		1,006,917
<b>Total General Long-Term Debt</b>	<b>\$6,913,049</b>	<b>\$99,152</b>	<b>(\$495,284)</b>	<b>\$0</b>	<b>\$6,516,917</b>



# Statistical Section

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Table 1

**CITY OF FAIRFIELD  
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION  
LAST TEN FISCAL YEARS (1991-2000)**

Year	General Government	Public Safety	Utility Services	Streets and Transportation	Health and Welfare	Community Environment	Leisure Activities	Capital Outlay	Total
1991	\$ 2,005,662	\$ 4,388,118	\$ 756,923	\$ 1,241,496	\$ 33,315	\$ 383,349	\$ 395,170	\$ 252,424	\$ 9,456,457
1992	2,286,758	4,904,256	868,172	1,312,771	32,217	450,774	421,884	982,359	11,259,191
1993	2,298,846	5,258,432	173,357	1,276,586	31,901	480,096	436,130	320,401	10,275,749
1994	2,528,888	5,650,010	206,602	1,466,434	30,799	519,943	461,227	652,477	11,516,380
1995	2,904,976	6,101,622	289,276	1,522,375	29,220	543,810	546,527	782,636	12,720,442
1996	2,946,686	6,475,432	297,127	1,627,710	28,234	640,091	599,065	1,283,407	13,897,752
1997	3,125,637	6,756,615	317,791	1,644,462	29,147	679,001	707,720	711,956	13,972,329
1998	3,053,126	7,144,615	338,654	1,732,903	27,822	807,002	772,473	931,944	14,808,539
1999	3,449,168	8,200,367	342,155	1,998,534	27,521	955,929	788,275	1,112,977	16,874,926
2000	4,217,147	9,158,689	402,185	1,980,761	27,315	915,681	842,935	1,136,400	18,681,113

SOURCE: City of Fairfield Finance Department.

NOTE: The expenditures are those recorded in the General and Special Revenue Funds.

Table 2

**CITY OF FAIRFIELD  
GENERAL REVENUES BY SOURCE  
LAST TEN FISCAL YEARS (1991-2000)**

Year	Income Taxes	Other Taxes	Licenses and Permits	Intergovernmental Revenues	Charges for Services	Fines and Forfeitures	Investment Earnings	Miscellaneous	Total
1991	\$ 5,293,700	\$ 3,752,778	\$ 292,626	\$ 66,505	\$ 180,634	\$ 425,776	\$ 308,114	\$ 114,258	\$ 10,434,391
1992	5,685,420	4,524,958	367,044	96,648	188,157	439,160	223,879	132,405	11,657,671
1993	6,185,289	4,547,667	320,875	19,216	211,021	506,381	208,724	108,292	12,107,465
1994	6,470,830	4,866,438	355,651	110,797	313,197	675,061	293,958	119,167	13,205,099
1995	7,075,878	4,914,931	426,935	172,054	322,170	600,464	482,252	180,194	14,174,878
1996	7,608,341	5,267,020	390,310	69,134	495,151	763,300	494,608	227,047	15,314,911
1997	8,399,717	6,172,611	402,102	105,307	393,699	693,348	644,603	144,758	16,956,145
1998	9,036,663	6,623,960	539,993	396,983	325,553	609,591	667,378	332,261	18,532,382
1999	10,814,972	6,887,419	537,132	256,518	443,094	612,778	562,344	136,589	20,250,846
2000	11,180,374	6,901,245	389,333	443,847	406,752	807,848	599,214	280,112	21,008,725

SOURCE: City of Fairfield Finance Department.

NOTE: The revenues are those recorded in the General and Special Revenue Funds.

Table 3

**CITY OF FAIRFIELD  
BILLING AND COLLECTION OF SPECIAL ASSESSMENTS  
LAST TEN FISCAL YEARS (1991-2000)**

<u>Year</u>	<u>Assessments Billed</u>	<u>Assessments Collected</u>	<u>Uncollected Amount</u>	<u>Assessments Collected as a Percent of Assessments Billed</u>
1991	\$ 226,277	\$ 203,736	\$ 22,541	90.04%
1992	220,778	216,732	4,046	98.17%
1993	198,791	207,808	(9,017)	104.54%
1994	218,428	188,408	30,020	86.26%
1995	187,457	180,412	7,045	96.24%
1996	174,090	169,142	4,948	97.16%
1997	186,398	180,717	5,681	96.95%
1998	208,999	188,127	20,872	90.01%
1999	195,340	202,191	(6,851)	103.51%
2000	188,119	186,351	1,768	99.06%

SOURCE: County Auditor's Office, Butler County.

