

Fairfield County, Ohio

Popular Annual Financial Report
for the year ended December 31, 2022

Issued by Carri L. Brown, Ph.D., MBA, CGFM
Fairfield County Auditor

Elias B Wagner Preserve

Baltimore

The 160-acre property that will be known as Wagner Preserve is in Liberty Township, south of the Village of Baltimore. The property contains mature riparian corridor along the main channel of Walnut Creek and smaller headwater tributaries. Beneficial features of the land are high-quality forested wetlands including two Category 3 and seven Category 2 wetlands. The most remarkable feature of this preserve is the heron rookery. It is one of the largest great blue heron rookeries south of the Lake Erie watershed. There has been an average of 50 nests per season on site!

Before a parkland, especially a nature preserve, can be opened to the public, it can take years of preparation! The emphasis of this long-term project is to protect habitat for rare, threatened, and endangered species and/or the preservation of high-quality, viable habitat for plant and animal species.

Fairfield County Park District entered into a habitat improvement agreement – Partners for Fish and Wildlife (PFW) program – with United States Fish & Wildlife Service (USFWS). They will provide technical assistance for ten years.

Wagner Preserve will provide educational opportunities with its direct connection to Liberty Union-Thurston Local School District's 90-acre land lab. Fairfield Soil & Water Conservation District will expand their environmental education programming to this property. National Audubon Society plans to establish this area as a designated Important Bird Area in central Ohio.

We look forward to the time when it can be opened to the public and will be a vital location for Park District programming.

COVER PHOTO: A carefully selected mix of wildflowers, prairie grasses, and wetland plants was planted in 2021. Less than a year later, fields at the preserve were filled with the glorious blooms of Blue Vervain, Foxglove Beardtongue, Coreopsis, and others. They have already attracted desirable wildlife such as the Banded Hairstreak butterfly and the Common Yellowthroat bird.

Additional copies of this Popular Annual Financial Report (PAFR) may be obtained from:

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

Phone requests can be made at (740) 652-7070 or (740) 681-7224 (fax).

A PDF version of this report is available online at:

<https://www.co.fairfield.oh.us/auditor/fc-financial-reports-ACFR-PAFR.html>

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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 2022, the County received the following financial awards:

Certificate of Achievement for Excellence in Financial Reporting

Given for outstanding preparation of the Annual Comprehensive Financial Report

The County received this award in 2022 for the 33rd 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 2022 for the 21st consecutive year.

Charts

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Government Finance Officers Association

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, 2021

Christopher P. Morill

Executive Director/CEO

Citizens of Fairfield County



I am pleased to present the Fairfield County, Ohio Popular Annual Financial Report (PAFR), for the year ended December 31, 2022. 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 readable and understandable financial report.

The information in this report was drawn from the financial information appearing in the 2022 Fairfield County Annual Comprehensive Financial Report. The Annual Comprehensive Financial Report 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 Annual Comprehensive Financial Report consists of approximately 335 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 Annual Comprehensive Financial Report. The Annual Comprehensive Financial Report 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 Annual Comprehensive Financial Report, which is available from the County Auditor's office and online at:

<http://www.co.fairfield.oh.us/auditor/fc-financial-reports-ACFR-PAFR.html>

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 at (740) 652-7020 with questions, comments, or suggestions regarding this report.

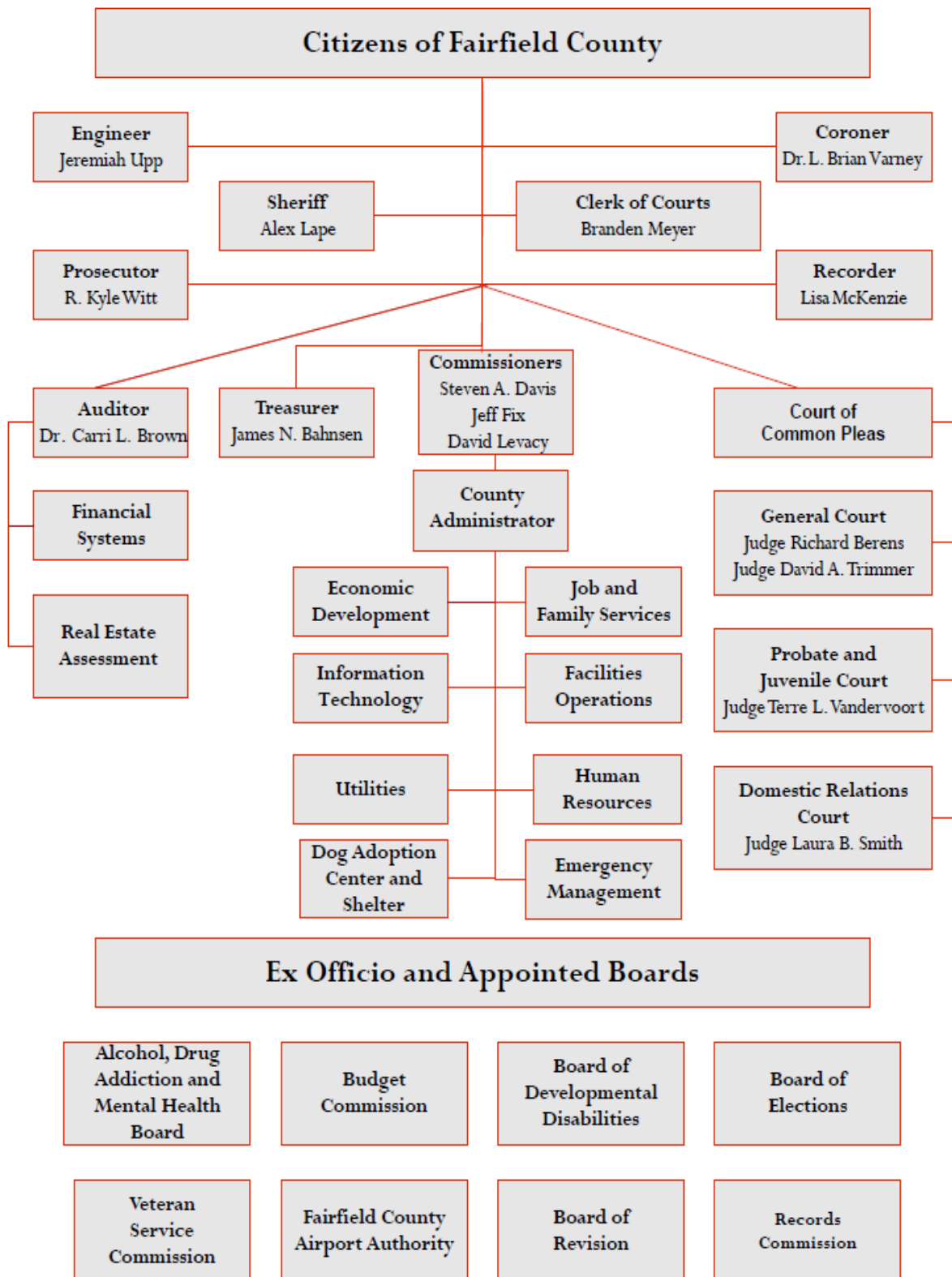
Kindest regards,

A handwritten signature in blue ink that reads "Carri L. Brown". The signature is fluid and cursive.

