

**CITY OF KENT, OHIO**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

***James G. Zupka, CPA, Inc.***  
**Certified Public Accountants**





Mary Taylor, CPA  
Auditor of State

City Council  
City of Kent  
325 S. Depeyster Street  
Kent, Ohio 44240

We have reviewed the *Independent Auditor's Report* of the City of Kent, Portage County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2009 through December 31, 2009. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

July 26, 2009

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**CITY OF KENT, OHIO  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

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

To the Members of City Council  
City of Kent, Ohio

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kent, Ohio, as of and for the year ended December 31, 2009, which collectively comprise the City of Kent, Ohio's basic financial statements and have issued our report thereon dated June 11, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City of Kent, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Kent, Ohio's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Kent, Ohio's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

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

We noted certain matters that we reported to the City of Kent, Ohio, in a separate letter dated June 11, 2010.

This report is intended solely for the information and use of management, members of City Council, the Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

  
James G. Zupka, CPA, Inc.  
Certified Public Accountant

June 11, 2010

**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Members of City Council  
City of Kent, Ohio

**Compliance**

We have audited the compliance of the City of Kent, Ohio, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. The City of Kent, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Kent, Ohio's management. Our responsibility is to express an opinion on the City of Kent, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Kent, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Kent, Ohio's compliance with those requirements.

In our opinion, the City of Kent, Ohio, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

### **Internal Control Over Compliance**

The management of the City of Kent, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Kent, Ohio's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the City of Kent, Ohio's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Kent, Ohio's internal control over compliance.

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

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

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Kent, Ohio, as of and for the year ended December 31, 2009, and have issued our report thereon dated June 11, 2010, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, members of City Council, the Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*James G. Zupka, CPA, Inc.*  
James G. Zupka, CPA, Inc.  
Certified Public Accountants

June 11, 2010

**CITY OF KENT, OHIO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

Federal Grantor/ Pass Through Grantor/ Program Title	Grant Number	Federal CFDA Number	Program or Award Amount	Receipts Recognized	Federal Expenditures
<b><u>United States Department of Housing and Urban Development</u></b>					
<i>Passed through the Ohio Department of Development</i>					
Community Development Block Grant - Entitlement	B-04-MC-39-0026	14.218	\$ 366,000	\$ 0	\$ 1,795
Community Development Block Grant - Entitlement	B-05-MC-39-0026	14.218	347,271	0	6,230
Community Development Block Grant - Entitlement	B-06-MC-39-0026	14.218	310,537	0	12,971
Community Development Block Grant - Entitlement	B-07-MC-39-0026	14.218	310,449	180,154	32,121
Community Development Block Grant - Entitlement	B-08-MC-39-0026	14.218	298,370	109,757	194,292
Community Development Block Grant - Entitlement	B-09-MC-39-0026	14.218	302,076	0	42,502
				289,911	289,911
<i>Passed through the Ohio Department of Development and Portage County</i>					
Neighborhood Stabilization Program Grant	B-Z-08-062-1	14.218	350,000	7,050	7,050
<b>Total CFDA #14.218</b>				296,961	296,961
<b>Total United States Department of Housing and Urban Development</b>				296,961	296,961
<b><u>United States Environmental Protection Agency</u></b>					
<i>Direct Program</i>					
Brownfields Assessment Program - Petroleum	BF-00E3501-0	66.818	200,000	40,878	40,787
<b>Total CFDA #66.818</b>				40,878	40,787
<i>Passed through the Ohio Environmental Protection Agency</i>					
ARRA - Plum Creek Restoration	WPCLF CS-390486-0014	66.458	1,366,527	215,087	215,087
<b>Total CFDA #66.458</b>				215,087	215,087
<b>Total United States Environmental Protection Agency</b>				255,965	255,874
<b><u>United States Department of Homeland Security</u></b>					
<i>Direct Program</i>					
Assistance to Firefighters Grant Program - Fire Prevention and Safety	EMW-2008-FP-00442	97.044	17,982	17,982	17,982
<b>Total CFDA #97.044</b>				17,982	17,982
<b>Total United States Department of Homeland Security</b>				17,982	17,982
<b><u>United States Department of Justice</u></b>					
<i>Direct Program</i>					
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Formula Program	2009-SB-B9-1237	16.804	71,464	71,464	0
<b>Total CFDA #16.804</b>				71,464	0
<b><u>United States Department of Transportation</u></b>					
<i>Passed through the Ohio Department of Transportation</i>					
Highway Planning and Construction - Portage - Crain Avenue Bridge	PID 18466	20.205	1,000,000	300	300
Portage - Spaulding Drive Avenue Bridge	PID 80549	20.205	463,000	381,805	381,805
<b>Total CFDA #20.205</b>				382,105	382,105
<b>Total United States Department of Transportation</b>				382,105	382,105
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				\$ 1,024,477	\$ 952,922

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**CITY OF KENT, OHIO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE 1: GENERAL**

The accompanying Schedule of Expenditures of Federal Awards of the City of Kent, Ohio presents the activity of all federal financial assistance programs of the City.

The City's reporting entity is defined in Note 1 to the City's basic financial statements. Federal financial assistance received directly from federal agencies as well as financial assistance passed through other government agencies are included on this schedule.

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting and has been reconciled to the program's federal financial reports. The following is a reconciliation by grant from the cash basis to the accrual basis at December 31, 2009.

	<u>Receipt Recognized</u>	<u>Direct Program Expenditures</u>
<u>Department of HUD</u>		
Cash Basis	\$ 290,317	\$ 298,599
Accrual Adjustment	<u>6,644</u>	<u>(1,638)</u>
Department of HUD - Accrual Basis	<u>\$ 296,961</u>	<u>\$ 296,961</u>
<u>Environmental Protection Agency</u>		
Cash Basis	\$ 38,308	\$ 253,304
Accrual Adjustment	<u>217,657</u>	<u>2,570</u>
Environmental Protection Agency - Accrual Basis	<u>\$ 255,965</u>	<u>\$ 255,874</u>
<u>Department of Homeland Security</u>		
Cash Basis	\$ 0	\$ 0
Accrual Adjustment	<u>17,982</u>	<u>17,982</u>
Department of Homeland Security - Accrual Basis	<u>\$ 17,982</u>	<u>\$ 17,982</u>
<u>Department of Justice</u>		
Cash Basis	\$ 71,464	\$ 0
Accrual Adjustment	<u>0</u>	<u>0</u>
Department of Justice - Accrual Basis	<u>\$ 71,464</u>	<u>\$ 0</u>
<u>Department of Transportation</u>		
Cash Basis	\$ 367,880	\$ 367,880
Accrual Adjustment	<u>14,225</u>	<u>14,225</u>
Department of Transportation - Accrual Basis	<u>\$ 382,105</u>	<u>\$ 382,105</u>

**CITY OF KENT, OHIO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(CONTINUED)**

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NOTE 3: **PROGRAM INCOME**

The City of Kent, Ohio, uses federal funds received in the current and prior years to issue revolving loans. These loans are issued to companies and are to be repaid to the City in monthly installments. Principal received on these loans may be used to issue new loans. The principal outstanding at December 31, 2009 was \$424,648. The program income represents interest revenue earned from the revolving loans and bank accounts and repayment of loans of \$37,841. These amounts were subject to single audit procedures.

