



Dave Yost • Auditor of State



CITY OF KENT  
PORTAGE COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	1

**This page intentionally left blank.**



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Kent  
Portage County  
930 Overholt Road  
Kent, Ohio 44240

To the Members of Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Kent, Portage County, (the City) as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 25, 2016, wherein we noted the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, and restated fund balances and governmental net position as of December 31, 2014 to correct a misstatement.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

July 25, 2016



2  
0  
1  
5



# City of Kent Ohio

**Comprehensive Annual Financial Report  
For the year ended  
December 31, 2015**

**This page is intentionally left blank**



# **CITY OF KENT, OHIO**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2015**

Issued by The Department of Budget and Finance

DAVID A. COFFEE  
Director of Budget and Finance

**This page is intentionally left blank**

# **INTRODUCTORY SECTION**



**City of Kent, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2015*  
*Table of Contents*

**Page**

**I. Introductory Section**

Table of Contents.....	i
Letter of Transmittal .....	vi
Certificate of Achievement for Excellence in Financial Reporting.....	xii
Elected Officials - 2015 .....	xiii
Appointed Officials - 2015 .....	xiv
Organizational Chart.....	xv

**II. Financial Section**

Independent Auditor’s Report .....	1
Management’s Discussion and Analysis .....	5
Basic Financial Statements	
Government Financial Statements:	
Statement of Net Position.....	23
Statement of Activities .....	24
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	26
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	28
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – General Fund .....	30
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – Income Tax Safety Fund .....	31
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – Fire and Emergency Medical Services Fund .....	32
Statement of Net Position – Proprietary Funds .....	33

**City of Kent, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2015*  
*Table of Contents*

	<b>Page</b>
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds.....	34
Statement of Cash Flows – Proprietary Funds .....	35
Statement of Fiduciary Assets and Liabilities – Agency Escrow Fund .....	37
Notes to the Basic Financial Statements.....	39
Required Supplementary Information:	
Schedule of the City’s Proportionate Share of the Net Pension Liability .....	83
Schedule of City Contributions .....	85
Combining Statements and Individual Fund Schedules:	
Combining Statements – Nonmajor Governmental Funds:	
Fund Descriptions.....	88
Combining Balance Sheet – Nonmajor Governmental Funds.....	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	93
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	98
Combining Statements – Fiduciary Funds:	
Fund Descriptions.....	101
Combining Statement of Changes in Assets and Liabilities – Agency Escrow Fund.....	102
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual:	
Major Funds:	
General Fund.....	104

**City of Kent, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2015*  
*Table of Contents*

	<b>Page</b>
Income Tax Safety Fund.....	109
Fire and Emergency Medical Services Fund.....	110
Capital Projects Fund .....	111
Muni PI Tax Increment Equivalent Fund.....	112
Police Facilities Fund.....	113
Water Fund.....	114
Sewer Fund.....	115
Storm Water Drainage Fund.....	118
 Nonmajor Funds:	
West Side Fire Fund.....	119
Street Construction, Maintenance and Repair Fund.....	120
State Highway Fund .....	121
Park and Recreation Fund.....	122
Food Service Fund.....	123
Income Tax Fund.....	124
Revolving Housing Fund.....	125
State and Local Forfeits Fund.....	126
Drug Law Enforcement Fund.....	127
Enforcement and Education Fund .....	128
Law Enforcement Trust Fund.....	129
Community Development Block Grant Fund.....	130

**City of Kent, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2015*  
*Table of Contents*

	<b>Page</b>
Neighborhood Stabilization Fund.....	131
Wireless 911 Fund.....	132
Swimming Pool Inspections Fund.....	133
Police Pension Fund.....	134
Fire Pension Fund.....	135
Urban Development Action Grant Fund.....	136
Debt Service Fund.....	137
Solid Waste Fund.....	138

**III. Statistical Section**

Statistical Section Description and Table of Contents.....	S1
Net Position by Component – Last Ten Years.....	S2
Changes in Net Position – Last Ten Years.....	S3
Governmental Activities Tax Revenues by Source – Last Ten Years.....	S5
Fund Balances, Governmental Funds - Last Ten Years.....	S6
Changes in Fund Balances, Governmental Funds – Last Ten Years.....	S7
Governmental Funds’ Tax Revenues by Source – Last Ten Years.....	S9
Income Tax Revenue Base and Collections – Last Ten Years.....	S10
Top Ten Income Tax Withholders – Current and Nine Years Ago.....	S11
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years.....	S12
Assessed Valuations and Estimated Actual Values of Taxable Property – Last Ten Years.....	S14
Property Tax Levies and Collections – Last Ten Years.....	S16



**City of Kent, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2015*  
*Table of Contents*

---

	<b>Page</b>
Principal Taxpayers – Real Estate Tax – 2015 and 2006.....	S17
Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita - Last Ten Years.....	S18
Ratio of General Obligation Bonded Debt to Assessed Value and Bonded Debt Per Capita - Last Ten Years .....	S19
Legal Debt Margin - Last Ten Years .....	S20
Computation of Direct and Overlapping General Obligation Bonded Debt .....	S21
Demographic and Economic Statistics – Last Ten Years .....	S22
Principal Employers – Current and Nine Years Ago.....	S23
City Government Employees by Function/Program - Last Ten Years .....	S24
Capital Assets Statistics by Function/Program – Last Ten Years.....	S28
Operating Indicators by Function/Program - Last Ten Years.....	S29



# CITY OF KENT, OHIO

Office of the City Manager

July 25, 2016

Members of City Council,  
City Manager, and  
Citizens of Kent, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Kent (the City) for the fiscal year ended December 31, 2015, is herein submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. Management of the City is responsible for establishing and maintaining an internal control structure that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Kent's financial statements in conformity with generally accepted accounting principles (GAAP). The concept of reasonable assurance recognizes that the cost of the internal control structure should not exceed the benefits likely to be derived and that the evaluation of cost and benefits requires estimates and judgments by management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. Disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Auditor of State of Ohio requires periodic change from the use of independent auditing firms when they have been engaged for a number of consecutive years, to ensure integrity and fresh execution of an auditee's annual audit. Consequently, the financial records, books of accounts and transactions of the City of Kent, Ohio, for the year ended December 31, 2015, have been audited by the Auditor of State of Ohio's Office. The Auditor of State's unmodified opinion has been included in this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal is designed as a supplement to the MD&A and should be read in conjunction with it. The City of Kent's MD&A can be found immediately following the Auditor's report.

## **PROFILE OF THE GOVERNMENT**

The City of Kent, Ohio, is located in Portage County, approximately fifteen miles northeast of the City of Akron and six miles west of the City of Ravenna, the county seat. The City is the largest of four cities in this industrial and agricultural county. It is principally noted as the home of Kent State University, which had a 2015 undergraduate enrollment of 28,981 students at the main campus in Kent and 41,005 students region-wide. The City covers an area of approximately 9.29 square miles. The City's 2010 population of 28,904 reflects a 3.6 percent growth as compared to the 2000 population of 27,906. Also of note in the 2010 census is the City of Kent's neighboring township to the south, Brimfield Township, which posted a 30 percent increase from the 2000 to 2010 census that has at least in part been related to the expansions and projects evidenced in the City of Kent and the continued growth of Kent State University.

The City of Kent is a full-service city and was incorporated in 1867. The City operates under and is governed by its charter, which was first adopted in 1963 and which has been amended by the voters from time to time. In addition, under the Ohio constitution, the City may exercise all powers of local self-government to the extent it is not in conflict with applicable general laws. The charter provides for a Council-Manager form of government and legislative authority is vested in a nine-member Council. In addition, a mayor is elected by the voters and serves as President of Council in a ceremonial capacity. All of these officials are elected for four-year terms. The Mayor and three Council members are elected on an at-large basis. The six remaining Council members are elected from their respective wards within the City. City Council appoints members to City boards and commissions. The City's chief executive and administrative officer is the City Manager who is appointed by a majority vote of Council.

The City provides a full range of municipal services. These services include police, fire, emergency medical assistance, public health care, recreation programs (including parks), transportation programs, water production, sanitary and storm sewers, recycling, planning and zoning, and general administration.

The City maintains its legal level of budgetary control at the department level, separated into the categories of Personnel and Benefits, Other than Personnel and Benefits, Capital, Reserve/Debt Service, and Contingency. The Director of Budget and Finance is authorized to allocate appropriations for function and object levels within the same department and category as explained above without prior Council approval, as long as the total appropriation for each department and category does not exceed that of the Council-approved appropriation. Budgetary control is maintained at the division level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders which result in an overrun of division balances are not processed until additional appropriations are made available through transfer from other accounts either by ordinance of City Council or administrative transfer. Open encumbrances are reported as reservations of fund balance at year end.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific economic environment within which the City of Kent operates.

### **Local Economy**

The economic recovery that began in 2011 stayed on pace in 2015, with business activity and new investment continuing to show modest gains following years of record highs. For the years 1999 thru 2010 commercial construction investment in Kent averaged \$6.5 million a year. From 2011 thru 2012 commercial investment jumped to an average of \$55 million a year; an increase of 745 percent. The mix of new public and private investment has kept construction investment levels 2-3 times greater than the previous 20 year average.

The recent commercial construction has translated into new jobs and economic growth which has enabled the City to re-build reserve balances to near pre-recessionary levels and slowly increase investments in areas of critical needs, like street paving, that have been under-funded due to revenue limitations. Despite improving fiscal conditions, the City of Kent has continued to maintain a conservative fiscal strategy in order to maximize resource impact and support City services without adding new or increased taxes or fees. Economic growth did allow for small salary increases (2 and 3 percent) in 2014 and 2015 following a couple of years with zero or negligible increases.

The City's commitment to aggressive cost cutting over the last 10 years, matched with the revenue stabilization provided by Kent State University, has allowed the City to make impactful strategic investments of reserve funds to grow the City's tax base. Those gains have enabled the City to hold the line on the City budget while honoring funding commitments to community priorities, absorb the loss of \$900,000 in State funding, and emerge from the economic recession in a comparatively strong financial basis heading into 2016.

For year-end 2015, overall City income tax collections were up 11.39 percent (\$1,492,655) from 2014, and Kent State University's collections in 2015 were up 2.9 percent (\$138,780). While Kent State University remains the City's largest employer, job growth occurring in the private sector resulted in Kent State University's income tax contributions dropping from 36.4 percent in 2014 to 33.6 percent of total municipal income tax revenues in 2015. The City's financial condition is still heavily influenced by the University's buffering effect on the City's tax base from the more volatile highs and lows of private business cycles -- but the continued private sector job growth is a welcomed and notable diversification.

In 2015, Kent State University set a new all-time high enrollment record, adding 524 students to the previous hundred year enrollment record set in 2014. In 2015 Kent State University matched the highest retention rate in the history of the University at 81.2%. The Kent campus also welcomed the second largest freshman class in its history – 4,295 new students. For the first time, International student enrollment surpassed 3,000 students, a 384 increase since 2008, with 111 countries represented at Kent State.

With near record levels across the board at Kent State, the University reported solid financial earnings in 2015 which they are leveraging with the funds raised in the \$265 million Centennial Capital campaign to finance critical campus improvement projects.

With 4 of successive years of income tax growth, the City appears to have recovered from the recession and settled into a sustainable pace of economic growth. Construction activity continues to supplement income tax growth but a good portion of that growth appears is attributable to an expanding economic base. All business sectors in Kent appear to be improving, with diversification of the economic base (new businesses) driving the majority of the economic growth as the top 10 income tax generators remain comparatively stable in their tax contributions.

This diversification of income tax revenues is a long term financial goal and the job creation resulting from the early phases of the downtown redevelopment have pushed the City's 2015 income tax receipts to their highest recorded level. Total income tax receipts for the City in 2015 (not including the Franklin and Brimfield JEDD agreements explained below) exceeded the prior year by 11.4 percent or \$1,679,216.

### **Investments in Kent**

In 2015, Kent State University continued the largest capital re-investment program in the history of the University, initiating major renovations at Korb Hall, Lake and Olson Halls, MAC Center, Cunningham Hall, Smith All, Williams Hall and the Integrated Science Building. The University finished construction on the new Institutional Advancement Building and was underway with construction on the \$48 million new College of Architecture building. These investments have transformed the campus and the campus community connection, generating significant construction related jobs and tax revenues.

Elsewhere in Kent the construction values were on the rise in 2015. Single family residential construction continued to show signs of recovery with the new phases of single family homes selling well at the Lakes of Franklin Mills, and the new second phase of the senior housing at Maplebrook II fully leased up. Kent's older shopping plazas continued to generate new investment, leading to the opening of two new Asian markets, Asian restaurants, a new O'Reilly's retail store, and the expansion of the Portage Community Bank.

The City and University completed a joint community housing assessment and despite the construction of 4,000 new student rental beds in 2012, student housing units were still running at 80 to 90 percent occupancy in 2015 which led to the construction of a new \$18 million housing project on the site of the former City Administration buildings and a proposal for 3 new prospective apartment complexes.

The commercial construction market rebound that began in 2009 continued in 2015, energizing Kent's economy. Commercial and residential construction permits remained two times greater than the average for the previous 20 years and residential construction investments matched their highest levels in 20 years.

On the public side, the City continued to aggressively pursue Federal, State and Regional grant funds for infrastructure improvement projects. As a result, the City continued to reinvest in City bridges, streets and sidewalks at near record levels. The City allocated extra funding (\$625,000) towards street repairs which when combined with grant funds raised the total street repair budget to double the typical budget allocation.

In 2015 the City of Kent and City of Stow completed the construction of the final phase of the Area Q Stormwater Project. The City and Kent State University began construction of the \$18 million Summit Street Transportation Project. City engineering work continued on the \$3 million SR 43 Signal Upgrade project and the new \$18 million City Police Building. Over the last 5 years the City was awarded (or was a partner in grant awards) amounting to over \$50 million in stimulus/grant funds, which has enabled the City to leverage grant funds to City funds at better than a 4:1 ratio.

Investment was not limited to new construction in 2015; it also included the continued scheduled demolition of 2 blighted properties that if possible will be replaced with new residential and commercial properties. For the residential properties, the City accessed Federal grant funds to remove condemned structures and replace them with affordable housing to help stabilize distressed City neighborhoods.

### **Major Initiatives**

The new Marc's Grocery store opened in Kent in 2014 and the popularity of that store has produced a welcomed anchor tenant, attracting other new businesses to open up in formerly vacant storefronts in adjoining properties. The University Plaza has experienced some routine retail turnover but new investments in the movie theater, Planet Fitness, and the Asian markets has kept occupancy rates high. The expansion of the car dealerships, and the quarter-million dollar reinvestment in the Royal Cleaners on West Main Street, provides evidence of investment in a corridor that has been targeted for redevelopment. Construction was completed on the PARTA ground-floor retail spaces and 4 new tenants opened for business in 2015. The Acorn Corner old hotel restoration, Acorn alley and Phases I, II, and III of the Phoenix Project continues to offer an eclectic mix of small local retail, restaurants, office space and living space.

Construction began on the final parcel (Parcel D) in the City's College Town Kent's mixed use redevelopment project that includes 56,000 square feet of new retail and restaurant space, a 95 room hotel, a 15,000 square foot conference center, 75,000 square feet of office space, and 32 residential units strategically located at the edge of central business district and the expanded edge of the University campus in downtown Kent. When complete in 2016, Parcel D will include 50 additional rental housing units and 3 ground floor restaurant tenants. The financial performance of the Hotel Conference Center is on-schedule with stabilized room night figures and Conference Center bookings that are out-performing projections.

In 2012, the downtown Kent redevelopment project won the State of Ohio Economic Development Project of the Year award and downtown Kent was featured in the New York Times and the Wall Street Journal. In 2013, the downtown project was recognized by the International Town Gown Association, the International City Manager's Association, the Ohio City Manager's Association, Sales and Marketing Executives International, and the International Economic Development Council for outstanding collaboration in economic development. In 2014, the City was awarded recognition from Heritage Ohio and the International City Manager's Association for the downtown projects. In 2015 the City was awarded the "Catalytic Partnership Award" in cooperation with Kent State University.

The City continued to work with Franklin and Brimfield townships in 2015 to recruit new businesses and expand business development opportunities within the JEDD boundaries. As a result of these partnerships, the City received \$512,376 (on a cash basis) as its combined share of JEDD income taxes in 2015. The City also agreed in principle to a new Kent-Rootstown JEDD which is estimated to generate \$100,000 a year in new City revenues when that JEDD goes into effect in 2016-2017.

As part of the City's neighborhood enrichment initiatives, Kent State University continued to partner with the City to improve communication and neighbor relations in rental neighborhoods around the University. The City continued to expand the regulatory tools available for stabilizing rental neighborhoods including redefining guest occupancy definitions, updating sections of the City's zoning code, and adopting a new rental unit registration program. In 2015, the City and University completed a joint community wide housing assessment which will be used to develop new strategies for neighborhood recovery and success.

### **Long-term Financial Planning**

During 2015, the City continued to update and implement the five-year capital improvement program that ensures the City's ability to meet the infrastructure needs of the community in future years.

In 2015, City Council renewed their approval of the multi-year utility rate stabilization plan to ensure adequate long term funding for critical infrastructure investment needs while remaining sensitive to the ability of customers to pay for those needs. In addition, City Council continued the use of a fund balance policy and fiscal health index to track key financial indicators and to prepare contingency plans for a range of future revenue scenarios.

### **Cash Management Policies and Practices**

In 2011, the Kent City Council approved and adopted a formal Investment Policy that revised and expanded criteria for management of the City's pooled investment portfolio while preserving safeguards that ensure prudent risk management. The revised policy permits greater flexibility in investment alternatives to maximize portfolio performance without compromising the security of funds.

The City's investment policy is to manage and invest the public's funds with regard to the following criteria: Safety of principal is the foremost objective for the City. All investments are executed in a manner that seeks to ensure preservation of capital in the overall portfolio. Liquidity is the second objective, and the City's investment portfolio maturities are structured in such a manner so as to meet all of its cash operating requirements that can be reasonably anticipated. Finally, the City's investment portfolio is managed so as to achieve a competitive yield that is compatible with the risk and cash flow requirements of the portfolio.

The Director of Budget and Finance is authorized by this policy to invest interim and active monies not in excess of \$10 million with any one eligible financial institution designated as a public depository at any one time in select instruments as defined and authorized by the Ohio Revised Code, Chapter 135. The institutions are required by state statute to maintain a collateral pool of assets whose carrying value exceeds their total public deposits by at least five percent. All investment activity, including operational practices and compliance with the policies and procedures defined in the Investment Policy are overseen by the City's Treasury Investment Board. The Treasury Investment Board is comprised of the City Manager, the Director of Budget and Finance and the Director of Law. The total investment portfolio interest earned during 2015 was \$302,984.

### **Risk Management**

The City has established a formal self-insurance program for liabilities arising from employee health and life benefits. This plan utilizes the services of a third-party administrator, with the City maintaining a self-insured retention overload with conventional excess coverage. The City has recognized savings as a result of this program.

### **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Kent received this honor for its Comprehensive Annual Financial Report for 2014. This was the twenty-eighth consecutive year that the government has received this prestigious award. A Certificate of Achievement is valid for a period of only one year. The City believes this report conforms to the Certificate of Achievement program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

Special recognition for the contributions to this report is made to the Department of Budget and Finance staff for their many hours of dedicated effort. Finally, a special acknowledgment is given to the City Council and City Department Heads for their continuing support and commitment to responsible fiscal reporting.

Respectfully submitted,



Dave Ruller  
City Manager



David Coffee  
Director of Budget and Finance



Government Finance Officers Association

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

Presented to

**City of Kent  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO



**CITY OF KENT, OHIO**  
**ELECTED OFFICIALS - 2015**

MAYOR/COUNCIL PRESIDENT	Jerry T. Fiala
COUNCIL MEMBER AT LARGE	Michael A. DeLeone
COUNCIL MEMBER AT LARGE	Melissa M. Long
COUNCIL MEMBER AT LARGE	Roger B. Sidoti

**CITY COUNCIL MEMBERS BY WARDS:**

WARD 1	Garret M. Ferrara
WARD 2	Jack Amrhein
WARD 3	Wayne A. Wilson
WARD 4	John M. Kuhar
WARD 5	Heidi L. Shaffer
WARD 6	Tracy Wallach

**CITY OF KENT, OHIO**  
**APPOINTED OFFICIALS - 2015**

**OFFICE OF CITY MANAGER**

City Manager

David A. Ruller

**OFFICE OF COUNCIL**

Clerk of Council

Linda M. Jordan

**DEPARTMENT OF LAW**

Law Director

James R. Silver

**DEPARTMENT OF PUBLIC SERVICES**

Service Director

City Engineer

Water Plant Supervisor

Sewer Plant Supervisor

Utilities Manager

Facilities Manager

Eugene K. Roberts

James S. Bowling

Steve D. Hardesty, Sr.

Bill Schesventer

John Osborne

Gerald G. Shanley

**DEPARTMENT OF BUDGET AND FINANCE**

Director of Budget and Finance

Controller

David A. Coffee

Brian L. Huff

**DEPARTMENT OF PUBLIC SAFETY**

Safety Director

Fire Chief

Police Chief

Position is currently vacant

John Tosko

Michelle A. Lee

**DEPARTMENT OF COMMUNITY DEVELOPMENT**

Community Development Director

Economic Development Director

Bridget Susel

Tom Wilke

**DEPARTMENT OF HEALTH**

Health Commissioner

Jeffrey S. Neistadt

**DEPARTMENT OF PARKS AND RECREATION**

Director of Parks and Recreation

Parks Supervisor

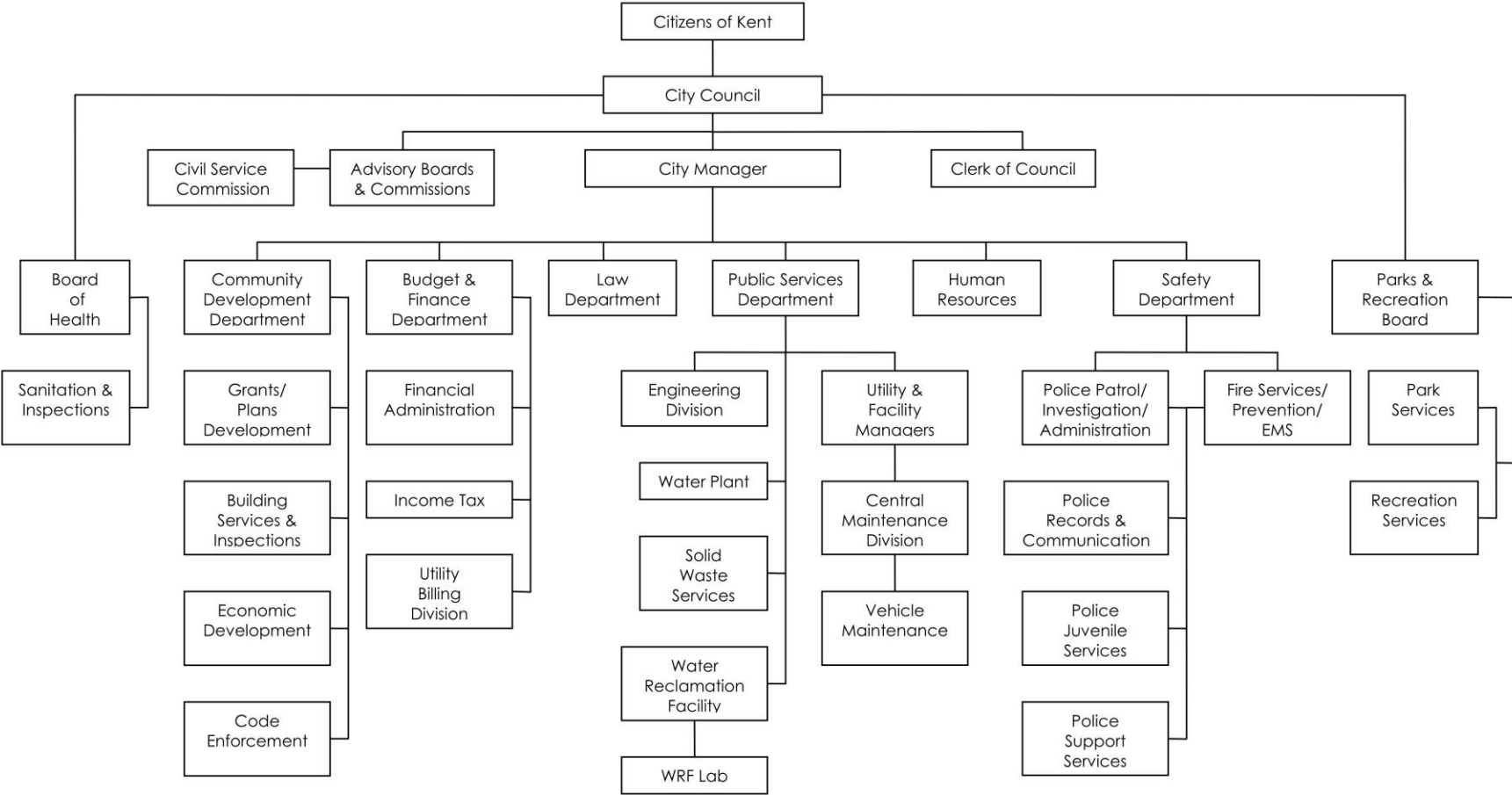
Recreation Supervisor

John J. Idone

Charles S. Tuttle

Nancy R. Rice

# City of Kent, Ohio Organizational Chart





# FINANCIAL SECTION





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Kent  
Portage County  
930 Overholt Road  
Kent, Ohio 44240

To the Members of Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Kent, Portage County, Ohio (the City), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kent, Portage County, Ohio, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Income Tax Safety Fund and the Fire and Emergency Medical Services Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Emphasis of Matters**

As discussed in Note 3 to the financial statements, during the year ended December 31, 2015, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Also, as discussed in Note 3 to the financial statements, certain fund balances and governmental net position as of December 31, 2014 were restated to correct a misstatement. We did not modify our opinion regarding these matters.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

### **Supplementary and Other Information**

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 25, 2016, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

July 25, 2016

**This page is intentionally left blank**

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

The discussion and analysis of the City of Kent's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2015. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

### **Financial Highlights**

Key financial highlights for 2015 are:

- Total assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$123,821,644 (*net position*). Of this amount, \$475,375 (*unrestricted net position*) may be used to meet the government's ongoing obligations to its citizens and creditors.
- Total net position increased by \$15,935,116 over 2014. Of this amount, governmental activities increased by \$15,763,216 and business-type activities increased by \$171,900.
- Total capital assets increased by \$12,765,494 or 12.11 percent as compared to 2014. This increase reflects the increase of \$12,891,079 attributable to Governmental capital assets offset by the decrease of \$125,585 to business-type capital assets.
- Total current and other assets increased \$6,858,908 or 14.07 percent as compared to 2014. This increase reflects the increase of \$6,702,069 attributable to governmental activities and an increase of \$156,839 attributable to business-type activities.
- Total liabilities and deferred inflows of resources increased \$4,417,922 or 9.07 percent as compared to 2014. This increase is comprised of an increase in the governmental activities' liabilities and deferred inflows resources of \$4,373,303 and an increase in the liabilities and deferred inflows of resources of the business-type activities of \$44,619.

### **Overview of the Financial Statements**

This discussion and analysis will serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector businesses. The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include security of persons and property, public health and welfare, leisure time activities, community development, transportation and general government. The business-type activities include the provision of water, sewer, solid waste and storm water drainage services.

The government-wide financial statements can be found starting on page 23 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds' financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Income Tax Safety Fund, the Fire and Emergency Medical Services Fund, the Capital Projects Fund, and the Muni PI Tax Increment Equivalent Fund and the Police Facilities Fund, all of which are considered to be major funds. Data from the other nineteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for each of its funds. A budgetary comparison statement/schedule (non-GAAP basis) has been provided for each governmental and enterprise fund to demonstrate budgetary compliance.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

The basic governmental fund financial statements can be found starting on page 26 of this report.

**Proprietary funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, solid waste and storm water drainage operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains such a fund for its self-insurance of health related employee benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund, the Sewer Fund, and the Storm Water Drainage Fund, all of which are considered to be major funds. The Solid Waste Fund is the City's only nonmajor proprietary fund and is presented separately in the proprietary fund financial statements. The Internal Service Fund is also presented on the proprietary fund financial statements. The basic proprietary fund financial statements can be found starting on page 33 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of these funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on page 37 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 38 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual budgetary comparisons for all nonmajor funds and enterprise funds. This information can be found starting on page 87 of this report.

### **Government-wide Financial Analysis**

**Statement of Net Position and the Statement of Activities.** While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and measures how the City did financially during fiscal year 2015. The *Statement of Net Position* and the *Statement of Activities* include assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into consideration all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and changes in that net position. The changes in the financial position statement are important because it tells whether, for the City as a whole, the financial position has improved or diminished.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City's capital assets will also need to be evaluated.

The *Statement of Net Position* and the *Statement of Activities* are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)
- Program Expenses and Revenues
- General Revenues
- Net Position Beginning of Year and at Year's End

**The City of Kent as a Whole**

Table 1 provides a summary of the City's net position for 2015 compared to 2014.

**Table 1**  
**Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014*	2015	2014*	2015	2014*
<b>Assets</b>						
Current and Other Assets	\$47,269,590	\$40,967,521	\$8,323,284	\$8,166,445	\$55,592,874	\$49,133,966
Net Pension Asset	2,699	736	2,166	590	4,865	1,326
Capital Assets, Net	64,622,714	51,731,635	53,533,343	53,658,928	118,156,057	105,390,563
<i>Total Assets</i>	<u>111,895,003</u>	<u>92,699,892</u>	<u>61,858,793</u>	<u>61,825,963</u>	<u>173,753,796</u>	<u>154,525,855</u>
Deferred Outflows of Resources						
Pension	2,635,438	1,694,030	571,186	387,497	3,206,624	2,081,527
<b>Liabilities</b>						
Current and Other Liabilities	4,659,098	6,049,905	1,323,132	1,260,798	5,982,230	7,310,703
Long-Term Liabilities:						
Due Within One Year	1,495,513	1,283,023	528,339	498,009	2,023,852	1,781,032
Due In More Than One Year:						
Net Pension Liability	18,861,480	17,878,728	3,145,973	3,074,916	22,007,453	20,953,644
Other Amounts	16,804,912	12,289,836	2,874,243	3,049,275	19,679,155	15,339,111
<i>Total Liabilities</i>	<u>41,821,003</u>	<u>37,501,492</u>	<u>7,871,687</u>	<u>7,882,998</u>	<u>49,692,690</u>	<u>45,384,490</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes and PILOTs	3,320,375	3,336,364	0	0	3,320,375	3,336,364
Pension	69,781	0	55,930	0	125,711	0
<i>Deferred Inflows of Resources</i>	<u>3,390,156</u>	<u>3,336,364</u>	<u>55,930</u>	<u>0</u>	<u>3,446,086</u>	<u>3,336,364</u>
<b>Net Position</b>						
Net Investment in Capital Assets	55,391,747	39,922,677	49,925,407	49,833,675	105,317,154	89,756,352
Restricted	18,029,115	17,879,819	0	0	18,029,115	17,879,819
Unrestricted	(4,101,580)	(4,246,430)	4,576,955	4,496,787	475,375	250,357
<i>Total Net Position</i>	<u>\$69,319,282</u>	<u>\$53,556,066</u>	<u>\$54,502,362</u>	<u>\$54,330,462</u>	<u>\$123,821,644</u>	<u>\$107,886,528</u>

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date – An amendment of GASB Statement No. 68" which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
- 2 Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

In accordance with GASB 68, the City's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, see Note 3 for information.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City, total assets exceed total liabilities and deferred inflows of resources by \$123,821,644 at the close of the most recent year.

The largest portion of the City's net position (85.06 percent) reflects its investment in capital assets (e.g., land, buildings and improvements, infrastructure, equipment and vehicles); less any related outstanding debt and deferred outflows/inflows of resources issued to acquire those assets. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional component of the City's net position (\$18,029,115 or 14.56 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$475,375 or .38 percent) may be used to meet the government's ongoing obligations to its citizens and creditors.

Total assets and deferred outflows of resources increased by \$20,353,038 from 2014 to 2015. Capital assets increased as a result of various development projects.

Total liabilities and deferred inflows of resources experienced an increase of \$4,417,922, which corresponds to an increase of \$4,373,303 in governmental activities and an increase of \$44,619 in the business-type funds. This increase is mainly attributed to the City's issuance of general obligation bonds for the Safety Center Construction project.

At the end of the current year, the City is able to report positive net position balances and both for the government as a whole, as well as for the governmental and business-type activities shown in Table 1, with the exception of the governmental activities unrestricted balance. This negative balance is due to the implementation of GASB 68.

The total net position of the City increased \$15,935,116 from 2014 to 2015. The primary reason for this overall change is that the City had another year where, on a full accrual accounting basis, current year total revenues exceeded total expenses due in part to capitalized expenses for capital assets.



**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

In order to further understand what makes up the changes in net position for the current year, the following table gives readers additional details regarding the results of activities for the current and prior years.

**Table 2**  
**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$3,188,993	\$2,747,325	\$8,775,497	\$7,961,886	\$11,964,490	\$10,709,211
Operating Grants and Contributions	970,290	1,753,720	0	0	970,290	1,753,720
Capital Grants and Contributions	12,599,280	1,027,237	653,909	253,931	13,253,189	1,281,168
General Revenues:						
Municipal Income Taxes	16,687,329	15,322,764	0	0	16,687,329	15,322,764
Property and Other Local Taxes	3,753,990	3,305,387	0	0	3,753,990	3,305,387
Payments in Lieu of Taxes	511,990	372,968	0	0	511,990	372,968
Grants and Entitlements	1,807,531	1,600,833	0	0	1,807,531	1,600,833
Investment Income	288,799	192,313	14,185	34,289	302,984	226,602
Gain on Sale of Capital Assets	2,409,100	0	2,192	0	2,411,292	0
All Other Revenues	300,254	484,528	118,447	201,387	418,701	685,915
<b>Total Revenues</b>	<b>42,517,556</b>	<b>26,807,075</b>	<b>9,564,230</b>	<b>8,451,493</b>	<b>52,081,786</b>	<b>35,258,568</b>
<b>Program Expenses</b>						
Security of Persons and Property	12,085,275	11,106,253	0	0	12,085,275	11,106,253
Public Health and Welfare	751,049	733,837	0	0	751,049	733,837
Leisure Time Activities	2,129,354	1,876,396	0	0	2,129,354	1,876,396
Community Development	2,013,840	2,154,400	0	0	2,013,840	2,154,400
Transportation	5,194,392	3,720,312	0	0	5,194,392	3,720,312
General Government	3,980,966	3,015,330	0	0	3,980,966	3,015,330
Interest and Fiscal Charges	599,464	441,711	0	0	599,464	441,711
Water	0	0	3,940,584	3,266,800	3,940,584	3,266,800
Sewer	0	0	4,170,412	3,888,272	4,170,412	3,888,272
Solid Waste	0	0	354,304	360,163	354,304	360,163
Storm Water Drainage	0	0	927,030	776,836	927,030	776,836
<b>Total Expenses</b>	<b>26,754,340</b>	<b>23,048,239</b>	<b>9,392,330</b>	<b>8,292,071</b>	<b>36,146,670</b>	<b>31,340,310</b>
Change in Net Position	15,763,216	3,758,836	171,900	159,422	15,935,116	3,918,258
Net Position Beginning of Year, Restated	53,556,066	N/A	54,330,462	N/A	107,886,528	N/A
Net Position End of Year	\$69,319,282	\$53,556,066	\$54,502,362	\$54,330,462	\$123,821,644	\$107,886,528

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$2,081,527 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,236,176. Consequently, in order to compare 2015 program expenses to 2014, the following adjustments are needed:

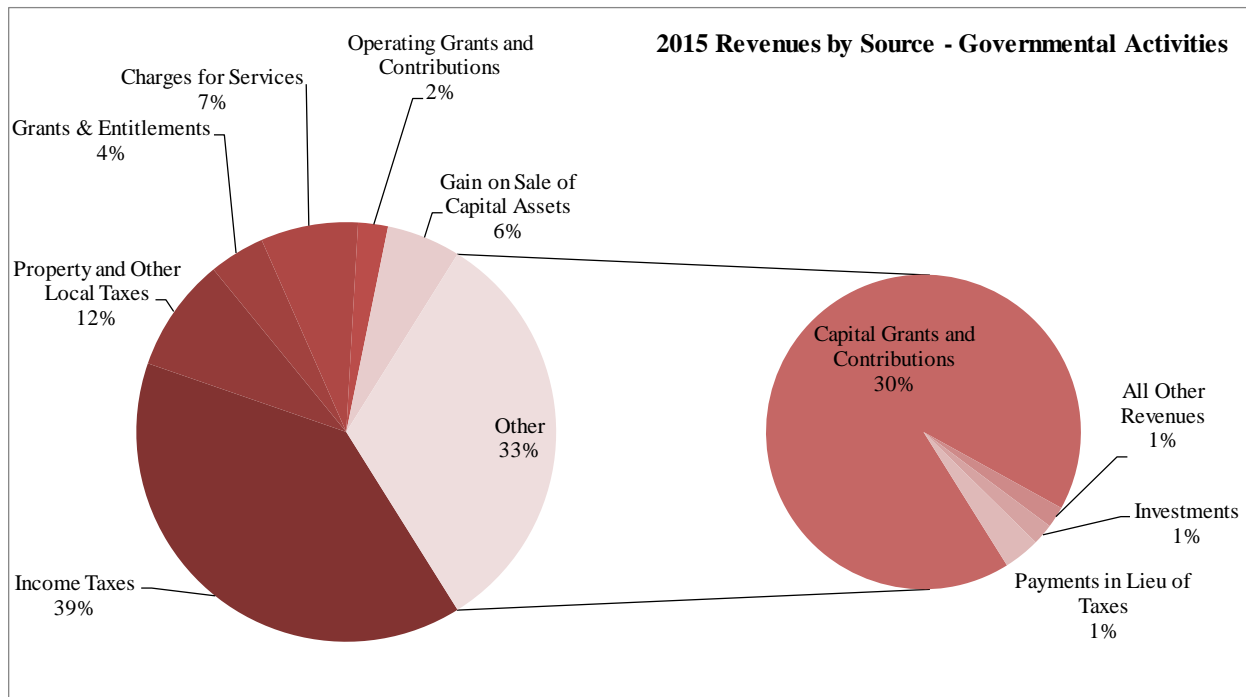
**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

	Governmental Activities	Business-Type Activities	Total
Total 2015 program expenses under GASB 68	\$ 26,754,340	\$ 9,392,330	\$ 36,146,670
Pension expense under GASB 68	(1,891,259)	(344,917)	(2,236,176)
2015 contractually required pension contribution	1,782,097	403,194	2,185,291
Adjusted 2015 program expenses	26,645,178	9,450,607	36,095,785
Total 2014 program expenses under GASB 27	23,048,239	8,292,071	31,340,310
Increase in program expenses not related to pension	<u>\$ 3,596,939</u>	<u>\$ 1,158,536</u>	<u>\$ 4,755,475</u>

**Governmental Activities**

Governmental activities increased the City's net position by \$15,763,216 during 2015.

