

Stability

Through the Generations



2013 Annual Report
Fairfield, Ohio

The Foundation of Stability

The stability of any organization begins with sound leadership. In the case of a municipality, voters directly elect representatives who are entrusted with public funds. In Fairfield, the Mayor serves as the head of government. Residents also directly elect City Council, comprised of seven members, four of whom are elected from wards, three of whom are elected at-large. Under Fairfield's Charter, the City operates under the Council-Manager form of government, combining the strong political leadership of elected officials with the professional expertise of an appointed City Manager.

The elected officials are responsible for careful planning that anticipates future needs. Such planning by elected officials and staff has enabled the City of Fairfield to endure the global recession with minimal impact on the services provided to residents and businesses. While the City implemented internal cost-saving measures as the nation's economy worsened, much of the preparation had already been accomplished years in advance through Fairfield's elected officials' direction to staff, who had been steadily building reserves for just such a scenario.

As a result of the Mayor and City Council's preparation, their collective vision and passion have resulted in a robust, thriving community. While many communities are just now emerging from difficult financial times, Fairfield's advanced preparation has poised the City for a prosperous future.

City Council is responsible for establishing City policy and enacting legislation to guide the direction of the municipal government. Other responsibilities include the establishment of rates for public utilities and the authority to retain independent, certified public accountants to audit City records. The City Manager serves as the City's chief executive officer, overseeing the day-to-day operations of the City.

City Council is comprised of seven committees: Community and Public Relations; Development Services; Finance & Budget; Parks, Recreation & Environment; Public Safety; Public Utilities; and Public Works. Each Council member serves as a chairperson, a vice chair and a member on three separate committees.

City Council and the Mayor are supported by a Clerk of Council who is responsible for agenda preparation, information packets, media notification and record keeping of Council actions and legislative decisions. The Clerk also responds to the information requests of Fairfield's elected officials.



City Council guides Fairfield's administration in developing strategies and policies to ensure the City remains fiscally sound well into the future. City Council's goals to retain a 25 percent reserve of the City's annual operational budget enabled the City to withstand the challenges of the recent economic downturn without cuts in service levels or layoffs, as well as maintain its Aa1 bond rating.

Mayor & City Council

2014



Steve Miller
Mayor



Chad Oberson
*Council Member
at Large*



Mike Snyder
*Council Member
at Large*



Bill Woeste
*Council Member
at Large*



Adam B. Jones
*Council Member
First Ward*



Marty Judd
*Council Member
Second Ward*



Debbie Pennington
*Council Member
Third Ward*



Terry Senger
*Council Member
Fourth Ward*



The Fairfield Fire Department Color Guard (left) leads the 2013 Memorial Day parade. (Below) Corinne Hamilton holds her cousin Aubrey as motorcycles start off the 2013 Hero's Ride.



(Left) The audience pays respect at the start of the 2013 Memorial Day program at Veterans' Memorial Park. (Below) During the 2013 Light Up Fairfield event, the Zettler family visits with Santa. From left to right are Jimmy, Bennett, Vivian and Ava.



Through the generations, true stability begins in the home, where parents pass down their values and traditions to their children and grandchildren. Such pride cannot be taught just in school or on a job, but quietly around a dinner table where real values become evident. Nowhere is that pride more evident in homes and businesses than during Fairfield's community events, many of which honor and remember the sacrifices of America's Patriots who valiantly defend freedom and who selflessly respond to emergency calls placing themselves in harms way to help others. Those values are what define stability in the Fairfield Community.



(Above) Videographer Erich Cross from TV-5 captures the start of the 2013 Hero's Ride, shown at right.





Office of the
City Manager

Arthur E. Pizzano
City Manager

Dear Residents and Businesspersons,

We've all heard the phrase "experience is the best teacher". Each generation benefits when experiences and wisdom are passed on from those who precede them. The ultimate reward is making life a little better than it was before as we "Pay it Forward".