Table 4

**CITY OF FAIRFIELD  
COLLECTION OF PROPERTY TAXES  
REAL AND PUBLIC UTILITY PROPERTY TAXES ONLY  
LAST TEN FISCAL YEARS (1991-2000)**

<u>Year of Collection</u>	<u>Current Taxes Due</u>	<u>Current Taxes Collected</u>	<u>Ratio of Collection To Amt Due</u>	<u>Delinquent Taxes Collected</u>	<u>Total Taxes Collected</u>	<u>Percentage of Total Collected</u>
1991	\$ 1,637,482	\$ 1,509,213	92.2%	\$ 58,619	\$ 1,567,832	95.7%
1992	1,770,237	1,670,501	94.4%	97,009	1,767,510	99.8%
1993	1,961,522	1,861,805	94.9%	83,958	1,945,763	99.2%
1994	2,019,221	1,908,990	94.5%	62,569	1,971,559	97.6%
1995	2,186,803	2,120,846	97.0%	65,729	2,186,575	100.0%
1996	2,282,324	2,226,136	97.5%	54,268	2,280,404	99.9%
1997	2,311,387	2,265,159	98.0%	45,366	2,310,525	100.0%
1998	2,343,575	2,323,993	99.2%	65,441	2,389,434	102.0%
1999	2,403,795	2,391,493	99.5%	69,951	2,461,444	102.4%
2000	2,565,713	2,481,304	96.7%	45,275	2,526,579	98.5%

SOURCE: County Auditor's Office, Butler County.

Table 5

**CITY OF FAIRFIELD  
COLLECTION OF PROPERTY TAXES  
TANGIBLE PERSONAL PROPERTY ONLY  
LAST TEN FISCAL YEARS (1991-2000)**

Year of Collection	Current Taxes Due	Current Taxes Collected	Ratio of Collection To Amt Due	Delinquent Taxes Collected	Total Taxes Collected	Percentage of Total Collected
1991	\$ 246,825	\$ 231,502	93.79%	23,779	255,281	103.43%
1992	244,824	226,374	92.46%	10,098	236,472	96.59%
1993	245,127	239,107	97.54%	6,498	245,605	100.20%
1994	261,854	236,881	90.46%	2,983	239,864	91.60%
1995	273,988	269,828	98.48%	3,454	273,282	99.74%
1996	374,594	313,007	83.56%	4,233	317,240	84.69%
1997	405,962	351,716	86.64%	17,340	369,056	90.91%
1998	512,636	483,803	94.38%	43,246	527,049	102.81%
1999	394,314	360,681	91.47%	17,607	378,288	95.94%
2000	375,711	361,805	96.30%	14,976	376,781	100.28%

SOURCE: County Auditor's Office, Butler County.



Table 6

**CITY OF FAIRFIELD  
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS (1991-2000)**

Year of Collection	Real Property		Public Utility		Personal Property		Total	
	Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual	Assessed	Estimated Actual
1991	\$ 485,008,760	\$ 1,385,739,314	\$ 31,921,820	\$ 36,274,795	\$ 51,444,687	\$ 190,535,878	\$ 568,375,267	\$ 1,612,549,987
1992	484,943,230	1,385,552,086	37,689,950	42,829,489	57,605,576	221,559,908	580,238,756	1,649,941,483
1993	483,276,470	1,380,789,914	34,712,550	39,446,080	58,076,586	232,306,344	576,065,606	1,652,542,338
1994	519,290,820	1,483,688,057	38,733,880	44,015,773	55,510,132	222,040,528	613,534,832	1,749,744,358
1995	517,998,880	1,479,996,800	40,193,520	45,674,455	57,061,931	228,247,724	615,254,331	1,753,918,979
1996	561,373,670	1,603,924,771	39,486,450	44,870,966	65,005,551	260,022,204	665,865,671	1,908,817,941
1997	599,229,360	1,712,083,886	38,503,940	43,754,477	82,509,703	330,038,812	720,243,003	2,085,877,175
1998	617,858,990	1,765,311,400	37,236,850	42,314,602	89,418,897	357,675,588	744,514,737	2,165,301,590
1999	631,172,270	1,803,349,343	37,098,140	42,156,977	88,625,751	354,503,004	756,896,161	2,200,009,324
2000	698,696,370	1,996,275,343	37,139,060	42,203,477	94,392,458	377,569,832	830,227,888	2,416,048,652

SOURCE: County Auditor's Office, Butler County.