**CITY OF KENT, OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2009**

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**1. SUMMARY OF AUDITOR'S RESULTS**

2009(i)	Type of Financial Statement Opinion	Unqualified
2009(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2009(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2009(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2009(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2009(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2009(v)	Type of Major Programs' Compliance Opinions	Unqualified
2009(vi)	Are there any reportable findings under .510?	No
2009(vii)	Major Programs (list):  ARRA - Plum Creek Restoration - CFDA #66.458 Highway Planning and Construction - CFDA #20.205	
2009(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2009(ix)	Low Risk Auditee?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

**CITY OF KENT, OHIO**  
**STATUS OF PRIOR CITATIONS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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The prior audit report, as of December 31, 2008, included no citations. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.



# **CITY OF KENT, OHIO**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2009**



# **CITY OF KENT, OHIO**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2009**

Issued by The Department of Budget and Finance

DAVID A. COFFEE  
Director of Budget and Finance

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# **INTRODUCTORY SECTION**

**City of Kent, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2009*  
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*Comprehensive Annual Financial Report*  
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# CITY OF KENT, OHIO

## OFFICE OF THE CITY MANAGER

June 11, 2010

Members of City Council  
City Manager  
Citizens of Kent, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Kent (the City) for the fiscal year ended December 31, 2009, 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 financial records, books of accounts and transactions of the City of Kent, Ohio, for the year ended December 31, 2009, have been audited by the independent auditing firm of James G. Zupka, Certified Public Accountants, Incorporated. The independent auditor's unqualified opinion has been included in this report.

In addition, the City is required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments*. Based upon prior experience, management believes that no material weakness exists in internal controls and that questioned costs, if any, will not have an adverse material effect on the financial condition of the City.

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 report of the independent auditors.

### **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 has a current enrollment of approximately 24,560 students at the main campus in the City. The City covers an area of approximately 9.29 square miles. The City's 2000 population of 27,906 reflects a 3.2 percent decrease as compared to the 1990 population of 28,835.

The City of Kent, a full-service city, 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. 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. Management control is also exercised at the department level. The Director of Budget and Finance is authorized to allocate appropriations among departments within any fund without prior Council approval, as long as the total appropriation for each fund 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

Despite the tumultuous economic conditions in 2009, the City of Kent was able to weather the financial storm better than most of its peers due to the stabilizing impact of Kent State University. Kent State is the second largest public university in Ohio and is the City’s largest employer, accounting for 39% of total municipal income tax revenues. As a result, the City’s financial condition is typically buffered from the extreme highs and lows of business cycles and generally tends to coincide with the University’s economic circumstances.

Kent State University had a record setting year in 2009. Student enrollment (Kent campus up 8.8%) and research funding (up 43%) were both at 100-year record highs. The Ohio Board of Regents approved a new College of Public Health for the Kent Campus and retention rates jumped a remarkable 6.1% from 2008 to 2009.

<u>Year</u>	<u>Average Enrollment</u>	<u>Percent Change from Previous Year</u>
2009	24,560	8.8%
2008	22,578	1.0%
2007	22,352	0.2%

Amidst the upswing in the University's performance metrics in 2009, faculty and staff raises were provided and those income increases helped offset the erosion of income taxes received from the declining sectors of the Kent economy. However, despite the University derived gains, income tax receipts in 2009 came in below the prior year by 2.15%. That is only the second time in 25 years that the City experienced a net loss in income tax and while the City's single digit income tax drop is less precipitous than the 14% drop reported for the State of Ohio or the 11% national drop, it remains a City concern and illustrates the depth of the troubles in the non-university sectors of the economy that have crippled some of Kent's neighboring communities.

Clearly, the City is not immune to the broader economic downturn and despite one of the best years on record for Kent State, total City revenues decreased in back to back years (-2.81% in 2008, -2.21% in 2009) for the first time in 25 years. Real income growth was evident in University-based sectors in 2009 but it was outpaced by declines in traditional manufacturing and transportation sectors.

**Investments in Kent**

The University continued to spend significant dollars in campus renovation in 2009 and they announced the largest capital investment plan in University history with \$250 million programmed for renovations to the Kent campus scheduled to begin in 2010. The City anticipates a revenue boost from this construction activity in the range of \$250,000 to \$500,000 a year from 2010 to 2012.

Elsewhere in the Kent community new construction values were equally dramatic in 2009. Residential construction was at its lowest level in 25 years but commercial construction was at a 5 year high. This dichotomy reflects the convergence of a regional housing slump and renewed interest in university towns for retail, restaurant and entrepreneurial business investment. The new commercial construction should lead to new jobs in Kent and contribute to an economic recovery.

	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>1,2,3 Family</b>	\$2,053,221	\$9,600,120	\$5,983,609
<b>Commercial</b>	\$7,613,555	\$4,038,652	\$5,925,094

Total: \$9,666,776 \$13,638,772 \$11,908,703

In the private sector, Don Joseph Toyota had the grand re-opening of their renovated dealership and service facility in 2009 following a \$12 million investment that promises to bring between 15 and 25 new jobs to Kent. In addition, Superior Aerial completed a \$300,000 expansion of their Kent facility that will allow them the space required to grow their business customer base.

On the public side, the City's success in obtaining \$40 million in Federal stimulus funds led to record levels of planned investment in the City's infrastructure in 2009. The City is in the process of repairing more bridges, streets and sidewalks than it has in decades. Thanks to \$1.36 million in EPA stimulus funds the City was able to proceed with a project to rediscover historic Plum Creek by removing a man-made dam and allowing the creek to return to its natural path and restore aquatic conditions favorable to native vegetation and wildlife. A \$250,000 Ohio waterway grant obtained in 2009 is also allowing the City to improve public access and enjoyment of the Cuyahoga River corridor by building new canoe and kayak access points and walking trails along the river.

The Fairchild Avenue Bridge project began in 2009 and it is the largest bridge project in the history of Portage County but it promises to be much more than just a bridge replacement. The project creates a new northern gateway into Kent that will be an attractive amenity featuring new landscaping and green space, and connections to the regional hike and bike trail, while it re-routes traffic out of City neighborhoods and into downtown Kent where it can support the new business and restaurants.

Investment was not limited to new construction in 2009; it also included a series of strategic demolition projects that removed blighted and unproductive properties. Using Federal grant funds the City removed three condemned residential properties to stabilize distressed City neighborhoods. Private property owners tore down the old Kent Motor Lodge, the RB&W manufacturing plant, and a half-dozen properties on Mantua to make room for new investments. The Fairchild bridge project removed 10 buildings and the City demolished the former Right Dimensions houses located on Depeyster Street @ SR 59 in order to move forward with the new downtown redevelopment project.

### **Major Initiatives**

In 2009 Phases 1 and 2 of the Phoenix Project were completed and fully tenanted in downtown Kent. This popular project offers an eclectic mix of small, local retail and restaurants, and office space; including the first off campus University business enterprise, the Tannery, a professional marketing, advertising and media services company that is staffed by students. The Phoenix project is winning accolades from local residents and awards from the Chamber of Commerce and Main Street Ohio in recognition of the transformative impact of this \$7 million investment in downtown Kent.