The evolution of a community is no different. Dedicated public officials work together to create an enhanced future. Through the years, acquired knowledge is translated into legislation that serves to guide a community and personify who we are collectively. A city is far more than a book of rules. It is a product of the spirit of yesterday, coupled with the promise of tomorrow, built upon a firm foundation to provide stability and foster progress over time.

Providing ongoing stability requires a healthy respect for tradition; tempered with periodic renewal of a vision to meet new challenges. Elected officials carefully review revenue projections and expenditures, building reserves for trying times like those which recently tested the finances of communities across the nation. Thanks to the wisdom of Mayor and Council leadership over many years – and to extraordinary efforts by staff and administration – Fairfield has been able to weather the recent financial storm with minimal impact on services to its residents and business community. The City is now fortunate to be able to replenish its financial reserves that had been drawn on to assist us during those very trying economic times.

The ideals and values that have written Fairfield's history continue to evolve and be passed down over time. In some cases, outgoing elected officials mentor successor candidates whom they feel will carry on existing policies. Department heads groom their staff so they can be fully qualified to deliver services in the event of illness or retirement. In so doing, they convey far more than the details of running a department, but also the passion that makes their operations effective and efficient in the service of the community and its people.

Through difficult times, our community's resolve has carried us, our planning has prepared us, and our vision continues to help us to meet the challenges and opportunities of today and tomorrow. We have much to be proud of and are blessed with our community's heritage. We can also take stock in what promises to be a bright and vibrant future for succeeding generations of Fairfield citizens.

Sincerely,

Arthur E. Pizzano
City Manager



Arthur E. Pizzano

Development Services

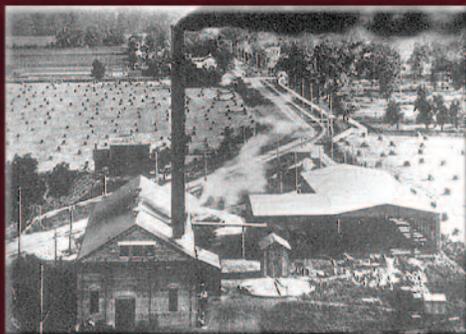
Throughout generations, stable employment has been a foundation for hard-working Fairfield families. Providing an attractive climate for employers doesn't just happen, but comes from a concerted effort by a community dedicated to prosperity. That climate begins with transportation, which abounded in the early days of Butler County when the Miami-Erie Canal (connecting Lake Erie to the Ohio River, via the Great Miami River) and railroad systems criss-crossed the original Symmes Purchase that would later become the City of Fairfield.



The General Motors stamping plant in the 1960s.

Throughout the decades, numerous industries flourished, but the single largest of them was the General Motors stamping plant during the 1960s. Thousands of Fairfield families prospered at the burgeoning plant, touching nearly every home in the City. The impact of the plant's closing in the late 1980s was devastating, challenging the

City to redouble its efforts to attract new businesses and to diversify its industrial base so that no one business would have such impact on the local economy. During the succeeding years, Fairfield attracted a blend of quality employers while facilitating the resurgence of the GM plant when the First Highland Group renovated the facility for new industrial occupants.



The Cincinnati-to-Hamilton Traction Line was an important mode of transportation. This image of the Line's powerhouse and car barn shows the area near what is now Pleasant Avenue where Applebee's and PNC Bank are located.

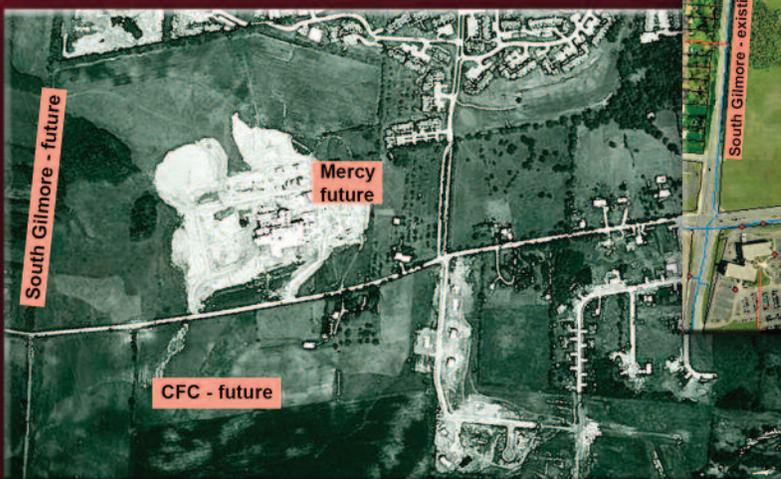
Today, well planned transportation corridors remain paramount to the City's viability.