Carri L. Brown, PhD, MBA, CGFM
Fairfield County Auditor



Your Fairfield County Government

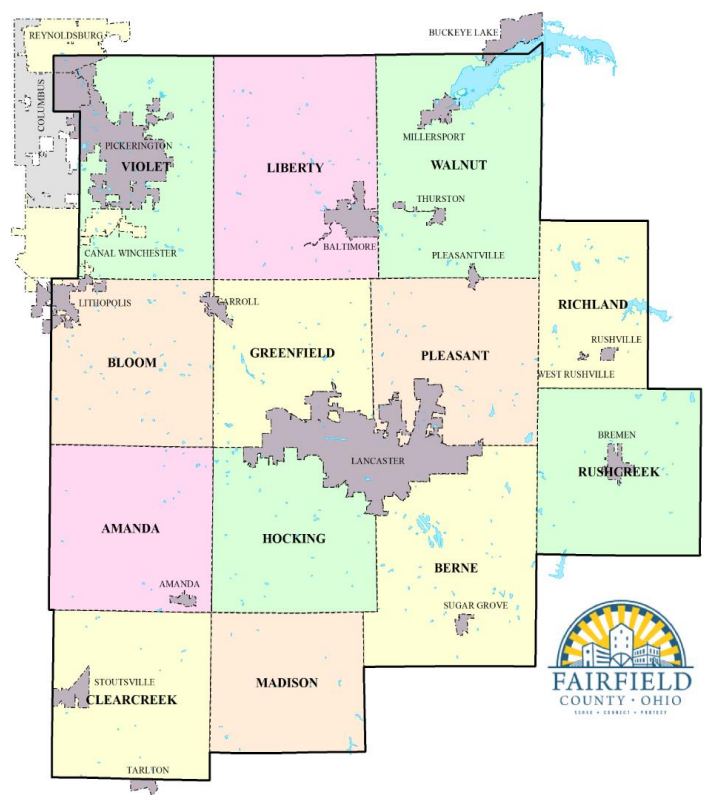


GOVERNMENT STRUCTURE

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.

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, settlements, leases, 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 Unit.

External Portion (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.

Public Works - Intergovernmental expenses are the costs incurred by the County's Fiscal Recovery Special Revenue Fund for local governments.

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

Health-Intergovernmental expenses are the costs incurred by the County's Fiscal Recovery Special Revenue Fund for local governments.

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 expenses are interest 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

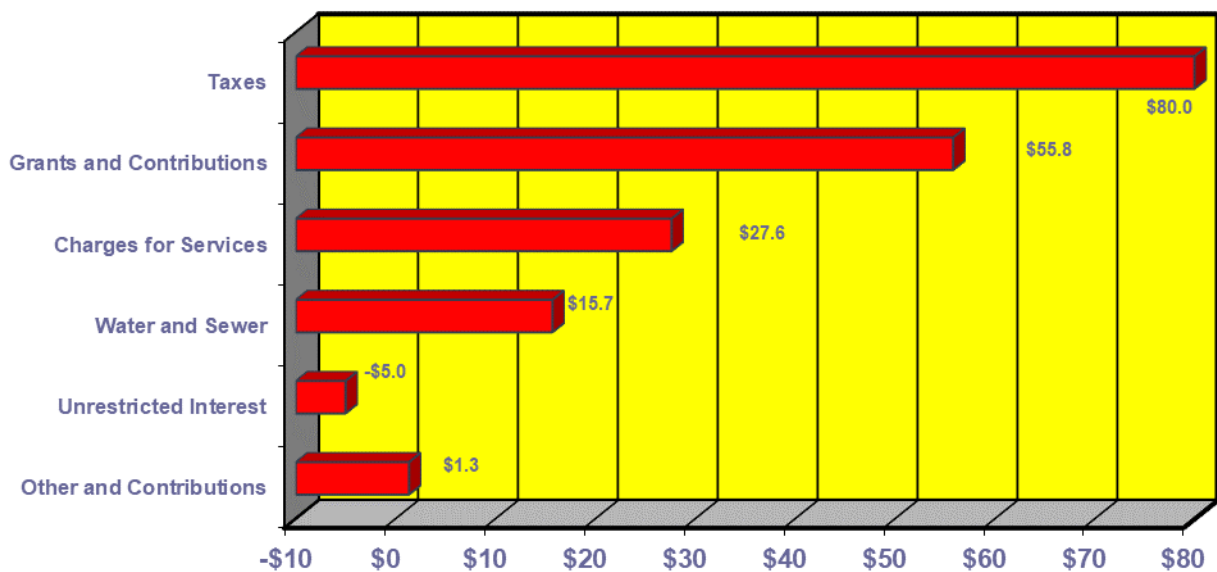
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues						
Charges for Services.....	\$ 27,626,088	\$ 25,907,824	\$ 10,049,824	\$ 10,054,838	\$ 37,675,912	\$ 35,962,662
Operating Grants, Contributions, and Interest.....	45,344,447	42,346,816	-	-	45,344,447	42,346,816
Capital Grants, Contributions, and Interest.....	4,843,795	1,588,860	5,506,181	2,270,654	10,349,976	3,859,514
General Revenues						
Taxes:						
Property Taxes.....	46,391,567	45,998,696	-	-	46,391,567	45,998,696
Permissive Real Property Transfer Taxes.....	3,709,119	3,895,806	-	-	3,709,119	3,895,806
Lodging Tax.....	545,607	509,171	-	-	545,607	509,171
Sales Taxes.....	29,324,856	28,007,981	-	-	29,324,856	28,007,981
Unrestricted Grants and Entitlements.....	5,631,973	5,387,573	-	-	5,631,973	5,387,573
Unrestricted Investment Earnings and Other Interest.....	(5,010,888)	(524,176)	26,495	3,828	(4,984,393)	(520,348)
Unrestricted Contributions.....	1,325	22,693	-	-	1,325	22,693
Gain on Sale of Capital Assets.....	43,682	16,236	-	9,961	43,682	26,197
Other.....	1,295,708	7,902,683	116,596	202,894	1,412,304	8,105,577
Total Revenues.....	159,747,279	161,060,163	15,699,096	12,542,175	175,446,375	173,602,338
EXPENSES						
General Government:						
Legislative and Executive.....	19,412,105	13,245,603	-	-	19,412,105	13,245,603
Intergovernmental.....	1,601,310	1,526,078	-	-	1,601,310	1,526,078
Judicial.....	7,012,835	4,753,343	-	-	7,012,835	4,753,343
Public Safety.....	22,892,495	14,608,881	-	-	22,892,495	14,608,881
Intergovernmental.....	319,322	767,847	-	-	319,322	767,847
External Portion.....	607,994	550,599	-	-	607,994	550,599
Public Works.....	14,582,668	12,086,624	-	-	14,582,668	12,086,624
Intergovernmental.....	486,611	-	-	-	486,611	-
External Portion.....	299,030	251,024	-	-	299,030	251,024
Health.....	25,642,636	20,921,971	-	-	25,642,636	20,921,971
Intergovernmental.....	148,255	-	-	-	148,255	-
Human Services.....	32,625,160	24,375,582	-	-	32,625,160	24,375,582
External Portion.....	110,743	94,239	-	-	110,743	94,239
Urban Redevelopment and Housing.....	16,400	216,103	-	-	16,400	216,103
Intergovernmental.....	263,449	659,795	-	-	263,449	659,795
Transportation.....	325,102	325,641	-	-	325,102	325,641
Interest.....	1,068,778	1,120,985	-	-	1,068,778	1,120,985
Business-Type Activities:						
Sewer.....	-	-	4,104,395	3,489,485	4,104,395	3,489,485
Water.....	-	-	3,647,106	3,084,967	3,647,106	3,084,967
Total Expenses.....	127,414,893	95,504,315	7,751,501	6,574,452	135,166,394	102,078,767
Increase in Net Position.....	32,332,386	65,555,848	7,947,595	5,967,723	40,279,981	71,523,571
Net Position - Beginning of Year.....	277,896,859	212,341,011	73,683,939	67,716,216	351,580,798	280,057,227
Net Position - End of Year.....	\$ 310,229,245	\$ 277,896,859	\$ 81,631,534	\$ 73,683,939	\$ 391,860,779	\$ 351,580,798