The success of the Phoenix reaffirmed the City and Kent State's commitment to proceed with a mixed use redevelopment project that will include 56,000 square feet of new retail and restaurants, a 120 room hotel, a 15,000 square foot conference center, 75,000 square feet of office space, and 18 residential units strategically located at the edge of central business district and the expanded edge of the University campus in downtown Kent. Two major corporate tenants announced their interest in leasing space in the project in 2009, bringing between 100 to 150 professional jobs into downtown Kent in 2011 when the first phases of construction are expected to be complete. During 2009 the City and University finalized land acquisition for the project, negotiated initial project terms with the private development partners and began site preparation and demolition.

In 2009 the City continued to work with Franklin and Brimfield townships to recruit new businesses and expand business development opportunities within the JEDD boundaries. As a result of these partnerships, the City received \$198,720 as its combined share of JEDD income taxes in 2009. The highlight of the JEDD initiatives in 2009 was the grand opening of the new Alpha Micron research and manufacturing facility in the Franklin JEDD. As noted by Governor Strickland at the ribbon cutting, the Alpha Micron facility is a great example of the economic potential of collaborative business ventures for the commercialization of technology that began in the research labs at Kent State's Liquid Crystal Institute.

As part of the City's neighborhood enrichment initiatives, the City and Kent State University agreed in 2009 to jointly fund a new Community-University Liaison position. The purpose of the new position is to improve communications in the edge of campus neighborhoods and to facilitate new programs to improve the quality of life enjoyed by students and residents living in those neighborhoods. A second major neighborhood initiative achieved in 2009 was the transition to a citywide coordinated and managed trash system. As a result of this service switch neighborhood trash complaints have been significantly reduced, fewer trucks disrupt neighborhood lifestyles, and residents saved 30% on their trash bills.

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

During 2009, 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 addition to the capital plan, City Council continued to support strategic land acquisitions in 2009 that advanced critical economic development priorities. City staff also continued to pursue efficiency and productivity improvements resulting in budget cuts and savings amounting to \$400,000 in 2009.

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

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 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 City Council to invest interim and active monies not in excess of \$10 million. Investments may be in certificates of deposit or repurchase agreements for a period not to exceed six months with an eligible institution designated as a depository in the State of Ohio. While these are considered uncollateralized for financial reporting purposes, 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 5%. Investments in excess of \$10 million or beyond six months require the authorization of 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 interest earned during 2009 was \$ 630,843.

### **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 2008. This was the twenty-second 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. In addition, gratitude is extended to the independent auditing firm of James G. Zupka, Certified Public Accountants, Incorporated and Sujata M. Sulzer, Partner, for their advice, guidance and patience. 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

# 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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emen".

Executive Director

**CITY OF KENT, OHIO**  
**ELECTED OFFICIALS - 2009**

MAYOR/COUNCIL PRESIDENT	John H. Fender
COUNCIL MEMBER AT LARGE	Michael A. DeLeone
COUNCIL MEMBER AT LARGE	Richard L. Hawksley
COUNCIL MEMBER AT LARGE	Robin G. Turner

**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 - 2009

#### OFFICE OF CITY MANAGER

City Manager

David A. Ruller

#### OFFICE OF COUNCIL

Clerk of Council

Linda M. Copley

#### DEPARTMENT OF LAW

Law Director

James R. Silver

#### DEPARTMENT OF PUBLIC SERVICES

Service Director

Eugene K. Roberts

City Engineer

James S. Bowling, Jr.

Water Plant Supervisor

Steve D. Hardesty, Sr.