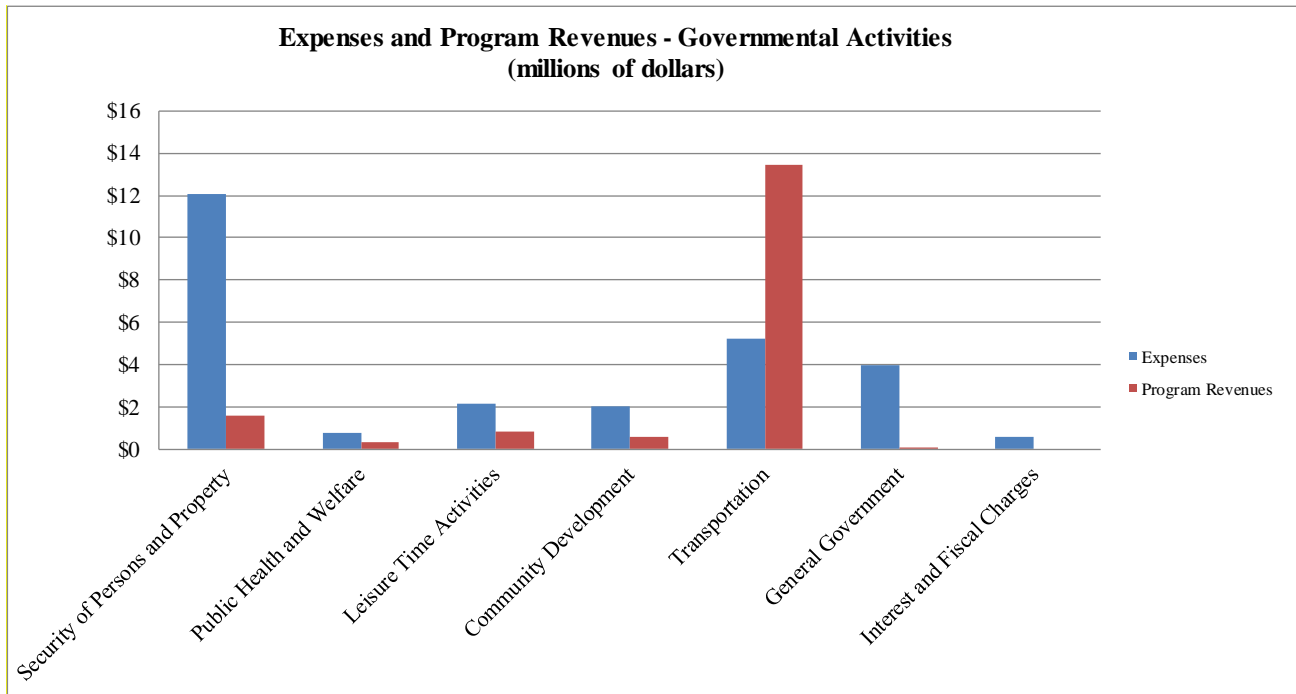
Several types of revenues fund the City's governmental activities, with municipal income tax being the largest contributor. As presented in table 2, municipal income tax revenues showed an increase of \$1,364,565 or 8.91 percent. This increase is attributed to the continuation of several significant construction projects within the City's downtown development area. The City's total revenue increased by \$15,710,481 in 2015 as compared to 2014, the increase is related to municipal income tax revenue, which has previously been explained and significant increases in capital grants and contributions and gain on sale of assets. The increase in capital contributions is from the Ohio Department of Transportation related to the Crain Avenue Bridge.



Expenses in the governmental activities experienced an increase of \$3,706,101 or 16.08 percent. The increase in expenses is mainly due to a large increase in maintenance expense relating to roads within City limits. During 2015, the largest program area for the City is security of persons and property at 45.17 percent which includes police, fire and emergency medical services. Transportation is the next largest program area at 19.42 percent, of which \$1.8 million or 34.91 percent of the total transportation expenses are

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

attributable to the annual depreciation expenses from transportation-related activities. General Government is the third largest area at 14.88 percent and accounts for the basic operations of the City including council, mayor, city manager, human resources, finance, law, engineering, service administration and civil service. The fourth largest program area is leisure time activities at 7.96 percent for operations of parks and recreation activities.

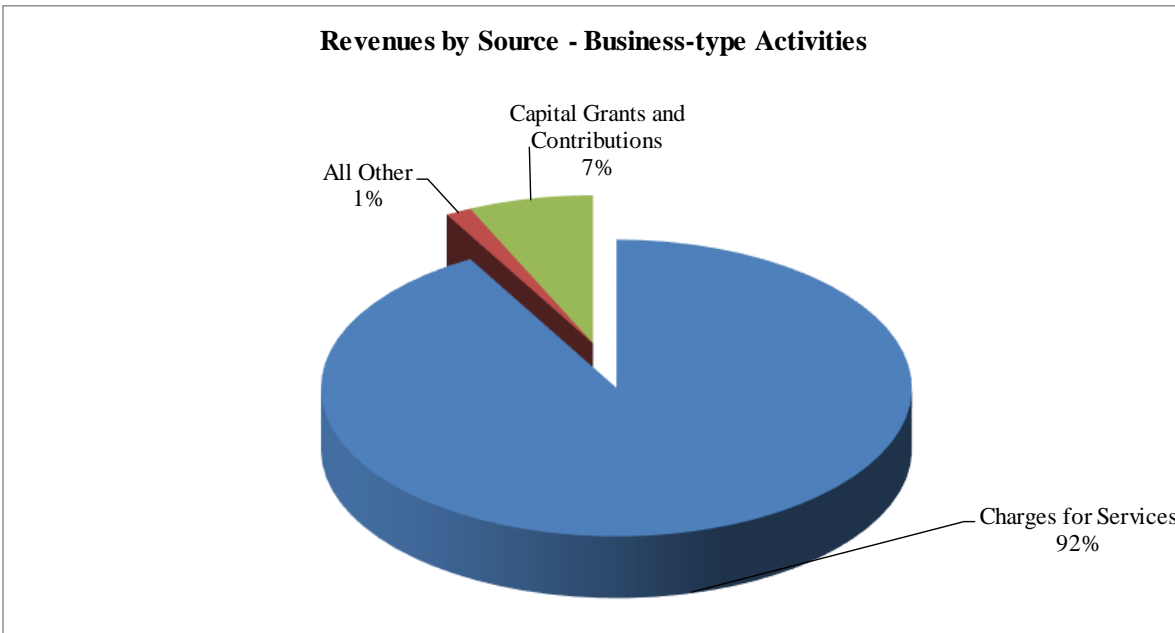


**Business-Type Activities**

Business-type activities of the City, which include water, sewer, solid waste and storm water drainage operations, slightly increased the City's net position by \$171,900 or 0.32 percent.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

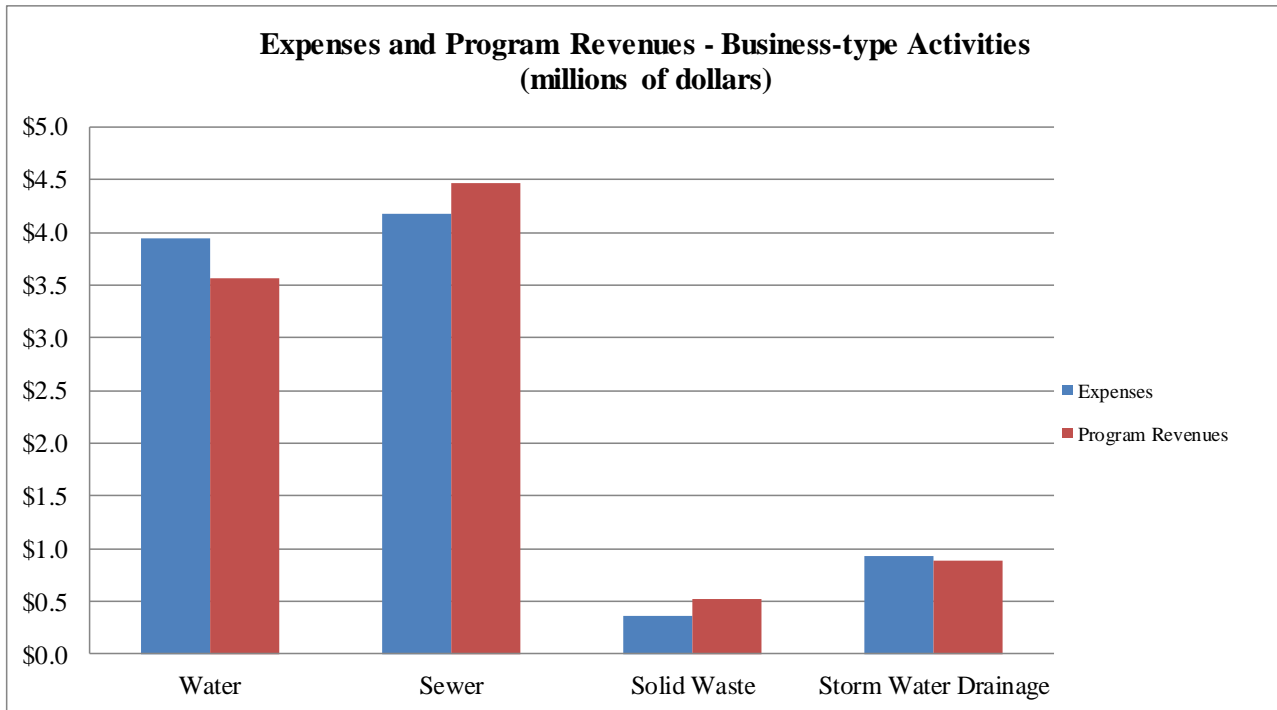


Charges for services account for 91.75 percent of total business-type revenues. The increase in charges for services, \$813,611 or 10.22 percent, is largely explained by the timing effect of water and sewer rate increases and a reduction in overbillings during 2014. The City also continued its program to upgrade the water meter reading system, resulting in further reduction in the number of estimated reads. The reduction in estimated meter reads translates to more accurate readings that reflect actual usage, which typically has a positive impact on charges for services.

Capital grants and contributions increased by \$399,978, mostly due to grant funding provided in 2015 through the Ohio Public Works Commission (OPWC) for the Sub Area Q Drainage Improvement, Phase V project and an grant from the Ohio Department of Transportation. Overall, total revenues for the business-type activities increased by \$1,112,737 or 13.17 percent.

Expenses in the business-type activities experienced an increase of \$1,100,259 or 13.27 percent. This increase was due mostly to disposal of capital assets and increased depreciation due to several completed projects.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*



Program revenues approximate program expenses for both the solid waste and storm water drainage business-type activities.

**Financial Analysis of the City of Kent's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance- related legal requirements.

**Governmental Funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$34,073,263, which represents an increase of \$7,252,656 or 27.04 percent as compared to 2014. The General Fund's unassigned fund balance was sufficient to cover the deficits in the unassigned fund balance from other governmental funds. *Unassigned and assigned fund balances* are available at the government's discretion. The remainder of the fund balance is nonspendable, restricted, or committed to indicate that it is not available for new spending because it is not in spendable form or it has already been restricted by external constraints or committed by internal constraints.

Fund balance for the City's General Fund increased by \$2,956,537 due to selling of former City hall complex to a private contractor.

Fund balance for the City's Income Tax Safety Fund decreased by \$117,197 due decreased income tax revenues collected and an increase in operating expenditures of safety forces.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

Fund balance for the City's Fire and Emergency Medical Services Fund increased by \$676,661 due to the expenditures exceeding revenues, and fluctuations occur due to the amount of funds transferred.

Fund balance for the City's Capital Projects Fund increased by \$340,390 due to timing differences between the receipt of grant monies and the associated project expenditures.

Fund balance for the City's Muni PI Tax Increment Equivalent Fund experienced a decrease of \$223,180. This decrease can be attributed to several ongoing projects during 2015.

Fund balance for the City's Police Facilities Fund increased by \$3,569,524 due to the issuance of bonds in 2015.

**Proprietary Funds.** The City of Kent's proprietary fund statements provide similar information to that found in the government-wide financial statements, but in more detail.

The following table lists unrestricted net position and changes in net position for the major enterprise funds.

	Water	Sewer	Storm Water Drainage
Unrestricted Net Position	\$1,991,148	\$2,557,927	\$431,898
Total Change in Net Position	(319,732)	307,174	24,490

In the Water and Sewer Funds, which are the two largest enterprise funds, the unrestricted net position represent 53.32 percent and 67.59 percent, respectively of the total current operating expenses. In response to projected operating losses in subsequent years, City Council approved a multi-year utility rate stabilization plan to ensure adequate long term funding for critical infrastructure investment needs while remaining sensitive to the ability of customers to pay for those needs. This multi-year rate plan represents a significant commitment to preserving the long term viability of the utility infrastructure that is needed to serve residents, business and the environment for decades to come. Consequently, Council originally approved a 9 percent increase in water and sewer rates, but Council and management reduced the rate increases to 3 percent and a 5 percent increase in solid waste rates. These rate increases became effective February 2015. Further rate ordinance revisions for Sewer were left pending at year end subject to further review by Council. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

**General Fund Budgetary Highlights.** The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2015, the City amended its General Fund budget on various occasions. All recommendations for budget changes are reviewed by the Finance Committee of City Council prior to presentation to Council for ordinance enactment of the changes.

For the General Fund expenditures and other financing uses, the original budget amount was \$5,137,980 and the final amended budget was \$11,437,605, an increase of \$6,299,625. The General Fund made a significant transfer to the Income Tax Safety Fund and Fire and Emergency Medical Services Fund, which were not budgeted originally. Actual expenditures and other financing uses were \$10,824,398 or \$613,207 less than were budgeted. Conservative budget practices coupled with vacancies in some positions were the principal reasons budgeted funds were not spent.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

**Capital Assets and Debt Administration**

**Capital Assets.** The City's investment in capital assets (net of accumulated depreciation) for governmental and business-type activities as of December 31, 2015, was \$118,156,057. The City's investment in capital assets increased by \$12,891,079 or 24.92 percent for governmental activities and decreased by \$125,585 or 0.23 percent for business-type activities when comparing 2015 to 2014.

The City is committed to a long-term goal of meeting its infrastructure and facilities' needs. Management has a five-year capital plan in place that provides for building and infrastructure improvements to complement the City's current capital assets and this plan is updated annually. For additional information on capital assets, see Note 12 to the basic financial statements.

Table 3 compares capital assets as of December 31, 2015 to balances at December 31, 2014.

**Table 3**  
**Capital Assets**  
**(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014*	2015	2014	2015	2014*
Land	\$10,878,780	\$9,175,997	\$1,825,536	\$1,908,570	\$12,704,316	\$11,084,567
Buildings, Structures and Improvements	8,020,873	9,232,760	4,681,257	4,976,614	12,702,130	14,209,374
Machinery and Equipment	3,397,023	3,615,882	2,578,008	1,860,089	5,975,031	5,475,971
Construction in Progress	7,062,069	12,006,891	1,052,304	4,305,683	8,114,373	16,312,574
Infrastructure						
Roads, Bridges, Walks	32,079,585	14,322,650	0	0	32,079,585	14,322,650
Traffic Signals	3,184,384	3,377,455	0	0	3,184,384	3,377,455
Water	0	0	9,877,708	9,939,288	9,877,708	9,939,288
Sewer	0	0	19,241,695	19,073,797	19,241,695	19,073,797
Storm Water	0	0	14,276,835	11,594,887	14,276,835	11,594,887
<b>Total Capital Assets</b>	<b>\$64,622,714</b>	<b>\$51,731,635</b>	<b>\$53,533,343</b>	<b>\$53,658,928</b>	<b>\$118,156,057</b>	<b>\$105,390,563</b>

\* Restated

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

**Debt.** At December 31, 2015, the City's bonds, notes and loans outstanding were \$23.6 million.

**Table 4**  
**Outstanding Debt at Year End**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<i>Long-Term Obligations:</i>						
General Obligation Bonds	\$15,281,179	\$10,549,847	\$0	\$0	\$15,281,179	\$10,549,847
OPWC Loans	308,871	337,647	234,384	139,351	543,255	476,998
OWDA Loans	0	0	2,876,541	3,128,501	2,876,541	3,128,501
Loans Payable	1,365,863	1,445,907	0	0	1,365,863	1,445,907
<i>Short-Term Obligations:</i>						
Notes Payable	3,045,000	4,155,000	495,000	555,000	3,540,000	4,710,000
<b>Total</b>	<b>\$20,000,913</b>	<b>\$16,488,401</b>	<b>\$3,605,925</b>	<b>\$3,822,852</b>	<b>\$23,606,838</b>	<b>\$20,311,253</b>

The City's total long-term debt increased by \$4,465,585 or 28.62 percent. This increase in long-term debt for 2015 is primarily due to the City's issuance of general obligation bonds for construction of a new Safety Center.

Total short-term debt decreased by \$1,170,000 or 24.84 percent. The decrease in the City's short-term debt is due the City's effort to pay down these notes over time.

The City's bond rating as of its last review by Moody's Investor Services is Aa2. Factors noted as contributing to the City's favorable rating were its history of prudent budget management and long-term financial planning.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$18,478,862 at December 31, 2015.

Additional information concerning the City's debt can be found in Notes 17 and 18 to the basic financial statements.

**Current Financial Related Activities**

Despite the contraction of State and Federal funding support over the last several years, the City's economic recovery continues to show positive signs of improvement, and most importantly, sustainability. Following a 3-5 year period of transformative re-investment in the downtown business district (totaling in excess of \$130 million) the City's economic infrastructure has proven capable of sustaining those early gains and producing successive rounds of private investment that have offset the public sector losses and led to net economic growth for the City.

Each new wave of re-investment in Kent has yielded immediate financial gain resulting from construction jobs and capital equity, and added to the economic base for the City's long term financial sustainability. Consumer, lender and investor confidence has grown with each announcement of new investment in Kent, adding to the City's reputation as being investment-worthy and poised for growth.



**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

Kent State University remains the centerpiece of the City's economic strategy. The historical role of Kent State University as the City's largest employer and largest consumer of local goods and services remains central to the City's revenue stabilization efforts. The University represents approximately 34 percent of the City's income tax base and provides a reliable income stream that is less affected by the volatility of economic cycles that has left so many cities scrambling in the wake of private sector downturns over the last several years.

The economic restructuring that is underway in Northeast Ohio favors entrepreneurship, collaboration, and close ties between the business community and academic research and development. The City has made these guiding principles of its economic strategy, investing in building the resource networks and physical infrastructure to leverage our assets and position Kent for success in the new economy.

Strategically, the University has shifted from serving predominately as a stabilizing factor in the community to taking a leadership role in partnership with the City to jointly pursue economic and community priorities. This change in focus has elevated City-University relations to a matter of strategic priority affirming the City-University partnership as Kent's greatest asset and source of competitive advantage.

The strategy shift first took shape as the City, the University and a list of community partners rallied around the shared goal of re-energizing downtown Kent through the downtown revitalization project. The remarkable level of collaboration that emerged in support of the downtown project, and the unprecedented results it produced, serve to highlight a newfound source of strategic strength.

The redevelopment of downtown Kent and the investments that have followed aim to tap into the generative capacity of the University and establish Kent as a socially, culturally and economically vibrant university city. This strategy leverages University research, innovation and intellectual capital to act as a catalyst for economic growth and diversification.

The City's economic transition is on-going but the sustainability of the initial results are encouraging as the City's key financial measures have continued to trend favorably. Income tax receipts (on a cash basis) were up by 11.4 percent in 2015, and property values showed modest growth around the downtown business district and in select City neighborhoods. Two of the City's older shopping plazas in Kent that were purchased and renovated in 2013 now have new, economically productive tenants in them, suggesting that the economic recovery is gaining traction outside of the downtown business district.

At the low point of the recent recession, Kent was statistically "less worse" than nearly all of its neighboring cities and as the region's economy has begun to turn the corner, Kent remains at the leading edge of recovery and is recognized as a city where economic development is working – job count is up, existing businesses are expanding and new businesses are opening up – all of which is reflected in rising income tax receipts.

The commercial construction rebound that began in 2009 continued in 2015, adding depth to the City's economic recovery. From the years 1999 thru 2010 commercial construction investment in Kent averaged \$6.5 million a year. Then for 2011 and 2012 commercial investment skyrocketed to an average of \$55 million each year; an increase of 745 percent. In 2015, the commercial investment slowed from the record years of 2011-12 but residential investment (multi-family, single-family) matched the highest it's been in 10 years.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

Construction value doesn't equate to a dollar for dollar increase in the property tax base so this new investment won't solve all of the City's budget challenges; but, this is new commercial construction, and commercial buildings bring new jobs, and those new jobs will help the City's income tax base grow over time and keep the City's budget afloat and services intact.

The Kent Area Chamber of Commerce business membership has doubled in the last 5 years, hitting an all-time high of 366 members in 2015. In 2015, the Phoenix Project Phases I and II, Acorn Alley, and College Town Kent were all fully operational, featuring 200 new jobs in downtown Kent. For the first time since opening in 2013, the PARTA deck revenues exceeded expenses in 2015, and PARTA finished building-out the retail space in the ground floor of the parking deck to make room for 3 new stores.

In 2015 College Town Kent began construction on the final building (Parcel D) of their project that will include 50 new apartments and 3 new ground floor commercial tenants. The City concluded the review of proposals for the redevelopment of the vacant downtown courthouse building in 2015, granting the selected developer until August 2016 to complete the grocery/housing project pro forma that is required for the sale of the property. This resurgence in business activity led to a series of feature stories on downtown Kent in regional and national media as a "rising college town" and the downtown revitalization project won a number of national, state and regional awards for economic excellence.

By 2015, the initial construction activity surrounding the new PARTA Transit Center, CollegeTown Kent, Acorn Corner, the Portage County Courthouse, public infrastructure and the new KSU Hotel and Conference Center was complete but smaller projects continued to emerge, keeping the downtown momentum moving forward. With over \$50 million in construction investments underway in 2015, the City benefitted from the construction workers that were on Kent job sites during the year, contributing income taxes and buying power to the Kent economy.

On the public side, the City continued to aggressively pursue Federal, State and Regional grant funds for infrastructure improvement projects. As a result, the City continued to reinvest in City bridges, streets and sidewalks at near record levels. The City allocated extra funding (\$625,000) towards street repairs which when combined with grant funds raised the total street repair budget to double the historical street repair allocation.

In 2015, the City of Kent and City of Stow completed the final phase of the 20 year long Area Q Stormwater Project. The City and Kent State University began construction of the transformative \$18 million Summit Street Transportation Project. City planning work continued on the \$3 million SR 43 Signal Upgrade project and the architects completed the design of the new \$18 million City Police Building. Over the last 5 years the City was awarded (or was a partner in) grant awards amounting to over \$50 million in stimulus/grant funds, which has enabled the City to leverage grant funds to City funds at better than a 4:1 ratio.

The City continued to work with Franklin and Brimfield townships in 2015 to recruit new businesses and expand business development opportunities within the JEDD boundaries. As a result of these partnerships, the City received \$512,376 (on a cash basis) as its combined share of JEDD income taxes in 2015, which amounts to an 8.5 percent decrease compared to the 2014 combined income tax collections from the JEDDs, however is still significantly increased over 2012 and 2011.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

The success of the Kent and Brimfield JEDD's led to an invitation in 2014 from Rootstown Township, home to NEOMED University, to explore the possibility of a new Kent-Rootstown JEDD. In 2015, the City and Rootstown Township agreed to the contract terms for that new JEDD and began recruiting properties and businesses to sign up to be in the new JEDD.

The multi-year rate stabilization plans adopted for the City's Utility Funds in 2010-11 continued to improve the sustainability of those funds through planned incremental water and sewer rate increases. As a result of the rate plans, the City has been able to provide full-cost accounting within the Utility Funds, eliminate General Fund supplements to the Utility Funds, and begin building a Utility Reserve Fund to accommodate unexpected operational needs and ensure adequate long term funding for critical infrastructure investment needs while remaining sensitive to the ability of customers to pay for those needs.

During 2015, the City approved an update to the five-year capital improvement program that ensures the City's ability to meet the infrastructure needs of the community in future years. In addition to the capital plan, City Council continued to support strategic investments in 2015 that advanced critical economic development priorities. City staff also continued to pursue efficiency and productivity improvements and to hold vacant positions open wherever possible, resulting in budget cuts and savings in 2015.

**City Operating Funds**

The development activities that have been underway in Kent were designed to provide both short and long term financial stability for the City. The flurry of investment and new jobs that accompanies the construction of large scale redevelopment provided immediate temporary financial relief that helped bridge operating funding challenges in the short term and the City's economic indicators seem to be showing evidence of sustainable economic growth over the long term as well. Confirmation of the full long term gains are likely still a couple of years out but in the meantime the City's annual fiscal operating position has continued to improve.

The City's strategic investments are starting to pay off but State funding cuts in 2012 cost the City \$900,000 annually in lost revenues. City finances have been on an upward swing but the unexpected State cuts pushed off the break-even point for the City's investments by a couple more years. Fortunately it appears that the net job growth has occurred fast enough to offset the loss in State funding before City operating reserves are depleted and the City had a net gain in the undesignated fund balance to close out 2015, raising undesignated reserves back to pre-recessionary levels.

Construction activity in downtown Kent scaled-back from the records set in 2011-12 with the completion of the first round of projects in 2013 but there were a number of secondary expansions and additions that added to the economic mix in 2015. Four successive years of income tax growth seems to suggest a degree of financial sustainability that has not been evident in Kent for better than a decade.

As a result of the economic recession, the City developed a Fiscal Health Index to more closely track fund balance, debt load, income taxes, operating position and property taxes as markers of fiscal health using a composite health index that balances indicators of financial stability, risk and capacity for growth. At this point, the City's Fiscal Health heading into 2016 is stronger than it has been for many years.

The City continues to possess sufficient funds to meet its requirements for cash outlay in the coming year, and possesses the financial capacity in addition to management direction to ensure that its obligations are met for the years to come.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

---

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, customers, employees, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Budget and Finance Department, City of Kent, 930 Overholt Road, Kent, Ohio 44240, telephone (330) 678-8102.

**City of Kent, Ohio**  
*Statement of Net Position*  
*December 31, 2015*

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 32,536,623	\$ 7,820,573	\$ 40,357,196
Cash and Cash Equivalents:			
In Segregated Accounts	61,730	-	61,730
Cash Surrender Value of Life Insurance Policies	362,223	-	362,223
Materials and Supplies Inventory	408,151	93,346	501,497
Accounts Receivable	324,917	1,535,234	1,860,151
Accrued Interest Receivable	74,068	-	74,068
Intergovernmental Receivable	1,697,840	-	1,697,840
Internal Balances	2,000,102	(2,000,102)	-
Prepaid Items	75,315	16,769	92,084
Municipal Income Taxes Receivable	3,366,990	-	3,366,990
Property and Other Taxes Receivable	3,427,232	-	3,427,232
Payments in Lieu of Taxes Receivable	404,062	-	404,062
Loans Receivable	601,755	-	601,755
Notes Receivable	80,000	-	80,000
Special Assessments Receivable	705,663	838,815	1,544,478
Utilization Fee Receivable	-	18,649	18,649
Restricted Assets:			
Cash and Cash Equivalents	185,235	-	185,235
Net Pension Asset	2,699	2,166	4,865
Assets Held for Resale	957,684	-	957,684
Nondepreciable Capital Assets	17,940,849	2,877,840	20,818,689
Depreciable Capital Assets	46,681,865	50,655,503	97,337,368
<b>Total Assets</b>	<b>111,895,003</b>	<b>61,858,793</b>	<b>173,753,796</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension	2,635,438	571,186	3,206,624
<b>Total Deferred Outflows of Resources</b>	<b>2,635,438</b>	<b>571,186</b>	<b>3,206,624</b>
<b>LIABILITIES</b>			
Accounts Payable	515,266	531,537	1,046,803
Contracts and Retainage Payable	465,036	214,062	679,098
Accrued Wages and Benefits	246,988	78,666	325,654
Accrued Interest Payable	58,127	1,856	59,983
Claims Payable	315,955	-	315,955
Notes Payable	3,057,726	497,011	3,554,737
Long-term Liabilities:			
Due within one year	1,495,513	528,339	2,023,852
Due in more than one year:			
Net Pension Liability (See Note 13)	18,861,480	3,145,973	22,007,453
Other Amounts due in more than one year	16,804,912	2,874,243	19,679,155
<b>Total Liabilities</b>	<b>41,821,003</b>	<b>7,871,687</b>	<b>49,692,690</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	2,916,313	-	2,916,313
Payments in Lieu of Taxes (PILOTS)	404,062	-	404,062
Pension	69,781	55,930	125,711
<b>Total Deferred Inflows of Resources</b>	<b>3,390,156</b>	<b>55,930</b>	<b>3,446,086</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	55,391,747	49,925,407	105,317,154
Restricted for:			
Capital Projects	8,026,126	-	8,026,126
Debt Services	219,717	-	219,717
Streets and Highways	2,048,157	-	2,048,157
Public Facilities and Programs	2,302,348	-	2,302,348
Community Development Block Grant	969,026	-	969,026
Parks and Recreation	906,116	-	906,116
Fire and EMS	1,830,378	-	1,830,378
Community Development	1,139,730	-	1,139,730
Other Purpose	587,517	-	587,517
Unrestricted	(4,101,580)	4,576,955	475,375
<b>Total Net Position</b>	<b>\$ 69,319,282</b>	<b>\$ 54,502,362</b>	<b>\$ 123,821,644</b>

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2015

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>				
Security of Persons and Property	\$ 12,085,275	\$ 1,509,255	\$ 86,441	\$ -
Public Health and Welfare	751,049	293,058	-	-
Leisure Time Activities	2,129,354	767,323	7,150	27,909
Community Development	2,013,840	413,530	137,763	-
Transportation	5,194,392	111,934	738,936	12,571,371
General Government	3,980,966	93,893	-	-
Interest and Fiscal Charges	599,464	-	-	-
<b>Total Governmental activities</b>	<u>26,754,340</u>	<u>3,188,993</u>	<u>970,290</u>	<u>12,599,280</u>
<b>Business-type activities:</b>				
Water	3,940,584	3,429,946	-	129,054
Sewer	4,170,412	4,261,658	-	198,770
Solid Waste	354,304	521,150	-	-
Storm Water Drainage	927,030	562,743	-	326,085
<b>Total Business-type activities</b>	<u>9,392,330</u>	<u>8,775,497</u>	<u>-</u>	<u>653,909</u>
<b>Total Primary Government</b>	<u>\$ 36,146,670</u>	<u>\$ 11,964,490</u>	<u>\$ 970,290</u>	<u>\$ 13,253,189</u>

**General Revenues:**

Property and Other Taxes levied for:

General Purposes

Special Revenue

Municipal Income Taxes levied for:

General Purposes

Capital Outlay

Special Revenue

Payments in Lieu of Taxes

Grants & Entitlements not restricted to specific programs

Investment Income

Gain on Sale of Capital Assets

All Other Revenues

Total General Revenues

Change in Net Position

Net Position - Beginning of Year, Restated

**Net Position - End of Year**

The notes to the basic financial statements are an integral part of this statement

---

**Net (Expense) Revenue and Changes in Net Position**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (10,489,579)	\$ -	\$ (10,489,579)
(457,991)	-	(457,991)
(1,326,972)	-	(1,326,972)
(1,462,547)	-	(1,462,547)
8,227,849	-	8,227,849
(3,887,073)	-	(3,887,073)
(599,464)	-	(599,464)
<u>(9,995,777)</u>	<u>-</u>	<u>(9,995,777)</u>
-	(381,584)	(381,584)
-	290,016	290,016
-	166,846	166,846
<u>-</u>	<u>(38,202)</u>	<u>(38,202)</u>
-	37,076	37,076
<u>(9,995,777)</u>	<u>37,076</u>	<u>(9,958,701)</u>
2,153,989	-	2,153,989
1,600,001	-	1,600,001
6,061,496	-	6,061,496
4,252,647	-	4,252,647
6,373,186	-	6,373,186
511,990	-	511,990
1,807,531	-	1,807,531
288,799	14,185	302,984
2,409,100	2,192	2,411,292
300,254	118,447	418,701
<u>25,758,993</u>	<u>134,824</u>	<u>25,893,817</u>
15,763,216	171,900	15,935,116
53,556,066	54,330,462	107,886,528
<u>\$ 69,319,282</u>	<u>\$ 54,502,362</u>	<u>\$ 123,821,644</u>

**City of Kent, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2015*

	<b>General Fund</b>	<b>Income Tax Safety</b>	<b>Fire and Emergency Medical Services</b>	<b>Capital Projects</b>	<b>Muni PI Tax Increment Equivalent</b>
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 12,799,000	\$ 615,519	\$ 1,144,987	\$ 4,360,962	\$ 961,560
Cash and Cash Equivalents:					
In Segregated Accounts	-	-	-	-	-
Materials and Supplies Inventory	-	48,086	-	-	-
Accrued Interest Receivable	71,735	-	-	-	-
Accounts Receivable	318,154	-	-	-	-
Interfund Receivable	2,327,546	-	-	-	-
Intergovernmental Receivable	633,303	34,926	-	545,141	-
Prepaid Items	27,743	19,127	2,780	19,131	-
Restricted Assets:					
Cash and Cash Equivalents	169,000	-	-	-	-
Payments in Lieu of Taxes Receivable	-	-	-	-	404,062
Municipal Income Taxes Receivable	1,136,752	623,373	623,373	531,439	-
Property and Other Taxes Receivable	1,756,399	-	-	-	-
Special Assessments Receivable	-	-	-	106,008	-
Loans Receivable	346,306	-	-	-	-
Notes Receivable	-	-	-	80,000	-
Assets Held for Resale	734,400	-	-	108,484	-
<b>Total Assets</b>	<b>\$ 20,320,338</b>	<b>\$ 1,341,031</b>	<b>\$ 1,771,140</b>	<b>\$ 5,751,165</b>	<b>\$ 1,365,622</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 239,329	\$ 15,156	\$ 33,442	\$ 74,818	\$ -
Accrued Wages and Benefits	45,272	99,930	63,136	-	-
Contracts and Retainage Payable	-	-	-	432,354	16,447
Accrued Interest Payable	-	-	-	4,744	4,313
Interfund Payable	1,365,863	-	-	-	-
Workers' Compensation Claims Payable	5,484	12,702	8,109	-	-
Notes Payable	-	-	-	1,270,276	1,154,761
<b>Total Liabilities</b>	<b>1,655,948</b>	<b>127,788</b>	<b>104,687</b>	<b>1,782,192</b>	<b>1,175,521</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes and PILOTs	1,453,982	-	-	-	404,062
Unavailable Revenue - Delinquent Property Taxes	202,725	-	-	-	-
Unavailable Revenue - Municipal Income Taxes	639,942	350,933	350,933	299,178	-
Unavailable Revenue - Other	440,786	-	-	729,133	-
<b>Total Deferred Inflows of Resources</b>	<b>2,737,435</b>	<b>350,933</b>	<b>350,933</b>	<b>1,028,311</b>	<b>404,062</b>
<b>Fund Balances:</b>					
Nonspendable	3,604,995	67,213	2,780	19,131	-
Restricted	-	795,097	1,312,740	-	-
Committed	2,302,348	-	-	2,921,531	-
Assigned	221,857	-	-	-	-
Unassigned (Deficit)	9,797,755	-	-	-	(213,961)
<b>Total Fund Balances</b>	<b>15,926,955</b>	<b>862,310</b>	<b>1,315,520</b>	<b>2,940,662</b>	<b>(213,961)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 20,320,338</b>	<b>\$ 1,341,031</b>	<b>\$ 1,771,140</b>	<b>\$ 5,751,165</b>	<b>\$ 1,365,622</b>

The notes to the basic financial statements are an integral part of this statement



