

CITY OF FAIRBORN



Single Audit Reports  
December 31, 2013

**PLATTENBURG**  
Certified Public Accountants





# Dave Yost • Auditor of State

City Council  
City of Fairborn  
44 West Hebble Avenue  
Fairborn, Ohio 45324

We have reviewed the *Independent Auditor's Report* of the City of Fairborn, Greene County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2013 through December 31, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

July 29, 2014

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**CITY OF FAIRBORN, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

<b>Federal Grantor/Pass - Through Grantor, Program Title</b>	<b>Pass Through Entity Number</b>	<b>CFDA</b>	<b>Disbursements</b>
<b><u>U.S. DEPARTMENT OF HUD</u></b>			
<i>Pass-Through State Department of HUD:</i>			
Community Development Block Entitlement Grant	B-12-MC-39-0032	14.218	\$197,959
<i>Pass-Through City of Dayton:</i>			
Neighborhood Stabilization Program (NSP II)	B-09-CN-OH-0029	14.256	84,174
			<u>282,133</u>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Direct Funding</i>			
Edward Bryne Memorial Justice Assistance Grant	2012-DJ-BX-0322	16.803	5,126
Bulletproof Vest Partnership	N/A	16.607	3,259
<i>Pass-Through Ohio Attorney General:</i>			
Victims of Crimes Act	2014-VAGENE482	16.575	3,925
Victims of Crimes Act	2013-VAGENE482	16.575	17,662
<i>Pass-Through Ohio Office of Criminal Justice Services:</i>			
Victim Witness Justice Assistance Grant	2012-JG-D01-6876	16.738	32,000
<i>Pass-Through Greene County:</i>			
Equitable Sharing Fund	N/A	16.xxx	79,063
			<u>141,035</u>
<b><u>FEDERAL HIGHWAY ADMINISTRATION</u></b>			
<i>Pass-Through Ohio Department of Transportation</i>			
Congestion Mitigation and Air Quality Grant	N/A	20.205	156,041
			<u>156,041</u>
<b><u>US DEPARTMENT OF HOMELAND SECURITY - FEDERAL EMERGENCY MANAGEMENT AGENCY</u></b>			
<i>Direct Funding</i>			
2011 SAFER Grant	N/A	97.044	237,858
2012 AFG Grant	EMW-2012-FO-03036	97.044	28,800
<i>Pass-Through Ohio Emergency Management Agency</i>			
Buffer Zone Protection Program	2010-BF-TO-0028	97.078	6,399
			<u>273,057</u>
			<u>\$852,266</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**NOTE A -- SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of federal awards expenditures is a summary of the activity of the City's federal award programs.

The schedule has been prepared using the cash basis of accounting.

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

Honorable Mayor, City Council and City Manager  
City of Fairborn, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fairborn (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 26, 2014.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies which are included in finding 2013-1.

## **Compliance and Other Matters**

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

## **City's Response to Findings**

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

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

*Plattensburg & Associates, Inc.*

Plattensburg & Associates, Inc.

Dayton, Ohio

June 26, 2014

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Honorable Mayor, City Council and City Manager  
City of Fairborn, Ohio

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

We have audited the City of Fairborn's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2013. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

**Report on Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.



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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 26, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 26, 2014

**CITY OF FAIRBORN**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended December 31, 2013**

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

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(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 significant control deficiencies reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any material reported 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 significant control deficiencies reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under Section .510?	No
(d)(1)(vii)	Major Programs (list):  <div style="text-align: center;">CFDA# 14.218 Community Development Block Grants/  Entitlement Grants  CFDA# 97.044 Assistance to Firefighters Grants</div>	
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type B: all others Type A: > \$300,000
(d)(1)(ix)	Low Risk Auditee?	No

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

### **2013–1 Finding Type — Significant Deficiency –Controls Related to Financial Reporting**

The presentation of financial statements and related footnotes that are free of material misstatement is the responsibility of the City’s management. Independent auditors are not part of an entity’s internal control structure and should not be relied upon by management to detect misstatements in the financial statements.

Thus, it is important that management develop control procedures related to preparing financial statements and footnotes that enable management to prevent and detect potential misstatements in the financial statements and footnotes in a timely manner prior to audit.

Our audit identified misstatements in the City’s financial statements requiring adjustment in order to present the financial statements in accordance with accounting principles generally accepted in the United States of America.

We provided adjustments to the City which corrected the misstatements prior to the issuance of the financial statements. Such misstatements are an indicator that improvements are needed to strengthen existing control procedures related to financial reporting and we believe that these misstatements are important enough to merit attention by those charged with the City’s governance.

A description of the misstatements follows:

#### *Misstatement of Restricted Fund Balance and Nonspendable Fund Balance*

Restricted Fund Balance related to Assets Held for Resale was reported in error as Nonspendable Fund Balance in the Governmental Funds Balance Sheet.

#### *Misstatement of Accounts Receivable and Unavailable Revenue*

Accounts Receivable and Unavailable Revenue were overstated by significant amounts.

#### **Recommendation:**

Consider developing a systematic, detailed final review process to take place prior to the start of the financial statement audit.

#### **Management’s Response:**

The City relies on a third party to provide GAAP conversion services. The City will work with the GAAP consultant to revise the review process so that material misstatements, presentation and disclosure errors are prevented and/or detected and corrected.

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

None

**CITY OF FAIRBORN  
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133  
DECEMBER 31, 2013**

**Summary of Prior Audit Findings and Questioned Costs:**

**2012-1 Finding Type —Significant Deficiency —Controls Related to Financial Reporting.**

Our audit identified a material misstatement related to enterprise Net Investment in Capital Assets which was reported in error as Unrestricted Net Position in the Statement of Fund Net Position.

Status: Corrected.



# COMPREHENSIVE ANNUAL FINANCIAL REPORT



2013

CITY OF FAIRBORN, OHIO

FOR THE YEAR ENDED  
DECEMBER 31, 2013



# CITY OF FAIRBORN, OHIO

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GREENE COUNTY

*Comprehensive Annual Financial Report*

For the Year Ended December 31, 2013

Prepared by:  
**Department of Finance**

Randall J. Groves, CPFO, CGFM  
**Finance Director**





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



**City of Fairborn, Ohio**  
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*For the Year Ended December 31, 2013*  
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**CITY OF FAIRBORN  
FINANCE DEPARTMENT**

**44 W. Hebble Ave.  
Fairborn OH 45324-4999  
(937) 754-3005  
Fax (937) 754-3115**

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June 16, 2014

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

Submitted for your review is the Comprehensive Annual Financial Report (CAFR) of the City of Fairborn (the “City”) for the year ended December 31, 2013. The report has been prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

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

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

**Introduction**

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

## **The Reporting Entity**

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

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

## **The City of Fairborn**

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

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

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

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



## **Economic Condition and Outlook**

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

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

As home to Wright State University (WSU) and the gateway to Wright-Patterson Air Force Base, the City gains economic strength from two of the largest employers in the Miami Valley region. WSU is the region's largest university with nearly 18,000 students and is a fully accredited state university. Its eight colleges and three schools offer more than 90 undergraduate degrees and 88 graduate, masters, doctoral, and professional degree programs. The WSU Nutter Center provides a 12,000 seat sport and entertainment venue that continually draws national performers and events to the Dayton region. Additionally, WSU provides a significant draw for complimentary businesses who either work in partnership or do research with the institution.

Because of its close proximity to Wright-Patterson Air Force Base, the City attracts defense industry and related businesses that serve the Air Force and other branches of the military. One of the most exciting initiatives for the City is the recent development of the National Center for Medical Readiness Tactical Laboratory at Calamityville.

Calamityville, the moniker for a project of the Department of Emergency Medicine in the Boonshoft School of Medicine at Wright State University, is being developed as a state of the art collaborative training and research facility that provides unique training opportunities for the world's medical, public health, public safety, civilian and military disaster responders and decision makers. Calamityville is located in the City on 54 acres at the site of the former CEMEX plant, an international supplier of cement.

The tactical laboratory is the first site in the United States to fully integrate civilian and military medical and non-medical responses to a disaster or other complex rescue situation, providing a more complete learning experience for students and trainees. Once fully operational, Calamityville is expected to draw thousands of participants to the area annually with a projected economic impact of \$374 million for the Miami Valley region over a five-year period.

While government and defense-related businesses are a vital part of the City's economy, there are many others that provide economic support and add to the diversity of the business community including major manufacturing facilities, distribution centers serving regional markets, printing companies as well as many others. Through the City's Business First Program,

economic development staff members work to communicate with local businesses to let them know the City is glad they are part of the community and ready to assist with any of their business needs. Recognizing an opportunity to proactively engage companies in a competitive business environment the City also revived its community improvement corporation, now doing business as the Fairborn Development Corporation (FDC). The FDC is a 501(c)(3) non-profit organization created to advance, encourage, promote and pursue civic, economic, commercial and industrial development within the greater Fairborn area. The FDC serves as an important advisory board that allows community stakeholders and business leaders the opportunity to participate and contribute in a meaningful way to local economic development efforts. Additionally, in 2013 the City officially established and funded a new economic development department with the sole purpose to assist the local business community and encourage new investment within the City.

Like Wright State University's National Center for Medical Readiness, many other organizations are attracted to the City due to the available real estate poised for development. The City has the next great development frontier along I-675, which connects I-75 to I-70. The Dayton-Yellow Springs Road, State Route 235, and State Route 444 interchanges on I-675 provide prime industrial, office and commercial development sites. Fairborn is located within 600 miles of 64% of the US population, 50% of the Canadian population, 63% of all US manufacturing, 70% of all the North American manufacturing and 80% of all U.S. headquarters.

If air travel is a concern Fairborn is fortunate to be located within 60 minutes of three international airports with daily operations that rival most metropolitan areas. The Dayton International Airport is conveniently located along a major highway network allowing the local businesses to easily reach 55% of the total US population in only 90 minutes by air.

From the technology based business office space in Wright Executive Park to the more recent Valle Greene North development with acres of shovel ready sites available, the City is ready to assist businesses looking for prime locations along I-675. The City is also one of a very limited number of cities that has rail service adjacent to industrial zoned land that is also ready for development.

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

## **Major Initiatives**

### ***For 2013***

As with other cities, the adequacy of the City of Fairborn's infrastructure to support its needs is essential. Also, economic development and revitalization continue to be the City's priority. A

10 year, one-quarter of one percent income tax levy was approved by the residents in 2004 for fire facilities and equipment. The 10-year tax levy generated approximately \$1.9 million dollars in 2013 and has been used to finance land acquisition and the construction and renovation of fire facilities, as well as the purchase of fire and EMS equipment for four stations.

During the same election in 2004, residents also approved a one-quarter of one percent income tax levy for resurfacing, reconstructing and repairing the City's thoroughfares and residential streets. The City developed a strategic plan and identified the thoroughfares and streets that will be upgraded as part of this 10-year initiative. The levy also generated approximately \$1.9 million in 2013 to finance the infrastructure improvements. Through 2013, the ninth year of this street improvement program, approximately 56% of the City's roadways have been resurfaced or repaired affecting 237 local streets and 27 thoroughfares.

Construction of the Dayton-Yellow Springs Road Phase II project was completed in 2013. This project was funded using an awarded OPWC grant of \$400,000 along with local funds. Phase II improvements included waterline replacement, storm sewer modifications, signalization enhancements, road widening, street base repairs, street resurfacing and re-striping along Dayton-Yellow Springs Road from Beaver Valley Road to Ironwood Drive.

The 2013 curb-sidewalk-approach program (CSA) and the 2014 CSA program were completed in 2013. These programs replaced deteriorated concrete infrastructure and in an effort to jump one year ahead of the street resurfacing program, the 2014 CSA was performed one year earlier than usual. This program is performed annually prior to the street improvement program and coincides with the Americans with Disabilities Act (ADA) curb ramp program, which constructs or reconstructs ramps to ADA standards.

Construction of the Central Avenue interconnect project was completed in 2013 and consisted of connecting and upgrading five intersections with wireless technology along Central Avenue from Dayton Drive to Broad Street. The project included replacing signal heads with LED indications, new control cabinets with UPS battery back-up systems, pedestrian crossing signals, and the installation of video vehicle detection.

As with most cities of similar age, the City of Fairborn is beginning to see condition concerns as water and sewer infrastructure nears the end of its useful life. Since much of this infrastructure is buried underground in the form of water and sewer mains, problems may not be found until there is a catastrophic failure. In an effort to reduce the potential for these failures, the Division of Water and Sewer undertook two projects in 2013 to find and repair problems before they surfaced.

A whole system leak detection survey was performed by a contractor of the entire water distribution system. Over 800,000 gallons of water loss per day from underground leaks that had not yet surfaced was identified. As a result, crews repaired fourteen water main breaks, five service leaks, two gate valves and a number of fire hydrants.

The City also has an ongoing program of cleaning and televising sewer mains. Sewer mains located on seven streets that had been identified through these processes as deficient were

renewed through installation of an inner lining by a contractor. This allowed for over 3,150 feet of sewer main to be repaired within a short period of time without having to conduct any excavations.

A Community Parks and Recreation Needs Assessment was performed in 2013 which identified the top park amenities and recreational programs desired by the community. A community music festival ranked in the top five and the first annual “Fairborn, A Day of Jazz” was presented in Central Park on August 10, 2013. Another top amenity identified was to increase the shaded areas in the parks with trees or other means. With the assistance of Fairbornites Restoring Our Green Spaces (FROGS) members, sixty trees were added to both Central and Osborn Parks which in time will serve park users well in meeting this need. A new shade structure and picnic tables were installed at the Central Park Sprayground which also addressed this need. After opening in 2012, the sprayground has seen a large number of users and the equipment, purchased by the Fairborn Parks Advisory Board and Fairborn Parks Foundation, nearly doubled the available seating directly adjacent to the spray area.

The Government Center revitalization project renovated an underutilized area of the administrative building formerly occupied by the municipal court. The project relocated the finance department’s accounting and payroll division to an area adjacent to the utility billing and income tax divisions and all divisions of the finance department are now located in one area of the building. Engineering moved into the vacated finance space and community development expanded into the vacated engineering area, providing much needed additional office space for both departments. Much of the work was completed by city staff which greatly reduced total project costs.

### ***For the Future***

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

The engineering division continues to oversee the paving program for the 452 public streets in Fairborn. It is estimated an average of 30 streets per year will be paved until the street levy collections expire in 2014, when it is projected that 64% of City streets will have been repaved. It is the intent of the City to ask residents to renew the street levy in November 2014 in order to continue repaving and repairing City streets.

The Spangler Road improvement design is being finalized based upon review comments from Norfolk-Southern Corporation and will likely be scheduled for construction starting in the summer of 2014. Spangler Road improvements will be funded in part from a tax increment financing (TIF) district that will be established in 2014.

An Ohio Department of Transportation (ODOT) Congestion Mitigation and Air Quality (CMAQ) grant has been awarded for the Broad Street signals upgrade project, which will include fiber optic interconnect communications with intersections from Dayton Drive to Central Avenue. These intersections will receive new LED signal indications, new control cabinets with UPS battery back-up systems, signal poles and mast arms, new pedestrian crossing signals, vehicle detection system and sidewalks. Engineering design is currently being finalized. Construction work is scheduled to begin in the summer of 2014 with completion set for winter 2014.

The Colonel Glenn Highway improvement project has received an Ohio Public Works Commission (OPWC) grant to make improvements on a one-mile section of this major five lane arterial highway. Major repairs are needed to its concrete base, curb, gutter and sidewalk. The asphalt wearing surface is deteriorating as a result. The project will mill off the asphalt wearing surface, identify and repair those joints in need, install a stress absorbing membrane interlayer (SAMI), resurface with asphalt and re-stripe. Engineering design is finished and construction is set to begin for spring 2014 and completion by winter 2014.

The Central Avenue-Xenia Drive bikeway connector project has received an ODOT CMAQ grant to connect the termini of existing bikeways; one at Central Avenue near South Street and the other at Xenia Drive near Dayton Drive. An engineering consultant has been selected and design is in progress. Construction is scheduled to begin in the fall of 2014.

The Dayton-Yellow Springs Road (DYS) Improvements Phase III project received an OPWC grant to make improvements on the last half-mile section from Southlawn Drive to Beaver Valley Road. Improvements constructed will include a second westbound lane on DYS, new curb and curb inlets on the north side of DYS and on the south side of the access road, resurfacing of DYS with new striping. Design of this final phase is currently underway with construction set to begin in the fall of 2014 or spring of 2015.

Wright-Patterson Air Force Base closed State Route 444 to address security issues from a state route running through base property. The road was closed effective November 9, 2012, and traffic was redirected onto the newly designated State Route 444 which includes Kauffman Avenue, Central Avenue and Dayton Drive. ODOT is currently working with the City's engineering department to develop plans and cost estimates for resolving issues resulting from this relocation. Currently there are two scheduled ODOT projects in the design that will widen the radii of three intersections: Dayton-Yellow Springs Road and Kauffman, Central Avenue and Dayton Drive, and Broad Street and Dayton Drive.

The Dayton Drive improvement project has received an ODOT Surface Transportation Program (STP) grant to widen and make improvements from Xenia Drive to Maple Avenue. This project has been scheduled for construction in fall of 2017.

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

Many important projects are slated for the near future to improve the City's ability to meet and maintain current and future demand.

In 2014, the City will continue efforts to renew water and sewer infrastructure. This includes a project to line sewer mains in a neighborhood with known inflow and infiltration problems. The increase in flow seen during rain events in this area significantly increases the capacity demand on the collection system, impacted lift station, and the Water Reclamation Center. Water main replacement is also anticipated in an area located near the Water Treatment Plant where frequent water main breaks have been experienced due to pipe condition. Two water towers are scheduled for recoating to assure long life for these major assets.

Assuring continuous operation of the water and sewer systems is important to the health and welfare of Fairborn's citizens. The City continues to bolster emergency preparedness through placement this year of automatic generators at three water facilities, installation of an additional, redundant pump at the low service booster station and construction of a secondary raw water line which will provide both redundancy and additional capacity.

In an effort to assure our ability to meet both current and future demands, Water Master Plans are being undertaken for both the water and wastewater systems. These third party engineering reviews and resulting plans will provide a roadmap for capital planning for the next 20 years. It is anticipated that the studies will help fine tune the design for several projects planned for the near future. To further support growth, procurement of property for future expansion of the Water Treatment Plant is slated for this year as well as design of water and sewer infrastructure to support a future industrial park.

Major park initiatives for the future are tied to the 2013 Parks and Recreation Community Needs Assessment. This study specifically identified a need for increased park development and recreational programming and will lead to the adoption of a new master plan in 2014. One major future project is the revitalization of Fairfield Park encompassing all existing sport venues. Softball diamonds will receive new fencing, shaded dugouts, and re-mixed infields providing much needed improvements for player safety and overall experience. Basketball courts will be improved and the tennis courts scheduled for a complete overhaul. Returning Fairfield Park's draw as a multi-sports complex and not just an emphasis on softball is vital to meeting the overall goal of the parks system master plan.

A grant allocation in the 2014-2016 State of Ohio budget will provide funding for the long-awaited new Broad Street entrance to Fairfield Park. This project will not only provide a high visibility and centralized entrance to a major community sports complex, but may spur revitalization of the Broad Street corridor by shifting traffic back along the Broad Street business district.

A permanent restroom will be installed in Rona Hills Park in 2014. This park serves as the home fields for nearly half of the youth soccer games six months of the year as well as a central hub for tennis and basketball. This location will serve as the future site of the new summer outdoor adult basketball leagues, scheduled to begin in 2014. A second playground will be constructed at Valle Greene Park along with other improvements to the existing amenities including making it

ADA accessible, allowing wheelchairs and persons with disabilities to utilize the equipment. This initiative is the first to bring ease of access and enjoyment to the disabled community. The Community Park tennis facility will also be completely renovated by adding a fifth tennis court, resurfacing all existing courts, and the replacement of fencing around the entire complex. Sidewalks will also be added to increase accessibility to the farthest court gates.

Other types of projects that ranked high in needs assessment study will be included in the City's 5-year capital improvement plan including upgrades in neighborhood parks, a dog park, permanent restrooms in all parks, Atherton Amphitheater roofing, and a nature education center. All of the planned improvements are expected to increase both local and regional participation in the parks system.

In regards to community and economic development, the City has placed revitalization as a key long-term project moving forward. Specific areas of focus include all base adjacent property including the Broad Street Central Business District, Kauffman Avenue, and National Road. Redevelopment within these areas will allow the community to capitalize on the needs and draw of Wright State University and Wright-Patterson Air Force Base.

In addition to revitalization the City is working on building substantial infrastructure projects that will spur economic activity for years to come. One such development in the planning stages is the creation of a new 500+ acre industrial park that will provide ample land for industrial development for years to come. Lastly, major roadway improvements will begin in 2014 that will set the foundation for increased economic activity including Colonel Glenn Highway upgrades, National Road widening, Dayton-Yellow Springs Road upgrades, and Spangler Road/Broad Street upgrades.

To encourage military and civilian personnel to choose Fairborn as a place to reside, the City works to encourage new housing developments and to preserve existing housing stock. Strong residential growth that has occurred over the last several years likely will increase in the future with the addition of a variety of residential choices being offered within several planned developments. The largest housing development set to begin is the Bluffs on Trebein consisting of 185 single family homes at the \$225,000 - \$325,000 price point. Other notable developments under construction or in the planning stages include Waterford Landing and Candlelite Estates (single-family homes), Brinely Place (condominiums), and Redwood Communities (rentals).

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

## **Financial Information**

### ***Basis of Accounting***

The City uses fund accounting to maintain its financial records and operates on a cash basis of accounting during the year. For the purposes of this report and to present the most accurate

picture of the City's finances for the fiscal year ended December 31, the cash basis records are converted to the modified accrual and the accrual basis of accounting consistent with generally accepted accounting principles (GAAP) as applied to governmental units.

### ***Internal Control Structure***

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

### ***Budgetary Control***

The City adopts an annual budget that includes estimated revenues and appropriations (authorized spending levels) for the year for all funds except for certain agency funds. The budget is amended during the year as appropriate according to Ohio budgetary law. Budgetary control is maintained by encumbering appropriations prior to ordering goods or services or the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the purchase amount. Transaction detail for budgeted and actual revenues, appropriations, expenditures, and fund balances are available at any time via queries of the financial system or are contained in monthly reports. The legal level of budgetary control is by fund, department, and line item.

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

### ***Management's Discussion and Analysis (MD&A)***

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

### ***Independent Audit***

Ohio law and the City charter require an annual audit of the City's financial statements by an independent auditor. Plattenburg and Associates performed the audit for the year ended December 31, 2013, and included in this report is their unmodified opinion rendered on the City's basic financial statements. The annual audit also provides an opportunity for an



independent review of the City's financial policies and procedures and the comments and recommendations generated continually strengthen the City's accounting and budgeting controls. The results of the audit are presented in the independent Auditor's report.

### *Awards*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Fairborn for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2012. This was the twenty-fourth consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A certificate of achievement is valid for one year. We believe our current report for the fiscal year ended December 31, 2013 continues to conform to program requirements and we will be submitting it to the GFOA to determine its eligibility for another certificate of achievement.

### *Acknowledgements*

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

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

Respectfully submitted,



Randall J. Groves, CPFO, CGFM  
Finance Director



Government Finance Officers Association

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

Presented to

**City of Fairborn  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

**City of Fairborn, Ohio**

*Principal Officials*

*December 31, 2013*

**COUNCIL - MANAGER FORM OF GOVERNMENT**

**CITY COUNCIL**

Dan Kirkpatrick, Mayor

Marilyn McCauley, Deputy Mayor

James Hapner, Council Member

Rob Hoffman, Council Member

Paul Keller, Council Member

Tim Steininger, Council Member

Donna Wilson, Council Member

**CITY MANAGER**

Deborah A. McDonnell

**CITY SOLICITOR**

Michael Mayer

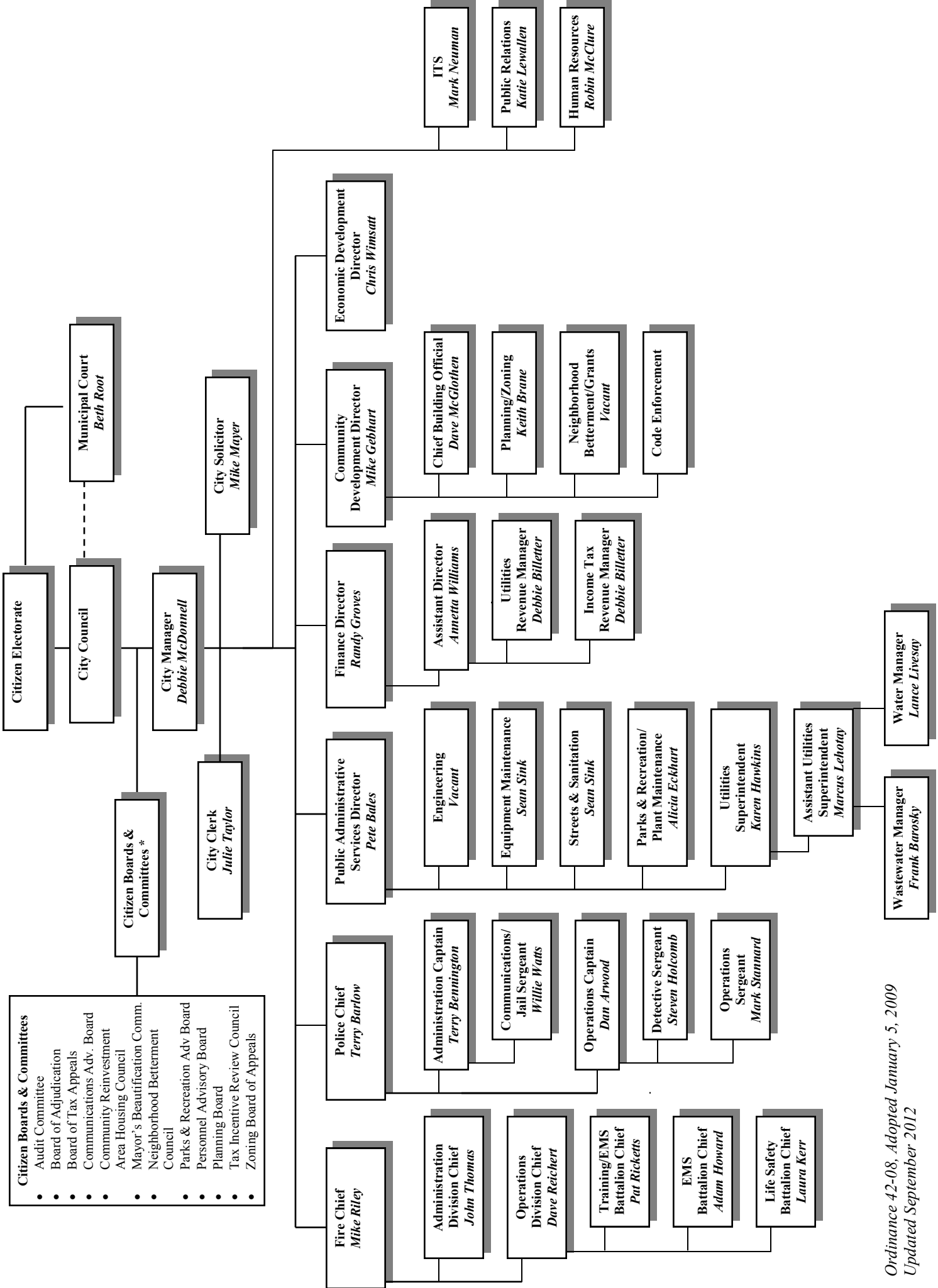
**FINANCE DIRECTOR**

Randall J. Groves

**ASSISTANT FINANCE DIRECTOR**

Annetta L. Williams

# City of Fairborn Organizational Chart



Ordinance 42-08, Adopted January 5, 2009  
Updated September 2012

# **F I N A N C I A L S E C T I O N**



**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor, City Council and City Manager  
City of Fairborn, Ohio

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fairborn (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Fire & EMS Fund, Police Fund and County Motor Vehicle Tax Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3–12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2014, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.

Dayton, Ohio

June 26, 2014



**City of Fairborn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*(Unaudited)*

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's Discussion and Analysis is an introspective look at the finances of the City of Fairborn for the year ending December 31, 2013, providing an overview of the City's financial performance as a whole while assisting readers in interpreting the basic financial statements. In addition to the information presented here, readers are also encouraged to review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the City's financial performance.

**FINANCIAL HIGHLIGHTS**

- Governmental activities net position makes up 78% of the City's total net position. Net position of governmental activities increased \$1.7 million while net position of business-type activities increased \$1.5 million, resulting in a 3% increase in the City's total net position.
- Unrestricted governmental activities net position increased 14% to \$13.2 million.
- Unrestricted business-type activities net position increased 31% to \$13.8 million.
- The General Fund balance increased \$1.8 million to \$10 million.
- Business-type activities operations reflected an operating income of \$1.7 million and net position increased \$1.5 million to \$24.2 million.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

**REPORTING THE CITY AS A WHOLE**

**Statement of Net Position and the Statement of Activities**

The analysis of the City as a whole begins with the Statement of Net Position and the Statement of Activities. These government-wide financial statements provide information that will help the reader to determine if the City of Fairborn is financially better or worse as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting which is similar to the accounting used by private sector companies. All current year revenues

**City of Fairborn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*(Unaudited)*

and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's net position and changes to those positions. These changes inform the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements should take into account non-financial factors that also impact the City's financial well-being. Some of these factors include the City's tax base and the condition of capital assets.

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

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

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

## **REPORTING THE CITY'S MOST SIGNIFICANT FUNDS**

### **Fund Financial Statements**

Information about the City's major funds is presented in the fund financial statements that begin on page 20. Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and some by bond covenants. Other funds may be established by the City, with approval of Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for the use of grants. The City's major funds are the General, Fire and EMS, Police, County Motor Vehicle Tax, Water, Sewer, and Sanitation funds.

### **Governmental Funds**

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

**City of Fairborn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
(Unaudited)

Activities) and governmental funds is reconciled in the financial statements.

**Enterprise Funds**

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

**Fiduciary Funds**

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

**THE CITY AS A WHOLE**

As stated previously, the Statement of Net Position looks at the City as a whole. Over time, net position can serve as a useful indicator of a government's financial position. Table 1 provides a summary of the City's net position for 2013 compared to 2012.

	Governmental Activities		Business-type Activities		Total		Change
	2013	2012	2013	2012	2013	2012	
<b>Assets</b>							
Current Assets	35,486,555	\$33,532,375	\$16,632,741	\$15,221,089	\$52,119,296	\$48,753,464	\$3,365,832
Capital Assets, Net	65,213,298	65,996,031	25,603,788	26,453,452	90,817,086	92,449,483	(1,632,397)
<b>Total Assets</b>	<b>100,699,853</b>	<b>99,528,406</b>	<b>42,236,529</b>	<b>41,674,541</b>	<b>142,936,382</b>	<b>141,202,947</b>	<b>1,733,435</b>
<b>Deferred Outflow of Resources</b>							
Deferred Charges on Refunding	0	0	188,150	0	188,150	0	188,150
<b>Total Deferred Outflow of Resources</b>	<b>0</b>	<b>0</b>	<b>188,150</b>	<b>0</b>	<b>188,150</b>	<b>0</b>	<b>188,150</b>
<b>Liabilities</b>							
Current and other liabilities	2,914,867	2,382,749	2,363,133	2,334,587	5,278,000	4,717,336	560,664
Long-term liabilities	5,905,499	7,124,744	15,909,550	16,647,375	21,815,049	23,772,119	(1,957,070)
<b>Total Liabilities</b>	<b>8,820,366</b>	<b>9,507,493</b>	<b>18,272,683</b>	<b>18,981,962</b>	<b>27,093,049</b>	<b>28,489,455</b>	<b>(1,396,406)</b>
<b>Deferred Inflow of Resources</b>							
Property Tax	5,016,075	4,863,678	0	0	5,016,075	4,863,678	152,397
Payment In Lieu Of Taxes	381,260	377,768	0	0	381,260	377,768	3,492
<b>Total Deferred Inflows of Resources</b>	<b>5,397,335</b>	<b>5,241,446</b>	<b>0</b>	<b>0</b>	<b>5,397,335</b>	<b>5,241,446</b>	<b>155,889</b>
<b>Net Position</b>							
Invested in capital assets, net of related debt	60,422,126	59,885,657	10,370,449	12,182,697	70,792,575	72,068,354	(1,275,779)
Restricted	12,832,977	13,272,202	0	0	12,832,977	13,272,202	(439,225)
Unrestricted	13,227,049	11,621,608	13,781,547	10,509,882	27,008,596	22,131,490	4,877,106
<b>Total Net Position</b>	<b>\$86,482,152</b>	<b>\$84,779,467</b>	<b>\$24,151,996</b>	<b>\$22,692,579</b>	<b>\$110,634,148</b>	<b>\$107,472,046</b>	<b>\$3,162,102</b>

**City of Fairborn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
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Governmental activities net position makes up 78% of the City's total net position. Despite a \$1.7 million decrease in total governmental activities revenue and a \$1 million increase in total governmental activities expenses in 2013 from the previous year, the net position of governmental activities increased \$2 million in 2013 to \$86.5 million.

Revenues of the business-type activities exceeded expenses by \$1.2 million and with capital contributions of water lines of \$.3 million, net position increased \$1.5 million to \$24.2 million. Total net position of the City as a whole increased \$3.5 million for a 3% improvement over the prior year.

Table 2 shows the changes in net position for the year ended December 31, 2013 compared to 2012.

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues:						
Charges for Services	\$7,157,324	\$7,643,081	\$13,446,306	\$13,247,863	\$20,603,630	\$20,890,944
Operating Grants and Contributions	3,001,991	3,313,243	0	0	3,001,991	3,313,243
Capital Grants and Contributions	857,836	1,178,734	0	121,240	857,836	1,299,974
Total Program Revenues	<u>11,017,151</u>	<u>12,135,058</u>	<u>13,446,306</u>	<u>13,369,103</u>	<u>24,463,457</u>	<u>25,504,161</u>
General Revenues:						
Property Taxes	5,256,097	5,201,762	0	0	5,256,097	5,201,762
Other Local Taxes	823,386	841,187	0	0	823,386	841,187
Revenue in Lieu of Taxes	362,657	379,278	0	0	362,657	379,278
Income Taxes	11,603,276	12,186,669	0	0	11,603,276	12,186,669
Grants and Entitlements not Restricted to Specific Programs	1,271,868	1,076,446	0	0	1,271,868	1,076,446
Investment Earnings	(53,893)	63,005	13,118	23,729	(40,775)	86,734
Other	418,299	479,167	36,957	17,890	455,256	497,057
Total General Revenues	<u>19,681,690</u>	<u>20,227,514</u>	<u>50,075</u>	<u>41,619</u>	<u>19,731,765</u>	<u>20,269,133</u>
Total Revenues	<u>30,698,841</u>	<u>32,362,572</u>	<u>13,496,381</u>	<u>13,410,722</u>	<u>44,195,222</u>	<u>45,773,294</u>
Program Expenses:						
General Government	9,909,428	8,905,813	0	0	9,909,428	8,905,813
Public Safety	13,969,809	12,978,270	0	0	13,969,809	12,978,270
Leisure Time Activities	452,199	332,663	0	0	452,199	332,663
Community Development	1,156,363	1,374,945	0	0	1,156,363	1,374,945
Transportation and Street Repair	2,617,619	3,421,331	0	0	2,617,619	3,421,331
Public Health and Welfare	103,185	96,413	0	0	103,185	96,413
Interest and Fiscal Charges	270,515	223,589	0	0	270,515	223,589
Intergovernmental	215,666	346,865	0	0	215,666	346,865
Water	0	0	4,038,081	3,450,401	4,038,081	3,450,401
Sewer	0	0	5,578,285	6,635,220	5,578,285	6,635,220
Sanitation	0	0	2,721,970	2,449,113	2,721,970	2,449,113
Total Expenses	<u>28,694,784</u>	<u>27,679,889</u>	<u>12,338,336</u>	<u>12,534,734</u>	<u>41,033,120</u>	<u>40,214,623</u>
Increase in Net Position before Transfers	2,004,057	4,682,683	1,158,045	875,988	3,162,102	5,558,671
Transfers	(301,372)	0	301,372	0	0	0
Increase in Net Position	1,702,685	4,682,683	1,459,417	875,988	3,162,102	5,558,671
Net Position January 1	84,779,467	80,096,784	22,692,579	21,816,591	107,472,046	101,913,375
Net Position December 31	<u>\$86,482,152</u>	<u>\$84,779,467</u>	<u>\$24,151,996</u>	<u>\$22,692,579</u>	<u>\$110,634,148</u>	<u>\$107,472,046</u>

**City of Fairborn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*(Unaudited)*

**Governmental Activities**

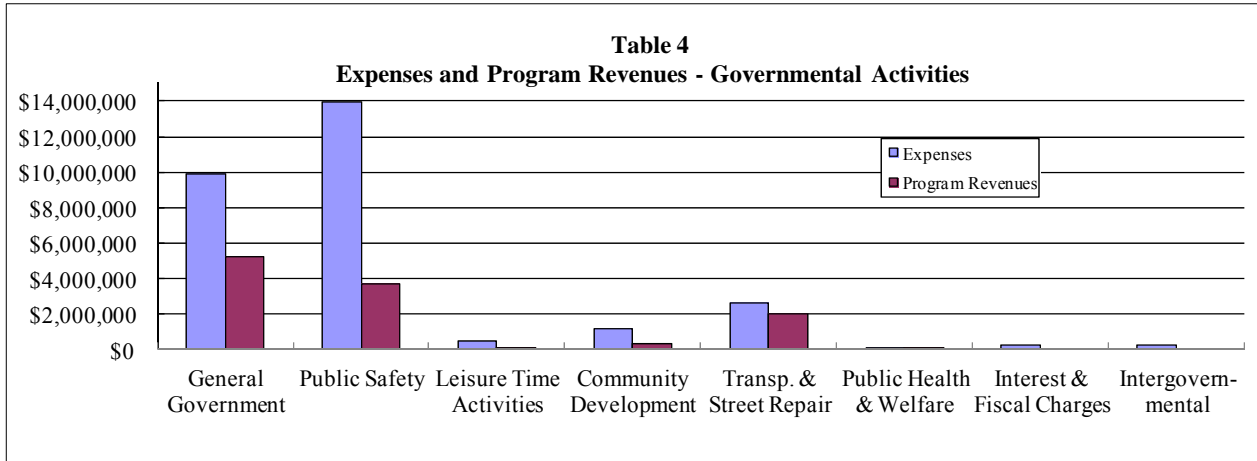
The City's governmental activity expenses are funded partially through program revenues consisting of charges for services and operating and capital grants and contributions. Program revenues were down 9% in 2013 as each component of program revenues brought in less than the previous year. Program revenues were just 36% of total governmental activity revenues in 2013 and thus the City relied heavily on general revenues to fund program expenses.