With a ready workforce, what was once a largely agrarian community began to bustle with commerce during the Industrial Revolution. Locally, an important transportation network was the

Symmes Corner (at Nilles Road and Pleasant Avenue) also benefited from redevelopment. In the early days, Symmes Tavern and Milder's Inn served as the entertainment magnet for weary travelers and area residents alike. Nearby, the original Kroger building (and old King Kwik facility) have given way to Fairfield's Justice Center and a state-of-the-art Kroger fuel center.

Today, an estimated 30,000 jobs exist in the City of Fairfield, providing countless families with a stable income.

Cincinnati-to-Hamilton Traction Line, which depended on a powerhouse and car barn located along what is now Pleasant Avenue (SR 127).



Much has changed in the area of South Gilmore and Mack Roads. Even the technology has advanced in how an area is viewed. The 1977 image at left is a simple aerial picture. The image above is a satellite image containing precise locations of utilities and parcel information.

Finance

Financial stability from generation to generation is paramount to the operation of a municipality. The City of Fairfield must continually focus on three main points of financial stability:

- continued/steady progress
- managing current operations
- planning for the future

Fairfield began operations in 1955 with a general fund balance of just over \$5,000. That funding was allocated to the Mayor, Council, Clerk, and Treasurer, as well as a volunteer Fire department. Over the years, the City has expanded its services to include water, sewer, parks, streets, building, development services, police, fire and recreation. As a comparison, the General fund began 2013 with a balance of more than \$11.6 million.

A good index showing continued, steady progress is the City's income tax, first enacted in 1961 at 0.6% and increasing to 1.5% in 1971. The City's income tax growth, which topped over \$25 million in 2013, is a direct result of the economic development effort, both in and around Fairfield, and the diversity of Fairfield's economic base.

Managing current operations is largely influenced by the philosophy and oversight of the Mayor, City Council and Administration. Through generations, a conservative approach has enabled Fairfield to operate within its financial means. For 2013, Fairfield's revenues, less transfers between funds, totaled \$58,077,185. The two largest sources of revenue were income taxes and charges for services. In 2013, Fairfield spent \$53,513,015 with the largest investments being placed in security, general government and capital outlay.



In 1955, the City of Fairfield started with \$5,000, as shown in the original ledger book where hand-written entries documented the City's financial activity. Today, financial records with a balance of \$11.6 million are maintained in banks of computers, shown below with IT Manager Joseph Waldmann.



Planning for the future includes providing a reserve to withstand extreme economic swings and to fund the City's long-term Capital Improvement Program. Fairfield felt the economic downturn in the 4th quarter of 2009 with a reduction of \$2 million in income tax revenue. The State of Ohio followed with reductions and eliminations in funding to cities. With the reapportionment of income taxes in 2013, the General fund reserves were restored to pre-recession levels. The current reserve level, as set by Council, is 25% of the General fund operating budget for that year. For 2013, the General fund operating budget was \$24.2 million with a reserve level of \$6 million.

Planning for the City's long-term capital needs is important. The capital improvement program gives a good picture of the capital needs, the priority of those capital needs and how the City plans to fund the capital needs over the next 5 years.

