

# **FAIRFIELD COUNTY, OHIO**

Popular Annual Financial Report



**For the Year Ended**

**December 31, 2019**

**Issued by Jon A. Slater, Jr.**

**Fairfield County Auditor**

## **SMECK PARK**

7395 Basil Rd

Baltimore, OH 43105

<https://www.fairfieldcountyparks.org/parks/smeck-park/>

In 2019, one of the many crown jewels of the Fairfield County Park District; visitors to Smeck Park began seeing many updates and changes! At the beginning of the year, people were excited to walk the extended Paw Paw and Walnut Creek Trails. Steps were built from the ridge to the bottom of the ravine. The newly extended Paw Paw Trail is now a two-mile loop that affords stunning views of CCC-planted pines as well as paw paw and hardwood trees, Walnut Creek, a meadow, and a field that is planted annually by Fairfield County Antique Tractor Club members.

### **NEW PARKING AREA & ROADWAY**

A new roadway and parking area, near the picnic shelter, was completed by mid-year 2019. It is now possible to park close to the picnic shelter, so guests have an easier time transporting food and supplies from their vehicles. During special events, the new parking areas may also be used as a staging area for demonstrations, or vendors or overflow parking.

### **FETTER-HOOD BARN**

Plans to rebuild Fetter-Hood Barn were drawn up and exhibited at the 2019 Fairfield County Fair. Construction will begin in mid to late 2020. It will be a wonderful addition to the park that can be used during the annual Harvest Celebration or other special events.

### **CRUIT HOUSE**

In June, a log-framed home, which sat for almost 200 years at its original location off Rainbow Drive, was dismantled and moved to Smeck Park. Where it is being restored. It is now the park's focal point; Cruit House is the first thing one sees when pulling in from Basil Road. Although it is not finished, those who participated in the Winter Hike got to see the inside of the building. In 2020, it will be open for special events and public programs.

There are more improvements to come according to the Master Plan; Permanent restrooms will be one of welcomed additions. If you have not been to Smeck Park lately, please visit soon and often! All are welcome to contact us to get more information about Smeck Park and other park locations by calling the office, 740 681-7249, or visiting [fairfieldcountyparks.org](http://fairfieldcountyparks.org).

Additional copies of this report may be obtained from:

Fairfield County Auditor's Office  
210 E. Main Street  
Lancaster, Ohio 43130

Phone requests can be made at (740) 652-7020 or (740) 681-7225 (fax).

A PDF version of this report is available online at:

[http://www.co.fairfield.oh.us/auditor/Annual-finance-reports/Financial\\_Reports\\_lead\\_page.htm](http://www.co.fairfield.oh.us/auditor/Annual-finance-reports/Financial_Reports_lead_page.htm)

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Government Finance Officers Association

## AWARDS

Fairfield County participates in various awards programs sponsored by the Government Finance Officers Association (GFOA). Each individual program has certain requirements that must be met in order to qualify. During fiscal year 2019, the County received the following financial awards:

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

*Given for outstanding preparation of the Comprehensive Annual Financial Report*

The County received this award in 2019 for the 30th consecutive year.

### **Award for Outstanding Achievement in Popular Annual Financial Reporting**

*Given for outstanding preparation of the Popular Annual Financial Report*

The County received this award in 2019 for the 18th consecutive year.

## **Award for Outstanding Achievement in Popular Annual Financial Reporting**

Presented to

**Fairfield County  
Ohio**

For its Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morill*

Executive Director/CEO



# Citizens of Fairfield County

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I am pleased to present the Fairfield County, Ohio Popular Annual Financial Report (PAFR), for the year ended December 31, 2019. This report provides a brief analysis of the sources of County revenues and where those dollars are spent, the County's financial position, an overview of local economic trends, and major goals and accomplishments. Above all, it is designed to present a more readable and understandable financial report.

The information in this report was drawn from the financial information appearing in the 2019 Fairfield County Comprehensive Annual Financial Report (CAFR). The CAFR was prepared in conformance with generally accepted accounting principles (GAAP) and was audited by the Ohio Auditor of State, receiving an unmodified opinion. An unmodified opinion means that the general-purpose financial statements of the County are fairly presented in all material respects. The CAFR consists of approximately 330 pages of detailed financial statements, notes, schedules, and reports.

The PAFR is a condensed, more user-friendly financial report intended to provide highlights of the primary government from the County's CAFR. The CAFR contains information from all Fairfield County funds and is designed to bring greater awareness of the financial condition of our County to its citizens and other interested parties.

This report is unaudited and is presented on a non-GAAP basis. The major differences between GAAP and non-GAAP reporting deals with not including component units and in the presentation of segregated funds, as well as full disclosure of all material financial and non-financial events in notes to the financial statements. Individuals who desire to review GAAP basis, full disclosure financial statements should refer to the County's CAFR, which is available from the County Auditor's office and online at:

[http://www.co.fairfield.oh.us/auditor/Annual-finance-reports/Financial\\_Reports\\_lead\\_page.htm](http://www.co.fairfield.oh.us/auditor/Annual-finance-reports/Financial_Reports_lead_page.htm)

The Fairfield County Popular Annual Financial Report is presented as a means of enhancing the public's confidence in County government and the stewardship of its elected officials through easier, more reader-friendly financial reporting. As you review the following pages, I invite you to share any questions, concerns, or recommendations you may have. Please call the Fairfield County Auditor's Office with questions, comments, or suggestions regarding this report at (740) 652-7020.

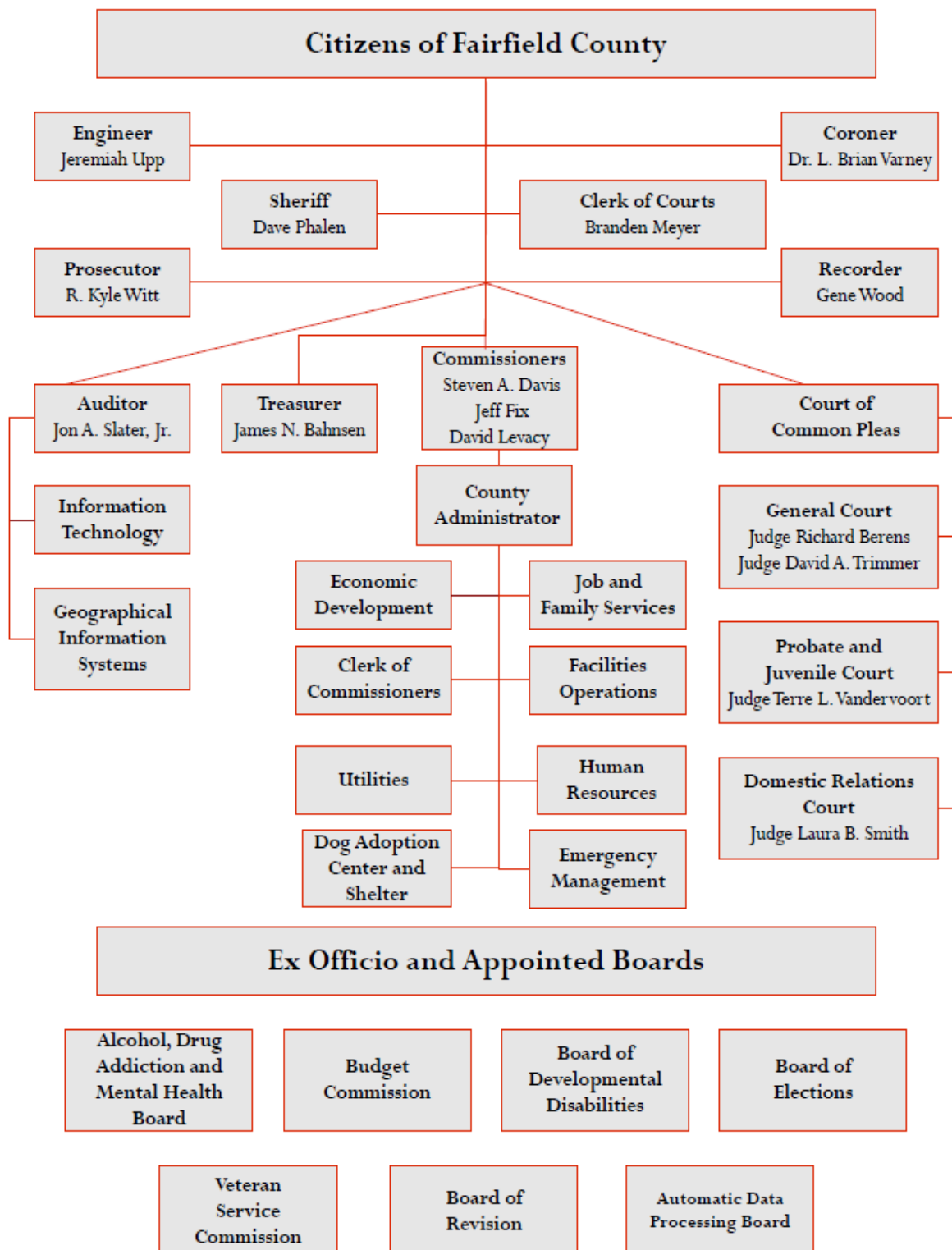
Sincerely,

A handwritten signature in cursive script that reads "Jon A. Slater, Jr." in dark ink.