General revenues fund the vast majority of governmental activities and consist mainly of taxes and unrestricted grants. Total general revenues were also less than the previous year and included a 5% decrease in income taxes. The City's reliance upon tax revenues from property owners, residents, and non-residents working in the City is demonstrated in Table 3, which shows that tax revenues account for approximately 59% of total governmental activity revenues. The City's income tax is 1.5% of all salaries, wages, commissions and other compensation, and net profits earned from residents living within the City, as well as salaries and wages earned by non-residents that work within the City. However, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current tax rate.

<u>Governmental Activity Revenues</u>	<u>2013</u>	<u>% of Total</u>
General Revenues - Taxes	\$ 18,045,416	59%
General Revenues - Grants/Entitlements	1,271,868	4%
General Revenues - Other	364,406	1%
Program Revenues	<u>11,017,151</u>	<u>36%</u>
<b>Total</b>	<b>\$ 30,698,841</b>	<b>100%</b>

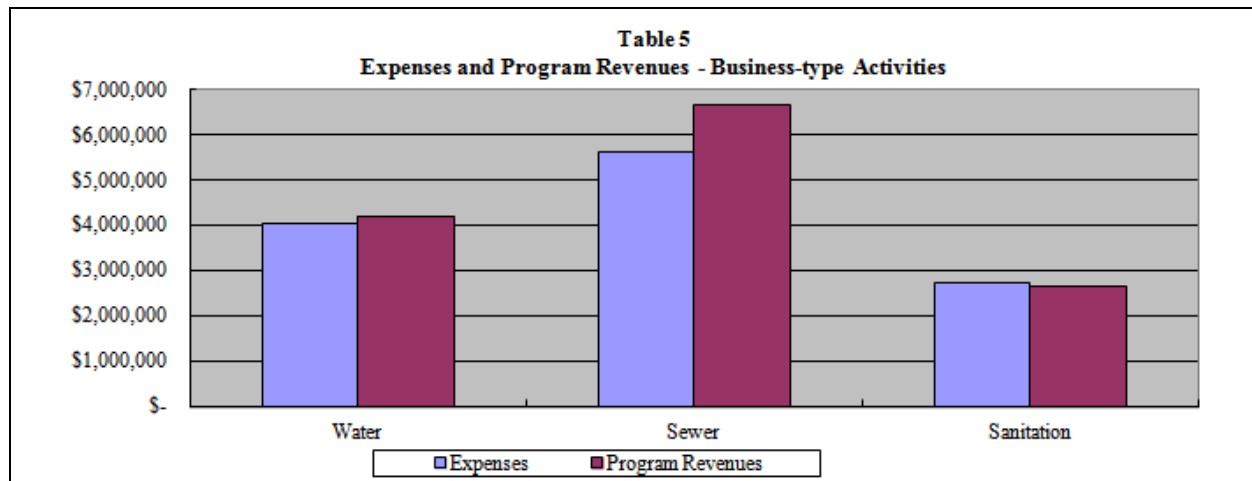
Governmental activity expenses increased a modest 4% in 2013 and exceeded program revenues in 2013 by \$17.7 million. However, with an infusion of a total of \$19.7 million of general revenues, the City realized a \$1.7 million increase in the net position of governmental activities to \$86.4 million at December 31, 2013. Table 4 demonstrates graphically the disparity between governmental activities expenses and the program revenues that are generated to support these services.

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***Business-type Activities***

Net position of the City's Water and Sewer Funds constitute 97% of the business-type activities net position, with the Sanitation Fund making up the remainder. Business-type activities net position rose 6% to \$24.2 million. Business-type activities receive no support from tax revenues. Both the Water Fund and the Sewer Fund had rate increases of 5% to water and 2% to sewer usage. The Sewer Fund also benefitted from an increase to WPAFB billings based on a long overdue analysis of actual flows coming from the base, which increased annual billings to the base by nearly half a million dollars. Net position of the Sanitation Fund decreased 12.5% despite a 3.4% rate increase to residents for waste removal for the year. The rate increase was the second of a three-year stepped increase established in 2012 to sustain operations after competitive bids resulted in an increase to contracted residential waste removal services. The third increase in 2014 should stabilize the fund's net position for the future provided costs for contracted waste removal services remain at current levels. Table 5 summarizes 2013 expenses and program revenues for business-type activities.



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(Unaudited)

**THE CITY'S FUNDS**

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

The City has four major governmental funds including the General, Fire and EMS, Police and County Motor Vehicle Tax funds, which combine for 64% of all governmental fund balances and 70% of the governmental funds' total assets of \$35.9 million.

**General Fund:** Income taxes dropped slightly, and intergovernmental revenues were lower as the City felt the last of the State of Ohio's cuts to shared local government funds in 2013. General government expenditures were 12% greater as a 2% cost of living increased wages, health insurance premiums rose 10%, part-time positions were added in finance and personnel, and the City made a one-time contribution to the Fairborn Development Corporation. However, although General Fund revenues were 7% less than the previous year and expenditures increased nine percent, total revenues still outpaced expenditures and transfers and the General Fund experienced a \$1.8 million increase in its fund balance for 2013.

**Fire and EMS Fund:** Voters approved a 5-year, 4.4 mill property tax levy in November 2011 that brought in \$2.3 million in 2013, the second year of the five year collection period, and lessens the burden on the General Fund to subsidize fire and EMS operations with transfers. The transfers are made monthly in amounts as needed with the intent that this fund maintains a minimum cash balance.

General Fund transfers-in of \$1.7 million in 2013 were half a million dollars greater than the previous year which indicates that while the annual subsidy is still less than before the tax levies existed, the need for the subsidies is increasing. The main reason for this is that by Ohio law property tax revenues generated by this levy remain fairly steady over the five year life of the levy; however expenditures, particularly for personal services (mainly salaries and health insurance), continue to rise.

Intergovernmental revenues increased along with public safety expenditures due to the award of a SAFER (Staffing for Adequate Fire and Emergency Response) grant in an amount that covered the salaries and benefits for three firefighters for two years, with no local match required. However when the grant funding ends after two years, the need for General Fund transfers will be accelerated if the additional staffing would be maintained. At the end of the two-year SAFER grant period the City will perform a budgetary analysis to determine if the newly hired firefighters can be absorbed into the operating budget on a continuing basis.

**Police Fund:** Police operations also benefit from a five-year 4.4 mill property tax levy approved in November 2011, which raised \$2.3 million in 2013. Despite the property tax revenues the General Fund still subsidizes a large portion of police operations with monthly transfers in amounts as needed with the intent that a minimum cash balance is maintained. Transfers from the General Fund in 2013 totaling \$3.7 million were also nearly half a million dollars greater

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than the previous year for the same reason as explained above for the Fire and EMS Fund. Accrued revenues exceeded accrued expenditures at year-end increasing the December 31, 2013 fund balance to negative \$196,301.

**County Motor Vehicle Tax Fund:** The County Motor Vehicle Tax Fund accounts for revenues received from a ten-year, .25% income tax levy and permissive motor vehicle license taxes, and is used for street maintenance, repair and resurfacing. The income tax levy, which generated over \$1.9 million in 2013, expires in 2014. Major projects funded in 2013 included the Dayton-Yellow Springs Phase II and the Central Avenue signals interconnect project as well as the resurfacing of forty-four streets and thoroughfares.

***General Fund Budgetary Highlights***

The City's budget is required by Ohio law and is prepared on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. General Fund budget versus actual variances for both revenues and expenditures contributed to an increase in the expected fund balance for the year as actual revenues were greater than originally budgeted and actual expenditures were less than the original and final budgeted amounts.

The final revenue budget was 3% greater than the original budget as property taxes and charges for services exceeded original estimates. The City also received a distribution of estate taxes (intergovernmental) which was not budgeted as they were eliminated by the State of Ohio effective January 1, 2013. A total of \$429,031 in estate taxes was received which more than offset budget reductions required for income taxes and investment earnings, which were not reaching levels originally estimated. Actual General Fund revenues were essentially equal to the final budgeted revenues.

Of the \$14 million in expenditures and other financing uses, 47% were expended for general government services which consist of community planning, building inspection, property maintenance code enforcement, parks and recreation, engineering, facility and grounds maintenance, vehicle and equipment maintenance, city administration, finance, human resources, and municipal court operations.

Transfers-out of \$5.9 million (43%) were used to subsidize various city operations including police, fire, cemetery, street lights, and victim assistance and also to provide funding for general capital outlay, maintenance, or debt associated with City building and land capital improvements including the City's portion of curb and sidewalk program and handicap ramps; a portion of the communications tower; government center renovations; storm sewer and catch basin repair; and debt associated with previous Court renovation and dispatch center improvements. Transfers to the Fire and EMS Fund (\$1.7 million) and the Police Fund (\$3.7 million) make up by far the vast majority of these transfers.



**City of Fairborn, Ohio**  
*Management's Discussion and Analysis*  
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*(Unaudited)*

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 14,346,118	\$ 14,341,118	\$ 94,542	\$ 165,741	\$ 14,440,660	\$ 14,506,859
Construction in Progress	464,353	529,696	395,993	1,945,273	860,346	2,474,969
Buildings	12,981,497	13,187,124	18,056,303	17,215,638	31,037,800	30,402,762
Improvements Other Than Buildings	987,132	850,735	190,442	369,017	1,177,574	1,219,752
Machinery and Equipment	1,476,530	1,203,173	274,791	330,051	1,751,321	1,533,224
Vehicles	2,688,586	2,022,156	686,965	559,722	3,375,551	2,581,878
Infrastructure	32,269,082	33,862,029	5,904,752	5,868,010	38,173,834	39,730,039
Total	\$ 65,213,298	\$ 65,996,031	\$ 25,603,788	\$ 26,453,452	\$ 90,817,086	\$ 92,449,483

Capital assets used in governmental activities were 1% less than the previous year as deletions and depreciation were slightly greater than additions to capital assets. Major additions to capital assets included a new typhoon aerial quint fire engine and medic for the fire department, five police vehicles, a dump truck for the street department, and the replacement of the communication tower. The police and fire department also shared the cost of new computer dispatch consoles in order to tie into the Ohio Multi-Agency Radio Communications System (MARCS), for which radios were purchased in the prior year. Additions to infrastructure resulted from the completion of the Dayton-Yellow Springs Road Phase II improvements and the roadway improvements resulting from the street resurfacing program that is funded with the .25% income tax.

Building assets in business-type activities increased significantly as the Rona Village booster station and Kauffman Avenue lift station projects were completed in 2013. The net effect of all additions, deletions, and depreciation was a three percent decrease to capital assets used in business-type activities.

See Note 10 in the notes to the basic financial statements for further details on the City's capital assets.

**City of Fairborn, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*(Unaudited)*

**Debt Administration**

Table 7 summarizes the 2013 and 2012 long-term debt activity of governmental and business-type activities.

<b>Table 7</b>						
<b>Outstanding Long-term Obligations at Year End</b>						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2013	2012	2013	2012	2013	2012
Long-term Notes	\$448,650	\$1,621,979	\$100,211	\$6,274,000	\$548,861	\$7,895,979
General Obligation Bonds	310,233	350,350	7,527,286	9,519,777	7,837,519	9,870,127
Revenue Bonds	1,273,146	2,496,291	-	-	1,273,146	2,496,291
Tax Increment Financing Bonds	1,574,268	-	-	-	1,574,268	-
Refunding Bonds	-	-	7,579,660	-	7,579,660	-
Special Assessment Bonds	1,007,055	1,190,000	100,000	110,000	1,107,055	1,300,000
Landfill Closure and Postclosure	-	-	41,714	202,578	41,714	202,578
Loans	-	-	255,415	194,040	255,415	194,040
Capital Leases	124,369	262,874	117,313	172,031	241,682	434,905
Compensated Absences Payable	1,167,778	1,203,250	187,951	174,949	1,355,729	1,378,199
<b>Totals</b>	<u>\$5,905,499</u>	<u>\$7,124,744</u>	<u>\$15,909,550</u>	<u>\$16,647,375</u>	<u>\$21,815,049</u>	<u>\$23,772,119</u>

The City issued \$1.7 million in TIF (tax increment financing) revenue bonds for the infrastructure improvements occurring in the Valle Greene TIF district. This is significant in that the TIF revenue stream in the Valle Greene TIF district finally reached a level where the City could issue long-term bonds to retire the notes that have been renewed each year since their first issuance in 2005. The City also made \$1.2 million in debt service payments that financed the construction and remodeling of the four fire stations in the City, leaving only the debt service due in 2014 before those improvements will be paid off.

A total of \$7.6 million in refunding bonds were issued to refund various business-type activity long-term debt issues. Two water and sewer bond issues originally issued in 2004 were refunded with an approximate savings to the City of over \$263,000.

See Note 18 in the notes to the basic financial statements for further details on the City's long-term obligations.

**CONTACTING THE CITY'S FINANCE DEPARTMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions about this report or requests for additional financial information can be directed to Randy Groves, Finance Director, at the Fairborn Government Center (44 West Hebble Avenue, Fairborn, Ohio 45324; 937-754-3005) or through the City's website at [www.ci.fairborn.oh.us/dept/finance](http://www.ci.fairborn.oh.us/dept/finance).

**City of Fairborn, Ohio**  
*Statement of Net Position*  
December 31, 2013

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$18,796,414	\$14,910,996	\$33,707,410
Property Taxes Receivable	5,324,478	0	5,324,478
Other Local Taxes Receivable	126,399	0	126,399
Municipal Income Taxes Receivable	4,459,431	0	4,459,431
Revenue in Lieu of Taxes Receivable	381,260	0	381,260
Accounts Receivable	494,447	1,104,248	1,598,695
Intergovernmental Receivable	1,589,428	0	1,589,428
Accrued Interest Receivable	29,224	0	29,224
Internal Balances	(294,788)	294,788	0
Special Assessments Receivable	979,399	100,000	1,079,399
Assets Held for Resale	3,302,040	0	3,302,040
Materials and Supplies Inventory	298,823	222,709	521,532
Nondepreciable Capital Assets	14,810,471	490,535	15,301,006
Depreciable Capital Assets, net	50,402,827	25,113,253	75,516,080
<i>Total Assets</i>	<u>100,699,853</u>	<u>42,236,529</u>	<u>142,936,382</u>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding	0	188,150	188,150
<b>Liabilities:</b>			
Accounts Payable	452,543	353,161	805,704
Contracts Payable	48,301	85,782	134,083
Retainage Payable	10,789	0	10,789
Accrued Wages Payable	611,814	84,926	696,740
Matured Compensated Absences Payable	29,099	0	29,099
Intergovernmental Payable	585,155	69,090	654,245
Refundable Deposits	0	228,399	228,399
Accrued Interest Payable	20,751	67,660	88,411
Notes Payable	1,156,415	1,474,115	2,630,530
Long-Term Liabilities:			
Due Within One Year	2,554,380	720,684	3,275,064
Due in More Than One Year	3,351,119	15,188,866	18,539,985
<i>Total Liabilities</i>	<u>8,820,366</u>	<u>18,272,683</u>	<u>27,093,049</u>
<b>Deferred Inflows of Resources:</b>			
Property Tax	5,016,075	0	5,016,075
Payments in Lieu of Taxes	381,260	0	381,260
<i>Total Deferred Inflows of Resources</i>	<u>5,397,335</u>	<u>0</u>	<u>5,397,335</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	60,422,126	10,370,449	70,792,575
Restricted for Debt Service	1,316,667	0	1,316,667
Restricted for Capital Outlay	60,378	0	60,378
Restricted for Public Safety	905,367	0	905,367
Restricted for Transportation and Street Repair	6,661,426	0	6,661,426
Restricted for Community Development	523,356	0	523,356
Restricted for General Government	3,365,783	0	3,365,783
Unrestricted	13,227,049	13,781,547	27,008,596
<i>Total Net Position</i>	<u>\$86,482,152</u>	<u>\$24,151,996</u>	<u>\$110,634,148</u>

See accompanying notes to the basic financial statements

**City of Fairborn, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2013

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
<b>Governmental Activities:</b>				
General Government	\$9,909,428	\$4,797,028	\$0	\$453,750
Public Safety	13,969,809	2,277,370	1,101,035	6,399
Leisure Time Activities	452,199	19,345	0	606
Community Development	1,156,363	0	315,403	0
Transportation and Street Repair	2,617,619	22,314	1,585,553	397,081
Public Health and Welfare	103,185	41,267	0	0
Interest and Fiscal Charges	270,515	0	0	0
Intergovernmental	215,666	0	0	0
<i>Total Governmental Activities</i>	<u>28,694,784</u>	<u>7,157,324</u>	<u>3,001,991</u>	<u>857,836</u>
<b>Business-Type Activities:</b>				
Water	4,038,081	4,168,835	0	0
Sewer	5,578,285	6,640,578	0	0
Sanitation	2,721,970	2,636,893	0	0
<i>Total Business-Type Activities</i>	<u>12,338,336</u>	<u>13,446,306</u>	<u>0</u>	<u>0</u>
<i>Totals</i>	<u>\$41,033,120</u>	<u>\$20,603,630</u>	<u>\$3,001,991</u>	<u>\$857,836</u>

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

*Total General Revenues*

*Change in Net Position*

*Net Position at Beginning of Year*

*Net Position at End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
(\$4,658,650)	\$0	(\$4,658,650)
(10,585,005)	0	(10,585,005)
(432,248)	0	(432,248)
(840,960)	0	(840,960)
(612,671)	0	(612,671)
(61,918)	0	(61,918)
(270,515)	0	(270,515)
(215,666)	0	(215,666)
<u>(17,677,633)</u>	<u>0</u>	<u>(17,677,633)</u>
0	130,754	130,754
0	1,062,293	1,062,293
<u>0</u>	<u>(85,077)</u>	<u>(85,077)</u>
<u>0</u>	<u>1,107,970</u>	<u>1,107,970</u>
<u>(17,677,633)</u>	<u>1,107,970</u>	<u>(16,569,663)</u>
834,730	0	834,730
2,210,684	0	2,210,684
2,210,683	0	2,210,683
823,386	0	823,386
362,657	0	362,657
7,733,646	0	7,733,646
1,934,815	0	1,934,815
1,934,815	0	1,934,815
1,271,868	0	1,271,868
(53,893)	13,118	(40,775)
418,299	36,957	455,256
<u>(301,372)</u>	<u>301,372</u>	<u>0</u>
<u>19,380,318</u>	<u>351,447</u>	<u>19,731,765</u>
1,702,685	1,459,417	3,162,102
<u>84,779,467</u>	<u>22,692,579</u>	<u>107,472,046</u>
<u>\$86,482,152</u>	<u>\$24,151,996</u>	<u>\$110,634,148</u>

**City of Fairborn, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2013*

	General Fund	Fire and EMS Fund	Police Fund
<b>Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$9,063,579	\$142,168	\$143,809
Receivables:			
Property Taxes	840,814	2,241,832	2,241,832
Other Local Taxes	93,911	0	0
Municipal Income Taxes	2,972,953	0	0
Revenue in Lieu of Taxes	0	0	0
Interfund	469,000	0	0
Accounts	0	327,731	0
Special Assessments	0	0	0
Accrued Interest	29,224	0	0
Intergovernmental	545,112	198,533	147,197
Assets Held for Resale	0	0	0
Materials and Supplies Inventory	25,166	0	15,146
<i>Total Assets</i>	<u>\$14,039,759</u>	<u>\$2,910,264</u>	<u>\$2,547,984</u>
<b>Liabilities:</b>			
Accounts Payable	\$233,937	\$20,211	\$6,208
Contracts Payable	0	0	0
Retainage Payable	0	0	0
Interfund Payable	0	0	0
Accrued Wages Payable	154,577	216,055	170,295
Matured Compensated Absences Payable	0	28,703	396
Intergovernmental Payable	135,773	212,171	181,234
Accrued Interest Payable	0	0	0
Notes Payable	0	0	0
<i>Total Liabilities</i>	<u>524,287</u>	<u>477,140</u>	<u>358,133</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	790,719	2,112,678	2,112,678
Payments in Lieu of Taxes	0	0	0
Unavailable Revenue	2,708,253	402,413	273,474
<i>Total Deferred Inflows of Resources</i>	<u>3,498,972</u>	<u>2,515,091</u>	<u>2,386,152</u>
<b>Fund Balances:</b>			
Nonspendable	25,166	0	15,146
Restricted	0	0	0
Committed	0	0	0
Assigned	608,978	0	0
Unassigned (Deficit)	9,382,356	(81,967)	(211,447)
<i>Total Fund Balances (Deficit)</i>	<u>10,016,500</u>	<u>(81,967)</u>	<u>(196,301)</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$14,039,759</u>	<u>\$2,910,264</u>	<u>\$2,547,984</u>

See accompanying notes to the basic financial statements  
See accountants' compilation report

County Motor Vehicle Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$4,351,434	\$4,638,945	\$18,339,935
0	0	5,324,478
0	32,488	126,399
743,239	743,239	4,459,431
0	381,260	381,260
0	0	469,000
0	128,648	456,379
0	979,399	979,399
0	0	29,224
32,021	666,565	1,589,428
0	3,302,040	3,302,040
0	54,532	94,844
<u>\$5,126,694</u>	<u>\$10,927,116</u>	<u>\$35,551,817</u>
\$34,119	\$99,755	\$394,230
29,414	18,887	48,301
4,640	6,149	10,789
0	469,000	469,000
0	45,554	586,481
0	0	29,099
0	34,872	564,050
2,922	1,631	4,553
857,696	298,719	1,156,415
<u>928,791</u>	<u>974,567</u>	<u>3,262,918</u>
	0	5,016,075
	381,260	381,260
572,374	2,145,600	6,102,114
<u>572,374</u>	<u>2,526,860</u>	<u>11,499,449</u>
0	54,532	94,844
3,625,529	6,546,772	10,172,301
0	254,549	254,549
0	586,058	1,195,036
0	(16,222)	9,072,720
<u>3,625,529</u>	<u>7,425,689</u>	<u>20,789,450</u>
<u>\$5,126,694</u>	<u>\$10,927,116</u>	<u>\$35,551,817</u>

**City of Fairborn, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2013*

<b>Total Governmental Fund Balances</b>	\$20,789,450
<i>Amounts reported for governmental activities in the Statement of Net Position is different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:	
Capital Assets:	
Land	14,346,118
Construction in Progress	464,353
Buildings	19,713,641
Improvements Other Than Buildings	2,513,881
Machinery and Equipment	4,996,504
Vehicles	6,194,498
Infrastructure	72,330,610
Accumulated Depreciation	<u>(55,346,307)</u>
Total	65,213,298
Internal service funds are used by management to charge the costs of equipment repairs and maintenance, information technology services and payments of employee assistance programs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.	
Net Position	685,916
Capital Assets	(210,873)
Capital Lease Payable	29,772
Compensated Absences Payable	<u>88,960</u>
Total	593,775
Adjustment to reflect the consolidation of internal service fund activities related to enterprise activity.	
	(294,788)
Other long-term assets are not available to pay for current-period expenditures and therefore are offset by deferred inflows of resources in the funds:	
Property Taxes	308,403
Municipal Income Taxes	3,434,242
Intergovernmental	1,102,591
Special Assessments	979,399
Accounts	263,341
Accrued Interest	<u>14,138</u>
Total	6,102,114
In the Statement of Activities, interest is accrued on long-term debt, whereas in governmental funds, an interest expenditure is reported when due.	
	(16,198)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:	
Premium on Debt Issued	(70,852)
Notes Payable	(447,500)
General Obligation Bonds	(310,000)
Refunding Bonds	(1,535,000)
Income Tax Revenue Bonds	(1,245,000)
Special Assessment Bonds	(1,005,000)
Capital Leases Payable	(124,369)
Compensated Absences Payable	<u>(1,167,778)</u>
Total	<u>(5,905,499)</u>
<i>Net Position of Governmental Activities</i>	<u><u>\$86,482,152</u></u>

See accompanying notes to the basic financial statements





**City of Fairborn, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2013*

	General Fund	Fire and EMS Fund	Police Fund
<b>Revenues:</b>			
Property Taxes	\$859,712	\$2,272,608	\$2,272,607
Other Local Taxes	671,687	0	0
Municipal Income Taxes	7,794,927	0	0
Payments in Lieu of Taxes	0	0	0
Fines, Licenses, and Permits	1,046,345	1,525	1,500
Charges for Services	3,185,004	1,900,334	29,687
Investment Earnings	(157,523)	0	0
Intergovernmental	1,348,399	526,589	422,937
Special Assessments	0	0	0
Contributions and Donations	0	0	0
Other	258,678	45,254	53,717
<i>Total Revenues</i>	<u>15,007,229</u>	<u>4,746,310</u>	<u>2,780,448</u>
<b>Expenditures:</b>			
Current:			
General Government	6,176,432	0	0
Public Safety	106,091	6,488,984	6,290,066
Leisure Time Activities	210,935	0	0
Community Development	784,272	0	0
Transportation and Street Repair	0	0	0
Public Health and Welfare	0	0	0
Capital Outlay	50,199	0	84,298
Intergovernmental	0	0	0
Debt Service:			
Principal Retirement	11,446	5,638	0
Interest and Fiscal Charges	2,322	1,144	0
<i>Total Expenditures</i>	<u>7,341,697</u>	<u>6,495,766</u>	<u>6,374,364</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>7,665,532</u>	<u>(1,749,456)</u>	<u>(3,593,916)</u>
<b>Other Financing Sources (Uses):</b>			
Notes Issued	4,440	0	0
General Obligation Bonds Issued	0	0	0
Proceeds from Sale of Capital Assets	0	0	1,781
Transfers-In	0	1,724,913	3,685,000
Premium on Debt Issued	0	0	0
Transfers-Out	(5,865,422)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(5,860,982)</u>	<u>1,724,913</u>	<u>3,686,781</u>
<i>Net Change in Fund Balances</i>	1,804,550	(24,543)	92,865
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>8,211,950</u>	<u>(57,424)</u>	<u>(289,166)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$10,016,500</u>	<u>(\$81,967)</u>	<u>(\$196,301)</u>

See accompanying notes to the basic financial statements  
See accountants' compilation report

County Motor Vehicle Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$0	\$0	\$5,404,927
0	151,699	823,386
1,948,090	1,948,090	11,691,107
0	362,657	362,657
22,314	607,761	1,679,445
0	227,236	5,342,261
10,191	98,585	(48,747)
362,211	2,281,986	4,942,122
0	321,577	321,577
0	1,427	1,427
22,198	38,452	418,299
<u>2,365,004</u>	<u>6,039,470</u>	<u>30,938,461</u>
0	1,182,695	7,359,127
0	465,982	13,351,123
0	70,629	281,564
0	349,490	1,133,762
1,281,133	1,326,678	2,607,811
0	102,948	102,948
378,351	2,383,384	2,896,232
0	215,666	215,666
0	3,311,607	3,328,691
4,527	313,982	321,975
<u>1,664,011</u>	<u>9,723,061</u>	<u>31,598,899</u>
<u>700,993</u>	<u>(3,683,591)</u>	<u>(660,438)</u>
0	513,060	517,500
0	1,630,000	1,630,000
0	24,140	25,921
0	468,809	5,878,722
0	47,589	47,589
0	(13,300)	(5,878,722)
<u>0</u>	<u>2,670,298</u>	<u>2,221,010</u>
700,993	(1,013,293)	1,560,572
<u>2,924,536</u>	<u>8,438,982</u>	<u>19,228,878</u>
<u>\$3,625,529</u>	<u>\$7,425,689</u>	<u>\$20,789,450</u>



**City of Fairborn, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2013*

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**Net Change in Fund Balances - Total Governmental Funds** \$1,560,572

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	2,623,251	
Capital assets donated by developers	96,300	
Capital assets transferred from business-type activities	39,714	
Depreciation	<u>(3,475,619)</u>	

Excess of Capital Outlay and Capital Contributions under Depreciation Expense (716,354)

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

Proceeds from Sale of Capital Assets	(25,921)	
Loss on Disposal of Capital Assets	<u>(40,458)</u>	

Total (66,379)

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

Notes Payable	1,611,186	
General Obligation Bonds	40,000	
Income Tax Revenue Bonds	1,195,000	
Tax Increment Financing Revenue Bonds	95,000	
Special Assessment Bonds	255,000	
Capital Leases Payable	<u>138,505</u>	

Total 3,334,691

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

Change in Net Position	67,509	
Capital Assets	14,334	
Compensated Absences	4,702	
Capital Lease Payable	(6,000)	
Interest and Fiscal Charges	1,217	
Adjustment to business type activities	<u>(47,116)</u>	

Total 34,646

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

Property Taxes	(148,830)	
Municipal Income Taxes	(87,831)	
Investment Earnings	11,641	
Charges for Services	29,967	
Intergovernmental	43,719	
Special Assessments	<u>(185,000)</u>	

Total (\$336,334)

(continued)

*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2013  
(Continued)*

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The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Position, the debt is reported as a liability.	
Special Assessment Bonds	(\$70,000)
Premium on Debt	(47,589)
Revenue Bonds	(1,630,000)
Refunding Notes	<u>(447,500)</u>
Total	(2,195,089)
In the Statement of Activities, interest accrued on outstanding issuance costs are recognized as an expenditure in the funds when it is due and bond premiums are amortized over the terms of the bonds, whereas in the governmental funds the revenue/expenditure is reported when the bonds are issued. Interest expense is recognized as the interest accrues, regardless of when it is due.	
Accrued Interest	8,506
Amortization of Premium	44,171
Interest and Fiscal Charges of Internal Service Funds	<u>(1,217)</u>
Total	51,460
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of:	
Decrease in Compensated Absences	<u>35,472</u>
<i>Change in Net Position of Governmental Activities</i>	<u><u>\$1,702,685</u></u>

See accompanying notes to the basic financial statements

**City of Fairborn, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*General Fund*  
*For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property Taxes	\$778,329	\$859,712	\$859,712	\$0
Other Local Taxes	650,000	666,400	674,242	7,842
Municipal Income Taxes	8,002,003	7,760,178	7,761,632	1,454
Fines, Licenses and Permits	1,067,000	1,066,900	1,063,621	(3,279)
Charges for Services	3,158,428	3,273,117	3,185,004	(88,113)
Investment Earnings	75,750	72,050	61,789	(10,261)
Intergovernmental	973,218	1,407,371	1,408,337	966
Other	119,037	154,588	200,874	46,286
<i>Total Revenues</i>	<u>14,823,765</u>	<u>15,260,316</u>	<u>15,215,211</u>	<u>(45,105)</u>
<b>Expenditures:</b>				
Current:				
General Government	6,603,517	6,714,708	6,584,439	130,269
Leisure Time Activities	238,865	232,728	221,870	10,858
Community Development	956,937	931,080	895,249	35,831
Capital Outlay	11,900	23,327	23,304	23
<i>Total Expenditures</i>	<u>7,811,219</u>	<u>7,901,843</u>	<u>7,724,862</u>	<u>176,981</u>
<i>Excess of Revenues Over Expenditures</i>	<u>7,012,546</u>	<u>7,358,473</u>	<u>7,490,349</u>	<u>131,876</u>
<b>Other Financing Sources (Uses):</b>				
General Obligation Bonds Issued	0	0	4,440	4,440
Transfers-In	6,254	0	0	0
Advances-In	100,000	56,750	56,750	0
Advances-Out	(100,000)	(368,374)	(308,300)	60,074
Transfers-Out	(6,792,150)	(5,946,273)	(5,945,673)	600
<i>Total Other Financing Sources (Uses)</i>	<u>(6,785,896)</u>	<u>(6,257,897)</u>	<u>(6,192,783)</u>	<u>65,114</u>
<i>Net Change in Fund Balance</i>	226,650	1,100,576	1,297,566	196,990
<i>Fund Balance at Beginning of Year</i>	6,937,777	6,937,777	6,937,777	0
<i>Prior Year Encumbrances Appropriated</i>	<u>334,093</u>	<u>334,093</u>	<u>334,093</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$7,498,520</u>	<u>\$8,372,446</u>	<u>\$8,569,436</u>	<u>\$196,990</u>

See accompanying notes to the basic financial statements

**City of Fairborn, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Fire and EMS Fund*  
*For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$2,055,451	\$2,272,608	\$2,272,608	\$0
Fines, Licenses and Permits	1,200	1,200	1,525	325
Charges for Services	1,910,425	1,862,060	1,851,503	(10,557)
Intergovernmental	518,445	490,195	490,238	43
Other	0	44,936	45,254	318
<i>Total Revenues</i>	4,485,521	4,670,999	4,661,128	(9,871)
<b>Expenditures:</b>				
Current:				
Public Safety	6,550,550	6,717,895	6,702,918	14,977
Capital Outlay	1,500	0	0	0
<i>Total Expenditures</i>	6,552,050	6,717,895	6,702,918	14,977
<i>Excess of Revenues Under Expenditures</i>	(2,066,529)	(2,046,896)	(2,041,790)	5,106
<b>Other Financing Sources:</b>				
Transfers-In	1,941,000	1,724,913	1,724,913	0
<i>Net Change in Fund Balance</i>	(125,529)	(321,983)	(316,877)	5,106
<i>Fund Balance at Beginning of Year</i>	198,196	198,196	198,196	0
<i>Prior Year Encumbrances Appropriated</i>	124,668	124,668	124,668	0
<i>Fund Balance at End of Year</i>	\$197,335	\$881	\$5,987	\$5,106