Net position for governmental activities increased by \$32,332,386 for 2022. This is attributed mainly to increases in revenue in the areas of charges for services, operating and capital grants, and property and sales taxes. Operating and capital grants increased due to increases in federal and State grant awards. Property taxes increased due to increases in the assessed valuations from 2021 to 2022. Sales taxes increased due to increases in inflation rates of goods and services which directly impact sales taxes as well as a strong economy within the County. Unrestricted investment earnings and other interest reflected a decrease due to the fluctuations in the fair values of investments as of year-end due to the economy. Increases in expenses occurred in 2022 primarily due to the recognition of the net pension/OPEB liability (assets). Although, net pension liabilities decreased in 2022, there was a larger decrease in the OPEB liabilities in 2021 which moved from large liabilities to an asset causing 2021 expenses to decrease. Therefore, the increase in 2022 expenses was not as large of a change as the decrease in expenses in the prior year. Net position for business-type activities increased \$7,947,595 due mainly to the increase in capital contributions.

WHERE THE MONEY CAME FROM

Fairfield County Revenues for 2022

\$175,446,375



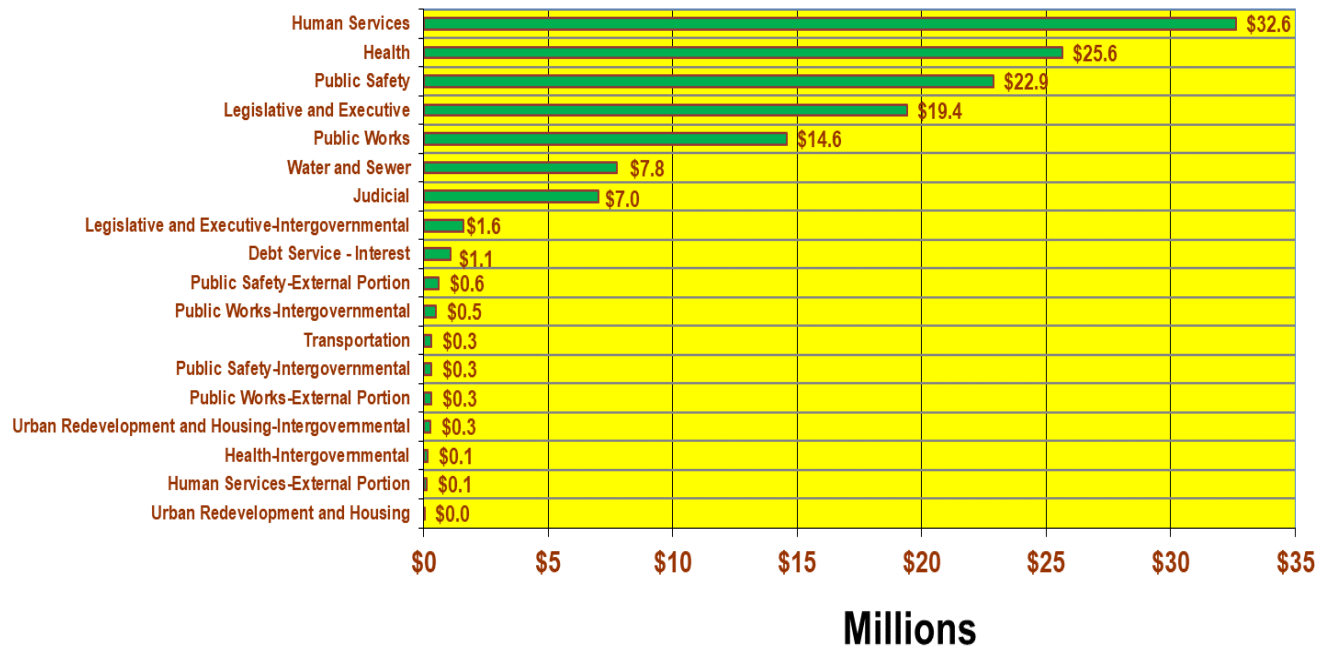
The primary government revenues presented here is reported in the 2022 Annual Comprehensive Financial Report's government-wide statement of activities. The chart depicts revenues by source. The table below summarizes revenues by source and shows the percentage increases (decreases) in relation to the prior year.