Sewer Plant Supervisor

Robert W. Brown

Central Maintenance Manager

Jack E. Hogue

#### DEPARTMENT OF BUDGET AND FINANCE

Director of Budget and Finance

David A. Coffee

Controller

John E. Mockler

#### DEPARTMENT OF PUBLIC SAFETY

Safety Director

William C. Lillich

Fire Chief

James A. Williams

Police Chief

James A. Peach

#### DEPARTMENT OF COMMUNITY DEVELOPMENT

Community Development Director

Gary S. Locke

Economic Development Director

Daniel D. Smith

#### DEPARTMENT OF HEALTH

Health Commissioner

John B. Ferlito

Deputy Health Commissioner

John B. Bradshaw

#### DEPARTMENT OF PARKS AND RECREATION

Director of Parks and Recreation

John J. Idone

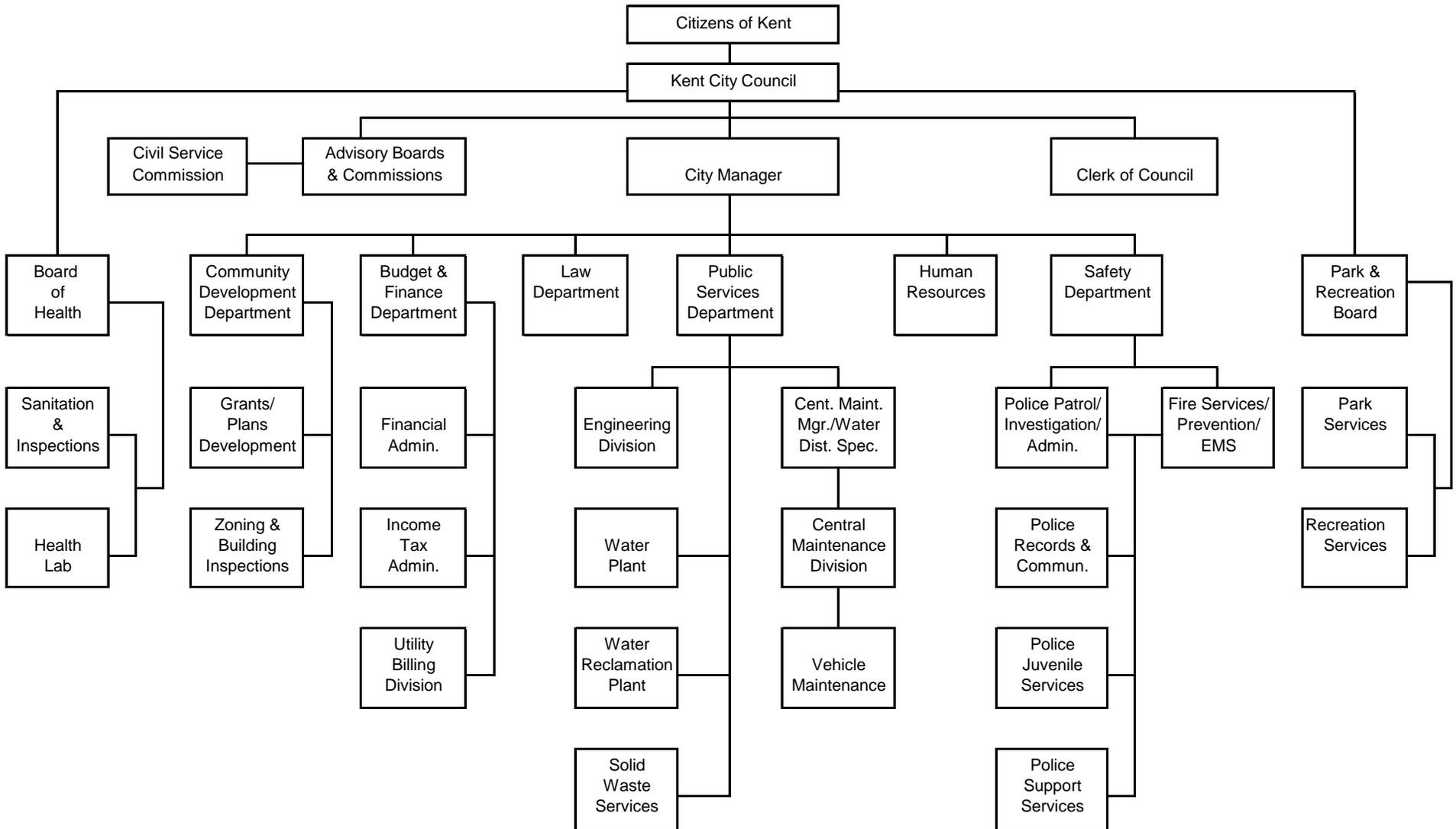
Parks Supervisor

Charles S. Tuttle

Recreation Supervisor

Nancy R. Rice

# CITY OF KENT, OHIO ORGANIZATIONAL CHART



# FINANCIAL SECTION

**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

To the Members of City Council  
City of Kent, Ohio

The Honorable Mary Taylor  
Auditor of State  
State of Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kent, Ohio, as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Kent, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kent, Ohio, as of December 31, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and major Special Revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2010, on our consideration of the City of Kent, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Kent, Ohio's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



James G. Zupka, CPA, Inc.  
Certified Public Accountants

June 11, 2010

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2009*  
*Unaudited*

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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, 2009. 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 2009 are:

- Total assets of the City exceeded its liabilities at the close of the most recent year by \$116,806,204 (*net assets*). Of this amount, \$23,494,843 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to its citizens and creditors.
- Total net assets increased by \$1,524,094 or 1.32 percent over 2008. Of this amount, governmental activities increased by \$1,442,696 and business-type activities increased by \$81,398.
- Total capital assets increased by \$2,497,279 or 2.78 percent as compared to 2008. Governmental capital assets increased by \$1,889,366 and business-type capital assets increased by \$607,913.
- Total current assets decreased \$1,902,417 or 4.46 percent as compared to 2008. Of this amount, \$1,032,757 is attributable to governmental activities and \$869,660 is attributable to business-type activities.
- Total liabilities decreased \$929,232 or 5.38 percent as compared to 2008. This decrease is comprised of a decrease in the governmental activities' liabilities of \$586,087 and a decrease in the liabilities of the business-type activities of \$343,145.

### **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 assets* 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 assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
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*Unaudited*

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The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets 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 17 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 Street Construction, Maintenance and Repair Fund, the Parks and Recreation Fund, the Income Tax Fund, the Income Tax Safety Fund, the Fire and Emergency Medical Services Fund and the Capital Projects Fund, all of which are considered to be major funds. Data from the other eighteen 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 (non-GAAP basis) has been provided for each governmental and proprietary fund to demonstrate budgetary compliance.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

**City of Kent, Ohio**  
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**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, the Solid Waste Fund and the Storm Water Drainage Fund, all of which are considered to be major funds. The Internal Service Fund is also presented on the proprietary fund financial statements. The basic proprietary fund financial statements can be found on pages 30-33 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 34 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 on pages 35-63 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. This information can be found on pages 64-112 of this report.

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

**Statement of Net Assets 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 2009. The *Statement of Net Assets* and the *Statement of Activities* include assets and liabilities 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 assets and changes in those assets. The changes in assets statement is important because it tells whether, for the City as a whole, the financial position has improved or diminished. 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.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
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The *Statement of Net Assets* and the *Statement of Activities* are divided into the following categories:

- Assets
- Liabilities
- Net Assets (Assets minus Liabilities)
- Program Expenses and Revenues
- General Revenues
- Net Assets 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 assets for 2009 compared to 2008.

**Table 1**  
**Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and Other Assets	\$32,279,301	\$33,312,058	\$8,476,971	\$9,346,631	\$40,756,272	\$42,658,689
Capital Assets, Net	37,965,288	36,075,922	54,429,022	53,821,109	92,394,310	89,897,031
<i>Total Assets</i>	<u>70,244,589</u>	<u>69,387,980</u>	<u>62,905,993</u>	<u>63,167,740</u>	<u>133,150,582</u>	<u>132,555,720</u>
Current and Other Liabilities	7,160,482	7,630,591	1,217,577	1,352,199	8,378,059	8,982,790
Long-Term Liabilities:						
Due Within One Year	1,009,728	953,642	405,954	400,921	1,415,682	1,354,563
Due In More Than One Year	2,403,577	2,575,641	4,147,060	4,360,616	6,550,637	6,936,257
<i>Total Liabilities</i>	<u>10,573,787</u>	<u>11,159,874</u>	<u>5,770,591</u>	<u>6,113,736</u>	<u>16,344,378</u>	<u>17,273,610</u>
Invested in Capital Assets, Net of Related Debt	32,644,284	30,315,249	49,221,658	48,345,006	81,865,942	78,660,255
Restricted:						
Capital Projects	3,186,514	3,207,869	0	0	3,186,514	3,207,869
Debt Service	572,836	621,191	0	0	572,836	621,191
Street Construction, Maintenance and Repair	1,784,776	1,930,995	0	0	1,784,776	1,930,995
Income Tax	2,162,966	2,120,760	0	0	2,162,966	2,120,760
Community Development						
Block Grant	1,092,821	1,140,181	0	0	1,092,821	1,140,181
Parks and Recreation	765,046	786,211	0	0	765,046	786,211
Other Purposes	1,880,460	1,995,399	0	0	1,880,460	1,995,399
Unrestricted	15,581,099	16,110,251	7,913,744	8,708,998	23,494,843	24,819,249
<i>Total Net Assets</i>	<u>\$59,670,802</u>	<u>\$58,228,106</u>	<u>\$57,135,402</u>	<u>\$57,054,004</u>	<u>\$116,806,204</u>	<u>\$115,282,110</u>

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2009*  
*Unaudited*

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As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the City, total assets exceed total liabilities by \$116,806,204 at the close of the most recent year.

The largest portion of the City's net assets (70.09 percent) reflects its investment in capital assets (e.g., land, buildings and improvements, infrastructure, equipment and vehicles), less any related outstanding debt 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 portion of the City's net assets (\$11,445,419 or 9.80 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$23,494,843 or 20.11 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

Total assets increased by \$594,862 from 2008 to 2009. The change in assets corresponds primarily to a decrease in current and other assets of \$1,902,417, which is offset by an increase in capital assets net of accumulated depreciation of \$2,497,279. Most of this increase is associated with the Portage Hike and Bike Trail, the right-of-way acquisitions for the Crain Avenue Bridge project, and the Downtown Redevelopment.

Total liabilities decreased \$929,232, which corresponds to a decrease of \$586,087 in governmental activities and a decrease of \$343,145 in the business-type funds. A reduction of \$438,947 in outstanding debt combined with a decrease in capital contracts payable of \$127,474 account for the majority of the change in the governmental activities. A decrease in outstanding debt of \$268,739 is the primary reason for the decrease in the business-type funds.

At the end of the current year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for the governmental and business-type activities shown in Table 1. The same situation held true for the prior fiscal year.