Jon A. Slater, Jr.  
Fairfield County Auditor



# Your Fairfield County Government

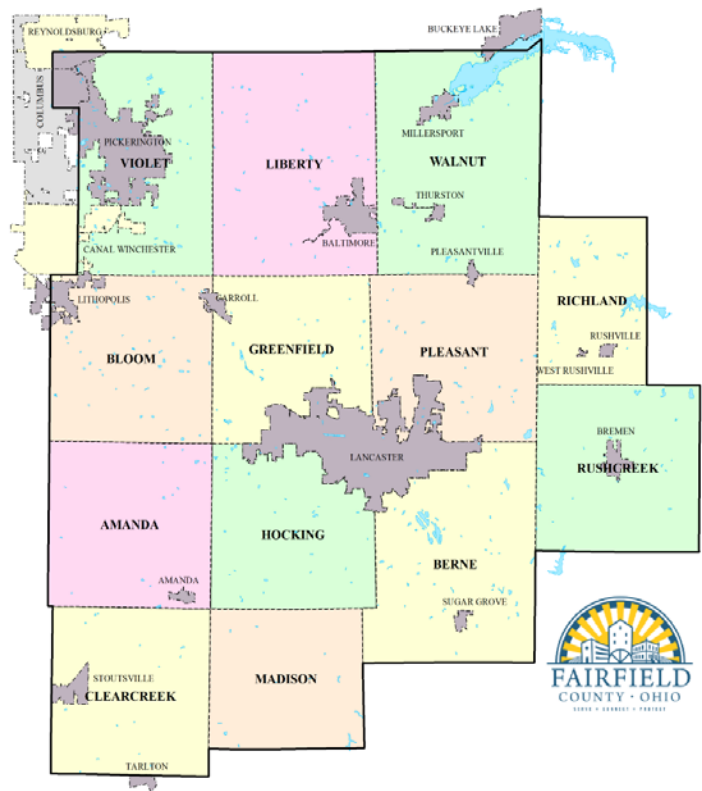


## GOVERNMENT STRUCTURE

The County government has only those powers conferred upon it by the State of Ohio Constitution and Statutes. A three-member Board of Commissioners, a County Administrator, twelve other elected officials, and various department heads govern the County. As part of the “checks and balances” system, the elected officials and department heads manage the internal operations of their respective divisions with the Board of Commissioners authorizing expenditures and serving as the budget authority, the taxing authority, and the contracting body. Each Commissioner serves a term of four years.

In addition to the County Auditor, who serves as the Chief Fiscal Officer and the Tax Assessor, there are seven elected administrative officials, each of whom operates independently as set forth by Ohio law. These officials are: Clerk of Courts, Coroner, Engineer, Prosecutor, Recorder, Sheriff, and Treasurer. All of these officials serve four-year terms. The following judges are elected on a countywide basis to oversee the County’s judicial system: two Common Pleas Court Judges, a Probate/Juvenile Court Judge, and a Domestic Relations Court Judge.

The County provides citizens with a wide range of services including the following: human and social services, health and community assistance services; civil and criminal justice system services; road, bridge, and building maintenance; water and sewer utility services; and general and administrative support services provided by the offices of the Commissioners, Auditor, Treasurer, Prosecutor, and Recorder.



# FINANCIAL OVERVIEW

The County's financial activities are accounted for primarily in governmental activities where the focus is not profit or loss, but rather on services rendered and the cost to provide those services. The County's business-type activities, similar to those found in the private sector, are accounted for in operation funds known as the Sewer and Water Enterprise Funds. For 2018, the County showed activity in an Airport Fuel Operations Enterprise Fund which was closed in 2018 due to the transfer of operations to the Fairfield County Airport Authority.

**Revenues** are monies the County receives from a variety of sources to pay for the services it provides.

**Program revenues** include:

- *Charges for services* – licenses, permits, and other fees, fines, forfeitures, and charges paid by the recipients of goods or services offered by County programs.
- *Operating (and Capital) grants, contributions, and interest* – grants and contributions received from other governments, organizations, and individuals that are restricted in some manner; investment earnings that are restricted to meeting the operational or capital requirements of a particular program.

**General revenues** are those revenues that are not classified as program revenues. All taxes, even those that are levied for a specific purpose, are considered general revenues.

- *Unrestricted grants and entitlements*- Revenue from grants and pass-through monies administered by the State of Ohio that are not restricted on their use.
- *Unrestricted interest and contributions*- Monies earned through the County Treasurer's investments of cash on hand not needed for current period services; donor contributions that do not specify any restrictions.

**Expenses** are the amounts spent to provide services to citizens.

**Legislative and executive** expenses are the costs incurred for the County's administrative offices, including the Auditor, Commissioners, Treasurer, Prosecutor, and Recorder.

**Legislative and executive-intergovernmental** expenses are Commissioner allocations made to local governments.

**Judicial** expenses are the costs of administering justice through the Fairfield County Courts system.

**Public safety** expenses are the costs of the Coroner, Probation, and Sheriff's departments.

**Public safety-intergovernmental** expenses are the costs to assist in operating the Fairfield, Hocking, and Athens Counties Council of Governments on Major Crimes Investigations.

**External portion expense (Public Safety, Public Works, Human Services)**, are the costs of the limited risk health insurance program for employees of various external agencies within Fairfield County.

**Public works** expenses are the costs incurred by the Engineer to maintain county roads and bridges.

**Health** expenses include services provided by the Developmental Disabilities Board, Dog Adoption Center and Shelter, and the Alcohol, Drug Addiction and Mental Health Board.

**Human services** expenses are the costs of operating the Job and Family Services and Veteran Services Commission departments.

**Urban redevelopment and housing** expenses are the costs of the urban improvement program.

**Urban redevelopment and housing-intergovernmental** expenses are costs to operate the Community Development Block Grant program on behalf of other local governments.

**Transportation** expenses are costs related to the County owned property located at the Fairfield County Airport.

**Interest and fiscal charges** expenses are interest and principal payments made for County debt.

**Sewer and water operations expenses** are the costs to operate the County's business-type activity, providing sewer and water services to ever growing portions of the County.

# FINANCIAL ACTIVITY STATEMENT

The **Changes in Net Position Statement**, traditionally known by many as the income statement, is designed to provide a record of the money received and spent by the County during the past year.

## Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
<b>REVENUES</b>						
<b>Program Revenues</b>						
Charges for Services.....	\$ 23,138,425	\$ 22,689,851	\$ 8,890,275	\$ 8,283,777	\$ 32,028,700	\$ 30,973,628
Operating Grants, Contributions, and Interest.....	39,344,533	36,302,257	-	-	39,344,533	36,302,257
Capital Grants, Contributions, and Interest.....	945,891	2,238,513	2,667,215	4,017,554	3,613,106	6,256,067
<b>General Revenues</b>						
Taxes:						
Property Taxes.....	36,232,755	34,751,367	-	-	36,232,755	34,751,367
Real Property Transfer Taxes.....	2,449,670	2,273,302	-	-	2,449,670	2,273,302
Lodging Tax.....	519,326	640,422	-	-	519,326	640,422
Sales Taxes.....	22,709,068	21,669,518	-	-	22,709,068	21,669,518
Unrestricted Grants and Entitlements.....	4,434,958	4,511,885	-	-	4,434,958	4,511,885
Unrestricted Interest.....	3,592,037	1,782,378	18,763	25,554	3,610,800	1,807,932
Unrestricted Contributions.....	3,500	-	-	-	3,500	-
Gain on Sale of Capital Assets.....	-	-	5,336	-	5,336	-
Other.....	1,635,634	1,412,452	25,962	108,183	1,661,596	1,520,635
Total Revenues.....	135,005,797	128,271,945	11,607,551	12,435,068	146,613,348	140,707,013
<b>EXPENSES</b>						
General Government:						
Legislative and Executive.....	19,695,531	18,671,259	-	-	19,695,531	18,671,259
Intergovernmental.....	2,361,477	2,369,951	-	-	2,361,477	2,369,951
Judicial.....	8,468,554	7,732,831	-	-	8,468,554	7,732,831
Public Safety.....	27,202,067	24,920,310	-	-	27,202,067	24,920,310
Intergovernmental.....	394,013	221,621	-	-	394,013	221,621
External Portion.....	592,073	558,145	-	-	592,073	558,145
Public Works.....	13,701,453	12,516,225	-	-	13,701,453	12,516,225
External Portion.....	309,647	261,766	-	-	309,647	261,766
Health.....	27,811,291	24,988,893	-	-	27,811,291	24,988,893
Human Services.....	32,870,167	30,703,562	-	-	32,870,167	30,703,562
External Portion.....	54,443	82,207	-	-	54,443	82,207
Urban Redevelopment and Housing.....	58,925	299,936	-	-	58,925	299,936
Intergovernmental.....	394,436	561,300	-	-	394,436	561,300
Transportation.....	278,935	-	-	-	278,935	-
Interest and Fiscal Charges.....	1,348,832	1,413,208	-	-	1,348,832	1,413,208
Business-Type Activities:						
Sewer.....	-	-	4,316,567	4,000,837	4,316,567	4,000,837
Water.....	-	-	3,647,143	3,742,892	3,647,143	3,742,892
Total Expenses.....	135,541,844	125,301,214	7,963,710	7,743,729	143,505,554	133,044,943
Increase (Decrease) Before Transfers and Special Items.....	(536,047)	2,970,731	3,643,841	4,691,339	3,107,794	7,662,070
Transfer in (out).....	-	127,795	-	(127,795)	-	-
Special Items.....	-	(89,607)	-	(84,552)	-	(174,159)
Increase (Decrease) in Net Position.....	(536,047)	3,008,919	3,643,841	4,478,992	3,107,794	7,487,911
Net Position - Beginning of Year.....	187,444,868	184,435,949	59,713,481	55,234,489	247,158,349	239,670,438
Net Position - End of Year.....	\$ 186,908,821	\$ 187,444,868	\$ 63,357,322	\$ 59,713,481	\$ 250,266,143	\$ 247,158,349

Calendar year 2018 net position is restated due to implementing GASB 84 in 2019.