			<i>Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities December 31, 2015</i>	
<b>Police Facilities</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>		
\$ 8,095,407	\$ 3,852,880	\$ 31,830,315	<b>Total Governmental Funds Balance</b>	\$ 34,073,263
-	61,730	61,730	<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>	
-	360,065	408,151		
-	2,333	74,068		
-	6,763	324,917		
-	1,365,863	3,693,409	Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.	64,622,714
-	484,470	1,697,840		
-	6,534	75,315		
-	16,235	185,235		
-	-	404,062		
325,600	126,453	3,366,990	Delinquent property taxes	\$ 395,874
-	1,670,833	3,427,232	Municipal income taxes	1,895,473
-	599,655	705,663	Special assessments	705,663
-	255,449	601,755	Intergovernmental	1,305,779
-	-	80,000	Charges for services	103,274
-	-	80,000	Miscellaneous revenues	80,000
-	114,800	957,684	Total	4,486,063
<u>\$ 8,421,007</u>	<u>\$ 8,924,063</u>	<u>\$ 47,894,366</u>		
			In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due.	(39,102)
\$ 86,074	\$ 66,447	\$ 515,266		
-	38,650	246,988	Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service funds are included in Governmental Activities in the Statement of Net Position.	738,132
-	16,235	465,036		
-	9,968	19,025		
-	313,000	1,678,863		
-	5,466	31,761		
-	632,689	3,057,726	The net pension liability/asset is not due and payable in the current period; therefore, the liability/asset and related deferred inflows/outflows are not reported in governmental funds:	
<u>86,074</u>	<u>1,082,455</u>	<u>6,014,665</u>	Deferred Outflows-Pension	2,635,438
			Deferred Inflows-Pension	(69,781)
-	1,462,331	3,320,375	Net Pension Asset	2,699
-	193,149	395,874	Net Pension Liability	(18,861,480)
183,299	71,188	1,895,473		
-	1,024,797	2,194,716		
<u>183,299</u>	<u>2,751,465</u>	<u>7,806,438</u>		
			Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
-	366,599	4,060,718	General obligation bonds	(15,281,179)
8,151,634	5,402,242	15,661,713	OPWC loans	(308,871)
-	-	5,223,879	Workers Compensation	(34,315)
-	-	221,857	Loan guarantees	(1,365,863)
-	(678,698)	8,905,096	Compensated absences	(1,278,436)
<u>8,151,634</u>	<u>5,090,143</u>	<u>34,073,263</u>	Total	(18,268,664)
<u>\$ 8,421,007</u>	<u>\$ 8,924,063</u>	<u>\$ 47,894,366</u>	<b>Net Position of Governmental Activities</b>	<u>\$ 69,319,282</u>

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Year Ended December 31, 2015*

	<b>General Fund</b>	<b>Income Tax Safety</b>	<b>Fire and Emergency Medical Services</b>	<b>Capital Projects</b>	<b>Muni PI Tax Increment Equivalent</b>
<b>REVENUES</b>					
Property and Other Taxes	\$ 1,816,254	\$ -	\$ -	\$ -	\$ -
Municipal Income Taxes	5,766,055	2,988,314	2,942,313	2,605,045	-
Payments in Lieu of Taxes	-	-	-	-	511,990
Intergovernmental	1,667,226	6,160	1,903	320,010	-
Interest	255,951	-	-	-	-
Fees, Licenses, and Permits	267,194	-	-	-	-
Fines and Forfeitures	264,676	-	-	-	-
Charges for Services	1,448,801	-	-	-	-
Contributions and Donations	-	-	-	12,246,493	-
Special Assessments	-	-	-	14,265	-
All Other Revenues	138,537	21,853	1,143	81,750	-
<b>Total Revenues</b>	<b>11,624,694</b>	<b>3,016,327</b>	<b>2,945,359</b>	<b>15,267,563</b>	<b>511,990</b>
<b>EXPENDITURES</b>					
Current:					
Security of Persons and Property	1,515	6,333,524	4,269,211	126,945	-
Public Health and Welfare	526,706	-	-	-	-
Leisure Time Activities	-	-	-	-	-
Community Development	1,480,697	-	-	-	21,579
Transportation	-	-	-	1,221,722	-
General Government	3,057,527	-	-	2,428	-
Capital Outlay	-	-	15,237	13,563,700	360,944
Debt Service:					
Principal Retirement	-	-	-	-	120,000
Interest and Fiscal Charges	-	-	-	5,370	225,523
Debt Issuance Costs	-	-	-	7,008	8,295
<b>Total Expenditures</b>	<b>5,066,445</b>	<b>6,333,524</b>	<b>4,284,448</b>	<b>14,927,173</b>	<b>736,341</b>
Excess of Revenues Over/(Under) Expenditures	6,558,249	(3,317,197)	(1,339,089)	340,390	(224,351)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from Sale of Capital Assets	2,390,110	-	15,750	-	-
General Obligation Bonds Issued	-	-	-	-	-
OPWC Loans Issued	-	-	-	-	1,171
Premium on Debt Issuance	-	-	-	-	-
Transfers In	-	3,200,000	2,000,000	-	-
Transfers Out	(5,991,822)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(3,601,712)</b>	<b>3,200,000</b>	<b>2,015,750</b>	<b>-</b>	<b>1,171</b>
Net Change in Fund Balances	2,956,537	(117,197)	676,661	340,390	(223,180)
Fund Balances - Beginning of Year, as Restated	12,970,418	979,507	638,859	2,600,272	9,219
<b>Fund Balances - End of Year</b>	<b>\$ 15,926,955</b>	<b>\$ 862,310</b>	<b>\$ 1,315,520</b>	<b>\$ 2,940,662</b>	<b>\$ (213,961)</b>

The notes to the basic financial statements are an integral part of this statement

<b>Police Facilities</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 1,661,025	\$ 3,477,279
1,602,818	617,913	16,522,458
-	-	511,990
-	1,165,571	3,160,870
-	14,260	270,211
-	331,002	598,196
-	6,000	270,676
-	787,035	2,235,836
-	-	12,246,493
-	120,068	134,333
-	136,956	380,239
<u>1,602,818</u>	<u>4,839,830</u>	<u>39,808,581</u>
88,774	529,733	11,349,702
-	215,139	741,845
-	1,683,258	1,683,258
-	232,089	1,734,365
-	1,939,121	3,160,843
-	1,970	3,061,925
2,545,809	621,570	17,107,260
125,000	109,991	354,991
171,135	88,610	490,638
101,402	3,490	120,195
<u>3,032,120</u>	<u>5,424,971</u>	<u>39,805,022</u>
<u>(1,429,302)</u>	<u>(585,141)</u>	<u>3,559</u>
-	3,240	2,409,100
4,465,000	-	4,465,000
-	-	1,171
533,826	-	533,826
-	631,822	5,831,822
-	-	(5,991,822)
<u>4,998,826</u>	<u>635,062</u>	<u>7,249,097</u>
<u>3,569,524</u>	<u>49,921</u>	<u>7,252,656</u>
<u>4,582,110</u>	<u>5,040,222</u>	<u>26,820,607</u>
<u>\$ 8,151,634</u>	<u>\$ 5,090,143</u>	<u>\$ 34,073,263</u>

*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2015*

**Net Change in Fund Balances-Total Governmental Funds** \$ 7,252,656

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital outlay	\$ 4,860,767	
Capital contributions	12,246,493	
Depreciation	<u>(2,564,591)</u>	
Total		14,542,669

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets. (1,651,590)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Delinquent property taxes	276,711	
Municipal income taxes	164,871	
Special assessments	(117,514)	
Intergovernmental	11,904	
Charges for services	(77,959)	
Miscellaneous revenues	<u>23,274</u>	
Total		281,287

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 1,782,097

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (1,891,259)

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the City's issuance of general obligation bonds and related premiums along with the issuance of an OPWC loan. (4,999,997)

Repayment of debt principal are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 354,991

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental funds.

Compensated absences	(66,425)	
Workers' compensation claims	(12,782)	
Amortization of premiums	22,494	
Accrued interest on bonds	<u>(11,125)</u>	
Total		(67,838)

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities. 160,200

**Change in Net Position of Governmental Activities** \$ 15,763,216

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balance –  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 1,501,189	\$ 1,768,951	\$ 1,808,165	\$ 39,214
Intergovernmental	420,678	1,771,570	1,701,950	(69,620)
Interest	71,251	289,441	288,263	(1,178)
Fees, Licenses and Permits	66,043	229,893	267,194	37,301
Fines and Forfeits	64,526	270,893	261,055	(9,838)
Charges for Services	370,987	1,426,666	1,500,916	74,250
Miscellaneous	37,368	176,017	151,180	(24,837)
<b>Total Revenues</b>	<u>2,532,042</u>	<u>5,933,431</u>	<u>5,978,723</u>	<u>45,292</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	701	701	-	701
Public Health and Welfare	400,371	580,865	550,988	29,877
Community Development	1,727,407	1,923,407	1,707,341	216,066
General Government	3,009,501	3,172,554	2,805,991	366,563
<b>Total Expenditures</b>	<u>5,137,980</u>	<u>5,677,527</u>	<u>5,064,320</u>	<u>613,207</u>
Excess of Revenues Over (Under) Expenditures	(2,605,938)	255,904	914,403	658,499
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	-	2,391,084	2,391,110	26
Advances In	-	1,055,573	1,055,573	-
Advances Out	-	(200,000)	(200,000)	-
Transfer In	2,600,000	2,600,000	2,600,000	-
Transfers Out	-	(5,560,078)	(5,560,078)	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,600,000</u>	<u>286,579</u>	<u>286,605</u>	<u>26</u>
Net Change in Fund Balance	(5,938)	542,483	1,201,008	658,525
Fund Balance - Beginning of Year	3,886,615	3,886,615	3,886,615	-
Prior Year Encumbrances Appropriated	372,728	372,728	372,728	-
<b>Fund Balance - End of Year</b>	<u>\$ 4,253,405</u>	<u>\$ 4,801,826</u>	<u>\$ 5,460,351</u>	<u>\$ 658,525</u>

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balance –  
 Budget (Non-GAAP Basis) and Actual  
 Income Tax Safety Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 3,664	\$ -	\$ 3,040	\$ 3,040
Miscellaneous	26,336	-	21,853	21,853
<b>Total Revenues</b>	<u>30,000</u>	<u>-</u>	<u>24,893</u>	<u>24,893</u>
<b>Expenditures</b>				
Current:				
Security of Persons & Property	5,963,819	6,975,819	6,535,290	440,529
Excess of Revenues Over (Under) Expenditures	(5,933,819)	(6,975,819)	(6,510,397)	465,422
<b>Other Financing Sources</b>				
Proceeds from Sale of Capital Assets	2,000	-	-	-
Transfers In	6,018,000	6,237,521	6,237,521	-
<b>Total Other Financing Sources</b>	<u>6,020,000</u>	<u>6,237,521</u>	<u>6,237,521</u>	<u>-</u>
Net Change in Fund Balance	86,181	(738,298)	(272,876)	465,422
Fund Balance - Beginning of Year	812,442	812,442	812,442	-
Prior Year Encumbrances Appropriated	41,079	41,079	41,079	-
<b>Fund Balance - End of Year</b>	<u>\$ 939,702</u>	<u>\$ 115,223</u>	<u>\$ 580,645</u>	<u>\$ 465,422</u>

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balance –  
 Budget (Non-GAAP Basis) and Actual  
 Fire and Emergency Medical Services Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 1,903	\$ 1,903
Miscellaneous	-	-	1,143	1,143
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>3,046</u>	<u>3,046</u>
<b>Expenditures</b>				
Current:				
Security of Persons & Property	5,183,554	5,462,554	5,150,957	311,597
Excess of Revenues Over (Under) Expenditures	(5,183,554)	(5,462,554)	(5,147,911)	314,643
<b>Other Financing Sources</b>				
Proceeds from Sale of Capital Assets	-	-	15,750	15,750
Transfers In	5,300,000	5,037,521	5,037,521	-
<b>Total Other Financing Sources</b>	<u>5,300,000</u>	<u>5,037,521</u>	<u>5,053,271</u>	<u>15,750</u>
Net Change in Fund Balance	116,446	(425,033)	(94,640)	330,393
Fund Balance - Beginning of Year	128,637	128,637	128,637	-
Prior Year Encumbrances Appropriated	366,575	366,575	366,575	-
<b>Fund Balance - End of Year</b>	<u>\$ 611,658</u>	<u>\$ 70,179</u>	<u>\$ 400,572</u>	<u>\$ 330,393</u>

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2015**

	<b>Enterprise Funds</b>				<b>Total</b>	<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Storm Water Drainage</b>	<b>Nonmajor - Solid Waste</b>		<b>Internal Service Fund</b>
<b>ASSETS</b>						
<b>Current Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 2,947,635	\$ 3,205,770	\$ 939,626	\$ 727,542	\$ 7,820,573	\$ 706,308
Materials and Supplies Inventory	57,809	35,537	-	-	93,346	-
Accounts Receivable	572,570	794,044	85,023	83,597	1,535,234	-
Prepaid Items	12,803	3,566	370	30	16,769	-
Special Assessments Receivable	365,858	207,964	264,993	-	838,815	-
Utilization Fee Receivable	12,092	6,557	-	-	18,649	-
<b>Total Current Assets</b>	<u>3,968,767</u>	<u>4,253,438</u>	<u>1,290,012</u>	<u>811,169</u>	<u>10,323,386</u>	<u>706,308</u>
<b>Noncurrent Assets:</b>						
Cash Surrender Value of Life Insurance Policies	-	-	-	-	-	362,223
Net Pension Asset	914	1,005	214	33	2,166	-
Capital Assets:						
Land	1,340,365	412,575	72,596	-	1,825,536	-
Construction in Progress	439,529	195,392	417,383	-	1,052,304	-
Depreciable Assets, Net of Depreciation	12,024,275	24,323,386	14,307,842	-	50,655,503	-
<b>Total Noncurrent Assets</b>	<u>13,805,083</u>	<u>24,932,358</u>	<u>14,798,035</u>	<u>33</u>	<u>53,535,509</u>	<u>362,223</u>
<b>Total Assets</b>	<u>17,773,850</u>	<u>29,185,796</u>	<u>16,088,047</u>	<u>811,202</u>	<u>63,858,895</u>	<u>1,068,531</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension	241,107	265,244	56,104	8,731	571,186	-
<b>Total Deferred Outflows of Resources</b>	<u>241,107</u>	<u>265,244</u>	<u>56,104</u>	<u>8,731</u>	<u>571,186</u>	<u>-</u>
<b>LIABILITIES</b>						
<b>Current Liabilities:</b>						
Accounts Payable	447,599	62,527	1,518	19,893	531,537	-
Accrued Wages and Benefits	33,150	36,481	7,879	1,156	78,666	-
Compensated Absences Payable	95,516	115,396	31,455	5,321	247,688	-
Contracts and Retainage Payable	1,090	4,535	208,437	-	214,062	-
Interfund Payable	272,100	233,980	346,000	537,466	1,389,546	625,000
Accrued Interest Payable	-	1,856	-	-	1,856	-
Health Insurance Claims Payable	-	-	-	-	-	315,955
Workers' Compensation Claims Payable	4,058	4,483	947	151	9,639	-
Notes Payable	-	497,011	-	-	497,011	-
OWDA and OPWC Loans Payable	39,228	221,817	9,967	-	271,012	-
<b>Total Current Liabilities</b>	<u>892,741</u>	<u>1,178,086</u>	<u>606,203</u>	<u>563,987</u>	<u>3,241,017</u>	<u>940,955</u>
<b>Noncurrent Liabilities:</b>						
Compensated Absences Payable	10,166	10,778	2,668	306	23,918	-
Workers' Compensation Claims Payable	4,383	4,843	1,023	163	10,412	-
OWDA Loans Payable	409,332	2,269,586	160,995	-	2,839,913	-
Net Pension Liability	1,327,969	1,460,909	309,011	48,084	3,145,973	-
<b>Total Noncurrent Liabilities</b>	<u>1,751,850</u>	<u>3,746,116</u>	<u>473,697</u>	<u>48,553</u>	<u>6,020,216</u>	<u>-</u>
<b>Total Liabilities</b>	<u>2,644,591</u>	<u>4,924,202</u>	<u>1,079,900</u>	<u>612,540</u>	<u>9,261,233</u>	<u>940,955</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension	23,609	25,972	5,494	855	55,930	-
<b>Total Deferred Inflows of Resources</b>	<u>23,609</u>	<u>25,972</u>	<u>5,494</u>	<u>855</u>	<u>55,930</u>	<u>-</u>
<b>NET POSITION</b>						
Net Investment in Capital Assets	13,355,609	21,942,939	14,626,859	-	49,925,407	-
Unrestricted	1,991,148	2,557,927	431,898	206,538	5,187,511	127,576
<b>Total Net Position</b>	<u>\$ 15,346,757</u>	<u>\$ 24,500,866</u>	<u>\$ 15,058,757</u>	<u>\$ 206,538</u>	<u>\$ 55,112,918</u>	<u>\$ 127,576</u>

Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.

(610,556)  
\$ 54,502,362

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2015*

	Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Water Drainage	Nonmajor - Solid Waste	Total	Internal Service Fund
<b>OPERATING REVENUES</b>						
Charges for Services	\$ 3,429,946	\$ 4,261,658	\$ 562,743	\$ 521,150	\$ 8,775,497	\$ 2,727,967
Miscellaneous	51,362	5,007	62,078	-	118,447	-
<b>Total Operating Revenues</b>	<u>3,481,308</u>	<u>4,266,665</u>	<u>624,821</u>	<u>521,150</u>	<u>8,893,944</u>	<u>2,727,967</u>
<b>OPERATING EXPENSES</b>						
Salaries	1,412,868	1,546,536	331,682	52,026	3,343,112	-
Fringe Benefits	473,681	520,099	104,533	15,057	1,113,370	-
Materials and Supplies	759,936	311,591	736	2,681	1,074,944	-
Utilities	191,479	183,764	-	-	375,243	-
Contractual Services	319,499	357,671	94,382	284,033	1,055,585	517,554
Depreciation	566,946	851,729	315,169	111	1,733,955	-
Claims	8,441	9,326	1,970	314	20,051	2,235,761
Other	1,701	3,592	516	-	5,809	-
<b>Total Operating Expense</b>	<u>3,734,551</u>	<u>3,784,308</u>	<u>848,988</u>	<u>354,222</u>	<u>8,722,069</u>	<u>2,753,315</u>
Operating Income (Loss)	<u>(253,243)</u>	<u>482,357</u>	<u>(224,167)</u>	<u>166,928</u>	<u>171,875</u>	<u>(25,348)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Gain on Sale of Capital Assets	-	2,192	-	-	2,192	-
(Loss) on Sale of Capital Assets	(190,132)	(281,639)	(77,428)	-	(549,199)	-
Interest	7,504	6,681	-	-	14,185	18,588
Interest and Fiscal Charges	(12,915)	(101,187)	-	-	(114,102)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(195,543)</u>	<u>(373,953)</u>	<u>(77,428)</u>	<u>-</u>	<u>(646,924)</u>	<u>18,588</u>
Capital Contributions	129,054	198,770	326,085	-	653,909	-
Transfers In	-	-	-	-	-	160,000
Change in Net Position	<u>(319,732)</u>	<u>307,174</u>	<u>24,490</u>	<u>166,928</u>	<u>178,860</u>	<u>153,240</u>
Net Position - Beginning of Year, Restated	15,666,489	24,193,692	15,034,267	39,610		(25,664)
<b>Net Position - End of Year</b>	<u>\$ 15,346,757</u>	<u>\$ 24,500,866</u>	<u>\$ 15,058,757</u>	<u>\$ 206,538</u>		<u>\$ 127,576</u>

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.

(6,960)  
\$ 171,900

The notes to the basic financial statements are an integral part of this statement



**City of Kent, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2015

	Enterprise Funds				Total	Governmental Activities
	Water	Sewer	Storm Water Drainage	Nonmajor - Solid Waste		Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash Received from Charges for Services	\$ 3,338,481	\$ 4,091,698	\$ 565,904	\$ 515,232	\$ 8,511,315	\$ 2,727,967
Other Cash Receipts	53,351	5,007	62,078	-	120,436	-
Cash Payments to Employees for Services	(1,450,841)	(1,602,756)	(338,472)	(53,872)	(3,445,941)	-
Cash Payments for Employee Benefits	(513,624)	(564,134)	(111,740)	(16,221)	(1,205,719)	-
Cash Payments for Goods and Services	(898,770)	(838,801)	(184,917)	(286,467)	(2,208,955)	(495,660)
Cash Payments for Claims	-	-	-	-	-	(2,055,525)
Other Cash Payments	(1,701)	(3,592)	(516)	-	(5,809)	-
Net Cash Provided by (Used in) Operating Activities	<u>526,896</u>	<u>1,087,422</u>	<u>(7,663)</u>	<u>158,672</u>	<u>1,765,327</u>	<u>176,782</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Advances Out	(80,000)	(65,000)	(110,000)	(109,000)	(364,000)	(135,000)
Transfers In	-	-	-	-	-	160,000
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(80,000)</u>	<u>(65,000)</u>	<u>(110,000)</u>	<u>(109,000)</u>	<u>(364,000)</u>	<u>25,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Capital Grants and Contributions	16,448	16,448	422,735	-	455,631	-
Tap-in Fees	103,594	183,108	3,350	-	290,052	-
Special Assessments	37,881	29,644	20,007	-	87,532	-
Proceeds from Notes	-	495,000	-	-	495,000	-
Premium on Notes	-	3,016	-	-	3,016	-
Principal Paid on OWDA/OPWC Loans	(38,044)	(213,916)	(4,967)	-	(256,927)	-
Principal Paid on Notes	-	(555,000)	-	-	(555,000)	-
Interest Paid on OWDA/OPWC Loans	(12,915)	(96,311)	-	-	(109,226)	-
Interest Paid on Notes	-	(8,276)	-	-	(8,276)	-
Payments for Capital Acquisitions	(257,677)	(230,109)	(1,742,074)	-	(2,229,860)	-
Proceeds from Sale of Capital Assets	-	2,192	-	-	2,192	-
Net Cash Used in Capital and Related Financing Activities	<u>(150,713)</u>	<u>(374,204)</u>	<u>(1,300,949)</u>	<u>-</u>	<u>(1,825,866)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest on Investments	13,339	14,703	-	-	28,042	-
Net Cash Provided by Investing Activities	<u>13,339</u>	<u>14,703</u>	<u>-</u>	<u>-</u>	<u>28,042</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	309,522	662,921	(1,418,612)	49,672	(396,497)	201,782
Cash and Cash Equivalents - Beginning of Year	2,638,113	2,542,849	2,358,238	677,870	8,217,070	504,526
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$ 2,947,635</u>	<u>\$ 3,205,770</u>	<u>\$ 939,626</u>	<u>\$ 727,542</u>	<u>\$ 7,820,573</u>	<u>\$ 706,308</u>

(Continued)

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2015

	Enterprise Funds					Governmental
	Water	Sewer	Storm Water Drainage	Nonmajor - Solid Waste	Total	Internal Service Fund
<b>RECONCILIATION OF OPERATING INCOME (LOSS)</b>						
<b>TO NET CASH PROVIDED BY (USED IN) OPERATING</b>						
<b>ACTIVITIES</b>						
Operating Income (Loss)	\$ (253,243)	\$ 482,357	\$ (224,167)	\$ 166,928	\$ 171,875	\$ (25,348)
Adjustments:						
Depreciation	566,946	851,729	315,169	111	1,733,955	-
Premium charged for Life Insurance Policies	-	-	-	-	-	21,894
(Increase) Decrease in Assets:						
Accounts Receivable	(91,465)	(169,960)	3,161	(5,918)	(264,182)	-
Other Receivable	1,989	-	-	-	1,989	-
Materials and Supplies Inventory	(36,856)	9,185	-	-	(27,671)	-
Prepaid Items	130	283	22	(30)	405	-
Net Pension Asset	(665)	(731)	(156)	(24)	(1,576)	-
Deferred Outflows of Resources - Pension	(77,538)	(85,301)	(18,042)	(2,808)	(183,689)	-
Increase (Decrease) in Liabilities:						
Accounts Payable	408,870	4,757	(89,821)	277	324,083	-
Accrued Wages and Benefits	(52,897)	(61,991)	(11,862)	(2,324)	(129,074)	-
Compensated Absences Payable	8,730	(2,053)	3,590	205	10,472	-
Workers' Compensation Claims Payable	(708)	177	1,970	314	1,753	-
Net Pension Liability	29,994	32,998	6,979	1,086	71,057	-
Deferred Inflows of Resources - Pension	23,609	25,972	5,494	855	55,930	-
Health Insurance Claims Payable	-	-	-	-	-	180,236
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>\$ 526,896</u>	<u>\$ 1,087,422</u>	<u>\$ (7,663)</u>	<u>\$ 158,672</u>	<u>\$ 1,765,327</u>	<u>\$ 176,782</u>
<b>Schedule of Non-Cash Investing, Capital, and Financing Activities:</b>						
Net impact of accruals related to capital assets.	\$ (16,163)	\$ 10,799	\$ 77,655	\$ -	\$ 72,291	\$ -

The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Escrow Fund*  
*December 31, 2015*

---

	<u>Balance</u> <u>12/31/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2015</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$ 420,716</u>	<u>\$ 321,380</u>	<u>\$ 281,106</u>	<u>\$ 460,990</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$ 420,716</u>	<u>\$ 321,380</u>	<u>\$ 281,106</u>	<u>\$ 460,990</u>

The notes to the basic financial statements are an integral part of this statement

## Notes to the Basic Financial Statements

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

---

**Note 1 – Description of the City and Reporting Entity**

The City of Kent (the City) is a home rule municipal corporation established under the laws of the State of Ohio. In 1963, a voter-approved Charter became effective which provides for a Council/Manager form of government.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. This definition of reporting entity is found in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*.

The City's primary government consists of all funds, departments, boards, and agencies that are not legally separate from the City. The City provides the following services as authorized by its Charter: police, fire, emergency medical assistance, public health care, recreation programs (including parks), transportation programs, water production, sanitary and storm sewers, recycling, planning and zoning, and general administration. None of these services are provided by legally separate organizations; therefore, these operations are included in the primary government. The operation of each of these activities is directly controlled by Council through the budgetary process.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and 1) the City is able to significantly influence the programs or services performed or provided by the organization; or 2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The reporting entity of the City does include a blended component unit. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

**Blended Component Unit** The Kent Downtown Community Urban Redevelopment Corporation (Organization) was formed to hold titles to properties as a nominee for the City for use to initiate and conduct projects for clearance, replanning, development and redevelopment of blighted areas within the City and to provide for the welfare and improvement and maintenance of the central business district of the City. The City has provided a guarantee for the debt service on the Organizations line of credit. The City is billed quarterly for specific reimbursements of economic development expenses. The Organization is reported as part of the City's special revenue funds and does issue separate audited financial statements.

The City is associated with one jointly governed organization, the Northeast Ohio Public Energy Council, and two joint ventures, the Kent-Franklin Township Joint Economic Development District, and the Kent-Brimfield Township Joint Economic Development District. Information about these organizations is presented in Notes 21 and 22 to the basic financial statements, respectively.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

**Note 2 - Summary of Significant Accounting Policies**

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

**A. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-wide Financial Statements** The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule, the activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

**B. Fund Accounting**

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

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

**General Fund** - This fund is the operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Income Tax Safety Fund** - This fund accounts for the police and other public safety expenditures relative to the distribution of municipal income tax monies as required by the City Charter.

**Fire and Emergency Medical Services Fund** - This fund accounts for fire and ambulance service expenditures relative to the distribution of municipal income tax monies as required by the City Charter.

**Capital Projects Fund** - This fund is used to account for expenditures related to the acquisition and construction of major capital facilities and infrastructure, except those financed by proprietary funds. Primary financing is provided by the distribution of municipal income tax monies as required by the City Charter and capital grants from various Federal and State agencies.

**Muni PI Tax Increment Equivalent Fund** - This fund accounts for the accumulation of resources (primarily debt proceeds and payments in lieu of taxes) that will be used for the development of the City's downtown.

**Police Facilities Fund** - This fund accounts for the resources derived from general obligation bonds and a voter approved income tax for the construction of a new police facility and for the payment of principal and interest and fiscal charges on the related general obligation debt.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

**Water Fund** - This fund is used to account for provision of water services provided to the residential and commercial customers of the City.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

---

***Sewer Fund*** - This fund is used to account for sanitary sewer services provided to the residential and commercial customers of the City.

***Storm Water Drainage Fund*** - This fund is used to account for storm water drainage services provided to the residential and commercial customers of the City.

The City's Solid Waste Fund is used to account for solid waste collection services provided to the residential and commercial customers of the City. This fund is the City's only nonmajor enterprise fund.

***Internal Service Funds*** Internal Service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on a self-insurance program for employee health and life insurance benefits.

***Fiduciary Funds*** Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only agency fund holds deposits held by the City and received from a contractor, developer, or individual to ensure compliance with the ordinances of the City.

***C. Measurement Focus***

***Government-wide Financial Statements*** The government-wide financial statements are presented using the economic resources measurement focus. All assets along with deferred outflows of resources and all liabilities along with deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

***Fund Financial Statements*** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets along with deferred outflows of resources and current liabilities along with deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (e.g., revenues and other financing sources) and uses (e.g., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets along with deferred outflows of resources and all liabilities along with deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The proprietary funds' statement of revenues, expenses and changes in net position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.



**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

***D. Basis of Accounting***

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

***Revenues – Exchange and Nonexchange Transactions*** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 9). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines and forfeitures, interest, grants, fees, and rentals.

***Deferred Outflows/Inflows of Resources*** - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows related to pension are explained in Note 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income taxes, intergovernmental grants, special assessments, charges for services, and miscellaneous revenues. These amounts are deferred and recognized as inflows of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 13)

***Expenses/Expenditures*** On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

***E. Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

The City also has segregated bank accounts for monies held separate from the City's central bank account which relates to the City's blended component unit. These interest bearing depository accounts are presented as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City treasury.

Investments are reported at fair value which is based on quoted market prices as of the valuation date, with the exception of nonparticipating repurchase agreements and non-negotiable certificate of deposits, which are reported at cost.

During the year, the City's investments were limited to non-negotiable and negotiable certificates of deposits, United States Agency debt securities and money market mutual funds.

Following Ohio statutes, the City has, by ordinance, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during 2015 amounted to \$255,951, which includes \$215,879 assigned from other City funds.

The City considers highly liquid investments, with an original maturity of three months or less, to be cash equivalents. Investments with an original maturity of three months or more are disclosed as investments.

***F. Inventory***

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

**G. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2015 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**H. Capital Assets**

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City capitalization threshold is \$10,000 for 2015. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

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

Description	Estimated Lives
Buildings, Structures and Improvements	10 - 45 years
Infrastructure	10 - 80 years
Machinery and Equipment	3 - 25 years
Vehicles	3 - 20 years

The City's infrastructure consists of roads, bridges, culverts, traffic signals, sidewalks, water mains, sanitary sewers, and storm water drainage lines.

**I. Interfund Balances**

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "Interfund Receivable/Payable." Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

***J. Compensated Absences***

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

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

The current portion of unpaid compensated absences is the amount of matured compensated absences expected to be paid using expendable available financial resources. These amounts are presented as "Matured Compensated Absences Payable" in the funds from which the employees are paid. The noncurrent portion of the liability is not reported in the governmental funds. The City had no matured compensated absences payable for December 31, 2015.

***K. Accrued Liabilities and Long-term Obligations***

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences and severance benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***L. Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

***M. Fund Balance***

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

*Nonspendable* – The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

*Restricted* – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

*Committed* – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City’s Council. Those committed amounts cannot be used for any other purpose unless the City’s Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

**Fund Balance Policy.** The City Council desires to maintain a prudent level of financial resources to guard its citizens against disruption of services in the event the City experiences unexpected short-term revenue shortfalls or unanticipated one-time expenditures. The City’s cash fund balance has been accumulated to meet this purpose, provided stability and flexibility to respond to financial adversity or strategic opportunities. The long-term plan is to maintain a rolling undesignated operating cash fund balance (which includes the portions of the General Fund, Street Construction, Maintenance and Repair Fund, Income Tax Fund, Income Tax Safety Fund, and Fire and Emergency Medical Services Fund that are not constrained by encumbrances or the City’s self-imposed limitations) that will be no less than a minimum 25 percent of current budgeted operating expenditures. Operating expenditures are deemed to be non-capital expenditures.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

In the event the undesignated operating cash fund balance exceeds 25 percent of annual operating expenditures and other financing uses (transfers out), the amount exceeding this percentage may be available for appropriation at the discretion of the Director of Budget and Finance and/or the City Manager with the approval of City Council. Any appropriations from the undesignated operating cash fund balance that will take the combined balances below the minimum 25 percent threshold requires special notification to that effect by City Administration at the time City Council consideration is requested (i.e. declaration of a Fund Balance Emergency), along with the usual approval of the City Council.

Additionally, in order to provide a cautionary warning of an approaching Fund Balance Emergency and to initiate any corrective actions, City Administration will apprise City Council upon reaching an undesignated operating cash fund balance (does not include the managed reserve account) that is 17 percent or less of annual operating expenditures. City Council notification will be provided this notification in writing as early as practical upon determination of such status.

***N. Net Position***

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted as “Other Purposes” are mainly attributed to the Wireless 911 program, the west side fire station operations, the food service program, the revolving housing program, and several other minor grant funds.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

***O. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services and other operating revenue for the water, sewer, solid waste and storm water drainage funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

***P. Contributions of Capital***

Contributions of capital in governmental and proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***Q. Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

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

***R. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2015.

***S. Estimates***

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

***T. Budgetary Process***

All funds, except the agency funds and the blended component unit (included as a nonmajor special revenue fund), are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund level, department, and object level (Personnel and Benefits, Other than Personnel and Benefits, Capital, Reserve/Debt Service, and Contingency) for all funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

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

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

**Note 3 – Changes in Accounting Principles and Prior Period Adjustments**

***A. Change in Accounting Principles***

For 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions” and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68.”

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 affected the City’s financial statements, pension plan disclosures, and added required supplementary information.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

***B. Prior Period Adjustments***

Prior period adjustments were necessary to reclass the prepayment of the parking facility with PARTA into a capital asset and to implement GASB Statements No. 68 and 71. Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available. The prior period adjustments are as follows:

	Governmental Activities	Business Type Activities
Net Position as of December 31, 2014	\$ 69,720,695	\$ 57,017,291
Adjustments:		
Net Pension Liability	(17,878,728)	(3,074,916)
Net Pension Asset	736	590
Deferred Outflow - Payments Subsequent to Measurement Date	1,694,030	387,497
Eliminate prepaid (see note 12)	(3,866,667)	-
Capital assets, net (see note 12)	3,886,000	-
Restated Net Position December 31, 2014	<u>\$ 53,556,066</u>	<u>\$ 54,330,462</u>



**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

	Water	Sewer	Storm Water	Solid Waste	Total Enterprise
Net Position as of December 31, 2014	\$ 16,800,646	\$ 25,441,386	\$ 15,298,179	\$ 80,676	\$ 57,017,291
Adjustments:					
Net Pension Liability	(1,297,975)	(1,427,911)	(302,032)	(46,998)	(3,074,916)
Net Pension Asset	249	274	58	9	590
Deferred Outflow - Payments Subsequent to Measurement Date	163,569	179,943	38,062	5,923	387,497
Restated Net Position December 31, 2014	<u>\$ 15,666,489</u>	<u>\$ 24,193,692</u>	<u>\$ 15,034,267</u>	<u>\$ 39,610</u>	<u>\$ 54,330,462</u>

	Muni PI Tax Increment Equivalent	Total Governmental Funds
Fund Balance, December 31, 2014	\$ 3,875,886	\$ 30,687,274
Adjustments:		
Eliminate prepaid	(3,866,667)	(3,866,667)
Restated Fund Balance, December 31, 2014	<u>\$ 9,219</u>	<u>\$ 26,820,607</u>

**Note 4 – Accountability and Compliance**

**Fund Deficits**

As of December 31, 2015, the City’s Muni PI Tax Increment Equivalent Fund and General Obligation Debt Service Fund reported deficit fund balances of \$213,961 and \$678,698, respectively. These fund deficits resulted from accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**Note 5 - Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balances/net position on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General, Income Tax Safety, and the Fire and Emergency Medical Services funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the inventory is used, the prepaid is consumed, and the liability is incurred(GAAP basis);

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

3. Investments reported at fair value (GAAP) rather than cost (budget basis);
4. The Income Tax Fund is included in the General Fund (GAAP basis), but has a separate legally adopted budget (budget basis); and
5. Encumbrances are treated as expenditures (budget basis) rather than as a part of restricted, committed, and assigned fund balances (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the budgetary basis statements to the GAAP basis statements for the General Fund and for the two major special revenue funds.

	<u>General</u>	<u>Income Tax Safety</u>	<u>Fire and Emergency Medical Services</u>
Fund Balance - Budget Basis	\$5,460,351	\$580,645	\$400,572
Net Adjustment			
Revenue Accruals	4,023,923	658,299	623,373
Deferred Inflows	(2,397,878)	(350,933)	(350,933)
Expenditure Accruals	(1,651,593)	(127,788)	(104,687)
Assets Held for Resale	734,400	0	0
Inventories/Prepays	27,743	67,213	2,780
Investment Valuation	(81,194)	0	0
Funds Budgeted elsewhere	9,401,620	0	0
Encumbrances	409,583	34,874	744,415
Fund Balance - GAAP Basis	<u>\$15,926,955</u>	<u>\$862,310</u>	<u>\$1,315,520</u>

**Note 6 - Deposits and Investments**

The City maintains a cash pool that is available for use by all funds and accounts. Also maintained separately are accounts for revolving loans and restricted cash. Each fund type's portion of this pool is displayed on the balance sheet as "equity in pooled cash and cash equivalents." State statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

***Cash on Hand***

At December 31, 2015, the City had \$1,105 in undeposited cash on hand, which is included on the balance sheet of the City as part of “Equity in Pooled Cash and Cash Equivalents”.

***Deposits***

Custodial credit risk is the risk that, in the event of a bank failure, the City’s deposit may not be returned. The City’s policy is to place deposits with major local banks approved by the City Council. All deposits, except for deposits held by fiscal and escrow agents, are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at Federal Reserve banks, or at member banks of the federal reserve system in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds, or as specific collateral held at a Federal Reserve Bank in the name of the City.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

At December 31, 2015, the carrying value of the City's deposits was \$14,139,563, of which \$169,000 was in non-negotiable certificate of deposits (cash and cash equivalents in segregated accounts of \$61,730 related to the City's blended component unit are not included in the City's deposits). The cash balances per the banks were \$13,448,551, of which \$780,701 was insured by Federal depository insurance. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$12,667,850 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

***Investments***

The City follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all of its investments at fair value. At December 31, 2015, fair value was \$83,878 below the City's net cost for investments. Fair value is determined by quoted market prices and other acceptable pricing methodologies.