See accompanying notes to the basic financial statements



**City of Fairborn, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Police Fund*  
*For the Year Ended December 31, 2013*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property Taxes	\$2,055,451	\$2,272,525	\$2,272,607	\$82
Fines, Licenses and Permits	2,200	2,200	1,640	(560)
Charges for Services	25,000	29,400	29,687	287
Intergovernmental	394,944	421,016	426,560	5,544
Other	7,175	53,717	53,717	0
<i>Total Revenues</i>	<u>2,484,770</u>	<u>2,778,858</u>	<u>2,784,211</u>	<u>5,353</u>
<b>Expenditures:</b>				
Current:				
Public Safety	6,522,352	6,561,013	6,490,479	70,534
Capital Outlay	84,298	84,298	84,298	0
<i>Total Expenditures</i>	<u>6,606,650</u>	<u>6,645,311</u>	<u>6,574,777</u>	<u>70,534</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,121,880)</u>	<u>(3,866,453)</u>	<u>(3,790,566)</u>	<u>75,887</u>
<b>Other Financing Sources:</b>				
Proceeds from Sale of Capital Assets	0	0	1,781	1,781
Transfers-In	4,050,000	3,753,000	3,685,000	(68,000)
<i>Total Other Financing Sources</i>	<u>4,050,000</u>	<u>3,753,000</u>	<u>3,686,781</u>	<u>(66,219)</u>
<i>Net Change in Fund Balance</i>	(71,880)	(113,453)	(103,785)	9,668
<i>Fund Balance at Beginning of Year</i>	108,980	108,980	108,980	0
<i>Prior Year Encumbrances Appropriated</i>	<u>49,904</u>	<u>49,904</u>	<u>49,904</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$87,004</u>	<u>\$45,431</u>	<u>\$55,099</u>	<u>\$9,668</u>

See accompanying notes to the basic financial statements

**City of Fairborn, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*County Motor Vehicle Tax Fund*  
*For the Year Ended December 31, 2013*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Municipal Income Taxes	\$2,000,501	\$1,939,381	\$1,939,741	\$360
Fines, Licenses and Permits	0	22,300	22,314	14
Investment Earnings	10,000	4,200	10,191	5,991
Intergovernmental	1,413,300	362,341	345,257	(17,084)
Other	0	22,100	22,198	98
<i>Total Revenues</i>	<u>3,423,801</u>	<u>2,350,322</u>	<u>2,339,701</u>	<u>(10,621)</u>
<b>Expenditures:</b>				
Current:				
Transportation and Street Repair	310,470	1,509,504	1,507,646	1,858
Capital Outlay	4,702,483	463,301	463,301	0
Debt Service:				
Interest and Fiscal Charges		2,973	2,973	0
<i>Total Expenditures</i>	<u>5,012,953</u>	<u>1,975,778</u>	<u>1,973,920</u>	<u>1,858</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,589,152)</u>	<u>374,544</u>	<u>365,781</u>	<u>(8,763)</u>
<b>Other Financing Sources:</b>				
Notes Issued	0	852,500	852,500	0
Premium on Debt Issued	0	6,564	6,564	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>859,064</u>	<u>859,064</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,589,152)	1,233,608	1,224,845	(8,763)
<i>Fund Balance at Beginning of Year</i>	2,052,318	2,052,318	2,052,318	0
<i>Prior Year Encumbrances Appropriated</i>	823,643	823,643	823,643	0
<i>Fund Balance at End of Year</i>	<u>\$1,286,809</u>	<u>\$4,109,569</u>	<u>\$4,100,806</u>	<u>(\$8,763)</u>

See accompanying notes to the basic financial statements



**City of Fairborn, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2013*

	Enterprise Funds				
	Water Fund	Sewer Fund	Sanitation Fund	Total	Internal Service Funds
<b>Assets:</b>					
Current Assets					
Equity in Pooled Cash and Cash Equivalents	\$6,305,218	\$7,648,076	\$729,303	\$14,682,597	\$456,479
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	76,133	76,133	76,133	228,399	0
Accounts Receivable	211,084	617,934	275,230	1,104,248	38,068
Materials and Supplies Inventory	167,449	55,260	0	222,709	203,979
Special Assessments Receivable	0	100,000	0	100,000	0
<i>Total Current Assets</i>	<u>6,759,884</u>	<u>8,497,403</u>	<u>1,080,666</u>	<u>16,337,953</u>	<u>698,526</u>
Non-current Assets					
Nondepreciable Capital Assets	179,139	311,396	0	490,535	0
Depreciable Capital Assets, Net	7,588,063	17,450,152	75,038	25,113,253	210,873
<i>Total Non-current Assets</i>	<u>7,767,202</u>	<u>17,761,548</u>	<u>75,038</u>	<u>25,603,788</u>	<u>210,873</u>
<i>Total Assets</i>	<u>14,527,086</u>	<u>26,258,951</u>	<u>1,155,704</u>	<u>41,941,741</u>	<u>909,399</u>
<b>Deferred Outflows of Resources:</b>					
Deferred Charge on Refunding	73,379	114,771	0	188,150	0
<b>Liabilities:</b>					
Current Liabilities					
Accounts Payable	57,140	142,486	153,535	353,161	58,313
Contracts Payable	0	85,782	0	85,782	0
Accrued Wages Payable	39,558	40,974	4,394	84,926	25,333
Intergovernmental Payable	32,046	34,306	2,738	69,090	21,105
Notes Payable	1,474,115	0	0	1,474,115	0
Accrued Interest Payable	34,281	33,379	0	67,660	0
General Obligation Bonds Payable	221,300	238,700	0	460,000	0
Landfill Postclosure Costs Payable	0	0	51,083	51,083	0
Capital Lease Payable	563	56,236	0	56,799	6,215
Special Assessment Bonds Payable	0	10,000	0	10,000	0
OPWC Loans Payable	16,686	0	0	16,686	0
Compensated Absences Payable	41,000	80,083	5,033	126,116	73,214
<i>Total Current Liabilities</i>	<u>\$1,916,689</u>	<u>\$721,946</u>	<u>\$216,783</u>	<u>\$2,855,418</u>	<u>\$184,180</u>

(continued)

**City of Fairborn, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2013*  
*(Continued)*

	Enterprise Funds				Internal Service Funds
	Water Fund	Sewer Fund	Sanitation Fund	Total	
Long-Term Liabilities					
Refundable Deposits	\$76,133	\$76,133	\$76,133	\$228,399	\$0
Notes Payable	0	100,211	0	100,211	0
General Obligation Bonds Payable	4,260,597	10,386,349	0	14,646,946	0
Special Assessment Bonds Payable	0	90,000	0	90,000	0
OPWC Loans Payable	25,028	0	0	25,028	0
Landfill Postclosure Costs Payable	0	0	204,332	204,332	0
Capital Lease Payable	2,138	58,376	0	60,514	23,557
Compensated Absences Payable	20,504	41,086	245	61,835	15,746
<i>Total Long-Term Liabilities</i>	<u>4,384,400</u>	<u>10,752,155</u>	<u>280,710</u>	<u>15,417,265</u>	<u>39,303</u>
<i>Total Liabilities</i>	<u>6,301,089</u>	<u>11,474,101</u>	<u>497,493</u>	<u>18,272,683</u>	<u>223,483</u>
<b>Net Position:</b>					
Net Investment in Capital Assets	3,163,217	7,132,194	75,038	10,370,449	181,101
Unrestricted	5,136,159	7,767,427	583,173	13,486,759	504,815
<i>Total Net Position</i>	<u>\$8,299,376</u>	<u>\$14,899,621</u>	<u>\$658,211</u>	<u>23,857,208</u>	<u>\$685,916</u>
Net Position reported for business-type activities in the statement of net position is different because it includes a proportionate share of the balance of the internal service fund.				<u>294,788</u>	
Net Position of Business-Type Activities				<u>\$24,151,996</u>	

See accompanying notes to the basic financial statements

**City of Fairborn, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2013*

	Enterprise Funds				Internal Service Funds
	Water	Sewer	Sanitation	Total	
<b>Operating Revenues:</b>					
Charges for Services	\$4,098,965	\$6,597,128	\$2,636,893	\$13,332,986	\$2,005,412
Tap-In-Fees	69,870	43,450	0	113,320	0
Other	20,608	16,291	58	36,957	3,629
<i>Total Operating Revenues</i>	<u>4,189,443</u>	<u>6,656,869</u>	<u>2,636,951</u>	<u>13,483,263</u>	<u>2,009,041</u>
<b>Operating Expenses:</b>					
Personal Services	1,148,178	1,247,197	123,196	2,518,571	870,239
Contractual Services	1,917,289	2,587,619	2,556,416	7,061,324	184,771
Materials and Supplies	226,703	308,017	22,315	557,035	853,183
Depreciation	620,275	975,322	29,176	1,624,773	42,725
<i>Total Operating Expenses</i>	<u>3,912,445</u>	<u>5,118,155</u>	<u>2,731,103</u>	<u>11,761,703</u>	<u>1,950,918</u>
<i>Operating Income (Loss)</i>	<u>276,998</u>	<u>1,538,714</u>	<u>(94,152)</u>	<u>1,721,560</u>	<u>58,123</u>
<b>Non-Operating Revenues (Expenses):</b>					
Investment Earnings	5,396	7,722	0	13,118	414
Interest and Fiscal Charges	(146,673)	(397,589)	0	(544,262)	(1,217)
Loss on Disposal of Capital Assets	0	(79,487)	0	(79,487)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(141,277)</u>	<u>(469,354)</u>	<u>0</u>	<u>(610,631)</u>	<u>(803)</u>
<i>Income (Loss) Before Capital Contributions</i>	135,721	1,069,360	(94,152)	1,110,929	57,320
Capital Contributions	301,372	0	0	301,372	10,189
<i>Change in Net Position</i>	437,093	1,069,360	(94,152)	1,412,301	67,509
<i>Net Position at Beginning of Year</i>	<u>7,862,283</u>	<u>13,830,261</u>	<u>752,363</u>		<u>618,407</u>
<i>Net Position at End of Year</i>	<u>\$8,299,376</u>	<u>\$14,899,621</u>	<u>\$658,211</u>		<u>\$685,916</u>
<i>Adjustments to reflect the consolidation of Internal Service Funds' activity related to Enterprise Funds</i>				<u>47,116</u>	
<i>Change in net position of business-type activities</i>				<u>\$1,459,417</u>	

See accompanying notes to the basic financial statements

**City of Fairborn, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2013

	Enterprise Funds				Internal Service Funds
	Water	Sewer	Sanitation	Total	
<b>Increase (Decrease) in Cash and Cash Equivalents</b>					
<b>Cash Flows from Operating Activities:</b>					
Cash Received From Customers	\$4,238,380	\$6,655,300	\$2,656,516	\$13,550,196	\$0
Cash Received From Interfund Services Provided	0	0	0	0	2,010,890
Cash Received From Other Operating Revenues	20,608	16,291	58	36,957	3,629
Cash Payments for Employee Services and Benefits	(1,179,329)	(1,270,740)	(121,532)	(2,571,601)	(775,523)
Cash Payments to Suppliers	(2,332,022)	(3,959,961)	(2,450,476)	(8,742,459)	(1,200,193)
<i>Net Cash Provided by Operating Activities</i>	<u>747,637</u>	<u>1,440,890</u>	<u>84,566</u>	<u>2,273,093</u>	<u>38,803</u>
<b>Cash Flows From for Capital and Related Financing Activities:</b>					
Cash Received from Special Assessments	0	14,840	0	14,840	0
Acquisition of Capital Assets	(347,605)	(199,597)	(6,022)	(553,224)	(18,202)
Bond Proceeds	4,548,050	3,216,950	0	7,765,000	0
Payment to Refunded Bond Escrow Agent	(721,500)	(1,128,500)	0	(1,850,000)	0
Note Proceeds	1,473,000	100,000	0	1,573,000	0
Note Premiums	1,409	844	0	2,253	0
Notes Principal Payments	(4,536,000)	(2,000,000)	0	(6,536,000)	0
Notes Interest Payments	(56,700)	(14,200)	0	(70,900)	0
General Obligation Bond Principal Payments	(54,600)	(90,400)	0	(145,000)	0
General Obligation Bond Interest Payments	(113,436)	(451,894)	0	(565,330)	0
General Obligation Premiums	86,167	64,570	0	150,737	0
Refunding Bonds Principal Payments	(205,600)	(124,400)	0	(330,000)	0
Refunding Bonds Interest Payments	(64,654)	(43,744)	0	(108,398)	0
Special Assessment Bond Principal Payments	0	(10,000)	0	(10,000)	0
Special Assessment Bond Interest Payments	0	(4,840)	0	(4,840)	0
Loans Payable Principal Payments	(16,686)	(144,178)	0	(160,864)	0
Loans Payable Interest Payments	0	(4,242)	0	(4,242)	0
Capital Lease Principal Payments	(544)	(54,174)	0	(54,718)	(6,000)
Capital Lease Interest Payments	(110)	(6,423)	0	(6,533)	(1,217)
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(8,809)</u>	<u>(879,388)</u>	<u>(6,022)</u>	<u>(894,219)</u>	<u>(25,419)</u>
<b>Cash Flows from Investing Activities:</b>					
Interest	5,396	2,852	0	8,248	414
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	744,224	564,354	78,544	1,387,122	13,798
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>5,637,127</u>	<u>7,159,855</u>	<u>726,892</u>	<u>13,523,874</u>	<u>442,681</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$6,381,351</u>	<u>\$7,724,209</u>	<u>\$805,436</u>	<u>\$14,910,996</u>	<u>\$456,479</u>

(continued)

**City of Fairborn, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2013  
(Continued)

	Enterprise Funds				Internal Service Fund
	Water	Sewer	Sanitation	Total	
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>					
Operating Income	\$276,998	\$1,538,714	(\$94,152)	\$1,721,560	\$58,123
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>					
Depreciation	620,275	975,322	29,176	1,624,773	42,725
Landfill Closure and Postclosure Costs	0	0	61,375	61,375	0
Other Non-Operating Expenses	0	0	0	0	0
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	39,845	(14,978)	(10,077)	14,790	(38,068)
(Increase) Decrease in Materials and Supplies Inventory	(8,309)	12,441	0	4,132	(81,763)
Decrease in Interfund Receivable	0	0	0	0	43,546
Increase in Accounts Payable	4,261	98,339	94,025	196,625	5,834
Decrease in Contracts Payable	(150,544)	(908,248)	0	(1,058,792)	0
Decrease in Retainage Payable	(2,280)	(230,849)	0	(233,129)	0
Increase (Decrease) in Accrued Wages Payable	(7,730)	(19,217)	458	(26,489)	2,290
Increase (Decrease) in Intergovernmental Payable	(1,046)	(12,145)	136	(13,055)	1,724
Increase (Decrease) in Matured Compensated Absences Payable	(17,856)	(15,172)	0	(33,028)	0
Increase in Refundable Deposits Payable	2,555	2,555	2,555	7,665	0
Decrease in Interfund Payable	(4,013)	(2,323)	0	(6,336)	(310)
Increase (Decrease) in Compensated Absences Payable	(4,519)	16,451	1,070	13,002	4,702
Net Cash Provided by Operating Activities	<u>\$747,637</u>	<u>\$1,440,890</u>	<u>\$84,566</u>	<u>\$2,273,093</u>	<u>\$38,803</u>

**Noncash Capital Financing Activities**

During 2013, \$301,372 of water lines was transferred from a capital projects fund upon completion of a road project.

See accompanying notes to the basic financial statements



**City of Fairborn, Ohio**  
*Statement of Fiduciary Net Position*  
*Agency Fund*  
*December 31, 2013*

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<b>Assets:</b>	
Cash and Cash Equivalents in Segregated Accounts	<u>\$236,481</u>
<b>Liabilities:</b>	
Undistributed Monies	<u>\$236,481</u>

See accompanying notes to the basic financial statements

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Note 1 – Description Of The City And Reporting Entity**

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

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

**Reporting Entity**

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt or the levying of its taxes. The City has no component units.

The City participates in five jointly governed organizations. A jointly governed organization is governed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. The City also participates in one public entity shared risk pool. These organizations are presented in Notes 21 and 22.

Jointly Governed Organizations:  
Miami Valley Regional Planning Commission  
Regional Emergency Response Team

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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

Public Entity Shared Risk Pool:  
Public Entities Pool of Ohio

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

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

**Basis of Presentation**

The City's Basic Financial Statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

**Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government except for the Agency Fund. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business segment is self-financing or draws from the general revenues of the City.

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary Funds are reported by type.

**Fund Accounting**

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

Governmental Funds

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

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

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

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

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

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

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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Proprietary Funds

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

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

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

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

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

Internal Service Funds – Internal Service Funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on vehicle and equipment maintenance services, information technology services, and employee assistance programs associated with employee health benefits.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. The three types of trust funds should be used to report resources held and administered by the City when it is acting in a fiduciary capacity for individuals, private organizations, or other governments. These funds are distinguished by the existence of a trust agreement that affects the degree of management involvement and the length of time that the resources are held. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary fund is an agency fund which is used to account for monies that flow through the clerk of court's office.

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Measurement Focus**

**Government-wide Financial Statements**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**Basis of Accounting**

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

**Revenues – Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available”

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 days of year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, revenue in lieu of taxes, municipal income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes and revenue in lieu of taxes is recognized in the year for which the taxes are levied (See Notes 7 and 9). Revenue from municipal income taxes is recognized in the year in which the exchange on which the tax is imposed takes place (See Note 8). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: municipal income taxes, intergovernmental revenues (including motor vehicle license tax, gasoline tax, and local government assistance) fines and forfeitures, and grants.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, and unavailable revenue. Property taxes and revenue in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance 2014 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes municipal income taxes, delinquent property taxes, other local taxes,

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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intergovernmental grants, special assessments, interest, and charges for services. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**Expenses/Expenditures**

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

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

**Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

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

During 2013, the City invested in Federal Farm Credit Bank Consolidation Bonds, Federal Home Loan Bank Bonds, Federal Home Loan Bank Serial/Consolidation Bonds and Negotiable Certificate of Deposit. Investments are reported at fair value which is based on quoted market prices.

The City Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue, including a decrease in the fair market value of investments, credited to the General Fund during fiscal year 2013 amounted to (\$157,523), which includes (\$114,571) assigned from other funds.

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

**Assets Held for Resale**

Assets held for resale represent properties purchased by the City which will be sold after beautification has been completed, and also a property donated to the City and leased to Wright State University after completion of pollution remediation.



**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
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**Interfund Receivables/Payables**

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

**Materials and Supplies Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

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

**Restricted Assets**

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

**Capital Assets**

General capital assets are capital assets that are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position, but are not reported in the governmental fund financial statements. Internal service funds that are considered governmental activities report their capital assets in their fund financial statements as well as in the governmental activities column of the government-wide Statement of Net Position. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values on the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized and the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed.

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
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All capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacements. Depreciation is computed using the straight-line method over the following useful lives:

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

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

**Compensated Absences**

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

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

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are reported as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations or retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employees are paid. In the proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**Accrued Liabilities and Long-Term Obligations**

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

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes, bonds, and capital leases are recognized as liabilities on the governmental fund financial statements when due.

**Deferred Charge on Refunding**

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

**Fund Balance**

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

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

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

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

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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

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

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

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

**Net Position**

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

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Interfund Transactions/Internal Activity**

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

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

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

**Budgetary Process**

All funds, other than the Agency Fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of budgetary control has been established by Council at the object level (personal services, contractual services, materials and supplies, etc.) within each department and fund. Modifications to appropriations may only be made by ordinance of Council.

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

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

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
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**Bond Discounts, Premiums**

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

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

**Operating Revenues and Expenses**

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

**Contributions of Capital**

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

**Estimates**

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

**Note 3 – Change In Accounting Principles**

For 2013, the City implemented Governmental Accounting Standard Board (GASB) *Statement No. 61, “The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34.”* This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, and financial reporting entity display and disclosure requirements. The implementation of this statement did not result in any change in the City’s financial statements.

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Note 4 – Accountability**

At December 31, 2013, the following funds had deficit fund balances:

<u>Funds</u>	<u>Amounts</u>
Special Revenue Funds:	
Fire and EMS Fund	\$81,967
Police Fund	211,447
Community Development Fund	1,783
Victim Witness Fund	127
Victims Assistance Justice Assitance Grant Fund	216
Moving Ohio Forward Fund	6,621
Capital Projects Fund:	
Building and Land Fund	7,111
Special assessment Construction Fund	364

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

**Note 5 – Budgetary Basis Of Accounting**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Basis) for the General, Fire and EMS, Police and County Motor Vehicle Tax Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

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

**City of Fairborn, Ohio**  
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6. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
7. Budgetary revenues and expenditures of the Uninsured Loss and Street Lighting special revenue funds are classified to the General Fund for GAAP Reporting.

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

Net Change in Fund Balance				
	General	Fire and EMS	Police	County Motor Vehicle
GAAP Basis	\$1,804,550	(\$24,543)	\$92,865	\$700,993
Revenue Accruals	498,689	(85,182)	3,763	833,761
Expenditure Accruals	128,473	(70,971)	(111,703)	(59,281)
Encumbrances	(670,817)	(136,181)	(88,710)	(250,623)
Change in Fair Value of Investments - 2013	(231,122)	0	0	0
Change in Fair Value of Investments - 2012	(1,781)	0	0	0
Excess of revenues under expenditures for Uninsured Loss Fund	(4,716)	0	0	0
Excess of revenues under expenditures for Street Lighting Fund	106,091	0	0	0
Transfers	(80,251)	0	0	0
Advances	(251,550)	0	0	0
Budget Basis	<u>\$1,297,566</u>	<u>(\$316,877)</u>	<u>(\$103,785)</u>	<u>\$1,224,850</u>

**Note 6 – Deposits And Investments**

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

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

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



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

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

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
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Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest, or coupons; and,
3. Obligations of the City.

**Investments**

As of December 31, 2013, the City had the following investments:

	<u>Fair Value</u>	<u>Maturity Less Than 1 Year</u>	<u>Maturity 2-5 Years</u>	<u>Moody's Rating s</u>	<u>Percent of Total Investments</u>
Federal Farm Credit Bank Consolidation Bonds	\$999,310	\$0	\$999,310	Aaa	N/A
Federal Home Loan Bank Bonds	11,915,302	0	11,915,302	Aaa/AA+	51.69%
Federal Home Loan Bank Serial Bonds	7,912,340	0.00	7,912,340	N/A	34.32%
Federal Home Loan Bank Consolidation Bonds	1,977,800	0.00	1,977,800	Aaa	8.58%
5/3 Negotiable Certificate of Deposit	245,627	245,627	0	N/A	N/A
	<u>\$23,050,379</u>	<u>\$245,627</u>	<u>\$22,804,752</u>		

**Interest Rate Risk**

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

**City of Fairborn, Ohio**  
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Credit Risk

The negotiable certificates of deposit are in denominations of under \$250,000 and are insured by the Federal Deposit Insurance Corporation (FDIC). The negotiable certificates of deposit are, therefore, not subject to credit risk. The City's investment policy states that credit risk will be minimized by diversifying assets and ensuring that the minimum credit quality ratings required by Ohio Law exist.

Concentration of Credit Risk

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

**Note 7 – Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2013 for real and public utility property taxes represents collections of 2012 taxes.

2013 real property taxes were levied after October 1, 2013, on the assessed value as of January 1, 2013, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2013 real property taxes are collected in and intended to finance 2014.

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

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2013 public utility property taxes which became a lien December 31, 2012, are levied after October 1, 2013, and are collected in 2014 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2013, was \$10.20 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2013 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$516,359,800
Public Utility Personal	14,040,100
Totals	<u><u>\$530,399,900</u></u>

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
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The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2013, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2013 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

**Note 8 – Municipal Income Tax**

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

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

Income tax proceeds are to be used to pay the cost of administering the tax, General Fund operations, capital improvements, debt service and other governmental functions when needed, as determined by City Council. In 2013, the proceeds of the City's one percent income tax collections were allocated to the General Fund. However, of the 1/2 percent effective January 1, 2005, 1/4 percent is for fire equipment and facilities and 1/4 percent is for thoroughfare and residential street improvements and was therefore allocated to their respective capital projects funds.

**Note 9 – Receivables**

Receivables at December 31, 2013, consisted of property taxes, other local taxes, municipal income taxes, revenue in lieu of taxes, interfund, accounts, special assessments, accrued interest and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are considered fully collectible and will be received within one year with the exception of property taxes, income taxes, revenue in lieu of taxes, and special assessments.

Property, income, and revenue in lieu of taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. Special assessments expected to be collected in more than one year in the General Bond Retirement Fund amount to \$702,824, and in the Sewer Fund in the amount is \$90,160. The City has \$93,034 of delinquent special assessments at December 31, 2013.

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A summary of the principal items of intergovernmental receivables follows:

Governmental Activities:	Amount
Local Government	\$417,453
Estate Tax	42,236
Homestead Exemption and Rollbacks	331,208
Gasoline Tax	494,906
Motor Vehicle Tax	125,700
CDBG Grant	33,648
Bulletproof Vest Partnership Grant	3,259
VOCA Grant	5,888
Source Water Protection Grant	26,250
Neighborhood Stabilization	1,789
Moving Ohio Forward Grant	826
Jail Diversion Grant	31,347
Safer Grant	59,967
Drug Abuse Resistance Education Grant	5,754
Shared Services	6,320
Greene County	2,877
Total Governmental Funds	\$1,589,428

**Revenue in Lieu of Taxes Receivable**

The City granted real property tax exemptions to landowners for improvements made to their properties. The City requires the owners to make an annual payment to the City in lieu of taxes in the amount that would be payable on the increase in the value of the property if not for the exemption. The City then uses these monies to pay for public infrastructure improvements benefiting the owners. Additional payments are made to Fairborn City School District and Greene County Vocational School District since they are impacted by the tax exemption for a period of up to 30 years. The City accrues a receivable for the amount measurable at December 31, 2013 with a corresponding credit to deferred inflows of resources-payment in lieu of taxes.

**Note 10 – Capital Assets**

Changes in general capital assets for the year ended December 31, 2013, were as follows:

	Balance at 12/31/2012	Additions	Deletions	Balance at 12/31/2013
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated:				
Land	\$14,341,118	\$5,000	\$0	\$14,346,118
Construction in Progress	529,696	878,788	(944,131)	464,353
Total Capital Assets, Not Being Depreciated	14,870,814	883,788	(944,131)	14,810,471

(continued)

**City of Fairborn, Ohio**  
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	Balance at 12/31/2012	Additions	Deletions	Balance at 12/31/2013
<b>Governmental Activities:</b>				
<b>Depreciable Capital Assets:</b>				
Buildings	\$19,448,396	\$265,245	\$0	\$19,713,641
Improvements Other Than Buildings	2,277,765	236,116	0	2,513,881
Machinery and Equipment	4,415,209	642,183	(60,888)	4,996,504
Vehicles	5,321,467	1,051,335	(178,304)	6,194,498
Infrastructure	71,864,484	624,729	(158,603)	72,330,610
<b>Total Depreciable Capital Assets</b>	<b>103,327,321</b>	<b>2,819,608</b>	<b>(397,795)</b>	<b>105,749,134</b>
<b>Less Accumulated Depreciation:</b>				
Buildings	(6,261,272)	(470,872)	0	(6,732,144)
Improvements Other Than Buildings	(1,427,030)	(99,719)	0	(1,526,749)
Machinery and Equipment	(3,212,036)	(359,902)	51,964	(3,519,974)
Vehicles	(3,299,311)	(363,882)	157,281	(3,505,912)
Infrastructure	(38,002,455)	(2,181,244)	122,171	(40,061,528)
<b>Total Accumulated Depreciation</b>	<b>(52,202,104)</b>	<b>(3,475,619)</b>	<b>331,416</b>	<b>(55,346,307)</b>
<b>Depreciable Capital Assets, Net</b>	<b>51,125,217</b>	<b>(656,011)</b>	<b>(66,379)</b>	<b>50,402,827</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$65,996,031</b>	<b>\$227,777</b>	<b>(\$1,010,510)</b>	<b>\$65,213,298</b>

Additions to capital assets being depreciated include \$96,300 in assets donated by developers and transfers of fully depreciated assets of \$18,569 from business-type activities to governmental activities and \$21,145 from business-type activities to internal service activities for the year ended December 31, 2013.

Depreciation expense was charged to governmental programs as follows:

General Government	\$ 2,546,188
Public Safety	659,709
Leisure Time Activities	188,341
Community Development	20,490
Transportation and Street Repair	60,387
Public Health and Welfare	504
<b>Total Depreciation Expense</b>	<b>\$3,475,619</b>

**City of Fairborn, Ohio**  
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Capital assets activities of the business-type activities for the year ended December 31, 2013, was as follows:

	Balance at 12/31/2012	Additions	Deletions	Balance at 12/31/2013
<b><u>Business-type Activities:</u></b>				
<b>Capital Assets, Not Being Depreciated:</b>				
Land	\$165,741	\$0	(\$71,199)	\$94,542
Construction in Progress	1,945,273	302,558	(1,851,838)	395,993
<b>Total Capital Assets, Not Being Depreciated</b>	<b>2,111,014</b>	<b>302,558</b>	<b>(1,923,037)</b>	<b>490,535</b>
<b>Depreciable Capital Assets</b>				
Buildings	25,852,775	1,514,333	(23,668)	27,343,440
Improvements Other Than Buildings	1,981,814	0	0	1,981,814
Machinery and Equipment	5,206,348	206,716	(57,920)	5,355,144
Vehicles	1,373,546	43,950	(18,569)	1,398,927
Infrastructure	22,463,401	638,877	0	23,102,278
<b>Total Depreciable Capital Assets</b>	<b>56,877,884</b>	<b>2,403,876</b>	<b>(100,157)</b>	<b>59,181,603</b>
<b>Less Accumulated Depreciation:</b>				
Buildings	(8,637,137)	(670,249)	20,249	(9,287,137)
Improvements Other Than Buildings	(1,612,797)	(178,575)	0	(1,791,372)
Machinery and Equipment	(4,876,297)	(74,604)	53,051	(4,897,850)
Vehicles	(813,824)	(99,210)	18,569	(894,465)
Infrastructure	(16,595,391)	(602,135)	0	(17,197,526)
<b>Total Accumulated Depreciation</b>	<b>(32,535,446)</b>	<b>(1,624,773)</b>	<b>91,869</b>	<b>(34,068,350)</b>
<b>Depreciable Capital Assets, Net</b>	<b>24,342,438</b>	<b>779,103</b>	<b>(8,288)</b>	<b>25,113,253</b>
<b>Business-type Activities Capital Assets, Net</b>	<b>\$26,453,452</b>	<b>\$1,081,661</b>	<b>(\$1,931,325)</b>	<b>\$25,603,788</b>

Additions to capital assets being depreciated include \$301,372 in water line assets transferred from governmental funds. Deductions to capital assets being depreciated include \$18,569 fully depreciated assets transferred from business-type activities to governmental activities and \$21,145 fully depreciated assets transferred from business-type activities to internal service activities.

**Note 11 – Risk Management**

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

The City belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool (see Note 22) available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is administered by ARPCO. Member

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governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

The Pool uses reinsurance and excess risk-sharing arrangements to reduce its exposure to loss. These agreements permit recovery of a portion of its claims from reinsurers and a risk-sharing pool; however, they do not discharge the Pool's primary liability for such payments. The Pool is a member of American Public Entity Excess Pool ("APEEP"), which is also administered by ARPCO. APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, the Pool retains insured risks up to an amount specified in the contracts. (At December 31, 2013 the Pool retained \$350,000 for casualty claims and \$100,000 for property claims). The Board of Directors and ARPCO periodically review the financial strength of the Pool and other market conditions to determine the appropriate level of risk the Pool will retain.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in coverage from last year.

Financial Position

PEP's financial statements (audited by other accountants) conform to generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2013 and 2012:

<u>Casualty and Property Coverage</u>	<u>2013</u>	<u>2012</u>
Assets	\$34,411,883	\$34,389,569
Liabilities	<u>12,760,194</u>	<u>14,208,353</u>
Net Position - Unrestricted	<u><u>\$21,651,689</u></u>	<u><u>\$20,181,216</u></u>

The casualty coverage assets and net position above include approximately \$11.1 million and \$12.6 million of unpaid claims to be billed to approximately 475 member governments in the future, as of December 31, 2013 and 2012, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The City's share of these unpaid claims collectible in future years is approximately \$420,000. This payable includes the subsequent year's contribution due if the City terminates participation, as described in the last paragraph below.

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



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<u>Contributions to PEP</u>	<u>Amount</u>
2011	\$199,812
2012	204,340
2013	230,448

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

The City insures against injuries to employees through the Ohio Bureau of Workers' Compensation.

**Note 12 – Defined Benefit Pension Plans**

**Ohio Public Employees Retirement System**

Plan Description – The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code.

OPERS, issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Member contribution rates, as set forth in the

**City of Fairborn, Ohio**  
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Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in State and local divisions. For the year ended December 31, 2013, members in state and local divisions contributed 10 percent of covered payroll. Members in the state and local divisions may participate in all three plans. For 2013, member and employer contribution rates were consistent across all three plans.

The City's 2013 contribution rate was 14.0 percent. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. For 2013, the portion of employer contribution allocated to health care was 1.00 percent for members in the Traditional Plan and the Combined Plan. Effective January 1, 2014, the portion of employer contributions allocated to health care increased to 2 percent. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2013, 2012, and 2011 were \$745,704, \$717,607, and \$648,899, respectively. For 2013, 88.12 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2012 and 2011. Contributions to the Member-Directed Plan for 2013 were \$25,333 made by the City and \$18,095 made by plan members.

**Ohio Police and Fire Pension Fund**

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – Employer and employee contribution rates are set by the Ohio Revised Code. From January 1, 2013, thru July 1, 2013, plan members were required to contribute 10 percent of their annual covered salary. From July 2, 2013, thru December 31, 2013, plan members were required to contribute 10.75 percent of their annual covered salary. Throughout 2013, employers were required to contribute 19.5 percent and 24 percent respectively for police officers and firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. For January 1, 2013, thru May 31, 2013, the portion of employer contributions used to fund pension benefits was 14.81 percent of covered payroll for police officers and 19.31 percent of covered payroll for firefighters. For June 1, 2013, thru December 31, 2013, the portion of employer contributions used to fund pension benefits was 16.65 percent of covered payroll for police officers and 21.15 percent of covered payroll for firefighters. The City's contributions to OP&F for police and firefighters pension were \$443,391 and \$752,647 for the year ended December 31, 2013, \$389,725 and \$610,260 for the year ended December 31, 2012, and \$380,551 and \$607,331 for the year ended December 31,

**City of Fairborn, Ohio**  
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2011, respectively. For 2013, 75.76 percent for police and 89.88 percent for firefighters has been contributed with the balance for both police and firefighters being report as an intergovernmental payable. The full amount has been contributed for 2012 and 2011.

**Note 13 – Post Employment Benefits**

**Ohio Public Employees Retirement System**

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, prescription drug program and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. For 2013, the

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portion of employer contributions allocated to health care for members in the Traditional Plan and the Combined Plan was 1.0 percent. Effective January 1, 2014, the portion of employer contributions allocated to healthcare was raised to 2 percent for both plans, as recommended by the OPERS Actuary.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2013, 2012, and 2011 were \$298,282, \$287,043, and \$287,516, respectively. For 2013, 88.12 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2012 and 2011.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

### **Ohio Police and Fire Pension Fund**

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available of OP&F's website at [www.op-f.org](http://www.op-f.org).

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan.

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Participating employers are required by Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24.0 percent of covered payroll for police and fire employers, respectively. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For January 1, 2013, thru May 31, 2013, the employer contribution allocated to the health care plan was 4.69 percent of covered payroll. For June 1, 2013, thru December 31, 2013, the employer contribution allocated to the health care plan was 2.85 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$75,896 and \$101,420 for the year ended December 31, 2013, \$206,325 and \$238,797 for the year ended December 31, 2012, and \$201,468 and \$237,651 for the year ended December 31, 2011. For 2013, 75.76 percent has been contributed for police and 89.88 percent has been contributed for firefighters with the balance for both police and firefighters being report as an intergovernmental payable. The full amount has been contributed for 2012 and 2011.

**Note 14 – Other Employee Benefits**

**Compensated Absences**

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

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to 1,800 hours. The monetary compensation is calculated at the hourly rate of compensation of the employee at the time of retirement.

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

**Medical, Dental and Life Insurance Benefits**

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

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

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

**Note 15 – Capital Leases - Lessee Disclosure**

In prior years, the City entered into lease agreements for a truck, municipal court space at Skyway Plaza, energy conservation improvements and a sewer jet truck. The original amount of the energy conservation lease was for \$1,045,900 with \$237,487 being considered a capital lease and \$808,414 being considered an operating lease. As part of the agreement for 2008 energy conservation improvements, Citicapital Municipal Finance, as lessor, deposited \$1,045,900 into a separate bank account in the City's name.

Each lease meets the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13, "Accounting for Leases,"* which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the Basic Financial Statements for the governmental funds. For the business-type activities and internal service funds, principal payments are reflected as a decrease to the liability on the Statement of Fund Net Position. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by leases have been capitalized in the amount of \$1,236,778 for governmental activities and \$287,040 in the business-type activities which equaled the present

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value of the future minimum lease payments at the time of acquisition. Principal payments in 2013 totaled \$138,505 in governmental activities and \$54,718 in business-type activities.