The total net assets of the City increased \$1,524,094 from 2008 to 2009. The primary reason for this overall change is an increase of \$2,497,279 in capital assets, net of depreciation.

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

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2009*  
*Unaudited*

**Table 2**  
**Changes in Net Assets**

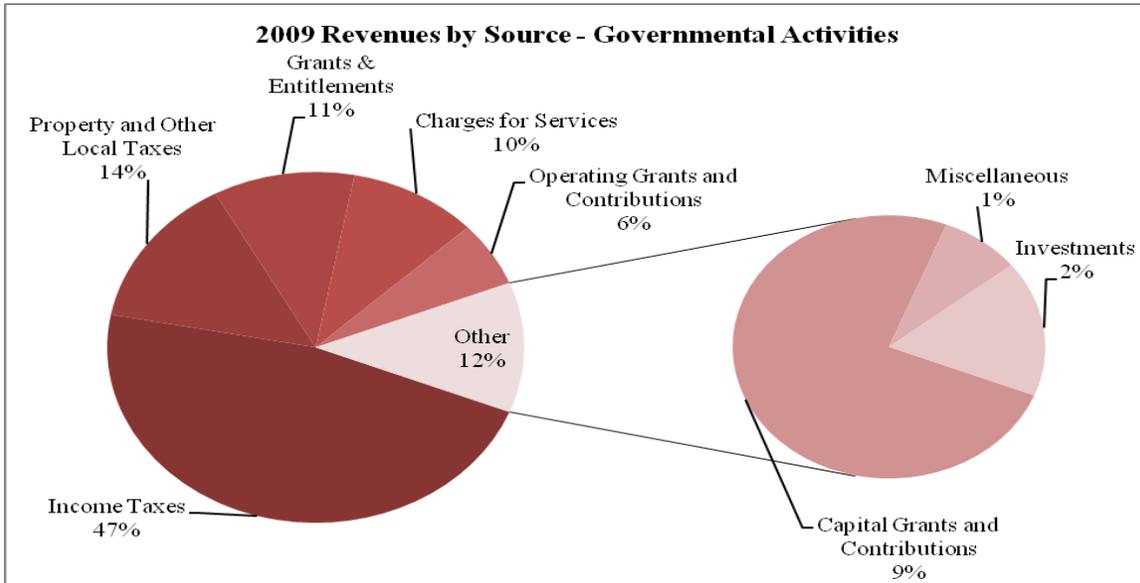
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$2,200,504	\$2,295,383	\$7,029,626	\$6,601,100	\$9,230,130	\$8,896,483
Operating Grants and Contributions	1,376,313	1,427,695	12,500	12,500	1,388,813	1,440,195
Capital Grants and Contributions	2,005,657	2,822,271	789,539	282,960	2,795,196	3,105,231
General Revenues:						
Income Taxes	10,402,223	10,508,828	0	0	10,402,223	10,508,828
Property and Other Local Taxes	3,217,782	3,185,550	0	0	3,217,782	3,185,550
Grants and Entitlements	2,403,218	2,430,874	0	0	2,403,218	2,430,874
Investments	443,814	781,307	187,029	353,880	630,843	1,135,187
Miscellaneous	165,543	77,607	129,495	55,484	295,038	133,091
<b>Total Revenues</b>	<b>22,215,054</b>	<b>23,529,515</b>	<b>8,148,189</b>	<b>7,305,924</b>	<b>30,363,243</b>	<b>30,835,439</b>
<b>Program Expenses</b>						
Security of Persons and Property	10,369,569	10,048,146	0	0	10,369,569	10,048,146
Public Health and Welfare	620,303	624,117	0	0	620,303	624,117
Leisure Time Activities	1,382,046	1,349,541	0	0	1,382,046	1,349,541
Community Development	1,771,093	1,809,918	0	0	1,771,093	1,809,918
Transportation	3,462,831	3,511,591	0	0	3,462,831	3,511,591
General Government	2,848,297	2,758,218	0	0	2,848,297	2,758,218
Interest and Fiscal Charges	215,996	258,757	0	0	215,996	258,757
Water	0	0	3,339,193	3,310,242	3,339,193	3,310,242
Sewer	0	0	4,062,437	3,881,883	4,062,437	3,881,883
Solid Waste	0	0	479,740	430,779	479,740	430,779
Storm Water Drainage	0	0	287,644	275,168	287,644	275,168
<b>Total Expenses</b>	<b>20,670,135</b>	<b>20,360,288</b>	<b>8,169,014</b>	<b>7,898,072</b>	<b>28,839,149</b>	<b>28,258,360</b>
Increase in Net Assets						
Before Transfers	1,544,919	3,169,227	(20,825)	(592,148)	1,524,094	2,577,079
Transfers	(102,223)	0	102,223	0	0	0
<b>Increase in Net Assets</b>	<b>1,442,696</b>	<b>3,169,227</b>	<b>81,398</b>	<b>(592,148)</b>	<b>1,524,094</b>	<b>2,577,079</b>
Net Assets Beginning of Year	58,228,106	55,058,879	57,054,004	57,646,152	115,282,110	112,705,031
<b>Net Assets End of Year</b>	<b>\$59,670,802</b>	<b>\$58,228,106</b>	<b>\$57,135,402</b>	<b>\$57,054,004</b>	<b>\$116,806,204</b>	<b>\$115,282,110</b>

**Governmental Activities**

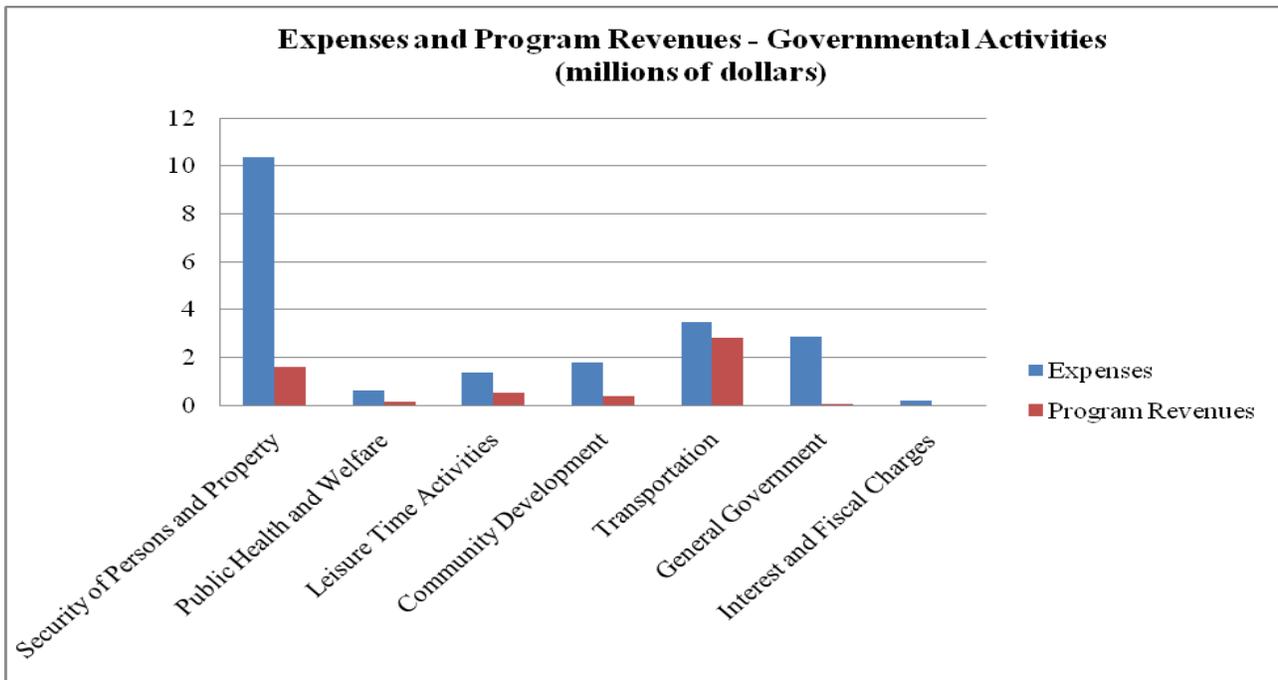
Governmental activities increased the City's net assets by \$1,442,696 during 2009.