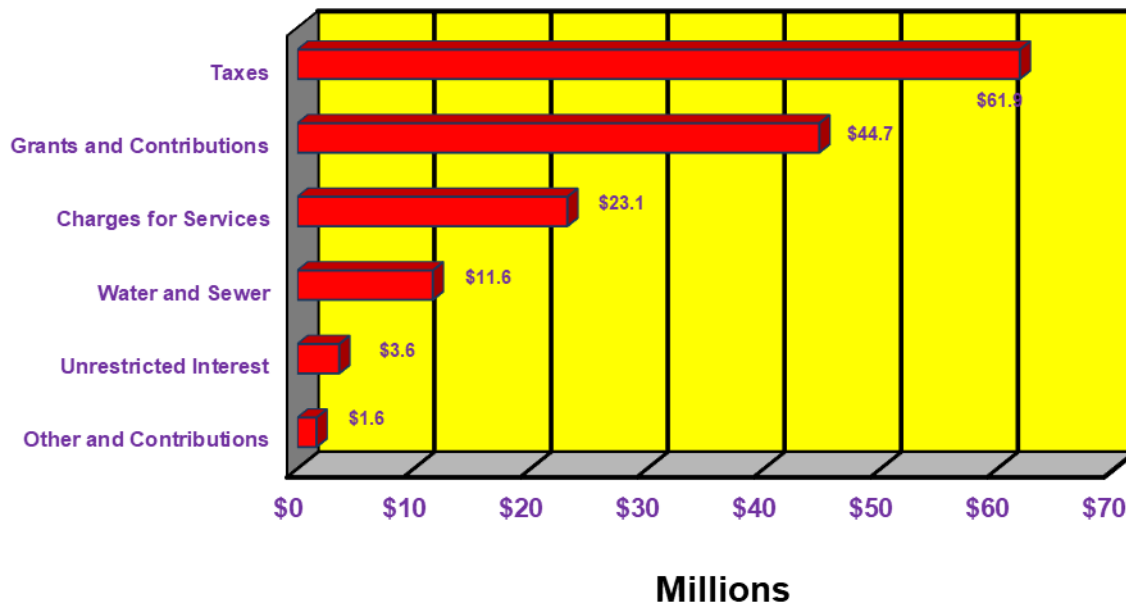
Net position for governmental activities decreased by \$536,047 for 2019. This is attributed mainly to increases in expenses due to increases in the pension and OPEB liabilities. Net position for business-type activities increased \$3,643,841 due to increases in charges for services revenue by 7.3 percent while expenses only increased by 2.8 percent. Business-type activities charges for services revenues had an increase in customers and an increase in rates during 2019. Business-type activities capital grants, contributions, and interest decreased in 2019 compared to 2018 due mainly to decreased contributions received from developers in the form of sewer and water lines and less received from customers in the form of tap-in fees.



# WHERE THE MONEY CAME FROM . . . . .

## Fairfield County Revenues for 2019

**\$146,613,348**



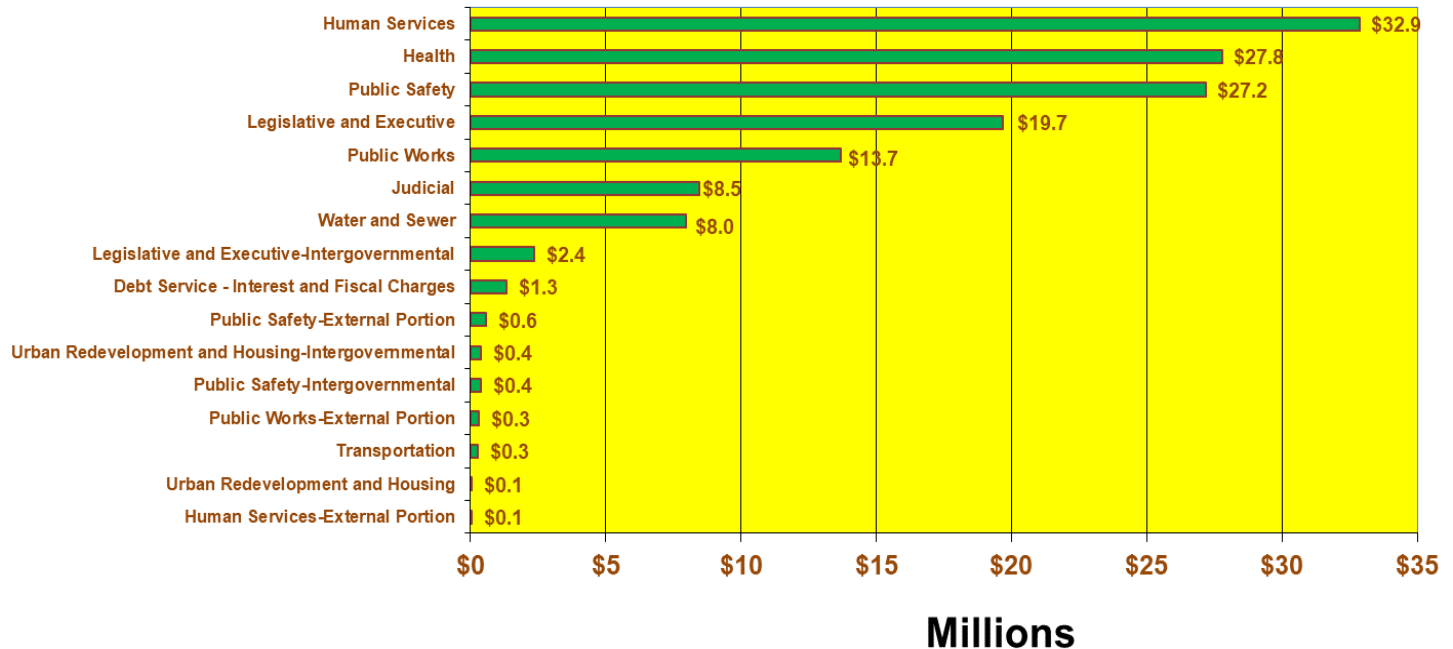
The primary government revenues presented here is reported in the 2019 CAFR's government-wide statement of activities. The chart depicts revenues by source. The table below summarizes revenues by source and shows the percentage increases (decreases) in relation to the prior year.

REVENUES	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	% CHANGE FROM 2018
Taxes	\$ 47,152,447	\$ 54,191,806	56,033,893	59,334,609	61,910,819	4.34 %
Grants and Contributions	38,599,875	37,089,157	38,639,413	43,052,655	44,725,382	3.89 %
Charges for Services	19,134,681	20,832,341	21,575,639	22,689,851	23,138,425	1.98 %
Water and Sewer	8,028,833	9,485,766	10,428,020	12,435,068	11,607,551	(6.65) %
Other and Contributions	1,034,597	1,102,321	977,128	1,412,452	1,639,134	16.05 %
Interest	845,906	467,370	995,494	1,782,378	3,592,037	101.53 %
Airport Fuel Operations	371,229	313,112	269,335	0	0	- %
	<u>\$115,167,568</u>	<u>\$123,481,873</u>	<u>\$128,918,922</u>	<u>\$140,707,013</u>	<u>\$146,613,348</u>	4.20 %

County revenues increased by \$5,906,335 or 4.20 percent for 2019. This increase is mainly due to increases in interest, taxes, and grants and contributions. The increase in interest is due to an increase in cash available for investing and due to the County purchasing investments with higher interest earnings. The increase in taxes is due to the increase in assessed valuations. The increase in grants and contributions is attributed to an increase in State and federal grants for public works and health services. Water and sewer revenues decreased from 2018 to 2019 due mainly to a decrease in contributions from developers in the form of water and sewer lines and a decrease in tap-in fees from customers. This decrease in water and sewer contributions was offset by an increase in charges for services due to an increase in customers from the prior year and an increase in customer rates.

## WHERE THE MONEY WAS SPENT . . . . .

### Fairfield County Expenses for 2019 \$143,505,554



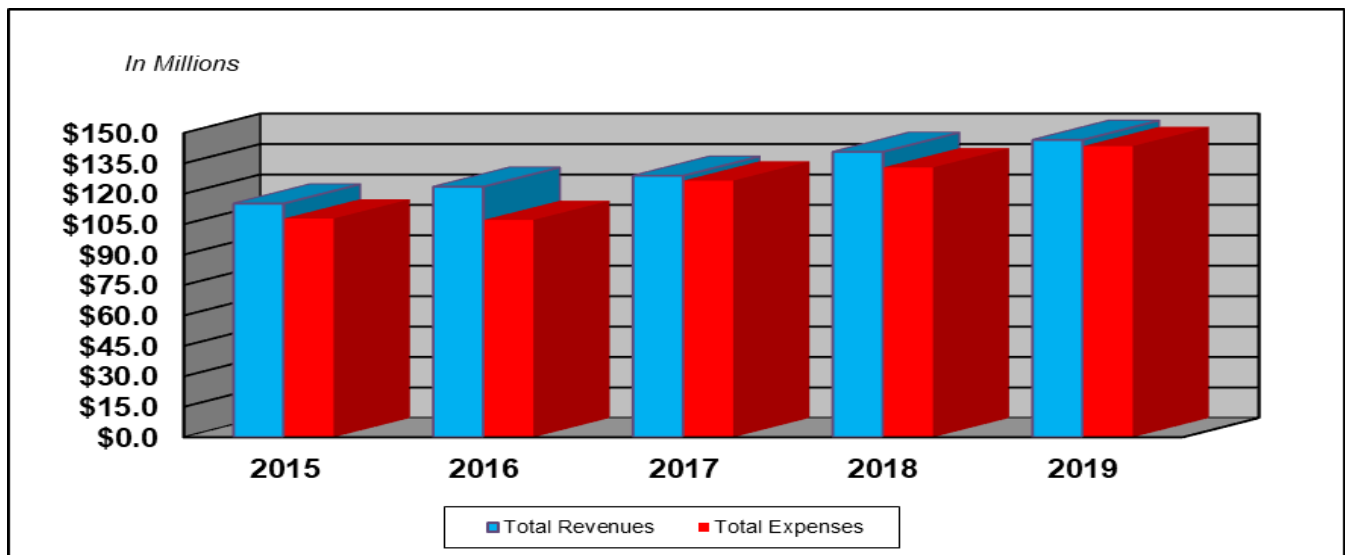
The primary government expenses presented here is reported in the 2019 CAFR's government-wide statement of activities. The chart depicts expenses by function. The table below shows expenses by function, and the percentage increases (decreases) in relation to the prior year.