*Interest Rate Risk.* As a means of limiting its exposure to fair value of losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt obligations.

*Credit Risk.* The City's investment policy require that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. See the table below for the credit ratings of the City's investments provided by Standard and Poor's.

*Custodial Credit Risk.* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee. The City's investment in negotiable certificates of deposit were fully insured by Federal depository insurance.

*Concentration of Credit Risk.* The City places no limit on the amount it may invest in any one issuer.

As of December 31, 2015, the City had the following investments and investment maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturity</u>
U.S. Agencies Debt Securities	\$14,846,108	AA+	Various Maturities
Money Market Mutual Funds	28,764	N/A	Daily
Negotiable Certificate of Deposit	12,049,611	N/A	Various Maturities
Total Investments	<u>\$26,924,483</u>		

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

***Reconciliation of Cash and Investments to the Statement of Net Position***

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2015.

Investments	\$26,924,483
Carrying amount of the City's Deposits	14,139,563
Cash on Hand	1,105
Total	<u><u>\$41,065,151</u></u>
 <b><i>Governmental Activities</i></b>	
Governmental Funds	
Equity in Pooled Cash and Cash Equivalents	\$31,830,315
Cash and Cash Equivalents in Segregated Accounts	\$61,730
Restricted Cash	185,235
Internal Service Funds	
Equity in Pooled Cash and Cash Equivalents	<u>706,308</u>
Total Governmental Activities	<u><u>32,783,588</u></u>
 <b><i>Business-Type Activities</i></b>	
Enterprise Funds	
Equity in Pooled Cash and Cash Equivalents	<u>7,820,573</u>
 <b><i>Agency Funds</i></b>	
	<u>460,990</u>
Total	<u><u>\$41,065,151</u></u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

**Note 7 – Fund Balances**

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

Fund Balances	General	Income Tax Safety	Fire and Emergency Medical Services	Capital Projects	Muni PI Tax Increment Equivalent	Police Facilities	Other Governmental Funds	Total
<i>Nonspendable</i>								
Prepaid Items	\$ 27,743	\$ 19,127	\$ 2,780	\$ 19,131	\$ -	\$ -	\$ 6,534	\$ 75,315
Inventories	-	48,086	-	-	-	-	360,065	408,151
Interfund Balances	2,327,546	-	-	-	-	-	-	2,327,546
Loans Receivable	346,306	-	-	-	-	-	-	346,306
Community Development	169,000	-	-	-	-	-	-	169,000
Assets Held for Resale	734,400	-	-	-	-	-	-	734,400
<i>Total Nonspendable</i>	<u>3,604,995</u>	<u>67,213</u>	<u>2,780</u>	<u>19,131</u>	<u>-</u>	<u>-</u>	<u>366,599</u>	<u>4,060,718</u>
<i>Restricted for</i>								
Police Pension	-	-	-	-	-	-	17,161	17,161
Fire Pension	-	-	-	-	-	-	17,165	17,165
Public Safety	-	795,097	1,312,740	-	-	-	353,419	2,461,256
Other Law Enforcement	-	-	-	-	-	-	40,554	40,554
Streets and Highways	-	-	-	-	-	-	1,027,408	1,027,408
Parks and Recreation	-	-	-	-	-	-	758,023	758,023
Food Services	-	-	-	-	-	-	43,000	43,000
Revolving Housing	-	-	-	-	-	-	32,656	32,656
Swimming Pool Inspections	-	-	-	-	-	-	5,049	5,049
Community Development	-	-	-	-	-	-	3,107,807	3,107,807
Police Facilities	-	-	-	-	-	8,151,634	-	8,151,634
<i>Total Restricted</i>	<u>-</u>	<u>795,097</u>	<u>1,312,740</u>	<u>-</u>	<u>-</u>	<u>8,151,634</u>	<u>5,402,242</u>	<u>15,661,713</u>
<i>Committed to</i>								
Public Facilities and Programs	2,302,348	-	-	-	-	-	-	2,302,348
Capital Improvement	-	-	-	2,921,531	-	-	-	2,921,531
<i>Total Committed</i>	<u>2,302,348</u>	<u>-</u>	<u>-</u>	<u>2,921,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,223,879</u>
<i>Assigned to</i>								
Purchases on Order	221,857	-	-	-	-	-	-	221,857
<i>Total Assigned</i>	<u>221,857</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,857</u>
<i>Unassigned (Deficit)</i>								
	9,797,755	-	-	-	(213,961)	-	(678,698)	8,905,096
<b>Total Fund Balances</b>	<u><u>\$ 15,926,955</u></u>	<u><u>\$ 862,310</u></u>	<u><u>\$ 1,315,520</u></u>	<u><u>\$ 2,940,662</u></u>	<u><u>\$ (213,961)</u></u>	<u><u>\$ 8,151,634</u></u>	<u><u>\$ 5,090,143</u></u>	<u><u>\$ 34,073,263</u></u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

**Note 8 - Income Taxes**

The City levied income tax of 2.25 percent on substantially all income earned within the City. In addition, residents are required to pay City income tax on income earned outside the City; however, credit is allowed for income taxes paid to other municipalities, up to a maximum of 2.25 percent.

**Note 9 - Property Taxes and Payments in Lieu of Taxes**

***Property Taxes***

Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the City. The assessed value upon which the 2014 tax levy was based was \$350,645,400.

Real property taxes received by the City in a calendar year are levied on January 1 of the preceding calendar year on assessed values as of January 1 of the preceding year, the lien date. The assessed value of real property (including public utility real property) is established by the County Auditor at 35 percent of estimated true value. A revaluation of all property is required to be completed no less than every six years, with a statistical update every third year. The last revaluation was completed in 2015. Public utility personal property is assessed at 88 percent of actual value (1997-2004) and 67 percent of actual value (2005-2008). General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax has been completely phased out. Amounts for prior year's unpaid tangible personal property taxes may still be collected.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Kent. Taxes are payable in two equal installments on February 15 and July 17 and, if not paid, become delinquent approximately ten days subsequent to the date they are payable. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes are recognized as revenues when received since they are used to pay current period liabilities.

***Payments in Lieu of Taxes***

According to State law, the City has established a tax incremental financing district within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever comes first. Future development by these owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

**Note 10 – Interfund Activities**

As of December 31, 2015, individual funds due to/from other funds that resulted from various interfund transactions were as follows:

	PAYABLE FUND							Total
	<i>Governmental Activities</i>			<i>Business-Type Activities</i>				
	General	Nonmajor	Internal Service	Water	Sewer	Storm Water Drainage	Nonmajor - Solid Waste	
<b>RECEIVABLE FUND</b>								
<i>Governmental Funds</i>								
General	\$0	\$313,000	\$625,000	272,100	233,980	346,000	\$537,466	\$2,327,546
Nonmajor	1,365,863	0	0	0	0	0	0	1,365,863
Total	<u>\$1,365,863</u>	<u>\$313,000</u>	<u>\$625,000</u>	<u>\$272,100</u>	<u>\$233,980</u>	<u>\$346,000</u>	<u>\$537,466</u>	<u>\$3,693,409</u>

Interfund balances were used primarily to provide capital to expand the utility infrastructure which facilitates new development. The balances were also used to provide the initial cash for expenditure driven grant funds. The interfund receivable/payable between the General Fund and the nonmajor governmental fund is related to the City’s guarantee of the blended component unit’s line of credit. The interfund receivable/payable between the General Fund and the Internal Service Fund was for the purpose of providing additional resources to the Internal Service Fund due to significant claims paid in prior periods. The City has put in place efforts to repay these outstanding interfund balances in future periods.

The City also recognizes an interfund transaction between the City’s Income Tax Fund (which is combined with the General Fund on the governmental fund financial statements) and the City’s Debt Service Fund. This interfund transaction is a manuscript debt issued by the City in fiscal year 2000 for the purpose of Street Improvements in the amount of \$561,000 with interest rates ranging from 5.50 percent to 6.00 percent over the life of the debt. The manuscript debt will mature on December 1, 2020. The City assesses annual assessments to property owners and the receipt of those assessments is used to make the annual debt service to the Income Tax Fund. As of December 31, 2015, the balance of the manuscript debt was \$208,000, with \$37,000 due within one year.



**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

Transfers made during the year ended December 31, 2015 were as follows:

	<b>TRANSFERS OUT</b>
	<i>Governmental Activities</i>
<b>TRANSFERS IN</b>	General
<i>Governmental Activities</i>	
Income Tax Safety	\$3,200,000
Fire and Emergency Medical Services	2,000,000
Nonmajor Fund	631,822
Internal Service Fund	160,000
Total Governmental Activities	\$5,991,822

Transfers are from the General Fund to various funds within the City to help finance the various programs accounted for in other funds. All transfers were made in accordance with Ohio Revised Code Sections 5705.14, 5705.15, and 5705.16. Transfers between governmental funds are eliminated on the governmental activities' statement of activities.

On the governmental fund financial statements, transfers from the Income Tax Fund (this fund is combined with the General Fund on the governmental fund financial statements) that were made in accordance with the City's codified ordinances have been reclassified as income tax revenues in the respective governmental funds. The reclassifications were a result of the City's implementation of GASB Statement No. 54 in 2011.

**Note 11 – Risk Management**

The City has established a formal self-insurance program for liabilities arising from employee health and life benefits. This exposure is accounted for in the Health and Life Insurance Internal Service Fund, which is responsible for collecting interfund premiums from other City funds and departments, paying claim settlements, and purchasing other specified insurance policies. Reinsurance for any individual loss over \$85,000 is covered by Star-Line Group.

The claims liability of \$315,955 reported in the fund at December 31, 2015, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claim, be reported. Changes in the fund's claims liability amount in 2014 and 2015 were:

	Beginning of Year		Claims		Payments		End of Year
2014	\$ 126,304	\$	2,107,421	\$	2,098,006	\$	135,719
2015	135,719		2,235,761		2,055,525		315,955

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims resulting from the previously noted risks have not exceeded commercial insurance coverage in the past three fiscal years. During 2015, the City contracted with several companies for various types of insurance as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Deductible</u>
US Specialty Insurance Company	Wrongful Acts Liability	\$10,000
Scottsdale Insurance Company	Law Enforcement Liability	25,000
US Specialty Insurance Company	Commercial Property	2,500
US Specialty Insurance Company	Commercial Crime	1,000
US Specialty Insurance Company	Inland Marine	1,000
US Specialty Insurance Company	Boiler and Machinery	2,500
US Specialty Insurance Company	Automobile Comprehensive	500
US Specialty Insurance Company	Automobile Collision	500
US Specialty Insurance Company	General Liability	0
US Specialty Insurance Company	Employee Benefit Plans Administration	
	Administration Liability	1,000
US Specialty Insurance Company	General Liability - Sewer Backup	5,000
US Specialty Insurance Company	Excess General Liability	10,000
American Alternative Insurance Company	Fire General Liability	0
Ohio Casualty Insurance Company	Bond - Finance Officials	0
Ohio Casualty Insurance Company	Bond - Finance Director	0
Ohio Casualty Insurance Company	Blanket Employee Faithful Performance Bond	0

The contracts listed above reflect no significant reduction in insurance coverage as compared to the prior year.

In 2014, the City began its participation in the State Workers' Compensation retrospective rating and payment system. Once the City receives notice of the claims paid by the Bureau of Workers' Compensation, the City will reimburse the State for claims paid on the City's behalf. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claim costs for employees injured in 2014 for up to ten years after the claim year. For 2015, the minimum premium portion was \$137,060 and has been recorded as an intergovernmental payable. The maintenance of these benefits will be funded through General Fund transfers to the various funds that experienced the loss. Total claims of \$86,127 have been accrued as a liability at December 31, 2015, based on an estimate provided by Comp Management, Inc., the City's third party administrator. The claims liability reported at December 31, 2015, for Workers' Compensation is based on the requirements of Governmental Accounting Standards Board Statement No. 30, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. Changes in the balance of claims liabilities during the past two years are as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2014	\$0	\$45,745	\$0	\$45,745
2015	\$45,745	\$50,240	(\$9,858)	\$86,127

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

**Note 12 - Capital Assets**

Capital asset activity for the year ended December 31, 2015, was as follows:

	Restated Balance 12/31/14	Additions	Deletions	Balance 12/31/15
<b>Governmental Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$9,175,997	\$2,331,187	(\$628,404)	\$10,878,780
Construction in Progress	12,006,891	14,232,867	(19,177,689)	7,062,069
<i>Total Capital Assets, Not Being Depreciated</i>	<u>21,182,888</u>	<u>16,564,054</u>	<u>(19,806,093)</u>	<u>17,940,849</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings, Structures and Improvements	15,980,793	16,020	(2,497,971)	13,498,842
Vehicles, Machinery and Equipment	11,018,579	527,187	(1,516,137)	10,029,629
Infrastructure:				
Roads	36,283,436	17,586,655	(19,410)	53,850,681
Bridges	2,949,089	1,591,033	0	4,540,122
Sidewalks	54,014	0	0	54,014
Traffic Signals	3,980,548	0	(6,358)	3,974,190
<i>Total Capital Assets, Being Depreciated</i>	<u>70,266,459</u>	<u>19,720,895</u>	<u>(4,039,876)</u>	<u>85,947,478</u>
Less Accumulated Depreciation:				
Buildings, Structures and Improvements	(6,748,033)	(426,197)	1,696,261	(5,477,969)
Vehicles, Machinery and Equipment	(7,402,697)	(532,483)	1,302,574	(6,632,606)
Infrastructure:				
Roads	(24,017,287)	(1,337,979)	12,981	(25,342,285)
Bridges	(896,281)	(75,948)	0	(972,229)
Sidewalks	(50,321)	(397)	0	(50,718)
Traffic Signals	(603,093)	(191,587)	4,874	(789,806)
<i>Total Accumulated Depreciation</i>	<u>(39,717,712)</u>	<u>(2,564,591) *</u>	<u>3,016,690</u>	<u>(39,265,613)</u>
Total Capital Assets, Being Depreciated, Net	<u>30,548,747</u>	<u>17,156,304</u>	<u>(1,023,186)</u>	<u>46,681,865</u>
<b>Governmental Activities Capital Assets, Net</b>	<u><u>\$51,731,635</u></u>	<u><u>\$33,720,358</u></u>	<u><u>(\$20,829,279)</u></u>	<u><u>\$64,622,714</u></u>

\* Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Security of Persons and Property	\$388,666
Public Health and Welfare	4,880
Leisure Time Activities	248,059
Community Development	11,693
Transportation	1,813,237
General Government	98,056
Total Depreciation Expense	<u><u>\$2,564,591</u></u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

On August 3, 2011, the City entered into a 50-year agreement with the Portage Area Regional Transit Authority (PARTA). The agreement required the City to prepay all rentals and costs payable for the two upper levels of the parking facility in the amount of \$4,000,000. The prepayment of the asset is necessary to provide additional funding to PARTA for the construction of the parking facility. The first year shall commence when the parking facility is complete and operable. The construction of the parking facility was completed and operable in 2013 and recorded as a capital asset with the net book value of \$ 3,886,000 in 2014.

	Balance 12/31/14	Additions	Deletions	Balance 12/31/15
<b>Business-Type Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$1,908,570	\$0	(\$83,034)	\$1,825,536
Construction in Progress	4,305,683	1,916,201	(5,169,580)	1,052,304
<i>Total Capital Assets, Not Being Depreciated</i>	<u>6,214,253</u>	<u>1,916,201</u>	<u>(5,252,614)</u>	<u>2,877,840</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings, Structures and Improvements	14,799,388	54,985	(150,273)	14,704,100
Vehicles, Machinery and Equipment	10,794,759	1,271,557	(1,226,122)	10,840,194
Infrastructure:				
Water Mains	16,154,494	300,000	(129,311)	16,325,183
Sanitary Sewers	27,447,015	731,600	(21,002)	28,157,613
Storm Water Drainage Lines	16,362,742	3,052,806	(81,575)	19,333,973
<i>Total Capital Assets, Being Depreciated</i>	<u>85,558,398</u>	<u>5,410,948</u>	<u>(1,608,283)</u>	<u>89,361,063</u>
Less Accumulated Depreciation:				
Buildings, Structures and Improvements	(9,822,774)	(313,734)	113,665	(10,022,843)
Vehicles, Machinery and Equipment	(8,934,670)	(282,804)	955,288	(8,262,186)
Infrastructure:				
Water Mains	(6,215,206)	(281,059)	48,790	(6,447,475)
Sanitary Sewers	(8,373,218)	(547,454)	4,754	(8,915,918)
Storm Water Drainage Lines	(4,767,855)	(308,904)	19,621	(5,057,138)
<i>Total Accumulated Depreciation</i>	<u>(38,113,723)</u>	<u>(1,733,955) *</u>	<u>1,142,118</u>	<u>(38,705,560)</u>
Total Capital Assets, Being Depreciated, Net	<u>47,444,675</u>	<u>3,676,993</u>	<u>(466,165)</u>	<u>50,655,503</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u><u>\$53,658,928</u></u>	<u><u>\$5,593,194</u></u>	<u><u>(\$5,718,779)</u></u>	<u><u>\$53,533,343</u></u>

\* Depreciation expense was charged to business-type funds as follows:

Business-Type Activities	
Water Fund	\$566,946
Sewer Fund	851,729
Solid Waste Fund	111
Storm Water Drainage Fund	315,169
	<u>\$1,733,955</u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

**Note 13 – Defined Benefit Pension Plans**

The net pension liability/(asset) reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City’s obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS' CAFR referenced above for additional information):

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
<b>2015 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
 <b>2015 Actual Contribution Rates</b>	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	14.0 %
Employee	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contributions was \$906,258 for 2015.

***Plan Description – Ohio Police & Fire Pension Fund (OP&F)***

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police	Firefighters
<b>2015 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %
<b>2015 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee:		
January 1, 2015 through July 1, 2015	11.50 %	11.50 %
July 2, 2015 through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,279,033 for 2015. Of this amount, \$14,665 is reported as accrued wages and benefits.

***Pension Liabilities, Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.



**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

Following is information related to the proportionate share and pension expense:

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	OP&F Police	OPF Fire	Total
Proportionate Share of the Net Pension Liability/(Asset)	\$7,071,191	(\$4,864)	\$7,261,510	\$ 7,674,751	\$22,002,588
Proportion of the Net Pension Liability/Asset	0.058628%	0.012633%	0.1401723%	0.1481493%	
Pension Expense	772,037	3,232	708,525	752,382	2,236,176

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F Police	OP&F Fire	Total
<b>Deferred Outflows of Resources</b>				
Differences between expected and actual experience	\$377,594	\$312,964	\$330,775	\$1,021,333
City contributions subsequent to the measurement date	906,258	629,294	649,739	2,185,291
Total Deferred Outflows of Resources	<u>\$1,283,852</u>	<u>\$942,258</u>	<u>\$980,514</u>	<u>\$3,206,624</u>
<b>Deferred Inflows of Resources</b>				
Net difference between projected and actual earnings on pension plan investments	<u>\$125,711</u>	<u>\$0</u>	<u>\$0</u>	<u>\$125,711</u>

\$2,185,291 reported as deferred outflows of resources related to pension resulting from City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F Police	OP&F Fire	Total
Year Ending December 31:				
2016	\$36,903	\$78,241	\$82,694	\$197,838
2017	36,903	78,241	82,694	\$197,838
2018	84,633	78,241	82,694	\$245,568
2019	94,222	78,241	82,693	\$255,156
2020	(177)	0	0	(177)
Thereafter	(601)	0	0	(601)
Total	<u>\$251,883</u>	<u>\$312,964</u>	<u>\$330,775</u>	<u>\$895,622</u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

**Actuarial Assumptions - OPERS**

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

The total pension asset in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 8.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
<b>Total</b>	<b>100.00 %</b>	<b>5.28 %</b>

**Discount Rate** The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

City's proportionate share of the net pension liability/(asset)	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
Traditional Pension Plan	\$13,008,967	\$7,071,191	\$2,070,155
Combined Plan	\$632	(\$4,864)	(\$9,222)

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

**Actuarial Assumptions – OP&F**

OP&F’s total pension liability as of December 31, 2014 is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented below:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2014 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

\* levered 2x

OP&F's Board of Trustees has incorporated the "risk parity" concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	<u>1% Decrease (7.25%)</u>	<u>Current Discount Rate (8.25%)</u>	<u>1% Increase (9.25%)</u>
City's proportionate share of the net pension liability	\$ 20,659,109	\$ 14,936,261	\$ 10,090,749

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

**Note 14 – Post-Employment Benefits**

**Ohio Public Employees Retirement System**

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

OPERS maintains two cost-sharing multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursement, to qualifying benefit recipients of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2014 CAFR for details. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

*Funding Policy* - The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, State and Local employers contributed at a rate of 14.00 percent of earnable salary and Public Safety and Law Enforcement employers contributed at 18.10 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined Plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.00 percent during calendar year 2015. As recommended by the OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.00 percent for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

---

The employer contribution as a percentage of covered payroll deposited to the VEBA participants in the Member-Directed Plan for 2015 was 4.50 percent. The City's actual employer contributions for December 31, 2015, 2014 and 2013 which were used to fund post-employment benefits were \$155,959, \$150,887, and \$73,414, respectively; 92.19 percent has been contributed for 2015, and 100 percent has been contributed for 2014 and 2013.

**Ohio Police and Fire Pension Fund**

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

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

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

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

*Funding Policy* - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50 percent and 24.00 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50 percent of covered payroll for police employer units and 24.00 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 Trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 0.50 percent of covered payroll from January 1, 2015 thru December 31, 2015. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of the Sections 115 and 401(h).

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$16,507 and \$13,785 for the year ended December 31, 2015, \$15,397 and \$13,222 for the year ended December 31, 2014, and \$107,617 and \$90,705 for the year ended December 31, 2013, respectively. 92.32 percent and 92.26, respectively has been contributed for 2015, and 100 percent has been contributed for 2014 and 2013.

**Note 15 – Other Employee Benefits**

***A. Compensated Absences***

***Accumulated Unpaid Vacation and Compensatory Time*** City employees earn vacation leave ranging from 10 to 30 days per year based on length of service, except for firemen who accumulate vacation at rates from 6 to 14 tours of duty per year based on length of service. Accumulated vacation leave cannot exceed 15 days for some City employees, 5 tours of duty for firemen at the end of any year, and other City employees are not permitted to carry any accumulated vacation leave. All accumulated unused vacation time is paid upon termination.

The total obligation for vacation and compensatory time accrual for the City, including salary-related payments, amounted to \$1,121,321 as of December 31, 2015.

***Accumulated Unpaid Sick Leave*** Sick leave for City employees is accrued at rates from 119.6 to 195 hours per year. Employees may convert 50 percent of their current year accumulated sick leave into a lump-sum payment within certain limitations. Employees who retire after 10 years of service may convert 50 percent of their accumulated sick leave days into a lump-sum payment within certain limitations. The obligation for sick leave accrual was calculated using the termination payments method and amounted to \$196,259 as of December 31, 2015.

**Note 16 - Construction and Other Commitments**

As of December 31, 2015, the City had capital contracts and retainage payables of \$465,036 and \$214,062 in governmental funds and business-type funds, respectively.



**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

	<u>Contract Amount</u>
Governmental Activities	
Ametek Property Demolition	\$ 24,864
Summit Street Improvement	296,381
2014 Street and Sidewalk Program	92,318
Alley 5 Parking Lot	35,026
Erie/Depeyster Streets	7,136
Downtown Redevelopment	9,311
	<u>\$465,036</u>
Business-Type	
Erie/Depeyster Streets	\$2,775
Area Q Storm Water Drainage Phase V	211,287
	<u>\$214,062</u>
Total	<u>\$679,098</u>

**Operating Lease where City is Lessor**

On September 6, 2011, the City entered into a 75-year lease agreement with a private developer. In prior years, the City had purchased land with the intent of resale to private developers. In 2011, the City determined not to sell the land but rather lease the land to a developer for the development of the land. The development of the land will be consistent with the City's Urban Renewal Plan dated December 2005.

Based on accounting for leases, this lease is accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations.

The minimum future rentals on the lease are as follows:

<u>Years</u>	
2016	\$30,001
2017	30,001
2018	30,000
2019	30,000
2020	30,000
Thereafter	240,069
Total	<u>\$390,071</u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

**Other Commitments**

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of December 31, 2015, the City's commitments for encumbrances in the governmental funds were as follows:

	<u>Encumbrances Outstanding</u>
Major Funds:	
General	\$ 221,857
Income Tax Safety	29,909
Fire and Emergency Medical Services	739,649
Capital Projects	2,517,334
Muni PI Tax Increment Equivalent	240,710
Police Facilities	496,361
Nonmajor Governmental Funds	<u>2,700,910</u>
Total	<u><u>\$ 6,946,730</u></u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

**Note 17 – Long-term Obligations**

Changes in bonds and other long-term obligations of the City during 2015 were as follows:

	Restated Principal Outstanding 12/31/14	Additions	Deletions	Principal Outstanding 12/31/15	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Bonds:					
\$4,465,000 Safety Center Construction					
2015 2.00% - 5.00%	\$0	\$ 4,465,000	\$0	\$ 4,465,000	\$ 125,000
Unamortized Premium		533,826	1,779	532,047	0
\$4,535,000 Safety Center Construction					
2014 2.00% - 5.00%	4,535,000	0	125,000	4,410,000	125,000
Unamortized Premium	412,074	0	16,538	395,536	0
\$1,295,000 Alley 4 Improvements					
2013 2.00% - 4.00%	1,295,000	0	55,000	1,240,000	55,000
\$4,195,000 Downtown Parking Improvements					
2013 2.00% - 5.00%	4,195,000	0	65,000	4,130,000	65,000
Unamortized Premium	112,773	0	4,177	108,596	0
<i>Total General Obligation Bonds</i>	<u>10,549,847</u>	<u>4,998,826</u>	<u>267,494</u>	<u>15,281,179</u>	<u>370,000</u>
Ohio Public Works Commission Loans					
\$512,940 Fairchild Avenue Improvements					
1999 0.00%	115,412	0	25,647	89,765	25,647
\$86,000 Elm-Mae-Morris Improvements					
2001 0.00%	25,800	0	4,300	21,500	4,300
\$136,900 Erie & Depeyster Street Reconstruction					
2012 0.00%	196,435	1,171	0	197,606	0
<i>Total Ohio Public Works Commission Loans</i>	<u>337,647</u>	<u>1,171</u>	<u>29,947</u>	<u>308,871</u>	<u>29,947</u>
Net Pension Liability					
OPERS	3,836,561	88,657	0	3,925,218	0
OP&F	14,042,167	894,095	0	14,936,262	0
<i>Total Net Pension Liability</i>	<u>17,878,728</u>	<u>982,752</u>	<u>0</u>	<u>18,861,480</u>	<u>0</u>
Loans Payable	1,445,907	0	80,044	1,365,863	96,414
Workers' Compensation Claims Payable	27,447	44,543	5,914	66,076	31,761
Compensated Absences	1,212,011	980,224	913,799	1,278,436	967,391
<i>Total Governmental Activities</i>	<u>\$31,451,587</u>	<u>\$7,007,516</u>	<u>\$1,297,198</u>	<u>\$37,161,905</u>	<u>\$1,495,513</u>
<b>Business-Type Activities</b>					
Ohio Water Development Authority Loans					
\$485,851 Kent-Ravenna Interconnect					
2003 3.65%	\$262,181	\$0	\$25,098	\$237,083	\$26,022
\$4,372,503 Sanitary Sewer Improvements					
2003 3.66%	2,684,417	0	213,916	2,470,501	221,817
\$271,200 Franklin Hills Waterline					
2007 2.00%	181,903	0	12,946	168,957	13,206
<i>Total Ohio Water Development Authority Loans</i>	<u>3,128,501</u>	<u>0</u>	<u>251,960</u>	<u>2,876,541</u>	<u>261,045</u>

(continued)

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

	Restated Principal Outstanding 12/31/14	Additions	Deletions	Principal Outstanding 12/31/15	Due Within One Year
<b>Business-Type Activities</b>					
Ohio Public Works Commission Loans					
\$46,694 Elm-Mae-Morris Improvements					
2005 0.00%	30,350	0	2,335	28,015	2,335
\$52,650 Drainage Area Q - Phase 3					
2007 0.00%	36,857	0	2,632	34,225	2,632
\$233,100 Erie & Depeyster Street Reconstruction					
2012 0.00%	72,144	0	0	72,144	0
\$100,00 Drainage Area Q - Phase 5					
2015 0.00%	0	100,000	0	100,000	5,000
<i>Total Ohio Public Works Commission Loans</i>	<u>139,351</u>	<u>100,000</u>	<u>4,967</u>	<u>234,384</u>	<u>9,967</u>
<i>Net Pension Liability - OPERS</i>	3,074,916	71,057	0	3,145,973	0
Workers' Compensation Claims Payable	18,298	5,697	3,944	20,051	9,639
Compensated Absences	261,134	247,610	237,138	271,606	247,688
<i>Total Business-Type Activities</i>	<u>\$6,622,200</u>	<u>\$424,364</u>	<u>\$498,009</u>	<u>\$6,548,555</u>	<u>\$528,339</u>

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2015 are as follows:

Governmental Activities							
Years	General		OPWC	Loans Payable		Total	
	Obligation Bonds			Principal	Principal	Interest	Principal
2016	\$370,000	\$570,358	\$29,947	\$96,414	\$67,171	\$496,361	\$637,529
2017	375,000	567,025	29,947	96,414	62,096	501,361	629,121
2018	380,000	558,274	29,947	96,414	57,208	506,361	615,482
2019	390,000	548,175	17,124	96,414	52,320	503,538	600,495
2020	400,000	540,375	4,300	96,414	47,567	500,714	587,942
2021-2025	2,190,000	2,515,350	0	482,070	163,931	2,672,070	2,679,281
2026-2030	2,625,000	2,075,500	0	401,723	21,823	3,026,723	2,097,323
2031-2035	3,205,000	1,502,100	0	0	0	3,205,000	1,502,100
2036-2040	3,395,000	696,600	0	0	0	3,395,000	696,600
2041-2043	915,000	93,000	0	0	0	915,000	93,000
<b>Total</b>	<u>\$14,245,000</u>	<u>\$9,666,757</u>	<u>\$111,265</u>	<u>\$1,365,863</u>	<u>\$472,116</u>	<u>\$15,722,128</u>	<u>\$10,138,873</u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

Years	Business-Type Activities				
	OWDA Loans		OPWC	Total	
	Principal	Interest	Principal	Principal	Interest
2016	\$261,045	\$100,140	\$9,967	\$271,012	\$100,140
2017	270,461	90,724	9,967	280,428	90,724
2018	280,221	80,964	9,967	290,188	80,964
2019	290,338	70,849	9,967	300,305	70,849
2020	300,822	60,363	9,967	310,789	60,363
2021-2025	1,449,363	132,571	49,835	1,499,198	132,571
2026-2030	24,291	488	37,570	61,861	488
2031-2035	0	0	25,000	25,000	0
Total	\$2,876,541	\$536,099	\$162,240	\$3,038,781	\$536,099

Bonds issued are backed by the full faith, credit and general revenues of the City.

Loans payable relate to a guarantee the City has with the Kent Downtown Community Urban Redevelopment Corporation (the City's blended component unit) for properties that were purchased in the downtown redevelopment district. These loans are the amount outstanding by the blended component unit on a line of credit. This line of credit provides for interest only payments on the outstanding balance until its conversion day on January 27, 2015. Interest accrues at the Wall Street Journal prime rate (3.50 percent at December 31, 2015) plus 0.5 percent with a minimum interest rate of 5.0 percent. The line of credit allows for borrowing up to \$2,250,000 and has a maturity date of January 27, 2030. This guarantee will be repaid from the City's General Fund.

In 2003, the City entered into a loan agreement with OWDA for the Kent-Ravenna interconnect project. The OWDA loan was issued for \$485,851 at an interest rate of 3.65 percent and will mature in 2024. This loan will be paid from the Water Fund.

In 2003, the City entered into a loan agreement with OWDA for the sanitary sewer improvement project. The OWDA loan was issued for \$4,372,503 at an interest rate of 3.66 percent and will mature in 2025. This loan will be paid from the Sewer Fund.

In 2007, the City entered into a loan agreement with OWDA for the Franklin Hills waterline project. The OWDA loan was issued for \$271,200 at an interest rate of 2.00 percent and will mature in 2027. This loan will be paid from the Water Fund.

In 2013, the City entered into a grant/loan agreement with OPWC for the reconstruction of Erie and Depeyster Streets. The OPWC loan will be for a maximum amount of \$370,000 with a 0.00 percent interest rate and split between governmental and proprietary funds. As of December 31, 2015, this project has not been completed and OPWC has not provided an amortization schedule for the repayment of this loan.

In 2015 the City entered into a loan agreement with OPWC for the drainage area Q Phase five project. The OPWC loan was issued for \$100,000 at an interest rate of 0.00 percent and will mature in 2035. This loan will be paid from the Storm Water Drainage Fund.

On October 7, 2013, the City issued general obligation bonds in the total amount of \$5,490,000. These bonds will fully mature on December 1, 2043 and they carried various interest rates ranging from 2.00

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

percent to 5.00 percent. The proceeds from these bonds were used to retire bond anticipation notes that had matured on October 8, 2013. \$1,295,000 of the bond proceeds were utilized to retire \$1,230,000 in bond anticipation notes related to the improvements made to Alley 4. \$4,195,000 of the bond proceeds were utilized to retire \$4,000,000 in bond anticipation notes related to the improvements to the downtown parking areas.

On December 11, 2014, the City issued general obligation bonds in the total amount of \$4,535,000. These bonds will fully mature on December 1, 2039 and they carried various interest rates ranging from 2.00 percent to 5.00 percent. The proceeds from these bonds will be used for the construction of a new Safety Center for the City's police department. As of December 31, 2015, the City has unspent proceeds of \$134,328.

On December 9, 2015, the City issued general obligation bonds in the total amount of \$4,465,000. These bonds will fully mature on December 1, 2039 and they carried various interest rates ranging from 2.00 percent to 5.00 percent. The proceeds from these bonds will be used for the construction of a new Safety Center for the City's police department. As of December 31, 2015, the City has unspent proceeds of \$4,465,000.

For governmental activities, compensated absences are generally liquidated by the fund where the corresponding employee's salary expenditure is recorded, most significantly from the general fund, the major special revenue funds and the major enterprise funds.

The City has the ability to issue \$946,592 of additional debt without obtaining voter approval.

**Note 18 – Note Obligations**

A summary of note transactions for the year ended December 31, 2015 follows:

	Balance 12/31/14	Additions	Deletions	Balance 12/31/15
<b>Governmental Activities</b>				
2014, 1.00% - Refunding of Various Purpose Bonds, Series 1998	830,000	\$0	830,000	\$0
2014, 1.00% - Building Improvements	1,675,000	0	1,675,000	0
2014, 1.00% - Downtown Development	1,650,000	0	1,650,000	0
2015, 1.00% - Refunding of Various Purpose Bonds, Series 1998	0	630,000	0	630,000
2015, 1.00% - Building Improvements	0	1,265,000	0	1,265,000
2015, 1.00% - Downtown Development	0	1,150,000	0	1,150,000
Unamortized Premium	19,422	19,089	25,785	12,726
<i>Total Governmental Activities</i>	<u>4,174,422</u>	<u>3,064,089</u>	<u>4,180,785</u>	<u>3,057,726</u>
<b>Business-Type Activities</b>				
Sewer Fund				
2014, 1.00% - Sanitary Sewer Trunk Lines	555,000	0	555,000	0
2015, 1.00% - Sanitary Sewer Trunk Lines	0	495,000	0	495,000
Unamortized Premium	2,401	3,016	3,406	2,011
<i>Total Sewer Fund</i>	<u>557,401</u>	<u>498,016</u>	<u>558,406</u>	<u>497,011</u>
<b>Total</b>	<u><u>\$4,731,823</u></u>	<u><u>\$3,562,105</u></u>	<u><u>\$4,739,191</u></u>	<u><u>\$3,554,737</u></u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
(Continued)

On September 1, 2015, the City issued \$3.540 million in various purpose notes at an interest rate of 1.00 percent with a maturity date of August 31, 2016. Brief descriptions of the original purposes of the notes are provided in the schedule above. The notes are backed by the full faith and credit of the City of Kent. However, it is the intention of the City that all enterprise obligations be paid from operating income. Note proceeds of \$3.045 million and the corresponding liabilities were reflected in governmental funds which received the proceeds. Note proceeds of \$0.495 million and the corresponding liability were reflected in the proprietary fund which received the proceeds. All of the proceeds were used solely for the retirement of the 2014 various purpose notes.

The notes were issued at a premium of \$22,105. A portion of the premium was offset against the corresponding interest expense, and the unamortized balance is reported as part of the carrying value of the notes in the respective funds.

**Note 19 – Conduit Debt**

The City is party to certain conduit debt obligations:

<u>Type</u>	<u>On Behalf of</u>	<u>Principal Outstanding December 31, 2015</u>	<u>Year Issued</u>
Multi-Family Housing Revenue Bonds	Silver Meadows Apartments	<u>\$8,270,000</u>	1999

Although conduit debt obligations bear the name of the City of Kent, the City has no responsibility for principal and interest payments on these issues.

**Note 20 - Contingent Liabilities**

There are several lawsuits pending in which the City is involved. City management estimates that the potential claims against the City not covered by insurance resulting from such litigation would not materially affect the financial statements of the City.

Under the terms of federal and state grants, periodic audits are required and certain expenditures may be questioned as not appropriate under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial.

**Note 21 - Jointly Governed Organization**

***Northeast Ohio Public Energy Council*** The City is a member of The Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity and natural gas. NOPEC is currently comprised of 176 communities who have been authorized by ballot to purchase electricity and natural gas on behalf of their citizens. The intent of NOPEC is to provide electricity and natural gas at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity and natural gas to the citizens of its member communities.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*  
*(Continued)*

---

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the nine-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. Financial information can be obtained by contacting the Board Chairman, 31360 Solon Road, Suite 33, Solon, Ohio 44139.