REVENUES	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	% CHANGE FROM 2021
Taxes	59,334,609	61,910,819	71,156,999	78,411,654	79,971,149	1.95 %
Grants and Contributions	43,052,655	44,725,382	57,352,539	49,323,249	55,820,215	11.64 %
Charges for Services	22,689,851	23,138,425	24,474,824	25,907,824	27,626,088	6.22 %
Water and Sewer	12,435,068	11,607,551	12,520,090	12,542,175	15,699,096	20.11 %
Unrestricted Interest	1,782,378	3,592,037	1,676,646	(524,176)	(5,010,888)	(89.54) %
Other and Contributions	1,412,452	1,639,134	3,525,258	7,941,612	1,340,715	(492.34) %
	<u>\$ 140,707,013</u>	<u>\$ 146,613,348</u>	<u>\$ 170,706,356</u>	<u>\$ 173,602,338</u>	<u>\$ 175,446,375</u>	1.05 %

County revenues increased by \$1,844,037 or 1.05 percent for 2022. This increase is mainly due to increases in taxes, grants and contributions, and charges for services revenue which were mentioned on page 6. Grants and contributions increased due to the American Rescue Plan Act funding being received in 2021 and 2022 for \$15,303,451 per year. In 2022, \$708,012 of American Rescue Plan Act monies was allocated to the Water Enterprise Fund for a new waterline project. Unearned revenue liability increased during 2022 due to this funding being a reimbursable grant; therefore, \$7,762,871 remained as actual earned revenue at year end. Property taxes increased due to increases in the assessed values from 2021 to 2022. Sales tax increased due to an increase in inflation rates of goods and services which directly impacts sales tax as well as a strong economy within the County. While sales taxes increased, unrestricted investment earnings and other interest reflected a decrease due to the fluctuations in fair values of investments as of year end due to the economy.

WHERE THE MONEY WAS SPENT

Fairfield County Expenses for 2022 \$135,166,394



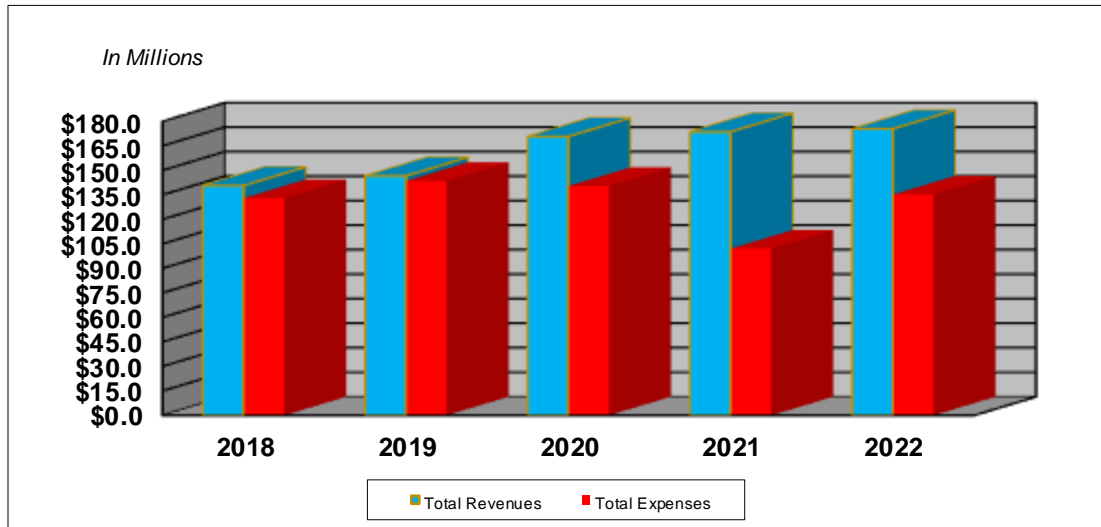
The primary government expenses presented here is reported in the 2022 Annul Comprehensive Financial Report's government-wide statement of activities. The chart depicts expenses by function. The table below shows expenses by function, and the percentage increases (decreases) in relation to the prior year.

EXPENSES	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	% CHANGE FROM 2021
Human Services	\$ 30,703,562	\$ 32,870,167	\$ 33,755,959	\$ 24,375,582	\$ 32,625,160	33.84 %
Health	24,988,893	27,815,291	27,892,750	20,921,971	25,642,636	22.56 %
Public Safety	24,920,310	27,202,067	25,766,807	14,608,881	22,892,495	56.70 %
Legislative and Executive	18,671,259	19,695,531	18,221,816	13,245,603	19,412,105	46.56 %
Public Works	12,516,225	13,706,603	13,572,530	12,086,624	14,582,668	20.65 %
Water and Sewer	7,743,729	7,989,477	7,865,557	6,574,452	7,751,501	17.90 %
Judicial	7,732,831	8,468,554	7,791,342	4,753,343	7,012,835	47.53 %
Legislative and Executive-Intergovernmental	2,369,951	2,361,477	1,811,142	1,526,078	1,601,310	4.93 %
Debt Service - Interest	1,413,208	1,348,832	1,178,392	1,120,985	1,068,778	(4.66) %
Public Safety-External Portion	558,145	592,073	588,369	550,599	607,994	10.42 %
Public Works-Intergovernmental	-	-	-	-	486,611	- %
Transportation	-	280,995	321,951	325,641	325,102	(0.17) %
Public Safety-Intergovernmental	221,621	394,013	365,161	767,847	319,322	(58.41) %
Public Works-External Portion	261,766	309,647	304,157	251,024	299,030	19.12 %
Urban Redevelopment and Housing-Intergovernmental	561,300	394,436	813,729	659,795	263,449	(60.07) %
Health-Intergovernmental	-	-	-	-	148,255	- %
Human Services-External Portion	82,207	54,443	44,876	94,239	110,743	17.51 %
Urban Redevelopment and Housing	299,936	58,925	154,410	216,103	16,400	(92.41) %
	<u>\$ 133,044,943</u>	<u>\$ 143,542,531</u>	<u>\$ 140,448,948</u>	<u>\$ 102,078,767</u>	<u>\$ 135,166,394</u>	32.41 %

County expenses increased by \$33,087,627 or 32.41 percent for 2022 due mainly to the recognition of the net pension/OPEB liabilities (assets). Although net pension liabilities decreased in 2022, there was a larger decrease in the OPEB liabilities in 2021 causing 2021 expenses to decrease. The increase in 2022 expenses was not as large of a change as the decrease in expenses in the prior year.