EXPENSES	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	% CHANGE FROM 2018
Human Services	\$ 24,695,755	\$ 26,632,756	\$ 27,734,143	\$ 30,703,562	\$ 32,870,167	7.06 %
Health	22,489,901	23,757,315	23,580,852	24,988,893	27,811,291	11.29 %
Public Safety	18,203,146	19,063,913	24,909,645	24,920,310	27,202,067	9.16 %
Legislative and Executive	13,675,852	15,506,679	16,677,471	18,671,259	19,695,531	5.49 %
Public Works	11,090,804	12,777,181	12,698,739	12,516,225	13,701,453	9.47 %
Judicial	6,633,915	7,499,166	8,133,551	7,732,831	8,468,554	9.51 %
Water and Sewer	6,225,801	6,393,797	7,046,530	7,743,729	7,963,710	2.84 %
Legislative and Executive-Intergovernmental	1,890,535	1,927,937	2,034,601	2,369,951	2,361,477	(0.36) %
Debt Service - Interest and Fiscal Charges	1,490,379	1,527,436	1,453,296	1,413,208	1,348,832	(4.56) %
Public Safety-External Portion	-	-	565,168	558,145	592,073	6.08 %
Transportation	420,936	483,836	461,105	-	278,935	- %
Airport Fuel Operations	358,770	296,091	249,217	-	-	- %
Urban Redevelopment and Housing-Intergovernment	305,800	550,295	123,839	561,300	394,436	(29.73) %
Public Works-External Portion	-	-	240,101	261,766	309,647	18.29 %
Urban Redevelopment and Housing	207,241	389,390	334,045	299,936	58,925	(80.35) %
Public Safety-Intergovernmental	115,426	287,873	211,978	221,621	394,013	77.79 %
Human Services-External Portion	-	-	54,156	82,207	54,443	(33.77) %
	<u>\$ 107,804,261</u>	<u>\$ 117,093,665</u>	<u>\$ 126,508,437</u>	<u>\$ 133,044,943</u>	<u>\$ 143,505,554</u>	7.86 %

County expenses increased by \$10,460,611 or 7.86 percent for 2019 due mainly to increases in the pension and OPEB liabilities for 2019 compared to 2018. The pension and OPEB liabilities are prorated across expenses based on pension system payments made by the different County departments for their staff throughout 2019.

# REVENUES AND EXPENSES TREND ANALYSIS

Past Five Years



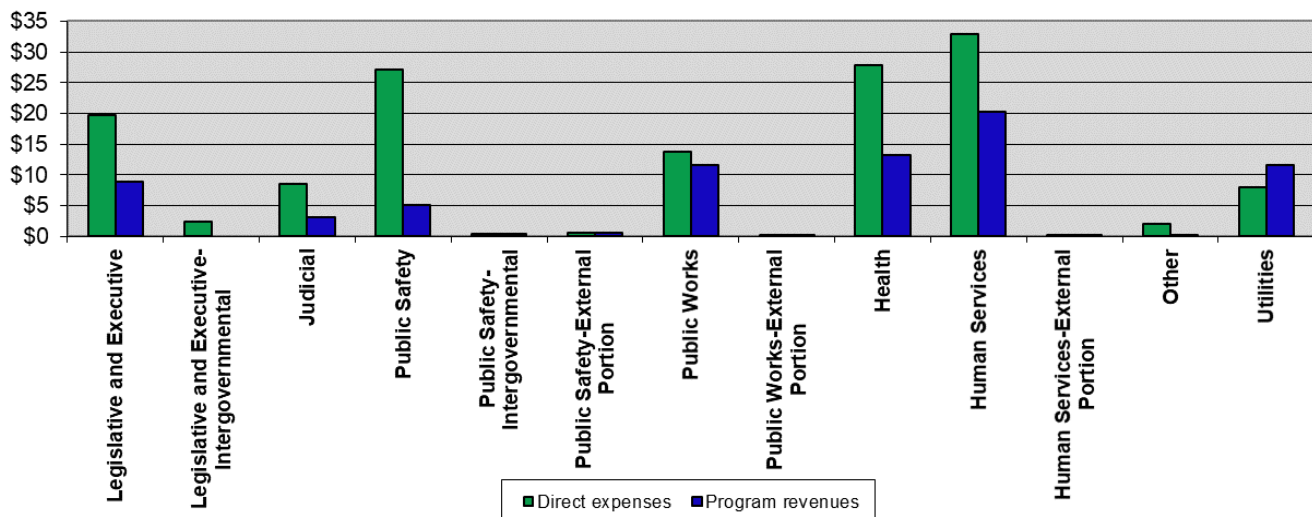
## COUNTY PROGRAM ACTIVITIES

This chart compares direct expenses and program revenues for each major function of the County. **Direct expenses** are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. **Program revenues** include (1) charges paid by the recipient of the goods or services and (2) grants, contributions, and interest that are restricted to meeting the operational or capital requirements of a particular program.

The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or else draws from the general revenues of the County. The County's human services, public safety, health, and legislative and executive, expenses accounted for the majority of costs not covered by program revenues. The health excess costs were funded with the County's tax revenues and the public safety, human services, and legislative and executive excess costs were funded with the County's general revenues.

## Direct Expenses and Program Revenues

(In Millions)



# FINANCIAL POSITION STATEMENT

The **Statement of Net Position**, traditionally known by many as the balance sheet, is designed to provide a picture of the major components of the primary government's financial position at the end of the year.

## Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Assets</b>						
Cash.....	\$ 84,332,775	\$ 74,891,527	\$ 21,690,999	\$ 20,772,219	\$ 106,023,774	\$ 95,663,746
Receivables.....	71,293,383	64,460,321	2,283,675	1,910,715	73,577,058	66,371,036
Capital Assets.....	210,357,008	208,403,174	58,944,707	58,857,821	269,301,715	267,260,995
Other Assets.....	2,863,476	3,009,300	248,820	219,004	3,112,296	3,228,304
Total Assets.....	368,846,642	350,764,322	83,168,201	81,759,759	452,014,843	432,524,081
<b>Deferred Outflows of Resources</b>						
Deferred Charge on Refunding.....	319,978	423,168	571,868	701,454	891,846	1,124,622
Pension.....	22,363,815	10,909,137	501,882	238,120	22,865,697	11,147,257
OPEB.....	2,823,124	2,183,709	63,662	49,206	2,886,786	2,232,915
Total Deferred Outflows of Resources.....	25,506,917	13,516,014	1,137,412	988,780	26,644,329	14,504,794
<b>Liabilities</b>						
Accrued Wages and Benefits.....	2,943,466	2,293,574	88,005	79,871	3,031,471	2,373,445
Payables.....	3,991,928	5,601,658	94,669	582,945	4,086,597	6,184,603
Due to Other Governments.....	1,395,275	2,020,395	36,154	89,680	1,431,429	2,110,075
Bonds, Loans, Leases Payable, Pension, OPEB and Compensated Absences.....	150,549,831	114,781,662	19,986,921	21,364,559	170,536,752	136,146,221
Other Liabilities.....	1,124,991	1,041,227	711,534	629,203	1,836,525	1,670,430
Total Liabilities.....	160,005,491	125,738,516	20,917,283	22,746,258	180,922,774	148,484,774
<b>Deferred Inflows of Resources</b>						
Property Taxes.....	45,806,394	37,956,435	-	-	45,806,394	37,956,435
Pension.....	1,371,796	10,762,809	27,928	238,198	1,399,724	11,001,007
OPEB.....	261,057	2,377,708	3,080	50,602	264,137	2,428,310
Total Deferred Inflows of Resources.....	47,439,247	51,096,952	31,008	288,800	47,470,255	51,385,752
<b>Net Position - excess of Assets and Deferred Outflows of Resources over Liabilities and Deferred Inflows of Resources..</b>	<b>\$ 186,908,821</b>	<b>\$ 187,444,868</b>	<b>\$ 63,357,322</b>	<b>\$ 59,713,481</b>	<b>\$ 250,266,143</b>	<b>\$ 247,158,349</b>

Calendar year 2018 is restated due to implementing GASB 84 in 2019.

**Assets** are those items owned by the County that will provide a benefit in the future.

**Cash** is the amount of physical cash held by the County in checking accounts and on hand for purposes of paying expenses.

**Receivables** represent the amounts that are owed to the County and are expected to be paid over the course of the next twelve months.

**Capital Assets** represents furniture, equipment, vehicles, land, buildings, water and sewer lines, and the County's roads and bridges infrastructure that provide for an economic benefit to the County of more than one year.