A final indicator of the City's financial security is its bond rating, similar to an individual's credit score. The stronger or higher the rating; the less risk involved and the less cost to do business. Fairfield uses Moody's Investor Services, which rates on a letter/numeric scale: Aaa, Aa1, Aa2, Aa3, A1, A2, A3, Baa1, Baa2, Baa3, Ba1, Ba2, Ba3, B1, B2, B3, Caa, Ca1, Ca2, Ca3, and C. All ratings of Baa3 and above are

considered investment grade quality. Fairfield's rating was affirmed at Aa1 on March 3, 2014, demonstrating a strong, stable operation for generations to come.

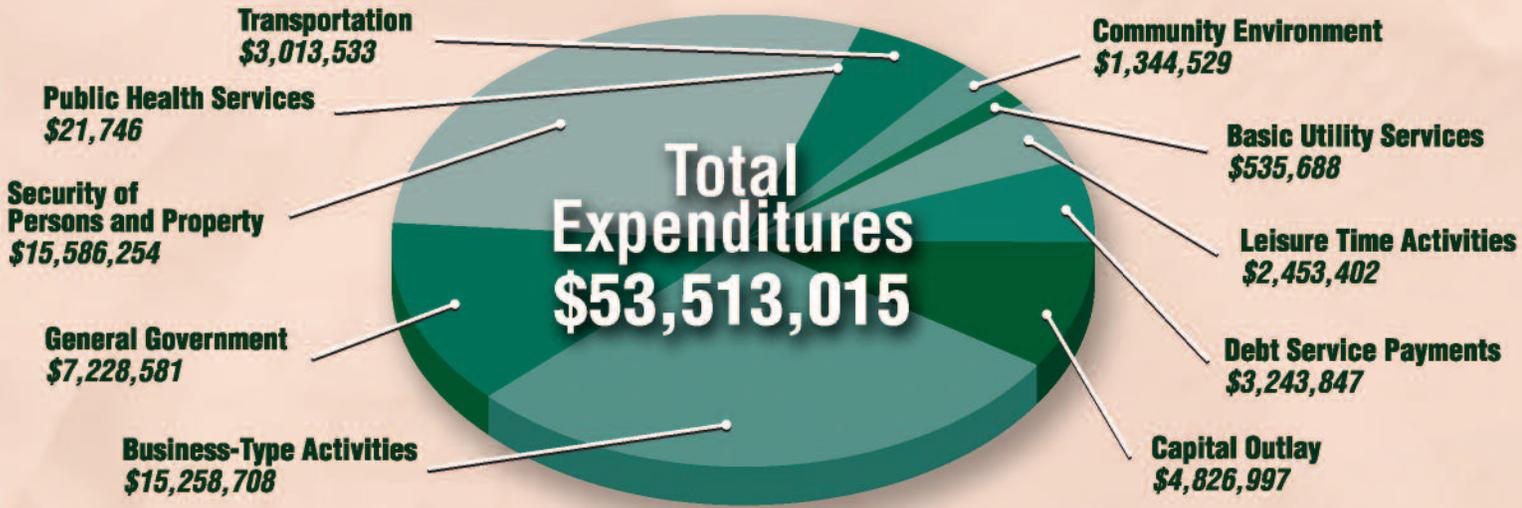
2013 Revenues



	2012	2013
Income Taxes	\$24,074,111	\$25,473,460
Property Taxes	5,361,269	5,367,975
Grants and Entitlements	8,406,346	6,489,282
Charges for Services	16,866,223	17,318,275
Fines, Licenses and Permits	2,057,334	1,961,943
Debt Proceeds	12,028	9,570
Interest Earnings	198,415	178,690
Contributions and Donations	590	100,000
Reimbursements	678,922	725,483
Other	544,401	452,507
Total Revenues	\$58,199,639	\$58,077,185

This overview of the City's financial operation for the fiscal year ended December 31, 2013, is presented on a cash basis and is not intended to be presented in conformance with Generally Accepted Accounting Principles (GAAP). The City's audited financial statements are generally completed six months after the end of the fiscal year, with an official audit report completed soon thereafter.