REVENUES AND EXPENSES TREND ANALYSIS

Past Five Years

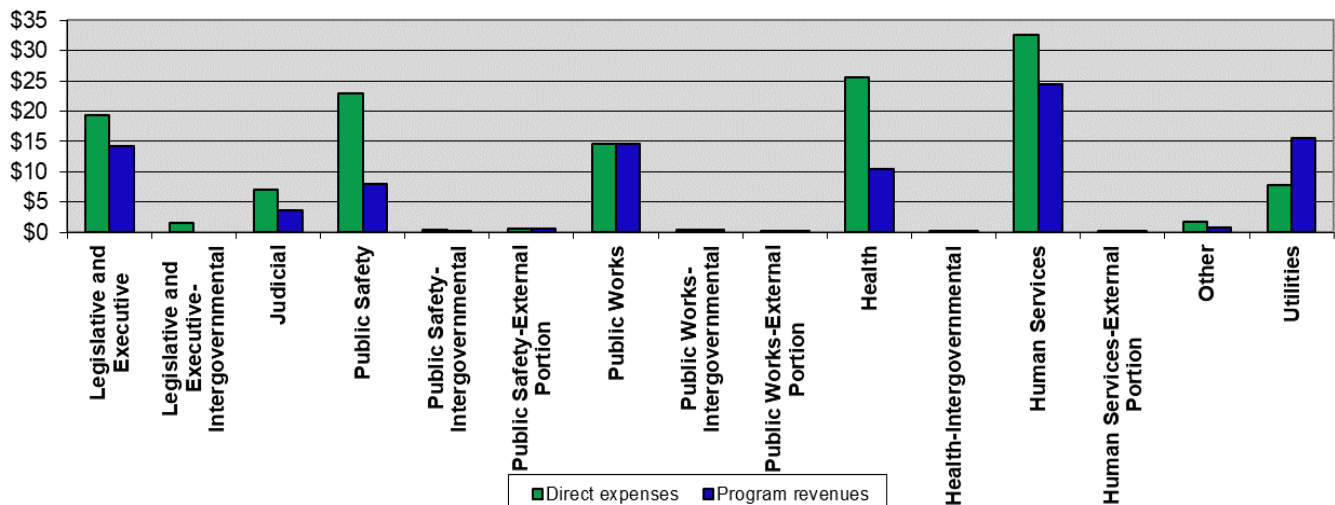


COUNTY PROGRAM ACTIVITIES

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	
	2022	2021	2022	2021	2022	2021
Assets						
Cash.....	\$ 170,288,629	\$ 157,793,591	\$ 35,872,165	\$ 30,806,953	\$ 206,160,794	\$ 188,600,544
Receivables.....	81,267,805	76,262,613	3,100,935	3,188,093	84,368,740	79,450,706
Capital Assets.....	223,200,852	212,157,191	56,233,680	55,470,481	279,434,532	267,627,672
Other Assets.....	12,439,417	8,266,065	497,008	364,918	12,936,425	8,630,983
Total Assets.....	487,196,703	454,479,460	95,703,788	89,830,445	582,900,491	544,309,905
Deferred Outflows of Resources						
Deferred Charge on Refunding.....	52,836	127,068	256,629	377,311	309,465	504,379
Asset Retirement Obligation.....	81,685	92,895	662,060	687,827	743,745	780,722
Pension.....	14,400,954	8,459,390	315,102	174,486	14,716,056	8,633,876
OPEB.....	843,092	3,636,430	16,430	75,656	859,522	3,712,086
Total Deferred Outflows of Resources.....	15,378,567	12,315,783	1,250,221	1,315,280	16,628,788	13,631,063
Liabilities						
Accrued Wages and Benefits.....	2,409,592	2,214,065	57,107	58,704	2,466,699	2,272,769
Payables.....	4,613,059	3,564,359	239,242	220,508	4,852,301	3,784,867
Due to Other Governments.....	3,163,789	1,936,270	90,296	55,285	3,254,085	1,991,555
Bonds, Loans, Leases Payable, Pension, Asset Retirement Obligation, and Compensated Absences...	68,742,891	85,921,744	12,462,838	14,983,516	81,205,729	100,905,260
Other Liabilities.....	21,210,126	14,157,637	1,067,727	882,789	22,277,853	15,040,426
Total Liabilities.....	100,139,457	107,794,075	13,917,210	16,200,802	114,056,667	123,994,877
Deferred Inflows of Resources						
Property Taxes.....	49,956,982	46,387,778	-	-	49,956,982	46,387,778
Deferred Charge on Refunding.....	36,591	52,492	27,111	43,409	63,702	95,901
Leases.....	91,681	210,061	439,988	462,719	531,669	672,780
Pension.....	32,433,039	19,181,816	722,982	414,312	33,156,021	19,596,128
OPEB.....	9,688,275	15,272,162	215,184	340,544	9,903,459	15,612,706
Total Deferred Inflows of Resources.....	92,206,568	81,104,309	1,405,265	1,260,984	93,611,833	82,365,293
Net Position - Excess of Assets and Deferred Outflows of Resources Over Liabilities and Deferred Inflows of Resources.....	\$ 310,229,245	\$ 277,896,859	\$ 81,631,534	\$ 73,683,939	\$ 391,860,779	\$ 351,580,798

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, intangible right-to-use equipment and 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.

Asset Retirement Obligation results from the difference in the asset retirement obligation liability and the amount that has been amortized over then life of the assets to date.

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, Asset Retirement Obligation, and Compensated Absences are the amounts owed for the issuance of debt, net pension 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, 2022, but which were levied to finance 2023 operations.

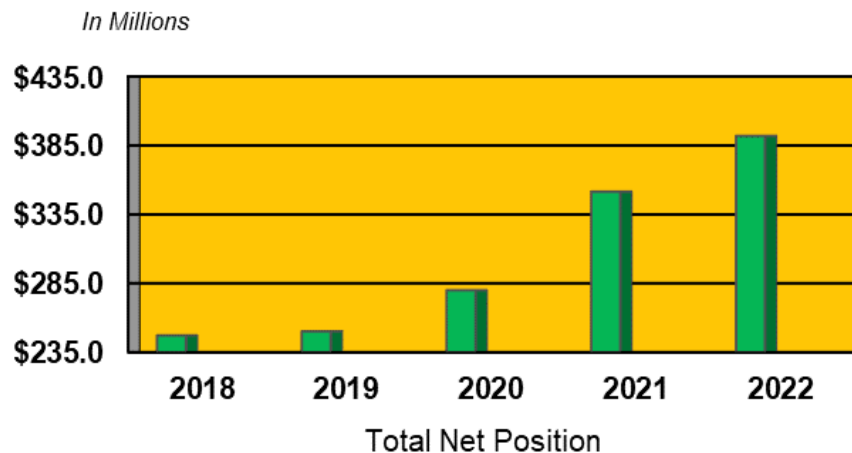
Deferred Charge on Refunding results from the difference in the carrying value of refunded debt and its acquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Leases represents the amount owed to the County that will be received until a future period and will not be recognized until that time.

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 (assets) 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. GASB 83, Certain Asset Retirement Obligations, was implemented in 2020 which restated 2019. GASB 87, Leases, was implemented in 2022 which restated 2021. 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/amortization, held by the County. Governmental activity capital assets increased from \$212.2 million in 2021 to \$223.2 million, a net increase of \$11.0 million. The increase is primarily due to the current year construction in progress. Business-type activity capital assets showed an increase from 2021 to 2022 due to construction in progress and \$1.6 million in capital contributions from developers in the form of sewer and water lines.