**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 until then.

**Deferred Charge on Refunding** results from the difference in the carrying value of refunded debt and its acquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**Pension/OPEB** represents the differences between expected and actual experience and County contributions subsequent to the measurement date.

**Liabilities** are those items that the County owes to individuals, companies, other governments, and lenders.

**Accrued Wages and Benefits** are those payments that the County owes to employees for salaries, the associated benefits, and accrued leave.

**Payables** are those payments that the County owes to individuals or companies who supply services or goods to the County.

**Due to Other Governments** are primarily the amounts owed to other governments outside the County for goods or services provided by them to the County.

**Bonds, Loans, Leases Payable, Pension, OPEB, and Compensated Absences** are the amounts owed for the issuance of debt, net pension liability, net OPEB liability, and compensation of absences on which the County still owes.

**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 until that time.

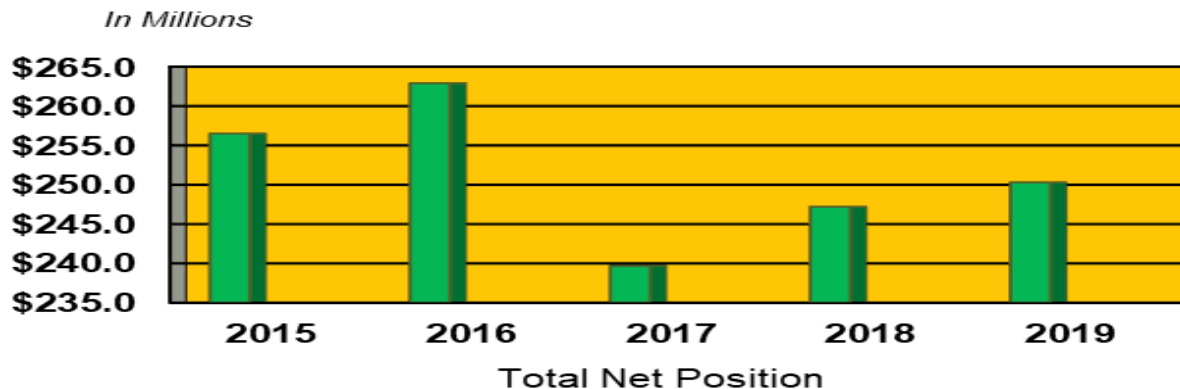
**Property Taxes** represent the amounts for which there is an enforceable legal claim as of December 31, 2019 but which were levied to finance 2020 operations.

**Pension/OPEB** represents the net difference between projected and actual earnings on pension plan investments and change in proportionate share.



## TOTAL NET POSITION TREND ANALYSIS

Past Five Years



Net position is the difference between assets and liabilities and can serve as a useful indicator of the government's financial position. The application of GASB 68 and GASB 75 reporting for pension and OPEB liabilities has caused some fluctuations over the years. GASB 68 for pension liabilities was implemented in 2015 which restated 2014 balances. GASB 75 for OPEB liabilities was implemented in 2018 which restated 2017 balances. GASB 84, Fiduciary Activities, was implemented in 2019 which restated 2018. For more information, refer to the County's Comprehensive Annual Financial Report and the Management's Discussion and Analysis.

## SUMMARY OF CAPITAL ASSETS

Capital assets are defined as property and equipment owned by the County and purchased by each department as needed. This summary is the total dollar amount of governmental and business-type activity assets, net of depreciation, held by the County. Governmental activity capital assets increased from \$208.4 million in 2018 to \$210.4 million in 2019, a net increase of \$2.0 million. The increase is primarily due to the County having several building and improvement projects during the year which included the completion of the Records Center and the Baldwin Building, which were offset by current year accumulated depreciation. Business-type activity capital assets remained fairly consistent from 2018 to 2019. Business-type activity capital assets increased during 2019 due to the completion of a few infrastructure projects for water and sewer lines; however, these increases were offset by current year depreciation.

### SUMMARY

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>12-31-2019</b>	<b>12-31-2018</b>	<b>12-31-2019</b>	<b>12-31-2018</b>
Land .....	\$ 6,166,488	\$ 6,050,301	\$ 3,275,664	\$ 3,275,664
Buildings and improvements .....	57,255,309	55,481,759	12,514,255	13,245,885
Improvements other than buildings ....	6,445,195	5,504,860	-	-
Equipment and Furniture .....	3,945,107	3,715,507	164,329	202,928
Infrastructure .....	131,812,537	131,997,140	42,257,450	41,249,325
Vehicles .....	2,372,348	1,974,421	154,086	216,946
Construction in progress .....	2,360,024	3,679,186	578,923	667,073
	<u>\$ 210,357,008</u>	<u>\$ 208,403,174</u>	<u>\$ 58,944,707</u>	<u>\$ 58,857,821</u>

## THE COUNTY'S DEBT INSTRUMENTS

As of December 31, 2019

The County employs the use of several different types of debt instruments for short and long-term financing. Fairfield County's bond credit ratings is "Aa2" which demonstrates the County's very strong creditworthiness relative to other United States municipal or tax-exempt issuers or issues. The benefits of the "Aa2" rating is that the County has lower interest costs when it issues debt in comparison to a less favorable bond credit rating and enables the County to get finance easily for growth and expansion of facilities.

**General Obligation Bonds** are long-term debt instruments that are repaid from the County's general revenue sources. They are backed by the full faith and credit of the County.

**Recovery Zone Bonds** are long-term debt instruments issued to pay for a portion of the cost of the utilities department administration building. They are repaid from revenues derived by the County's operation of the water and sewer systems. They are backed by the full faith and credit of the County.

**Special Assessment Bonds** are issued to pay for improvements benefiting property owners. The property owners repay the County over a period of years for the debt.

**Long-Term Loans** are debt instruments issued by the State of Ohio for a shared electronic document storage and retrieval system and various public works projects. The County's General Fund, Sewer Fund, and Water Fund, respectively, will repay the balances.

**Capital Leases** are contracts made by the County's departments for the acquisition of assets such as copiers. The departments pay for these contracts from their annual budgets.

## SUMMARY OF DEBT OBLIGATIONS

For the Year Ended December 31, 2019

### SUMMARY

	Balance at 12-31-2018	Additions	Deletions	Balance at 12-31-2019
General Obligation Bonds.....	\$ 49,919,436	\$ -	\$ 4,037,231	\$ 45,882,205
Recovery Zone Bonds.....	2,665,000	-	90,000	2,575,000
Special Assessment Bonds.....	610,783	-	92,631	518,152
Long-Term Loans.....	3,571,371	-	407,958	3,163,413
Capital Leases.....	106,648	61,382	49,449	118,581
	<u>\$ 56,873,238</u>	<u>\$ 61,382</u>	<u>\$ 4,677,269</u>	<u>\$ 52,257,351</u>

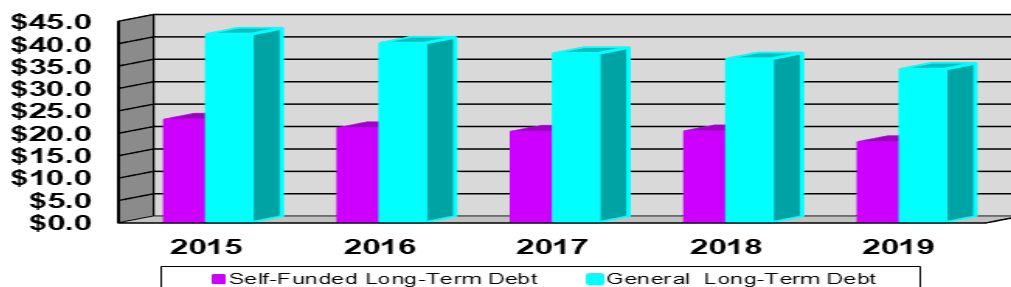
  

Allocation of County Debt	Percent	Amount
Governmental Funds	66.9%	\$ 34,943,798
Water and Sewer Funds (self-funded)	33.1%	17,313,553
		<u>\$ 52,257,351</u>

## DEBT OUTSTANDING TREND ANALYSIS

Past Five Years

In Millions

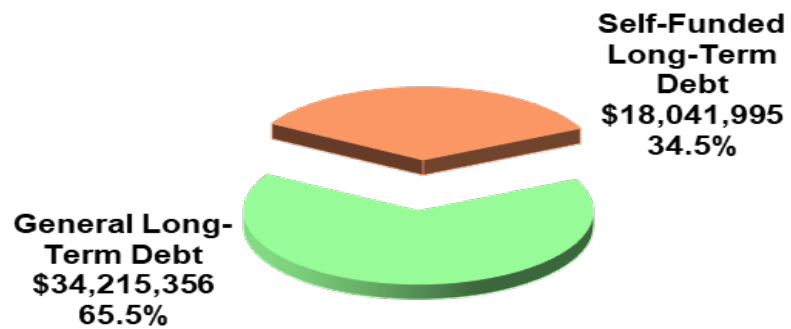


Self-Funded Long-Term Debt are debt obligations whose principal and interest are payable from revenue sources for which the debt was originally issued.