**Note 22 – Joint Ventures**

Kent-Franklin Township Joint Economic Development District (JEDD) – In June 2006, the City of Kent and Franklin Township entered into a contract to create the Kent-Franklin Township JEDD, which is a statutorily created subdivision of the State of Ohio. The JEDD was created to facilitate the economic development, to create or preserve jobs and employment opportunities, and to improve the economic welfare of the people in the State of Ohio, Portage County, the City of Kent, and Franklin Township. Each member of the five member Board of Directors is appointed to govern the District.

In 2015, the City received \$453,272 in income tax distributions from the JEDD. The joint venture is considered a separate reporting entity by the City's management. Accordingly, the joint venture's financial statements have not been included in the City's financial statements. The JEDD's financial statements can be obtained by contacting the City's Finance Department.

Kent-Brimfield Township Joint Economic Development District (JEDD) - In April 2005, the City of Kent and Brimfield Township entered into a contract to create the Kent-Brimfield Township JEDD, which is a statutorily created subdivision of the State of Ohio. The JEDD was created to facilitate the economic development, to create or preserve jobs and employment opportunities, and to improve the economic welfare of the people in the State of Ohio, Portage County, the City of Kent and Brimfield Township. Each member of the five member Board of Directors is appointed to govern the District.

In 2015, the City received \$59,104 in income tax distributions from the JEDD. The joint venture is considered a separate reporting entity by the City's management. Accordingly, the joint venture's financial statements have not been included in the City's financial statements. The JEDD's financial statements can be obtained by contacting the City's Finance Department.



**City of Kent, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Public Employees Retirement System*  
*Last Two Years (1)*

<b>Traditional Plan</b>	<b>2014</b>	<b>2013</b>
City's Proportion of the Net Pension Liability	0.058628%	0.058628%
City's Proportionate Share of the Net Pension Liability	\$7,071,191	\$6,911,477
City's Covered-Employee Payroll	\$7,211,608	\$7,057,815
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	98.05%	97.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%
<b>Combined Plan</b>	<b>2014</b>	<b>2013</b>
City's Proportion of the Net Pension (Asset)	0.012633%	0.012633%
City's Proportionate Share of the Net Pension (Asset)	(\$4,864)	(\$1,326)
City's Covered-Employee Payroll	\$46,525	\$43,892
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Employee Payroll	10.45%	3.02%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	114.83%	104.33%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date  
which is the prior year end.

**City of Kent, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Two Years (1)*

<b>Police</b>	<b>2014</b>	<b>2013</b>
City's Proportion of the Net Pension Liability	0.1401723%	0.1401723%
City's Proportionate Share of the Net Pension Liability	\$7,261,510	\$6,826,831
City's Covered-Employee Payroll	\$3,088,474	\$3,078,837
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	235.12%	221.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%
<b>Fire</b>	<b>2014</b>	<b>2013</b>
City's Proportion of the Net Pension Liability	0.1481493%	0.1481493%
City's Proportionate Share of the Net Pension Liability	\$7,674,751	\$7,215,336
City's Covered-Employee Payroll	\$2,654,217	\$2,585,304
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	289.15%	279.09%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date  
which is the prior year end.

**City of Kent, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions*  
*Ohio Public Employees Retirement System*  
*Last Three Years (1)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Contractually Required Contributions</u>			
Traditional Plan	\$893,203	\$865,393	\$917,516
Combined Plan	<u>\$13,055</u>	<u>\$5,583</u>	<u>5,706</u>
Total Required Contributions	\$906,258	\$870,976	\$923,222
Contributions in Relation to the Contractually Required Contribution	<u>(\$906,258)</u>	<u>(\$870,976)</u>	<u>(\$923,222)</u>
Contribution Deficiency / (Excess)	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
City's Covered-Employee Payroll			
Traditional Plan	\$7,443,358	\$7,211,608	\$7,057,815
Combined Plan	\$108,792	\$46,525	\$43,892
<u>Pension Contributions as a Percentage of Covered-Employee Payroll</u>			
Traditional Plan	12.00%	12.00%	13.00%
Combined Plan	12.00%	12.00%	13.00%

(1) – Information prior to 2013 is not available.

**City of Kent, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions*  
*Ohio Police and Fire Pension Fund*  
*Last Ten Years*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>Contractually Required Contributions</u>										
Police	\$629,294	\$586,810	\$484,301	\$401,894	\$400,210	\$591,145	\$579,701	\$560,062	\$533,129	\$519,212
Fire	\$649,739	\$623,741	\$523,007	\$452,940	\$442,026	\$570,884	\$566,465	\$549,298	\$516,280	\$499,520
Total Required Contributions	\$1,279,033	\$1,210,551	\$1,007,308	\$854,834	\$842,236	\$1,162,029	\$1,146,166	\$1,109,360	\$1,049,409	\$1,018,732
Contributions in Relation to the Contractually Required Contribution	(\$1,279,033)	(\$1,210,551)	(\$1,007,308)	(\$854,834)	(\$842,236)	(\$1,162,029)	(\$1,146,166)	(\$1,109,360)	(\$1,049,409)	(\$1,018,732)
Contribution Deficiency / (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<u>City's Covered-Employee Payroll</u>										
Police	\$3,312,074	\$3,088,474	\$3,078,837	\$3,152,110	\$3,138,902	\$4,636,431	\$4,546,675	\$4,392,643	\$4,181,404	\$4,418,826
Fire	\$2,764,847	\$2,654,217	\$2,585,304	\$2,625,739	\$2,562,470	\$3,309,472	\$3,283,855	\$3,184,336	\$2,992,928	\$3,073,969
<u>Pension Contributions as a Percentage of Covered-Employee Payroll</u>										
Police	19.00%	19.00%	[2]	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	11.75%
Fire	23.50%	23.50%	[2]	17.25%	17.25%	17.25%	17.25%	17.25%	17.25%	16.25%

[2] – The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively.

**Combining Statements -  
Nonmajor Governmental Funds  
and Fiduciary Funds**

## Combining Statements and Individual Fund Schedules

### *Fund Descriptions – Nonmajor Governmental Funds*

---

#### *Non-Major Special Revenue Funds*

Special Revenue funds are established to account for and report the proceeds of specific revenue sources (other than special assessments or those for major capital projects) that are restricted or committed by law or administrative action to expenditures for specific purposes. A description of the City's special revenue funds follows:

*West Side Fire Fund* - This fund accounts for the revenue from property taxes levied and expenditures relative to operation of the West Side fire station.

*Street Construction, Maintenance and Repair Fund* - This fund accounts for a percentage of the revenue from the City's share of State gasoline taxes and vehicle registration fees. State law requires that these taxes be used for maintenance of streets. Additional financing is provided by income tax revenues restricted by City Charter.

*State Highway Fund* - This fund accounts for a percentage of the revenue from the City's share of State gasoline taxes and vehicle registration fees. State law requires that these taxes be used for maintenance of state highways.

*Parks and Recreation Fund* - This fund accounts for the revenue from property taxes levied and the expenditures relative to operation and maintenance of the parks and recreation programs. Additional financing is provided by user charges.

*Food Service Fund* - This fund accounts for the revenue from food service permits and the expenditures relative to the operation of a food service inspection program.

*Income Tax Fund* - This fund accounts for the revenue received from the municipal income tax that is not restricted by City Charter, the expenditures relative to the administration of income tax collections, and transfers to support the operations of other funds as defined by annual Council appropriations. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

*Revolving Housing Fund* - This fund accounts for the revenue received from housing inspections and the expenditures relative to the operation of the housing inspection program.

*State and Local Forfeits Fund* - This fund accounts for the revenue received from state and local law enforcement agencies due to the City's participation in an arrest and property seizure. State law requires that these monies be used for criminal apprehension purposes.

*Drug Law Enforcement Fund* - This fund accounts for the revenue received from mandatory drug fines as the result of felony drug convictions. State law requires that these monies be used for drug-related law enforcement activities.

## Combining Statements and Individual Fund Schedules

### *Fund Descriptions – Nonmajor Governmental Funds*

---

#### *Non-Major Special Revenue Funds (continued)*

*Enforcement and Education Fund* - This fund accounts for the revenue received from fines as the result of convictions of operating a motor vehicle while under the influence. State law requires that these monies be used to enforce such laws or to educate the public about such laws.

*Law Enforcement Trust Fund* - This fund accounts for the revenue received from federal law enforcement agencies due to the City's participation in an arrest and property seizure. State law requires that these monies be used for criminal apprehension purposes.

*Community Development Block Grant Fund* - This fund accounts for the revenue from the federal government and expenditures as prescribed under the Community Development Block Grant and the Comprehensive Housing Improvement Program.

*Neighborhood Stabilization Fund* – This fund accounts for the City's share of a Federal Grant passed thru the Ohio Department of Development and Portage County to provide funding for activities that assist with the stabilization of residential property values. These funds can be used for several types of activities, including the demolition of blighted residential structures, the rehabilitation of abandoned and foreclosed residential units; or the development of new single-family residential units to replace blighted structures that have been demolished.

*Wireless 911 Fund* - This fund accounts for the revenue received from a surcharge to wireless telephone customers. The surcharge is paid to the State and then distributed to the counties and the local governments. State law requires that these funds be used for the provision of an enhanced wireless 911 emergency phone call service.

*Swimming Pool Inspections Fund* - This fund accounts for the revenue received from swimming pool inspections and the expenditures relative to the operation of the swimming pool inspection program.

*Police Pension Fund* - This fund accounts for the revenue from property taxes levied for the partial payment of the current liability for police disability and pension.

*Fire Pension Fund* - This fund accounts for the revenue from property taxes levied for the partial payment of the current liability for fire disability and pension.

*Urban Development Action Grant Fund* - This fund accounts for the revenue received from federal government, Community Development loans and expenditures relative to the operation of this program.

## Combining Statements and Individual Fund Schedules

### *Fund Descriptions – Nonmajor Governmental Funds*

---

#### *Non-Major Special Revenue Funds (continued)*

*Kent Downtown Community Urban Redevelopment Corporation Fund* – This fund accounts for the activities of the Kent Downtown Community Urban Redevelopment Corporation (the City’s blended component unit). This Organization was formed to hold titles to properties as a nominee for the City for use to initiate and conduct projects for the clearance, replanning, development and redevelopment of blighted areas within the City and to provide for the welfare and improvement and maintenance of the central business district of the City. This Organization is a separate legal entity from the City and the City does not provide a budget for this Organization. Therefore, a budgetary schedule is not provided for this fund.

#### *Nonmajor Debt Service Fund*

The Debt Service Fund is established to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. A description of the City’s debt service fund follows:

*General Obligation Debt Service Fund* - The General Obligation Debt Service Fund accounts for the resources that are used for payment of principal and interest and fiscal charges on general obligation debt.





**City of Kent, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2015*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 3,688,526	\$ 164,354	\$ 3,852,880
Cash and Cash Equivalents:			
In Segregated Accounts	61,730	-	61,730
Materials and Supplies Inventory	360,065	-	360,065
Accrued Interest Receivable	2,333	-	2,333
Accounts Receivable	6,763	-	6,763
Interfund Receivable	1,365,863	-	1,365,863
Intergovernmental Receivable	484,470	-	484,470
Prepaid Items	6,534	-	6,534
Restricted Assets:			
Cash and Cash Equivalents	16,235	-	16,235
Municipal Income Taxes Receivable	126,453	-	126,453
Property and Other Taxes Receivable	1,670,833	-	1,670,833
Special Assessments Receivable	315,972	283,683	599,655
Loans Receivable	255,449	-	255,449
Assets Held for Resale	114,800	-	114,800
<b>Total Assets</b>	<b>\$ 8,476,026</b>	<b>\$ 448,037</b>	<b>\$ 8,924,063</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 66,447	\$ -	\$ 66,447
Accrued Wages and Benefits	38,650	-	38,650
Contracts Payable	16,235	-	16,235
Accrued Interest Payable	7,605	2,363	9,968
Interfund Payable	105,000	208,000	313,000
Workers' Compensation Claims Payable	5,466	-	5,466
Notes Payable	-	632,689	632,689
<b>Total Liabilities</b>	<b>239,403</b>	<b>843,052</b>	<b>1,082,455</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	1,462,331	-	1,462,331
Unavailable Revenue - Delinquent Property Taxes	193,149	-	193,149
Unavailable Revenue - Municipal Income Taxes	71,188	-	71,188
Unavailable Revenue - Other	741,114	283,683	1,024,797
<b>Total Deferred Inflows of Resources</b>	<b>2,467,782</b>	<b>283,683</b>	<b>2,751,465</b>
<b>Fund Balances:</b>			
Nonspendable	366,599	-	366,599
Restricted	5,402,242	-	5,402,242
Unassigned (Deficit)	-	(678,698)	(678,698)
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 8,476,026</b>	<b>\$ 448,037</b>	<b>\$ 8,924,063</b>

**City of Kent, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2015*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Property Taxes	\$ 1,661,025	\$ -	\$ 1,661,025
Municipal Income Taxes	617,913	-	617,913
Intergovernmental	1,165,571	-	1,165,571
Interest	14,260	-	14,260
Fees, Licenses, and Permits	331,002	-	331,002
Fines and Forfeitures	6,000	-	6,000
Charges for Services	787,035	-	787,035
Special Assessments	68,848	51,220	120,068
All Other Revenues	136,956	-	136,956
<b>Total Revenues</b>	<b>4,788,610</b>	<b>51,220</b>	<b>4,839,830</b>
<b>EXPENDITURES</b>			
Current:			
Security of Persons and Property	529,733	-	529,733
Public Health and Welfare	215,139	-	215,139
Leisure Time Activities	1,683,258	-	1,683,258
Community Development	232,089	-	232,089
Transportation	1,939,121	-	1,939,121
General Government	-	1,970	1,970
Capital Outlay	621,570	-	621,570
Debt Service:			
Principal Retirement	80,044	29,947	109,991
Interest and Fiscal Charges	71,490	17,120	88,610
Debt Issuance Costs	-	3,490	3,490
<b>Total Expenditures</b>	<b>5,372,444</b>	<b>52,527</b>	<b>5,424,971</b>
Excess of Revenues Over (Under) Expenditures	(583,834)	(1,307)	(585,141)
<b>OTHER FINANCING SOURCES</b>			
Proceeds from Sale of Capital Assets	3,240	-	3,240
Transfers In	360,078	271,744	631,822
<b>Total Other Financing Sources</b>	<b>363,318</b>	<b>271,744</b>	<b>635,062</b>
Net Change in Fund Balances	(220,516)	270,437	49,921
Fund Balances - Beginning of Year	5,989,357	(949,135)	5,040,222
<b>Fund Balances - End of Year</b>	<b>\$ 5,768,841</b>	<b>\$ (678,698)</b>	<b>\$ 5,090,143</b>

**City of Kent, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2015*

	West Side Fire	Street Construction, Maintenance, and Repair	State Highway	Parks and Recreation	Food Service	Revolving Housing
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 94,675	\$ 853,369	\$ 87,583	\$ 886,920	\$ 43,660	\$ 33,759
Cash and Cash Equivalents:						
In Segregated Accounts	-	-	-	-	-	-
Materials and Supplies Inventory	-	360,065	-	-	-	-
Accrued Interest Receivable	-	2,187	146	-	-	-
Accounts Receivable	-	-	-	6,763	-	-
Interfund Receivable	-	-	-	-	-	-
Intergovernmental Receivable	12,569	358,101	29,035	56,834	-	-
Prepaid Items	45	5,085	-	1,134	-	-
Restricted Assets:						
Cash and Cash Equivalents	-	16,235	-	-	-	-
Municipal Income Taxes Receivable	-	126,453	-	-	-	-
Property Taxes Receivable	253,802	15,353	-	1,171,806	-	-
Special Assessments Receivable	-	315,972	-	-	-	-
Loans Receivable	-	-	-	-	-	-
Assets Held for Resale	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 361,091</b>	<b>\$ 2,052,820</b>	<b>\$ 116,764</b>	<b>\$ 2,123,457</b>	<b>\$ 43,660</b>	<b>\$ 33,759</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 785	\$ 27,063	\$ -	\$ 9,557	\$ -	\$ -
Accrued Wages and Benefits	2,165	16,516	-	18,564	507	847
Contracts Payable	-	16,235	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-
Interfund Payable	-	-	-	105,000	-	-
Workers' Compensation Claims Payable	458	2,045	-	2,539	153	256
<b>Total Liabilities</b>	<b>3,408</b>	<b>61,859</b>	<b>-</b>	<b>135,660</b>	<b>660</b>	<b>1,103</b>
<b>Deferred Inflows of Resources:</b>						
Property Taxes	224,606	-	-	1,035,621	-	-
Unavailable Revenue - Delinq. Property Taxes	29,196	-	-	136,185	-	-
Unavailable Revenue - Municipal Income Taxes	-	71,188	-	-	-	-
Unavailable Revenue - Other	12,569	623,372	20,607	56,834	-	-
<b>Total Deferred Inflows of Resources</b>	<b>266,371</b>	<b>694,560</b>	<b>20,607</b>	<b>1,228,640</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>						
Reserved for:						
Nonspendable	45	365,150	-	1,134	-	-
Restricted	91,267	931,251	96,157	758,023	43,000	32,656
<b>Total Fund Balances</b>	<b>91,312</b>	<b>1,296,401</b>	<b>96,157</b>	<b>759,157</b>	<b>43,000</b>	<b>32,656</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 361,091</b>	<b>\$ 2,052,820</b>	<b>\$ 116,764</b>	<b>\$ 2,123,457</b>	<b>\$ 43,660</b>	<b>\$ 33,759</b>

State and Local Forfeits	Drug Law Enforcement	Enforcement and Education	Law Enforcement Trust	Community Development Block Grant	Neighborhood Stabilization	Wireless 911	Swimming Pool Inspections
\$ 9,449	\$ 20,611	\$ 15,156	\$ 6,057	\$ 771,713	\$ 146,621	\$ 262,152	\$ 5,115
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	199	-	17,844	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	197,313	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 9,449</u>	<u>\$ 20,611</u>	<u>\$ 15,355</u>	<u>\$ 6,057</u>	<u>\$ 986,870</u>	<u>\$ 146,621</u>	<u>\$ 262,152</u>	<u>\$ 5,115</u>

\$ -	\$ 10,918	\$ -	\$ -	\$ 17,844	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	51
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	15
-	10,918	-	-	17,844	-	-	66

-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	17,844	-	-	-
-	-	-	-	17,844	-	-	-

-	-	-	-	-	-	-	-
9,449	9,693	15,355	6,057	951,182	146,621	262,152	5,049
9,449	9,693	15,355	6,057	951,182	146,621	262,152	5,049
<u>\$ 9,449</u>	<u>\$ 20,611</u>	<u>\$ 15,355</u>	<u>\$ 6,057</u>	<u>\$ 986,870</u>	<u>\$ 146,621</u>	<u>\$ 262,152</u>	<u>\$ 5,115</u>

(Continued)

**City of Kent, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2015*

	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Urban Development Action Grant</u>	<u>Kent Downtown Community Urban Redevelopment Corporation</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 17,161	\$ 17,165	\$ 417,360	\$ -	\$ 3,688,526
Cash and Cash Equivalents:					
In Segregated Accounts	-	-	-	61,730	61,730
Materials and Supplies Inventory	-	-	-	-	360,065
Accrued Interest Receivable	-	-	-	-	2,333
Accounts Receivable	-	-	-	-	6,763
Interfund Receivable	-	-	-	1,365,863	1,365,863
Intergovernmental Receivable	4,944	4,944	-	-	484,470
Prepaid Items	-	-	-	270	6,534
Restricted Assets:					
Cash and Cash Equivalents	-	-	-	-	16,235
Municipal Income Taxes Receivable	-	-	-	-	126,453
Property Taxes Receivable	114,936	114,936	-	-	1,670,833
Special Assessments Receivable	-	-	-	-	315,972
Loans Receivable	-	-	58,136	-	255,449
Assets Held for Resale	-	-	-	114,800	114,800
<b>Total Assets</b>	<u>\$ 137,041</u>	<u>\$ 137,045</u>	<u>\$ 475,496</u>	<u>\$ 1,542,663</u>	<u>\$ 8,476,026</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ 280	\$ 66,447
Accrued Wages and Benefits	-	-	-	-	38,650
Contracts Payable	-	-	-	-	16,235
Accrued Interest Payable	-	-	-	7,605	7,605
Interfund Payable	-	-	-	-	105,000
Workers' Compensation Claims Payable	-	-	-	-	5,466
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,885</u>	<u>239,403</u>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	101,052	101,052	-	-	1,462,331
Unavailable Revenue - Delinq. Property Taxes	13,884	13,884	-	-	193,149
Unavailable Revenue - Municipal Income Taxes	-	-	-	-	71,188
Unavailable Revenue - Other	4,944	4,944	-	-	741,114
<b>Total Deferred Inflows of Resources</b>	<u>119,880</u>	<u>119,880</u>	<u>-</u>	<u>-</u>	<u>2,467,782</u>
<b>Fund Balances:</b>					
Reserved for:					
Nonspendable	-	-	-	270	366,599
Restricted	17,161	17,165	475,496	1,534,508	5,402,242
<b>Total Fund Balances</b>	<u>17,161</u>	<u>17,165</u>	<u>475,496</u>	<u>1,534,778</u>	<u>5,768,841</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 137,041</u>	<u>\$ 137,045</u>	<u>\$ 475,496</u>	<u>\$ 1,542,663</u>	<u>\$ 8,476,026</u>



**City of Kent, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2015*

	<b>West Side Fire</b>	<b>Street Construction, Maintenance, and Repair</b>	<b>State Highway</b>	<b>Parks and Recreation</b>	<b>Food Service</b>
<b>REVENUES</b>					
Property Taxes	\$ 225,231	\$ 203,883	\$ -	\$ 1,037,823	\$ -
Municipal Income Taxes	-	617,913	-	-	-
Intergovernmental	25,153	662,942	58,070	148,727	-
Interest	-	4,755	316	-	-
Fees, Licenses, and Permits	-	-	-	114,408	88,808
Fines and Forfeitures	-	-	-	-	-
Charges for Services	-	53,864	-	652,915	-
Special Assessments	-	68,848	-	-	-
All Other Revenues	-	16,987	-	42,810	-
<b>Total Revenues</b>	<b>250,384</b>	<b>1,629,192</b>	<b>58,386</b>	<b>1,996,683</b>	<b>88,808</b>
<b>EXPENDITURES</b>					
Current:					
Security of Persons and Property	245,894	-	-	-	-
Public Health and Welfare	-	-	-	-	76,885
Leisure Time Activities	-	-	-	1,683,258	-
Community Development	-	-	-	-	-
Transportation	-	1,879,240	59,881	-	-
General Government	-	-	-	-	-
Capital Outlay	-	-	-	594,433	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>Total Expenditures</b>	<b>245,894</b>	<b>1,879,240</b>	<b>59,881</b>	<b>2,277,691</b>	<b>76,885</b>
Excess of Revenues Over (Under) Expenditures	4,490	(250,048)	(1,495)	(281,008)	11,923
<b>OTHER FINANCING SOURCES</b>					
Proceeds from Sale of Capital Assets	-	3,240	-	-	-
Transfer In	-	-	-	360,078	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>3,240</b>	<b>-</b>	<b>360,078</b>	<b>-</b>
Net Change in Fund Balances	4,490	(246,808)	(1,495)	79,070	11,923
Fund Balances - Beginning of Year	86,822	1,543,209	97,652	680,087	31,077
<b>Fund Balances - End of Year</b>	<b>\$ 91,312</b>	<b>\$ 1,296,401</b>	<b>\$ 96,157</b>	<b>\$ 759,157</b>	<b>\$ 43,000</b>



<b>Revolving Housing</b>	<b>State and Local Forfeits</b>	<b>Drug Law Enforcement</b>	<b>Enforcement and Education</b>	<b>Law Enforcement Trust</b>	<b>Community Development Block Grant</b>	<b>Neighborhood Stabilization</b>	<b>Wireless 911</b>	<b>Swimming Pool Inspections</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	171,521	-	79,278	-
-	-	-	-	-	267	90	-	-
122,386	-	-	-	-	-	-	-	5,400
-	-	1,906	4,094	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	16,976	-	-	-
<u>122,386</u>	<u>-</u>	<u>1,906</u>	<u>4,094</u>	<u>-</u>	<u>188,764</u>	<u>90</u>	<u>79,278</u>	<u>5,400</u>
-	4,592	11,372	14,234	12,290	-	-	37,351	-
130,745	-	-	-	-	-	-	-	7,509
-	-	-	-	-	-	-	-	-
-	-	-	-	-	158,820	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	10,918	-	-	16,219	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>130,745</u>	<u>4,592</u>	<u>22,290</u>	<u>14,234</u>	<u>12,290</u>	<u>175,039</u>	<u>-</u>	<u>37,351</u>	<u>7,509</u>
<u>(8,359)</u>	<u>(4,592)</u>	<u>(20,384)</u>	<u>(10,140)</u>	<u>(12,290)</u>	<u>13,725</u>	<u>90</u>	<u>41,927</u>	<u>(2,109)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>(8,359)</u>	<u>(4,592)</u>	<u>(20,384)</u>	<u>(10,140)</u>	<u>(12,290)</u>	<u>13,725</u>	<u>90</u>	<u>41,927</u>	<u>(2,109)</u>
41,015	14,041	30,077	25,495	18,347	937,457	146,531	220,225	7,158
<u>\$ 32,656</u>	<u>\$ 9,449</u>	<u>\$ 9,693</u>	<u>\$ 15,355</u>	<u>\$ 6,057</u>	<u>\$ 951,182</u>	<u>\$ 146,621</u>	<u>\$ 262,152</u>	<u>\$ 5,049</u>

(Continued)

**City of Kent, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2015*

	<b>Police Pension</b>	<b>Fire Pension</b>	<b>Urban Development Action Grant</b>	<b>Kent Downtown Community Urban Redevelopment Corporation</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>REVENUES</b>					
Property Taxes	\$ 97,044	\$ 97,044	\$ -	\$ -	\$ 1,661,025
Income Taxes	-	-	-	-	617,913
Intergovernmental	9,940	9,940	-	-	1,165,571
Interest	-	-	8,569	263	14,260
Fees, Licenses, and Permits	-	-	-	-	331,002
Fines and Forfeitures	-	-	-	-	6,000
Charges for Services	-	-	-	80,256	787,035
Special Assessments	-	-	-	-	68,848
All Other Revenues	-	-	60,183	-	136,956
<b>Total Revenues</b>	<b>106,984</b>	<b>106,984</b>	<b>68,752</b>	<b>80,519</b>	<b>4,788,610</b>
<b>EXPENDITURES</b>					
Current:					
Security of Persons and Property	102,000	102,000	-	-	529,733
Public Health and Welfare	-	-	-	-	215,139
Leisure Time Activities	-	-	-	-	1,683,258
Community Development	-	-	65,000	8,269	232,089
Transportation	-	-	-	-	1,939,121
General Government	-	-	-	-	-
Capital Outlay	-	-	-	-	621,570
Debt Service:					
Principal Retirement	-	-	-	80,044	80,044
Interest and Fiscal Charges	-	-	-	71,490	71,490
<b>Total Expenditures</b>	<b>102,000</b>	<b>102,000</b>	<b>65,000</b>	<b>159,803</b>	<b>5,372,444</b>
Excess of Revenues Over (Under) Expenditures	4,984	4,984	3,752	(79,284)	(583,834)
<b>OTHER FINANCING SOURCES</b>					
Proceeds from Sale of Capital Assets	-	-	-	-	3,240
Transfer In	-	-	-	-	360,078
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>363,318</b>
Net Change in Fund Balances	4,984	4,984	3,752	(79,284)	(220,516)
Fund Balances - Beginning of Year	12,177	12,181	471,744	1,614,062	5,989,357
<b>Fund Balances - End of Year</b>	<b>\$ 17,161</b>	<b>\$ 17,165</b>	<b>\$ 475,496</b>	<b>\$ 1,534,778</b>	<b>\$ 5,768,841</b>

## Combining Statements

### *Fund Descriptions – Fiduciary Funds*

---

#### *Fiduciary Funds*

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are purely custodial (assets equals liabilities) and thus do not involve measurement of results of operations.

#### *Agency Fund*

*Agency Escrow Fund* – This fund holds deposits held by the City and received from a contractor, developer, or individual to insure compliance with the ordinances of the City of Kent.

**City of Kent, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Escrow Fund*  
*For the Year Ended December 31, 2015*

---

	<u>Balance</u> <u>12/31/2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2015</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$ 420,716</u>	<u>\$ 321,380</u>	<u>\$ 281,106</u>	<u>\$ 460,990</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$ 420,716</u>	<u>\$ 321,380</u>	<u>\$ 281,106</u>	<u>\$ 460,990</u>

**Individual Fund Schedules of  
Revenues, Expenditures/Expenses and  
Changes in Fund Balances/Fund Equity –  
Budget (Non-GAAP Basis) and Actual**

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 1,501,189	\$ 1,768,951	\$ 1,808,165	\$ 39,214
Intergovernmental	420,678	1,771,570	1,701,950	(69,620)
Interest	71,251	289,441	288,263	(1,178)
Fees, Licenses and Permits	66,043	229,893	267,194	37,301
Fines and Forfeits	64,526	270,893	261,055	(9,838)
Charges for Services	370,987	1,426,666	1,500,916	74,250
Miscellaneous	37,368	176,017	151,180	(24,837)
<b>Total Revenues</b>	<b>2,532,042</b>	<b>5,933,431</b>	<b>5,978,723</b>	<b>45,292</b>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other Expenses	690	690	-	690
Safety Director				
Other Expenses	11	11	-	11
<b>Total Security of Persons and Property</b>	<b>701</b>	<b>701</b>	<b>-</b>	<b>701</b>
Public Health & Welfare				
Department of Health				
Personal Services	247,062	282,556	280,779	1,777
Other Expenses	153,309	298,309	270,209	28,100
<b>Total Public Health and Welfare</b>	<b>400,371</b>	<b>580,865</b>	<b>550,988</b>	<b>29,877</b>

(Continued)

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2015  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Community Development				
Community Development				
Personal Services	448,189	498,189	483,208	14,981
Other Expenses	295,105	307,105	279,131	27,974
Total Community Development	743,294	805,294	762,339	42,955
Economic Development				
Personal Services	99,815	99,815	94,890	4,925
Other Expenses	41,880	114,380	110,427	3,953
Total Economic Development	141,695	214,195	205,317	8,878
Building				
Personal Services	231,878	231,878	189,523	42,355
Other Expenses	85,906	85,906	48,136	37,770
Total Building	317,784	317,784	237,659	80,125
Main Street Program				
Other Expenses	118,138	118,138	111,919	6,219
Land Banking				
Other Expenses	120,000	161,500	160,300	1,200
Permit Parking				
Other Expenses	36,373	56,373	44,515	11,858
Shade Tree				
Other Expenses	110,090	110,090	98,943	11,147
Capital Outlay	15,000	15,000	15,000	-
Total Shade Tree	125,090	125,090	113,943	11,147

(Continued)

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2015  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Urban Renewal				
Other Expenses	118,199	118,199	64,515	53,684
USDA Grant				
Other Expenses	6,834	6,834	6,834	-
Total Community Development	<u>1,727,407</u>	<u>1,923,407</u>	<u>1,707,341</u>	<u>216,066</u>
General Government				
Service Administration				
Personal Services	58,585	62,585	60,669	1,916
Other Expenses	<u>591,029</u>	<u>611,029</u>	<u>588,137</u>	<u>22,892</u>
Total Service Administration	649,614	673,614	648,806	24,808
Rental Units				
Other Expenses	63,672	63,672	2,829	60,843
Engineering				
Personal Services	197,878	197,878	196,167	1,711
Other Expenses	<u>105,205</u>	<u>135,205</u>	<u>124,444</u>	<u>10,761</u>
Total Engineering	303,083	333,083	320,611	12,472
Law				
Personal Services	306,682	319,682	309,935	9,747
Other Expenses	<u>133,323</u>	<u>178,323</u>	<u>165,994</u>	<u>12,329</u>
Total Law	440,005	498,005	475,929	22,076
Budget and Finance				
Personal Services	151,199	159,199	154,367	4,832
Other Expenses	<u>144,882</u>	<u>144,882</u>	<u>128,488</u>	<u>16,394</u>
Total Budget and Finance	296,081	304,081	282,855	21,226

(Continued)



**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2015  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Miscellaneous, Sundry and Contingency				
Other Expenses	522,881	427,881	271,230	156,651
Mayor's Office				
Personal Services	7,739	7,739	7,682	57
Other Expenses	4,742	4,742	3,636	1,106
Total Mayor's Office	12,481	12,481	11,318	1,163
City Council				
Personal Services	168,092	168,092	163,771	4,321
Other Expenses	26,211	26,211	18,685	7,526
Total City Council	194,303	194,303	182,456	11,847
Community Support				
Other Expenses	78,078	88,078	82,259	5,819
City Manager				
Personal Services	260,906	300,906	295,023	5,883
Other Expenses	54,799	54,799	45,821	8,978
Total City Manager	315,705	355,705	340,844	14,861
Human Resources				
Personal Services	52,583	55,583	53,830	1,753
Other Expenses	20,366	20,366	13,812	6,554
Total Human Resources	72,949	75,949	67,642	8,307
City Hall Relocation				
Other Expenses	-	60,353	52,277	8,076
Civil Service				
Personal Services	31,893	31,893	14,522	17,371
Other Expenses	28,756	53,456	52,413	1,043
Total Civil Service	60,649	85,349	66,935	18,414
Total General Government	3,009,501	3,172,554	2,805,991	366,563
<b>Total Expenditures</b>	<b>5,137,980</b>	<b>5,677,527</b>	<b>5,064,320</b>	<b>613,207</b>

(Continued)