The assets acquired through capital leases are as follows:

	Asset Value	Depreciation	December 31, 2013
<b>Asset:</b>			
<b>Governmental Activities</b>			
Buildings	\$944,870	(\$208,221)	\$736,649
Machinery and Equipment	291,908	(157,930)	133,978
Total Governmental Funds	\$1,236,778	(\$366,151)	\$870,627
 <b>Business-type Activities</b>			
Machinery and Equipment	\$5,469	(\$2,826)	\$2,643
Vehicles	281,571	(100,896)	180,675
Total Governmental Funds	\$287,040	(\$103,722)	\$183,318

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2013.

December 31,	Governmental Activities	Business- type Activities
2014	\$37,634	\$61,251
2015	27,765	61,252
2016	27,765	655
2017	27,765	655
2018	13,883	327
Total	134,812	124,140
Less: Amount Representing Interest	(10,443)	(6,827)
Present Value of Minimum Lease Payments	\$124,369	\$117,313

**Note 16 – Operating Lease – Lessee Disclosure**

In prior years, the City entered into a lease purchase agreement with Citicapital Municipal Finance to finance energy conservation improvements made to various buildings and infrastructure throughout the City. The original amount of the lease was for \$1,045,900 with \$237,487 being considered a capital lease and \$808,414 being considered an operating lease. The lease commenced on May 27, 2008 and ends May 27, 2018. Operating lease payments made during 2013 were \$96,741.

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The future minimum lease payments are as follows:

December 31,	Payment Total
2014	\$96,741
2015	96,741
2016	96,741
2017	96,741
2018	48,371
Total	\$435,335

**Note 17 – Short-Term Obligations**

Changes in short-term obligations during 2013 were as follows:

Types/Issues	Balance at 12/31/2012	Increases	Decreases	Balance at 12/31/2013
<u>Governmental Activities:</u>				
2.625% Roadway Improvement				
Increment Financing Bond Anticipation Note	\$180,000	\$0	\$180,000	\$0
Various Purpose Bond Anticipation				
Notes Curb & Sidewalk	76,314	0	76,314	0
2013 Various Purpose Bond Anticipation Note Series A (Police)	0	67,500	0	67,500
2013 Various Purpose Bond Anticipation Note Series A (2013 Curb & Sidewalk)	0	30,000	0	30,000
2013 Various Purpose Bond Anticipation Note Series B (Spangler Street)	0	852,500	0	852,500
Premium	0	6,564	1,368	5,196
2013 Various Purpose Bond Anticipation Note Series B (2014 Curb & Sidewalk)	0	200,000	0	200,000
Premium	0	1,540	321	1,219
Total Governmental Funds	\$256,314	\$1,158,104	\$258,003	\$1,156,415
<u>Business Activities:</u>				
2012 Various Purpose Bond Anticipation Notes	\$262,000	\$0	\$262,000	\$0
2013 Various Purpose Bond Anticipation Note Series A	0	1,290,000	0	1,290,000
2013 Various Purpose Bond Anticipation Note Series B (Spangler Street)	0	183,000	0	183,000
Premium	0	1,409	294	1,115
Total Business-type Activities	\$262,000	\$1,474,409	\$262,294	\$1,474,115



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

On September 13, 2013 the City issued \$1,052,500 in various purpose bond anticipation notes series B. The notes were issued to construct and repair sidewalks and curbs and for improvements to Spangler Road. The notes were issued at 1.125 percent and mature on September 12, 2014. The notes will be paid from county motor vehicle license special revenue fund and the special assessment construction capital projects fund, respectively.

On September 13, 2013 the City issued \$183,000 in various purpose bond anticipation notes series B. The notes were issued for waterline improvements to Spangler Road. The notes were issued at 1.125 percent and mature on September 12, 2014. The notes will be paid from the water fund with service charges.

**Note 18 – Long-Term Obligations**

The summary of changes in long-term obligations of the governmental activities of the City during 2013 follows:

Types/Issues	Balance at 12/31/2012	Increases	Decreases	Balance at 12/31/2013	Due Within One Year
<u>Notes Payable:</u>					
2012 2.63% - Tax Increment Financing					
Bond Anticipation Note - \$1,460,000	\$1,460,000	\$0	\$1,460,000	\$0	\$0
Premium	10,793	0	10,793	0	0
2012 3% Various Purpose					
Bond Anticipation Note - \$82,500	82,500	0	82,500	0	0
2012 1.25% Various Purpose/Curb & Sidewalk					
Bond Anticipation Note - \$68,686	68,686	0	68,686	0	0
2013 1.25% Various Purpose Bond Anticipation					
Notes Series A (Police)	0	377,500	0	377,500	0
Premium	0	3,756	2,817	939	0
2013 1.25% Various Purpose Bond Anticipation					
Notes Series A (2013 Curb & Sidewalk)	0	70,000	0	70,000	0
Premium	0	844	633	211	0
<b>Total Notes Payable</b>	<b>1,621,979</b>	<b>452,100</b>	<b>1,625,429</b>	<b>448,650</b>	<b>0</b>
<u>Unvoted General Obligation Bonds:</u>					
2003 3.50 to 4.75% Municipal Court					
Building Renovations \$455,000	300,000	0	20,000	280,000	90,000
2004 2.00 to 3.50% Municipal					
Building \$100,000	20,000	0	10,000	10,000	10,000
2010 2.00 to 2.25% Curb and Sidewalk \$45,000	30,000	0	10,000	20,000	10,000
Premium	350	0	117	233	0
<b>Total Unvoted General Obligation Bonds</b>	<b>350,350</b>	<b>0</b>	<b>40,117</b>	<b>310,233</b>	<b>110,000</b>
<u>Income Tax Revenue Bonds:</u>					
2005 3.00 to 4.50% Income Tax \$10,000,000	2,440,000	0	1,195,000	1,245,000	1,245,000
Premium	56,291	0	28,145	28,146	0
<b>Total Income Tax Revenue Bonds</b>	<b>2,496,291</b>	<b>0</b>	<b>1,223,145</b>	<b>1,273,146</b>	<b>1,245,000</b>

(continued)

**City of Fairborn, Ohio**  
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Types/Issues	Balance at 12/31/2012	Increases	Decreases	Balance at 12/31/2013	Due Within One Year
<b><u>Tax Increment Financing Revenue Bonds:</u></b>					
2013 1.5-3% Various Purpose					
Revenue Bonds (TIF)	\$0	\$1,630,000	\$95,000	\$1,535,000	\$85,000
Premium	0	40,864	1,596	39,268	0
Total Tax Increment Financing Revenue Bonds	<u>0</u>	<u>1,670,864</u>	<u>96,596</u>	<u>1,574,268</u>	<u>85,000</u>
<b><u>Special Assessment Bonds with</u></b>					
<b><u>Governmental Commitment:</u></b>					
1998 5.15% Commerce Center/					
Channingway \$1,160,000	\$485,000	\$0	\$70,000	\$415,000	\$75,000
2003 4.00 to 8.30% Dayton - Yellow Spring					
Improvement \$305,000	205,000	0	15,000	190,000	16,000
2008 3.75% Curb and Sidewalk \$280,000	60,000	0	60,000	0	0
2009 3.75% Curb and Sidewalk \$135,000	60,000	0	30,000	30,000	30,000
2011 3.00% Curb and Sidewalk \$320,000	260,000	0	60,000	200,000	65,000
2012 2.5% Curb and Sidewalk \$120,000	120,000	0	20,000	100,000	25,000
2013 1.5-2% Various Purpose Special					
Assessment Bonds	0	70,000	0	70,000	0
Premium	0	2,125	70	2,055	0
Total Speical Assessment Bonds	<u>1,190,000</u>	<u>72,125</u>	<u>255,070</u>	<u>1,007,055</u>	<u>211,000</u>
<b><u>Other Long-Term Obligations:</u></b>					
Capital Leases Payable	262,874	0	138,505	124,369	33,739
Compensated Absences Payable	1,203,250	845,970	881,442	1,167,778	869,641
Total Other Long-Term Obligations	<u>1,466,124</u>	<u>845,970</u>	<u>1,019,947</u>	<u>1,292,147</u>	<u>903,380</u>
Total Governmental Activities	<u>\$7,124,744</u>	<u>\$3,041,059</u>	<u>\$4,260,304</u>	<u>\$5,905,499</u>	<u>\$2,554,380</u>

The 2012 Tax Increment Financing Revenue Bond Anticipation Notes were issued in September 2012, in the amount of \$1,460,000 in anticipation of long-term bond financing and will be refinanced until such bonds are issued. The note was issued at a 2.63 percent interest rate and matured in April, 2013. This note was retired with the issuance of \$1,630,000 in bonds as part of the General Obligation Various Purpose Improvement and Refunding Bonds Series 2013.

The 2012 Various Purpose Bond Anticipation Notes were issued in September 2012, in the amount of \$82,500 for the police dispatch system. The note was issued at a 3.00 percent interest rate and matured in April, 2013. \$27,500 of this note was paid down and the remaining balance of \$55,000 was refinanced with the issuance of notes as part of the Various Purpose Bond Anticipation Notes Series A.

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
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The 2012 Curb and Sidewalk Bond Anticipation Notes were issued in April 2012, in the amount of \$68,686 for the purpose of constructing and repairing curbs, sidewalks and driveway approaches. The note was issued at a 1.25 percent interest rate and matured in April, 2013. The note will be paid through the Special Assessment Construction Capital Projects Fund. The note is backed by the full faith and credit of the City and is a general obligation of the City. This note was retired upon maturity.

The 2012 Curb and Sidewalk Special Assessment Bonds were issued in April 2012, in the amount of \$120,000 for the purpose retiring the 2011 Curb and Sidewalk Bond Anticipation notes. The bond was issued at a 2.50 percent interest rate and will mature in December, 2017. The note will be paid through the Special Assessment Construction Capital Projects Fund. The note is backed by the full faith and credit of the City and is a general obligation of the City.

The \$455,000 Municipal Court Building Renovations general obligation bonds were issued for the purpose of making improvements and renovations to the court building. The bonds were issued for a 13 year period, with final maturity in December, 2016, and will be paid through the Building and Land Capital Projects Fund with transfers from the General Fund.

The \$100,000 Municipal Building general obligation bonds were issued for the purpose of making improvements and renovations to the municipal building. The bonds were issued for a 10 year period, with final maturity in December, 2014, and will be paid through the Building and Land Capital Projects Fund with transfers from the General Fund.

The \$45,000 Curb and Sidewalk general obligation bonds were issued for the costs of constructing and repairing certain sidewalks, curbs and driveway approaches. The bonds were issued for a five year period, with final maturity in May, 2015, and will be paid through the General Bond Retirement Debt Service Fund with special assessments revenue.

The \$10,000,000 Income Tax revenue bonds were issued for the purpose of building fire facilities. The bonds were issued for a 10 year period, with final maturity in December, 2014, and will be paid through the Public Safety Equipment/Facility Capital Projects Fund with municipal income tax revenue. The City has pledged a portion of future income tax revenue to repay the bonds. The bonds are paid solely from income tax revenue. Income tax revenues were projected to produce 596.06 percent of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds is \$1,301,025, payable through December 2014. For the current year, principal and interest paid and total income tax revenues were, \$1,195,000, \$106,813, and \$11,691,107, respectively.

On April 16, 2013 the City issued \$1,700,000 in various purpose general obligation bonds to retire \$1,460,000 of the 2012 tax increment financing bond anticipation note and \$70,000 of the 2012 various purpose curb & sidewalk bond anticipation note. The bonds were issued with interest rates varying from 1.5 to 3.0 percent for a 16 year period. The bonds will be paid from the tax increment financing and general capital improvements capital projects funds, respectively.

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On March 17, 2013 the City issued \$545,000 in various purpose bond anticipation notes series A. The notes were issued to retire a portion of the 2012 various bond anticipation notes, police department renovations, communications equipment and to construct and repair sidewalks and curbs. The notes were issued at 1.25 percent and mature on March 16, 2014. The notes will be paid from general capital improvement and building and land capital projects funds, respectively.

The Commerce Center/Channingway special assessment bonds were issued to finance the construction and improvements of Commerce Center and Channingway Drive. These bonds are being paid through the General Bond Retirement Debt Service Fund with special assessments revenue.

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

The 2007, 2008, 2009, 2011 and 2012 Curb and Sidewalk special assessment bonds were issued for the purpose of constructing and repairing curbs, sidewalks and driveway approaches throughout the City. Each bond issue is being paid through the General Bond Retirement Debt Service Fund with special assessments revenue.

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

Capital lease obligations will be paid from the General Fund, the Fire and EMS Special Revenue Fund, Court Special Projects Capital Projects Fund, and Equipment and Information Technology Internal Service Funds. Compensated absences will be paid from the General, the Fire and EMS, Police, Street Maintenance and Repair, State Highway, Cemetery, Community Development and Victim Witness Special Revenue Funds.

A summary of the long-term obligations reported for business-type activities during 2013 is as follows:

Types/Issues	Balance at 12/31/2012	Increases	Decreases	Balance at 12/31/2013	Due Within One Year
<u>Notes Payable:</u>					
2012 1.25% - Water Various Purpose Bond Anticipation \$4,274,000	\$4,274,000	\$0	\$4,274,000	\$0	\$0
2012 1.25% - Sewer Various Purpose Bond Anticipation \$2,000,000	2,000,000	0	2,000,000	0	0
2013 1.25% - Sewer Various Purpose Bond Anticipation Series A (NW Force)	0	100,000	0	100,000	0
Premium	0	844	633	211	0
Total Notes Payable	<u>6,274,000</u>	<u>100,844</u>	<u>6,274,633</u>	<u>100,211</u>	<u>0</u>

(continued)

**City of Fairborn, Ohio**  
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Types/Issues	Balance at 12/31/2011	Increases	Decreases	Balance at 12/31/2012	Due Within One Year
<b><u>General Obligation Bonds</u></b>					
2004 2.00% Water Various Purpose \$1,218,750	832,650	0	776,100	56,550	56,550
2004 2.00% Sewer Various Purpose \$1,906,250	1,302,350	0	1,213,900	88,450	88,450
2010 2.00 to 4.50% Sewer Various Purpose \$7,460,000	7,450,000	0	5,000	7,445,000	50,000
Discount	(65,223)	0	(2,509)	(62,714)	0
<b>Total General Obligation Bonds</b>	<b>\$9,519,777</b>	<b>\$0</b>	<b>\$1,992,491</b>	<b>\$7,527,286</b>	<b>\$195,000</b>
<b><u>Refunding Bonds:</u></b>					
2013 1.5% to 3.0% Water Various Purpose Bonds	0	3,770,000	190,000	3,580,000	155,000
Premium	0	67,928	2,234	65,694	0
2013 1.5% to 3.0% Water Various Purpose Bonds	0	778,050	15,600	762,450	9,750
Premium	0	18,239	1,036	17,203	0
2013 1.5% to 3.0% Sewer Various Purpose Bonds	0	1,216,950	24,400	1,192,550	15,250
Premium	0	28,528	1,621	26,907	0
2013 1.5% to 3.0% Sewer Various Purpose Bonds	0	2,000,000	100,000	1,900,000	85,000
Premium	0	36,042	1,186	34,856	0
<b>Total Refunding Bonds</b>	<b>0</b>	<b>7,915,737</b>	<b>336,077</b>	<b>7,579,660</b>	<b>265,000</b>
<b><u>Special Assessment Bonds with Governmental Commitment</u></b>					
2003 5.00% Sewer Various Purpose \$170,000	\$110,000	\$0	\$10,000	\$100,000	\$10,000
<b><u>Loans Payable</u></b>					
OPWC 0% Water \$334,216	58,400	0	16,686	41,714	16,686
1999 OWDA 8.97% Sewer \$1,672,365	144,178	0	144,178	0	0
<b>Total Loans Payable</b>	<b>202,578</b>	<b>0</b>	<b>160,864</b>	<b>41,714</b>	<b>16,686</b>
<b><u>Other Long-Term Obligations</u></b>					
Landfill Closure and Postclosure	194,040	61,375	0	255,415	51,083
Capital Leases	172,031	0	54,718	117,313	56,799
Compensated Absences	174,949	156,020	143,018	187,951	126,116
<b>Total Other Long-Term Obligations</b>	<b>541,020</b>	<b>217,395</b>	<b>197,736</b>	<b>560,679</b>	<b>233,998</b>
<b>Total Business-type Activities</b>	<b>\$16,647,375</b>	<b>\$8,233,976</b>	<b>\$8,971,801</b>	<b>\$15,909,550</b>	<b>\$720,684</b>

The 2012 Water Various Purpose Bond Anticipation Note was issued on April 18, 2012, in the amount of \$4,274,000 for various repairs, updates and construction to the City's water system. A portion of this note was retired with the issuance of \$3,770,000 in bonds as part of the General Obligation Various Purpose Improvement and Refunding Bonds Series 2013. The remaining balance of \$504,000 was refinanced as part of the Various Purpose Bond Anticipation Notes Series A.

The 2012 Sewer Various Purpose Bond Anticipation Note was issued on April 18, 2012, in the amount of \$2,000,000 for various repairs, updates and construction to the City's sewer system. This note was retired with the issuance of \$2,000,000 in bonds as part of the General Obligation Various Purpose Improvement and Refunding Bonds Series 2013.

The \$1,218,750 Water Various Purpose general obligation bonds were issued for various repairs, updates and construction to the City's water system. The bonds were issued for a 20 year period, with final maturity in December, 2024. Current operations in the Water Enterprise Fund are expected to provide sufficient cash flows to fund debt service requirements.

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The \$1,906,250 Sewer Various Purpose general obligation bonds were issued for various repairs, updates and construction to the City's sewer system. The bonds were issued for a 20 year period, with final maturity in December, 2024. Current operations in the Sewer Enterprise Fund are expected to provide sufficient cash flows to fund debt service requirements.

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

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

<u>Year</u>	<u>Amount</u>
2019	\$275,000
2022	315,000
2024	335,000
2034	1,335,000
2038	<u>2,070,000</u>
Total	<u><u>\$4,330,000</u></u>

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

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

Net proceeds of \$1,850,000 (including \$46,767 premium and after payment of \$34,286 in issuances costs) were deposited in an irrevocable trust with an escrow agent to provide for all further debt payments on the refunded 2004 various purpose bonds. As a result, \$1,850,000 of these bonds was considered defeased and the liability has been removed from the City's financial statements. Accordingly, the trust assets and liabilities for the defeased bonds are not included in the City's financial statements. An analysis of the information follows:

**City of Fairborn, Ohio**  
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	2004 Water Various Purpose	2004 Sewer Various Purpose
Outstanding at December 31, 2012	\$832,650	\$1,302,350
Amount Refunded	(721,500)	(1,128,500)
Principal Payment on Non-Refunded Portion	(54,600)	(85,400)
Outstanding at December 31, 2013	\$56,550	\$88,450

Although the refunding will result in the recognition of an accounting loss of \$199,484 (\$77,799 to water and \$121,685 to sewer), the City in effect decreased its aggregated debt service payments by \$263,016 (\$102,576 to water and \$160,440 to sewer) over the next 11 years and obtained an economic gain (difference between the present value of the old and new debt service payments) of \$284,450 (\$110,935 to water and \$173,515 to sewer).

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

On March 17, 2013 the City issued \$1,390,000 in various purpose bond anticipation notes series A. The notes were issued to retire the 2012 various bond anticipation notes, improvements to the water treatment plant, waterlines, the design work on a new water storage tank and for improvements to the NW Force Main and Lift Station. The notes were issued at 1.25 percent and mature on March 16, 2014. The notes will be paid from water and sewer enterprise funds, respectively.

The OWDA loans were paid off during the year with pledged revenues. Proceeds from these loans provided financing for the construction of sewer system improvements. Principal paid for the current year and total customer net revenues were \$144,178 and \$2,514,036, respectively.

Capital lease obligations will be paid from the Water and Sewer Enterprise Funds. Compensated absences will be paid from the Water, Sewer, and Sanitation Enterprise Funds.

The City's overall legal debt margin was \$55,677,660 at December 31, 2013, and the unvoted debt margin was \$29,157,665.

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2013 follows:

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Governmental Activities								
December 31,	General Obligation Bonds		Income Tax Revenue Bonds		TIF Revenue Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$110,000	\$14,125	\$1,245,000	\$56,025	\$85,000	\$34,688	\$221,000	\$40,492
2015	105,000	9,275	0	0	85,000	33,412	197,000	32,092
2016	95,000	5,113	0	0	85,000	32,138	208,000	24,698
2017	0	0	0	0	85,000	30,862	144,000	16,855
2018	0	0	0	0	90,000	29,588	135,000	10,810
2019-2023	0	0	0	0	465,000	122,438	100,000	13,500
2024-2028	0	0	0	0	525,000	64,900	0	0
2029	0	0	0	0	115,000	3,450	0	0
Total	<u>\$310,000</u>	<u>\$28,513</u>	<u>\$1,245,000</u>	<u>\$56,025</u>	<u>\$1,535,000</u>	<u>\$351,476</u>	<u>\$1,005,000</u>	<u>\$138,447</u>

Business type Activities					
December 31,	General Obligation Bonds		Special Assessment Bonds		OPWC Loan
	Principal	Interest	Principal	Interest	Principal
2014	\$460,000	\$483,738	\$10,000	\$4,460	\$16,686
2015	545,000	473,563	10,000	4,050	16,686
2016	555,000	464,138	10,000	3,640	8,342
2017	565,000	453,863	10,000	3,230	0
2018	580,000	443,276	10,000	2,820	0
2019-2023	3,105,000	2,013,630	50,000	7,050	0
2024-2028	3,255,000	1,565,423	0	0	0
2029-2033	3,425,000	947,800	0	0	0
2034-2038	2,535,000	351,319	0	0	0
Total	<u>\$15,025,000</u>	<u>\$7,196,750</u>	<u>\$100,000</u>	<u>\$25,250</u>	<u>\$41,714</u>

**Note 19 – Landfill Closure And Postclosure Care Cost**

State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The City's landfill placed its final cover in 1989. The \$255,415 reported as a landfill post-closure care liability in the Sanitation Enterprise Fund at December 31, 2013, represents the cumulative amount reported to date based on the estimated cost of maintenance and monitoring through 2018. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

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



**City of Fairborn, Ohio**  
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**Note 20 – Interfund Assets/Liabilities**

Interfund balances at December 31, 2013, consisted of the following amounts and result from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All are expected to be paid within one year.

Interfund Payable	Interfund Receivable
Nonmajor	General
Governmental Funds	Fund
	\$469,000

Interfund transfers for the year ended December 31, 2013, consisted of the following:

Transfers From	Transfers To			Total
	Fire and EMS Fund	Police Fund	Nonmajor Governmental Funds	
General Fund	\$1,724,913	\$3,685,000	\$455,509	\$5,865,422
Nonmajor Governmental Funds	0	0	13,300	13,300
Total	\$1,724,913	\$3,685,000	\$468,809	\$5,878,722

Transfers are used to move General Fund revenues that are used to subsidize various programs and for debt service requirements into other funds.

**Note 21 – Jointly Governed Organizations**

**Miami Valley Regional Planning Commission**

The Miami Valley Regional Planning Commission (the “Commission”) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami and Montgomery Counties, along with the cities of Clayton, Huber Heights, Riverside, New Carlisle, Dayton. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses which affect the development of the region.

The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member

**City of Fairborn, Ohio**  
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representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. Payments to the Commission are made from the General Fund. The City contributed \$14,882 for the operation of the Commission during 2013. Financial information may be obtained by writing to Donald Spang, Executive Director, One South Main Street, Suite 260, Dayton, Ohio 45402.

**Regional Emergency Response Team (RERT)**

The Regional Emergency Response Team (RERT) is a jointly governed organization between the following cities: Huber Heights, Vandalia, Fairborn, and Beavercreek. The organization was created through an agreement by the cities to establish a regional council of governments for the RERT. The regional council of governments collects and expends resources to assist the RERT in fighting crime and for other related activities. The purpose of the RERT is to foster cooperation among municipalities through sharing of equipment/facilities/collective team expenses, team consultant expenses and grant sharing costs, for their common benefit. This includes the mutual interchange and sharing of police equipment, as well as police equipment to be jointly acquired and owned, to be utilized by all participating members. The Board of the RERT is made up of one representative from each municipality. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. Payments to the RERT are made from the General Fund. The City contributed \$4,633 for the operation of the RERT for 2013. Financial information can be obtained from the fiscal agent by writing to the RERT, c/o the City of Beavercreek, Bill Kucera, Finance Director, at 1368 Research Park Drive, Beavercreek, Ohio 45432.

**Greene County Agencies for Combined Enforcement (ACE Task Force)**

The Greene County Agencies for Combined Enforcement (ACE Task Force) is a jointly governed organization comprised of the Greene County Sheriff's Office; the Beavercreek, Fairborn, Xenia, Yellow Springs and Sugarcreek Township Police Departments; and Greene County Prosecutor's Office. The ACE Task Force is a multi-jurisdictional, multi-disciplinary partnership to share information and resources in order to target the flow of illegal drugs and organized criminal activity into Ohio communities, ensuring the safety and security of Ohio's citizens. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. Payments to the Task Force are made from the General Fund. The City contributed \$10,500 during 2013. Financial information can be obtained from Greene County Agencies for Combined Enforcement (ACE Task Force), Commander Bruce L. May, 1388 Research Park Drive, Beavercreek, OH 45432.

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Fairborn Development Corporation**

The Fairborn Development Corporation is a jointly governed organization created as a not-for-profit corporation under Chapter 1724 of the Ohio Revised Code. The Fairborn Development Corporation was formed to advance, encourage, and promote the industrial, economic, commercial, and civic development of the Greene County, Ohio and the municipal corporations located therein. The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. The City contributed \$179,050 from General Fund to the Fairborn Development Corporation during 2013. Financial information can be obtained by writing to Fairborn Development Corporation, c/o The City of Fairborn, Chris Wimsatt, Executive Director, at 44 West Hebble Avenue, Fairborn, OH 45324.

**Greene County Regional Planning and Coordination Commission (GCRPCC)**

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

GCRPCC prepares plans, including studies, maps, recommendations and reports concerning the physical, environmental, social, economic and governmental characteristics, functions, and services for the unincorporated areas of Greene County. They provide assistance to the incorporated areas of Greene County.

The Board exercises total control over the operations of the Commission including budgeting, appropriating, contracting and designating management. Each member's degree of control is limited to representation on the Board. The City is a non-voting member and made no contributions during 2013. Financial information can be obtained from Stephen Anderson, Executive Director, at 651 Dayton-Xenia Road, Xenia, Ohio 45385.

**Note 22 – Risk-Sharing Pool**

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

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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

PEP is governed by a seven member Board of Trustees elected by the members of PEP. The City makes an annual contribution to PEP for the coverage it is provided, based on rates established by PEP. Financial information may be obtained by writing to the Public Entities Pool of Ohio, 229 Riverside Drive, Dayton, Ohio, 45402.

**Note 23 - Significant Commitments**

Encumbrances

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

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

<u>Governmental Funds</u>	
General	\$554,266
Fire and EMS	136,182
Police	88,710
County Motor Vehicle Tax	250,628
Other Governmental Funds	1,091,167
Total Governmental Funds	<u>2,120,953</u>
<u>Enterprise Funds</u>	
Water	479,639
Sewer	900,348
Sanitation	186,510
Total Enterprise Funds	<u>1,566,497</u>
<u>Internal Service Funds</u>	
Equipment	91,331
Information Technology	43,176
Total Internal Service Fund	<u>134,507</u>
Total	<u><u>\$3,821,957</u></u>

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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Contractual Commitments

As of December 31, 2013, the City had the following commitments with respect to capital projects:

Project	Construction Commitment
I-675 Corridor Development Study	\$3,790
Broad Street Design	23,455
Colonel Glenn Hwy Design	11,501
Police Department MARCS Radios	30,867
Install WTP Generator	43,906
Design of Mad Rvier Secondary Water Line	6,967
NW Force Main & Lift Station	130,588
North and South Sanitary Sewer Interceptor	298,506
Public Admin Facility Feasibility Study	11,325
Fire Department MARCS Radios	38,292
Xenia Dr/Fairborn Bikeway Dayton Drive	215,996
Xenia Dr/Fairborn Bikeway	35,000
Moving Oh Forward Round 3 Demolitions	31,517
Moving Oh Forward Round 3 Demolitions	60,000
Low Pump Service - Checktronic Valve	13,654
HD Water - Low Service Pump	20,000
SCADA Remote Access	10,000
Water Tank Evaluation & Specific Developme	15,000
Sanitary System Rehab Reduce	85,782

**Note 24 – Fund Balance**

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

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

Fund Balances	General	Fire and EMS	Police	County Motor Vehicle Tax	Nonmajor Governmental Funds	Total
<u>Nonspendable:</u>						
Material and Supplies	\$25,166	\$0	\$15,146	\$0	\$54,532	\$94,844
<u>Restricted for:</u>						
Assets held for Resale	0	0	0	0	3,302,040	3,302,040
Road Improvements	0	0	0	3,625,529	1,193,960	4,819,489
Debt Service	0	0	0	0	302,022	302,022
Neighborhood Stabilization	0	0	0	0	174,624	174,624
Drug and Alcohol Enforcement	0	0	0	0	879,717	879,717
Municipal Court Programs	0	0	0	0	451,605	451,605
Public Safety Equipment	0	0	0	0	232,663	232,663
Economic Improvement	0	0	0	0	10,141	10,141
Total Restricted	0	0	0	3,625,529	6,546,772	10,172,301
<u>Committed to:</u>						
Cemetery Operations	0	0	0	0	25,542	25,542
Recreation Improvements	0	0	0	0	229,007	229,007
Total Committed	0	0	0	0	254,549	254,549
<u>Assigned to:</u>						
Unpaid Obligations	608,978	0	0	0	0	608,978
General Capital Improvements	0	0	0	0	586,058	586,058
Total Assigned	608,978	0	0	0	586,058	1,195,036
<u>Unassigned (Deficits):</u>	9,382,356	(81,967)	(211,447)	0	(16,222)	9,072,720
Total Fund Balances (Deficits)	\$10,016,500	(\$81,967)	(\$196,301)	\$3,625,529	\$7,425,689	\$20,789,450

**Note 25 – Contingent Liabilities**

**Litigation**

The City of Fairborn is currently a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects as of December 31, 2013. The City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**City of Fairborn, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*

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**Federal and State Grants**

For the period January 1, 2013, to December 31, 2013, the City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**Note 26 – Subsequent Events**

On March 26, 2014, the City issued various Bond Anticipation Notes in the amount of \$477,500.





COMBINING FINANCIAL STATEMENTS  
AND  
INDIVIDUAL FUND SCHEDULES

**City of Fairborn, Ohio**  
*Nonmajor Fund Descriptions*

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**Special Revenue Funds**

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

**Nonmajor Special Revenue Funds**

**Street Maintenance and Repair Fund**

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

**State Highway Fund**

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

**Cemetery Fund**

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

**Community Development Fund**

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

**Neighborhood Stabilization Fund**

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

**Neighborhood Stabilization II Fund**

Neighborhood Stabilization Program Fund II accounts for and reports restricted federal grant money received through the State of Ohio through the American Recovery and Reinvestment Act to improve the housing stock and living environment in eligible communities to primarily benefit low, moderate, and middle income households.

**Victim Witness Fund**

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

**Home Fund**

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

*(continued)*

**City of Fairborn, Ohio**  
*Nonmajor Fund Descriptions*  
(continued)

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**Victims Assistance Justice Assistance Grant Fund**

Victims Assistance Justice Assistance Grant Fund accounts for and reports restricted State grant money received for local crime victim assistance programs.

**Law Enforcement Trust Fund**

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

**Drug Law Enforcement Fund**

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

**Indigent Drivers Alcohol Treatment Fund**

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

**Alcohol Enforcement and Education Fund**

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

**Federal Forfeitures Fund**

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

**Municipal Probation Services Fund**

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

**Traffic Intervention Fund**

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

**Court Legal Research/Computerization Fund**

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

*(continued)*

**City of Fairborn, Ohio**  
*Nonmajor Fund Descriptions*  
(continued)

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**Court Clerk Computerization Fund**

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

**Indigent Driver's Interlock and Alcohol Monitoring Fund**

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

**Clean Ohio Revitalization Fund**

The Clean Ohio Revitalization Fund accounts for and reports restricted State grant money for activities associated with the environmental remediation of property.

**Byrne Justice Assistance Grant Fund**

Byrne Justice Assistance Grant Fund accounts for and reports grants restricted federal grant money used for police department equipment and training programs.

**Moving Ohio Forward Fund**

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

**Uninsured Loss Fund**

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

**Street Lighting Fund**

Street Lighting Fund accounts for and reports expenditures to provide street lighting within the City. This fund is included with the General Fund for GAAP reporting as it does not have a restricted or committed revenue source.

**Debt Service Fund**

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

**Nonmajor Debt Service Fund**

**General Bond Retirement Fund**

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

*(continued)*

**City of Fairborn, Ohio**  
*Nonmajor Fund Descriptions*  
(continued)

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**Capital Projects Funds**

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

**Nonmajor Capital Projects Funds**

**Issue II Improvement Fund**

To account for Issue II funds received from the State of Ohio for projects awarded through this program and to account for local matching funds.

**Court Special Projects Fund**

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

**General Capital Improvement Fund**

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

**Parks and Recreation Improvements Fund**

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

**Source Water Protection Grant Fund**

Source Water Protection Grant Fund accounts for and reports restricted grant money received from the Miami Conservancy District for the construction of a pervious brick entry way.

**Homeland Security Grant Fund**

Homeland Security Grant Fund accounts for and reports restricted federal grant money used to address the identified planning, organization, equipment, training, and exercise needs to prevent, protect against, mitigate, respond to, and recover from acts of terrorism and other catastrophic events.

**Public Safety Equipment/Facility Fund**

Public Safety Equipment/Facility Fund accounts for and reports revenues received from the one-fourth of one percent income tax levy, emergency response auto-collect and other revenue sources restricted to provide funding for fire equipment and improvements.