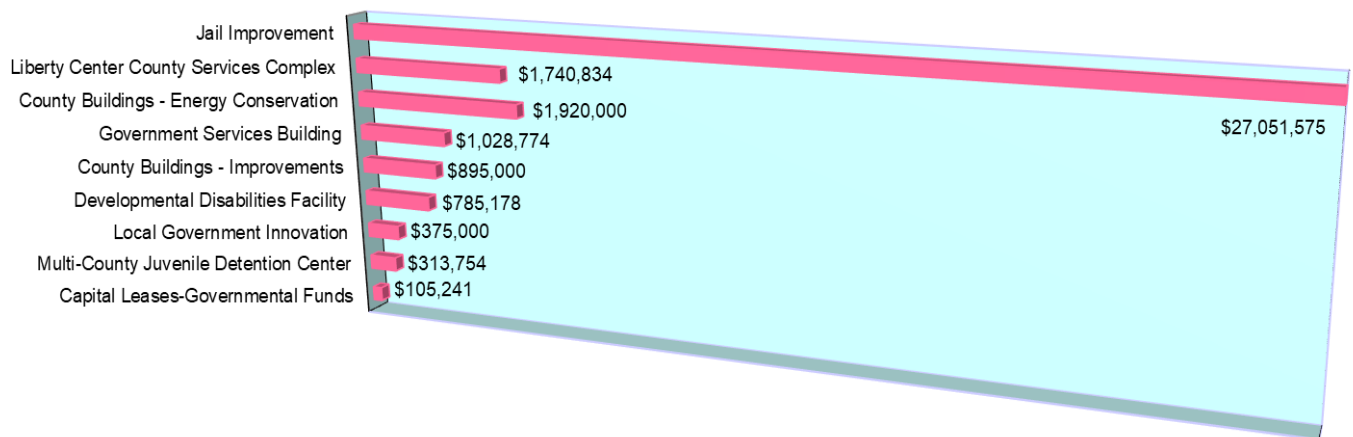
# THE COUNTY'S LONG-TERM DEBT

As of December 31, 2019

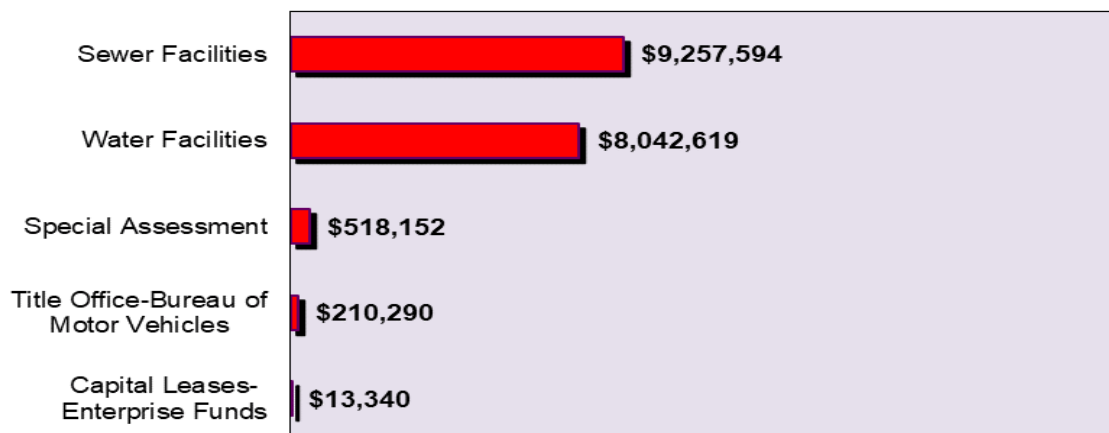
**Total Long-Term Debt - \$52,257,351**



**General Long-Term Debt - \$34,215,356**



**Self-Funded Long-Term Debt - \$18,041,995**

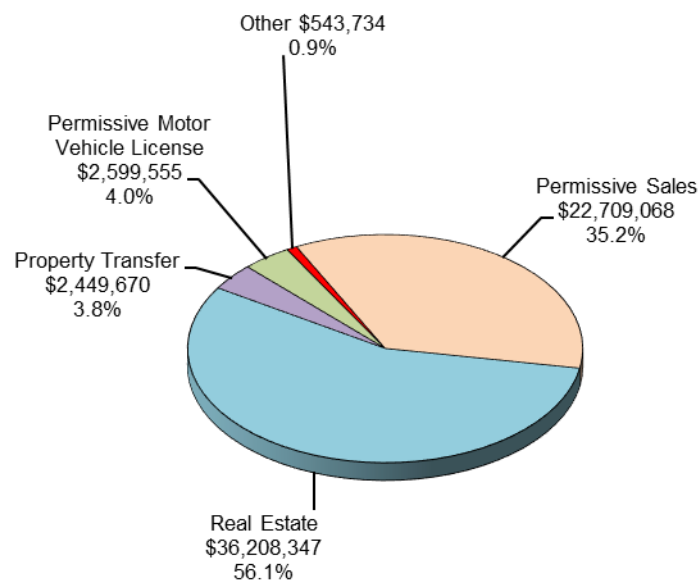


## TAX REVENUES

During 2019, the County's governmental activities received \$64.5 million in tax revenue and \$135.0 million in total revenues. Real estate property taxes account for approximately \$36.2 million or 26.8 percent, real property transfer taxes approximately \$2.4 million or 1.8 percent, and lodging taxes approximately \$.5 million or 0.4 percent for approximately \$39.2 million, or 29.0 percent, of total governmental revenues. Sales taxes, which are received from the State for vendor collections of the tax paid, provided approximately \$22.7 million, or 16.8 percent, of total governmental revenues. Motor Vehicle licenses provided approximately \$2.6 million or 1.9 percent of total governmental revenues.

### Breakdown of Tax Collections in 2019

\$64,510,374



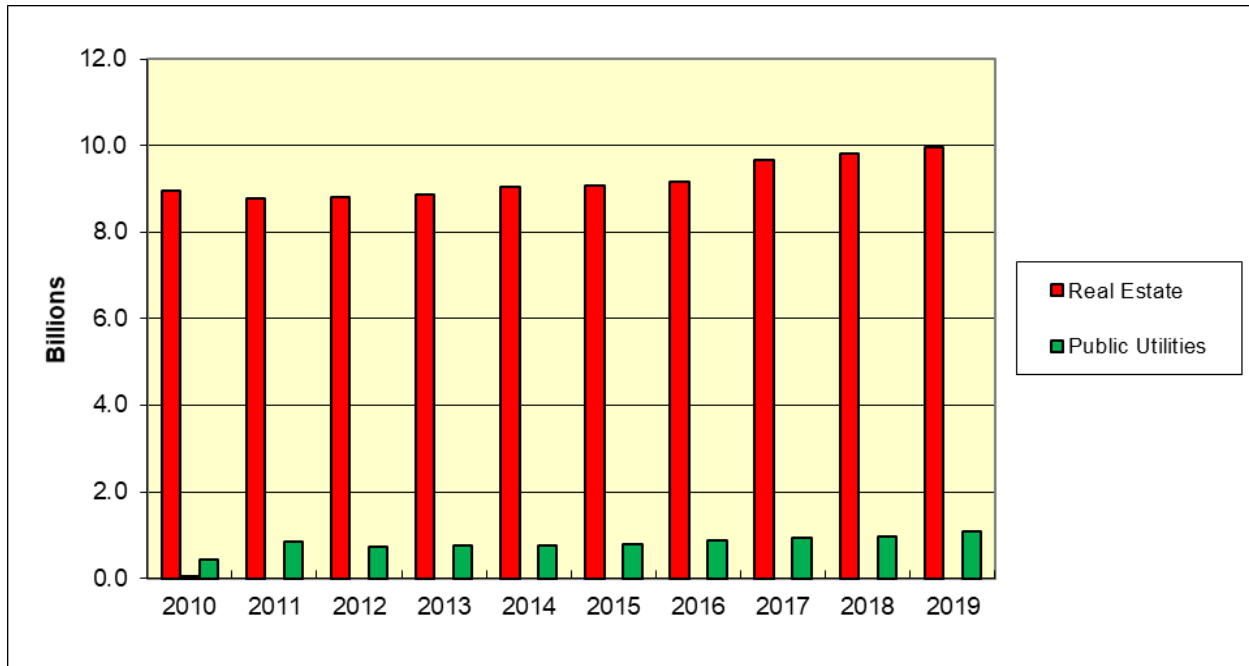
### Ten Largest Taxpayers in County in 2019

Enterprise	Nature of Business	Value To Be Taxed
Rockies Express Pipeline LLC	Natural gas utility	\$56,408,780
Ohio Power Company	Electric utility	57,877,820
Columbia Gas Transmission	Natural gas utility	62,018,720
South Central Power Company	Electric utility	30,477,330
American Electric Power Ohio Transmission Company	Electric utility	31,950,780
Texas Eastern Transmission	Natural gas utility	13,652,810
Dominion Transmission	Natural gas utility	9,639,630
Lancaster Apartment Properties	Developer	7,288,810
Creskide Acquisition	Apartments	6,998,870
Kroger Company	Grocery	6,754,620