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2015  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Excess of Revenues Over (Under) Expenditures	(2,605,938)	255,904	914,403	658,499
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	-	2,391,084	2,391,110	26
Advances In	-	1,055,573	1,055,573	-
Advances Out	-	(200,000)	(200,000)	-
Transfers In	2,600,000	2,600,000	2,600,000	-
Transfers Out	-	(5,560,078)	(5,560,078)	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,600,000</u>	<u>286,579</u>	<u>286,605</u>	<u>26</u>
Net Change in Fund Balance	(5,938)	542,483	1,201,008	658,525
Fund Balance - Beginning of Year	3,886,615	3,886,615	3,886,615	-
Prior Year Encumbrances Appropriated	372,728	372,728	372,728	-
<b>Fund Balance - End of Year</b>	<u>\$ 4,253,405</u>	<u>\$ 4,801,826</u>	<u>\$ 5,460,351</u>	<u>\$ 658,525</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Income Tax Safety Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 3,664	\$ -	\$ 3,040	\$ 3,040
Miscellaneous	26,336	-	21,853	21,853
<b>Total Revenues</b>	<u>30,000</u>	<u>-</u>	<u>24,893</u>	<u>24,893</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Personal Services	5,363,620	6,363,620	6,033,801	329,819
Other	600,199	612,199	501,489	110,710
<b>Total Expenditures</b>	<u>5,963,819</u>	<u>6,975,819</u>	<u>6,535,290</u>	<u>440,529</u>
Excess of Revenues Over (Under) Expenditures	(5,933,819)	(6,975,819)	(6,510,397)	465,422
<b>Other Financing Sources</b>				
Proceeds from Sale of Capital Assets	2,000	-	-	-
Transfers In	6,018,000	6,237,521	6,237,521	-
<b>Total Other Financing Sources</b>	<u>6,020,000</u>	<u>6,237,521</u>	<u>6,237,521</u>	<u>-</u>
Net Change in Fund Balance	86,181	(738,298)	(272,876)	465,422
Fund Balance - Beginning of Year	812,442	812,442	812,442	-
Prior Year Encumbrances Appropriated	41,079	41,079	41,079	-
<b>Fund Balance - End of Year</b>	<u>\$ 939,702</u>	<u>\$ 115,223</u>	<u>\$ 580,645</u>	<u>\$ 465,422</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Fire and Emergency Medical Services Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 1,903	\$ 1,903
Miscellaneous	-	-	1,143	1,143
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>3,046</u>	<u>3,046</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	3,957,334	4,197,334	3,933,432	263,902
Other	430,838	430,838	394,530	36,308
Capital Outlay	795,382	834,382	822,995	11,387
<b>Total Expenditures</b>	<u>5,183,554</u>	<u>5,462,554</u>	<u>5,150,957</u>	<u>311,597</u>
Excess of Revenues Over (Under) Expenditures	(5,183,554)	(5,462,554)	(5,147,911)	314,643
<b>Other Financing Sources</b>				
Proceeds from Sale of Capital Assets	-	-	15,750	15,750
Transfers In	5,300,000	5,037,521	5,037,521	-
<b>Total Other Financing Sources</b>	<u>5,300,000</u>	<u>5,037,521</u>	<u>5,053,271</u>	<u>15,750</u>
Net Change in Fund Balance	116,446	(425,033)	(94,640)	330,393
Fund Balance - Beginning of Year	128,637	128,637	128,637	-
Prior Year Encumbrances Appropriated	366,575	366,575	366,575	-
<b>Fund Balance - End of Year</b>	<u>\$ 611,658</u>	<u>\$ 70,179</u>	<u>\$ 400,572</u>	<u>\$ 330,393</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Capital Projects Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 13,631,147	\$ 708,219	\$ 446,177	\$ (262,042)
Special Assessments	47,708	47,708	14,265	(33,443)
Miscellaneous	81,788	81,788	81,750	(38)
<b>Total Revenues</b>	<b>13,760,643</b>	<b>837,715</b>	<b>542,192</b>	<b>(295,523)</b>
<b>Expenditures</b>				
Capital Outlay:				
Safety	520,000	520,000	487,907	32,093
Service	17,534,089	5,768,477	4,982,300	786,177
Budget and Finance	25,000	25,000	17,792	7,208
Total Capital Outlay	18,079,089	6,313,477	5,487,999	825,478
Debt Service:				
Principal	1,704,801	1,704,801	1,675,000	29,801
Interest & Fiscal Charges	16,750	16,750	16,703	47
Debt Issuance Costs	7,476	7,476	7,008	468
Total Debt Service	1,729,027	1,729,027	1,698,711	30,316
<b>Total Expenditures</b>	<b>19,808,116</b>	<b>8,042,504</b>	<b>7,186,710</b>	<b>855,794</b>
Excess of Revenues Over (Under) Expenditures	(6,047,473)	(7,204,789)	(6,644,518)	560,271
<b>Other Financing Sources</b>				
Bond Anticipation Notes Issued	1,675,000	1,675,000	1,265,000	(410,000)
Premium on Debt Issuance	11,784	11,784	7,914	(3,870)
Advances Out	-	(325,000)	(325,000)	-
Transfers In	2,397,573	2,589,554	2,589,554	-
<b>Total Other Financing Sources</b>	<b>4,084,357</b>	<b>3,951,338</b>	<b>3,537,468</b>	<b>(413,870)</b>
Net Change in Fund Balance	(1,963,116)	(3,253,451)	(3,107,050)	146,401
Fund Balance - Beginning of Year	2,731,808	2,731,808	2,731,808	-
Prior Year Encumbrances Appropriated	1,891,589	1,891,589	1,891,589	-
<b>Fund Balance - End of Year</b>	<b>\$ 2,660,281</b>	<b>\$ 1,369,946</b>	<b>\$ 1,516,347</b>	<b>\$ 146,401</b>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Muni PI Tax Increment Equivalent Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Payments in Lieu of Taxes	\$ 372,968	\$ 372,968	\$ 511,990	\$ 139,022
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>372,968</u>	<u>372,968</u>	<u>511,990</u>	<u>139,022</u>
<b>Expenditures</b>				
Capital Outlay:				
Community Development	<u>742,809</u>	<u>1,370,463</u>	<u>766,247</u>	<u>604,216</u>
Debt Service:				
Principal	1,770,000	1,770,000	1,770,000	-
Interest & Fiscal Charges	236,775	236,775	236,729	46
Debt Issuance Costs	<u>7,350</u>	<u>8,296</u>	<u>8,295</u>	<u>1</u>
Total Debt Service	<u>2,014,125</u>	<u>2,015,071</u>	<u>2,015,024</u>	<u>47</u>
<b>Total Expenditures</b>	<u>2,756,934</u>	<u>3,385,534</u>	<u>2,781,271</u>	<u>604,263</u>
Excess of Revenues Over (Under) Expenditures	(2,383,966)	(3,012,566)	(2,269,281)	743,285
<b>Other Financing Sources</b>				
Bond Anticipation Notes Issued	1,540,139	1,288,968	1,150,000	(138,968)
OPWC Loans Issued	-	1,171	1,171	-
Premium on Debt Issuance	<u>10,000</u>	<u>10,000</u>	<u>7,142</u>	<u>(2,858)</u>
<b>Total Other Financing Sources</b>	<u>1,550,139</u>	<u>1,300,139</u>	<u>1,158,313</u>	<u>(141,826)</u>
Net Change in Fund Balance	(833,827)	(1,712,427)	(1,110,968)	601,459
Fund Balance - Beginning of Year	1,089,009	1,089,009	1,089,009	-
Prior Year Encumbrances Appropriated	<u>742,809</u>	<u>742,809</u>	<u>742,809</u>	-
<b>Fund Balance - End of Year</b>	<u>\$ 997,991</u>	<u>\$ 119,391</u>	<u>\$ 720,850</u>	<u>\$ 601,459</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Police Facilities Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures</b>				
Capital Outlay:				
Safety	\$ 5,814,779	\$ 5,814,779	\$ 3,157,513	\$ 2,657,266
Total Capital Outlay	5,814,779	5,814,779	3,157,513	2,657,266
Debt Service:				
Principal	130,000	130,000	125,000	5,000
Interest & Fiscal Charges	201,000	201,000	171,135	29,865
Debt Issuance Costs	140,000	140,000	101,402	38,598
Total Debt Service	471,000	471,000	397,537	73,463
<b>Total Expenditures</b>	6,285,779	6,285,779	3,555,050	2,730,729
Excess of Revenues Over (Under) Expenditures	(6,285,779)	(6,285,779)	(3,555,050)	2,730,729
<b>Other Financing Sources (Uses)</b>				
General Obligation Bonds Issued	5,130,000	4,400,000	4,465,000	65,000
Premium on Debt Issuance	-	513,441	533,826	20,385
Transfers In	1,370,000	1,586,559	1,586,559	-
<b>Total Other Financing Sources (Uses)</b>	6,500,000	6,500,000	6,585,385	85,385
Net Change in Fund Balance	214,221	214,221	3,030,335	2,816,114
Fund Balance - Beginning of Year	4,467,300	4,467,300	4,467,300	-
Prior Year Encumbrances Appropriated	35,779	35,779	35,779	-
<b>Fund Balance - End of Year</b>	<b>\$ 4,717,300</b>	<b>\$ 4,717,300</b>	<b>\$ 7,533,414</b>	<b>\$ 2,816,114</b>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Water Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$ 13,014	\$ 13,014	\$ 11,066	\$ (1,948)
Charges for Services	3,405,142	3,252,842	3,338,481	85,639
Special Assessments	40,015	40,015	46,185	6,170
Miscellaneous	52,277	52,277	49,355	(2,922)
<b>Total Revenues</b>	<u>3,510,448</u>	<u>3,358,148</u>	<u>3,445,087</u>	<u>86,939</u>
<b>Expenses</b>				
Current:				
Administrative Support				
Personal Services	491,481	503,481	443,770	59,711
Other Expenses	128,870	128,870	49,765	79,105
Capital Outlay	20,000	35,000	17,405	17,595
Total Administrative Support	<u>640,351</u>	<u>667,351</u>	<u>510,940</u>	<u>156,411</u>
Service				
Personal Services	1,481,784	1,510,373	1,507,950	2,423
Other Expenses	845,490	845,490	822,418	23,072
Capital Outlay	1,213,556	1,448,379	1,181,807	266,572
Total Service	<u>3,540,830</u>	<u>3,804,242</u>	<u>3,512,175</u>	<u>292,067</u>
Debt Service:				
Principal	42,844	40,315	35,513	4,802
Interest & Fiscal Charges	12,917	15,446	15,446	-
Total Debt Service	<u>55,761</u>	<u>55,761</u>	<u>50,959</u>	<u>4,802</u>
<b>Total Expenses</b>	<u>4,236,942</u>	<u>4,527,354</u>	<u>4,074,074</u>	<u>453,280</u>

(Continued)



**City of Kent, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Water Fund  
 For the Year Ended December 31, 2015  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Excess of Revenues Over (Under) Expenses	(726,494)	(1,169,206)	(628,987)	540,219
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	4,341	4,341	-	(4,341)
Capital Contribution - Grants	-	-	16,448	16,448
Capital Contributions - Tap-in Fees	25,570	25,570	103,594	78,024
Advances Out	(80,000)	(80,000)	(80,000)	-
Transfers In	-	-	-	-
Transfer Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(50,089)</u>	<u>(50,089)</u>	<u>40,042</u>	<u>90,131</u>
Net Change in Fund Equity	(776,583)	(1,219,295)	(588,945)	630,350
Fund Equity - Beginning of Year	2,137,736	2,137,736	2,137,736	-
Prior Year Encumbrances Appropriated	502,650	502,650	502,650	-
<b>Fund Equity - End of Year</b>	<u>\$ 1,863,803</u>	<u>\$ 1,421,091</u>	<u>\$ 2,051,441</u>	<u>\$ 630,350</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Sewer Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$ 17,397	\$ 17,397	\$ 11,577	\$ (5,820)
Charges for Services	4,316,757	3,945,454	4,091,698	146,244
Special Assessments	31,182	31,182	39,965	8,783
Miscellaneous	64,925	64,925	71	(64,854)
<b>Total Revenues</b>	<b>4,430,261</b>	<b>4,058,958</b>	<b>4,143,311</b>	<b>84,353</b>
<b>Expenses</b>				
Current:				
Administrative Support				
Personal Services	491,481	504,481	446,587	57,894
Other Expenses	125,272	133,772	30,447	103,325
Capital Outlay	20,000	35,000	17,798	17,202
<b>Total Administrative Support</b>	<b>636,753</b>	<b>673,253</b>	<b>494,832</b>	<b>178,421</b>
Service				
Personal Services	1,715,018	1,743,607	1,720,303	23,304
Other Expenses	931,179	931,179	845,372	85,807
Capital Outlay	1,438,373	1,756,153	883,906	872,247
<b>Total Service</b>	<b>4,084,570</b>	<b>4,430,939</b>	<b>3,449,581</b>	<b>981,358</b>

(Continued)

**City of Kent, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Sewer Fund  
 For the Year Ended December 31, 2015  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal Retirement	771,315	771,315	752,145	19,170
Interest & Fiscal Charges	104,338	104,338	118,616	(14,278)
Bond Issuance Costs	-	-	2,742	(2,742)
Total Debt Service	<u>875,653</u>	<u>875,653</u>	<u>873,503</u>	<u>2,150</u>
<b>Total Expenses</b>	<u>5,607,040</u>	<u>5,989,909</u>	<u>4,817,916</u>	<u>1,171,993</u>
Excess of Revenues Over (Under) Expenses	(1,176,779)	(1,930,951)	(674,605)	1,256,346
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	2,501	2,501	2,192	(309)
Bond Anticipation Notes Issued	555,000	555,000	495,000	(60,000)
Premium on Debt Issuance	3,602	3,602	3,016	(586)
Capital Contribution - Tap-in Fees	13,998	13,998	183,108	169,110
Capital Contribution - Grants	-	-	16,448	16,448
Advances Out	(65,000)	(65,000)	(65,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>510,101</u>	<u>510,101</u>	<u>634,764</u>	<u>124,663</u>
Net Change in Fund Equity	(666,678)	(1,420,850)	(39,841)	1,381,009
Fund Equity - Beginning of Year	2,274,034	2,274,034	2,274,034	-
Prior Year Encumbrances Appropriated	271,941	271,941	271,941	-
<b>Fund Equity - End of Year</b>	<u>\$ 1,879,297</u>	<u>\$ 1,125,125</u>	<u>\$ 2,506,134</u>	<u>\$ 1,381,009</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Storm Water Drainage Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 32,907	\$ 409,107	\$ 422,735	\$ 13,628
Interest	10	10	-	(10)
Charges for Services	517,820	551,606	565,904	14,298
Special Assessments	20,894	20,894	11,392	(9,502)
Miscellaneous	1,994	1,994	61,000	59,006
<b>Total Revenues</b>	<u>573,625</u>	<u>983,611</u>	<u>1,061,031</u>	<u>77,420</u>
<b>Expenses</b>				
Current:				
Budget and Finance				
Other Expenses	-	24,500	24,373	127
Capital Outlay	20,000	30,000	16,639	13,361
<b>Total Budget and Finance</b>	<u>20,000</u>	<u>54,500</u>	<u>41,012</u>	<u>13,488</u>
Service				
Personal Services	467,928	471,928	450,212	21,716
Other Expenses	77,815	61,815	39,038	22,777
Capital Outlay	2,284,132	2,347,911	2,114,338	233,573
<b>Total Service</b>	<u>2,829,875</u>	<u>2,881,654</u>	<u>2,603,588</u>	<u>278,066</u>
Debt Service:				
Principal Retirement	9,968	9,968	4,967	5,001
<b>Total Expenses</b>	<u>2,859,843</u>	<u>2,946,122</u>	<u>2,649,567</u>	<u>296,555</u>
Excess of Revenues Over (Under) Expenses	(2,286,218)	(1,962,511)	(1,588,536)	373,975
<b>Other Financing Sources (Uses)</b>				
Capital Contributions - Tap-in Fees	1,375	1,375	3,350	1,975
Advances Out	-	(110,000)	(110,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,375</u>	<u>(108,625)</u>	<u>(106,650)</u>	<u>1,975</u>
Net Change in Fund Equity	(2,284,843)	(2,071,136)	(1,695,186)	375,950
Fund Equity - Beginning of Year	274,657	274,657	274,657	-
Prior Year Encumbrances Appropriated	2,083,581	2,083,581	2,083,581	-
<b>Fund Equity - End of Year</b>	<u>\$ 73,395</u>	<u>\$ 287,102</u>	<u>\$ 663,052</u>	<u>\$ 375,950</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 West Side Fire Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 222,507	\$ 223,009	\$ 225,231	\$ 2,222
Intergovernmental	25,254	25,254	25,153	(101)
<b>Total Revenues</b>	247,761	248,263	250,384	2,121
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	239,410	239,410	230,544	8,866
Other	27,375	27,375	23,304	4,071
<b>Total Expenditures</b>	266,785	266,785	253,848	12,937
Net Change in Fund Balance	(19,024)	(18,522)	(3,464)	15,058
Fund Balance - Beginning of Year	93,864	93,864	93,864	-
Prior Year Encumbrances Appropriated	1,728	1,728	1,728	-
<b>Fund Balance - End of Year</b>	\$ 76,568	\$ 77,070	\$ 92,128	\$ 15,058

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Street Construction, Maintenance and Repair Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 155,000	\$ 210,000	\$ 203,428	\$ (6,572)
Intergovernmental	565,000	690,000	716,200	26,200
Interest	-	-	5,084	5,084
Charges for Services	38,380	38,380	53,864	15,484
Special Assessments	60,000	60,000	68,848	8,848
Miscellaneous	4,416	4,416	16,987	12,571
<b>Total Revenues</b>	<u>822,796</u>	<u>1,002,796</u>	<u>1,064,411</u>	<u>61,615</u>
<b>Expenditures</b>				
Current:				
Transportation				
Public Service				
Personal Services	973,624	1,125,242	982,101	143,141
Other	828,465	969,907	696,281	273,626
<b>Total Expenditures</b>	<u>1,802,089</u>	<u>2,095,149</u>	<u>1,678,382</u>	<u>416,767</u>
Excess of Revenues Over (Under) Expenditures	(979,293)	(1,092,353)	(613,971)	478,382
<b>Other Financing Sources</b>				
Proceeds from Sale of Capital Assets	1,033	1,033	3,240	2,207
Transfers In	616,171	616,171	616,171	-
<b>Total Other Financing Sources</b>	<u>617,204</u>	<u>617,204</u>	<u>619,411</u>	<u>2,207</u>
Net Change in Fund Balance	(362,089)	(475,149)	5,440	480,589
Fund Balance - Beginning of Year	700,530	700,530	700,530	-
Prior Year Encumbrances Appropriated	77,119	77,119	77,119	-
<b>Fund Balance - End of Year</b>	<u>\$ 415,560</u>	<u>\$ 302,500</u>	<u>\$ 783,089</u>	<u>\$ 480,589</u>

sb

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 State Highway Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 52,718	\$ 52,718	\$ 58,070	\$ 5,352
Interest	-	-	338	338
Miscellaneous	4,282	4,282	-	(4,282)
<b>Total Revenues</b>	<u>57,000</u>	<u>57,000</u>	<u>58,408</u>	<u>1,408</u>
<b>Expenditures</b>				
Current:				
Transportation				
Service				
Other	<u>60,457</u>	<u>60,457</u>	<u>59,881</u>	<u>576</u>
Net Change in Fund Balance	(3,457)	(3,457)	(1,473)	1,984
Fund Balance - Beginning of Year	88,767	88,767	88,767	-
Prior Year Encumbrances Appropriated	457	457	457	-
<b>Fund Balance - End of Year</b>	<u>\$ 85,767</u>	<u>\$ 85,767</u>	<u>\$ 87,751</u>	<u>\$ 1,984</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Parks and Recreation Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 1,026,418	\$ 1,026,418	\$ 1,037,823	\$ 11,405
Intergovernmental	127,677	145,577	148,727	3,150
Fees, Licenses and Permits	40,000	112,800	114,408	1,608
Charges for Services	561,791	626,390	651,018	24,628
Miscellaneous	21,409	48,409	48,565	156
<b>Total Revenues</b>	<u>1,777,295</u>	<u>1,959,594</u>	<u>2,000,541</u>	<u>40,947</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities				
Parks & Recreation				
Personal Services	1,175,588	1,200,588	1,152,522	48,066
Other	622,520	655,270	587,684	67,586
Capital Outlay	127,140	949,140	877,139	72,001
<b>Total Expenditures</b>	<u>1,925,248</u>	<u>2,804,998</u>	<u>2,617,345</u>	<u>187,653</u>
Excess of Revenues Over (Under) Expenditures	(147,953)	(845,404)	(616,804)	228,600
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	1,000	1,000	-	(1,000)
Advances In	-	200,000	200,000	-
Advances Out	-	(235,000)	(235,000)	-
Transfers In	-	360,078	360,078	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,000</u>	<u>326,078</u>	<u>325,078</u>	<u>(1,000)</u>
Net Change in Fund Balance	(146,953)	(519,326)	(291,726)	227,600
Fund Balance - Beginning of Year	757,058	757,058	757,058	-
Prior Year Encumbrances Appropriated	160,898	160,898	160,898	-
<b>Fund Balance - End of Year</b>	<u>\$ 771,003</u>	<u>\$ 398,630</u>	<u>\$ 626,230</u>	<u>\$ 227,600</u>



**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Food Service Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 85,000	\$ 85,000	\$ 88,808	\$ 3,808
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	92,634	92,634	76,147	16,487
Other	6,800	6,800	710	6,090
<b>Total Expenditures</b>	<u>99,434</u>	<u>99,434</u>	<u>76,857</u>	<u>22,577</u>
Net Change in Fund Balance	(14,434)	(14,434)	11,951	26,385
Fund Balance - Beginning of Year	31,666	31,666	31,666	-
<b>Fund Balance - End of Year</b>	<u>\$ 17,232</u>	<u>\$ 17,232</u>	<u>\$ 43,617</u>	<u>\$ 26,385</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Income Tax Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Taxes	\$ 13,666,750	\$ 15,753,750	\$ 16,406,396	\$ 652,646
Interest	48,440	48,440	48,520	80
<b>Total Revenues</b>	<u>13,715,190</u>	<u>15,802,190</u>	<u>16,454,916</u>	<u>652,726</u>
<b>Expenditures</b>				
Current:				
General Government				
Budget & Finance				
Personal Services	227,929	237,929	229,572	8,357
Other	2,581,283	2,706,283	2,558,998	147,285
<b>Total Expenditures</b>	<u>2,809,212</u>	<u>2,944,212</u>	<u>2,788,570</u>	<u>155,642</u>
Excess of Revenues Over Expenditures	10,905,978	12,857,978	13,666,346	808,368
<b>Other Financing Sources (Uses)</b>				
Advances In	255,000	443,000	443,000	-
Transfer Out	(13,490,530)	(13,899,070)	(13,899,070)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(13,235,530)</u>	<u>(13,456,070)</u>	<u>(13,456,070)</u>	<u>-</u>
Net Change in Fund Balance	(2,329,552)	(598,092)	210,276	808,368
Fund Balance - Beginning of Year	2,749,056	2,749,056	2,749,056	-
Prior Year Encumbrances Appropriated	2,278,270	2,278,270	2,278,270	-
<b>Fund Balance - End of Year</b>	<u>\$ 2,697,774</u>	<u>\$ 4,429,234</u>	<u>\$ 5,237,602</u>	<u>\$ 808,368</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Revolving Housing Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 110,000	\$ 110,000	\$ 122,386	\$ 12,386
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	113,919	135,919	127,385	8,534
Other	13,600	13,600	3,200	10,400
<b>Total Expenditures</b>	<u>127,519</u>	<u>149,519</u>	<u>130,585</u>	<u>18,934</u>
Net Change in Fund Balance	(17,519)	(39,519)	(8,199)	31,320
Fund Balance - Beginning of Year	41,958	41,958	41,958	-
<b>Fund Balance - End of Year</b>	<u>\$ 24,439</u>	<u>\$ 2,439</u>	<u>\$ 33,759</u>	<u>\$ 31,320</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 State and Local Forfeits Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeits	\$ 200	\$ 200	\$ -	\$ (200)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	-	7,000	4,834	2,166
Net Change in Fund Balance	200	(6,800)	(4,834)	1,966
Fund Balance - Beginning of Year	14,041	14,041	14,041	-
Prior Year Encumbrances Appropriated	-	-	-	-
<b>Fund Balance - End of Year</b>	<b>\$ 14,241</b>	<b>\$ 7,241</b>	<b>\$ 9,207</b>	<b>\$ 1,966</b>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Drug Law Enforcement Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeits	\$ 2,000	\$ 2,000	\$ 2,056	\$ 56
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	-	25,000	22,290	2,710
Net Change in Fund Balance	2,000	(23,000)	(20,234)	2,766
Fund Balance - Beginning of Year	29,927	29,927	29,927	-
<b>Fund Balance - End of Year</b>	<b>\$ 31,927</b>	<b>\$ 6,927</b>	<b>\$ 9,693</b>	<b>\$ 2,766</b>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Enforcement and Education Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeits	\$ 4,000	\$ 4,000	\$ 3,970	\$ (30)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	-	15,000	14,366	634
Net Change in Fund Balance	4,000	(11,000)	(10,396)	604
Fund Balance - Beginning of Year	25,420	25,420	25,420	-
<b>Fund Balance - End of Year</b>	<b>\$ 29,420</b>	<b>\$ 14,420</b>	<b>\$ 15,024</b>	<b>\$ 604</b>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Law Enforcement Trust Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$ 2	\$ 2	\$ -	\$ (2)
Fines and Forfeits	48	48	-	(48)
<b>Total Revenues</b>	<u>50</u>	<u>50</u>	<u>-</u>	<u>(50)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	-	15,000	12,290	2,710
Net Change in Fund Balance	50	(14,950)	(12,290)	2,660
Fund Balance - Beginning of Year	18,347	18,347	18,347	-
<b>Fund Balance - End of Year</b>	<u>\$ 18,397</u>	<u>\$ 3,397</u>	<u>\$ 6,057</u>	<u>\$ 2,660</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Community Development Block Grant Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 253,353	\$ 188,353	\$ 171,521	\$ (16,832)
Interest	5,425	5,425	267	(5,158)
Miscellaneous	10,000	10,000	50,744	40,744
<b>Total Revenues</b>	<u>268,778</u>	<u>203,778</u>	<u>222,532</u>	<u>18,754</u>
<b>Expenditures</b>				
Current:				
Community Development				
Community Development				
Personal Services	44,327	44,327	12,080	32,247
Other	305,097	305,097	290,966	14,131
Capital Outlay	108,702	220,480	33,209	187,271
<b>Total Expenditures</b>	<u>458,126</u>	<u>569,904</u>	<u>336,255</u>	<u>233,649</u>
Excess of Revenues Over (Under) Expenditures	(189,348)	(366,126)	(113,723)	252,403
<b>Other Financing Sources (Uses)</b>				
Advances Out	-	(200,000)	(200,000)	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Net Change in Fund Balance	(189,348)	(566,126)	(313,723)	252,403
Fund Balance - Beginning of Year	825,375	825,375	825,375	-
Prior Year Encumbrances Appropriated	153,599	153,599	153,599	-
<b>Fund Balance - End of Year</b>	<u>\$ 789,626</u>	<u>\$ 412,848</u>	<u>\$ 665,251</u>	<u>\$ 252,403</u>



**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Neighborhood Stabilization Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$ -	\$ -	\$ 90	\$ 90
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>90</u>	<u>90</u>
<b>Expenditures</b>				
Current:				
Community Development				
Community Development				
Other	1,050	1,050	1,050	-
	<u>1,050</u>	<u>1,050</u>	<u>1,050</u>	<u>-</u>
<b>Other Financing (Uses)</b>				
Advances Out	-	-	(239,573)	(239,573)
<b>Total Other Financing (Uses)</b>	<u>-</u>	<u>-</u>	<u>(239,573)</u>	<u>(239,573)</u>
Net Change in Fund Balance	(1,050)	(1,050)	(240,533)	(239,483)
Fund Balance - Beginning of Year	385,054	385,054	385,054	-
Prior Year Encumbrances Appropriated	1,050	1,050	1,050	-
<b>Fund Balance - End of Year</b>	<u>\$ 385,054</u>	<u>\$ 385,054</u>	<u>\$ 145,571</u>	<u>\$ (239,483)</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Wireless 911 Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 83,000	\$ 71,000	\$ 79,278	\$ 8,278
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	63,277	63,277	45,836	17,441
<b>Total Expenditures</b>	<u>63,277</u>	<u>63,277</u>	<u>45,836</u>	<u>17,441</u>
Net Change in Fund Balance	19,723	7,723	33,442	25,719
Fund Balance - Beginning of Year	222,516	222,516	222,516	-
Prior Year Encumbrances Appropriated	277	277	277	-
<b>Fund Balance - End of Year</b>	<u>\$ 242,516</u>	<u>\$ 230,516</u>	<u>\$ 256,235</u>	<u>\$ 25,719</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Swimming Pool Inspections Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 6,500	\$ 5,400	\$ 5,400	\$ -
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	4,555	8,055	7,471	584
<b>Total Expenditures</b>	<u>4,555</u>	<u>8,055</u>	<u>7,471</u>	<u>584</u>
Net Change in Fund Balance	1,945	(2,655)	(2,071)	584
Fund Balance - Beginning of Year	7,186	7,186	7,186	-
<b>Fund Balance - End of Year</b>	<u><u>\$ 9,131</u></u>	<u><u>\$ 4,531</u></u>	<u><u>\$ 5,115</u></u>	<u><u>\$ 584</u></u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Police Pension Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 94,889	\$ 94,761	\$ 97,044	\$ 2,283
Intergovernmental	10,433	10,433	9,940	(493)
<b>Total Revenues</b>	<u>105,322</u>	<u>105,194</u>	<u>106,984</u>	<u>1,790</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Personal Services	<u>102,000</u>	<u>102,000</u>	<u>102,000</u>	<u>-</u>
Net Change in Fund Balance	3,322	3,194	4,984	1,790
Fund Balance - Beginning of Year	<u>12,177</u>	<u>12,177</u>	<u>12,177</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 15,499</u></u>	<u><u>\$ 15,371</u></u>	<u><u>\$ 17,161</u></u>	<u><u>\$ 1,790</u></u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Fire Pension Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 94,889	\$ 94,761	\$ 97,044	\$ 2,283
Intergovernmental	10,433	10,433	9,940	(493)
<b>Total Revenues</b>	<u>105,322</u>	<u>105,194</u>	<u>106,984</u>	<u>1,790</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	<u>102,000</u>	<u>102,000</u>	<u>102,000</u>	<u>-</u>
Net Change in Fund Balance	3,322	3,194	4,984	1,790
Fund Balance - Beginning of Year	<u>12,181</u>	<u>12,181</u>	<u>12,181</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 15,503</u></u>	<u><u>\$ 15,375</u></u>	<u><u>\$ 17,165</u></u>	<u><u>\$ 1,790</u></u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Urban Development Action Grant Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$ 2,000	\$ 2,000	\$ 8,569	\$ 6,569
Miscellaneous	13,000	13,000	83,082	70,082
<b>Total Revenues</b>	<u>15,000</u>	<u>15,000</u>	<u>91,651</u>	<u>76,651</u>
<b>Expenditures</b>				
Current:				
Community Development				
City Manager				
Other	80,000	95,000	80,000	15,000
Net Change in Fund Balance	(65,000)	(80,000)	11,651	91,651
Fund Balance - Beginning of Year	390,709	390,709	390,709	-
<b>Fund Balance - End of Year</b>	<u>\$ 325,709</u>	<u>\$ 310,709</u>	<u>\$ 402,360</u>	<u>\$ 91,651</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Debt Service Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Special Assessments	\$ 45,000	\$ 45,000	\$ 51,220	\$ 6,220
<b>Expenditures</b>				
Current:				
General Government				
Budget and Finance				
Other	3,500	3,500	1,970	1,530
Debt Service:				
Principal	893,947	893,947	893,947	-
Interest & Fiscal Charges	22,820	22,820	22,797	23
Bond Issuance Costs	3,696	3,696	3,490	206
Total Debt Service	<u>920,463</u>	<u>920,463</u>	<u>920,234</u>	<u>229</u>
<b>Total Expenditures</b>	<u>923,963</u>	<u>923,963</u>	<u>922,204</u>	<u>1,759</u>
Excess of Revenues Over (Under) Expenditures	(878,963)	(878,963)	(870,984)	7,979
<b>Other Financing Sources</b>				
Bond Anticipation Notes Issued	602,339	602,339	630,000	27,661
Premium on Debt Issuance	5,000	5,000	4,034	(966)
Transfers In	271,744	271,744	271,744	-
<b>Total Other Financing Sources</b>	<u>879,083</u>	<u>879,083</u>	<u>905,778</u>	<u>26,695</u>
Net Change in Fund Balance	120	120	34,794	34,674
Fund Balance - Beginning of Year	<u>129,560</u>	<u>129,560</u>	<u>129,560</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 129,680</u></u>	<u><u>\$ 129,680</u></u>	<u><u>\$ 164,354</u></u>	<u><u>\$ 34,674</u></u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Solid Waste Fund  
 For the Year Ended December 31, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$ 470,000	\$ 470,000	\$ 515,232	\$ 45,232
<b>Expenses</b>				
Current:				
Service				
Personal Services	68,699	72,699	70,093	2,606
Other Expenses	534,690	534,690	323,522	211,168
<b>Total Expenses</b>	<u>603,389</u>	<u>607,389</u>	<u>393,615</u>	<u>213,774</u>
Excess of Revenues Over (Under) Expenses	(133,389)	(137,389)	121,617	259,006
<b>Other Financing Sources</b>				
Advances Out	-	(109,000)	(109,000)	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>(109,000)</u>	<u>(109,000)</u>	<u>-</u>
Net Change in Fund Equity	(133,389)	(246,389)	12,617	259,006
Fund Equity - Beginning of Year	643,988	643,988	643,988	-
Prior Year Encumbrances Appropriated	33,882	33,882	33,882	-
<b>Fund Equity - End of Year</b>	<u>\$ 544,481</u>	<u>\$ 431,481</u>	<u>\$ 690,487</u>	<u>\$ 259,006</u>



# **STATISTICAL SECTION**



# City of Kent, Ohio

## Statistical Section

---

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 - S8
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, income taxes and property taxes.	S9 – S17
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S18 – S21
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S22 – S23
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S24 – S33

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

# City of Kent, Ohio

## Net Position by Component Accrual Basis of Accounting Last Ten Years

**Table 1**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Governmental Activities</b>										
Net Investment in										
Capital Assets	\$55,391,747	\$39,903,344	\$39,451,103	\$38,898,560	\$37,887,705	\$34,486,661	\$32,644,284	\$30,315,249	\$26,951,296	\$17,826,725
Restricted	18,029,115	17,879,819	15,340,542	13,973,116	11,523,440	10,583,375	11,445,419	11,802,606	11,305,339	10,128,602
Unrestricted	(4,101,580)	11,937,532	11,257,214	11,291,239	12,407,928	15,181,317	15,581,099	16,110,251	16,802,244	14,267,218
<i>Total Governmental Activities Net Position</i>	<u>69,319,282</u>	<u>69,720,695</u>	<u>66,048,859</u>	<u>64,162,915</u>	<u>61,819,073</u>	<u>60,251,353</u>	<u>59,670,802</u>	<u>58,228,106</u>	<u>55,058,879</u>	<u>42,222,545</u>
<b>Business Type - Activities</b>										
Net Investment in										
Capital Assets	49,925,407	49,833,675	48,867,706	49,793,993	49,593,173	50,033,315	49,221,658	48,345,006	48,198,941	48,635,444
Unrestricted	4,576,955	7,183,616	7,990,163	7,937,790	7,334,716	7,321,992	7,913,744	8,708,998	9,447,211	7,491,831
<i>Total Business-Type Activities Net Position</i>	<u>54,502,362</u>	<u>57,017,291</u>	<u>56,857,869</u>	<u>57,731,783</u>	<u>56,927,889</u>	<u>57,355,307</u>	<u>57,135,402</u>	<u>57,054,004</u>	<u>57,646,152</u>	<u>56,127,275</u>
<b>Primary Government</b>										
Net Investment in										
Capital Assets	105,317,154	89,737,019	88,318,809	88,692,553	87,480,878	84,519,976	81,865,942	78,660,255	75,150,237	66,462,169
Restricted	18,029,115	17,879,819	15,340,542	13,973,116	11,523,440	10,583,375	11,445,419	11,802,606	11,305,339	10,128,602
Unrestricted	475,375	19,121,148	19,247,377	19,229,029	19,742,644	22,503,309	23,494,843	24,819,249	26,249,455	21,759,049
<i>Total Primary Government Net Position</i>	<u>\$123,821,644</u>	<u>\$126,737,986</u>	<u>\$122,906,728</u>	<u>\$121,894,698</u>	<u>\$118,746,962</u>	<u>\$117,606,660</u>	<u>\$116,806,204</u>	<u>\$115,282,110</u>	<u>\$112,705,031</u>	<u>\$98,349,820</u>

The periods noted above do not reflect amounts restated.