*(continued)*

**City of Fairborn, Ohio**  
*Nonmajor Fund Descriptions*  
(continued)

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**Building and Land Fund**

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

**Tax Increment Financing Fund**

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

**Special Assessment Construction Fund**

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



**City of Fairborn, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2013*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$3,101,779	\$295,670	\$1,241,496	\$4,638,945
Receivables:				
Other Local Taxes	0	0	32,488	32,488
Municipal Income Taxes	0	0	743,239	743,239
Increment Tax	0	0	381,260	381,260
Accounts	0	128,648	0	128,648
Special Assessments	0	979,399	0	979,399
Intergovernmental	640,315	0	26,250	666,565
Assets Held for Resale	3,302,040	0	0	3,302,040
Materials and Supplies Inventory	54,532	0	0	54,532
<i>Total Assets</i>	<u>\$7,098,666</u>	<u>\$1,403,717</u>	<u>\$2,424,733</u>	<u>\$10,927,116</u>
<b>Liabilities:</b>				
Accounts Payable	\$78,534	\$0	\$21,221	\$99,755
Contracts Payable	0	0	18,887	18,887
Retainage Payable	0	0	6,149	6,149
Interfund Payable	469,000	0	0	469,000
Accrued Wages Payable	43,507	0	2,047	45,554
Intergovernmental Payable	34,082	0	790	34,872
Accrued Interest Payable	0	0	1,631	1,631
Notes Payable	0	0	298,719	298,719
<i>Total Liabilities</i>	<u>625,123</u>	<u>0</u>	<u>349,444</u>	<u>974,567</u>
<b>Deferred Inflows of Resources:</b>				
Payments in Lieu of Taxes	0	0	381,260	381,260
Unavailable Revenue	438,929	1,108,047	598,624	2,145,600
<i>Total Deferred Inflows of Resources</i>	<u>438,929</u>	<u>1,108,047</u>	<u>979,884</u>	<u>2,526,860</u>
<b>Fund Balances:</b>				
Nonspendable	54,532	0	0	54,532
Restricted	5,963,287	295,670	287,815	6,546,772
Committed	25,542	0	229,007	254,549
Assigned	0	0	586,058	586,058
Unassigned (Deficit)	(8,747)	0	(7,475)	(16,222)
<i>Total Fund Balances</i>	<u>6,034,614</u>	<u>295,670</u>	<u>1,095,405</u>	<u>7,425,689</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$7,098,666</u>	<u>\$1,403,717</u>	<u>\$2,424,733</u>	<u>\$10,927,116</u>



**City of Fairborn, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2013*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Other Local Taxes	\$0	\$0	\$151,699	\$151,699
Municipal Income Taxes	0	0	1,948,090	1,948,090
Payments in Lieu of Taxes	0	0	362,657	362,657
Fines, Licenses and Permits	439,194	0	168,567	607,761
Charges for Services	41,267	82,630	103,339	227,236
Investment Earnings	3,733	91,575	3,277	98,585
Intergovernmental	1,840,956	0	441,030	2,281,986
Special Assessments	0	290,651	30,926	321,577
Contributions and Donations	1,427	0	0	1,427
Other	34,327	0	4,125	38,452
<i>Total Revenues</i>	<u>2,360,904</u>	<u>464,856</u>	<u>3,213,710</u>	<u>6,039,470</u>
<b>Expenditures:</b>				
Current:				
General Government	80,027	26,796	1,075,872	1,182,695
Public Safety	454,876	0	11,106	465,982
Leisure Time Activities	0	0	70,629	70,629
Community Development	349,490	0	0	349,490
Transportation and Street Repair	1,326,678	0	0	1,326,678
Public Health and Welfare	102,948	0	0	102,948
Capital Outlay	251,058	0	2,132,326	2,383,384
Intergovernmental	0	0	215,666	215,666
Debt Service:				
Principal Retirement	0	265,000	3,046,607	3,311,607
Interest and Fiscal Charges	0	116,653	197,329	313,982
<i>Total Expenditures</i>	<u>2,565,077</u>	<u>408,449</u>	<u>6,749,535</u>	<u>9,723,061</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(204,173)</u>	<u>56,407</u>	<u>(3,535,825)</u>	<u>(3,683,591)</u>
<b>Other Financing Sources (Uses):</b>				
Notes Issued	0	115	512,945	513,060
General Obligation Bonds Issued	0	0	1,630,000	1,630,000
Proceeds from Sale of Capital Assets	23,050	0	1,090	24,140
Transfers-In	87,500	0	381,309	468,809
Premium on Debt Issued	0	2,125	45,464	47,589
Transfers-Out	(13,300)	0	0	(13,300)
<i>Total Other Financing Sources (Uses)</i>	<u>97,250</u>	<u>2,240</u>	<u>2,570,808</u>	<u>2,670,298</u>
<i>Net Change in Fund Balances</i>	<u>(106,923)</u>	<u>58,647</u>	<u>(965,017)</u>	<u>(1,013,293)</u>
<i>Fund Balances at Beginning of Year</i>	<u>6,141,537</u>	<u>237,023</u>	<u>2,060,422</u>	<u>8,438,982</u>
<i>Fund Balances at End of Year</i>	<u>\$6,034,614</u>	<u>\$295,670</u>	<u>\$1,095,405</u>	<u>\$7,425,689</u>

**City of Fairborn, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2013*

	Street Maintenance and Repair Fund	State Highway Fund	Cemetery Fund	Community Development Fund
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$898,773	\$193,477	\$31,130	\$109,997
Receivables:				
Intergovernmental	544,439	44,146	0	33,648
Assets Held for Resale	0	0	0	15,315
Materials and Supplies Inventory	54,532	0	0	0
<i>Total Assets</i>	<u>\$1,497,744</u>	<u>\$237,623</u>	<u>\$31,130</u>	<u>\$158,960</u>
<b>Liabilities:</b>				
Accounts Payable	\$43,837	\$3,080	\$828	\$14,298
Interfund Payable	0	0	0	104,000
Accrued Wages Payable	25,227	2,312	2,701	4,627
Intergovernmental Payable	19,542	1,752	2,059	4,170
<i>Total Liabilities</i>	<u>88,606</u>	<u>7,144</u>	<u>5,588</u>	<u>127,095</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue	361,789	29,336	0	33,648
<b>Fund Balances:</b>				
Nonspendable	54,532	0	0	0
Restricted	992,817	201,143	0	0
Committed	0	0	25,542	0
Unassigned (Deficit)	0	0	0	(1,783)
<i>Total Fund Balances (Deficit)</i>	<u>1,047,349</u>	<u>201,143</u>	<u>25,542</u>	<u>(1,783)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,497,744</u>	<u>\$237,623</u>	<u>\$31,130</u>	<u>\$158,960</u>

Neighborhood Stabilization Fund	Neighborhood Stabilization II Fund	Victim Witness Fund	Home Fund	Victims Assistance Justice Assistance Grant Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund
\$192,518	\$208,209	\$4,336	\$10,151	\$15,861	\$145,787	\$8,848
0	1,789	5,888	0	0	0	0
105,587	185,221	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$298,105</u>	<u>\$395,219</u>	<u>\$10,224</u>	<u>\$10,151</u>	<u>\$15,861</u>	<u>\$145,787</u>	<u>\$8,848</u>
\$0	\$79	\$937	\$0	\$0	\$0	\$0
0	210,000	0	0	15,000	0	0
0	0	4,308	0	205	0	0
379	330	3,144	10	872	0	0
<u>379</u>	<u>210,409</u>	<u>8,389</u>	<u>10</u>	<u>16,077</u>	<u>0</u>	<u>0</u>
0	1,789	1,962	0	0	0	0
0	0	0	0	0	0	0
297,726	183,021	0	10,141	0	145,787	8,848
0	0	0	0	0	0	0
0	0	(127)	0	(216)	0	0
<u>297,726</u>	<u>183,021</u>	<u>(127)</u>	<u>10,141</u>	<u>(216)</u>	<u>145,787</u>	<u>8,848</u>
<u>\$298,105</u>	<u>\$395,219</u>	<u>\$10,224</u>	<u>\$10,151</u>	<u>\$15,861</u>	<u>\$145,787</u>	<u>\$8,848</u>

(continued)

**City of Fairborn, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2013*  
*(Continued)*

	Indigent Drivers Alcohol Treatment Fund	Alcohol Enforcement and Education Fund	Federal Forfeitures Fund	Municipal Probation Services Fund
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$351,252	\$6,565	\$283,979	\$28,092
Receivables:				
Intergovernmental	6,320	0	3,259	0
Assets Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$357,572</u>	<u>\$6,565</u>	<u>\$287,238</u>	<u>\$28,092</u>
<b>Liabilities:</b>				
Accounts Payable	\$14,034	\$0	\$0	\$0
Interfund Payable	0	0	0	0
Accrued Wages Payable	0	0	0	2,254
Intergovernmental Payable	0	0	0	1,017
<i>Total Liabilities</i>	<u>14,034</u>	<u>0</u>	<u>0</u>	<u>3,271</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue	6,320	0	3,259	0
<b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	337,218	6,565	283,979	24,821
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>337,218</u>	<u>6,565</u>	<u>283,979</u>	<u>24,821</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$357,572</u>	<u>\$6,565</u>	<u>\$287,238</u>	<u>\$28,092</u>

Traffic Intervention Fund	Court Legal Research/ Computerization Fund	Court Clerk Computerization Fund	Indigent Driver's Interlock and Alcohol Monitoring Fund	Clean Ohio Revitalization Fund	Moving Ohio Forward Fund	Total Nonmajor Special Revenue Funds
\$1,598	\$76,820	\$302,966	\$97,714	\$0	\$133,706	\$3,101,779
0	0	0	0	0	826	640,315
0	0	0	0	2,995,917	0	3,302,040
0	0	0	0	0	0	54,532
<u>\$1,598</u>	<u>\$76,820</u>	<u>\$302,966</u>	<u>\$97,714</u>	<u>\$2,995,917</u>	<u>\$134,532</u>	<u>\$7,098,666</u>
\$0	\$0	\$0	\$1,441	\$0	\$0	\$78,534
0	0	0	0	0	140,000	469,000
295	0	1,323	0	0	255	43,507
256	0	479	0	0	72	34,082
<u>551</u>	<u>0</u>	<u>1,802</u>	<u>1,441</u>	<u>0</u>	<u>140,327</u>	<u>625,123</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>826</u>	<u>438,929</u>
0	0	0	0	0	0	54,532
1,047	76,820	301,164	96,273	2,995,917	0	5,963,287
0	0	0	0	0	0	25,542
0	0	0	0	0	(6,621)	(8,747)
<u>1,047</u>	<u>76,820</u>	<u>301,164</u>	<u>96,273</u>	<u>2,995,917</u>	<u>(6,621)</u>	<u>6,034,614</u>
<u>\$1,598</u>	<u>\$76,820</u>	<u>\$302,966</u>	<u>\$97,714</u>	<u>\$2,995,917</u>	<u>\$134,532</u>	<u>\$7,098,666</u>

**City of Fairborn, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2013*

	Street Maintenance and Repair Fund	State Highway Fund	Cemetery Fund	Community Development Fund
<b>Revenues:</b>				
Fines, Licenses and Permits	\$0	\$0	\$0	\$0
Charges for Services	0	0	41,267	0
Investment Earnings	2,444	506	0	0
Intergovernmental	1,109,751	89,981	0	168,627
Contributions and Donations	0	0	0	0
Other	6,638	463	608	6,577
<i>Total Revenues</i>	<u>1,118,833</u>	<u>90,950</u>	<u>41,875</u>	<u>175,204</u>
<b>Expenditures:</b>				
Current:				
General Government	0	0	0	0
Public Safety	0	0	0	0
Community Development	0	0	0	209,418
Transportation and Street Repair	1,238,750	87,928	0	0
Public Health and Welfare	0	0	102,948	0
Capital Outlay	65,289	145	0	5,410
<i>Total Expenditures</i>	<u>1,304,039</u>	<u>88,073</u>	<u>102,948</u>	<u>214,828</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(185,206)</u>	<u>2,877</u>	<u>(61,073)</u>	<u>(39,624)</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	2,117	0	0	0
Transfers-In	0	0	60,500	0
Transfers-Out	(13,300)	0	0	0
<i>Total Other Financing Sources</i>	<u>(11,183)</u>	<u>0</u>	<u>60,500</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(196,389)	2,877	(573)	(39,624)
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>1,243,738</u>	<u>198,266</u>	<u>26,115</u>	<u>37,841</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$1,047,349</u>	<u>\$201,143</u>	<u>\$25,542</u>	<u>(\$1,783)</u>

Neighborhood Stabilization Fund	Neighborhood Stabilization II Fund	Victim Witness Fund	Home Fund	Victims Assistance Justice Assistance Grant Fund	Law Enforcement Trust Fund	Drug Law Enforcement Fund	Indigent Drivers Alcohol Treatment Fund
\$0	\$0	\$11,906	\$0	\$0	\$0	\$0	\$29,873
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	82,385	57,539	0	32,000	0	0	0
0	0	0	0	0	1,427	0	0
68	7,000	1,307	3,407	0	6,079	2,180	0
68	89,385	70,752	3,407	32,000	7,506	2,180	29,873
0	0	0	0	0	0	0	0
0	0	91,631	0	41,267	73,973	0	48,475
34,509	65,654	0	844	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	10,615	11,891	0
34,509	65,654	91,631	844	41,267	84,588	11,891	48,475
(34,441)	23,731	(20,879)	2,563	(9,267)	(77,082)	(9,711)	(18,602)
0	(7,000)	0	0	0	27,478	0	0
0	0	16,000	0	11,000	0	0	0
0	0	0	0	0	0	0	0
0	(7,000)	16,000	0	11,000	27,478	0	0
(34,441)	16,731	(4,879)	2,563	1,733	(49,604)	(9,711)	(18,602)
332,167	166,290	4,752	7,578	(1,949)	195,391	18,559	355,820
\$297,726	\$183,021	(\$127)	\$10,141	(\$216)	\$145,787	\$8,848	\$337,218

(continued)

**City of Fairborn, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2013*  
(Continued)

	Alcohol Enforcement and Education Fund	Federal Forfeitures Fund	Municipal Probation Services Fund	Traffic Intervention Fund
<b>Revenues:</b>				
Fines, Licenses and Permits	\$2,521	\$114,546	\$102,457	\$14,569
Charges for Services	0	0	0	0
Investment Earnings	0	783	0	0
Intergovernmental	0	3,050	0	0
Contributions and Donations	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>2,521</u>	<u>118,379</u>	<u>102,457</u>	<u>14,569</u>
<b>Expenditures:</b>				
Current:				
General Government	0	0	0	0
Public Safety	1,100	8,030	158,687	14,302
Community Development	0	0	0	0
Transportation and Street Repair	0	0	0	0
Public Health and Welfare	0	0	0	0
Capital Outlay	0	74,292	0	0
<i>Total Expenditures</i>	<u>1,100</u>	<u>82,322</u>	<u>158,687</u>	<u>14,302</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,421</u>	<u>36,057</u>	<u>(56,230)</u>	<u>267</u>
<b>Other Financing Sources:</b>				
Proceeds from Sale of Capital Assets	0	455	0	0
Transfers-In	0	0	0	0
Transfers-Out	0	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>455</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	1,421	36,512	(56,230)	267
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>5,144</u>	<u>247,467</u>	<u>81,051</u>	<u>780</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$6,565</u></u>	<u><u>\$283,979</u></u>	<u><u>\$24,821</u></u>	<u><u>\$1,047</u></u>



Court Legal Research/ Computerization Fund	Court Clerk Computerization Fund	Indigent Driver's Interlock and Alcohol Monitoring Fund	Clean Ohio Revitalization Fund	Byrne Justice Assistance Grant Fund	Moving Ohio Forward Fund	Total Nonmajor Special Revenue Funds
\$15,865	\$116,604	\$30,853	\$0	\$0	\$0	\$439,194
0	0	0	0	0	0	41,267
0	0	0	0	0	0	3,733
0	0	0	260,053	5,126	32,444	1,840,956
0	0	0	0	0	0	1,427
0	0	0	0	0	0	34,327
<u>15,865</u>	<u>116,604</u>	<u>30,853</u>	<u>260,053</u>	<u>5,126</u>	<u>32,444</u>	<u>2,360,904</u>
1,271	27,537	0	51,219	0	0	80,027
0	0	17,411	0	0	0	454,876
0	0	0	0	0	39,065	349,490
0	0	0	0	0	0	1,326,678
0	0	0	0	0	0	102,948
17,151	61,139	0	0	5,126	0	251,058
<u>18,422</u>	<u>88,676</u>	<u>17,411</u>	<u>51,219</u>	<u>5,126</u>	<u>39,065</u>	<u>2,565,077</u>
<u>(2,557)</u>	<u>27,928</u>	<u>13,442</u>	<u>208,834</u>	<u>0</u>	<u>(6,621)</u>	<u>(204,173)</u>
0	0	0	0	0	0	23,050
0	0	0	0	0	0	87,500
0	0	0	0	0	0	(13,300)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>97,250</u>
(2,557)	27,928	13,442	208,834	0	(6,621)	(106,923)
<u>79,377</u>	<u>273,236</u>	<u>82,831</u>	<u>2,787,083</u>	<u>0</u>	<u>0</u>	<u>6,141,537</u>
<u>\$76,820</u>	<u>\$301,164</u>	<u>\$96,273</u>	<u>\$2,995,917</u>	<u>\$0</u>	<u>(\$6,621)</u>	<u>\$6,034,614</u>

**City of Fairborn, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2013*

	Court Special Projects Fund	General Capital Improvement Fund	Parks and Recreation Improvements Fund	Source Water Protection Grant Fund
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$51,637	\$629,900	\$196,519	\$0
Receivables:				
Other Local Taxes	0	0	32,488	0
Municipal Income Taxes	0	0	0	0
Increment Tax	0	0	0	0
Intergovernmental	0	0	0	26,250
<i>Total Assets</i>	<u>\$51,637</u>	<u>\$629,900</u>	<u>\$229,007</u>	<u>\$26,250</u>
<b>Liabilities:</b>				
Accounts Payable	\$0	\$9,743	\$0	\$0
Contracts Payable	0	3,808	0	0
Retainage Payable	0	0	0	0
Accrued Wages Payable	2,047	0	0	0
Intergovernmental Payable	790	0	0	0
Accrued Interest Payable	0	291	0	0
Notes Payable	0	30,000	0	0
<i>Total Liabilities</i>	<u>2,837</u>	<u>43,842</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources:</b>				
Payment in Lieu of Taxes	0	0	0	0
Unavailable Revenue	0	0	0	26,250
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>26,250</u>
<b>Fund Balances:</b>				
Restricted	48,800	0	0	0
Committed	0	0	229,007	0
Assigned	0	586,058	0	0
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>48,800</u>	<u>586,058</u>	<u>229,007</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$51,637</u>	<u>\$629,900</u>	<u>\$229,007</u>	<u>\$26,250</u>

Public Safety Equipment/ Facility Fund	Building and Land Fund	Tax Increment Financing Fund	Special Assessment Construction Fund	Total Nonmajor Capital Projects Funds
\$68,056	\$66,263	\$6,352	\$222,769	\$1,241,496
0	0	0	0	32,488
743,239	0	0	0	743,239
0	0	381,260	0	381,260
0	0	0	0	26,250
<u>\$811,295</u>	<u>\$66,263</u>	<u>\$387,612</u>	<u>\$222,769</u>	<u>\$2,424,733</u>
\$6,258	\$5,220	\$0	\$0	\$21,221
0	0	0	15,079	18,887
0	0	0	6,149	6,149
0	0	0	0	2,047
0	0	0	0	790
0	654	0	686	1,631
0	67,500	0	201,219	298,719
<u>6,258</u>	<u>73,374</u>	<u>0</u>	<u>223,133</u>	<u>349,444</u>
0	0	381,260	0	381,260
572,374	0	0	0	598,624
<u>572,374</u>	<u>0</u>	<u>381,260</u>	<u>0</u>	<u>979,884</u>
232,663	0	6,352	0	287,815
0	0	0	0	229,007
0	0	0	0	586,058
0	(7,111)	0	(364)	(7,475)
<u>232,663</u>	<u>(7,111)</u>	<u>6,352</u>	<u>(364)</u>	<u>1,095,405</u>
<u>\$811,295</u>	<u>\$66,263</u>	<u>\$387,612</u>	<u>\$222,769</u>	<u>\$2,424,733</u>

**City of Fairborn, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2013*

	Issue II Improvement Fund	Court Special Projects Fund	General Capital Improvement Fund	Parks and Recreation Improvements Fund
<b>Revenues:</b>				
Other Local Taxes	\$0	\$0	\$0	\$151,699
Municipal Income Taxes	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Fines, Licenses and Permits	0	168,567	0	0
Charges for Services	0	0	0	19,345
Investment Earnings	0	0	1,332	606
Intergovernmental	397,081	0	0	0
Special Assessments	0	0	30,926	0
Other	0	0	0	4,075
<i>Total Revenues</i>	<u>397,081</u>	<u>168,567</u>	<u>32,258</u>	<u>175,725</u>
<b>Expenditures:</b>				
Current:				
General Government	0	66,937	82,641	0
Public Safety	0	0	0	0
Leisure Time Activities	0	0	0	70,629
Capital Outlay	397,081	0	89,600	52,790
Intergovernmental	0	0	0	0
Debt Service:				
Principal Retirement	0	115,421	0	0
Interest and Fiscal Charges	0	3,460	594	0
<i>Total Expenditures</i>	<u>397,081</u>	<u>185,818</u>	<u>172,835</u>	<u>123,419</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>(17,251)</u>	<u>(140,577)</u>	<u>52,306</u>
<b>Other Financing Sources (Uses):</b>				
Notes Issued	0	0	70,000	0
General Obligation Bonds Issued	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	1,090
Transfers-In	0	0	160,504	0
Premium on Debt Issued	0	0	844	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>231,348</u>	<u>1,090</u>
<i>Net Change in Fund Balances</i>	0	(17,251)	90,771	53,396
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>0</u>	<u>66,051</u>	<u>495,287</u>	<u>175,611</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$0</u>	<u>\$48,800</u>	<u>\$586,058</u>	<u>\$229,007</u>

Source Water Protection Grant Fund	Homeland Security Grant Fund	Public Safety Equipment/ Facility Fund	Building and Land Fund	Tax Increment Financing Fund	Special Assessment Construction Fund	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$151,699
0	0	1,948,090	0	0	0	1,948,090
0	0	0	0	362,657	0	362,657
0	0	0	0	0	0	168,567
0	0	22,198	0	0	61,796	103,339
0	0	1,339	0	0	0	3,277
8,750	6,399	28,800	0	0	0	441,030
0	0	0	0	0	0	30,926
0	0	50	0	0	0	4,125
<u>8,750</u>	<u>6,399</u>	<u>2,000,477</u>	<u>0</u>	<u>362,657</u>	<u>61,796</u>	<u>3,213,710</u>
0	0	386,758	402,347	10,798	126,391	1,075,872
0	4,848	6,258	0	0	0	11,106
0	0	0	0	0	0	70,629
0	0	1,157,500	435,355	0	0	2,132,326
0	0	0	0	215,666	0	215,666
0	0	1,195,000	112,500	1,555,000	68,686	3,046,607
0	0	106,813	18,447	65,057	2,958	197,329
<u>0</u>	<u>4,848</u>	<u>2,852,329</u>	<u>968,649</u>	<u>1,846,521</u>	<u>198,035</u>	<u>6,749,535</u>
<u>8,750</u>	<u>1,551</u>	<u>(851,852)</u>	<u>(968,649)</u>	<u>(1,483,864)</u>	<u>(136,239)</u>	<u>(3,535,825)</u>
0	0	0	377,500	0	65,445	512,945
0	0	0	0	1,630,000	0	1,630,000
0	0	0	0	0	0	1,090
0	0	0	220,805	0	0	381,309
0	0	0	3,756	40,864	0	45,464
<u>0</u>	<u>0</u>	<u>0</u>	<u>602,061</u>	<u>1,670,864</u>	<u>65,445</u>	<u>2,570,808</u>
8,750	1,551	(851,852)	(366,588)	187,000	(70,794)	(965,017)
<u>(8,750)</u>	<u>(1,551)</u>	<u>1,084,515</u>	<u>359,477</u>	<u>(180,648)</u>	<u>70,430</u>	<u>2,060,422</u>
<u>\$0</u>	<u>\$0</u>	<u>\$232,663</u>	<u>(\$7,111)</u>	<u>\$6,352</u>	<u>(\$364)</u>	<u>\$1,095,405</u>

**City of Fairborn, Ohio**  
*Nonmajor Fund Descriptions*

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**Internal Service Funds**

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

**Equipment Fund**

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

**Information Technology Fund**

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

**Employee Assistance Program Fund**

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

**City of Fairborn, Ohio**  
*Combining Statement of Fund Net Position*  
*Internal Service Funds*  
*December 31, 2013*

	Equipment Fund	Information Technology Fund	Employee Assistance Program Fund	Total
<b>Assets:</b>				
<b>Current Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$176,372	\$125,381	\$154,726	\$456,479
Accounts Receivable	38,068	0	0	38,068
Materials and Supplies Inventory	203,979	0	0	203,979
<i>Total Current Assets</i>	<u>418,419</u>	<u>125,381</u>	<u>154,726</u>	<u>698,526</u>
<b>Non-current Assets</b>				
Depreciable Capital Assets, Net	162,466	48,407	0	210,873
<i>Total Assets</i>	<u>580,885</u>	<u>173,788</u>	<u>154,726</u>	<u>909,399</u>
<b>Liabilities:</b>				
<b>Current Liabilities</b>				
Accounts Payable	51,489	6,824	0	58,313
Accrued Wages Payable	15,419	9,914	0	25,333
Intergovernmental Payable	13,652	7,453	0	21,105
Capital Lease Payable	6,215	0	0	6,215
Compensated Absences Payable	69,354	3,860	0	73,214
<i>Total Current Liabilities</i>	<u>156,129</u>	<u>28,051</u>	<u>0</u>	<u>184,180</u>
<b>Long-Term Liabilities</b>				
Capital Lease Payable	23,557	0	0	23,557
Compensated Absences Payable	15,527	219	0	15,746
<i>Total Long-Term Liabilities</i>	<u>39,084</u>	<u>219</u>	<u>0</u>	<u>39,303</u>
<i>Total Liabilities</i>	<u>195,213</u>	<u>28,270</u>	<u>0</u>	<u>223,483</u>
<b>Net Position:</b>				
Net Investment in Capital Assets	132,694	48,407	0	181,101
Unrestricted	252,978	97,111	154,726	504,815
<i>Total Net Position</i>	<u>\$385,672</u>	<u>\$145,518</u>	<u>\$154,726</u>	<u>\$685,916</u>

**City of Fairborn, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Internal Service Funds*  
*For the Year Ended December 31, 2013*

	Equipment Fund	Information Technology Fund	Employee Assistance Program Fund	Total
<b>Operating Revenues:</b>				
Charges for Services	\$1,514,097	\$491,315	\$0	\$2,005,412
Other	1,735	7	1,887	3,629
<i>Total Operating Revenues</i>	<u>1,515,832</u>	<u>491,322</u>	<u>1,887</u>	<u>2,009,041</u>
<b>Operating Expenses:</b>				
Personal Services	517,177	267,062	86,000	870,239
Contractual Services	33,186	143,085	8,500	184,771
Materials and Supplies	845,938	7,245	0	853,183
Depreciation	29,486	13,239	0	42,725
<i>Total Operating Expenses</i>	<u>1,425,787</u>	<u>430,631</u>	<u>94,500</u>	<u>1,950,918</u>
<i>Operating Income (Loss)</i>	<u>90,045</u>	<u>60,691</u>	<u>(92,613)</u>	<u>58,123</u>
<b>Non-Operating Revenues (Expenses):</b>				
Investment Earnings	0	0	414	414
Interest and Fiscal Charges	(1,217)	0	0	(1,217)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(1,217)</u>	<u>0</u>	<u>414</u>	<u>(803)</u>
<i>Income (Loss) Before Capital Contributions</i>	88,828	60,691	(92,199)	57,320
Capital Contributions	10,189	0	0	10,189
<i>Change in Net Position</i>	99,017	60,691	(92,199)	67,509
<i>Net Position at Beginning of Year</i>	<u>286,655</u>	<u>84,827</u>	<u>246,925</u>	<u>618,407</u>
<i>Net Position at End of Year</i>	<u><u>\$385,672</u></u>	<u><u>\$145,518</u></u>	<u><u>\$154,726</u></u>	<u><u>\$685,916</u></u>



**City of Fairborn, Ohio**  
*Combining Statement of Cash Flows*  
*Internal Service Funds*  
*For the Year Ended December 31, 2013*

	Equipment	Information Technology	Employee Assistance Program	Total
<b>Increase (Decrease) in Cash and Cash Equivalents</b>				
<b>Cash Flows from Operating Activities:</b>				
Cash Received From Interfund Services Provided	\$1,519,575	\$491,315	\$0	\$2,010,890
Cash Received From Other Operating Revenues	1,735	7	1,887	3,629
Cash Payments for Employee Services and Benefits	(507,763)	(267,760)	0	(775,523)
Cash Payments to Suppliers	(947,549)	(158,144)	(94,500)	(1,200,193)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>65,998</u>	<u>65,418</u>	<u>(92,613)</u>	<u>38,803</u>
<b>Cash Flows Used for Capital and Related</b>				
<b>Financing Activities:</b>				
Acquisition of Capital Assets	0	(18,202)	0	(18,202)
Capital Lease Principal Payments	(6,000)	0	0	(6,000)
Capital Lease Interest Payments	(1,217)	0	0	(1,217)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(7,217)</u>	<u>(18,202)</u>	<u>0</u>	<u>(25,419)</u>
<b>Cash Flows from Investing Activities:</b>				
Interest	0	0	414	414
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	58,781	47,216	(92,199)	13,798
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>117,591</u>	<u>78,165</u>	<u>246,925</u>	<u>442,681</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$176,372</u>	<u>\$125,381</u>	<u>\$154,726</u>	<u>\$456,479</u>
<b>Reconciliation of Operating Income (Loss) to Net</b>				
<b>Cash Provided by (Used for) Operating Activities:</b>				
Operating Income (Loss)	\$90,045	\$60,691	(\$92,613)	\$58,123
<b>Adjustments to Reconcile Operating Income (Loss)</b>				
<b>to Net Cash Provided by (Used for) Operating</b>				
<b>Activities:</b>				
Depreciation	29,486	13,239	0	42,725
Changes in Assets and Liabilities:				
Increase in Accounts Receivable	(38,068)	0	0	(38,068)
Increase in Materials and Supplies Inventory	(81,763)	0	0	(81,763)
Decrease in Interfund Receivable	43,546	0	0	43,546
Increase (Decrease) in Accounts Payable	13,648	(7,814)	0	5,834
Increase (Decrease) in Accrued Wages Payable	(76)	2,366	0	2,290
Increase in Intergovernmental Payable	1,166	558	0	1,724
Decrease in Interfund Payable	(310)	0	0	(310)
Increase (Decrease) in Compensated Absences Payable	8,324	(3,622)	0	4,702
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$65,998</u>	<u>\$65,418</u>	<u>(92,613)</u>	<u>\$38,803</u>

**City of Fairborn, Ohio**  
*Nonmajor Fund Descriptions*

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**Agency Fund**

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental units, and/or other funds.

**Municipal Court Fund**

To account for monies that flow through the Clerk of Courts office.

**City of Fairborn, Ohio**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Year Ended December 31, 2013*

	Balance at 12/31/2012	Additions	Reductions	Balance at 12/31/2013
<b><u>Municipal Court Fund</u></b>				
<b>Assets:</b>				
Cash and Cash Equivalents in Segregated Accounts	\$268,718	\$7,180,640	\$7,212,877	\$236,481
<b>Liabilities:</b>				
Undistributed Monies	\$268,718	\$7,180,640	\$7,212,877	\$236,481

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*General Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Property Taxes	\$859,712	\$859,712	\$0
Other Local Taxes	666,400	674,242	7,842
Municipal Income Taxes	7,760,178	7,761,632	1,454
Fines, Licenses and Permits	1,066,900	1,063,621	(3,279)
Charges for Services	3,273,117	3,185,004	(88,113)
Investment Earnings	72,050	61,789	(10,261)
Intergovernmental	1,407,371	1,408,337	966
Other	154,588	200,874	46,286
<i>Total Revenues</i>	<u>15,260,316</u>	<u>15,215,211</u>	<u>(45,105)</u>
<b>Expenditures:</b>			
Current:			
General Government			
City Council			
Personal Services	117,292	116,724	568
Contractual Services	64,391	55,058	9,333
Materials and Supplies	17,810	17,810	0
<i>Total City Council</i>	<u>199,493</u>	<u>189,592</u>	<u>9,901</u>
Municipal Court			
Personal Services	1,511,151	1,493,323	17,828
Contractual Services	275,425	270,627	4,798
Materials and Supplies	30,453	29,654	799
<i>Total Municipal Court</i>	<u>1,817,029</u>	<u>1,793,604</u>	<u>23,425</u>
Jail Diversion Grant			
Personal Services	40,189	38,417	1,772
Contractual Services	24,223	24,223	0
<i>Total Jail Diversion Grant</i>	<u>64,412</u>	<u>62,640</u>	<u>1,772</u>
City Manager's Office			
Personal Services	309,616	305,925	3,691
Contractual Services	23,948	23,918	30
Materials and Supplies	4,279	4,279	0
<i>Total City Manager's Office</i>	<u>337,843</u>	<u>334,122</u>	<u>3,721</u>
Administration and General Accounting			
Personal Services	494,567	490,294	4,273
Contractual Services	74,243	69,342	4,901
Materials and Supplies	9,441	9,441	0
<i>Total Administration and General Accounting</i>	<u>\$578,251</u>	<u>\$569,077</u>	<u>\$9,174</u>

(continued)

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*General Fund*  
*For the Year Ended December 31, 2013*  
*(Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Utilities Accounting			
Personal Services	\$216,226	\$207,271	\$8,955
Contractual Services	110,407	110,197	210
Materials and Supplies	5,824	1,742	4,082
<i>Total Utilities Accounting</i>	<u>332,457</u>	<u>319,210</u>	<u>13,247</u>
City Income Tax Accounting			
Personal Services	159,541	151,441	8,100
Contractual Services	457,214	409,603	47,611
Materials and Supplies	1,443	944	499
<i>Total City Income Tax Accounting</i>	<u>618,198</u>	<u>561,988</u>	<u>56,210</u>
Legal Department			
Personal Services	222,206	220,652	1,554
Contractual Services	74,800	74,800	0
Materials and Supplies	6,500	6,500	0
<i>Total Legal Department</i>	<u>303,506</u>	<u>301,952</u>	<u>1,554</u>
Personnel Department			
Personal Services	82,901	81,305	1,596
Contractual Services	111,940	111,295	645
Materials and Supplies	8,535	8,535	0
<i>Total Personnel Department</i>	<u>203,376</u>	<u>201,135</u>	<u>2,241</u>
Engineering and Drafting			
Personal Services	362,367	357,973	4,394
Contractual Services	26,888	26,478	410
Materials and Supplies	12,876	12,521	355
<i>Total Engineering and Drafting</i>	<u>402,131</u>	<u>396,972</u>	<u>5,159</u>
Police Animal Control			
Contractual Services	35,000	35,000	0
Plant Maintenance			
Personal Services	360,728	359,382	1,346
Contractual Services	133,956	133,917	39
Materials and Supplies	86,703	86,652	51
<i>Total Plant Maintenance</i>	<u>581,387</u>	<u>579,951</u>	<u>1,436</u>
Contingency			
Personal Services	65,829	65,829	0
Contractual Services	1,148,052	1,146,799	1,253
Materials and Supplies	27,744	26,568	1,176
<i>Total Contingency</i>	<u>1,241,625</u>	<u>1,239,196</u>	<u>2,429</u>
<i>Total General Government</i>	<u>\$6,714,708</u>	<u>\$6,584,439</u>	<u>\$130,269</u>

(continued)