Several types of revenues fund the City's governmental activities, with municipal income tax being the largest contributor. Income tax revenues slightly decreased by \$106,605 or 1.01 percent, due mainly to the overall economic downturn in 2009. While the City's total governmental revenues decreased by \$1,314,461 in 2009 as compared to 2008, the main decrease is related to one-time revenues for Capital Grants and Contributions related primarily to the Portage Hike and Bike Trail and right-of-way acquisitions for the Crain Avenue Bridge Project received in 2008 and not received in 2009 and a reduction in interest income caused by decreased interest rates on investments from 2008 to 2009.

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Expenses in the governmental activities increased by \$309,847 or 1.52 percent. Most of this increase corresponds to negotiated wage and benefit increase of 2.75%, which are the largest component of general government expenditures. During 2009, the largest program area for the City is security of persons and property at 50.17 percent which includes police, fire and emergency medical services. The next largest program area is transportation at 16.75 percent, of which \$1.44 million or 41.67 percent of the total transportation expenses are attributable to depreciation on the City's roads and bridges. General government is the third largest program area at 13.78 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.

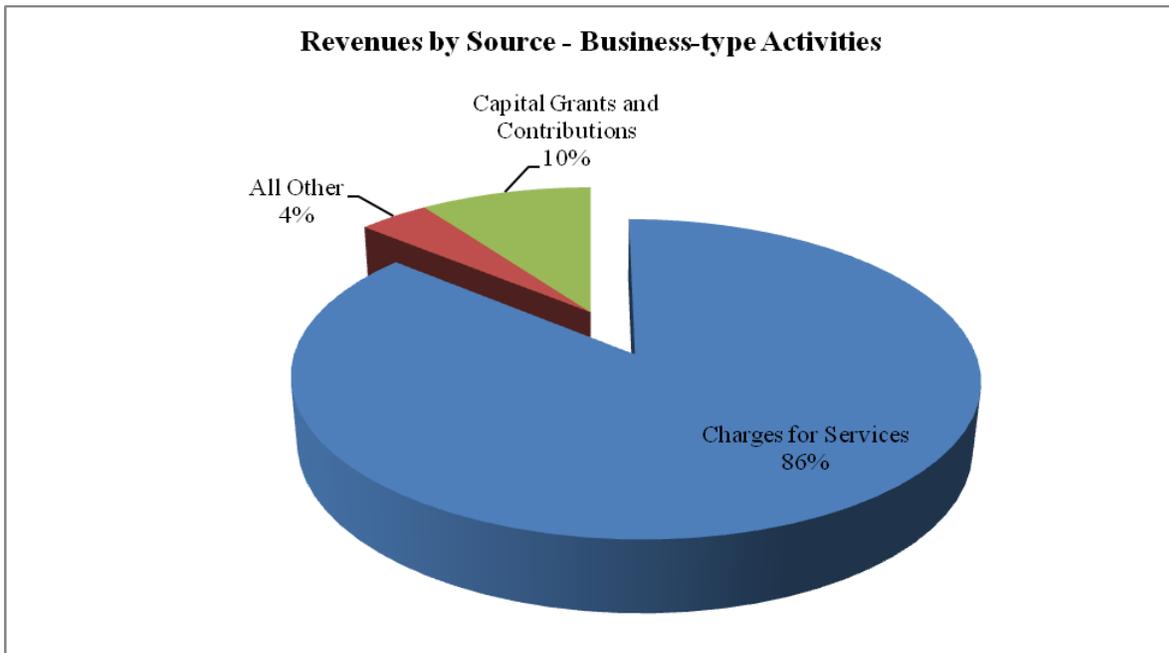


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**Business-Type Activities**

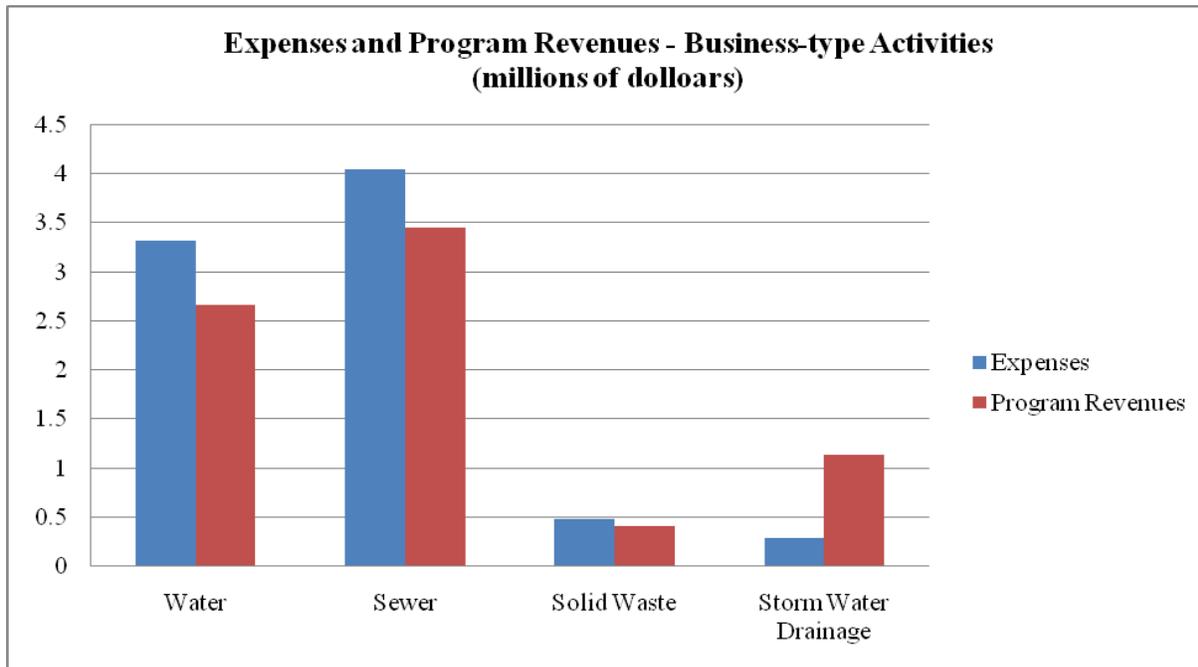
Business-type activities of the City, which include water, sewer, solid waste and storm water drainage operations, increased the City's net assets by \$81,398.