2013 Expenditures

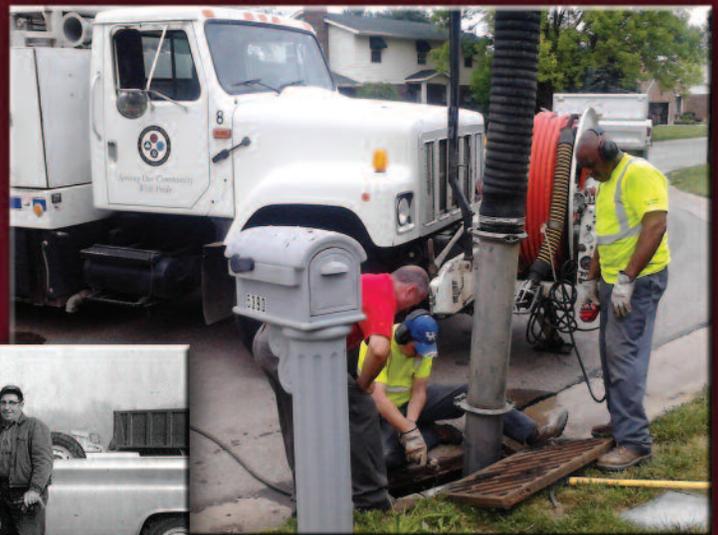


	2012	2013
<u>Government Activities</u>		
General Government	\$7,476,972	\$7,228,581
Security of Persons and Property	15,091,031	15,586,254
Public Health Services	21,784	21,746
Transportation	2,957,309	3,013,533
Community Environment	1,317,981	1,344,529
Basic Utility Services	504,295	535,688
Leisure Time Activities	2,361,740	2,453,402
Debt Service Payments	3,624,482	3,243,847
Capital Outlay	10,847,929	4,826,997
Total Government Activities	\$44,203,523	\$38,254,307
<u>Business-Type Activities</u>		
Water Utility	\$4,618,902	4,549,366
Sewer Utility	5,910,587	6,538,205
Solid Waste Utility	2,485,172	2,136,726
Recreation Facilities	1,986,723	2,034,411
Total Business-Type Activities	\$15,001,384	\$15,258,708
Total Expenditures	\$59,204,907	\$53,513,015
Excess of Revenues	\$ (1,005,268)	\$4,564,170
Over (Under) Expenditures		

Public Works

The jobs are often difficult and dirty, but it is all part of a day's work for the City's Public Works crews. If you haven't noticed their efforts, then they are doing their jobs well. That's the way it all should work. Roads get repaired; City vehicles are maintained; brush is collected; and snow gets plowed. Buildings with well maintained landscapes and neatly trimmed grass comprise the quiet proof that Public Works crews are serving residents well.

Stability is enhanced by each staff member's willingness to share knowledge and skills that will one day be passed down to new generations. After all, having the proper equipment to safely undertake a project is only part of the job. Knowing the most efficient way to undertake a task is equally important.



(Top photos and below) Public Works employees undertake a variety of jobs, often unnoticed by residents. That's the nature of what they do.

Completing all that work with 36 full-time personnel can be a challenge, but their average of 15 years of service each provides an efficiency that only experience can offer. One in four

workers in Public Works has 20 or more years of service. Seventy percent have 10 years of service or more. That's important. Crews know what needs to be done and they know how to do it. Often, it's backbreaking, thankless tasks, but Public Works gets the job done.



(Photos at left) These comparison photos show just one example of the improvements undertaken over the years by the Public Works Department. Both images are facing East at the intersection of Port Union and Seward Roads. In addition to roadway improvements, traffic signals are equipped with optical traffic detectors and sonic devices that give a green light to approaching emergency vehicles.

Public Utilities

A clean, reliable water supply is essential to any established community. In 1957, when Fairfield's water plant began service, the City marked its true self-sufficiency. Since then, operation of Fairfield's water and wastewater services have been funded solely by the rates charged to customers. Back then, water cost \$4.25 for 3,000 gallons. Today, that same amount of water costs \$8.91, an increase of less than a dime per year. Stability of service and price is extended to residents even with major expansions over the years. In fact, Fairfield has consistently been ranked in utility surveys as possessing some of the lowest water and sewer rates out of 63 water systems in the region.