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*General Fund*  
*For the Year Ended December 31, 2013*  
*(Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Leisure Time Activities			
Parks and Recreation			
Personal Services	\$142,287	\$133,826	\$8,461
Contractual Services	44,789	43,618	1,171
Materials and Supplies	45,652	44,426	1,226
<i>Total Leisure Time Activities</i>	<u>232,728</u>	<u>221,870</u>	<u>10,858</u>
Community Development			
Community Development Urban Planner			
Personal Services	233,388	226,823	6,565
Contractual Services	27,991	22,702	5,289
Materials and Supplies	1,577	1,534	43
<i>Total Community Development Urban Planner</i>	<u>262,956</u>	<u>251,059</u>	<u>11,897</u>
Building Inspection and Zoning Enforcement			
Personal Services	350,529	339,039	11,490
Contractual Services	69,263	62,229	7,034
Materials and Supplies	15,180	14,852	328
<i>Total Building Inspection and Zoning Enforcement</i>	<u>434,972</u>	<u>416,120</u>	<u>18,852</u>
Economic Development			
Personal Services	118,395	114,813	3,582
Contractual Services	112,807	112,807	0
Materials and Supplies	1,950	450	1,500
<i>Total Economic Development</i>	<u>233,152</u>	<u>228,070</u>	<u>5,082</u>
<i>Total Community Development</i>	<u>931,080</u>	<u>895,249</u>	<u>35,831</u>
Capital Outlay	23,327	23,304	23
<i>Total Expenditures</i>	<u>7,901,843</u>	<u>7,724,862</u>	<u>176,981</u>
<i>Excess of Revenues Over Expenditures</i>	<u>7,358,473</u>	<u>7,490,349</u>	<u>131,876</u>
<b>Other Financing Sources (Uses):</b>			
Special Assessment Bonds Issued	0	4,440	4,440
Advances-In	56,750	56,750	0
Advances-Out	(368,374)	(308,300)	60,074
Transfers-Out	(5,946,273)	(5,945,673)	600
<i>Total Other Financing Sources (Uses)</i>	<u>(6,257,897)</u>	<u>(6,192,783)</u>	<u>65,114</u>
<i>Net Change in Fund Balance</i>	1,100,576	1,297,566	196,990
<i>Fund Balance at Beginning of Year</i>	6,937,777	6,937,777	0
<i>Prior Year Encumbrances Appropriated</i>	334,093	334,093	0
<i>Fund Balance at End of Year</i>	<u>\$8,372,446</u>	<u>\$8,569,436</u>	<u>\$196,990</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Fire and EMS Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Property Taxes	\$2,272,608	\$2,272,608	\$0
Fines, Licenses and Permits	1,200	1,525	325
Charges for Services	1,862,060	1,851,503	(10,557)
Intergovernmental	490,195	490,238	43
Other	44,936	45,254	318
<i>Total Revenues</i>	<u>4,670,999</u>	<u>4,661,128</u>	<u>(9,871)</u>
<b>Expenditures:</b>			
Current:			
Public Safety			
Fire Administrative Services			
Personal Services	385,807	385,365	442
Contractual Services	498,931	491,562	7,369
Materials and Supplies	31,058	30,258	800
<i>Total Fire Administrative Services</i>	<u>915,796</u>	<u>907,185</u>	<u>8,611</u>
Fire Life Safety			
Personal Services	145,398	142,509	2,889
Contractual Services	405	295	110
Materials and Supplies	6,147	5,963	184
<i>Total Fire Life Safety</i>	<u>151,950</u>	<u>148,767</u>	<u>3,183</u>
Fire Operations			
Personal Services	5,226,765	5,232,427	(5,662)
Contractual Services	64,888	63,512	1,376
Materials and Supplies	208,620	208,597	23
<i>Total Fire Operations</i>	<u>5,500,273</u>	<u>5,504,536</u>	<u>(4,263)</u>
Training			
Personal Services	140,096	132,767	7,329
Contractual Services	6,497	6,380	117
Materials and Supplies	3,283	3,283	0
<i>Total Training</i>	<u>149,876</u>	<u>142,430</u>	<u>7,446</u>
<i>Total Public Safety</i>	<u>6,717,895</u>	<u>6,702,918</u>	<u>14,977</u>
<i>Excess of Revenues Under Expenditures</i>	(2,046,896)	(2,041,790)	5,106
<b>Other Financing Sources:</b>			
Transfers-In	1,724,913	1,724,913	0
<i>Net Change in Fund Balance</i>	(321,983)	(316,877)	5,106
<i>Fund Balance at Beginning of Year</i>	198,196	198,196	0
<i>Prior Year Encumbrances Appropriated</i>	124,668	124,668	0
<i>Fund Balance at End of Year</i>	<u>\$881</u>	<u>\$5,987</u>	<u>\$5,106</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Police Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Property Taxes	\$2,272,525	\$2,272,607	\$82
Fines, Licenses and Permits	2,200	1,640	(560)
Charges for Services	29,400	29,687	287
Intergovernmental	421,016	426,560	5,544
Other	53,717	53,717	0
<i>Total Revenues</i>	<u>2,778,858</u>	<u>2,784,211</u>	<u>5,353</u>
<b>Expenditures:</b>			
Current:			
Public Safety			
Police Administrative Services			
Personal Services	887,109	872,287	14,822
Contractual Services	495,157	486,219	8,938
Materials and Supplies	42,019	40,025	1,994
<i>Total Police Administrative Services</i>	<u>1,424,285</u>	<u>1,398,531</u>	<u>25,754</u>
Police Dispatch			
Personal Services	727,292	704,852	22,440
Contractual Services	73,076	71,702	1,374
<i>Total Police Dispatch</i>	<u>800,368</u>	<u>776,554</u>	<u>23,814</u>
Police Detective Section			
Personal Services	660,439	655,559	4,880
Contractual Services	4,300	4,300	0
Materials and Supplies	27,400	27,150	250
<i>Total Police Detective Section</i>	<u>692,139</u>	<u>687,009</u>	<u>5,130</u>
Police Patrol Section			
Personal Services	3,335,884	3,322,899	12,985
Contractual Services	11,300	11,100	200
Materials and Supplies	181,838	181,743	95
<i>Total Police Patrol Section</i>	<u>3,529,022</u>	<u>3,515,742</u>	<u>13,280</u>
D.A.R.E.			
Personal Services	115,095	112,605	2,490
Contractual Services	104	38	66
<i>Total D.A.R.E.</i>	<u>115,199</u>	<u>112,643</u>	<u>2,556</u>
<i>Total Public Safety</i>	<u>\$6,561,013</u>	<u>\$6,490,479</u>	<u>\$70,534</u>

(continued)



**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Police Fund*  
*For the Year Ended December 31, 2013*  
*(Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Capital Outlay	\$84,298	\$84,298	\$0
<i>Total Expenditures</i>	<u>6,645,311</u>	<u>6,574,777</u>	<u>70,534</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,866,453)</u>	<u>(3,790,566)</u>	<u>75,887</u>
<b>Other Financing Sources:</b>			
Proceeds from Sale of Capital Assets	0	1,781	1,781
Transfers-In	<u>3,753,000</u>	<u>3,685,000</u>	<u>(68,000)</u>
<i>Total Other Financing Sources</i>	<u>3,753,000</u>	<u>3,686,781</u>	<u>(66,219)</u>
<i>Net Change in Fund Balance</i>	(113,453)	(103,785)	9,668
<i>Fund Balance at Beginning of Year</i>	108,980	108,980	0
<i>Prior Year Encumbrances Appropriated</i>	<u>49,904</u>	<u>49,904</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$45,431</u></u>	<u><u>\$55,099</u></u>	<u><u>\$9,668</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*County Motor Vehicle Tax Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Municipal Income Taxes	\$1,939,381	\$1,939,741	\$360
Fines, Licenses and Permits	22,300	22,314	14
Investment Earnings	4,200	10,191	5,991
Intergovernmental	362,341	345,257	(17,084)
Other	22,100	22,198	98
<i>Total Revenues</i>	<u>2,350,322</u>	<u>2,339,701</u>	<u>(10,621)</u>
<b>Expenditures:</b>			
Current:			
Transportation and Street Repair Contractual Services	1,093,866	1,093,866	0
Dayton Yellow Springs Road Phase II Contractual Services	1,168	1,168	0
Spangler Road Improvements Contractual Services	71,560	71,560	0
Xenia DR RR Crossing Water Main Contractual Services	15,780	15,780	0
Cleary Drive EXT Contractual Services	64,560	64,560	0
Dayton Drive Design Contractual Services	99,902	99,902	0
I-675/DYS ODOT Study Contractual Services	25,000	25,000	0
Street Tax Levy Contractual Services	<u>137,668</u>	<u>135,810</u>	<u>1,858</u>
<i>Total Transportation and Street Repair</i>	1,509,504	1,507,646	1,858
Capital Outlay	<u>463,301</u>	<u>463,301</u>	<u>0</u>
Debt Service Interest and Fiscal Charges	<u>2,973</u>	<u>2,973</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,975,778</u>	<u>1,973,920</u>	<u>1,858</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>374,544</u>	<u>365,781</u>	<u>(8,763)</u>
<b>Other Financing Sources (Uses):</b>			
Notes Issued	852,500	852,500	0
Premium on Debt Issued	<u>6,564</u>	<u>6,564</u>	<u>0</u>
<i>Total Other Financing Sources</i>	<u>859,064</u>	<u>859,064</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	1,233,608	1,224,845	(8,763)
<i>Fund Balance at Beginning of Year</i>	2,052,318	2,052,318	0
<i>Prior Year Encumbrances Appropriated</i>	<u>823,643</u>	<u>823,643</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$4,109,569</u>	<u>\$4,100,806</u>	<u>(\$8,763)</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget and Actual (Non-GAAP Basis)*  
*Water Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Charges for Services	\$4,181,003	\$4,168,510	(\$12,493)
Tap-In Fees	68,910	69,870	960
Investment Earnings	2,700	5,396	2,696
Bonds Issued	4,548,050	4,548,050	0
Notes Issued	1,473,000	1,473,000	0
Premium on Debt Issued	87,576	87,576	0
Other	14,888	20,608	5,720
<i>Total Revenues</i>	<u>10,376,127</u>	<u>10,373,010</u>	<u>(3,117)</u>
<b>Expenses:</b>			
Personal Services	1,335,865	1,180,177	155,688
Contractual Services	1,722,618	1,693,494	29,124
Materials and Supplies	289,075	282,444	6,631
Capital Outlay	1,423,717	1,183,134	240,583
Payment to Refunded Bond Escrow Agent	721,500	721,500	0
Debt Service:			
Principal Retirement	4,807,886	4,812,886	(5,000)
Interest and Fiscal Charges	245,678	234,790	10,888
<i>Total Expenses</i>	<u>10,546,339</u>	<u>10,108,425</u>	<u>437,914</u>
<i>Excess of Revenues Over (Under) Expenses Before Transfers</i>	(170,212)	264,585	434,797
Transfers-In	29,568	0	(29,568)
Transfers-Out	(26,257)	(26,257)	0
<i>Net Change in Fund Equity</i>	(166,901)	238,328	405,229
<i>Fund Equity at Beginning of Year</i>	4,622,099	4,622,099	0
<i>Prior Year Encumbrances Appropriated</i>	1,015,025	1,015,025	0
<i>Fund Equity at End of Year</i>	<u>\$5,470,223</u>	<u>\$5,875,452</u>	<u>\$405,229</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget and Actual (Non-GAAP Basis)*  
*Sewer Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Charges for Services	\$6,670,402	\$6,611,850	(\$58,552)
Tap-In Fees	20,000	43,450	23,450
Investment Earnings	10,000	2,852	(7,148)
Bonds Issued	3,216,950	3,216,950	0
Notes Issued	100,000	100,000	0
Premium on Debt Issued	65,273	65,414	141
Other	18,800	16,291	(2,509)
<i>Total Revenues</i>	<u>10,101,425</u>	<u>10,056,807</u>	<u>(44,618)</u>
<b>Expenses:</b>			
Personal Services	1,330,594	1,271,423	59,171
Contractual Services	2,697,441	2,433,790	263,651
Materials and Supplies	326,601	304,907	21,694
Capital Outlay	2,472,038	2,381,123	90,915
Payment to Refunded Bond Escrow Agent	1,128,500	1,128,500	0
Debt Service:			
Principal Retirement	2,363,978	2,358,978	5,000
Interest and Fiscal Charges	514,080	514,080	0
<i>Total Expenses</i>	<u>10,833,232</u>	<u>10,392,801</u>	<u>440,431</u>
<i>Excess of Revenues Under Expenses Before Transfers</i>	(731,807)	(335,994)	395,813
Transfers-In	34,541	0	(34,541)
Transfers-Out	(81,483)	(81,483)	0
<i>Net Change in Fund Equity</i>	(778,749)	(417,477)	361,272
<i>Fund Equity at Beginning of Year</i>	4,730,591	4,730,591	0
<i>Prior Year Encumbrances Appropriated</i>	<u>2,429,263</u>	<u>2,429,263</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$6,381,105</u></u>	<u><u>\$6,742,377</u></u>	<u><u>\$361,272</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget and Actual (Non-GAAP Basis)*  
*Sanitation Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Charges for Services	\$2,652,334	\$2,656,516	\$4,182
Other	0	58	58
<i>Total Revenues</i>	<u>2,652,334</u>	<u>2,656,574</u>	<u>4,240</u>
<b>Expenses:</b>			
Personal Services	125,456	121,583	3,873
Contractual Services	2,611,660	2,601,721	9,939
Materials and Supplies	37,219	33,236	3,983
Capital Outlay	8,000	8,000	0
<i>Total Expenses</i>	<u>2,782,335</u>	<u>2,764,540</u>	<u>17,795</u>
<i>Net Change in Fund Equity</i>	(130,001)	(107,966)	22,035
<i>Fund Equity at Beginning of Year</i>	570,659	570,659	0
<i>Prior Year Encumbrances Appropriated</i>	<u>156,233</u>	<u>156,233</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$596,891</u></u>	<u><u>\$618,926</u></u>	<u><u>\$22,035</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Street Maintenance and Repair Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Investment Earnings	\$4,000	\$2,444	(\$1,556)
Intergovernmental	1,087,000	1,104,953	17,953
Other	65,300	6,638	(58,662)
<i>Total Revenues</i>	<u>1,156,300</u>	<u>1,114,035</u>	<u>(42,265)</u>
<b>Expenditures:</b>			
Current:			
Transportation and Street Repair			
General Street Administration			
Personal Services	68,373	65,806	2,567
Contractual Services	157,065	156,819	246
Materials and Supplies	4,015	2,765	1,250
<i>Total General Street Administration</i>	<u>229,453</u>	<u>225,390</u>	<u>4,063</u>
Maintenance and Repairs			
Personal Services	449,955	435,963	13,992
Contractual Services	49,443	48,924	519
Materials and Supplies	318,222	317,974	248
<i>Total Maintenance and Repairs</i>	<u>817,620</u>	<u>802,861</u>	<u>14,759</u>
Traffic Signs and Signals			
Personal Services	202,180	196,788	5,392
Contractual Services	65,039	40,539	24,500
Materials and Supplies	54,150	53,910	240
<i>Total Traffic Signs and Signals</i>	<u>321,369</u>	<u>291,237</u>	<u>30,132</u>
<i>Total Transportation and Street Repair</i>	<u>1,368,442</u>	<u>1,319,488</u>	<u>48,954</u>
Capital Outlay	111,266	94,215	17,051
<i>Total Expenditures</i>	<u>1,479,708</u>	<u>1,413,703</u>	<u>66,005</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(323,408)</u>	<u>(299,668)</u>	<u>23,740</u>
<b>Other Financing Sources (Uses):</b>			
Proceeds from Sale of Capital Assets	0	2,117	2,117
Transfers Out	(13,300)	(13,300)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(13,300)</u>	<u>(11,183)</u>	<u>2,117</u>
<i>Net Change in Fund Balance</i>	<u>(336,708)</u>	<u>(310,851)</u>	<u>25,857</u>
<i>Fund Balance at Beginning of Year</i>	941,793	941,793	0
<i>Prior Year Encumbrances Appropriated</i>	<u>106,368</u>	<u>106,368</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$711,453</u>	<u>\$737,310</u>	<u>\$25,857</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*State Highway Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Investment Earnings	\$1,000	\$506	(\$494)
Intergovernmental	88,195	89,591	1,396
Other	0	463	463
<i>Total Revenues</i>	<u>89,195</u>	<u>90,560</u>	<u>1,365</u>
<b>Expenditures:</b>			
Current:			
Transportation and Street Repair			
State Highway Maintenance			
Personal Services	67,033	65,724	1,309
Contractual Services	5,512	3,495	2,017
Materials and Supplies	26,795	26,606	189
<i>Total Street General Administration</i>	<u>99,340</u>	<u>95,825</u>	<u>3,515</u>
Capital Outlay	145	145	0
<i>Total Expenditures</i>	<u>99,485</u>	<u>95,970</u>	<u>3,515</u>
<i>Net Change in Fund Balance</i>	(10,290)	(5,410)	(4,880)
<i>Fund Balance at Beginning of Year</i>	183,417	183,417	0
<i>Prior Year Encumbrances Appropriated</i>	7,021	7,021	0
<i>Fund Balance at End of Year</i>	<u>\$180,148</u>	<u>\$185,028</u>	<u>(\$4,880)</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Cemetery Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Charges for Services	\$38,800	\$41,267	\$2,467
Other	50	608	558
<i>Total Revenues</i>	<u>38,850</u>	<u>41,875</u>	<u>3,025</u>
<b>Expenditures:</b>			
Current:			
Public Health and Welfare			
Cemetery Operations			
Personal Services	77,712	77,512	200
Contractual Services	17,220	17,220	0
Materials and Supplies	13,666	13,324	342
<i>Total Expenditures</i>	<u>108,598</u>	<u>108,056</u>	<u>542</u>
<i>Excess of Revenues Under Expenditures</i>	(69,748)	(66,181)	3,567
<b>Other Financing Sources:</b>			
Transfers-In	60,500	60,500	0
<i>Net Change in Fund Balance</i>	(9,248)	(5,681)	3,567
<i>Fund Balance at Beginning of Year</i>	24,430	24,430	0
<i>Prior Year Encumbrances Appropriated</i>	6,665	6,665	0
<i>Fund Balance at End of Year</i>	<u><u>\$21,847</u></u>	<u><u>\$25,414</u></u>	<u><u>\$3,567</u></u>



**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Community Development Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$215,600	\$200,562	(\$15,038)
Other	6,091	6,577	486
<i>Total Revenues</i>	<u>221,691</u>	<u>207,139</u>	<u>(14,552)</u>
<b>Expenditures:</b>			
Current:			
Community Development			
Entitlement Administration			
Personal Services	47,495	42,655	4,840
Contractual Services	6,708	4,872	1,836
Materials and Supplies	875	775	100
<i>Total Entitlement Administration</i>	<u>55,078</u>	<u>48,302</u>	<u>6,776</u>
Code Enforcement			
Personal Services	75,086	65,107	9,979
Contractual Services	9,093	8,393	700
Materials and Supplies	9,055	8,805	250
<i>Total Code Enforcement</i>	<u>93,234</u>	<u>82,305</u>	<u>10,929</u>
Entitlement Fair Housing			
Contractual Services	7,020	7,000	20
Materials and Supplies	506	506	0
<i>Total Entitlement Fair Housing</i>	<u>7,526</u>	<u>7,506</u>	<u>20</u>
Tool Lending Closet			
Personal Services	4,599	1,125	3,474
Materials and Supplies	1,100	1,100	0
<i>Total Lending Closet</i>	<u>5,699</u>	<u>2,225</u>	<u>3,474</u>
Community Developmental Home Repair			
Personal Services	29,592	27,479	2,113
Contractual Services	55,441	55,441	0
<i>Total Community Developmental Home Repair</i>	<u>85,033</u>	<u>82,920</u>	<u>2,113</u>
<i>Total Community Development</i>	<u>246,570</u>	<u>223,258</u>	<u>23,312</u>
Capital Outlay	5,410	5,410	0
<i>Total Expenditures</i>	<u>251,980</u>	<u>228,668</u>	<u>23,312</u>
<i>Excess of Revenues Under Expenditures</i>	(\$30,289)	(\$21,529)	\$8,760

(continued)

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Community Development Fund*  
*For the Year Ended December 31, 2013*  
*(Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources:</b>			
Advances-In	\$22,000	\$22,000	\$0
<i>Net Change in Fund Balance</i>	(8,289)	471	8,760
<i>Fund Balance at Beginning of Year</i>	6,101	6,101	0
<i>Prior Year Encumbrances Appropriated</i>	79,292	79,292	0
<i>Fund Balance at End of Year</i>	\$77,104	\$85,864	\$8,760

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Neighborhood Stabilization Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$30	\$0	(\$30)
Other	0	68	68
<i>Total Revenues</i>	<u>30</u>	<u>68</u>	<u>38</u>
<b>Expenditures:</b>			
Current:			
Community and Economic Development Neighborhood Stabilization Program			
Personal Services	23,913	20,180	3,733
Contractual Services	67,918	67,485	433
<i>Total Community Development</i>	<u>91,831</u>	<u>87,665</u>	<u>4,166</u>
Capital Outlay	147,280	147,280	0
<i>Total Expenditures</i>	<u>239,111</u>	<u>234,945</u>	<u>4,166</u>
<i>Excess of Revenues Under Expenditures</i>	(239,081)	(234,877)	4,204
<b>Other Financing Sources:</b>			
Advances-In	60,000	0	(60,000)
<i>Net Change in Fund Balance</i>	(179,081)	(234,877)	(55,796)
<i>Fund Balance at Beginning of Year</i>	251,830	251,830	0
<i>Prior Year Encumbrances Appropriated</i>	7,110	7,110	0
<i>Fund Balance at End of Year</i>	<u>\$79,859</u>	<u>\$24,063</u>	<u>(\$55,796)</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Neighborhood Stabilization II Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$108,553	\$108,553	\$0
Other	7,000	7,000	0
<i>Total Revenues</i>	<u>115,553</u>	<u>115,553</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Community Development			
Neighborhood Stabilization Program			
Personal Services	23,252	21,044	2,208
Contractual Services	178,986	178,921	65
<i>Total Community Development</i>	<u>202,238</u>	<u>199,965</u>	<u>2,273</u>
Capital Outlay	105,110	105,110	0
<i>Total Expenditures</i>	<u>307,348</u>	<u>305,075</u>	<u>2,273</u>
<i>Excess of Revenues Under Expenditures</i>	(191,795)	(189,522)	2,273
<b>Other Financing Sources:</b>			
Advances-In	110,000	110,000	0
<i>Net Change in Fund Balance</i>	(81,795)	(79,522)	2,273
<i>Fund Balance at Beginning of Year</i>	1,674	1,674	0
<i>Prior Year Encumbrances Appropriated</i>	<u>102,278</u>	<u>102,278</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$22,157</u>	<u>\$24,430</u>	<u>\$2,273</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Victim Witness Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$11,939	\$11,939	\$0
Intergovernmental	57,538	57,538	0
Other	1,307	1,307	0
<i>Total Revenues</i>	<u>70,784</u>	<u>70,784</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Public Safety			
Administration			
Personal Services	86,149	84,939	1,210
Contractual Services	3,123	3,073	50
Materials and Supplies	1,300	1,300	0
<i>Total Expenditures</i>	<u>90,572</u>	<u>89,312</u>	<u>1,260</u>
<i>Excess of Revenues Under Expenditures</i>	(19,788)	(18,528)	1,260
<b>Other Financing Sources:</b>			
Transfers-In	16,000	16,000	0
<i>Net Change in Fund Balance</i>	(3,788)	(2,528)	1,260
<i>Fund Balance at Beginning of Year</i>	4,604	4,604	0
<i>Prior Year Encumbrances Appropriated</i>	187	187	0
<i>Fund Balance at End of Year</i>	<u>\$1,003</u>	<u>\$2,263</u>	<u>\$1,260</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Home Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Other	\$0	\$3,407	\$3,407
<b>Expenditures:</b>			
Current:			
Community and Economic Development			
Neighborhood Betterment			
Personal Services	552	552	0
Contractual Services	7,644	900	6,744
<i>Total Expenditures</i>	8,196	1,452	6,744
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,196)	1,955	10,151
<b>Other Financing Sources (Uses):</b>			
Advances-In	3,400	0	(3,400)
Advances-Out	(48,000)	(48,000)	0
<i>Total Other Financing Sources (Uses)</i>	(44,600)	(48,000)	(3,400)
<i>Net Change in Fund Balance</i>	(52,796)	(46,045)	6,751
<i>Fund Balance at Beginning of Year</i>	55,085	55,085	0
<i>Prior Year Encumbrances Appropriated</i>	1,111	1,111	0
<i>Fund Balance at End of Year</i>	\$3,400	\$10,151	\$6,751

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Victims Assistance Justice Assistance Grant Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$36,068	\$36,068	\$0
<b>Expenditures:</b>			
Current:			
Public Safety			
Administration			
Personal Services	42,705	42,705	0
<i>Excess of Revenues Under Expenditures</i>	(6,637)	(6,637)	0
<b>Other Financing Sources:</b>			
Transfers-In	11,000	11,000	0
<i>Net Change in Fund Balance</i>	4,363	4,363	0
<i>Fund Balance at Beginning of Year</i>	11,498	11,498	0
<i>Fund Balance at End of Year</i>	\$15,861	\$15,861	\$0

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Law Enforcement Trust Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Contributions and Donations	\$3,500	\$1,427	(\$2,073)
Other	40,800	6,079	(34,721)
<i>Total Revenues</i>	<u>44,300</u>	<u>7,506</u>	<u>(36,794)</u>
<b>Expenditures:</b>			
Current:			
Public Safety			
Safety City			
Personal Services	2,069	1,096	973
Contractual Services	68,197	62,197	6,000
Materials and Supplies	15,900	14,320	1,580
<i>Total Safety City</i>	<u>86,166</u>	<u>77,613</u>	<u>8,553</u>
DARE Program			
Contractual Services	3,500	2,505	995
Materials and Supplies	4,300	1,773	2,527
<i>Total DARE Program</i>	<u>7,800</u>	<u>4,278</u>	<u>3,522</u>
<i>Total Public Safety</i>	<u>93,966</u>	<u>81,891</u>	<u>12,075</u>
Capital Outlay	30,403	10,836	19,567
<i>Total Expenditures</i>	<u>124,369</u>	<u>92,727</u>	<u>31,642</u>
<i>Excess of Revenues Under Expenditures</i>	(80,069)	(85,221)	(5,152)
<b>Other Financing Sources:</b>			
Proceeds from Sale of Capital Assets	1,500	27,478	25,978
<i>Net Change in Fund Balance</i>	(78,569)	(57,743)	20,826
<i>Fund Balance at Beginning of Year</i>	194,871	194,871	0
<i>Prior Year Encumbrances Appropriated</i>	520	520	0
<i>Fund Balance at End of Year</i>	<u>\$116,822</u>	<u>\$137,648</u>	<u>\$20,826</u>



**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Drug Law Enforcement Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Other	\$3,000	\$2,080	(\$920)
<b>Expenditures:</b>			
Current:			
Public Safety			
Drug Law Enforcement			
Contractual Services	1,000	0	1,000
Capital Outlay	13,000	11,891	1,109
<i>Total Expenditures</i>	<u>14,000</u>	<u>11,891</u>	<u>2,109</u>
<i>Net Change in Fund Balance</i>	(11,000)	(9,811)	1,189
<i>Fund Balance at Beginning of Year</i>	<u>18,559</u>	<u>18,559</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$7,559</u></u>	<u><u>\$8,748</u></u>	<u><u>\$1,189</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Indigent Drivers Alcohol Treatment Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$24,000	\$29,811	\$5,811
<b>Expenditures:</b>			
Current:			
Public Safety			
Law Enforcement			
Contractual Services	82,528	56,662	25,866
<i>Net Change in Fund Balance</i>	(58,528)	(26,851)	31,677
<i>Fund Balance at Beginning of Year</i>	325,779	325,779	0
<i>Prior Year Encumbrances Appropriated</i>	30,709	30,709	0
<i>Fund Balance at End of Year</i>	\$297,960	\$329,637	\$31,677

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Alcohol Enforcement and Education Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$3,510	\$2,383	(\$1,127)
<b>Expenditures:</b>			
Current:			
Public Safety			
Law Enforcement			
Materials and Supplies	1,100	1,100	0
Capital Outlay	3,600	0	3,600
<i>Total Expenditures</i>	4,700	1,100	3,600
<i>Net Change in Fund Balance</i>	(1,190)	1,283	2,473
<i>Fund Balance at Beginning of Year</i>	5,032	5,032	0
<i>Fund Balance at End of Year</i>	\$3,842	\$6,315	\$2,473

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Federal Forfeitures Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$80,000	\$114,546	\$34,546
Investment Earnings	1,000	783	(217)
Intergovernmental	2,000	3,050	1,050
<i>Total Revenues</i>	<u>83,000</u>	<u>118,379</u>	<u>35,379</u>
<b>Expenditures:</b>			
Current:			
Public Safety			
Law Enforcement			
Contractual Services	6,000	3,034	2,966
Materials and Supplies	12,000	12,000	0
<i>Total Public Safety</i>	<u>18,000</u>	<u>15,034</u>	<u>2,966</u>
Capital Outlay	78,000	77,784	216
<i>Total Expenditures</i>	<u>96,000</u>	<u>92,818</u>	<u>3,182</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(13,000)	25,561	38,561
<b>Other Financing Sources:</b>			
Proceeds from Sale of Capital Assets	0	455	455
<i>Net Change in Fund Balance</i>	(13,000)	26,016	39,016
<i>Fund Balance at Beginning of Year</i>	234,674	234,674	0
<i>Prior Year Encumbrances Appropriated</i>	<u>3,793</u>	<u>3,793</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$225,467</u></u>	<u><u>\$264,483</u></u>	<u><u>\$39,016</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Municipal Probation Services Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$116,025	\$101,506	(\$14,519)
<b>Expenditures:</b>			
Current:			
Public Safety			
Law Enforcement			
Personal Services	158,495	157,863	632
Contractual Services	2,353	2,181	172
Materials and Supplies	2,568	2,568	0
<i>Total Public Safety</i>	163,416	162,612	804
Capital Outlay	1,500	1,500	0
<i>Total Expenditures</i>	164,916	164,112	804
<i>Net Change in Fund Balance</i>	(48,891)	(62,606)	(13,715)
<i>Fund Balance at Beginning of Year</i>	76,763	76,763	0
<i>Prior Year Encumbrances Appropriated</i>	2,880	2,880	0
<i>Fund Balance at End of Year</i>	\$30,752	\$17,037	(\$13,715)

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Traffic Intervention Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$14,491	\$14,491	\$0
<b>Expenditures:</b>			
Public Safety			
Law Enforcement			
Personal Services	14,396	14,396	0
<i>Net Change in Fund Balance</i>	95	95	0
<i>Fund Balance at Beginning of Year</i>	18	18	0
<i>Prior Year Encumbrances Appropriated</i>	71	71	0
<i>Fund Balance at End of Year</i>	\$184	\$184	\$0

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Court Legal Research/Computerization Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$16,849	\$15,913	(\$936)
<b>Expenditures:</b>			
Current:			
General Government			
Municipal Court			
Contractual Services	15,040	15,040	0
Capital Outlay	38,243	36,243	2,000
<i>Total Expenditures</i>	<u>53,283</u>	<u>51,283</u>	<u>2,000</u>
<i>Net Change in Fund Balance</i>	(36,434)	(35,370)	1,064
<i>Fund Balance at Beginning of Year</i>	54,958	54,958	0
<i>Prior Year Encumbrances Appropriated</i>	<u>28,415</u>	<u>28,415</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$46,939</u></u>	<u><u>\$48,003</u></u>	<u><u>\$1,064</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Court Clerk Computerization Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$114,798	\$117,019	\$2,221
<b>Expenditures:</b>			
Current:			
General Government			
Municipal Court			
Personal Services	30,945	30,550	395
Contractual Services	20,919	18,219	2,700
Materials and Supplies	1,500	1,500	0
<i>Total General Government</i>	53,364	50,269	3,095
Capital Outlay	110,889	110,889	0
<i>Total Expenditures</i>	164,253	161,158	3,095
<i>Net Change in Fund Balance</i>	(49,455)	(44,139)	5,316
<i>Fund Balance at Beginning of Year</i>	238,405	238,405	0
<i>Prior Year Encumbrances Appropriated</i>	44,502	44,502	0
<i>Fund Balance at End of Year</i>	\$233,452	\$238,768	\$5,316



**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Indigent Driver's Interlock and Alcohol Monitoring Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$39,000	\$32,524	(\$6,476)
<b>Expenditures:</b>			
Current:			
Public Safety			
Law Enforcement			
Contractual Services	17,500	17,500	0
<i>Net Change in Fund Balance</i>	21,500	15,024	(6,476)
<i>Fund Balance at Beginning of Year</i>	80,489	80,489	0
<i>Fund Balance at End of Year</i>	\$101,989	\$95,513	(\$6,476)

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget and Actual (Non-GAAP Basis)  
 Clean Ohio Revitalization Fund  
 For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$260,053	\$260,053	\$0
<b>Expenditures:</b>			
Current:			
General Government			
Calamityville			
Contractual Services	260,653	260,653	0
<i>Net Change in Fund Balance</i>	(600)	(600)	0
<i>Fund Balance at Beginning of Year</i>	(260,057)	(260,057)	0
<i>Prior Year Encumbrances Appropriated</i>	260,657	260,657	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Byrne Justice Assistance Grant Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$5,126	\$5,126	\$0
<b>Expenditures:</b>			
Capital Outlay	5,126	5,126	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Moving Ohio Forward*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$32,444	\$32,444	\$0
<b>Expenditures:</b>			
Current:			
Community Development			
Personal Services	8,916	2,371	6,545
Contractual Services	142,283	142,283	0
<i>Total Expenditures</i>	<u>151,199</u>	<u>144,654</u>	<u>6,545</u>
<i>Excess of Revenues Under Expenditures</i>	(118,755)	(112,210)	6,545
<b>Other Financing Sources:</b>			
Advances-In	140,000	140,000	0
<i>Net Change in Fund Balance</i>	21,245	27,790	6,545
<i>Fund Balance at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$21,245</u></u>	<u><u>\$27,790</u></u>	<u><u>\$6,545</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Uninsured Loss Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Other	\$70,000	\$57,804	(\$12,196)
<b>Expenditures:</b>			
Current:			
General Government			
Uninsured Loss			
Contractual Services	56,148	36,148	20,000
Materials and Supplies	3,551	3,551	0
<i>Total General Government</i>	59,699	39,699	20,000
Capital Outlay	58,852	58,852	0
<i>Total Expenditures</i>	118,551	98,551	20,000
<i>Net Change in Fund Balance</i>	(48,551)	(40,747)	7,804
<i>Fund Balance at Beginning of Year</i>	87,956	87,956	0
<i>Prior Year Encumbrances Appropriated</i>	7,116	7,116	0
<i>Fund Balance at End of Year</i>	\$46,521	\$54,325	\$7,804

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Street Lighting Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>	\$0	\$0	\$0
<b>Expenditures:</b>			
Current:			
Public Safety			
Street Lighting			
Contractual Services	132,567	132,567	0
<i>Excess of Revenues Under Expenditures</i>	(132,567)	(132,567)	0
<b>Other Financing Sources:</b>			
Transfers In	106,333	106,333	0
<i>Net Change in Fund Balance</i>	(26,234)	(26,234)	0
<i>Fund Balance at Beginning of Year</i>	2,044	2,044	0
<i>Prior Year Encumbrances Appropriated</i>	24,190	24,190	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
**General Bond Retirement Fund**  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Charges for Services	\$88,700	\$82,630	(\$6,070)
Special Assessments	354,751	397,096	42,345
<i>Total Revenues</i>	<u>443,451</u>	<u>479,726</u>	<u>36,275</u>
<b>Expenditures:</b>			
Current:			
General Government			
Special Assessments			
Contractual Services	28,730	26,796	1,934
Debt Service			
Principal Retirement	275,000	275,000	0
Interest and Fiscal Charges	160,000	121,523	38,477
<i>Total Debt Service</i>	<u>435,000</u>	<u>396,523</u>	<u>38,477</u>
<i>Total Expenditures</i>	<u>463,730</u>	<u>423,319</u>	<u>40,411</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(20,279)</u>	<u>56,407</u>	<u>76,686</u>
<b>Other Financing Sources:</b>			
Special Assessment Bonds Issued	0	115	115
Premium on Debt Issued	0	2,125	2,125
<i>Total Other Financing Sources</i>	<u>0</u>	<u>2,240</u>	<u>2,240</u>
<i>Net Change in Fund Balance</i>	(20,279)	58,647	78,926
<i>Fund Balance at Beginning of Year</i>	<u>237,023</u>	<u>237,023</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$216,744</u></u>	<u><u>\$295,670</u></u>	<u><u>\$78,926</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Issue II Improvement Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$397,081	\$397,081	\$0
<b>Expenditures:</b>			
Capital Outlay	397,081	397,081	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0