Charges for services account for 86.27 percent of total business-type revenues. The increase in charges for services, \$428,526 or 6.49 percent, is partly explained by increases in demand, moving back towards levels preceding the economic downturn. The City also continued an ongoing program to upgrade its meter reading system, resulting in a reduction in the number of estimated reads. The reduction in estimated meter reads translates to reduced refunds and credits to the customer, which has a positive net impact on charges for services. Capital grants and contributions increased by \$506,579, mostly due to an increase in Capital Contributions from Special Assessments with zero in 2008 to \$233,677 in 2009, and Capital Contributions from Developers, which went from zero in 2008 to \$175,996 in 2009.

Expenses in the business-type activities grew by \$270,942 or 3.43 percent, which roughly equates to negotiated wage increases and market increases in cost of goods and services.

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Program revenues approximate program expenses for the solid waste business-type activity. The excess of program revenues over expenses in the storm water drainage funds is due primarily to capital grants and contributions.

**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, *unreserved 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 \$21,158,190, which represents a decrease of \$335,155 or 1.56 percent as compared to 2008. Of the total amount, \$17,305,974 constitutes *unreserved fund balance*, which is available at the government's discretion. The current unreserved fund balance represents 76.43 percent of the total governmental funds' expenditures. A portion of unreserved fund balance (\$2,162,966) is designated as an emergency reserve for public facilities and programs. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed for the following reasons: 1) to liquidate purchase orders of the prior period (\$1,950,611); 2) to fund the revolving loan program (\$424,648); 3) for assets held for resale (\$1,200,717); and 4) for other restricted purposes (\$276,240).

Fund balance for the City's General Fund declined by \$392,761 due to a decrease in revenue of \$523,182, mostly comprised of a decline in interest earning of \$273,360 and a decline in intergovernmental revenue of \$154,112.

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Fund balance for the City's Capital Projects Fund increased by \$220,200 due primarily to capital project infrastructure expenditures being less than anticipated and the timing of external funding sources during the fiscal year. The net change in fund balances for the City's other major governmental funds are unremarkable.

**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 assets and change in net assets for all of the proprietary funds.

	Water	Sewer	Solid Waste	Storm Water Drainage
Unrestricted Net Assets	\$2,939,709	\$2,429,486	(\$350,004)	\$2,909,818
Change in Net Assets	(450,542)	(400,838)	(65,865)	1,039,216

In the water and sewer funds, which are the two largest enterprise funds, the unrestricted net assets represent 89.04 percent and 62.71 percent of the total current operating expenses, respectively. In response to projected operating losses for 2009 and subsequent years, City Council approved a 3 percent increase in water and sewer rates to become effective with the first billing date after January 15, 2010. 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 2009, 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, the original budget amount was \$8,938,946 and the final amended budget was \$9,028,243, a minor increase of \$89,297. Actual expenditures were \$8,092,962 or \$935,281 less than were budgeted. Conservative budget practices and vacancies in some positions were the principal reason budget funds were not spent.

**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, 2009, was \$92,394,310. The City's investment in capital assets increased by \$1,889,366 or 5.24 percent for governmental activities and increased by \$607,913 or 1.13% for business-type activities when comparing 2009 to 2008.

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. For additional information of capital assets, see note 11 to the basic financial statements.

Table 3 compares capital assets as of December 31, 2009 to balances at December 31, 2008.

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

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$5,861,666	\$5,819,427	\$1,787,536	\$1,775,033	\$7,649,202	\$7,594,460
Buildings, Structures and Improvements	6,150,410	6,432,884	6,285,718	6,627,200	12,436,128	13,060,084
Machinery and Equipment	2,650,846	2,746,386	1,861,789	1,803,044	4,512,635	4,549,430
Construction in Progress	8,378,150	5,101,067	2,260,035	608,880	10,638,185	5,709,947
Infrastructure						
Roads, Bridges, Walks	14,495,427	15,517,651	0	0	14,495,427	15,517,651
Traffic Signals	428,789	458,507	0	0	428,789	458,507
Water	0	0	10,121,753	10,335,241	10,121,753	10,335,241
Sewer	0	0	21,636,911	22,088,311	21,636,911	22,088,311
Storm Water	0	0	10,475,280	10,583,400	10,475,280	10,583,400
<i>Total Capital Assets</i>	<u>\$37,965,288</u>	<u>\$36,075,922</u>	<u>\$54,429,022</u>	<u>\$53,821,109</u>	<u>\$92,394,310</u>	<u>\$89,897,031</u>

**Long-term Debt.** At December 31, 2009, the City's bonds, notes and loans outstanding were \$10.5 million.

**Outstanding Debt at Year End**

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
General Obligation Bonds	\$1,685,000	\$1,830,000	\$0	\$0	\$1,685,000	\$1,830,000
Special Assessment Bonds	386,000	410,000	0	0	386,000	410,000
OPWC Loans	275,973	305,920	89,559	94,526	365,532	400,446
OWDA Loans	0	0	4,262,805	4,466,577	4,262,805	4,466,577
Notes Payable	2,965,000	3,205,000	855,000	915,000	3,820,000	4,120,000
Total	<u>\$5,311,973</u>	<u>\$5,750,920</u>	<u>\$5,207,364</u>	<u>\$5,476,103</u>	<u>\$10,519,337</u>	<u>\$11,227,023</u>

The City's total long-term debt decreased by \$407,686 or 5.74%. This decrease is primarily due to scheduled debt service payments on long term debt.

Short-term debt decreased \$300,000. The notes payable of \$2,965,000 in the governmental activities are for the construction and renovation of the main fire station and renovation of administration offices. The note payable of \$855,000 in the business-type activities was used to finance a capital sewer project and will be repaid through user charges.

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*Management's Discussion and Analysis*  
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Moody's has recalibrated the City's bond rating from Aa3 to Aa2. Market participants should not view the recalibration of municipal ratings as rating upgrades or downgrades, but rather as a recalibration of the ratings to a different ratings scale. Factors noted as contributing to this favorable rating were the City's 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 \$36,762,600 at December 31, 2009.

Additional information concerning the City's debt can be found in notes 15 and 16 to the basic financial statements.

**Current Financial Related Activities**

The City has been impacted by the regional, state and national economic slowdown. Fortunately, the City's largest employer, Kent State University, continues to have a stabilizing influence on the City's local economic conditions as both a purchaser of goods and services in the City, and as a producer of new technologies and new businesses that have been added to the City's tax base. The new university spin-off and service businesses have been able to help offset business losses in older manufacturing sectors that have experienced employment declines.

While the City is projecting relatively flat revenues during this challenging economic period, it believes that investment partnerships with Portage County, Kent State University and the JEDD townships will yield positive new economic growth opportunities. To that end, the City and its partners developed a framework for downtown Kent redevelopment that aims to align city, university, and business assets in such a way that the downtown can be a catalyst for economic revival that will create jobs, inspire new technologies, spawn entrepreneurship, and keep the City the kind of place people are proud to call home. Simply stated the framework seeks to put the City's assets to work for the Kent community as a whole.