# City of Kent, Ohio

## Changes in Net Position Accrual Basis of Accounting Last Ten Years

**Table 2**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
Security of Persons and Property	\$1,509,255	\$1,462,625	\$1,746,787	\$1,504,097	\$1,419,667	\$1,472,354	\$1,345,473	\$1,473,544	\$1,296,839	\$1,242,357
Public Health and Welfare	293,058	264,534	213,738	184,556	160,213	151,774	163,857	162,688	154,456	160,183
Leisure Time Activities	767,323	694,019	593,189	515,414	709,428	483,292	519,474	485,958	483,382	440,288
Community Development	413,530	222,108	259,516	233,565	250,093	58,576	59,667	74,398	72,749	76,504
Transportation	111,934	52,848	40,798	37,412	28,985	38,632	40,256	420	420	2,350
General Government	93,893	51,191	62,500	104,859	170,899	63,132	71,777	98,375	90,659	193,686
Subtotal - Charges for Services	3,188,993	2,747,325	2,916,528	2,579,903	2,739,285	2,267,760	2,200,504	2,295,383	2,098,505	2,115,368
Operating Grants and Contributions:										
Security of Persons and Property	86,441	146,158	85,049	165,394	133,319	50,659	236,658	109,737	174,223	40,670
Public Health and Welfare	0	0	0	6,892	11,926	9,977	8,564	8,467	9,786	8,404
Leisure Time Activities	7,150	5,050	6,400	6,300	13,549	0	0	0	0	0
Community Development	137,763	731,476	502,927	1,624,800	657,956	704,125	337,839	487,756	289,541	670,627
Transportation	738,936	864,307	805,517	768,006	785,830	804,778	793,252	821,735	853,067	740,864
General Government	0	6,729	0	0	0	0	0	0	0	0
Subtotal - Operating Grants and Contributions	970,290	1,753,720	1,399,893	2,571,392	1,602,580	1,569,539	1,376,313	1,427,695	1,326,617	1,460,565
Capital Grants and Contributions:										
Security of Persons and Property	0	0	54,563	0	186,789	0	0	0	0	38,303
Leisure Time Activities	27,909	375,702	730,884	644,119	250,000	32,297	7,001	892,074	0	0
Community Development	0	184,257	1,301,307	1,253,088	380,851	0	0	0	0	0
Transportation	12,571,371	467,278	1,357,189	905,425	1,980,191	873,056	1,998,656	1,930,197	991,738	1,811,785
General Government	0	0	0	0	290,880	0	0	0	0	0
Subtotal - Capital Grants and Contributions	12,599,280	1,027,237	3,443,943	2,802,632	3,088,711	905,353	2,005,657	2,822,271	991,738	1,850,088
<b>Total Governmental Activities Program Revenues</b>	<b>16,758,563</b>	<b>5,528,282</b>	<b>7,760,364</b>	<b>7,953,927</b>	<b>7,430,576</b>	<b>4,742,652</b>	<b>5,582,474</b>	<b>6,545,349</b>	<b>4,416,860</b>	<b>5,426,021</b>
Business-Type Activities:										
Charges for Services:										
Water	3,429,946	3,006,999	3,281,466	3,197,503	2,741,795	2,706,968	2,635,679	2,491,836	2,764,094	2,718,143
Sewer	4,261,658	3,904,905	3,961,787	4,150,757	3,566,055	3,491,363	3,433,218	3,173,156	3,606,844	3,534,247
Solid Waste	521,150	484,830	508,985	445,105	424,599	419,696	400,690	377,726	397,071	390,015
Storm Water Drainage	562,743	565,152	496,051	565,338	555,853	548,930	560,039	558,382	574,530	559,376
Subtotal - Charges for Services	8,775,497	7,961,886	8,248,289	8,358,703	7,288,302	7,166,957	7,029,626	6,601,100	7,342,539	7,201,781
Operating Grants and Contributions:										
Water	0	0	0	0	0	0	0	0	0	0
Sewer	0	0	0	0	180,546	0	0	0	0	0
Solid Waste	0	0	0	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Subtotal - Operating Grants and Contributions	0	0	0	12,500	193,046	12,500	12,500	12,500	12,500	12,500
Capital Grants and Contributions										
Water	129,054	19,051	75,817	334,491	134,295	127,177	91,076	42,052	732,442	277,139
Sewer	198,770	31,962	62,312	70,760	194,121	57,438	111,524	39,693	156,177	270,058
Storm Water Drainage	326,085	202,918	39,990	167,150	86,604	1,083,023	586,939	201,215	342,499	573,081
Subtotal - Capital Grants and Contributions	653,909	253,931	178,119	572,401	415,020	1,267,638	789,539	282,960	1,231,118	1,120,278
<b>Total Business-Type Activities Program Revenues</b>	<b>9,429,406</b>	<b>8,215,817</b>	<b>8,426,408</b>	<b>8,943,604</b>	<b>7,896,368</b>	<b>8,447,095</b>	<b>7,831,665</b>	<b>6,896,560</b>	<b>8,586,157</b>	<b>8,334,559</b>
<b>Total Primary Government Program Revenues</b>	<b>\$26,187,969</b>	<b>\$13,744,099</b>	<b>\$16,186,772</b>	<b>\$16,897,531</b>	<b>\$15,326,944</b>	<b>\$13,189,747</b>	<b>\$13,414,139</b>	<b>\$13,441,909</b>	<b>\$13,003,017</b>	<b>\$13,760,580</b>

# City of Kent, Ohio

## Changes in Net Position (continued) Accrual Basis of Accounting Last Ten Years

**Table 2**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Expenses</b>										
<b>Governmental Activities:</b>										
Security of Persons and Property	\$12,085,275	\$11,106,253	\$10,907,162	\$11,293,807	\$11,155,689	\$10,595,357	\$10,369,569	\$10,048,146	\$9,767,636	\$9,323,964
Public Health and Welfare	751,049	733,837	724,497	678,085	666,053	632,398	620,303	624,117	567,464	565,274
Leisure Time Activities	2,129,354	1,876,396	1,745,256	1,682,142	1,611,324	1,438,323	1,382,046	1,349,541	1,304,088	1,316,911
Community Development	2,013,840	2,154,400	3,529,274	4,022,927	3,002,485	1,787,031	1,771,093	1,809,918	1,806,399	1,909,670
Transportation	5,194,392	3,720,312	3,801,634	3,408,722	3,732,080	3,713,225	3,462,831	3,511,591	3,242,973	2,181,729
General Government	3,980,966	3,015,330	2,775,445	2,988,674	3,090,494	2,852,097	2,848,297	2,758,218	2,697,076	2,751,222
Interest and Fiscal Charges	599,464	441,711	321,067	247,423	196,981	143,384	215,996	258,757	276,968	279,179
<b>Total Governmental Activities Expenses</b>	<b>26,754,340</b>	<b>23,048,239</b>	<b>23,804,335</b>	<b>24,321,780</b>	<b>23,455,106</b>	<b>21,161,815</b>	<b>20,670,135</b>	<b>20,360,288</b>	<b>19,662,604</b>	<b>18,327,949</b>
<b>Business-Type Activities</b>										
Water	3,940,584	3,266,800	3,579,906	3,224,228	3,239,611	3,306,197	3,339,193	3,310,242	3,075,261	2,898,864
Sewer	4,170,412	3,888,272	3,693,322	3,849,553	4,139,302	3,985,170	4,062,437	3,881,883	3,758,029	3,819,961
Solid Waste	354,304	360,163	362,196	428,292	434,718	453,846	479,740	430,779	449,101	429,551
Storm Water Drainage	927,030	776,836	871,773	730,942	813,922	664,552	287,644	275,168	261,035	240,410
<b>Total Business-Type Activities Expenses</b>	<b>9,392,330</b>	<b>8,292,071</b>	<b>8,507,197</b>	<b>8,233,015</b>	<b>8,627,553</b>	<b>8,409,765</b>	<b>8,169,014</b>	<b>7,898,072</b>	<b>7,543,426</b>	<b>7,388,786</b>
<b>Total Primary Government Program Expenses</b>	<b>36,146,670</b>	<b>31,340,310</b>	<b>32,311,532</b>	<b>32,554,795</b>	<b>32,082,659</b>	<b>29,571,580</b>	<b>28,839,149</b>	<b>28,258,360</b>	<b>27,206,030</b>	<b>25,716,735</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(\$9,995,777)	(\$17,519,957)	(\$16,043,971)	(\$16,367,853)	(\$16,024,530)	(\$16,419,163)	(\$15,087,661)	(\$13,814,939)	(\$15,245,744)	(\$12,901,928)
Business-Type Activities	37,076	(76,254)	(80,789)	710,589	(731,185)	37,330	(337,349)	(1,001,512)	1,042,731	945,773
<b>Total Primary Government Net (Expense)/Revenue</b>	<b>(\$9,958,701)</b>	<b>(\$17,596,211)</b>	<b>(\$16,124,760)</b>	<b>(\$15,657,264)</b>	<b>(\$16,755,715)</b>	<b>(\$16,381,833)</b>	<b>(\$15,425,010)</b>	<b>(\$14,816,451)</b>	<b>(\$14,203,013)</b>	<b>(\$11,956,155)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities</b>										
<b>Taxes:</b>										
<b>Property and Other Local Taxes Levied For:</b>										
General Purposes	\$2,153,989	\$1,909,075	\$1,826,973	\$1,796,724	\$1,620,411	\$1,626,108	\$1,639,561	\$1,645,714	\$1,672,891	\$1,688,373
Other Purposes	1,600,001	1,396,312	1,396,589	1,424,728	1,618,587	1,593,553	1,578,221	1,539,836	1,580,977	1,517,163
Municipal Income Taxes	16,687,329	15,322,764	12,163,342	12,921,715	10,962,364	10,800,430	10,402,223	10,508,828	10,577,734	10,147,407
Payments in Lieu of Taxes	511,990	372,968	0	0	0	0	0	0	0	0
Grants and Entitlements not Restricted to										
Specific Programs	1,807,531	1,600,833	1,935,682	1,668,485	2,735,703	2,446,005	2,403,218	2,430,874	2,653,962	2,203,538
Investment Earnings	288,799	192,313	144,065	206,287	221,008	232,274	443,814	781,307	1,158,296	1,083,312
Gain on Sale of Capital Assets	2,409,100	23,761	0	0	0	0	0	0	0	0
Miscellaneous	300,254	460,767	463,264	475,985	574,177	301,344	165,543	77,607	284,815	171,322
Transfers	0	0	0	0	(140,000)	0	0	0	0	0
<b>Total Governmental Activities</b>	<b>25,758,993</b>	<b>21,278,793</b>	<b>17,929,915</b>	<b>18,493,924</b>	<b>17,592,250</b>	<b>16,999,714</b>	<b>16,632,580</b>	<b>16,984,166</b>	<b>17,928,675</b>	<b>16,811,115</b>
<b>Business-Type Activities</b>										
Investment Earnings	14,185	34,289	17,795	29,250	33,514	76,543	187,029	353,880	415,999	320,134
Gain on Sale of Capital Assets	2,192	6,842	0	0	0	23,796	0	0	0	203,669
Miscellaneous	118,447	194,545	55,730	64,055	130,253	82,236	129,495	55,484	60,147	50,602
Transfers	0	0	0	0	140,000	0	0	0	0	0
<b>Total Business-Type Activities</b>	<b>134,824</b>	<b>235,676</b>	<b>73,525</b>	<b>93,305</b>	<b>303,767</b>	<b>182,575</b>	<b>316,524</b>	<b>409,364</b>	<b>476,146</b>	<b>574,405</b>
<b>Total Primary Government</b>	<b>25,893,817</b>	<b>21,514,469</b>	<b>18,003,440</b>	<b>18,587,229</b>	<b>17,896,017</b>	<b>17,182,289</b>	<b>16,949,104</b>	<b>17,393,530</b>	<b>18,404,821</b>	<b>17,385,520</b>
<b>Change in Net Position</b>										
Governmental Activities	15,763,216	3,758,836	1,885,944	2,126,071	1,567,720	580,551	1,544,919	3,169,227	2,682,931	3,909,187
Business-Type Activities	171,900	159,422	(7,264)	803,894	(427,418)	219,905	(20,825)	(592,148)	1,518,877	1,520,178
<b>Total Primary Government Change in Net Position</b>	<b>\$15,935,116</b>	<b>\$3,918,258</b>	<b>\$1,878,680</b>	<b>\$2,929,965</b>	<b>\$1,140,302</b>	<b>\$800,456</b>	<b>\$1,524,094</b>	<b>\$2,577,079</b>	<b>\$4,201,808</b>	<b>\$5,429,365</b>

The periods noted above do not reflect amounts restated.

# City of Kent, Ohio

*Governmental Activities Tax Revenues by Source*  
*Accrual Basis of Accounting*  
***Last Ten Years***

**Table 3**

<u>Year</u>	<u>Municipal Income Taxes</u>	<u>Property and Other Local Taxes</u>	<u>Total</u>
2015	\$16,687,329	\$3,753,990	\$20,441,319
2014	15,322,764	3,305,387	18,628,151
2013	12,163,342	3,223,562	15,386,904
2012	12,921,715	3,221,452	16,143,167
2011	10,962,364	3,238,998	14,201,362
2010	10,800,430	3,219,661	14,020,091
2009	10,402,223	3,217,782	13,620,005
2008	10,508,828	3,185,550	13,694,378
2007	10,577,734	3,253,868	13,831,602
2006	10,147,407	3,205,536	13,352,943

# City of Kent, Ohio

## *Fund Balances, Governmental Funds Modified Accrual Basis of Accounting Last Ten Years*

**Table 4**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General Fund</b>										
Nonspendable	\$3,604,995	\$4,960,977	\$2,411,417	\$2,033,323	\$1,159,430	\$2,529,366	\$0	\$0	\$0	\$0
Committed	2,302,348	2,276,808	2,276,808	0	0	0	0	0	0	0
Assigned	221,857	294,510	305,274	2,894,067	2,863,740	2,744,000	0	0	0	0
Unassigned	9,797,755	5,438,123	7,688,581	732,615	3,204,918	4,346,151	0	0	0	0
Reserved	0	0	0	0	0	0	1,639,853	1,831,388	623,091	326,376
Unreserved	0	0	0	0	0	0	7,792,430	7,993,656	9,467,823	8,690,503
<b>Total General Fund</b>	<b>15,926,955</b>	<b>12,970,418</b>	<b>12,682,080</b>	<b>5,660,005</b>	<b>7,228,088</b>	<b>9,619,517</b>	<b>9,432,283</b>	<b>9,825,044</b>	<b>10,090,914</b>	<b>9,016,879</b>
<b>All Other Governmental Funds</b>										
Nonspendable	455,723	4,595,363	4,204,736	4,303,876	4,269,688	187,302	0	0	0	0
Restricted	15,661,713	11,491,915	6,371,314	7,000,667	5,129,268	5,000,566	0	0	0	0
Committed	2,921,531	2,578,713	6,661,690	7,416,462	6,000,683	5,580,030	0	0	0	0
Unassigned (Deficit)	(892,659)	(949,135)	(5,720,431)	(6,186,570)	(5,461,833)	(115,035)	0	0	0	0
Reserved	0	0	0	0	0	0	2,212,363	2,237,630	2,348,967	1,994,925
Unreserved:										
Designated:										
Special Revenue funds										
For Public Facilities and Programs	0	0	0	0	0	0	2,162,966	2,120,760	2,030,076	1,965,565
Undesignated (Deficit), Reported in:										
Special Revenue funds	0	0	0	0	0	0	8,062,407	7,863,374	8,586,351	7,709,110
Capital Projects funds	0	0	0	0	0	0	(711,829)	(553,463)	(1,824,391)	(2,112,636)
<b>Total All Other Governmental Funds</b>	<b>18,146,308</b>	<b>17,716,856</b>	<b>11,517,309</b>	<b>12,534,435</b>	<b>9,937,806</b>	<b>10,652,863</b>	<b>11,725,907</b>	<b>11,668,301</b>	<b>11,141,003</b>	<b>9,556,964</b>
<b>Total Governmental Funds</b>	<b>\$34,073,263</b>	<b>\$30,687,274</b>	<b>\$24,199,389</b>	<b>\$18,194,440</b>	<b>\$17,165,894</b>	<b>\$20,272,380</b>	<b>\$21,158,190</b>	<b>\$21,493,345</b>	<b>\$21,231,917</b>	<b>\$18,573,843</b>

Note: In 2011, the City implemented GASB Statement No. 54. As a result, the 2010 fund balances were reclassified to reflect the effects of GASB Statement No. 54.



# City of Kent, Ohio

## Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting Last Ten Years

**Table 5**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Revenues</b>										
Taxes:										
Property and Other Local Taxes	\$3,477,279	\$3,430,049	\$3,219,884	\$3,253,169	\$3,252,122	\$3,188,957	\$3,191,649	\$3,181,717	\$3,268,463	\$3,115,248
Municipal Income Taxes	16,522,458	14,947,349	12,545,597	11,921,978	10,785,019	10,497,813	10,525,332	10,590,922	10,564,245	10,179,387
Payments in Lieu of Taxes	511,990	372,968	0	0	0	0	0	0	0	0
Charges for Services	2,235,836	2,117,668	2,384,258	1,905,500	1,815,145	1,710,682	1,782,466	1,782,566	1,727,130	1,373,609
Fees, Licenses and Permits	598,196	423,085	414,466	396,389	737,262	203,840	195,432	233,749	225,905	334,498
Fines and Forfeitures	270,676	215,851	201,463	223,148	182,599	215,091	232,475	273,217	234,768	245,442
Intergovernmental	3,160,870	3,763,838	6,978,903	6,824,535	6,694,046	4,933,568	5,776,055	6,794,713	4,406,113	3,848,989
Contributions and Donations	12,246,493	0	0	0	0	0	0	0	0	0
Special Assessments	134,333	166,455	170,144	200,091	154,563	162,134	134,760	188,193	206,943	164,351
Interest	270,211	173,655	128,104	178,996	187,822	199,075	411,319	746,226	1,119,987	1,044,343
Miscellaneous	380,239	509,397	550,012	357,551	214,177	301,496	169,412	84,153	235,884	441,168
<b>Total Revenues</b>	<b>39,808,581</b>	<b>26,120,315</b>	<b>26,592,831</b>	<b>25,261,357</b>	<b>24,022,755</b>	<b>21,412,656</b>	<b>22,418,900</b>	<b>23,875,456</b>	<b>21,989,438</b>	<b>20,747,035</b>
<b>Expenditures</b>										
Current:										
Security of Persons and Property	11,349,702	10,723,832	10,553,514	10,263,063	10,283,338	10,132,948	9,769,228	9,604,565	9,177,854	8,871,722
Public Health and Welfare	741,845	719,149	723,475	621,527	665,015	624,153	614,382	622,121	561,623	564,743
Leisure Time Activities	1,683,258	1,617,012	1,529,772	1,444,809	1,401,566	1,316,516	1,311,301	1,282,314	1,233,477	1,237,456
Community Development	1,734,365	2,144,934	3,526,550	3,225,697	3,023,979	1,787,852	1,748,287	1,783,711	1,789,461	1,895,068
Transportation	3,160,843	2,112,695	2,219,883	1,803,687	2,185,911	1,859,655	1,871,613	1,650,958	1,471,685	1,299,412
General Government	3,061,925	2,831,873	2,668,437	2,680,256	2,972,845	2,772,347	2,740,057	2,623,065	2,533,830	2,627,620
Capital Outlay	17,107,260	3,835,844	4,250,559	3,695,672	5,912,555	3,764,921	4,171,122	5,569,791	2,160,125	2,646,181
Debt Service:										
Principal Retirement	354,991	29,947	60,947	1,434,937	201,973	209,947	198,947	217,947	211,947	204,947
Interest and Fiscal Charges	490,638	357,801	130,467	191,040	197,800	144,108	216,718	259,556	277,737	280,497
Bond Issuance Costs	120,195	114,419	140,230	62,354	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>39,805,022</b>	<b>24,487,506</b>	<b>25,803,834</b>	<b>25,423,042</b>	<b>26,844,982</b>	<b>22,612,447</b>	<b>22,641,655</b>	<b>23,614,028</b>	<b>19,417,739</b>	<b>19,627,646</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>3,559</b>	<b>1,632,809</b>	<b>788,997</b>	<b>(161,685)</b>	<b>(2,822,227)</b>	<b>(1,199,791)</b>	<b>(222,755)</b>	<b>261,428</b>	<b>2,571,699</b>	<b>1,119,389</b>

(Continued)

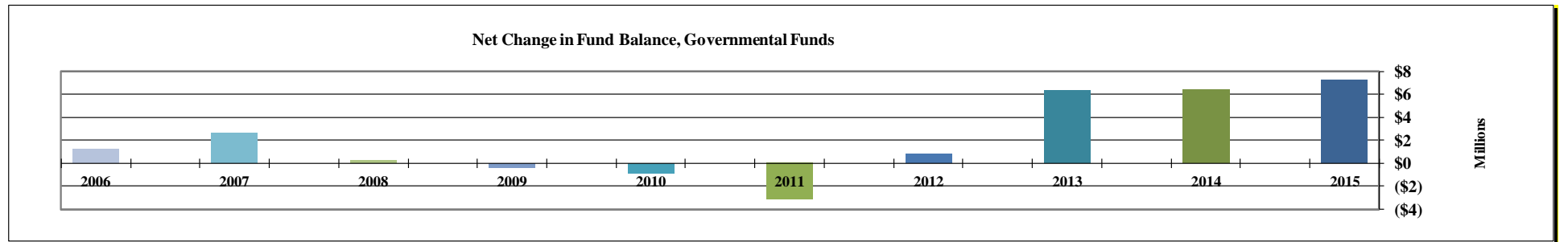
# City of Kent, Ohio

## Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting (continued)

### Last Ten Years

**Table 5**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Other Financing Sources (Uses)</b>										
Proceeds from Sale of Capital Assets	2,409,100	23,761	15,726	15,346	5,741	0	0	0	86,375	112,843
General Obligation Bonds Issued	4,465,000	4,535,000	5,490,000	0	0	0	0	0	0	0
Premium on Debt Issued	533,826	413,452	117,994	0	0	0	0	0	0	0
Loan Proceeds	1,171	42,863	113,232	1,117,114	0	455,101	0	0	0	0
Transfers In	5,831,822	3,259,948	266,947	270,762	268,522	10,178,069	9,834,480	10,643,237	10,188,942	9,599,347
Transfers Out	(5,991,822)	(3,419,948)	(426,947)	(430,762)	(558,522)	(10,319,189)	(9,946,880)	(10,643,237)	(10,188,942)	(9,599,347)
<b>Total Other Financing Sources (Uses)</b>	<b>7,249,097</b>	<b>4,855,076</b>	<b>5,576,952</b>	<b>972,460</b>	<b>(284,259)</b>	<b>313,981</b>	<b>(112,400)</b>	<b>0</b>	<b>86,375</b>	<b>112,843</b>
<b>Net Change in Fund Balances</b>	<b>\$7,252,656</b>	<b>\$6,487,885</b>	<b>\$6,365,949</b>	<b>\$810,775</b>	<b>(\$3,106,486)</b>	<b>(\$885,810)</b>	<b>(\$335,155)</b>	<b>\$261,428</b>	<b>\$2,658,074</b>	<b>\$1,232,232</b>
Debt Service as a Percentage of Noncapital Expenditures	2.42%	1.88%	0.89%	7.48%	1.91%	1.85%	2.25%	2.65%	2.84%	2.86%



## City of Kent, Ohio

*Governmental Funds' Tax Revenues by Source*  
*Modified Accrual Basis of Accounting*  
***Last Ten Years***

**Table 6**

<u>Year</u>	<u>Municipal Income Taxes</u>	<u>Property and Other Local Taxes</u>	<u>Total</u>
2015	\$16,522,458	\$3,477,279	\$19,999,737
2014	14,947,349	3,430,049	18,377,398
2013	12,545,597	3,219,884	15,765,481
2012	11,921,978	3,253,169	15,175,147
2011	10,785,019	3,252,122	14,037,141
2010	10,497,813	3,188,957	13,686,770
2009	10,525,332	3,191,649	13,716,981
2008	10,590,922	3,181,717	13,772,639
2007	10,564,245	3,268,463	13,832,708
2006	10,179,387	3,115,248	13,294,635

# City of Kent, Ohio

## Income Tax Revenue Base and Collections (Cash Basis)

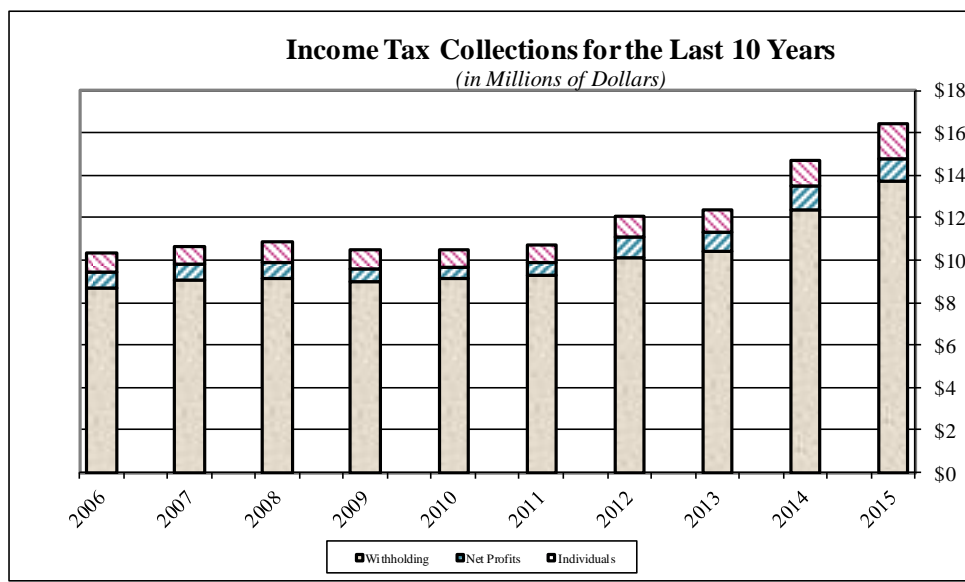
### Last Ten Years

**Table 7**

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2015	2.25%	\$16,416,347	\$13,748,146	83.74%	\$1,022,937	6.23%	\$1,645,264	10.02%
2014	2.25	14,732,950	12,333,821	83.71	1,131,339	7.68	1,267,790	8.61
2013	2.00	12,397,812	10,422,124	84.06	899,704	7.26	1,075,984	8.68
2012	2.00	12,067,888	10,090,208	84.06	1,030,657	8.54	947,023	7.85
2011	2.00	10,711,488	9,320,111	87.01	568,412	5.31	822,965	7.68
2010	2.00	10,453,032	9,127,346	87.32	514,532	4.92	811,154	7.76
2009	2.00	10,482,215	9,014,860	86.00	563,146	5.37	904,209	8.63
2008	2.00	10,871,742	9,132,780	84.01	754,913	6.94	984,049	9.05
2007	2.00	10,660,344	9,027,152	84.68	816,743	7.66	816,449	7.66
2006	2.00	10,315,459	8,682,188	84.16	748,460	7.26	884,811	8.58

Source: City of Kent; Department of Budget and Finance; Income Tax Division

The City levies a 2.25% income tax on substantially all income earned within the City. This 2.25% income tax rate was increased from 2.00% income tax effective January 1, 2014. Additional increases in the income tax rate require voter approval. City residents pay City income tax on income earned outside the City, however a 100% credit, up to 2.25% is allowed for income taxes paid to other municipalities.



# City of Kent, Ohio

## Top Ten Income Tax Withholders

### Current and Nine Years Ago

### **Table 8**

<b>2015</b>		
	<u>Rank</u>	<u>Employer Name</u>
	1	Kent State University
	2	AWP Inc
	3	Kent City Schools
	4	Davey Tree Expert Co., Inc.
	5	City of Kent
	6	Smithers-Oasis Company
	7	Land-O-Lakes
	8	MAC Trailer Enterprises
	9	Ametek Inc
	10	Klaben Ford Lincoln Mercury
<b>2006</b>		
<u>2015 Rank</u>	<u>Rank</u>	<u>Employer Name</u>
1	1	Kent State University
3	2	Kent City Schools
4	3	Davey Tree Expert Co., Inc.
5	4	City of Kent
7	5	Land-O-Lakes
6	6	Smithers-Oasis Company
9	7	Ametek, Inc
n/a	8	Integrated Logistics Holding Co.
n/a	9	ACS Industries, Inc
10	10	Klaben Family Ford, Inc.

Source: City of Kent; Department of Budget and Finance; Income Tax Division

Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

n/a - Information is not available.

## City of Kent, Ohio

*Property Tax Rates – Direct and Overlapping Governments  
(Per \$1,000 of Assessed Valuation)*

***Last Ten Years***

**Table 9**

Tax Year/ Collection Year	City of Kent Direct Rates						Overlapping Rates		Total Direct & Overlapping Rates
	General Fund	West Side Fire Station	Recreation Fund	Police Pension Fund	Fire Pension Fund	Total City	Portage County	Kent City School District	
2014/2015	\$ 4.76	\$ 0.73	\$ 3.45	\$ 0.30	\$ 0.30	\$ 9.54	\$ 13.62	\$ 111.22	\$ 134.38
2013/2014	4.76	0.73	3.45	0.30	0.30	9.54	13.62	111.24	134.40
2012/2013	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.73	125.89
2011/2012	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.73	125.89
2010/2011	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.57	125.73
2009/2010	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.91	126.07
2008/2009	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.42	125.58
2007/2008	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.18	125.34
2006/2007	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.42	125.58
2005/2006	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.42	125.58



## City of Kent, Ohio

### Assessed Valuations and Estimated Actual Values of Taxable Property

#### Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2015	\$223,631,000	\$120,648,230	\$983,654,943	\$6,366,170	\$9,501,746
2014	223,150,150	121,763,920	985,468,771	6,160,110	9,194,194
2013	222,686,490	109,348,950	948,672,686	5,708,560	8,520,239
2012	244,935,210	96,240,890	974,788,857	5,159,580	7,700,866
2011	245,769,930	97,898,140	981,908,771	4,896,150	7,307,687
2010	245,425,880	99,440,840	985,333,486	4,703,740	7,020,507
2009	256,434,590	100,457,690	1,019,692,229	4,346,170	6,486,821
2008	252,810,490	99,540,990	1,006,718,514	4,320,510	6,448,522
2007	247,212,070	102,158,740	998,202,314	7,473,970	11,155,179
2006	224,455,410	92,947,180	906,864,543	8,102,390	12,093,119

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Public utility personal property is assessed at 88% of actual value (1997-2004) and 67% of actual value (2005-2008). General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 6.25 percent for 2008 and completely phased out for periods after 2008.

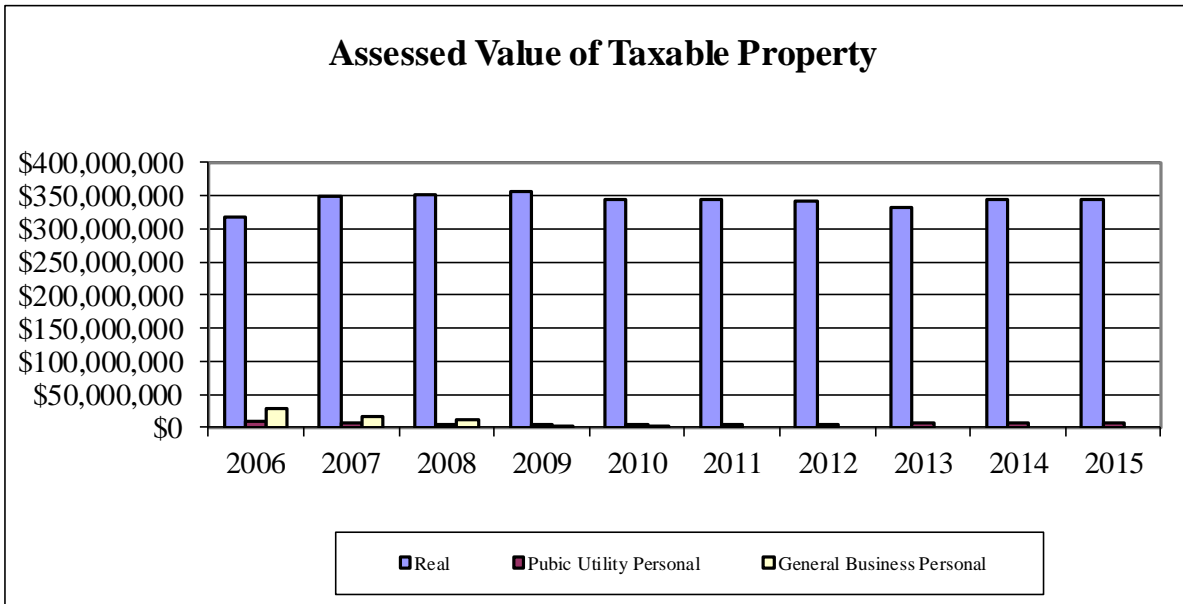
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by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

Sources: Portage County, Ohio; County Auditor, Ohio Department of Taxation



**Table 10**

<u>Tangible Personal Property</u>						
<u>General Business</u>		<u>Total</u>				
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Tax Rate</u>	
\$0	\$0	\$350,645,400	\$993,156,689	35.31%	9.54	
0	0	351,074,180	994,662,965	35	9.54	
0	0	337,744,000	957,192,925	35	9.54	
0	0	346,335,680	982,489,723	35.25	9.54	
0	0	348,564,220	989,216,458	35.24	9.54	
549,540	8,792,640	350,120,000	1,001,146,633	34.97	9.54	
1,043,340	16,693,440	362,281,790	1,042,872,489	34.97	9.54	
10,845,518	173,528,288	367,517,508	1,186,695,325	34.74	9.54	
15,448,700	123,589,600	372,293,480	1,132,947,093	30.97	9.54	
28,023,818	149,460,363	353,528,798	1,068,418,025	33.09	9.54	



# City of Kent, Ohio

## Property Tax Levies and Collections

### Last Ten Years

**Table 11**

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections (1)</u>	<u>Percent of Total Tax Collections to Tax Levy (1)</u>	<u>Accumulated Outstanding Delinquent Taxes</u>
2015	\$ 3,140,019	\$ 3,040,892	96.84%	\$ 123,279	\$ 3,164,171	100.77%	\$ 208,441
2014	3,390,720	3,055,380	90.11	107,240	3,162,620	93.27	216,271
2013	3,011,295	2,926,504	97.18	102,987	3,029,491	100.60	156,571
2012	3,094,935	3,003,867	97.06	107,602	3,111,469	100.53	226,103
2011	3,102,660	2,991,353	96.41	114,216	3,105,569	100.09	267,134
2010	3,110,607	2,971,714	95.53	98,660	3,070,374	98.71	284,989
2009	3,115,522	3,002,879	96.38	94,310	3,097,189	99.41	254,285
2008	3,165,432	3,072,009	97.05	88,462	3,160,471	99.84	228,150
2007	3,214,063	3,125,628	97.25	89,501	3,215,129	100.03	224,317
2006	3,001,119	2,943,312	98.07	87,851	3,031,163	101.00	238,914

Source: Portage County, Ohio; County Auditor

(1) Total tax collections include penalties and interest collected on delinquent taxes, as well as amounts received for the State of Ohio for the homestead and rollback reduction. Please note that the County does not provide information that segregates penalties and interest collected from the actual property taxes collected from the tax levy.

Note: The County is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. The County's current computer system tracks levy amounts by either current levy or delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. The County is looking at options to provide this information in the future.

# City of Kent, Ohio

## Principal Taxpayers – Real Estate Tax

2015 and 2006

Table 12

Taxpayer	2015	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Province Kent OH LLC	\$12,600,000	3.59 %
ACC OP (University Edge Kent) LLC	9,406,250	2.68
CDC-Kent LLC	6,488,000	1.85
Mikey Ryan LLC	4,741,380	1.35
DSMP-Kent LLC	3,978,170	1.13
Whitehall Terrace Investors LLC	3,478,830	0.99
Douglas Partners LLC	2,585,660	0.74
Silver Meadows Ltd.	2,452,980	0.70
Klaben Property Management LLC	1,985,910	0.57
JBDD Realty	1,651,070	0.47
<b>Total</b>	<b>\$49,368,250</b>	<b>14.07 %</b>
<b>Total Assessed Valuation</b>	<b>\$350,645,400</b>	
Taxpayer	2006	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
DSMP - Kent LLC*	\$3,553,080	1.01 %
Silver Meadows Ltd.	3,386,260	0.96
Ohio Edison	3,021,000	0.85
Gougler Industries	2,996,870	0.85
Mickey Ryan LLC	2,941,120	0.83
Ohio Bell	2,786,090	0.79
Draucker, Carl A.	2,582,860	0.73
Whitehall Terrace Investors LLC	2,423,050	0.69
Douglas Partners **	2,126,710	0.60
Davey Tree	1,961,550	0.55
<b>Total</b>	<b>\$27,778,590</b>	<b>7.86 %</b>
<b>Total Assessed Valuation</b>	<b>\$353,528,798</b>	

Source: Portage County, Ohio; County Treasurer

(1) The amounts presented represent the assessed values upon which 2015 and 2006 collections were based.

\* Formerly Associated Estates Realty and Dale Terrace

\*\* Formerly W9/GLM Real Estate

# City of Kent, Ohio

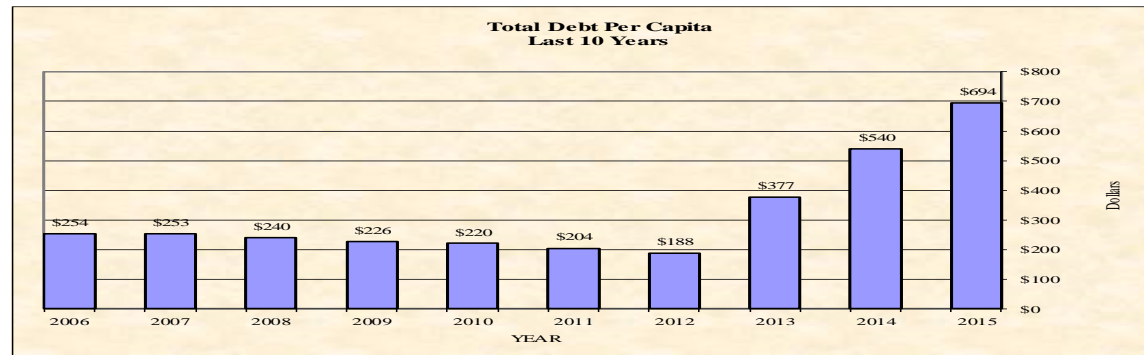
## Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita

### Last Ten Years

**Table 13**

Year	Governmental Activities			Business-Type Activities		Total Debt	Per Capita
	General Obligation Bonds	OPWC Loans	Loans Payable	OPWC Loans	OWDA Loans		
2015	\$15,281,179	\$308,871	\$1,365,863	\$234,384	\$2,876,541	\$20,066,838	\$694
2014	10,549,847	337,647	1,445,907	139,351	3,128,501	15,601,253	540
2013	5,606,950	324,731	1,445,907	144,318	3,371,694	10,893,600	377
2012	0	241,446	1,445,907	145,827	3,606,429	5,439,609	188
2011	1,370,000	231,053	375,123	82,108	3,833,003	5,891,287	204
2010	1,530,000	246,026	455,101	84,592	4,051,703	6,367,422	220
2009	1,685,000	275,973	0	89,559	4,262,805	6,313,337	226
2008	1,830,000	305,920	0	94,526	4,466,577	6,697,023	240
2007	1,970,000	335,867	0	96,324	4,657,673	7,059,864	253
2006	2,105,000	365,814	0	33,733	4,574,265	7,078,812	254

Note: Population and Personal Income data are presented with Demographic information.