NOTES: (a) Real property taxes collected in a calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year.

(b) Public utility property taxes collected in a calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year.

(c) Tangible personal property collected in a calendar year are levied in the same calendar year, on assessed values during and at the close of the most recent fiscal year of the taxpayer (ending on or before March 31 of said calendar year) at tax rates determined in the preceding year.

Table 7

**CITY OF FAIRFIELD  
PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS (1991-2000)**

Year of Collection	Tax Rates Per \$1,000 of Assessed Valuation							Total
	County Levy	School Levy	Vocational School Levy	Township Levy	City Levy			
1991	\$ 7.45	\$ 45.96	\$ 1.97	\$ 0.29	\$ 4.25	\$	\$ 59.92	
1992	7.45	50.76	1.97	0.29	4.25		64.72	
1993	7.45	50.76	1.97	0.29	4.25		64.72	
1994	7.45	50.76	1.97	0.29	4.25		64.72	
1995	7.45	50.76	1.97	0.00	4.54		64.72	
1996	8.44	55.16	1.93	0.00	4.54		70.07	
1997	8.45	53.56	1.93	0.00	4.54		68.48	
1998	8.45	53.56	1.93	0.00	4.54		68.48	
1999	8.44	54.16	1.93	0.00	4.54		69.07	
2000	8.45	54.46	1.93	0.00	4.54		69.38	

SOURCE: County Auditor's Office, Butler County.

Table 8

**CITY OF FAIRFIELD**  
**RATIO OF NET GENERAL OBLIGATION DEBT**  
**TO ASSESSED VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS (1991-2000)**

Year of Debt	Population	Assessed Value	Net G.O. Debt	Ratio of G.O. Debt to Assessed Value	G.O. Debt Per Capita
1991	40,326	\$ 568,375,267	\$ 4,103,735	0.72%	101.76
1992	40,528	580,238,756	3,477,821	0.60%	85.81
1993	40,730	576,065,606	3,045,550	0.53%	74.77
1994	40,934	613,534,832	3,865,827	0.63%	94.44
1995	41,139	615,254,331	2,164,837	0.35%	52.62
1996	41,344	665,865,671	2,677,142	0.40%	64.75
1997	41,551	720,243,003	3,037,444	0.42%	73.10
1998	41,759	744,514,737	3,740,193	0.50%	89.57
1999	41,968	756,896,161	6,096,616	0.81%	145.27
2000	42,097	830,227,888	5,580,076	0.67%	132.55

NOTE: (a) General Obligation Debt, Bonds and Notes.

(b) Assessed Value from County Auditor's Office, Butler County.

Table 9

**CITY OF FAIRFIELD  
COMPUTATION OF NET DIRECT AND OVERLAPPING DEBT  
December 31, 2000**

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Fairfield</u>	<u>Amount Applicable to City of Fairfield</u>
City of Fairfield	\$5,580,076	100.00%	\$5,580,076
Butler County*	16,445,000	14.38%	2,364,791
TOTAL			<u><u>\$7,944,867</u></u>

\*SOURCE: County Auditor's Office, Butler County.

- NOTES: (a) The Fairfield City Schools/Library are not included as they have no debt applicable to the City of Fairfield.
- (b) The percentage of indebtedness of the City's overlapping political subdivisions was determined by dividing the City's assessed valuation by the total assessed valuation of the overlapping subdivision.