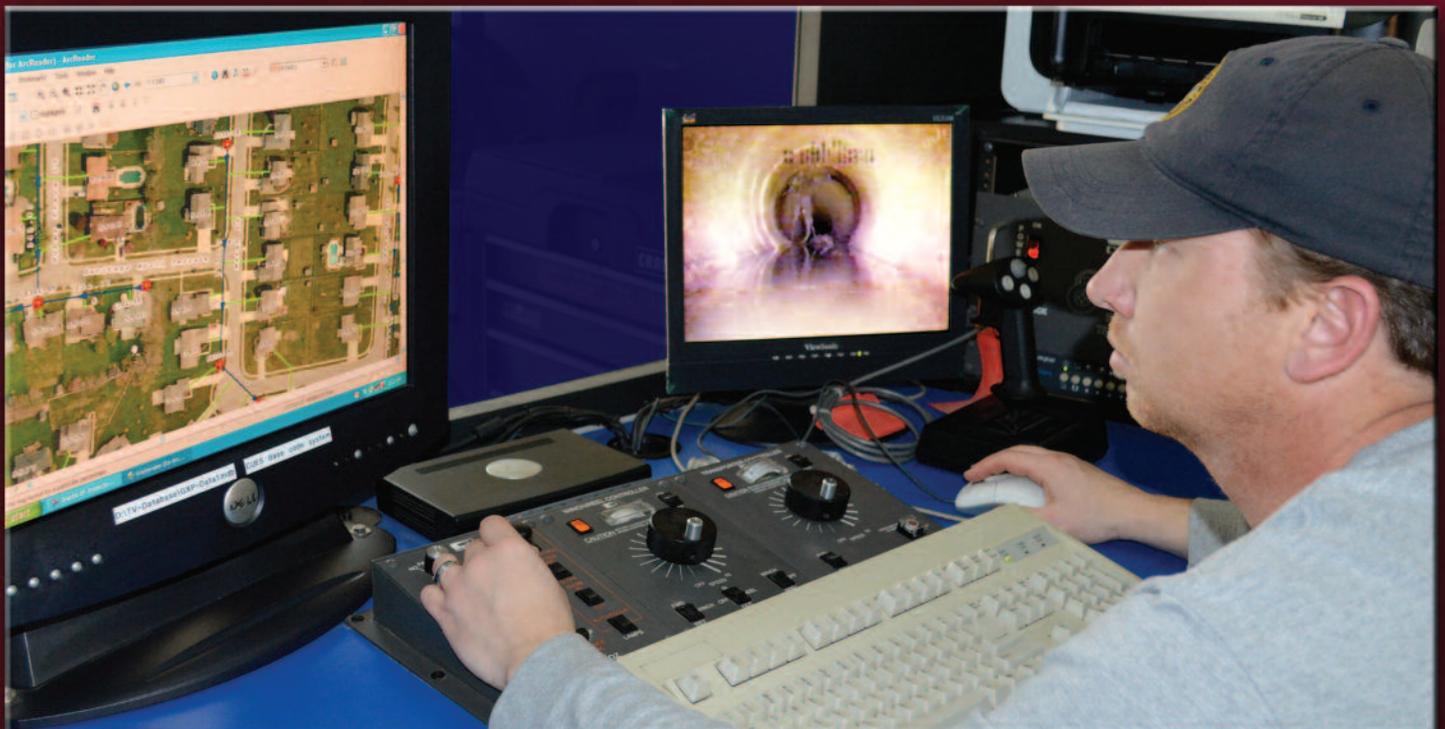
Reliability and economy of service have been possible not only through the prudent oversight of an involved City Council, but also through the investment in cutting-edge technology and cross-training of personnel. Today, fewer employees are required to operate water and wastewater services than were needed in the 1970s.