**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Court Special Projects Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Fines, Licenses and Permits	\$169,730	\$168,355	(\$1,375)
<b>Expenditures:</b>			
Current:			
General Government			
Skyway Plaza Improvement			
Personal Services	51,202	51,153	49
Contractual Services	135,950	134,450	1,500
<i>Total Expenditures</i>	<u>187,152</u>	<u>185,603</u>	<u>1,549</u>
<i>Net Change in Fund Balance</i>	(17,422)	(17,248)	174
<i>Fund Balance at Beginning of Year</i>	23,402	23,402	0
<i>Prior Year Encumbrances Appropriated</i>	<u>34,207</u>	<u>34,207</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$40,187</u></u>	<u><u>\$40,361</u></u>	<u><u>\$174</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*General Capital Improvement Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Investment Earnings	\$2,617	\$1,332	(\$1,285)
Special Assessments	0	30,926	30,926
<i>Total Revenues</i>	<u>2,617</u>	<u>32,258</u>	<u>29,641</u>
<b>Expenditures:</b>			
Current:			
General Government			
General Capital Improvement			
Contractual Services	164,458	156,484	7,974
Materials and Supplies	40,000	20,000	20,000
<i>Total General Government</i>	<u>204,458</u>	<u>176,484</u>	<u>27,974</u>
Capital Outlay	156,162	103,555	52,607
Debt Service			
Interest and Fiscal Charges	2,000	303	1,697
<i>Total Expenditures</i>	<u>362,620</u>	<u>280,342</u>	<u>82,278</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(360,003)</u>	<u>(248,084)</u>	<u>111,919</u>
<b>Other Financing Sources:</b>			
Notes Issued	100,000	100,000	0
Premium on Debt Issued	4,000	844	(3,156)
Transfers-In	164,560	160,504	(4,056)
<i>Total Other Financing Sources</i>	<u>268,560</u>	<u>261,348</u>	<u>(7,212)</u>
<i>Net Change in Fund Balance</i>	(91,443)	13,264	104,707
<i>Fund Balance at Beginning of Year</i>	401,094	401,094	0
<i>Prior Year Encumbrances Appropriated</i>	<u>100,151</u>	<u>100,151</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$409,802</u></u>	<u><u>\$514,509</u></u>	<u><u>\$104,707</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Parks and Recreation Improvements Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Other Local Taxes	\$150,000	\$150,000	\$0
Charges for Services	17,275	19,345	2,070
Investment Earnings	1,000	606	(394)
Other	8,500	4,075	(4,425)
<i>Total Revenues</i>	<u>176,775</u>	<u>174,026</u>	<u>(2,749)</u>
<b>Expenditures:</b>			
Current:			
Leisure Time Activities			
Park and Recreation Improvements			
Contractual Services	70,629	70,629	0
Capital Outlay	66,845	60,525	6,320
<i>Total Expenditures</i>	<u>137,474</u>	<u>131,154</u>	<u>6,320</u>
<i>Excess of Revenues Over Expenditures</i>	39,301	42,872	3,571
<b>Other Financing Sources:</b>			
Proceeds from Sale of Capital Assets	0	1,090	1,090
<i>Net Change in Fund Balance</i>	39,301	43,962	4,661
<i>Fund Balance at Beginning of Year</i>	111,298	111,298	0
<i>Prior Year Encumbrances Appropriated</i>	33,525	33,525	0
<i>Fund Balance at End of Year</i>	<u>\$184,124</u>	<u>\$188,785</u>	<u>\$4,661</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Source Water Protection Grant Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>	\$8,750	\$8,750	\$0
Intergovernmental			0
<b>Other Financing Uses:</b>			
Advances Out	(8,750)	(8,750)	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Homeland Security Grant*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$6,399	\$6,399	\$0
<b>Expenditures:</b>			
Current:			
Public Safety			
Homeland Security Equipment Grant			
Contractual Services	6,399	6,399	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	(1,333)	(1,333)	0
<i>Prior Year Encumbrances Appropriated</i>	1,333	1,333	0
<i>Fund Balance at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Public Safety Equipment/Facility*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Municipal Income Taxes	\$1,939,373	\$1,939,741	\$368
Charges for Services	22,198	22,198	0
Investment Earnings	1,250	1,339	89
Intergovernmental	28,800	28,800	0
Other	2,000	50	(1,950)
<i>Total Revenues</i>	<u>1,993,621</u>	<u>1,992,128</u>	<u>(1,493)</u>
<b>Expenditures:</b>			
Current:			
General Government			
EMS Tax Levy			
Contractual Services	285,721	283,894	1,827
Materials and Supplies	113,448	113,448	0
<i>Total General Government</i>	<u>399,169</u>	<u>397,342</u>	<u>1,827</u>
Capital Outlay	1,214,108	1,210,551	3,557
Debt Service			
Principal Retirement			
Principal Retirement	1,195,000	1,195,000	0
Interest and Fiscal Charges	106,813	106,813	0
<i>Total Debt Service</i>	<u>1,301,813</u>	<u>1,301,813</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,915,090</u>	<u>2,909,706</u>	<u>5,384</u>
<i>Net Change in Fund Balance</i>	(921,469)	(917,578)	3,891
<i>Fund Balance at Beginning of Year</i>	471,919	471,919	0
<i>Prior Year Encumbrances Appropriated</i>	<u>450,080</u>	<u>450,080</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$530</u></u>	<u><u>\$4,421</u></u>	<u><u>\$3,891</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Building and Land Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Other	\$0	\$0	\$0
<b>Expenditures:</b>			
Current:			
General Government			
Building and Land			
Contractual Services	68,758	63,563	5,195
Materials and Supplies	42,025	41,194	831
<i>Total General Government</i>	<u>110,783</u>	<u>104,757</u>	<u>6,026</u>
Current:			
Legislative and Executive			
Building and Land			
Contractual Services	302,499	302,499	0
Capital Outlay	472,332	471,441	891
Debt Service			
Principal Retirement	112,500	112,500	0
Interest and Fiscal Charges	17,793	17,793	0
<i>Total Debt Service</i>	<u>130,293</u>	<u>130,293</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,015,907</u>	<u>1,008,990</u>	<u>6,917</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,015,907)</u>	<u>(1,008,990)</u>	<u>6,917</u>
<b>Other Financing Sources:</b>			
Transfers-In	226,890	220,805	(6,085)
Notes Issued	445,000	445,000	0
Premium on Debt Issued	3,000	3,756	756
<i>Total Other Financing Sources</i>	<u>674,890</u>	<u>669,561</u>	<u>(5,329)</u>
<i>Net Change in Fund Balance</i>	(341,017)	(339,429)	1,588
<i>Fund Balance at Beginning of Year</i>	45,536	45,536	0
<i>Prior Year Encumbrances Appropriated</i>	318,333	318,333	0
<i>Fund Balance at End of Year</i>	<u>\$22,852</u>	<u>\$24,440</u>	<u>\$1,588</u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Tax Increment Financing Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Payment in Lieu of Taxes	\$146,991	\$146,991	\$0
<b>Expenditures:</b>			
Current:			
General Government			
Tax Increment Financing			
Contractual Services	11,402	10,798	604
Debt Service			
Principal Retirement	1,735,000	1,735,000	0
Interest and Fiscal Charges	68,568	66,566	2,002
<i>Total Debt Service</i>	1,803,568	1,801,566	2,002
<i>Total Expenditures</i>	1,814,970	1,812,364	2,606
<i>Excess of Revenues Under Expenditures</i>	(1,667,979)	(1,665,373)	2,606
<b>Other Financing Sources:</b>			
Refunding Bonds Issued	1,630,000	1,630,000	0
Premium on Bonds Issued	40,864	40,864	0
<i>Total Other Financing Sources</i>	1,670,864	1,670,864	0
<i>Net Change in Fund Balance</i>	2,885	5,491	2,606
<i>Fund Balance at Beginning of Year</i>	861	861	0
<i>Fund Balance at End of Year</i>	\$3,746	\$6,352	\$2,606



**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget and Actual (Non-GAAP Basis)*  
*Special Assessment Construction*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Charges for Services	\$52,056	\$61,796	\$9,740
<b>Expenditures:</b>			
Current:			
General Government			
Special Assessments Construction			
Contractual Services	127,873	106,333	21,540
Capital Outlay	36,763	36,763	0
Debt Service			
Principal Retirement	145,000	145,000	0
Interest and Fiscal Charges	10,804	3,274	7,530
<i>Total Debt Service</i>	155,804	148,274	7,530
<i>Total Expenditures</i>	320,440	291,370	29,070
<i>Excess of Revenues Over (Under) Expenditures</i>	(268,384)	(229,574)	38,810
<b>Other Financing Sources:</b>			
Refunding Bonds Issued	74,800	65,445	(9,355)
Notes Issued	200,000	200,000	0
Premium on Notes Issued	8,540	1,540	(7,000)
<i>Total Other Financing Sources</i>	283,340	266,985	(16,355)
<i>Net Change in Fund Balance</i>	14,956	37,411	22,455
<i>Fund Balance at Beginning of Year</i>	147,185	147,185	0
<i>Prior Year Encumbrances Appropriated</i>	240	240	0
<i>Fund Balance at End of Year</i>	\$162,381	\$184,836	\$22,455

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget and Actual (Non-GAAP Basis)*  
*Equipment Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Charges for Services	\$1,499,162	\$1,519,575	\$20,413
Other	500	1,735	1,235
<i>Total Revenues</i>	<u>1,499,662</u>	<u>1,521,310</u>	<u>21,648</u>
<b>Expenditures:</b>			
Personal Services	515,317	507,920	7,397
Contractual Services	60,946	60,946	0
Materials and Supplies	985,196	984,994	202
<i>Total Expenditures</i>	<u>1,561,459</u>	<u>1,553,860</u>	<u>7,599</u>
<i>Net Change in Fund Equity</i>	(61,797)	(32,550)	29,247
<i>Fund Equity at Beginning of Year</i>	57,879	57,879	0
<i>Prior Year Encumbrances Appropriated</i>	<u>59,711</u>	<u>59,711</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$55,793</u></u>	<u><u>\$85,040</u></u>	<u><u>\$29,247</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget and Actual (Non-GAAP Basis)*  
*Information Technology Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Charges for Services	\$489,770	\$491,315	\$1,545
Other	150	7	(143)
<i>Total Revenues</i>	<u>489,920</u>	<u>491,322</u>	<u>1,402</u>
<b>Expenditures:</b>			
Personal Services	271,182	267,786	3,396
Contractual Services	155,003	146,565	8,438
Materials and Supplies	12,659	10,307	2,352
Capital Outlay	65,984	62,624	3,360
<i>Total Expenditures</i>	<u>504,828</u>	<u>487,282</u>	<u>17,546</u>
<i>Net Change in Fund Equity</i>	(14,908)	4,040	18,948
<i>Fund Equity at Beginning of Year</i>	42,912	42,912	0
<i>Prior Year Encumbrances Appropriated</i>	<u>35,253</u>	<u>35,253</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$63,257</u></u>	<u><u>\$82,205</u></u>	<u><u>\$18,948</u></u>

**City of Fairborn, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget and Actual (Non-GAAP Basis)*  
*Employee Assistance Program Fund*  
*For the Year Ended December 31, 2013*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Investment Earnings	\$1,500	\$414	\$1,086
Other	5,000	1,887	(3,113)
<i>Total Revenues</i>	<u>6,500</u>	<u>2,301</u>	<u>(4,199)</u>
<b>Expenditures:</b>			
Personal Services	91,000	86,000	5,000
Contractual Services	9,250	8,500	750
<i>Total Expenditures</i>	<u>100,250</u>	<u>94,500</u>	<u>5,750</u>
<i>Net Change in Fund Equity</i>	(93,750)	(92,199)	(1,551)
<i>Fund Equity at Beginning of Year</i>	241,180	241,180	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,745</u>	<u>5,745</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u><u>\$153,175</u></u>	<u><u>\$154,726</u></u>	<u><u>(\$1,551)</u></u>

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*STATISTICAL TABLES*

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

<u>CONTENTS</u>	<u>PAGES</u>
Financial Trends	160-169
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	170-179
These schedules contain information to help the reader assess the City’s most significant local revenue sources, property taxes and income taxes.	
Debt Capacity	180-187
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Demographic and Economic Information	188-191
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Operating information	192-195
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial reports relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	2004	2005	2006	2007
Governmental Activities				
Net Investment in Capital Assets	\$53,449,082	\$53,703,616	\$52,488,251	\$54,537,585
Restricted	7,825,897	5,536,261	9,740,033	6,871,704
Unrestricted	5,471,500	7,725,904	5,223,383	9,007,506
<i>Total Governmental Activities Net Position</i>	<u>\$66,746,479</u>	<u>\$66,965,781</u>	<u>\$67,451,667</u>	<u>\$70,416,795</u>
Business-Type Activities				
Net Investment in Capital Assets	\$9,532,806	\$9,458,159	\$10,090,771	\$9,928,349
Unrestricted	6,425,634	7,517,353	6,670,119	7,169,040
<i>Total Business-Type Activities Net Position</i>	<u>\$15,958,440</u>	<u>\$16,975,512</u>	<u>\$16,760,890</u>	<u>\$17,097,389</u>
Total Primary Government				
Net Investment in Capital Assets	\$62,981,888	\$63,161,775	\$62,579,022	\$64,465,934
Restricted	7,825,897	5,536,261	9,740,033	6,871,704
Unrestricted	11,897,134	15,243,257	11,893,502	16,176,546
<i>Total Primary Government Net Position</i>	<u>\$82,704,919</u>	<u>\$83,941,293</u>	<u>\$84,212,557</u>	<u>\$87,514,184</u>



2008	2009	2010	2011	2012	2013
\$56,578,526	\$57,492,409	\$58,223,118	\$59,259,234	\$59,885,657	\$60,422,126
9,231,712	11,579,836	10,917,852	13,249,832	13,272,202	12,832,977
7,221,856	5,834,667	6,468,379	7,587,718	11,621,608	13,227,049
<u>\$73,032,094</u>	<u>\$74,906,912</u>	<u>\$75,609,349</u>	<u>\$80,096,784</u>	<u>\$84,779,467</u>	<u>\$86,482,152</u>
\$11,700,861	\$12,903,901	\$12,913,413	\$12,778,599	\$12,182,697	\$10,370,449
6,733,325	6,413,278	7,461,531	9,037,992	10,509,882	13,781,547
<u>\$18,434,186</u>	<u>\$19,317,179</u>	<u>\$20,374,944</u>	<u>\$21,816,591</u>	<u>\$22,692,579</u>	<u>\$24,151,996</u>
\$68,279,387	\$70,396,310	\$71,136,531	\$72,037,833	\$72,068,354	\$70,792,575
9,231,712	11,579,836	10,917,852	13,249,832	13,272,202	12,832,977
13,955,181	12,247,945	13,929,910	16,625,710	22,131,490	27,008,596
<u>\$91,466,280</u>	<u>\$94,224,091</u>	<u>\$95,984,293</u>	<u>\$101,913,375</u>	<u>\$107,472,046</u>	<u>\$110,634,148</u>

**City of Fairborn**  
*Changes in Net Position*  
*Last Ten Years*  
*(accrual basis of accounting)*  
*Schedule 2*

	2004	2005	2006	2007
<b>Program Revenues:</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$3,926,762	\$4,113,140	\$4,804,288	\$4,255,380
Public Safety	1,285,022	1,313,898	1,498,951	1,637,736
Leisure Time Activities	55,506	60,430	65,446	64,074
Community Development	297,960	292,286	254,979	279,014
Transportation and Street Repair	0	0	0	897
Public Health and Welfare	28,829	34,073	32,022	29,696
Operating Grants, Contributions and Interest	2,417,960	2,274,918	2,504,549	2,910,842
Capital Grants, Contributions and Interest	2,063,689	528,654	2,186,866	672,689
<b>Total Governmental Activities Program Revenues</b>	<b>10,075,728</b>	<b>8,617,399</b>	<b>11,347,101</b>	<b>9,850,328</b>
Business-Type Activities:				
Charges for Services:				
Water	2,836,439	2,805,354	2,759,818	2,975,569
Sewer	4,433,028	4,594,321	4,840,354	4,944,647
Sanitation	2,005,865	2,010,264	2,144,265	2,246,696
Operating Grants, Contributions and Interest:				
Water	0	0	0	0
Sewer	0	0	0	0
Capital Grants, Contributions and Interest:				
Water	0	0	0	0
Sewer	0	0	0	0
<b>Total Business-Type Activities Program Revenues</b>	<b>9,275,332</b>	<b>9,409,939</b>	<b>9,744,437</b>	<b>10,166,912</b>
<b>Total Primary Government Program Revenues</b>	<b>19,351,060</b>	<b>18,027,338</b>	<b>21,091,538</b>	<b>20,017,240</b>
<b>Expenses:</b>				
Governmental Activities:				
General Government	7,992,100	9,772,999	10,850,767	9,425,790
Public Safety	10,864,285	11,379,893	13,282,937	12,753,371
Leisure Time Activities	217,512	257,014	486,746	300,073
Community Development	895,745	1,080,955	1,147,616	1,042,518
Transportation and Street Repair	878,685	1,187,932	1,214,199	1,391,534
Public Health and Welfare	161,299	172,154	109,854	103,575
Interest and Fiscal Charges	226,575	663,995	598,655	726,456
Intergovernmental	0	0	0	0
<b>Total Governmental Activities Expenses</b>	<b>21,236,201</b>	<b>24,514,942</b>	<b>27,690,774</b>	<b>25,743,317</b>
Business-Type Activities:				
Water	2,624,043	3,204,297	3,038,417	3,289,099
Sewer	3,158,600	4,535,248	5,155,747	4,514,767
Sanitation	1,946,026	2,027,626	2,054,612	2,523,416
<b>Total Business-Type Activities Expenses</b>	<b>7,728,669</b>	<b>9,767,171</b>	<b>10,248,776</b>	<b>10,327,282</b>
<b>Total Primary Government Expenses</b>	<b>\$28,964,870</b>	<b>\$34,282,113</b>	<b>\$37,939,550</b>	<b>\$36,070,599</b>

2008	2009	2010	2011	2012	2013
\$4,468,225	\$4,735,434	\$4,546,522	\$5,006,470	\$5,321,951	\$4,797,028
1,643,651	1,570,569	2,243,439	1,580,842	2,242,606	2,277,370
15,800	15,431	17,755	20,555	20,668	19,345
0	0	0	0	0	0
0	0	0	0	16,031	22,314
27,171	46,576	31,559	40,585	41,825	41,267
2,852,492	3,312,494	2,601,148	3,119,605	3,313,243	3,001,991
1,867,845	2,049,859	1,154,072	3,224,212	1,178,734	857,836
10,875,184	11,730,363	10,594,495	12,992,269	12,135,058	11,017,151
3,410,484	3,535,657	3,737,937	3,957,558	4,199,695	4,168,835
5,466,151	5,571,836	5,754,670	5,936,952	6,505,548	6,640,578
2,396,874	2,482,526	2,525,807	2,502,118	2,542,620	2,636,893
5,813	2,657	0	0	0	0
3,170	1,800	51,742	0	0	0
0	37,460	27,700	43,300	65,235	0
0	44,330	39,540	46,865	56,005	0
11,282,492	11,676,266	12,137,396	12,486,793	13,369,103	13,446,306
22,157,676	23,406,629	22,731,891	25,479,062	25,504,161	24,463,457
8,784,812	9,093,180	10,210,347	9,358,187	8,905,813	9,909,428
13,011,273	13,664,046	13,166,582	13,148,808	12,978,270	13,969,809
301,791	389,573	509,311	353,854	332,663	452,199
932,039	1,030,438	1,096,602	1,107,951	1,374,945	1,156,363
1,461,350	2,044,120	1,829,298	1,858,735	3,421,331	2,617,619
79,371	91,313	91,846	96,966	96,413	103,185
577,333	523,675	459,319	216,742	346,865	270,515
195,085	207,546	222,316	361,216	223,589	215,666
25,343,054	27,043,891	27,585,621	26,502,459	27,679,889	28,694,784
3,274,444	3,421,387	3,456,025	3,211,043	3,450,401	4,038,081
4,717,417	4,339,587	5,382,287	5,334,436	6,635,220	5,578,285
2,109,350	2,702,870	2,328,675	2,550,934	2,449,113	2,721,970
10,101,211	10,463,844	11,166,987	11,096,413	12,534,734	12,338,336
\$35,444,265	\$37,507,735	\$38,752,608	\$37,598,872	\$40,214,623	\$41,033,120

(continued)

**City of Fairborn**  
*Changes in Net Position*  
*Last Ten Years*  
*(accrual basis of accounting)*  
*Schedule 2*  
*(Continued)*

	2004	2005	2006	2007
Net (Expense)/Revenue				
Governmental Activities	(\$11,160,473)	(\$15,897,543)	(\$16,343,673)	(\$15,892,989)
Business-Type Activities	1,546,663	(357,232)	(504,339)	(160,370)
<b>Total Primary Government Net Expenses</b>	<b>(9,613,810)</b>	<b>(16,254,775)</b>	<b>(16,848,012)</b>	<b>(16,053,359)</b>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for: (1)				
General Purposes	2,913,868	2,900,527	2,458,468	2,174,289
Fire and EMS	0	0	0	0
Police	0	0	0	0
Debt Service	151,616	157,749	160,196	146,175
Street Lighting	0	0	0	0
Special Revenue	180,544	192,806	2,303,320	564,276
Capital Projects	91,998	89,878	80,359	159,966
Other Local Taxes	0	0	0	0
Municipal Income Taxes (2)	6,293,807	9,478,816	8,985,856	11,791,441
Municipal Income Taxes Levied For:				
General Purposes	0	0	0	0
Street Programs	0	0	0	0
Capital Outlay	0	0	0	0
Revenue in Lieu of Taxes	0	0	0	0
Grants and Entitlements not				
Restricted to Specific Programs	1,832,128	1,917,607	1,432,939	2,357,094
Unrestricted Contributions	0	0	60,711	0
Investment Earnings	241,769	712,500	895,623	1,048,527
Refunds and Reimbursements	0	0	219,905	0
Other	788,312	860,658	240,363	227,875
Transfers-Internal Activities	(21,818)	(11,614)	(8,181)	(11,212)
<b>Total Governmental Activities</b>	<b>12,472,224</b>	<b>16,298,927</b>	<b>16,829,559</b>	<b>18,458,431</b>
Business-Type Activities:				
Investment Earnings	0	0	184,557	259,186
Other	0	0	96,979	76,471
Transfers-Internal Activities	21,818	11,614	8,181	11,212
<b>Total Business-Type Activities</b>	<b>21,818</b>	<b>11,614</b>	<b>289,717</b>	<b>346,869</b>
<b>Total Primary Government</b>	<b>12,494,042</b>	<b>16,310,541</b>	<b>17,119,276</b>	<b>18,805,300</b>
Prior Year Restatement of Governmental Activities Net Position	0	0	0	399,686
Prior Year Restatement of Buesiness-Type Activities Net Position	0	0	0	150,000
Change in Net Position:				
Governmental Activities	1,311,751	401,384	485,886	2,965,128
Business-Type Activities	1,568,481	(345,618)	(214,622)	336,499
<b>Total Primary Government</b>	<b>\$2,880,232</b>	<b>\$55,766</b>	<b>\$271,264</b>	<b>\$3,301,627</b>

(1) During 2008, the City changed the categories of property taxes

(2) Prior to 2008, the City did not separate municipal income taxes by category

2008	2009	2010	2011	2012	2013
(\$14,467,870)	(\$15,313,528)	(\$16,991,126)	(\$13,510,190)	(\$15,544,831)	(\$17,677,633)
1,181,281	1,212,422	970,409	1,390,380	834,369	1,107,970
(13,286,589)	(14,101,106)	(16,020,717)	(12,119,810)	(14,710,462)	(16,569,663)
1,751,432	1,604,334	1,645,992	1,551,379	822,926	834,730
373,158	373,388	380,949	545,417	2,189,418	2,210,684
0	148,183	152,106	340,974	2,189,418	2,210,683
133,767	149,933	149,388	114,364	0	0
142,205	134,505	139,667	124,253	0	0
0	0	0	0	0	0
0	0	0	0	0	0
840,651	738,667	712,099	810,109	841,187	823,386
0	0	0	0	0	0
8,488,898	7,384,148	7,739,285	7,759,131	8,125,170	7,733,646
2,060,948	1,853,273	1,931,190	1,946,526	2,030,750	1,934,815
2,030,024	1,848,135	1,931,190	1,946,525	2,030,749	1,934,815
294,409	310,823	339,114	332,269	379,278	362,657
2,072,364	2,148,568	2,158,308	1,890,415	1,076,446	1,271,868
0	0	0	0	0	0
958,903	125,503	16,369	135,217	63,005	(53,893)
0	0	0	0	0	0
410,769	368,886	397,906	501,046	479,167	418,299
0	0	0	0	0	(301,372)
19,557,528	17,188,346	17,693,563	17,997,625	20,227,514	19,380,318
113,524	126,621	57,526	25,838	23,729	13,118
41,992	31,975	29,830	25,429	17,890	36,957
0	0	0	0	0	301,372
155,516	158,596	87,356	51,267	41,619	351,447
19,713,044	17,346,942	17,780,919	18,048,892	20,269,133	19,731,765
0	0	0	0	0	0
0	(488,025)	0	0	0	0
5,089,658	1,874,818	702,437	4,487,435	4,682,683	1,702,685
1,336,797	882,993	1,057,765	1,441,647	875,988	1,459,417
\$6,426,455	\$2,757,811	\$1,760,202	\$5,929,082	\$5,558,671	\$3,162,102

**City of Fairborn**  
*Fund Balances - Governmental Funds*  
*Last Ten Years*  
*(modified accrual basis of accounting)*  
*Schedule 3*

	2004	2005	2006	2007
<b>General Fund</b>				
Nonspendable	\$0	\$0	\$0	\$0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	217,896	168,628	245,018	134,360
Unreserved	<u>3,776,580</u>	<u>4,641,173</u>	<u>5,202,888</u>	<u>5,577,044</u>
<b>Total General Fund</b>	<u>3,994,476</u>	<u>4,809,801</u>	<u>5,447,906</u>	<u>5,711,404</u>
<b>All Other Governmental Funds</b>				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned(Deficit)	0	0	0	0
Reserved	743,955	2,188,633	1,916,625	747,853
Unreserved, Undesignated (Deficit) Reported in:				
Special Revenue Funds	1,100,078	1,026,335	2,500,629	2,342,636
Debt Service Fund	0	0	380,838	369,454
Capital Projects Funds	<u>1,051,916</u>	<u>7,144,789</u>	<u>(1,980,179)</u>	<u>(899,905)</u>
<b>Total all Other Governmental Funds</b>	<u>2,895,949</u>	<u>10,359,757</u>	<u>2,817,913</u>	<u>2,560,038</u>
<b>All Governmental Funds</b>	<u><u>\$6,890,425</u></u>	<u><u>\$15,169,558</u></u>	<u><u>\$8,265,819</u></u>	<u><u>\$8,271,442</u></u>

(1) The City implemented GASB 54 in 2011.

2008	2009	2010 (1)	2011	2012	2013
\$0	\$0	\$28,888	\$46,497	\$54,586	\$25,166
0	0	213,705	171,849	262,679	608,978
0	0	3,371,738	3,410,686	7,894,685	9,382,356
202,949	243,901	0	0	0	0
4,496,405	3,522,534	0	0	0	0
4,699,354	3,766,435	3,614,331	3,629,032	8,211,950	10,016,500
0	0	1,284,429	3,412,502	3,329,972	69,678
0	0	6,575,123	7,071,041	7,360,699	10,172,301
0	0	374,831	491,291	561,203	254,549
0	0	474,042	593,902	495,287	586,058
0	0	(2,553,880)	(3,123,216)	(730,233)	(309,636)
650,135	2,017,230	0	0	0	0
2,678,806	3,274,776	0	0	0	0
346,215	325,721	0	0	0	0
(541,650)	(334,303)	0	0	0	0
3,133,506	5,283,424	6,154,545	8,445,520	11,016,928	10,772,950
\$7,832,860	\$9,049,859	\$9,768,876	\$12,074,552	\$19,228,878	\$20,789,450

**City of Fairborn**  
*Changes in Fund Balances - Governmental Funds*  
*Last Ten Years*  
*(modified accrual basis of accounting)*  
*Schedule 4*

	2004	2005	2006	2007
<b>Revenues:</b>				
Property Taxes	\$0	\$0	\$0	\$0
Other Local Taxes	0	0	0	0
Municipal Income Taxes	0	0	0	0
Revenue in Lieu of Taxes	0	0	0	0
Taxes (1)	9,430,916	12,748,456	14,340,781	14,175,271
Fines, Licenses and Permits	1,576,265	1,673,142	1,835,529	1,946,954
Charges for Services	4,017,814	4,140,685	4,257,434	3,943,296
Investment Earnings	235,220	695,348	895,623	1,049,461
Intergovernmental	4,713,476	4,964,424	5,164,926	5,196,126
Special Assessments	325,991	496,664	543,391	477,094
Contributions and Donations	0	0	0	0
Other	773,721	811,522	521,639	289,418
<b>Total Revenues</b>	<b>21,073,403</b>	<b>25,530,241</b>	<b>27,559,323</b>	<b>27,077,620</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	5,831,092	6,735,946	6,477,723	6,066,276
Public Safety	10,329,612	10,912,325	12,564,172	12,254,446
Leisure Time Activities	176,296	195,785	410,110	211,967
Community Development	850,517	1,033,507	1,059,955	1,004,676
Transportation and Street Repair	843,820	1,056,935	1,018,784	1,328,606
Public Health and Welfare	158,972	170,082	89,967	104,930
Capital Outlay	2,990,691	5,632,627	11,390,490	4,252,263
Intergovernmental	0	0	0	0
<b>Debt Service:</b>				
Principal Retirement	506,208	1,176,700	1,387,422	1,562,422
Interest and Fiscal Charges	227,380	667,870	626,558	755,436
Issuance Costs	0	0	0	0
<b>Total Expenditures</b>	<b>21,914,588</b>	<b>27,581,777</b>	<b>35,025,181</b>	<b>27,541,022</b>
<b>Excess of Revenues</b>				
Over (Under) Expenditures	(841,185)	(2,051,536)	(7,465,858)	(463,402)
<b>Other Financing Sources (Uses):</b>				
Premium on Debt Issued	0	281,454	0	0
Sale of Notes	62,056	0	0	0
Proceeds from the Sale of Capital Assets	55,451	18,710	65,300	15,237
Issuance of Long-Term Capital-Related Debt	275,000	10,000,000	505,000	465,000
Special Assessments Bond Issued	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
Refunding Notes Issued	0	0	0	0
Inception of Capital Lease	107,924	42,119	0	0
Transfers-In	1,248,277	3,057,305	4,077,630	4,127,372
Transfers-Out	(1,170,495)	(3,068,919)	(4,085,811)	(4,138,584)
<b>Total Other Financing Sources (Uses)</b>	<b>578,213</b>	<b>10,330,669</b>	<b>562,119</b>	<b>469,025</b>
<b>Restatement of Prior Year Fund Balances</b>	<b>(487,215)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>(\$750,187)</b>	<b>\$8,279,133</b>	<b>(\$6,903,739)</b>	<b>\$5,623</b>
<b>Debt Service as a Percentage</b>				
of Noncapital Expenditures	2.1%	5.9%	6.6%	5.8%

(1) Prior to 2008, the City did not separate Property, Revenue in Lieu of Taxes, Other local, and Municipal Income Taxes



2008	2009	2010	2011	2012	2013
\$2,389,176	\$2,425,711	\$2,458,646	\$2,415,919	\$5,235,512	\$5,404,927
840,651	738,667	712,099	810,109	841,187	823,386
10,194,655	11,185,796	11,442,949	11,574,407	11,994,955	11,691,107
294,409	310,823	339,114	332,269	379,278	362,657
0	0	0	0	0	0
2,404,118	2,002,352	1,817,598	1,638,566	1,639,486	1,679,445
3,368,842	4,151,360	4,868,341	5,048,274	5,778,812	5,342,261
1,000,056	233,256	165,647	168,589	101,427	(48,747)
6,287,601	6,028,951	5,914,059	6,236,284	6,535,383	4,942,122
317,084	302,578	414,979	416,412	363,052	321,577
0	542,430	0	46,558	9,276	1,427
410,769	368,886	397,906	501,046	498,594	418,299
<u>27,507,361</u>	<u>28,290,810</u>	<u>28,531,338</u>	<u>29,188,433</u>	<u>33,376,962</u>	<u>30,938,461</u>
6,780,642	6,826,870	7,517,523	7,025,927	6,410,454	7,359,127
12,519,358	12,902,125	12,772,786	12,379,650	12,282,513	13,351,123
206,165	280,300	391,574	201,592	169,189	281,564
915,623	1,010,774	1,080,457	1,087,343	1,349,975	1,133,762
1,123,628	1,654,970	1,460,195	1,763,864	3,309,867	2,607,811
79,775	88,814	90,865	95,111	94,743	102,948
4,545,832	2,387,313	2,505,157	1,699,918	2,014,611	2,896,232
195,085	207,546	222,316	216,742	223,589	215,666
1,540,702	1,706,369	2,040,492	2,478,903	1,755,570	3,328,691
625,846	546,730	485,687	384,476	363,988	321,975
0	0	852	11,510	0	0
<u>28,532,656</u>	<u>27,611,811</u>	<u>28,567,904</u>	<u>27,345,036</u>	<u>27,974,499</u>	<u>31,598,899</u>
<u>(1,025,295)</u>	<u>678,999</u>	<u>(36,566)</u>	<u>1,843,397</u>	<u>5,402,463</u>	<u>(660,438)</u>
0	0	583	0	16,193	47,589
0	0	0	0	0	517,500
0	0	0	22,279	4,484	25,921
0	0	0	0	0	0
280,000	135,000	0	320,000	120,000	0
0	0	45,000	0	0	1,630,000
135,000	403,000	710,000	120,000	1,611,186	0
171,713	0	0	0	0	0
4,839,170	10,563,476	10,226,724	9,644,754	4,870,028	5,878,722
<u>(4,839,170)</u>	<u>(10,563,476)</u>	<u>(10,226,724)</u>	<u>(9,644,754)</u>	<u>(4,870,028)</u>	<u>(5,878,722)</u>
<u>586,713</u>	<u>538,000</u>	<u>755,583</u>	<u>462,279</u>	<u>1,751,863</u>	<u>2,221,010</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(\$438,582)</u>	<u>\$1,216,999</u>	<u>\$719,017</u>	<u>\$2,305,676</u>	<u>\$7,154,326</u>	<u>\$1,560,572</u>
9.2%	9.0%	9.7%	11.2%	8.2%	12.6%

**City of Fairborn, Ohio**  
*Assessed Value and Estimated Actual Value of Taxable Property*  
*Last Ten Years*  
*Schedule 5*

Collection Year	Real Property		Tangible Personal Property			
	Assessed Value	Estimated Actual Value	Public Utility		General Business	
			Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2004	\$457,846,720	\$1,308,133,486	\$15,059,190	\$17,112,716	\$28,546,698	\$114,186,792
2005	465,630,690	1,330,373,400	14,726,390	16,734,534	28,562,585	114,250,340
2006	502,077,420	1,434,506,914	13,420,850	15,250,966	27,961,223	149,126,523
2007	506,398,990	1,446,854,257	12,989,310	14,760,580	19,626,089	157,008,712
2008	513,328,920	1,466,654,057	11,790,182	13,397,934	15,057,095	24,091,352
2009	552,208,370	1,577,738,200	10,790,570	12,262,011	7,381,048	11,809,677
2010	552,367,880	1,578,193,943	10,647,220	12,099,114	1,138,450	1,821,520
2011	555,015,130	1,585,757,514	11,124,480	12,641,455	552,420	883,872
2012	513,212,360	1,466,321,029	11,439,860	12,999,841	0	0
2013	516,359,800	1,475,313,714	14,040,100	15,954,659	0	0

Source: Greene County Auditor

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 percent for 2007, 6.25 percent for 2008 and zero percent for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010).