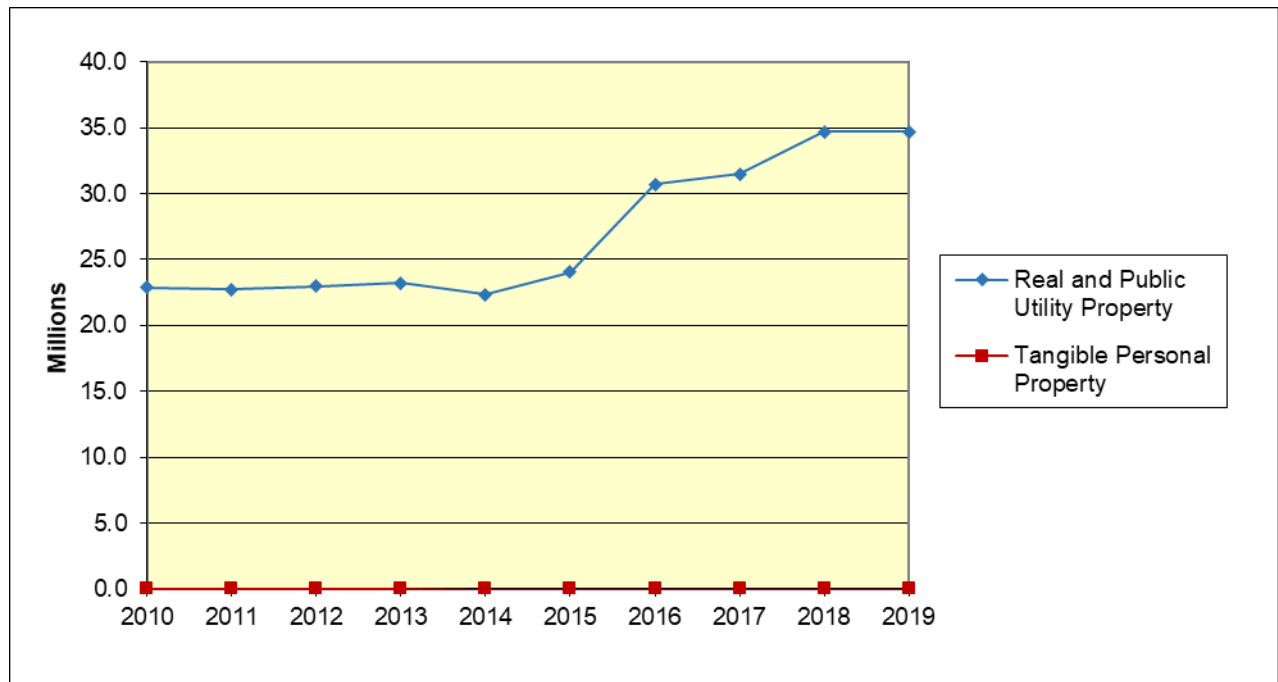


# PROPERTY VALUES AND TAX COLLECTIONS

## Property Values for the Last Ten Years

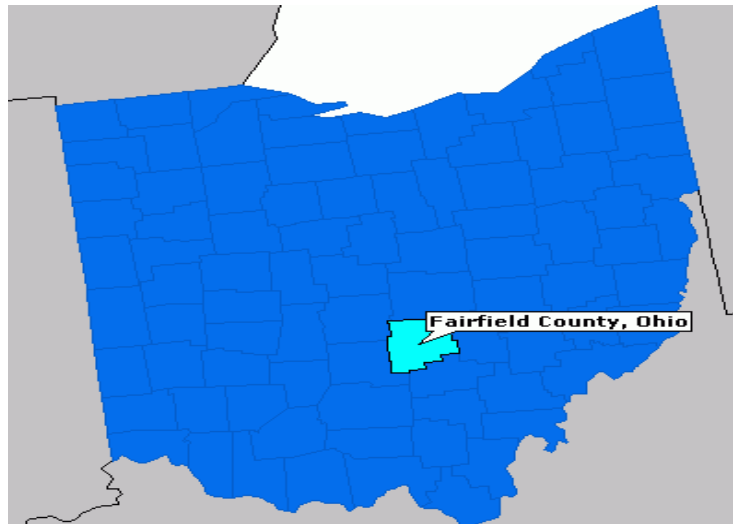


## Property Tax Collections for the Last Ten Years



With the implementation of GASB Statement No. 34 in 2003, the tax collections are presented on the accrual basis of accounting which recognizes revenue in the year for which the taxes are levied. Tangible personal property taxes were gradually phased out. The property tax collections chart for all years has been restated to reflect current tax collections and do not include homestead and rollback.

## A BRIEF HISTORY OF FAIRFIELD COUNTY

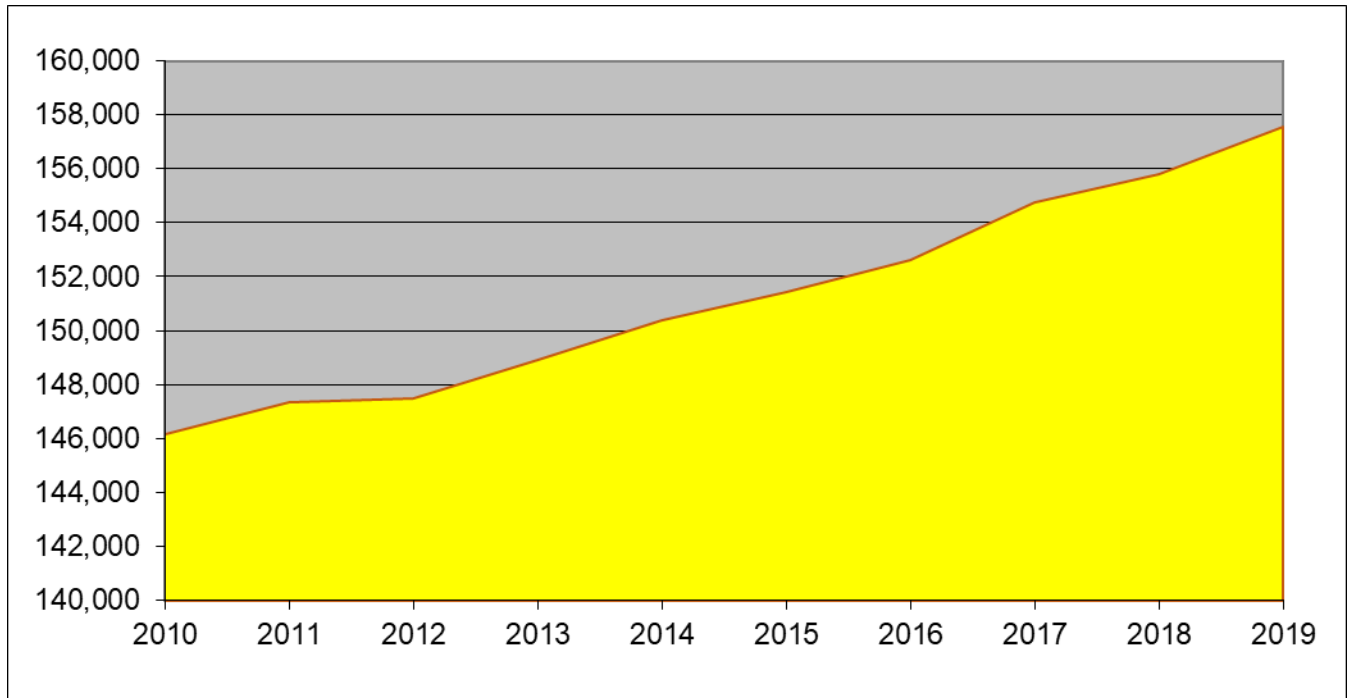


The County of Fairfield was created by proclamation of the Northwest Territory on December 9, 1800. Resident's named the county after the area's "fair fields." Located in the south-central portion of Ohio, Fairfield County is adjacent to Licking, Perry, Hocking, Pickaway, and Franklin Counties. The County is predominantly rural, with less than two percent of the County's 506 square miles consisting of urban areas.

## PRINCIPAL EMPLOYERS

Employer	Nature of Business	Number of Employees	Rank	Percentage of Total County Employment
Fairfield Medical Center	Health Care - Hospital	2,253	1	3.00%
Pickerington Schools	Public School	1,185	2	1.58%
Kroger	Grocery	960	3	1.28%
The Oneida Group, Inc.	Manufacturer - Glasswares	900	4	1.20%
Fairfield County	Government	853	5	1.14%
Lancaster City Schools	Public School	774	6	1.03%
NIFCO	Manufacturing	574	7	0.76%
Canal Winchester Local Schools	Public School	453	8	0.60%
City of Lancaster	Government	430	9	0.57%
Southeastern Correctional Institution	Prison	365	10	0.49%
Total		<u>8,747</u>		11.65%
Total Employment Within County		<u>75,100</u>		

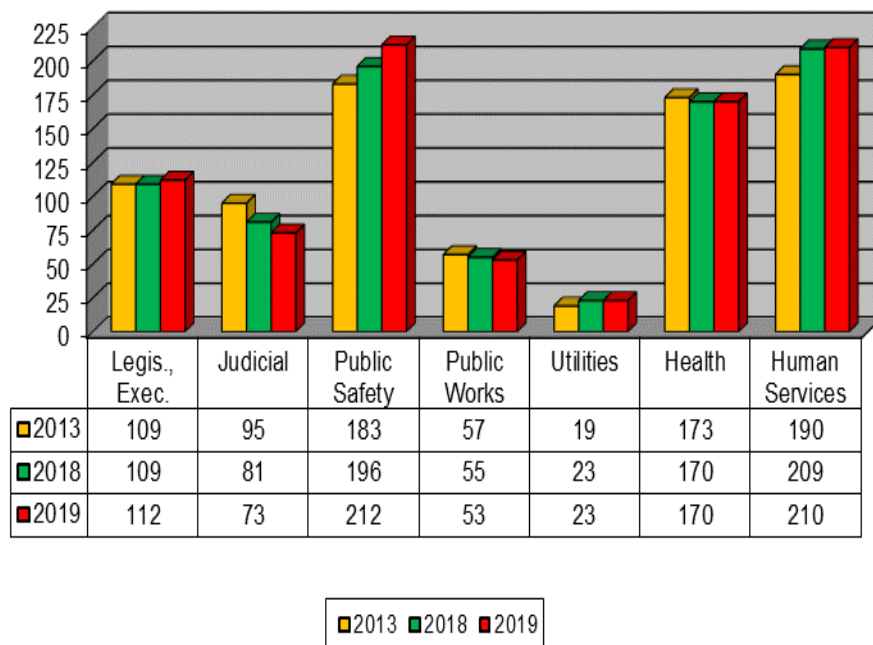
## COUNTY POPULATION



Information provided by The Ohio Department of Development from 2011 to 2019. The year 2010 is an actual count from the U.S. Census Bureau.