SUMMARY

	Governmental Activities		Business-Type Activities	
	12-31-2022	12-31-2021	12-31-2022	12-31-2021
Land	\$ 6,668,349	\$ 6,286,988	\$ 3,517,855	\$ 3,275,664
Buildings and Improvements	56,271,086	56,189,187	10,352,309	11,051,218
Improvements Other than Buildings	7,271,510	7,084,743	-	-
Equipment and Furniture	3,768,846	3,742,066	138,926	113,337
Infrastructure	132,552,026	131,859,727	40,393,713	40,163,925
Leased Buildings and Equipment	933,366	604,477	-	-
Vehicles	3,316,618	3,045,621	142,358	198,423
Construction in Progress	12,419,051	3,344,382	1,688,519	667,914
	<u>\$ 223,200,852</u>	<u>\$ 212,157,191</u>	<u>\$ 56,233,680</u>	<u>\$ 55,470,481</u>

THE COUNTY'S DEBT INSTRUMENTS

As of December 31, 2022

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.

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.

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.

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.

Leases Payable are contracts made by the County's departments for the leasing of building space and assets such as copiers. The departments pay for these contracts from their annual budgets.

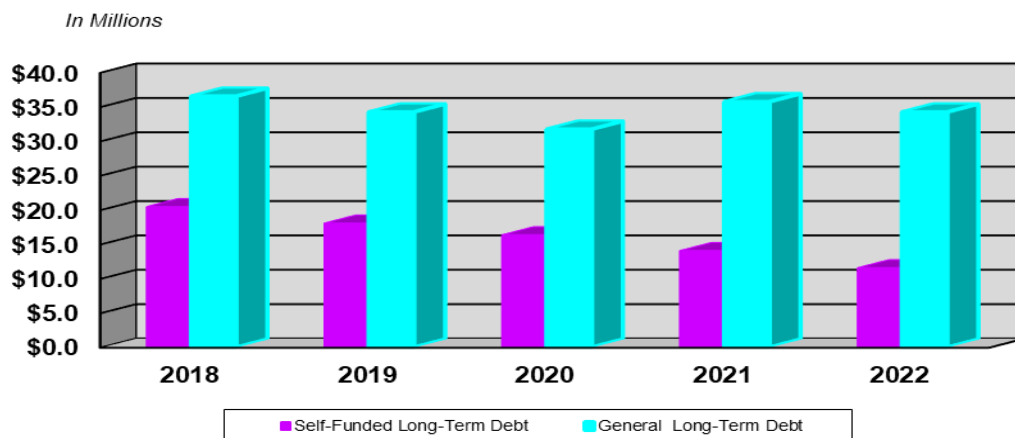
SUMMARY OF DEBT OBLIGATIONS

For the Year Ended December 31, 2022

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Special Assessment						
Bonds.....	\$ 208,000	\$ 310,000	\$ -	\$ -	\$ 208,000	\$ 310,000
General Obligation Bonds.	33,733,685	36,108,960	8,626,281	10,632,408	42,359,966	46,741,368
Long-Term Loans.....	225,000	275,000	1,965,741	2,139,310	2,190,741	2,414,310
Leases Payable.....	933,366	604,477	-	-	933,366	604,477
	<u>\$35,100,051</u>	<u>\$37,298,437</u>	<u>\$10,592,022</u>	<u>\$12,771,718</u>	<u>\$45,692,073</u>	<u>\$ 50,070,155</u>

DEBT OUTSTANDING TREND ANALYSIS

Past Five Years



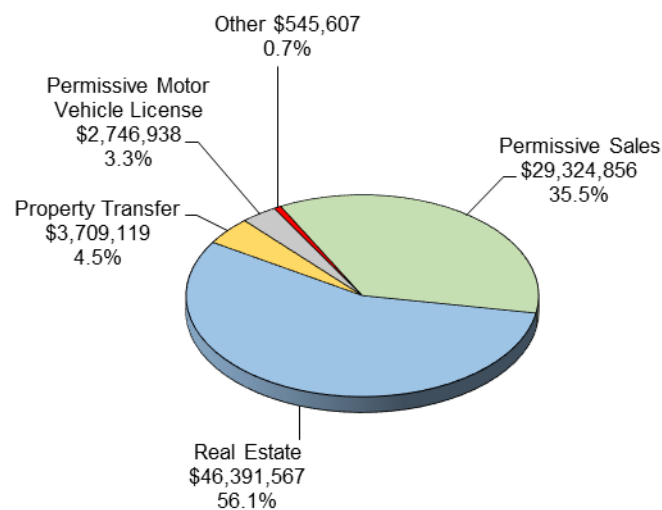
Self-Funded Long-Term Debt are debt obligations whose principal and interest are payable from revenue sources for which the debt was originally issued. Self-Funded Long-Term Debt at the end of 2022 was \$11,472,022. General Long-Term Debt at the end of 2022 was \$34,220,051.

TAX REVENUES

During 2022, the County's governmental activities received \$82.7 million in tax revenue and \$159.7 million in total revenues. Real estate property taxes account for approximately \$46.4 million or 29.0 percent, real property transfer taxes approximately \$3.7 million or 2.3 percent, and lodging taxes approximately \$.5 million or 0.3 percent for approximately \$50.6 million, or 31.7 percent, of total governmental revenues. Sales taxes, which are received from the State for vendor collections of the tax paid, provided approximately \$29.3 million, or 18.4 percent, of total governmental revenues. Motor Vehicle licenses provided approximately \$2.7 million or 1.7 percent of total governmental revenues.