Table 10

**CITY OF FAIRFIELD  
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL  
OBLIGATION DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS (1991-2000)**

Fiscal Year Ended	General Obligation Debt Service Payments (a)			Total General Expenditures	Ratio of Debt Service to Total General Expenditures
	Principal	Interest	Total		
1991	\$ 1,125,000	\$ 402,779	\$ 1,527,779	\$ 9,560,451	15.98%
1992	425,000	342,740	767,740	11,259,191	6.82%
1993	430,000	311,570	741,570	10,275,749	7.22%
1994	430,000	259,043	689,043	11,516,380	5.98%
1995	435,000	224,160	659,160	12,720,442	5.18%
1996	435,000	188,914	623,914	13,897,752	4.49%
1997	435,000	153,795	588,795	13,972,329	4.21%
1998	440,000	118,478	558,478	14,808,539	3.77%
1999	240,000	119,098	359,098	16,874,926	2.13%
2000	250,000	289,385	539,385	18,681,113	2.89%

SOURCE: City of Fairfield Finance Department.

NOTES: (a) For General Obligation Debt, Bonds and Notes payable from ad valorem and taxes only.

Table 11

**CITY OF FAIRFIELD  
COMPUTATION OF LEGAL DEBT MARGIN  
December 31, 2000**

Total of all City Debt Outstanding	<u>\$28,288,066</u>
Total Debt subject to 10.5% and 5.5% Debt Limitation	\$5,950,000
Less Applicable Debt Service Fund	<u>369,924</u>
Net Indebtedness subject to 10.5% and 5.5% Debt Limitation	<u>\$5,580,076</u>
Assessed Valuation of the City (1997 for 1998 Collection)	<u>\$830,227,888</u>
10.5% of Assessed Valuation (Maximum Voted Debt Allowed)	\$87,173,928
Total Debt Outstanding subject to 10.5% Debt Limitation	<u>5,580,076</u>
Legal 10.5% Margin	<u>\$81,593,852</u>
5.5% of Assessed Valuation (Maximum Unvoted Debt Allowed)	\$45,662,534
Total Debt Outstanding Subject to 5.5% Debt Limitation	<u>5,580,076</u>
Legal 5.5% Margin	<u>\$40,082,458</u>

NOTE: (a) Direct Debt Limitation Based on Section 133, The Uniform Bond Act of the Ohio Revised Code.

(b) Assessed Value from the County Auditor's Office, Butler County.

Table 12

**CITY OF FAIRFIELD**  
**SCHEDULE OF REVENUE BOND COVERAGE-WATER AND SEWER SYSTEMS**  
**LAST TEN FISCAL YEARS (1991-2000)**

Fiscal Year	Gross Revenues(a)	Operating Expenses(b)	Net Revenues Available for Debt Service	DEBT SERVICE REQUIREMENTS			Coverage
				Principal	Interest	Total	
1991	\$ 5,979,552	\$ 3,180,374	\$ 2,799,178	\$ 939,400	\$ 527,106	\$ 1,466,506	1.91
1992	5,647,022	3,243,293	2,403,729	963,155	502,953	1,466,108	1.64
1993	6,109,526	3,149,250	2,960,276	1,016,760	240,765	1,257,525	2.35
1994	6,497,833	3,712,554	2,785,279	556,328	423,858	980,186	2.84
1995	7,253,579	3,634,074	3,619,505	376,544	234,815	611,359	5.92
1996	7,560,062	3,894,321	3,665,741	303,156	223,431	526,587	6.96
1997	8,123,524	4,257,045	3,866,479	677,871	550,386	1,228,257	3.15
1998	8,677,259	4,247,638	4,429,621	883,140	860,089	1,743,229	2.54
1999	8,693,111	4,363,763	4,329,348	1,085,744	874,269	1,960,013	2.21
2000	8,049,986	4,529,552	3,520,434	1,394,322	899,019	2,293,341	1.54

SOURCE: City of Fairfield Finance Department.

NOTES: (a) Gross revenue includes operating and non-operating revenues.

(b) Operating expenses include all expenses except interest and depreciation.