Continuity of personnel is also an important element in the stability of operations. In 1985, Fairfield's first Public Utilities Director, Thomas Schwing, hired a young, energetic employee who learned the operation well over the years. Today, that employee, David Crouch, is the current Public Utilities Director for the City, carrying forward the same philosophies and work ethics of his mentor. That's real stability through the generations.



(Above) A young Mayor Robert Wessel ceremoniously turns on a valve to start water flowing from the City's new water treatment plant on Groh Lane in 1957. Standing at left is Robert Swain, President of the Fairfield Residents Association.

(Below) Jason Turner reviews a recording of wastewater lines taken by a small portable camera. Crews regularly inspect lines to ensure they are clear of debris and are in good repair.



Parks & Recreation

Since the early days of Fairfield, the City has organized recreation programs. Through the generations, those programs have evolved with increasing participation and complexity. For example, back in the 1970s scores of swimmers met daily in the municipal pool at a quaint



The Pater and Baker families prepare for the Memorial Day parade. Shown are Lori Pater (upper left, clockwise), Tricia Baker, Andrew Baker, Abigail Baker and (center) Shelby Pater.

building known then as the Pleasant Run Recreation Center on John Gray Road. As the City grew, a new Aquatic Center was constructed, attracting more than 24,000 swimmers in 2013.

Summer concerts were originally held at a picnic shelter in Harbin Park. Musical events

are now offered in the amphitheater at Village Green, specially designed to accommodate thousands of concertgoers. Nearby is the City's state-of-the-art Community Arts Center, part of an array of recreation venues that includes 37 parks, two golf courses, a fishing lake and 11 miles of trails.

While many new programs are introduced annually, some



Participants of the BioWheels Cyclocross series at Harbin Park negotiate through mud as part of an elaborate course, much different than the events early days shown below.



Light Up Fairfield at Village Green (above) began as a simple gathering at the Municipal Building (right).



have been around for years. As children themselves, today's parents can remember humble holiday programs at the Municipal Building. Today, their children welcome the season at a dedicated festival encompassing a variety of events. Santa, however, still arrives aboard a shiny fire truck.

Similarly, in the 1980s, a group of cycling enthusiasts asked permission to hold a small mountain bike competition in Harbin Park. As mountain bike trails in Harbin Park grew in popularity, so did the racing series. Today, the BioWheels Cyclocross series attracts more than 600 amateur and professional riders. The event is listed in Velo-News as a premier international event.

Today's concerts on the Village Green attract thousands of residents. The tradition began at Harbin Park near the picnic shelters.



Municipal Court

Since Fairfield became a City in 1955, six judges have presided over Fairfield's Municipal Court. While the same firm, fair and equal justice has prevailed in the Court through the generations, much has changed in the way the Court conducts its operations.

The number of cases has increased dramatically since the early years, although a recent trend has seen a reduction of criminal cases on the Court's docket. Another major change for the Fairfield Municipal Court is how it adjudicates cases.

There was a time in the American justice system in which a court's duty was to determine guilt or innocence, then impose a fine and/or jail sentence. Societal changes and legislative mandates now place an added responsibility on the judicial system to protect the public, yet provide programs to intervene and help an offender, when possible.

While violent offenders face incarceration, non-violent defendants may receive a sentence that includes monitored house arrest, mandated participation in therapy/counseling programs, community service and/or probation.

In 2000, the Fairfield Municipal Court was the second in Ohio to establish a mental health court docket to address



Joyce Campbell
Judge

needs of non-violent defendants with mental illness. The Treatment Alternative Court has been applauded as an innovative approach to hold offenders accountable, but offer tools to overcome issues that impact them and their community.

Another treatment-based rehabilitative program addresses repeat offenders charged with OVI (Operating a Vehicle under the Influence). The program, named STAR (Sobriety, Treatment, Accountability and Recovery), addresses the root problems of defendants so they are less likely to become repeat offenders.