Breakdown of Tax Collections in 2022

\$82,718,087

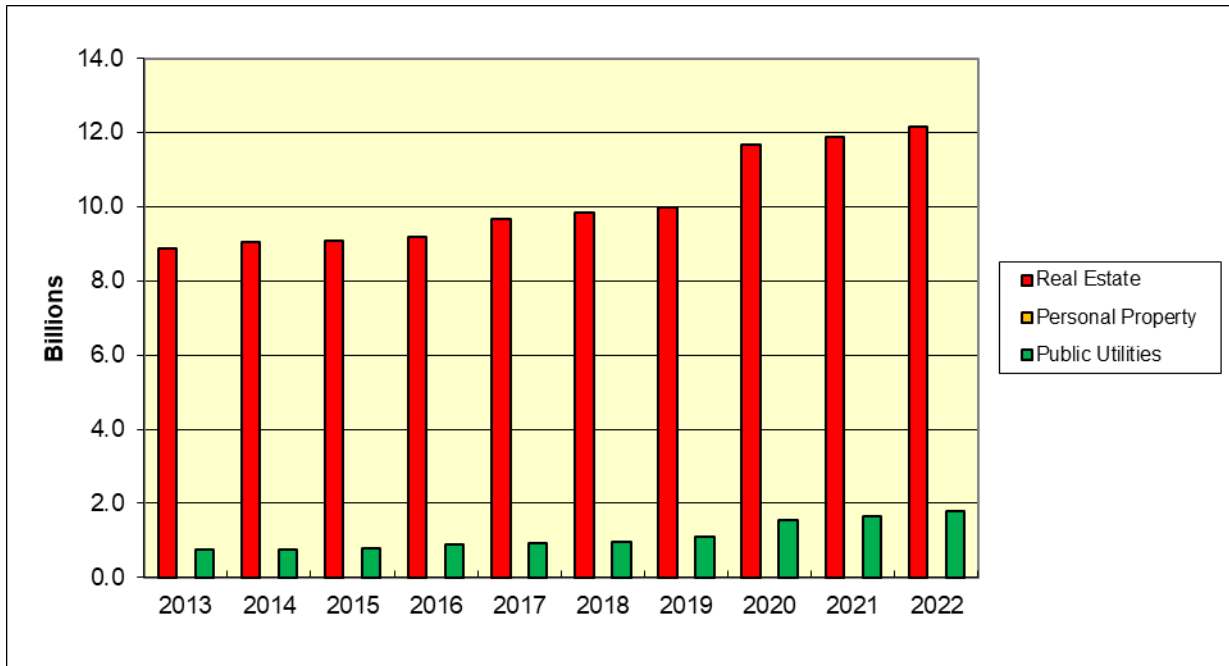


Ten Largest Taxpayers in County in 2022

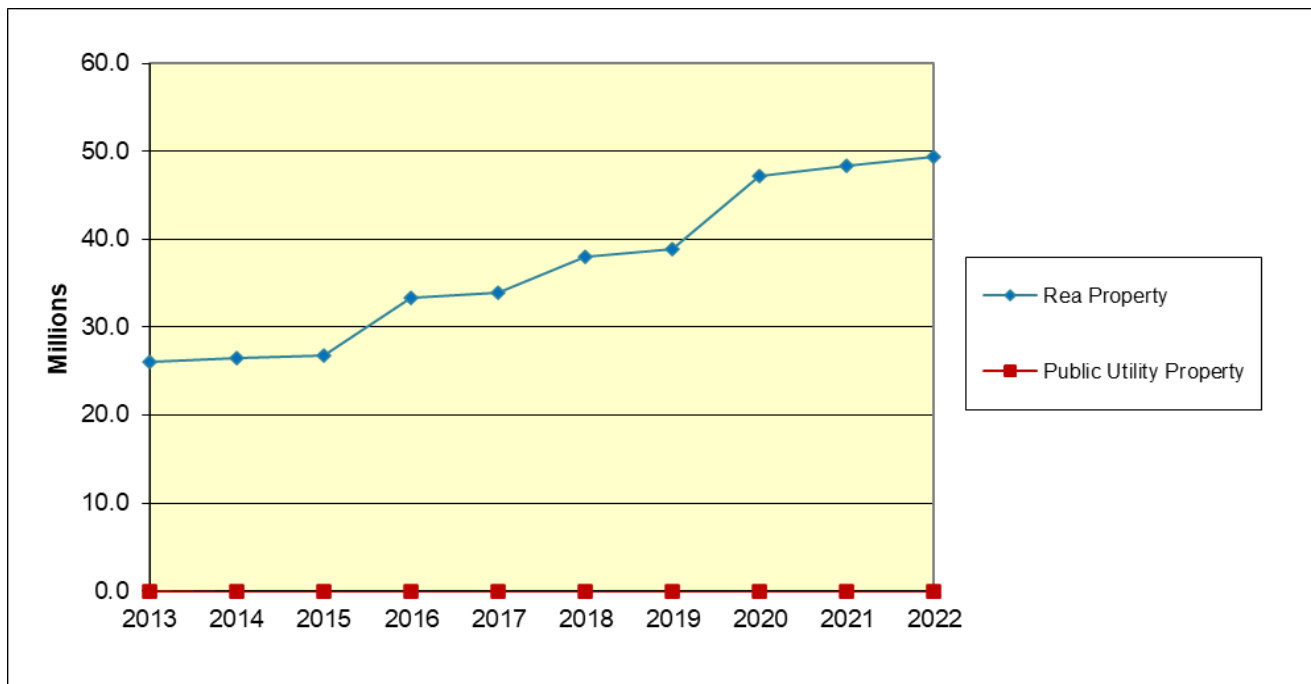
Enterprise	Nature of Business	Value To Be Taxed
Columbia Gas Transmission	Public Utility	\$ 188,655,020
Ohio Power Company	Public Utility	\$ 78,136,730
American Electric Power Ohio Transmission Company	Public Utility	\$ 66,580,880
Rockies Express Pipeline LLC	Public Utility	\$ 49,982,860
South Central Power Company	Public Utility	\$ 35,253,350
Texas Eastern Transmission	Public Utility	\$ 15,674,670
Columbia Gas of Ohio Inc.	Public Utility	\$ 7,705,170
One Point Three, LLC	Developer	\$ 7,447,740
Creekside Acquisition	Apartments	\$ 7,150,430
Lancaster Apartment Properties	Apartments	\$ 6,958,450

PROPERTY VALUES AND TAX COLLECTIONS

Property Values for the Last Ten Years

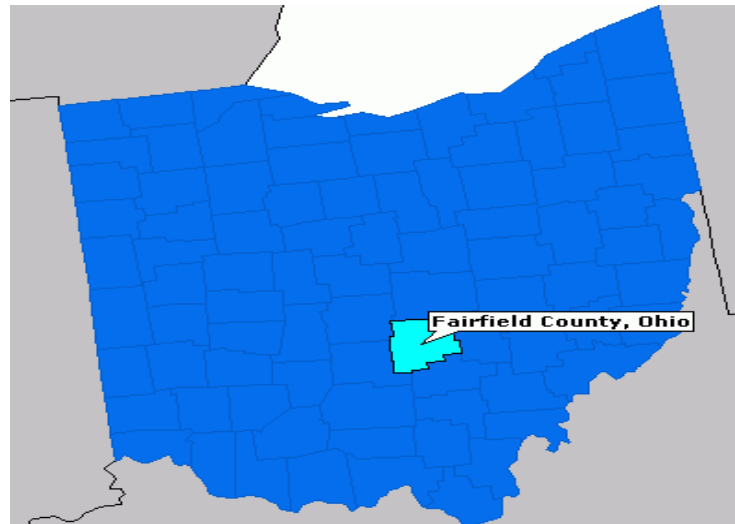


Property Tax Collections for the Last Ten Years



GASB Statement No. 34 requires tax collections to be presented on the accrual basis of accounting which recognizes revenue in the year for which the taxes are levied. The property tax collections chart reflects current tax collections and do not include homestead and rollback. Property tax collections increased during 2022 due to the increase that occurred in assessed valuations in 2021 and 2022.