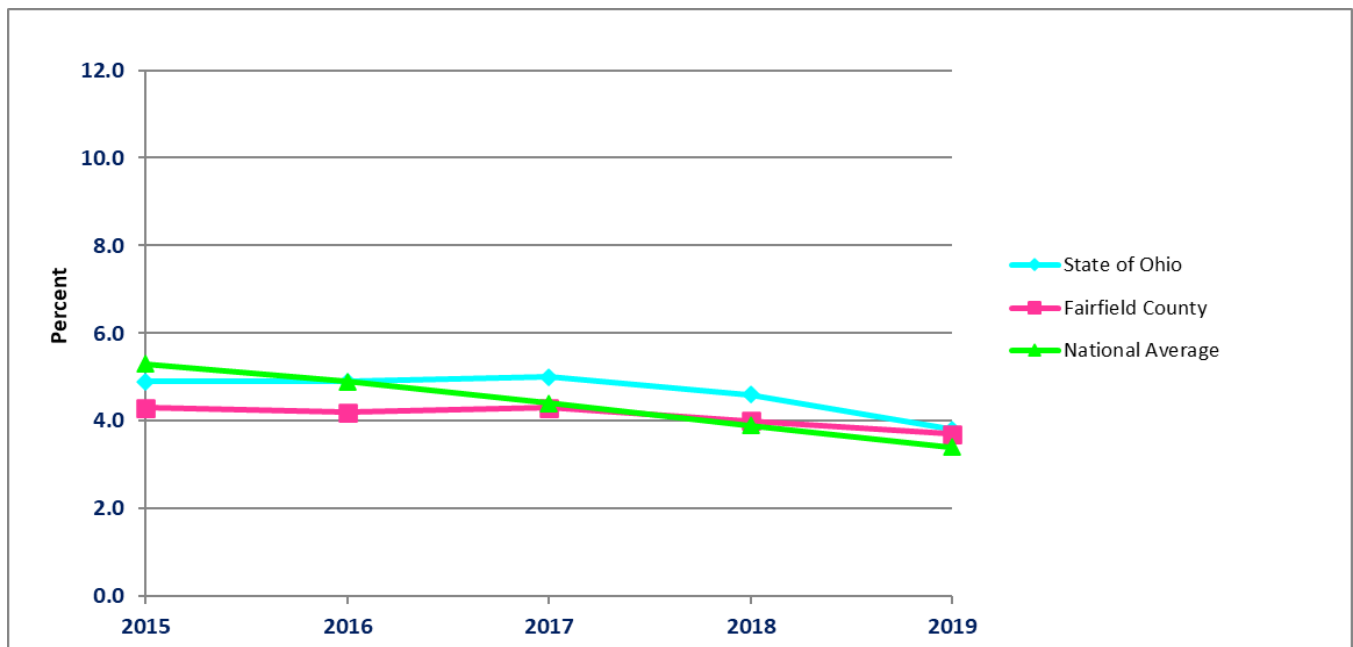
## COUNTY EMPLOYEE WORKFORCE

By Function of Government



These employees are paid from revenues in the governmental funds and in the enterprise funds.

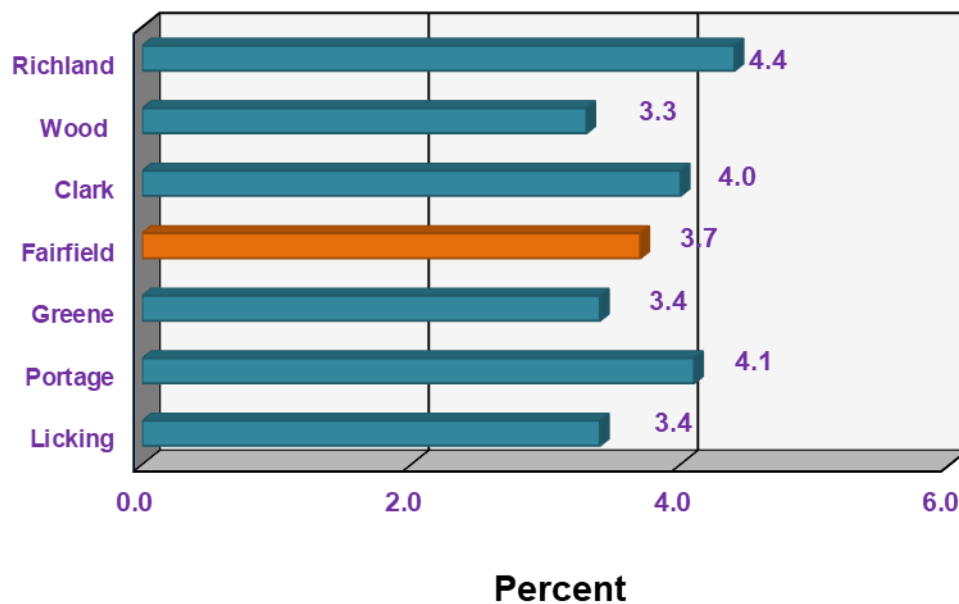
## UNEMPLOYMENT RATE TREND



Source: Ohio Labor Market Information

In 2019, the County's unemployment rate decreased from 4.0 percent to 3.7 percent. The County's unemployment rates are lower than the State average and slightly higher than the national average. Since 2015, Fairfield County's employment rate has seen a slight steady decrease. The County is able to attract and retain business due to a diversified workforce, infrastructure, access to transportation, and low cost of living.

## UNEMPLOYMENT RATES FOR COMPARABLE COUNTIES



Source: Office of Workforce Development, Bureau of Labor Market Information

In comparing Fairfield County's unemployment rate to other counties, Fairfield County remains stable and constant with most counties of similar size in the State.



## MAJOR GOALS AND ACCOMPLISHMENTS



Magna International selected the City of Lancaster as a home for its seat manufacturing facility, bringing more than 300 projected well-paying jobs with it. Vice President Mike Pence, as well as several other dignitaries, were on site at the groundbreaking, which proves that this was a major win for the region. Magna immediately began using the spec building for production. Magna employees will be trained at the Fairfield County Workforce Center.



Utility provider South Central Power also chose the Rock Mill Industrial Park as the site for its new headquarters in 2019, which will consolidate its 180 jobs between Fairfield County and Pickaway County into one location. Cam Logistics also made an announcement in 2019 for new investment within the City of Lancaster.



Fairfield Homes has purchased the former Lancaster Glass site and intends to construct new apartments on the corner of Main Street and Memorial Drive in the City of Lancaster. As part of the growth and revitalization of downtown, Fairfield Homes felt housing was needed too. The 100 new apartments will feature both one and two bedroom options.



The Fairfield County Workforce Center, a training center owned by the Fairfield County Port Authority, will soon be launched to improve skills of workers to better meet the needs of local employers. The Center will first focus on training in manufacturing, skilled trades, and culinary arts. Other training programs will be added as employers identify needs. Ohio University - Lancaster Campus and Hocking College will provide the training. The 72,000 square-foot building provides a mix of industrial space and classroom space.

# HOW TO CONTACT US

December 31, 2019

Fairfield County Website

<https://www.co.fairfield.oh.us>

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## ELECTED OFFICIALS

### Board of Commissioners

Steven A. Davis ..... (740) 652-7090  
Jeff Fix ..... (740) 652-7090  
David Levacy ..... (740) 652-7090

### Auditor

Jon A. Slater, Jr. .... (740) 652-7020

### Clerk of Courts

Branden Meyer ..... (740) 652-7388

### Coroner

Dr. L. Brian Varney ..... (740) 652-2865

### Engineer

Jeremiah Upp ..... (740) 652-2300

### Prosecutor

R. Kyle Witt ..... (740) 652-7560

### Recorder

Gene Wood ..... (740) 652-7100

### Sheriff

Dave Phalen ..... (740) 652-7900

### Treasurer

James N. Bahnsen. .... (740) 652-7140

### Court of Common Pleas:

#### General

Judge Richard Berens ..... (740) 652-7428  
Judge David A. Trimmer ..... (740) 652-7429

### Court of Common Pleas:

#### Probate and Juvenile

Judge Terre L. Vandervoort ..... (740) 652-7460

### Court of Common Pleas:

#### Domestic Relations

Judge Laura Smith ..... (740) 652-7440

## PRINCIPAL APPOINTED OFFICIALS AND DEPARTMENT HEADS

### County Administrator

Carri Brown ..... (740) 652-7090

### Human Resources Director

Jeff Porter ..... (740) 652-7895

### Board of Elections Director

Jane Hanley ..... (740) 652-7000

### Facilities Operations Manager

Dennis Keller ..... (740) 652-7940

### Dog Adoption Center and Shelter Warden

Todd McCullough ..... (740) 652-7180

### Utilities Director

Tony Vogel ..... (740) 652-7120

### Department of Job and Family Services Director

Aundrea Cordle ..... (740) 652-7890

### Alcohol, Drug Addiction and Mental Health Board Director

Rhonda Myers ..... (740) 654-0829

### Developmental Disabilities Board Superintendent

John Pekar ..... (740) 652-7220

### Emergency Management Director

Jon Kochis ..... (740) 652-7960

### Economic Development Director

Richard Szabrak ..... (740) 652-7162

### Information Technology Administrator

Mark Conrad ..... (740) 652-7075

### Geographical Information Systems Administrator

David Burgei ..... (740) 652-7055

### Veteran Services Commission Director

Park Russell ..... (740) 652-7921