Table 13

**CITY OF FAIRFIELD  
PROPERTY VALUES, FINANCIAL INSTITUTION DEPOSITS  
AND BUILDING PERMIT VALUES  
FOR THE LAST TEN FISCAL YEARS (1991-2000)**

Fiscal Year Ended	IN MILLIONS		
	Property Values(a)	Financial Institutions Deposits(b)	Building Permit Values(c)
1991	\$ 1,661.5	\$ 904.3	\$ 22.5
1992	1,649.9	724.2	21.7
1993	1,652.5	711.7	37.6
1994	1,749.7	737.7	35.0
1995	1,753.9	800.6	45.0
1996	1,908.8	783.3	92.1
1997	2,085.9	815.4	57.2
1998	2,165.3	864.1	81.3
1999	2,200.1	913.2	77.9
2000	2,146.1	923.6	24.6

SOURCE: (a) County Auditor's Office, Butler County.

(b) Federal Reserve Bank of Cleveland.

(c) City of Fairfield Building Inspection Division.



Table 14

**CITY OF FAIRFIELD  
TEN LARGEST TAXPAYERS  
December 31, 2000**

<u>TAXPAYER</u>	<u>TYPE OF PROPERTY</u>	<u>ASSESSED VALUATION</u>	<u>PERCENTAGE</u>
1. Cincinnati Gas & Electric Company	Utility	\$25,350,820	3.05%
2. CFC Investment Company	Insurance	14,560,680	1.75%
3. Meijer Incorporated	Retail Merchant	7,401,190	0.89%
4. Cincinnati Bell Telephone	Telephone Utility	6,394,340	0.77%
5. Sam Boymel Trustee	Real Estate Management	6,298,390	0.76%
6. Toy R Us	Warehousing	5,913,370	0.71%
7. M. Bohlke Veneer Corp.	Wood Products	5,437,240	0.65%
8. Purdential insurance Co.	Insurance	5,386,230	0.65%
9. Xerox Corporation	Office Equipment	4,698,210	0.57%
10. Ohio Casualty Insurance Company	Insurance	4,544,210	0.55%
TOTAL		<u>\$85,984,680</u>	10.36%
Total Assessed Value		<u>\$830,227,888</u>	

SOURCE: County Auditor's Office, Butler County.

Table 15

**CITY OF FAIRFIELD  
DEMOGRAPHIC STATISTICS  
December 31, 2000**

<u>Year</u>	<u>Fairfield Population (a)</u>	<u>% Change During the Period</u>	<u>Butler County Population</u>	<u>% Change During the Period</u>
1960	9,734		199,076	
1970	14,680	50.81%	266,207	33.72%
1980	30,777	109.65%	258,787	-2.79%
1990	39,729	29.09%	291,479	12.63%
1991	40,326	1.50%	299,808	2.86%
1992	40,528	0.50%	305,690	1.96%
1993	40,730	0.50%	311,907	2.03%
1994	40,934	0.50%	315,927	1.29%
1995	41,139	0.50%	319,603	1.16%
1996	41,344	0.50%	323,519	1.23%
1997	41,551	0.50%	327,081	1.10%
1998	41,759	0.50%	330,428	1.02%
1999	41,968	0.50%	331,065	0.19%
2000	42,097	0.31%	332,807	0.53%

SOURCE: (a) 1980 Population figure taken from the Federal Census Data.

City of Fairfield Planning Department.

OKI Regional Planning Authority.

Table 16

**CITY OF FAIRFIELD, OHIO  
MISCELLANEOUS STATISTICS**

Date of Incorporation .....	1955
Form of Government .....	Council/City Manager
Area .....	20.5 square miles
Lane Miles of Streets .....	340
Number of Street Lights .....	1,525
Number of Traffic Lights .....	50
Fire Protection:	
Number of Stations .....	3
Number of Firemen and Officers .....	18
Number of Part-Time Firemen .....	50
Number of Paramedic Units .....	2 Full-time Paramedic Units
Police Protection:	
Number of Stations .....	1
Number of Police Officers .....	49
Public Utility Department:	
Number of Customers .....	12,000
Average Daily Consumption of Water .....	3,500,000
Miles of Water Lines .....	200
Miles of Sewer Lines .....	175
Recreation and Cultural:	
Number of Parks .....	14
Number of Libraries .....	1
Number of Volumes .....	86,000
Employees:	
Classified Services .....	171
Exempt .....	36

Source: City of Fairfield Finance Department



STATE OF OHIO  
OFFICE OF THE AUDITOR

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800-282-0370

Facsimile 614-466-4490

**CITY OF FAIRFIELD**

**BUTLER COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 17, 2001**