The Ohio Supreme Court has recently mandated that specialized dockets, such as the Treatment Alternative Court and the STAR program, receive certification. Both programs received initial certification during 2013, with final certification expected in 2014.

Another innovative program introduced by the Fairfield Municipal Court was to convene a session at Fairfield Senior High School so that students could observe first-hand how the justice system works. The unique concept to have actual cases adjudicated before a live audience of students was among the first — if not the first — in Ohio. Introduced by Judge Keith Spaeth, Judge Campbell has held a session of her court annually at the high school since taking over the bench in 1999.



Through generations, firm and fair justice has been a foundation of American society. During 2013, the Fairfield Municipal Court heard 8,334 cases ranging from traffic and civil matters to criminal cases.

Fire & Rescue Services

There is comfort in knowing that help is on the way within seconds of calling 9-1-1. On average, well equipped and highly trained emergency crews are on the scene of a call in less than six minutes.

In the early years of the City, volunteer responders answered calls summoned by a wailing outdoor siren calling them into service at the lone firehouse on Pleasant Avenue. Over the years, additional fire stations were constructed and Fairfield hired full-time career personnel, augmented by part-timers as needed. Not only does the staffing provide important preparedness to residents and businesses, but also it has enabled the City to address increasing volumes within today's highly demanding economic times.

As the Fairfield Fire Department continued to grow in sophistication, its full-time personnel became certified as both firefighters and paramedics. State-of-the-art equipment provides personnel with strategically located tools to respond to emergencies.

Personnel are among the best trained in the nation, many earning special certifications and participating in elite response teams such as the Greater Cincinnati Hazardous Materials Unit, Butler County Technical Rescue Team and the Hamilton-Fairfield SWAT Unit.

Even training has been organized so that personnel can maintain certifications or earn special certifications without ever leaving the City. Personnel can remain

When the City of Fairfield incorporated out of the Township in 1955, some of the fire equipment was designated to the City's newly formed Fire Department. As shown in the top photo at right, the Township designation was overpainted and stenciled with the "CITY" designation. In the early 1970s, squad runs were made in Cadillac life squad units, as seen in the middle photo. Below, the Fire Department displays a new fire engine in 2000, which still is in service.



in-service and ready to respond while they maintain certifications through respected on-line resources or gain life-saving skills in intense, hands-on training at the City's instructional facility on Groh Lane.



Before Fairfield Firefighters attack a working fire, as shown in the photo at near left, they sharpen their skills during hours of training at the City's instructional facility on Groh Lane (far left).

Police Services

Nothing is more important to families and businesses than knowing the community is safe and secure. Overall crime has declined in Fairfield since 2002. Last year alone, reportable crime dropped from 1,496 cases to 1,228. That's a 36 percent decline since 2002. Not only are officers committed to efficient service, they are supported by some of the same cutting-edge technology depicted in television crime dramas.

Technology has enabled officers to communicate as never before. Mobile Data Terminals place vast resources at their fingertips while in the field. At the touch of their hand, they can select from 512 "talkgroups" linking them to almost any entity in a five county region. That interconnectivity is important as cooperation among law enforcement entities show dramatic results in the fight against crime. Recently, an investigation by agents in Norway led to a local arrest in Fairfield.

Technology has also advanced DNA detection to the point where a simple touch by a criminal can leave a trace of evidence that can lead to an arrest. While much has changed over the years to aid officers, their dedication and resolve to protect Fairfield has remained steadfast through the generations.

Traditions run deep in the Fairfield Police Department. At right, an honor guard leads a 1976 parade. That spirit continued in the 2013 Memorial Day parade (below). Then and now, members practice and prepare on their own time.



Former Police Chief Thomas Marsh, who later served as Mayor, talks with Dispatcher Sue Graft in 1976. Back then, police communications were basic. Today's state-of-the-art communications center enables officers to connect with departments in a five county area. Above, Kayla Cooley (left) and Kim Wiesman staff one of three dispatch stations.



City of Fairfield
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