## City of Kent, Ohio

*Ratio of General Obligation Bonded Debt to Assessed Value and Bonded Debt Per Capita  
Last Ten Years*

**Table 14**

<u>Year</u>	<u>Population (1)</u>		<u>Estimated Actual Value of Taxable Property (2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Ratio of Gross Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Gross Bonded Debt Per Capita</u>
2015	28,904	b	\$993,156,689	\$15,281,179	1.54 %	\$528.69
2014	28,904	b	994,662,965	10,549,847	1.06	365
2013	28,904	b	957,192,925	5,606,950	0.59	193.99
2012	28,904	b	982,489,723	0	0.00	0.00
2011	28,904	b	989,216,458	1,370,000	0.14	47.40
2010	28,904	b	1,001,146,633	1,530,000	0.15	52.93
2009	27,906	a	1,042,872,489	1,685,000	0.16	60.38
2008	27,906	a	1,186,695,325	1,830,000	0.15	65.58
2007	27,906	a	1,132,947,093	1,970,000	0.17	70.59
2006	27,906	a	1,068,418,025	2,105,000	0.20	75.43

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) 2000 Federal Census

(b) 2010 Federal Census

(2) Portage County, Ohio; County Auditor

(3) Includes all long-term general obligation bonded debt

# City of Kent, Ohio

## Legal Debt Margin

### Last Ten Years

**Table 15**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Assessed Property Value	<u>\$350,645,400</u>	<u>\$351,074,180</u>	<u>\$337,744,000</u>	<u>\$346,335,680</u>	<u>\$348,564,220</u>	<u>\$350,120,000</u>	<u>\$362,281,790</u>	<u>\$367,517,508</u>	<u>\$372,293,480</u>	<u>\$353,528,798</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>36,817,767</u>	<u>36,862,789</u>	<u>35,463,120</u>	<u>36,365,246</u>	<u>36,599,243</u>	<u>36,762,600</u>	<u>38,039,588</u>	<u>38,589,338</u>	<u>39,090,815</u>	<u>37,120,524</u>
Debt Outstanding:										
General Obligation Bonds - Governmental Activities	15,281,179	10,549,847	5,606,950	0	1,370,000	1,530,000	1,685,000	1,830,000	1,970,000	2,105,000
Bond Anticipation Notes - Governmental Activities	3,057,726	4,174,422	4,635,015	10,295,000	7,715,000	3,625,000	2,965,000	3,205,000	3,445,000	3,680,000
Bond Anticipation Notes - Business Type Activities	497,011	557,401	617,474	675,000	735,000	795,000	855,000	915,000	1,910,000	2,460,000
Total Gross Indebtedness	18,835,916	15,281,670	10,859,439	10,970,000	9,820,000	5,950,000	5,505,000	5,950,000	7,325,000	8,245,000
Less:										
Bond Anticipation Notes - Business Type Activities	(497,011)	(557,401)	(617,474)	(675,000)	(735,000)	(795,000)	(855,000)	(915,000)	(1,910,000)	(2,460,000)
General Obligation Bond Retirement Fund Balance	0	0	0	0	(47,709)	(32,145)	(18,424)	(30,186)	(27,328)	(38,108)
Total Net Debt Applicable to Debt Limit	<u>18,338,905</u>	<u>14,724,269</u>	<u>10,241,965</u>	<u>10,295,000</u>	<u>9,037,291</u>	<u>5,122,855</u>	<u>4,631,576</u>	<u>5,004,814</u>	<u>5,387,672</u>	<u>5,746,892</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$18,478,862</u>	<u>\$22,138,520</u>	<u>\$25,221,155</u>	<u>\$26,070,246</u>	<u>\$27,561,952</u>	<u>\$31,639,745</u>	<u>\$33,408,012</u>	<u>\$33,584,524</u>	<u>\$33,703,143</u>	<u>\$31,373,632</u>
Legal Debt Margin as a Percentage of the Debt Limit	50.19%	60.06%	71.12%	71.69%	75.31%	86.07%	87.82%	87.03%	86.22%	84.52%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$19,285,497</u>	<u>\$19,309,080</u>	<u>\$18,575,920</u>	<u>\$19,048,462</u>	<u>\$19,171,032</u>	<u>\$19,256,600</u>	<u>\$19,925,498</u>	<u>\$20,213,463</u>	<u>\$20,476,141</u>	<u>\$19,444,084</u>
Total Gross Indebtedness	18,835,916	15,281,670	10,859,439	10,970,000	9,820,000	5,950,000	5,505,000	5,950,000	7,325,000	8,245,000
Less:										
Bond Anticipation Notes - Business Type Activities	(497,011)	(557,401)	(617,474)	(675,000)	(735,000)	(795,000)	(855,000)	(915,000)	(1,910,000)	(2,460,000)
General Obligation Bond Retirement Fund Balance	0	0	0	0	(47,709)	(32,145)	(18,424)	(30,186)	(27,328)	(38,108)
Net Debt Within 5 ½ % Limitations	<u>18,338,905</u>	<u>14,724,269</u>	<u>10,241,965</u>	<u>10,295,000</u>	<u>9,037,291</u>	<u>5,122,855</u>	<u>4,631,576</u>	<u>5,004,814</u>	<u>5,387,672</u>	<u>5,746,892</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$946,592</u>	<u>\$4,584,811</u>	<u>\$8,333,955</u>	<u>\$8,753,462</u>	<u>\$10,133,741</u>	<u>\$14,133,745</u>	<u>\$15,293,922</u>	<u>\$15,208,649</u>	<u>\$15,088,469</u>	<u>\$13,697,192</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	4.91%	23.74%	44.86%	45.95%	52.86%	73.40%	76.76%	75.24%	73.69%	70.44%

Source: City Financial Records

# City of Kent, Ohio

## Computation of Direct and Overlapping General Obligation Bonded Debt

December 31, 2015

Table 16

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct - City of Kent</b>			
General Obligation Bonds	\$15,281,179	100.00 %	\$15,281,179
OPWC Loans	308,871	100.00	308,871
Other Loans Payable	<u>1,365,863</u>	100.00	<u>1,365,863</u>
<i>Total Direct Debt</i>	<u>\$16,955,913</u>		<u>\$16,955,913</u>
<b>Overlapping</b>			
Kent City School District (2)			
General Obligation Bonds	16,480,000	68.04	11,212,992
Portage County (3)			
General Obligation Bonds	22,674,541	10.65	2,414,839
Special Assessment Bonds	332,602	10.65	35,422
OWDA Loans	<u>231,904</u>	10.65	<u>24,698</u>
<i>Total Overlapping Debt</i>	<u>39,719,047</u>		<u>13,687,951</u>
<b>Total</b>	<u><u>\$56,674,960</u></u>		<u><u>\$30,643,864</u></u>

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

(2) Source: Kent City Schools Treasurer

(3) Source: Portage County, Ohio; County Auditor

# City of Kent, Ohio

## Demographic and Economic Statistics

### Last Ten Years

**Table 17**

<u>Year</u>	<u>Population (1)</u>		<u>Total Personal Income (4)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>School Enrollment (2)</u>	<u>Portage County Unemployment Rate (3)</u>	<u>City of Kent Unemployment Rate (3)</u>
2015	28,904	b	\$552,066,400	\$19,100	\$26,696	3,713	4.9%	4.2%
2014	28,904	b	552,066,400	19,100	26,696	3,314	4.8	4.2
2013	28,904	b	552,066,400	19,100	26,696	3,297	6.6%	5.2%
2012	28,904	b	552,066,400	19,100	26,696	3,374	6.8%	7.7%
2011	28,904	b	552,066,400	19,100	26,696	3,496	8.3%	7.7%
2010	28,904	b	552,066,400	19,100	26,696	3,314	9.8%	7.9%
2009	27,906	a	419,008,590	15,015	29,582	3,389	9.9%	7.5%
2008	27,906	a	419,008,590	15,015	29,582	3,638	7.8%	5.8%
2007	27,906	a	419,008,590	15,015	29,582	3,382	5.4%	4.5%
2006	27,906	a	419,008,590	15,015	29,582	3,415	5.1%	4.2%

(1) Source: U. S. Census

(a) 2000 Federal Census

(b) 2010 Federal Census

(2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>" for Kent City School District and the Comprehensive Annual Financial Report for Kent City School District

(3) Source: U.S. Department of Labor, Bureau of Labor Statistics

(4) Computation of per capita personal income multiplied by population



# City of Kent, Ohio

## Principal Employers

*Current and Nine Years Ago*

**Table 18**

<b>2015</b>		
Employer	Percentage of City's Withholding	Percentage of Total City W-2's processed
Kent State University	40.02%	
AWP Inc	5.98%	
Kent City Schools	4.46%	
Davey Tree Expert Co., Inc.	3.89%	
City of Kent	2.38%	
Smithers-Oasis Company	1.65%	
Land-O-Lakes	1.51%	
MAC Trailer Enterprises	1.42%	
Ametek Inc	1.21%	
Klaben ford Lincoln Mercury	1.16%	
Total	<u>\$ 8,754,819</u>	<u>63.68%</u>
Total City's Withholdings	<u>\$ 13,748,146</u>	
<b>2006</b>		
Employer	Percentage of City's Withholding	Percentage of Total City W-2's processed
Kent State University	n/a	
Kent City Schools	n/a	
Davey Tree	n/a	
City of Kent	n/a	
Ametek	n/a	
Land O Lakes	n/a	
Smithers Oasis	n/a	
Integrated Logistics	n/a	
Klaben Family Ford Inc	n/a	
Seal Master	n/a	
Total	<u>\$ -</u>	<u>0.00%</u>
Total City's Withholdings	<u>\$ 8,862,188</u>	

Source: City of Kent Department of Budget & Finance - Income Tax Division

n/a - not available

# City of Kent, Ohio

## City Government Employees by Function/Program

*Last Ten Years*

**Table 19**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government										
City Council										
Councilman	9	9	9	9	9	9	9	9	9	9
Clerk of Council	1	1	1	1	1	1	1	1	1	1
Mayor										
Mayor/President of Council	1	1	1	1	1	1	1	1	1	1
City Manager										
City Manager	1	1	1	1	1	1	1	1	1	1
Executive Secretary to City Manager	1	1	1	1	1	1	1	1	1	1
Human Resources										
Human Resources Manager	1	1	1	1	1	1	1	1	1	1
Civil Service										
Civil Service Commissioner	0	0	3	3	3	3	3	3	3	3
Civil Service Coordinator (P/T starting in 2014)	1	1	1	1	1	1	0	0	0	0
Administrative Assistant to Civil Service Commission	0	0	0	0	0	0	1	1	1	1
Law										
Director of Law	1	1	1	1	1	1	1	1	1	1
Assistant Law Director/Prosecutor	1	1	1	1	1	1	1	1	1	1
Assistant Law Director	1	1	1	1	1	1	1	1	1	1
Executive Secretary to Dir. Of Law	1	1	1	1	1	1	1	1	1	1
Finance Administration										
Director of Budget & Finance	1	1	1	1	1	1	1	1	1	1
Controller	1	1	1	1	1	1	1	1	1	1
Operations Analyst	1	1	1	1	1	1	1	1	1	1
Senior Account Clerk	1	1	1	1	1	1	1	1	1	1
Account Clerk	5	5	5	5	5	5	5	4	4	4
Administrative Assistant to Director of Budget & Finance	0	0	0	0	0	0	0	1	1	1
Tax Administration										
Income Tax Commissioner	0	0	0	0	0	0	0	1	1	1
Income Tax Auditor	1	1	1	1	1	1	1	1	1	1
Account Clerk	0	0	0	0	0	0	0	1	1	1
Service Administration										
Director of Public Service	1	1	1	1	1	1	1	1	1	1
Administrative Assistant to Director of Public Service	1	1	1	1	1	1	1	1	1	1
Account Clerk	1	1	1	1	1	1	1	1	1	1
Engineering Aide I	1	1	1	1	1	1	0	0	0	0

# City of Kent, Ohio

## City Government Employees by Function/Program (continued)

*Last Ten Years*

**Table 19**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Engineering</b>										
Deputy Service Director/ Superintendent of Engineering	1	1	1	1	1	1	1	1	1	1
Senior Engineer	3	3	3	2	2	2	2	2	2	2
Senior Engineer (Part-time)	0	0	0	1	1	1	0	0	0	0
Design Engineer	0	0	0	0	0	0	1	1	1	1
Engineering Technician	2	2	2	2	2	2	2	2	2	2
Engineering Aide I	0	0	0	0	0	0	1	1	1	1
Engineering Aide II	1	1	1	1	1	1	1	1	1	1
<b>Security of Persons and Property</b>										
<b>Safety Director</b>										
Safety Director	1	1	1	1	1	1	1	1	1	1
<b>Police</b>										
Police Chief	1	1	1	1	1	1	1	1	1	1
Police Captain	2	2	2	2	2	2	2	2	2	2
Lieutenant	5	5	5	5	5	5	5	5	5	5
Technical Sergeant	4	4	4	4	4	4	4	4	4	4
Police Officer	27	27	27	27	27	27	27	27	27	27
Administrative Assistant to Chief	1	1	1	1	1	1	1	1	1	1
Secretary to Police Department	1	1	1	1	1	1	1	1	1	1
<b>Records and Communications</b>										
Coordinator - Dispatchers	1	1	1	3	3	3	3	3	3	3
Clerk-Dispatcher	9	9	9	7	7	7	7	7	7	7
Clerk-Dispatcher (Part-time)	3	3	3	3	3	3	3	3	3	3
<b>Juvenile Services</b>										
Juvenile Counselor	1	1	1	1	1	1	1	1	1	1
Police Officer	3	3	3	3	3	3	3	3	3	3
<b>Support Services</b>										
Compliance Officer	2	1	1	1	1	1	1	1	1	1
Detention Officer	6	6	6	6	6	6	6	6	6	6
<b>Fire</b>										
Fire Chief	1	1	1	1	1	1	1	1	1	1
Fire Captain	3	3	3	3	3	3	3	3	3	3
Fire Lieutenant	3	3	3	3	3	3	3	3	3	3
Firefighter	28	28	27	27	27	27	27	27	27	27
Fireman - Paid on Call	3	3	3	3	3	3	3	3	3	3
Fire Services Specialist	1	1	1	1	1	1	1	1	1	1
<b>Community Services - Fire</b>										
Fire Lieutenant	2	2	2	2	2	2	2	2	2	2

# City of Kent, Ohio

## City Government Employees by Function/Program (continued)

*Last Ten Years*

**Table 19**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Central Maintenance</b>										
Utilities Manager	1	1	1	1	0	0	0	0	0	0
Facilities Manager	1	1	1	1	0	0	0	0	0	0
Cent. Maint. Mgr./Water Dist. Spec.	0	0	0	0	1	1	1	1	1	1
Assignment Supervisor	0	0	0	0	0	0	0	0	0	1
Chief Operator	3	3	3	3	3	3	3	3	3	0
Repair Operator	3	3	3	3	3	3	3	3	3	6
Service Technician/Gardener	1	1	1	1	1	1	1	1	1	1
Service Worker	8	9	11	11	11	11	11	11	11	11
Carpenter	1	1	1	1	1	1	1	1	1	1
Arborist Supervisor	0	0	0	0	1	1	1	1	1	1
Laborers	5	4	0	0	0	0	0	0	0	0
Account Clerk	0	0	1	1	1	1	1	1	1	0
<b>Vehicle Maintenance</b>										
Master Mechanic	1	1	1	1	1	1	1	1	1	1
Mechanic	3	3	3	3	3	3	3	3	3	3
<b>Basic Utility Services</b>										
<b>Water Treatment Plant</b>										
Supervisor - Water Plant	1	1	1	1	1	1	1	1	1	1
Water Laboratory Technician	1	1	1	1	1	1	1	1	1	1
Plant Mechanic	1	1	1	1	1	1	1	1	1	1
Water Plant Chief Operator	1	1	1	1	1	1	1	1	1	1
Water Plant Operator	5	5	5	5	5	5	5	5	5	5
Laborer (General Maintenance)	1	1	1	1	1	1	1	1	1	1
<b>Wastewater Treatment Plant</b>										
Supervisor - Wastewater Plant	1	1	1	1	1	1	1	1	1	1
Plant Mechanic	1	1	1	1	1	1	1	1	1	1
Chemist	1	1	1	1	0	0	0	0	0	0
Lab Tech	1	1	1	1	0	0	0	0	0	0
Environmental Tech	1	1	1	1	0	0	0	0	0	0
Wastewater Plant Operator	7	7	7	7	7	7	7	7	7	7
Chief Operator	1	1	1	1	1	1	1	1	1	1
<b>Public Health Services</b>										
<b>Health</b>										
Health Commissioner	1	1	1	1	1	1	1	1	1	1
Deputy Health Commissioner	0	0	0	0	1	1	1	1	1	1
Chief Sanitarian	1	1	1	0	0	0	0	0	0	0
Accreditation Coordinator (Part-Time)	1	0	0	0	0	0	0	0	0	0
Public Health Sanitarian	2	2	2	3	2	2	2	2	2	2
Administrative Assistant to										
Health Commissioner	1	1	1	1	1	1	1	1	1	1
Laboratory Technician	0	0	0	0	2	2	2	2	2	2
Chemist	0	0	0	0	1	1	1	1	1	1
Secretary (Full-time)	1	0	0	0	0	0	0	0	0	0
Secretary (Part-time)	1	1	1	1	1	1	1	1	1	1

# City of Kent, Ohio

## City Government Employees by Function/Program (continued)

### Last Ten Years

**Table 19**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Leisure Time Activities										
Parks and Recreation										
Director - Parks and Recreation	1	1	1	1	1	1	1	1	1	1
Supervisor - Recreation	1	1	1	1	1	1	1	1	1	1
Supervisor - Parks	1	1	1	1	1	1	1	1	1	1
Account Clerk	1	1	1	1	1	1	1	1	1	1
Parks Maintenance Laborer	2	2	2	2	2	2	2	2	2	2
Senior Parks Crew Leader	1	1	1	1	1	1	1	1	1	1
Part-time and Seasonal	45	45	45	37	35	34	34	34	34	51
KABC Coordinator	5	5	5	1	1	1	1	1	1	1
K-6 Child Care (Full-Time)	1	1	1	1	1	1	1	0	0	0
K-6 Child Care (Part-Time)	16	16	16	16	16	16	16	17	17	0
Community Development										
Community Development										
Director of Community Development	1	1	1	1	1	1	1	1	1	1
Administrative Assistant to Director of Community Development	1	1	1	1	1	1	1	1	1	1
Grants & Neighborhood Programs Cord	1	1	1	1	1	1	1	0	0	0
Plans Administrator	0	0	0	0	0	0	0	1	1	1
Development Planner	1	1	1	1	1	1	1	1	1	1
Economic Development Coordinator	0	0	0	0	0	0	0	1	1	1
Development Engineer	1	1	1	1	1	1	1	1	1	1
Code Enforcement Officer (Part-time)	0	0	0	0	0	0	0	0	0	0
Substainability Planner (Part-time)	0	0	0	0	0	0	0	0	0	1
Building										
Building Services Supervisor	1	1	1	1	1	1	1	1	1	1
Specialized Inspectors (Part-time)	8	5	5	5	5	5	5	5	5	5
Code Enforcement Officer (Part-time)	0	0	0	0	0	0	0	1	1	1
Code Enforcement Officer (Full-time)	1	1	1	1	1	1	1	0	0	0
Account Clerk	1	1	1	1	1	1	1	1	1	1
Main Street Program										
Coordinator	0	0	0	0	1	1	1	1	1	0
Economic Development										
Economic Development Director	1	1	1	1	1	1	1	0	0	0
Totals All Departments	<u>297</u>	<u>291</u>	<u>292</u>	<u>280</u>	<u>279</u>	<u>278</u>	<u>278</u>	<u>280</u>	<u>280</u>	<u>280</u>
Full-Time	199	196	193	192	193	193	193	194	194	193
Part-Time	98	95	99	88	86	85	85	86	86	87

Source: City of Kent Department of Budget and Finance, Annual Approved Budget - Positions Funded

# City of Kent, Ohio

## Capital Assets Statistics by Function/Program

### Last Ten Years

**Table 20**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General Government</b>										
Number of Buildings	0.25	1.5	1.5	1.5	1.5	1.5	1.5	2	2	2
Administrative Vehicles	4	4	4	4	4	4	4	6	6	3
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	27	25	25	26	25	25	26	28	25	29
<b>Fire</b>										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	13	14	13	13	13	13	15	14	14	13
<b>Recreation</b>										
Number of Buildings	10	10	9	9	9	8	7	6	6	6
Number of Parks	24	24	23	23	23	23	23	21	21	21
Park Acreage	373	367	364	354	354	354	354	354	354	344
Number of Baseball Diamonds	6	6	6	6	6	6	6	6	6	6
Number of Soccer Fields	15	15	15	15	15	15	10	8	8	8
Vehicles	11	11	10	11	11	11	10	10	10	13
<b>Transportation</b>										
Number of Buildings	3.5	3.75	3.75	3.75	3.75	3.75	3.75	2.5	2.5	2.5
Salt Dome	1	1	1	1	1	1	1	1	1	1
Streets (Center Lane Miles)	90	90.00	90.00	90.00	90.00	90.00	89.90	89.90	89.90	89.90
Service Vehicles	53	52	48	53	55	55	55	29	27	30
<b>Public Health and Welfare</b>										
Number of Buildings	0	0.50	0.50	0.50	0.50	0.50	0.50	1.25	1.25	1.25
Service Vehicles	5	5	5	4	5	5	6	4	3	3
<b>Community Development</b>										
Number of Buildings	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Service Vehicles	2	2	2	1	2	2	2	2	2	1
<b>Water</b>										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Water Lines (Linear Feet)	374,437	374,437	374,437	374,437	374,437	374,437	368,220	368,110	364,280	362,700
Vehicles	7	7	6	6	6	6	6	6	9	17
<b>Sewer</b>										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (Linear Feet)	334,132	334,132	334,132	334,132	334,132	334,132	332,090	332,090	332,090	330,600
Vehicles	9	7	7	7	5	5	5	5	9	12
<b>Storm Water Drainage</b>										
Storm Sewers (Linear Feet)	383,918	383,918	383,918	383,918	383,918	383,918	382,330	376,460	376,460	370,000

Source: City of Kent capital asset records

# City of Kent, Ohio

## Operating Indicators by Function/Program

### Last Ten Years

**Table 21**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>City Council and Clerk of Council</b>										
Number of Ordinances/Resolutions Passed	174	178	145	143	127	119	139	222	121	145
Number of Passports Accepted	226	329	325	355	373	443	420	554	872	737
<b>Civil Service</b>										
City of Kent:										
Entry Level Examinations	10	6	4	7	3	7	9	4	4	5
Promotional Examinations	5	0	0	5	2	1	3	1	0	2
Kent City School District:										
Entry Level Examinations	3	1	0	2	2	1	1	3	2	3
Promotional Examinations	0	0	0	0	0	1	0	2	1	0
<b>Budget and Finance Department</b>										
Number of checks/vouchers issued	5,293	5,392	5,402	5,471	5,651	5,595	5,756	6,162	5,958	6,207
Number of W-2's issued	279	289	268	267	267	269	275	271	284	285
<b>Budget and Finance Department - Income Tax</b>										
Transaction Totals:										
Individual Returns	13,485	12,962	13,116	11,138	6,697	7,446	15,517	15,693	14,221	15,461
Business (Net Profit) Returns	3,188	3,285	2,771	2,517	1,471	1,523	2,794	4,354	4,210	4,326
Withholding Accounts	16,064	15,299	14,191	13,024	9,735	9,461	11,061	11,211	11,068	11,257
Total Transactions	32,737 *	31,546 *	30,078 *	26,679	17,903	18,430	29,372	31,258	29,499	31,044
* as of May 23, 2013 extensions not due until Oct.										
<b>Budget and Finance Department - Utility Billing</b>										
Number of Bills Mailed	95,273	95,273	92,400	92,400	92,400	94,302	77,251	77,226	77,865	71,968
Number of Delinquent Notices Sent	0	0	0	0	0 *	10,716	10,136	8,424	8,270	7,774
* as of 2011 no longer sent out										
<b>Building Department Indicators</b>										
Construction Permits Issued	163	150	153	285	229	155	196	234	228	220
Estimated Value of Construction	\$28,759,761	\$11,701,280	\$16,094,881	\$54,781,339	\$57,678,055	\$5,207,307	\$3,151,776	\$13,533,428	\$13,638,361	\$12,175,029
Number of permits issued	971	862	752	970	848	614	770	883	876	884
Amount of Revenue generated from permits	\$673,928	\$285,587	\$410,158	\$8,070,390	\$1,016,442	\$160,411	\$183,823	\$336,066	\$302,931	\$363,161
Number of contract registrations issued	399	299	266	145	190	208	254	193	238	244
Revenue generated from above	\$27,050	\$15,000	\$15,675	\$5,625	\$6,263	\$6,712	\$6,812	\$5,538	\$7,425	\$7,750
Number of Planning Commission Docket Items	23	13	19	29	25	27	13	15	23	29
Zoning Board of Appeals Docket Items	14	21	19	25	29	21	20	20	26	29

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

**Table 21**

		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Public Services Department - Engineering</b>											
	Unit										
Total Number of Projects	EA	33	30	30	25	27	30	24	N/A	18	31
Total Dollars All Projects	\$	\$4,788,282	\$5,459,997	\$13,569,897	\$18,714,486	\$922,406	\$9,295,845	\$4,654,978	\$2,828,069	\$1,266,956	\$2,858,642
Total Professional Services Support	\$	\$1,142,122	\$1,232,942	\$1,801,415	\$2,504,285	\$1,737,999	\$2,165,201	\$1,291,834	\$1,266,667	\$374,225	\$794,863
Total Division Operating	\$	\$47,045	\$45,409	\$34,133	\$31,827	\$30,798	\$26,538	\$40,040	\$37,972	\$16,461	\$33,044
Private Inspection Request		425	210	187	243	171	149	153	160	198	176
<b>Public Services Department - Central Maintenance</b>											
	Unit										
Street Repair (Curbs, aprons, berms, asphalt)	Hr.s	5,927	3,513	4,131	4,322	3,338	3,983	4,028	2,351	2,983	2,198
Paint Striping	Hr.s	772	120	757	1,224	808	1,121	871	853	858	860
Street Sweeper	Hr.s	1,002	352	910	888	993	1,148	1,132	1,128	1,059	1,145
Cold Patch	Hr.s	692	1,492	706	1,313	1,339	1,179	1,380	1,070	333	804
Snow & Ice Removal regular	Hr.s	1,971	1,585	1,740	1,013	1,588	5,758	2,375	1,426	1,617	667
Snow & Ice Removal overtime	Hr.s	1,100	1,838	1,764	1,221	1,501	2,665	2,028	3,052	2,276	611
Sewer and Sanitary calls for service	Ea	27	26	60	57	55	57	44	43	35	36
After hours Sewer Calls	Hr.s	66	42	72	54	74	62	65	67	13	9
Sewer Crew	Hr.s	3,071	2,186	2,445	1,939	1,809	2,012	2,089	2,737	1,432	829
Sewer jet, Vac-all, other services	Hr.s	1,350	1,344	2,451	1,538	1,808	2,012	2,089	2,737	1,432	829
Water Distribution Maintenance	Hr.s	8,092	8,045	6,286	6,943	5,624	8,124	7,981	7,234	4,955	3,989
Number of Water Breaks	Ea	13	29	19	25	12	44	32	37	33	29
Water Meter Reading	Hr.s	510	456	412	486	953	1,309	1,573	1,443	1,262	1,187
Landscaping, Tree Maint.(Stump-Chipper service)	Hr.s	2,394	1,788	2,837	3,158	3,972	4,193	5,753	5,246	2,586	3,894
Leaf collection	Hr.s	1,957	2,046	1,747	1,551	2,864	2,800	1,590	4,089	4,616	4,474
Holiday lights setup	Hr.s	265	289	160	189	48	56	48	96	77	110
Downtown Square events	Hr.s	409	517	580	614	585	576	532	430	246	257
Equipment repair	Hr.s	8,562	7,754	7,565	7,536	7,661	8,448	8,436	7,291	7,539	6,921
Sign department	Hr.s	1,671	1,041	1,324	1,595	1,110	1,054	1,077	1,108	1,217	1,787
Number of Trees Planted per year	Ea	65	90	84	111	244	N/A	191	123	99	186
Gallons of Calcium Chloride used (Year Jan-Dec)	Gal.s	0	0	0	4,426	5,525	8,512	7,140	9,440	5,300	900
Cost of Calcium Chloride Purchased	\$/Gal.	0	\$0.000	\$0.000	\$0.550	\$0.550	\$0.970	\$0.960	\$0.959	\$0.479	\$0.595
Gallons of Aqua Salina used(Year Jan-Dec)	Gal.s	36,496	17,030	10,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cost of Aqua Salina	\$/Gal.	12,409	\$0.34	\$0.23	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tons of snow melting salt used (Year Jan-Dec)	Tons	2,832	2,473	4,783	1,621	3,196	3,687	4,188	8,723	5,048	1,860
Cost of salt purchased	\$/Ton	59.99	27.50	37.13	\$43.20	\$43.20	\$43.00	\$43.20	\$43.20	\$37.04	\$35.52
<b>Public Services Department - Water Reclamation</b>											
Wastewater rates (per 1st 300 cu. ft.)	\$	14.72	\$14.29	\$14.29	\$12.61	\$11.57	\$11.57	\$11.22	\$11.22	\$11.22	\$11.01
Total yearly flow	MG	764	890	840	737	832	756	989	923	854	920
Average daily flow	MGD	2.09	2.44	2.30	2.02	2.28	2.00	2.00	2.53	2.34	2.51
Sludge removed (dry tons)	\$/Ton	340	386	343	363	351	359	329	342	340	336
Treatment chemical cost	\$	\$123,036	\$119,728	\$123,533	\$55,645	\$56,750	\$64,699	\$66,548	\$53,000	\$52,000	\$62,500
Treatment electrical cost	\$	\$113,798	\$101,263	\$98,000	\$108,259	\$167,112	\$161,314	\$190,931	\$183,859	\$170,420	\$163,000



# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

**Table 21**

		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Public Services Department - Water Treatment Plant</b>											
	Unit										
Raw Water from wells	MG	883.04	944.20	1,036.37	1,032.45	988.01	1,000.70	932.00	932.00	1,001.53	1,015.49
Annual pumpage - finished water	MG	873.48	901.98	900.22	909.68	885.43	918.34	929.00	929.00	993.85	1,005.44
Lime	\$/Ton	\$147	\$147	\$147	\$138	\$138	\$124	\$124	\$124	\$124	\$113
Soda ash	\$/Ton	\$376	\$376	\$376	\$376	\$359	\$359	\$281	\$281	\$270	\$258
Chlorine	\$/Ton	\$540	\$540	\$540	\$540	\$510	\$510	\$510	\$510	\$450	\$540
Hydrofluosilicic acid	\$/Ton	\$702	\$702	\$702	\$702	\$702	\$720	\$484	\$484	\$340	\$309
Carbon dioxide	\$/Ton	\$116	\$116	\$116	\$154	\$150	\$150	\$176	\$176	\$176	\$86
Electric (wells, plant, booster stations, tanks)	Ttl. \$	\$173,762	\$158,885	\$148,404	\$154,186	\$158,764	\$178,180	\$178,266	\$178,266	\$163,208	\$135,023
Lime sludge production plant	CY	\$1,532.70	1,840.80	2,009.80	2,029.30	2,065.70	1,982.50	1,986.40	1,986.40	1,977.30	1,606.80
Lime sludge removed from plant and lagoons	CY	2711.00	771.50	1,817.20	2,044.90	3,825.00	3,760.30	1,986.70	1,986.70	3,346.50	5,473.80
Lime	tons	738.90	753.13	742.04	744.89	716.17	733.08	639.90	639.90	700.70	751.10
Soda Ash	tons	243.04	281.61	276.91	289.04	295.49	291.45	288.80	288.80	284.70	268.96
Chlorine	tons	11.61	11.79	11.61	11.89	11.46	11.88	12.31	12.31	12.34	11.35
Carbon Dioxide	tons	45.53	45.15	46.56	41.69	41.69	41.40	38.34	38.34	38.71	36.72
Hydrofluosilicic acid	tons	15.88	16.46	16.53	16.27	16.27	17.14	16.06	16.06	17.15	18.00
Rainfall	inches	29.73	39.79	37.98	33.14	44.14	30.79	36.38	36.38	49.51	47.88
<b>Police</b>											
Total Calls for Services		22949	20,534	18,062	19,680	19,470	20,669	21,765	21,674	19,937	19,491
Number of traffic citations issued		3366	3,023	2,576	3,393	2,841	3,247	3,554	3,669	3,380	3,071
Number of parking citations issued		8179	3,814	3,492	2,546	2,468	2,915	3,834	3,389	2,662	3,042
Number of criminal arrests		2208	2,261	2,102	2,391	2,066	2,110	2,440	2,615	2,376	2,354
Number of accident reports completed		1067	815	861	843	856	839	818	797	840	885
Part I Offenses (major offenses)		772	837	955	951	926	885	911	975	1,035	1,142
Animal Warden service calls		399	365	431	558	389	492	470	551	511	319
DUI arrests		186	187	205	277	237	214	302	306	253	364
Motor Vehicle Accidents		1067	815	861	843	856	839	818	797	840	885
Property Damage Accidents		739	458	565	531	540	526	512	441	500	506
Fatalities from Motor Vehicle Accidents		0	2	0	1	0	0	0	0	0	3
Community Diversion Program Youths		34	46	70	70	48	55	70	70	75	80
<b>Fire</b>											
Fire Losses:											
City of Kent		\$242,530.00	\$398,180	\$347,225	\$335,906	\$111,800	\$183,850	\$1,048,500	\$467,350	\$292,500	\$444,600
Kent State University		\$26,000.00	\$0	\$1,010,500	\$10,452	\$150,000	\$0	\$150,000	\$200,500	\$0	\$6,000
Franklin Township		\$20,000.00	\$9,000	\$58,700	\$3,037	\$8,900	\$119,000	\$8,900	\$645,720	\$167,500	\$451,600
Other		\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$27,500	\$0	\$0
Total Fire Losses		\$288,530	\$407,180	\$1,416,425	\$349,395	\$270,700	\$302,850	\$1,207,400	\$1,341,070	\$460,000	\$902,200

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

**Table 21**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Fire - continued</b>										
Fire Calls:										
City of Kent	627	540	561	629	521	571	602	764	541	555
Kent State University	53	65	87	210	240	196	212	246	219	213
Franklin Township	132	116	118	173	138	140	118	154	142	135
Other	45	49	59	50	49	46	3	2	70	44
Total Fire Calls	857	770	825	1,062	948	953	935	1,166	972	947
Emergency Medical Services Calls:										
City of Kent	2,326	2,311	2,296	2,215	2,373	2,395	2,421	2,374	2,110	2,059
Kent State University	357	391	346	438	378	335	347	292	308	264
Franklin Township	378	410	412	445	368	351	341	411	400	339
Other	71	52	55	43	40	48	8	5	38	14
Total Emergency Medical Services Calls	3,132	3,164	3,109	3,141	3,159	3,129	3,117	3,082	2,856	2,676
Total Calls for Service (Fire & EMS)	3,989	3,934	3,934	4,203	4,095	4,082	4,052	4,248	3,828	3,623
<b>Community Development</b>										
Grants received due to Community Development Dept.	\$253,380	\$268,778	\$275,277	\$264,116	\$515,952	\$478,841	\$383,118	\$298,370	\$310,449	\$510,537
Grants received for other Departments	N/A	N/A	N/A	\$38,855	\$224,289	N/A	N/A	N/A	N/A	N/A
<b>Health Department</b>										
Health Inspections:										
Food Service Operations	676	795	722	1,342	1,068	1,041	1,072	1,018	939	851
Housing	677	893	805	1,695	1,633	1,622	1,824	1,668	1,385	1,419
Swimming Pools	62	31	37	157	129	144	134	111	84	94
Nuisances	398	634	344	523	510	545	514	671	390	466
All Other	49	111	124	193	182	171	129	138	110	148
Total Inspections	1862	2,464	1,915	3,910	3,522	3,523	3,673	3,606	2,908	2,978
Permits & Licenses Issued:										
Food Establishment Licenses	280	315	281	253	220	183	199	215	209	216
Housing Licenses	307	308	322	569	523	538	548	550	552	552
All Other Licenses	48	60	62	39	65	63	56	61	65	114
Total Permits & Licenses	635	683	665	861	808	784	803	826	826	882
Child Immunizations	218	212	246	218	114	80	123	195	112	89
Birth and Death Certificates Issued (Original & Copies)	7,968	6,783 #	3,844	3,315	3,593	3,034	2,982	3,047	3,080	3,048

# - Starting in Spring 2014, Kent Health Dept. assumed the records for the entire County which used to be serviced by the City of Ravenna

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

**Table 21**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Recreation</b>										
Program Revenue:										
Adult Leagues and Programs	\$38,992	\$49,186	\$69,662	\$62,216	\$36,846	\$35,475	\$28,723	\$28,025	\$32,151	\$39,747
Youth Leagues and Programs	88,244	86,263	79,188	76,248	77,707	93,878	84,106	70,853	77,612	77,267
Camps and Lessons	60,065	61,529	69,490	58,262	59,413	56,792	58,725	50,526	48,537	74,042
Preschool Programs	35,946	25,484	33,321	30,248	23,331	28,069	24,369	26,916	23,916	19,825
KABC Leagues	28,781	28,681	24,410	21,225	22,594	26,381	22,289	20,898	31,101	31,894
Special Events/Other	87,911	38,569	25,180	18,355	18,460	58,652	57,436	55,812	49,709	13,733
Non-Resident Fees	14,654	15,050	17,750	13,733	13,329	12,401	13,371	13,295	13,464	10,144
After School and Summer Programs	283,276	257,977	227,006	208,380	192,698	201,467	209,426	227,023	210,688	147,148
Fitness Center	47,476	32,758	0	0	0	0	0	0	0	0
<b>Total Program Revenue</b>	<b>\$685,345</b>	<b>\$595,497</b>	<b>\$546,007</b>	<b>\$488,667</b>	<b>\$444,378</b>	<b>\$513,115</b>	<b>\$498,445</b>	<b>\$493,348</b>	<b>\$487,178</b>	<b>\$413,800</b>
Number of Participants:										
KABC (5-18 years old)	292	353	375	395	430	446	480	490	503	517
Fall Soccer (4-12 years old)	403	383	328	404	360	410	368	364	353	388
Spring Soccer (4-12 years old)	439	448	407	379	453	424	431	399	484	426
School Age Child Care (6-12 years old)	130	156	175	151	93	110	110	120	120	110
Flag Football (6-12 years old)	113	130	125	104	118	94	85	96	91	81
Basketball	586	629	458	319	358	412	397	399	330	332
Lacrosse	43	35	40	86	80	85	70	60	62	52
Volleyball	N/A	N/A	N/A	N/A	37	37	45	51	42	46
Wrestling	11	19	24	32	16	15	34	31	30	30
Karate	91	N/A	147	173	133	120	24	25	30	30
Sports Camps	332	353	375	447	403	480	453	248	384	353
Preschool Kinderbound	17	26	28	28	21	22	21	21	21	18
Preschool Tiny Tots	N/A	N/A	11	22	20	18	18	13	15	15
Summer Day Camps - All	1292	1,281	230	229	254	243	228	232	1,230	1,140
Note: 2014, 2007, and 2006 are on a per week basis										
Ice Hockey	N/A	N/A	0	0	0	0	23	29	N/A	N/A
USTA	N/A	N/A	17	22	20	23	51	N/A	N/A	N/A
Theater	61	43	43	57	54	63	58	46	N/A	N/A
Cheer	N/A	45	25	24	44	56	27	35	N/A	N/A
Adult Tennis	32	23	20	28	23	18	22	32	N/A	N/A
Adult Softball Teams	83	86	47	44	69	51	52	46	N/A	N/A
Adult Men's Basketball	130	112	102	95	95	111	N/A	N/A	N/A	N/A
Black Squirrel Triathlon	N/A	75	56	113	273	197	N/A	N/A	N/A	N/A
Art in the Park Artists	92	100	98	101	108	96	N/A	N/A	N/A	N/A
Kids Nite Out	155	115	147	147	167	148	N/A	N/A	N/A	N/A
Turkey Trot	755	549	614	388	385	242	N/A	N/A	N/A	N/A
Adult Fitness Class	1577	1,452	1,352	1,262	N/A	N/A	N/A	N/A	N/A	N/A
Adult Egg Hunt	809	720	577	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PC Tennis Open	17	35	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hip Hop Hoops	100	58	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Creative Arts	27	46	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Youth Artist	21	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Graveyard Scramble	230	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FootSkills-Soccer	60	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adult Education Classes	87	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A





# Dave Yost • Auditor of State

CITY OF KENT

PORTAGE COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
AUGUST 30, 2016