A BRIEF HISTORY OF FAIRFIELD COUNTY



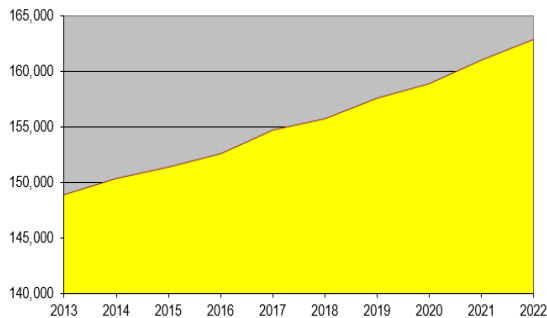
The County of Fairfield was created by proclamation of the Northwest Territory on December 9, 1800. Residents named the county after the area's "fair fields." Located in the south-central portion of Ohio, Fairfield County is adjacent to Licking, Perry, Hocking, Pickaway, and Franklin Counties. The County 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	1,939	1	2.50%
Pickerington Schools	Public School	1,220	2	1.57%
Fairfield County	Government	877	3	1.13%
Kroger	Grocery	859	4	1.11%
Lancaster City Schools	Public School	813	5	1.05%
Oneida	Manufacturing	726	6	0.93%
Magna	Manufacturing	522	7	0.67%
NIFCO	Manufacturing	519	8	0.67%
City of Lancaster	Government	475	9	0.61%
Southeastern Correctional Institution	Government Jail	329	10	0.42%
Total		8,279		10.66%
Total Employment Within County		77,700		

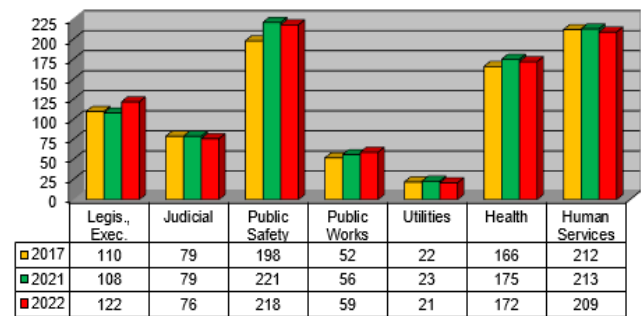
FAIRFIELD COUNTY DEMOGRAPHIC INFORMATION

COUNTY POPULATION



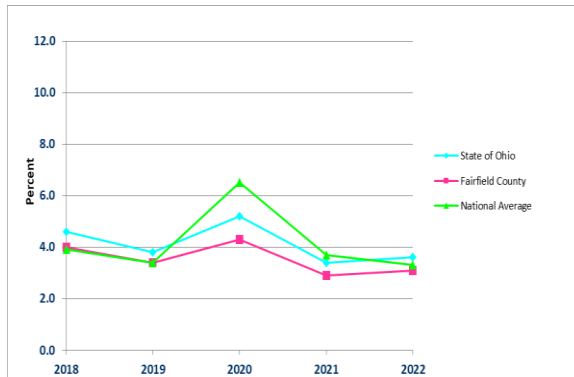
Information provided by The Ohio Department of Development from 2013 to 2022. According to population estimates, 162,898 people reside within the County.

COUNTY EMPLOYEE WORKFORCE



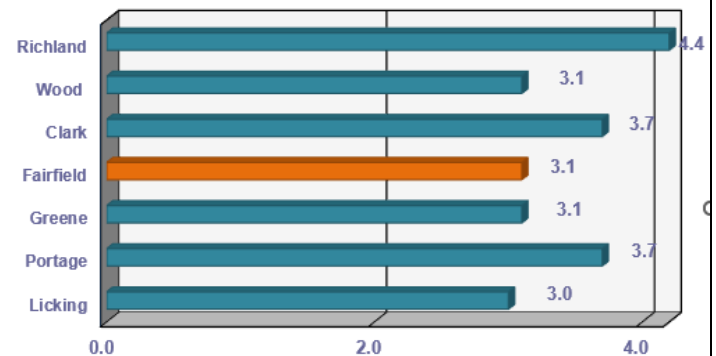
Employees above listed by Function of Government. These employees are paid from revenues in the governmental funds and in the enterprise funds.

UNEMPLOYMENT RATE TREND



In 2022, the County's unemployment rate increased slightly from 2.9 percent to 3.1 percent. For 2022, the County's unemployment rates are lower than the State average and are lower than the National average.

COMPARABLE UNEMPLOYMENT RATES FOR 2022



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



Lancaster has also experienced growth in housing and commercial development. Recent residential developments have experienced record-breaking absorption rates. These projects include The Flats on Memorial, Vision Community's Bend complex, and the redevelopment of former East Elementary School by Fairfield Homes. The redevelopment at the former East Elementary School resulted in 65 market-rate apartments now known as Eastpointe Apartments and Lofts and led to the construction of townhomes and garden style apartments within the footprint of the existing parking lot.



Pickerington has established itself as a healthcare hub. A keystone of the hub is the OhioHealth Pickerington Medical Campus at 1010 Refugee Road, which opened on a 30-acre site in 2015. In fall 2022, OhioHealth broke ground for a 6-story, 220,000-square-foot addition to the campus which resulted in over 500 new jobs and a new investment of over \$140 million.



In the summer of 2022, a Manufacturing Ready to Work program was created and run through the Fairfield County Workforce Center. Students received training in manufacturing that included: Occupational Safety and Health Administration safety credentials; CPR; forklift certification; welding; and robotics. Students also received tours of local manufacturers. A lease was signed with Claypool Electric that provided space in the Workforce Center for the company to run its apprenticeship program. Claypool agreed to build an \$80,000 electric lab in the building that could be used by other training providers.



Other growth within Canal Pointe includes the speculative construction of a 210,000 square feet office/warehouse building at the corner of Diley Road and Busey Road. This new building is designed to cater to users who are looking for enhanced architecture in an industrial building with a little larger office component than typically found in industrial spaces. Manifold & Phalor, a machine shop, is also under construction on a 30,000 square feet addition. This addition will increase their capabilities and lead to creation of 15 new jobs – increasing their total employment to more than 100.

HOW TO CONTACT US

December 31, 2022

Fairfield County Website

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

ELECTED OFFICIALS

Board of Commissioners

Steven A. Davis (740) 652-7090

Jeff Fix (740) 652-7090

David Levacy (740) 652-7090

Auditor

Dr. Carri L. Brown. (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

Lisa McKenzie (740) 652-7100

Sheriff

Alex Lape (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

Aundrea Cordle (740) 652-7090

Deputy County Administrator

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

Erin Frost (740) 652-7180

Utilities, Director

Tony Vogel (740) 652-7120

Department of Job and Family Services, Director

Corey Clark (740) 652-7890

Alcohol, Drug Addiction and Mental Health Board, Director

Marcy Fields..... (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

Daniel Neeley (740) 652-7075

Real Estate Assessment, Director

David Burgei (740) 652-7055

Financial Systems, Director

David Miller..... (740) 652-7046

Veteran Services Commission, Director

Park Russell (740) 652-7921