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

Assessed Value	Total		Weighted Average Tax Rate (per \$1,000 of assessed value)
	Estimated Actual Value	Ratio	
\$501,452,608	\$1,439,432,994	34.84	10.57
508,919,665	1,461,358,274	34.83	9.27
543,459,493	1,598,884,403	33.99	8.95
539,014,389	1,618,623,549	33.30	8.89
540,176,197	1,504,143,343	35.91	8.85
570,379,988	1,601,809,888	35.61	8.78
564,153,550	1,592,114,576	35.43	8.80
566,692,030	1,599,282,841	35.43	8.80
524,652,220	1,479,320,869	35.47	8.80
530,399,900	1,491,268,373	35.57	8.80

**City of Fairborn, Ohio**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*  
*Schedule 6*

	2004	2005	2006	2007
<b>Unvoted Millage</b>				
Operating	\$2.50000	\$2.50000	\$2.50000	\$2.50000
<b>Voted Millage - by levy</b>				
1976 Current Expense				
Residential/Agricultural Real	1.3360	1.2619	1.2566	1.2535
Commercial/Industrial and Public Utility Real	1.9694	1.8990	1.9108	1.9210
General Business and Public Utility Personal	4.8000	4.8000	4.8000	4.8000
1976 Street Light				
Residential/Agricultural Real	0.2505	0.2366	0.2356	0.2350
Commercial/Industrial and Public Utility Real	0.3693	0.3561	0.3583	0.3602
General Business and Public Utility Personal	0.9000	0.9000	0.9000	0.9000
1976 Bond Levy (\$930,000)				
Residential/Agricultural Real	0.0000	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.0000	0.0000
General Business and Public Utility Personal	0.0000	0.0000	0.0000	0.0000
1982 Emergency Medical Service				
Residential/Agricultural Real	0.4443	0.4196	0.4179	0.4169
Commercial/Industrial and Public Utility Real	0.5745	0.5540	0.5575	0.5604
General Business and Public Utility Personal	1.0000	1.0000	1.0000	1.0000
1990 Bond Levy (\$1,750,000)				
Residential/Agricultural Real	0.3000	0.3000	0.3000	0.2800
Commercial/Industrial and Public Utility Real	0.3000	0.3000	0.3000	0.2800
General Business and Public Utility Personal	0.3000	0.3000	0.3000	0.2800
2011 Police				
Residential/Agricultural Real	0.00000	0.00000	0.00000	0.00000
Commercial/Industrial and Public Utility Real	0.00000	0.00000	0.00000	0.00000
General Business and Public Utility Personal	0.00000	0.00000	0.00000	0.00000
2011 Fire & EMS				
Residential/Agricultural Real	0.00000	0.00000	0.00000	0.00000
Commercial/Industrial and Public Utility Real	0.00000	0.00000	0.00000	0.00000
General Business and Public Utility Personal	0.00000	0.00000	0.00000	0.00000
<i>Total Voted Millage by Type of Property</i>				
Residential/Agricultural Real	2.33080	2.21810	2.21010	2.18540
Commercial/Industrial and Public Utility Real	3.21320	3.10910	3.12660	3.12160
General Business and Public Utility Personal	7.00000	7.00000	7.00000	6.98000
<i>Total Millage by Type of Property</i>				
Residential/Agricultural Real	4.83080	4.71810	4.71010	4.68540
Commercial/Industrial and Public Utility Real	5.71320	5.60910	5.62660	5.62160
General Business and Public Utility Personal	9.50000	9.50000	9.50000	9.48000

2008	2009	2010	2011	2012	2013
\$2.50000	\$2.50000	\$2.50000	\$2.50000	\$2.50000	\$1.40000
1.1784	1.1787	1.1799	0.0000	0.0000	0.0000
1.7922	1.8323	1.8505	0.0000	0.0000	0.0000
4.8000	4.8000	4.8000	0.0000	0.0000	0.0000
0.2209	0.2210	0.2212	0.0000	0.0000	0.0000
0.3360	0.3436	0.3470	0.0000	0.0000	0.0000
0.9000	0.9000	0.9000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.3919	0.3920	0.3924	0.0000	0.0000	0.0000
0.5229	0.5345	0.5398	0.0000	0.0000	0.0000
1.0000	1.0000	1.0000	0.0000	0.0000	0.0000
0.3000	0.3000	0.2500	0.0000	0.0000	0.0000
0.3000	0.3000	0.2500	0.0000	0.0000	0.0000
0.3000	0.3000	0.2500	0.0000	0.0000	0.0000
0.00000	0.00000	0.00000	4.40000	4.40000	4.40000
0.00000	0.00000	0.00000	4.40000	4.40000	4.40000
0.00000	0.00000	0.00000	4.40000	4.40000	4.40000
0.00000	0.00000	0.00000	4.40000	4.40000	4.40000
0.00000	0.00000	0.00000	4.40000	4.40000	4.40000
0.00000	0.00000	0.00000	4.40000	4.40000	4.40000
0.00000	0.00000	0.00000	4.40000	4.40000	4.40000
2.09120	2.09170	2.04350	8.80000	8.80000	8.80000
2.95110	3.01040	2.98730	8.80000	8.80000	8.80000
7.00000	7.00000	6.95000	8.80000	8.80000	8.80000
4.59120	4.59170	4.54350	11.30000	11.30000	10.20000
5.45110	5.51040	5.48730	11.30000	11.30000	10.20000
9.50000	9.50000	9.45000	11.30000	11.30000	10.20000

(continued)

**City of Fairborn, Ohio**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*  
*Schedule 6*  
*(Continued)*

**Overlapping Rates by Taxing District**

	2004	2005	2006	2007
Fairborn City School District				
Residential/Agricultural Real	\$22.6000	\$22.4000	\$22.4001	\$30.7001
Commercial/Industrial and Public Utility Real	24.7422	23.8984	24.0142	32.4080
General Business and Public Utility Personal	44.4000	44.2000	44.2000	52.5000
Greene County Joint Vocational School District				
Residential/Agricultural Real	2.6133	2.5752	2.5720	2.5692
Commercial/Industrial and Public Utility Real	2.7076	2.6528	2.6661	2.6501
General Business and Public Utility Personal	3.4500	3.4500	3.4500	3.4500
General Health District				
Residential/Agricultural Real	0.4346	0.4079	0.4971	0.4948
Commercial/Industrial and Public Utility Real	0.4604	0.4455	0.5000	0.4954
General Business and Public Utility Personal	0.5000	0.5000	0.5000	0.5000
Greene County				
Residential/Agricultural Real	10.3606	10.8837	10.6950	10.6547
Commercial/Industrial and Public Utility Real	10.6373	11.3795	11.1652	11.0849
General Business and Public Utility Personal	11.3000	12.3000	11.5500	11.5500

Source: Greene County Auditor

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year of each reappraisal.

Overlapping rates are those of local and county governments that apply to property owners within the City.

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2008	2009	2010	2011	2012	2013
\$30.1000	\$30.0066	\$30.1277	\$32.2323	\$32.0765	\$32.1015
31.0102	31.2887	31.4438	33.0970	33.1848	33.5243
51.9000	51.8000	51.9000	52.6500	52.5000	52.5000
2.5269	2.5285	2.5316	2.6460	2.6473	2.6494
2.6030	2.6776	2.6963	2.8188	2.8285	2.8550
3.4500	3.4500	3.4500	3.4500	3.4500	3.4500
0.4570	0.4573	0.4578	0.8000	0.8000	0.8000
0.4598	0.4731	0.4763	0.8000	0.8000	0.8000
0.5000	0.5000	0.5000	0.8000	0.8000	0.8000
10.0302	10.9944	11.5834	11.2744	11.2772	11.2842
10.4644	11.5388	11.5388	11.8825	11.9065	11.9692
11.5500	12.2500	12.2500	12.2500	12.2500	12.2500

**City of Fairborn, Ohio**  
*Principal Property Tax Payers*  
 2013 and 2005 (1)  
 Schedule 7

Taxpayer	2013	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light	\$11,478,440	2.19%
Charter Woods LLC	6,280,800	1.20%
Wright Executive Hotel	5,374,840	1.02%
Mapleview Apartments LLC	4,058,050	77.00%
2377 Commerce Center Blvd. LLC	3,617,500	69.00%
Campus Village Wright State	3,222,070	61.00%
Natdayton LLC	3,137,760	60.00%
Highland Apartments	2,831,020	54.00%
Trebein Limited	2,655,000	51.00%
Wright Patt Credit	2,493,850	47.00%
<b>Total Principal Property Tax Payers</b>	<b>45,149,330</b>	<b>8.51%</b>
<b>Total All Others</b>	<b>485,250,570</b>	<b>91.49%</b>
<b>Total Assessed Value</b>	<b>\$530,399,900</b>	<b>100.00%</b>

Taxpayer	2005 (1)	
	Assessed Value	Percentage of Total Assessed Value
Dayton Power and Light	\$10,686,640	2.10%
Charter Woods LLC	6,280,800	1.23%
Mapleview Apartments LLC	4,058,050	0.80%
2377 Commerce Center Blvd. LLC	3,617,500	0.71%
PH Fairborn Hotel Owner	3,241,180	0.64%
Natdayton LLC	3,137,760	0.62%
Highland Apartments	2,831,020	0.56%
Trebein Limited	2,655,000	0.52%
Wright Patt Credit	2,493,850	0.49%
Shoppes at VG LTD	2,449,840	0.48%
<b>Total Principal Property Tax Payers</b>	<b>41,451,640</b>	<b>8.14%</b>
<b>Total All Others</b>	<b>467,468,025</b>	<b>91.86%</b>
<b>Total Assessed Value</b>	<b>\$508,919,665</b>	<b>100.00%</b>

Source: County Auditor

(1) Information prior to 2005 is unavailable.



**City of Fairborn, Ohio**  
*Property Tax Levies and Collections*  
*Last Ten Years*  
*Schedule 8*

Collection Year	Total Tax Levied (1)	Current Tax Collection (1)	Percent of Current Levy Collected	Delinquent Tax Collection (2) (3)	Total Tax Collections	Percent of Total Collections To Total Levy
2004	\$2,525,070	\$2,436,033	96.47%	\$0	\$2,436,033	96.47%
2005	2,577,182	2,390,628	92.76%	0	2,390,628	92.76%
2006	2,681,552	2,589,155	96.55%	0	2,589,155	96.55%
2007	2,964,283	2,628,788	88.68%	0	2,628,788	88.68%
2008	2,868,759	2,554,887	89.06%	86,433	2,641,320	92.07%
2009	2,884,618	2,332,773	80.87%	93,338	2,426,111	84.11%
2010	2,942,140	2,525,043	85.82%	195,165	2,720,208	92.46%
2011	2,949,959	2,304,014	78.10%	111,913	2,415,927	81.90%
2012	6,362,712	4,965,327	78.04%	269,885	5,235,212	82.28%
2013	6,385,371	5,096,524	89.57%	308,403	5,404,927	94.40%

Source: County Auditor

- (1) Current taxes levied and current tax collections do not include rollback and homestead amounts.
- (2) Delinquent tax collections include amounts collected from penalties, interest, and other delinquent collections. The County does not identify delinquent collections by the year for which the tax was levied.
- (3) Prior to 2008 the County Auditor did not split tax collections between current and delinquent.



**City of Fairborn, Ohio**  
*Income Tax by Payer Type and Income Tax Rate*  
*Last Ten Years*  
*(cash basis of accounting)*  
*Schedule 9*

Calendar Year	Individual		Total Individual	Corporate (1)	Partnership (2)	Total	Income Tax Rate
	Withholding	Non-Withholding					
2004	\$5,294,278	\$787,786	\$6,082,064	\$456,293	\$0	\$6,538,357	1.00%
2005	7,764,991	1,005,942	8,770,933	469,672	0	9,240,605	1.50%
2006	8,339,271	1,355,634	9,694,905	796,801	0	10,491,706	1.50%
2007	8,850,224	1,278,895	10,129,119	747,105	0	10,876,224	1.50%
2008	8,597,465	1,438,186	10,035,651	799,493	0	10,835,144	1.50%
2009	9,097,190	1,344,367	10,441,557	493,240	0	10,934,797	1.50%
2010	9,052,186	1,465,601	10,517,787	527,885	0	11,045,672	1.50%
2011	9,090,819	1,503,761	10,594,580	788,138	0	11,382,718	1.50%
2012	9,382,995	1,416,132	10,799,127	875,154	0	11,674,281	1.50%
2013	9,005,623	1,383,442	10,389,065	993,264	0	11,382,329	1.50%

(1) Corporate includes Partnerships, unable to break out the information.

(2) Information not available.

Note: These amounts are reported at net and take into account tax refunds.  
 Increases in the income tax rate requires voter approval.

**City of Fairborn, Ohio**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Years*  
*Schedule 10*

Calendar Year	Governmental Activities						
	General Obligation Bonds	Special Assessment Bonds	General Obligation Notes (1)	Special Assessment Notes	Income Tax Revenue Bonds	Tax Increment Financing Revenue Bonds	Capital Leases
2004	\$1,995,000	\$1,598,000	\$185,000	\$83,511	\$0	\$0	\$935,160
2005	1,700,000	1,390,000	2,110,000	59,811	9,350,000	0	852,285
2006	1,400,000	1,760,000	4,750,000	36,111	8,470,000	0	720,737
2007	1,080,000	2,000,000	2,470,000	12,412	7,570,000	0	627,014
2008	890,000	1,960,000	2,365,000	260,000	6,650,000	0	804,147
2009	695,000	1,789,000	3,292,762	501,000	5,830,729	0	669,186
2010	570,583	1,437,000	1,993,163	710,000	4,802,583	0	527,264
2011	390,466	1,394,000	2,009,159	120,000	3,669,437	0	395,237
2012	350,350	1,190,000	1,553,293	68,686	2,496,291	0	262,874
2013	310,233	1,007,055	448,650	-	1,273,146	1,574,268	124,369

N/A - Information not available.

Notes: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. Population and Personal Income data are presented on Schedule 18.

(1) The General Obligation Notes only include the long-term portion of the notes.

Business-Type Activities

General Obligation Bonds	Special Assessment Bonds	OWDA Loan	OPWC Loan	General Obligation Notes	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
\$8,050,000	\$0	\$3,058,962	\$183,540	\$1,630,000	\$75,783	\$17,794,956	0.37%	\$555
7,340,000	0	2,735,900	166,855	4,700,000	58,082	30,462,933	0.62%	950
6,590,000	0	2,394,852	150,170	3,900,000	39,576	30,211,446	0.58%	943
5,805,000	150,000	2,034,697	133,485	6,600,000	20,228	28,502,836	0.53%	889
4,850,000	140,000	1,654,244	116,800	10,880,000	5,239	30,575,430	0.54%	856
4,021,044	130,000	1,252,220	108,458	10,635,000	4,767	28,929,166	0.52%	824
10,560,921	120,000	827,271	91,772	4,057,000	285,848	25,983,405	0.44%	714
9,657,268	115,000	493,521	75,086	5,577,000	224,744	24,120,918	0.41%	637
9,519,777	110,000	144,178	58,400	6,536,000	172,031	22,461,880	0.36%	949
15,106,946	100,000	0	41,714	100,211	117,313	20,203,905	0.33%	853

**City of Fairborn, Ohio**  
*Ratio of General Obligation Bonded Debt to  
 Estimated Actual Value and General Obligation Bonded Debt Per Capita  
 Last Ten Years  
 Schedule 11*

Year	General Bonded Debt	Estimated Actual Value (1)	Population (2)	Ratio of Debt to Estimated Actual Value	Debt Per Capita
2004	10,045,000	\$1,439,432,994	32,054	0.70%	\$313.38
2005	9,040,000	1,461,358,274	32,054	0.62%	282.02
2006	7,990,000	1,598,884,403	32,054	0.50%	249.27
2007	6,885,000	1,618,623,549	32,054	0.43%	214.79
2008	5,740,000	1,504,143,343	32,054	0.38%	179.07
2009	4,716,044	1,601,809,888	32,054	0.29%	147.13
2010	11,131,504	1,592,114,576	32,352	0.70%	344.07
2011	10,047,734	1,599,282,841	32,352	0.63%	310.58
2012	9,870,127	1,479,320,869	32,352	0.67%	305.09
2013	15,417,179	1,491,268,373	32,352	1.03%	476.54

Source: (1) Greene County Auditor  
 (2) Population estimates provided by U.S. Census Bureau (2000 and 2010 Census).

Source: City Records

Notes: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. Also, resources have not been externally restricted for the repayment of debt.

**City of Fairborn, Ohio**  
*Direct and Overlapping Governmental Activities Debt*  
 December 31, 2013  
 Schedule 12

Jurisdiction	Debt Outstanding	Percentage Applicable to the City of Fairborn (1)	Amount Applicable to the City of Fairborn
<b>Direct Debt:</b>			
City of Fairborn			
General Obligation Bonds	\$310,233	100.00%	\$310,233
Special Assessment Bonds	1,007,055	100.00%	1,007,055
Notes Payable (3)	448,650	100.00%	448,650
Income Tax Revenue Bonds	1,273,146	100.00%	1,273,146
Tax Increment Financing Revenue Bonds	1,574,268		
Capital Lease Obligations	124,369	100.00%	124,369
	<u>4,737,721</u>		<u>3,163,453</u>
Total Direct Debt			
	<u>4,737,721</u>		<u>3,163,453</u>
<b>Overlapping Debt:</b>			
Greene County	189,708,797	4.98%	9,445,398
Beavercreek City School District (2)	102,011,000	5.99%	6,108,762
Fairborn City School District (2)	15,431,473	2.51%	387,711
	<u>307,151,270</u>		<u>15,941,871</u>
Total Overlapping Debt			
	<u>307,151,270</u>		<u>15,941,871</u>
Grand Total	<u>\$311,888,991</u>		<u>\$19,105,324</u>

Source: Greene County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

(2) The debt outstanding is as of June 30, 2013.

(3) The General Obligation Notes only include the long-term portion of the notes.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by residents and businesses should be taken into account.

**City of Fairborn, Ohio**  
*Legal Debt Margin Information*  
*Last Ten Years*  
*Schedule 13*

	2004	2005	2006	2007
Total Assessed Valuation	\$501,452,608	\$508,919,665	\$543,459,493	\$539,014,389
Overall debt limitation - 10.5% of assessed valuation	<u>52,652,524</u>	<u>53,436,565</u>	<u>57,063,247</u>	<u>56,596,511</u>
Debt Outstanding				
General Obligation Bonds	10,340,000	9,325,000	8,265,000	6,735,000
Income Tax Revenue Bonds	0	9,350,000	8,470,000	7,570,000
Special Assessment Bonds	1,386,511	1,164,811	1,386,111	2,162,412
Loans Payable	3,242,502	2,902,756	2,545,022	2,168,182
Bond Anticipation Notes	1,815,000	6,810,000	8,650,000	9,070,000
Total Gross Indebtedness	<u>16,784,013</u>	<u>29,552,567</u>	<u>29,316,133</u>	<u>27,705,594</u>
Less Exempt Debt				
General Obligation Bonds	8,050,000	7,340,000	6,590,000	5,655,000
Income Tax Revenue Bonds	0	9,350,000	8,470,000	7,570,000
Special Assessment Bonds	1,386,511	1,164,811	1,386,111	2,162,412
Loans Payable	3,242,502	2,902,756	2,545,022	2,168,182
Bond Anticipation Notes	1,815,000	6,810,000	8,650,000	9,070,000
Total Exempt Debt	<u>14,494,013</u>	<u>27,567,567</u>	<u>27,641,133</u>	<u>26,625,594</u>
Net Debt Subject to Limitation	2,290,000	1,985,000	1,675,000	1,080,000
Less amount available in the Debt Service Fund	<u>572,652</u>	<u>642,319</u>	<u>623,570</u>	<u>369,454</u>
Total Net Debt Subject to Limitation	<u>1,717,348</u>	<u>1,342,681</u>	<u>1,051,430</u>	<u>710,546</u>
Legal debt margin within 10.5% limitation	<u>\$50,935,176</u>	<u>\$52,093,884</u>	<u>\$56,011,817</u>	<u>\$55,885,965</u>
Legal Debt Margin as a Percentage of the Debt Limit	96.7%	97.5%	98.2%	98.7%
Unvoted debt limitation 5.5% of assessed valuation	\$27,579,893	\$27,990,582	\$29,890,272	\$29,645,791
Debt Outstanding	<u>16,784,013</u>	<u>29,552,567</u>	<u>29,316,133</u>	<u>27,705,594</u>
Less Exempt Debt				
General Obligation Bonds	8,050,000	7,340,000	6,590,000	5,655,000
Income Tax Revenue Bonds	0	9,350,000	8,470,000	7,570,000
Special Assessment Bonds	1,386,511	1,164,811	1,386,111	2,162,412
Loans Payable	3,242,502	2,902,756	2,545,022	2,168,182
Bond Anticipation Notes	1,815,000	6,810,000	8,650,000	9,070,000
Total Exempt Debt	<u>14,494,013</u>	<u>27,567,567</u>	<u>27,641,133</u>	<u>26,625,594</u>
Net Debt Subject to Limitation	2,290,000	1,985,000	1,675,000	1,080,000
Less amount available in the Debt Service Fund	<u>572,652</u>	<u>642,319</u>	<u>623,570</u>	<u>369,454</u>
Total Net Debt Subject to Limitation	<u>1,717,348</u>	<u>1,342,681</u>	<u>1,051,430</u>	<u>710,546</u>
Legal debt margin within 5.5% limitation	<u>\$25,862,545</u>	<u>\$26,647,901</u>	<u>\$28,838,842</u>	<u>\$28,935,245</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	93.8%	95.2%	96.5%	97.6%

Ohio Bond Law sets a limit of 10.5 percent for voted debt and 5.5 percent for unvoted debt.



2008	2009	2010	2011	2012	2013
\$540,176,197	\$570,379,988	\$564,153,550	\$566,692,030	\$524,652,220	\$530,399,900
<u>56,718,501</u>	<u>59,889,899</u>	<u>59,236,123</u>	<u>59,502,663</u>	<u>55,088,483</u>	<u>55,691,990</u>
5,740,000	4,725,000	11,205,000	10,115,000	9,560,082	15,272,286
6,650,000	5,690,000	4,690,000	3,585,000	2,440,000	1,245,000
2,100,000	1,919,000	1,557,000	1,509,000	1,300,000	1,035,000
1,771,044	1,360,678	919,043	568,607	202,578	41,714
13,505,000	14,428,762	6,747,762	7,692,762	8,403,500	715,000
<u>29,766,044</u>	<u>28,123,440</u>	<u>25,118,805</u>	<u>23,470,369</u>	<u>21,906,160</u>	<u>18,309,000</u>
4,850,000	4,030,000	10,635,000	9,725,000	9,210,082	14,962,286
6,650,000	5,690,000	4,690,000	3,585,000	2,440,000	1,245,000
2,100,000	1,919,000	1,557,000	1,509,000	1,300,000	1,035,000
1,771,044	1,360,678	919,043	568,607	202,578	41,714
13,505,000	14,428,762	6,747,762	7,692,762	8,403,500	715,000
<u>28,876,044</u>	<u>27,428,440</u>	<u>24,548,805</u>	<u>23,080,369</u>	<u>21,556,160</u>	<u>17,999,000</u>
890,000	695,000	570,000	390,000	350,000	310,000
<u>346,215</u>	<u>325,721</u>	<u>295,174</u>	<u>283,373</u>	<u>237,023</u>	<u>295,670</u>
<u>543,785</u>	<u>369,279</u>	<u>274,826</u>	<u>106,627</u>	<u>112,977</u>	<u>14,330</u>
<u>\$56,174,716</u>	<u>\$59,520,620</u>	<u>\$58,961,297</u>	<u>\$59,396,036</u>	<u>\$54,975,506</u>	<u>\$55,677,660</u>
99.0%	99.4%	99.5%	99.8%	99.8%	100.0%
\$29,709,691	\$31,370,899	\$31,028,445	\$31,168,062	\$28,855,872	\$29,171,995
<u>29,766,044</u>	<u>28,123,440</u>	<u>25,118,805</u>	<u>23,470,369</u>	<u>21,906,160</u>	<u>18,309,000</u>
4,850,000	4,030,000	10,635,000	9,725,000	9,210,082	14,962,286
6,650,000	5,690,000	4,690,000	3,585,000	2,440,000	1,245,000
2,100,000	1,919,000	1,557,000	1,509,000	1,300,000	1,035,000
1,771,044	1,360,678	919,043	568,607	202,578	41,714
13,505,000	14,428,762	6,747,762	7,692,762	8,403,500	715,000
<u>28,876,044</u>	<u>27,428,440</u>	<u>24,548,805</u>	<u>23,080,369</u>	<u>21,556,160</u>	<u>17,999,000</u>
890,000	695,000	570,000	390,000	350,000	310,000
<u>346,215</u>	<u>325,721</u>	<u>295,174</u>	<u>283,373</u>	<u>237,023</u>	<u>295,670</u>
<u>543,785</u>	<u>369,279</u>	<u>274,826</u>	<u>106,627</u>	<u>112,977</u>	<u>14,330</u>
<u>\$29,165,906</u>	<u>\$31,001,620</u>	<u>\$30,753,619</u>	<u>\$31,061,435</u>	<u>\$28,742,895</u>	<u>\$29,157,665</u>
98.2%	98.8%	99.1%	99.7%	99.6%	100.0%

**City of Fairborn, Ohio**  
*Pledged Revenue Coverage*  
*Schedule 14*

OWDA Loan						
Calendar Year	Gross Revenues	Less: Operating Expenses(1)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004	\$4,389,254	\$1,836,790	\$2,552,464	\$306,114	\$186,647	5.18%
2005	4,540,138	3,067,957	1,472,181	323,062	168,817	2.99%
2006	4,867,233	3,142,634	1,724,599	341,049	149,909	3.51%
2007	4,945,690	3,189,204	1,756,486	360,155	122,578	3.64%
2008	5,480,155	3,432,202	2,047,953	380,453	102,279	4.24%
2009	5,586,017	3,127,248	2,458,769	402,024	80,706	5.09%
2010	5,770,826	3,955,133	1,815,693	424,949	55,693	3.78%
2011	5,943,585	3,670,074	2,273,511	333,750	33,377	6.19%
2012	6,508,691	5,103,267	1,405,424	349,343	17,787	3.83%
2013	6,656,869	4,142,833	2,514,036	144,178	4,242	16.94%

(1) Direct operating expenses do not include depreciation expense.

(2) The Income Tax Revenue bonds were issued and the first principal payment was made in 2005. Prior to 2008, municipal income tax was not reported separately on the Statement of Revenues, Expenditures and Changes in Fund Balance. The amounts reported prior to 2008 are on the cash basis.

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Income Tax Revenue Bonds

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Municipal Income Taxes (2)	Debt Service Requirements			Coverage
	Principal	Interest	Total	
\$9,240,605	\$650,000	\$393,150	\$1,043,150	8.86%
10,491,706	880,000	359,400	1,239,400	8.47%
10,876,224	900,000	328,600	1,228,600	8.85%
10,194,655	920,000	294,850	1,214,850	8.39%
11,185,796	960,000	262,650	1,222,650	9.15%
11,442,949	1,000,000	229,050	1,229,050	9.31%
11,574,407	1,105,000	194,050	1,299,050	8.91%
11,994,955	1,145,000	152,613	1,297,613	9.24%
11,691,107	1,195,000	106,813	1,301,813	8.98%

**City of Fairborn, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*  
*Schedule 15*

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2004	32,054	\$4,788,234	\$30,810	5.7%
2005	32,054	4,925,113	31,545	5.4%
2006	32,054	5,206,513	33,044	5.4%
2007	32,054	5,390,237	33,988	6.2%
2008	32,054	5,692,242	35,720	7.5%
2009	32,054	5,610,597	35,105	11.7%
2010	32,352	5,877,656	36,370	10.7%
2011	32,352	6,162,374	37,842	9.2%
2012	32,352	6,318,000	23,677	7.5%
2013	32,352	6,318,000 (5)	23,677 (5)	7.1%

Sources:

- (1) Population estimates provided by U.S. Census Bureau (2000 Census, and 2010 Census).
- (2) Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts.
- (3) Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts.
- (4) Ohio Labor Market Information
- (5) Information was not available for 2013; the 2012 amounts were used as an estimate

**City of Fairborn, Ohio**  
*Principal Employers*  
 2013 and 2005 (1)  
 Schedule 16

2013	
Employer	Number of Employees
Wright Patterson AFB	29,800
Wright State University	2,385
Teleperformance USA Inc.	725
Fairborn City Schools	537
Wright-Patt Credit Union (2)	400
Ball Aerospace	400
City of Fairborn	250
Morris Home Furniture Co.	200
Dynamics Research Corporation	205
Peerless Technologies	180
<b>Total Employees</b>	<b>35,057</b>

2005	
Employer	Number of Employees
Wright Patterson AFB	22,000
Wright State University	2,200
Fairborn City Schools	550
Teleperformance USA Inc.	400
Logtec (2)	300
Ball Aerospace	260
Wright-Patt Credit Union (2)	260
City of Fairborn	260
Computer Sciences Corp.	250
Northrop Grumman	240
<b>Total Employees</b>	<b>26,720</b>

Source: Community Development Division

- (1) Information prior to 2005 is unavailable
- (2) Denotes corporate headquarters

Total employment within the City for either year is not available.

**City of Fairborn, Ohio**  
*Full-Time Equivalent City Government Employees by Function/Program*  
*Last Ten Years*  
*Schedule 17*

Function/Program	2004	2005	2006	2007
<b>General Government</b>				
City Council	0.5	4.0	4.0	0.9
Municipal Court	25.1	24.0	24.0	28.9
City Administration	4.8	3.5	3.5	3.8
Finance	14.5	15.0	14.0	15.3
Legal	1.8	2.0	2.0	2.0
Personnel	1.6	1.0	1.0	1.0
Engineering	4.0	4.0	5.5	6.1
Public Works Director	0.0	0.0	0.0	0.0
Audio Visual	1.0	0.0	0.0	0.0
Plant Maintenance	12.0	12.0	12.0	9.6
Victim Witness	2.0	2.0	2.0	1.9
<b>Public Safety (1)</b>				
Police				
Sworn Officers	60.7	51.0	47.5	43.0
Non-Sworn	0.0	16.0	16.0	18.6
Fire	51.0	50.5	51.0	52.0
<b>Community Environment</b>				
Building Inspection	5.0	5.0	5.0	4.9
City Planner	3.0	3.0	3.0	2.3
Neighborhood Betterment	2.0	4.0	3.5	3.6
Economic Development				
<b>Leisure Time Activities</b>				
Parks and Recreation	1.5	1.5	1.5	1.3
<b>Transportation and Street Repair</b>				
Street	9.8	10.0	10.0	10.0
State Highway	1.0	1.0	1.0	1.0
<b>Public Health and Welfare</b>				
Cemetery	2.0	1.5	1.5	1.5
<b>Basic Utility Service</b>				
Water	17.3	17.5	17.0	17.4
Sewer	22.5	21.5	23.0	21.7
Sanitation	2.0	1.0	1.0	1.1
<b>Internal Service</b>				
ITS	0.0	2.0	2.0	3.0
Equipment Services	8.0	7.0	7.0	7.1
<b>Total</b>	<b>253.0</b>	<b>260.0</b>	<b>258.0</b>	<b>257.5</b>

Source: Various City Departments

(1) Information obtained from department annual reports.

2008	2009	2010	2011	2012	2013
1.4	1.4	1.4	1.4	1.4	1.4
29.5	30.1	29.3	26.2	26.6	27.1
3.0	4.0	3.0	3.0	3.0	3.0
12.8	13.4	13.9	13.2	11.6	12.6
2.0	2.0	2.0	2.5	2.0	2.0
1.0	1.0	1.0	1.0	1.0	1.5
6.1	6.4	6.4	5.3	4.5	4.5
0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0
8.8	8.8	8.5	8.4	8.4	8.4
1.8	1.8	2.0	2.0	2.0	2.0
43.0	43.0	42.0	42.0	43.0	42.0
18.9	18.9	18.9	17.0	12.5	18.5
51.7	51.5	51.5	47.5	49.5	51.5
4.9	5.5	5.5	5.4	4.2	4.3
2.8	2.5	2.5	2.3	2.3	2.3
2.9	2.8	2.6	3.5	3.6	4.1
			0.0	0.0	1.5
1.5	1.6	2.1	2.1	2.2	2.5
9.4	10.0	10.0	10.1	10.4	11.4
1.0	1.0	1.0	1.0	1.0	1.0
1.5	1.5	1.0	1.0	1.0	1.0
16.6	16.6	16.6	16.7	15.7	18.7
22.5	21.9	21.9	22.1	21.1	17.8
1.1	1.6	2.1	1.1	1.6	1.6
3.0	2.8	2.9	2.9	2.9	2.9
7.1	7.1	7.1	6.1	5.1	6.1
<u>254.3</u>	<u>257.0</u>	<u>255.1</u>	<u>243.8</u>	<u>236.6</u>	<u>249.7</u>

**City of Fairborn, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years*  
*Schedule 18*

Function/Program	2004	2005	2006	2007
General government				
Municipal Court				
Criminal and Traffic Cases	13,666	16,072	19,043	19,634
Criminal and Traffic Trials	97	79	96	106
Criminal and Traffic Receipts (in 000's)	\$2,439	\$2,624	\$2,983	\$3,034
Civil/Small Claims Cases	1,810	1,983	2,072	2,146
Civil/Small Claims Trials	851	835	897	587
Civil/Small Claims Receipts (in 000's)	\$610	\$578	\$581	\$729
Security of Persons and Property				
Police				
Calls for Service (1)	23,413	32,778	37,252	34,981
Parking Violations	995	1,141	932	852
Traffic Violations	2,509	2,515	5,400	6,218
Criminal Citations	3,018	2,817	3,478	3,506
Training Hours	4,091	3,441	4,691	4,008
Fire				
Emergency Responses	5,495	5,736	5,872	6,000
Inspections	1,121	1,141	1,157	1,177
Training Hours	7,730	12,518	6,980	5,924
Community Environment				
Planning and Development				
Residential Construction Permits Issued	1,383	1,195	1,040	1,044
Estimated Value of Residential				
Construction	\$17,011,265	\$14,832,301	\$11,939,843	\$17,515,016
Commercial Construction				
Permits Issued	352	474	361	359
Estimated value of Commercial				
Construction	\$15,651,854	\$17,083,481	\$23,925,526	\$17,655,180
Parks and Recreation				
Softball Registrations	90	95	72	86
Weekend Softball Tournaments	50	57	46	40
Water				
New Connections	145	102	91	83
Water Main Breaks	37	37	22	42
Average Daily Consumption				
(millions of gallons)	3.760	3.792	3.594	3.414
Peak Daily Consumption				
(millions of gallons)	N/A	N/A	4.730	4.690
Total Water Treated				
(millions of gallons)	1,375	1,384	1,320	1,260
Average Daily Treatment				
(millions of gallons)	3.8	3.8	3.6	3.4
Hydrants Flushed	1,448	1,457	1,460	1,423
Sewer				
Total Water Treated				
(millions of gallons)	1,448	1,555	1,581	1,636
Average Daily Treatment				
(millions of gallons)	4.0	4.3	4.3	4.5

Source: Various City Departments

(1) In 2005, the police department changed the method of counting total calls for service to the same method of other area departments.



2008	2009	2010	2011	2012	2013
18,369	15,728	13,877	13,388	13,677	13,516
83	67	85	62	76	70
\$3,245	\$3,035	\$2,791	\$2,747	\$2,634	\$2,792
2,410	2,022	2,116	1,857	1,765	1,672
1,190	1,054	965	853	819	429
\$900	\$809	\$874	\$896	\$881	\$743
37,250	35,482	35,194	32,601	34,709	44,920
689	979	822	761	946	1,315
5,986	4,820	4,063	3,947	4,123	5,226
3,740	3,183	1,690	1,362	2,174	2,521
2,739	3,741	1,814	2,595	3,636	3,391
6,214	6,095	6,287	6,464	6,479	6,007
1,200	1,100	889	1,300	1,300	1,156
5,400	4,487	1,700	2,300	2,300	2,064
806	1,048	1,068	1,125	1,120	984
\$10,092,588	\$30,159,074	\$20,844,967	\$25,238,437	\$18,449,074	\$7,012,006
380	290	312	389	395	395
\$25,416,559	\$6,188,505	\$6,021,792	\$5,285,194	\$18,962,948	\$7,012,006
100	93	65	64	63	54
57	64	55	72	72	61
68	70	49	62	68	63
42	33	44	33	55	88
3.300	3.300	2.445	2,415.000	3.600	3.400
4.730	4.240	4.258	4,012.000	4.900	5.110
1,202	1,212	1,203	1,200	1,359	1,213
3.3	3.3	3.3	3.5	3.7	3.5
1,423	1,463	1,353	1,500	1,503	1,029
1,669	1,530	1,550	1,943	1,479	1,524
4.6	4.2	4.3	5.3	4.0	4.2

**City of Fairborn, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Ten Years*  
*Schedule 19*

Function/Program	2004	2005	2006	2007
<b>Police</b>				
Stations	1	1	1	1
Patrol units	33	31	31	30
Fire Stations	3	3	3	4
<b>Public Works</b>				
Area of City (square miles)	13.41	13.41	13.41	13.41
Streets (lane miles)	288.81	288.81	293.10	294.20
Streetlights	1,995	1,995	2,342	2,495
<b>Parks and Recreation</b>				
Number of Parks	18	19	19	19
Acreage	622.31	651.51	686.61	686.57
Playgrounds	18	18	18	17
Baseball/softball diamonds	17	15	15	15
Soccer/football fields	12	12	12	12
Number of Tennis Courts	14	14	14	14
<b>Municipal Water Department</b>				
Daily Treatment Capacity (millions of gallons)	5.00	5.00	5.00	5.40
Water Mains (miles)	145.95	147.69	148.56	149.37
Fire hydrants	1,448	1,457	1,460	1,457
<b>Sewers</b>				
Daily Treatment Capacity (millions of gallons)	(1) 6.00	(1) 6.00	(1) 6.00	6.00
Storm Sewers (miles)	109.09	109.71	110.66	111.57
Sanitary Sewers (miles)	133.84	135.24	135.78	136.50

Source: Various City Departments

(1) Information was corrected from prior years.

2008	2009	2010	2011	2012	2013
1	1	1	1	1	1
30	30	30	13	13	13
4	4	4	4	4	4
13.41	13.40	13.41	13.41	13.41	13.53
294.94	294.94	296.13	297.27	298.15	299.24
2,512	2,512	2,506	2,514	2,552	2,553
19	20	20	20	20	20
686.57	714.30	715.00	712.33	714.33	714.33
17	18	18	19	19	19
15	15	15	15	15	11
12	12	12	12	12	12
14	14	14	14	14	14
5.40	5.40	5.40	6.50	6.50	6.50
149.78	149.78	149.93	151.78	152.26	152.96
1,470	1,477	1,412	1,493	1,493	1,500
6.00	6.00	6.00	6.00	6.00	6.00
112.32	112.32	113.16	113.82	114.60	114.60
136.20	136.50	137.52	138.02	138.65	138.81





**City of Fairborn  
Finance Department  
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[www.ci.fairborn.oh.us](http://www.ci.fairborn.oh.us)**





# Dave Yost • Auditor of State

**CITY OF FAIRBORN**

**GREENE COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 12, 2014**