Downtowns are centers of commerce, entertainment, and cultural expression. The CEO's of Kent's corporate community and officials from Kent State University have stressed the importance of downtown Kent to enhancing their ability to compete for the best business talent, best employees, best students and best faculty. The City of Kent depends upon the success of the University and the corporate base to supply new residents, foster new businesses and support a dynamic cultural setting essential for continued economic prosperity. Success in this shared mission depends upon the strength and quality of the physical networks and infrastructure that connect our community and bridge Town and Gown with the central business district. The City believes that the redevelopment framework will enable the City to maximize that connectivity and fulfill the economic promise of a vibrant university-city.

During 2009, the City Council and Administration continued the update and implementation of Kent's five-year capital improvement program that ensures the City's ability to meet the infrastructure needs of the community in future years. One component of the plan is long-term financial projections, which still indicate the need for continued cost containment and revenue enhancement efforts. To address the projected financial deficits, the City Council continues to incorporate some of the recommendations of the 2006 Blue Ribbon Panel of Kent citizens. The Council increased vehicle license fees, approved reducing the income tax credit, and voted to put a change in the City's income tax rate on the ballot in 2009. However, as economic conditions worsened in the region in late 2008 City Council voted to hold off any consideration of changing the income tax rate or tax credit until an economic recovery is evident and sustained.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
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As recommended by the Blue Ribbon Panel, Council did approve additional strategic land investments to be made in 2009 in order to further enable planned redevelopment economic development projects to proceed. In addition, City staff continued to hold positions vacant and make budget cuts wherever possible bringing the cumulative budget savings over the last 5 years to over \$3.5 million.

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

**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 Director of Budget and Finance, City of Kent, 325 South Depeyster Street, Kent, Ohio 44240, telephone (330) 678-8102.

## **Basic Financial Statements**

**City of Kent, Ohio**  
*Statement of Net Assets*  
*December 31, 2009*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$19,481,096	\$7,728,805	\$27,209,901
Cash Surrender Value of Life Insurance Policies	744,806	0	744,806
Receivables:			
Interest Receivable	113,729	24,804	138,533
Accounts Receivable	0	1,440,123	1,440,123
Other Receivable	293,728	106,431	400,159
Income Taxes Receivable	1,277,921	0	1,277,921
Property Taxes Receivable	3,012,727	0	3,012,727
Other Local Taxes Receivable	65,004	0	65,004
Loans Receivable	424,648	0	424,648
Utilization Fee Receivable	0	117,913	117,913
Special Assessments Receivable	1,320,040	1,316,568	2,636,608
Less Allowance for Doubtful Accounts	0	(325,378)	(325,378)
Receivables, Net	<u>6,507,797</u>	<u>2,680,461</u>	<u>9,188,258</u>
Internal Balances	2,203,811	(2,203,811)	0
Due From Other Governments	1,747,074	215,087	1,962,161
Inventories	192,399	38,032	230,431
Prepaid Items	65,417	18,397	83,814
Assets Held for Resale	1,200,717	0	1,200,717
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	136,184	0	136,184
Capital Assets, Non-Depreciable	14,239,816	4,047,571	18,287,387
Capital Assets, Depreciable, Net	<u>23,725,472</u>	<u>50,381,451</u>	<u>74,106,923</u>
<i>Total Assets</i>	<u>70,244,589</u>	<u>62,905,993</u>	<u>133,150,582</u>
<b>Liabilities</b>			
Accounts Payable	251,030	132,868	383,898
Capital Contracts Payable	137,654	14,340	151,994
Retainage Payable	109,850	41,126	150,976
Accrued Wages and Benefits	797,380	168,174	965,554
Claims Payable	94,865	0	94,865
Unearned Revenue	2,769,984	3,328	2,773,312
Accrued Interest Payable	18,535	2,741	21,276
Notes Payable	2,965,000	855,000	3,820,000
Payable from Restricted Assets	16,184	0	16,184
Long-Term Liabilities:			
Due Within One Year	1,009,728	405,954	1,415,682
Due In More Than One Year	<u>2,403,577</u>	<u>4,147,060</u>	<u>6,550,637</u>
<i>Total Liabilities</i>	<u>10,573,787</u>	<u>5,770,591</u>	<u>16,344,378</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	32,644,284	49,221,658	81,865,942
Restricted for:			
Capital Projects	3,186,514	0	3,186,514
Debt Service	572,836	0	572,836
Street Construction, Maintenance and Repair	1,784,776	0	1,784,776
Income Tax	2,162,966	0	2,162,966
Community Development Block Grant	1,092,821	0	1,092,821
Parks and Recreation	765,046	0	765,046
Special Revenue	1,880,460	0	1,880,460
Unrestricted	<u>15,581,099</u>	<u>7,913,744</u>	<u>23,494,843</u>
<i>Total Net Assets</i>	<u>\$59,670,802</u>	<u>\$57,135,402</u>	<u>\$116,806,204</u>

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, 2009

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
Security of Persons and Property	\$10,369,569	\$1,345,473	\$236,658	\$0
Public Health and Welfare	620,303	163,857	8,564	0
Leisure Time Activities	1,382,046	519,474	0	7,001
Community Development	1,771,093	59,667	337,839	0
Transportation	3,462,831	40,256	793,252	1,998,656
General Government	2,848,297	71,777	0	0
Interest and Fiscal Charges	215,996	0	0	0
<i>Total Governmental Activities</i>	<u>20,670,135</u>	<u>2,200,504</u>	<u>1,376,313</u>	<u>2,005,657</u>
<b>Business-Type Activities</b>				
Water	3,339,193	2,635,679	0	91,076
Sewer	4,062,437	3,433,218	0	111,524
Solid Waste	479,740	400,690	12,500	0
Storm Water Drainage	287,644	560,039	0	586,939
<i>Total Business-Type Activities</i>	<u>8,169,014</u>	<u>7,029,626</u>	<u>12,500</u>	<u>789,539</u>
<i>Total</i>	<u>\$28,839,149</u>	<u>\$9,230,130</u>	<u>\$1,388,813</u>	<u>\$2,795,196</u>

**General Revenues**

Property and Other Local Taxes Levied for:

    General Purposes

    Other Purposes

Income Taxes

Grants and Entitlements not Restricted  
to Specific Programs

Investments

Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

Change in Net Assets

*Net Assets Beginning of Year*

*Net Assets End of Year*

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

Net (Expense) Revenue  
and Changes in Net Assets

Governmental Activities	Business-Type Activity	Total
(\$8,787,438)	\$0	(\$8,787,438)
(447,882)	0	(447,882)
(855,571)	0	(855,571)
(1,373,587)	0	(1,373,587)
(630,667)	0	(630,667)
(2,776,520)	0	(2,776,520)
(215,996)	0	(215,996)
<u>(15,087,661)</u>	<u>0</u>	<u>(15,087,661)</u>
0	(612,438)	(612,438)
0	(517,695)	(517,695)
0	(66,550)	(66,550)
0	859,334	859,334
<u>0</u>	<u>(337,349)</u>	<u>(337,349)</u>
<u>(15,087,661)</u>	<u>(337,349)</u>	<u>(15,425,010)</u>
1,639,561	0	1,639,561
1,578,221	0	1,578,221
10,402,223	0	10,402,223
2,403,218	0	2,403,218
443,814	187,029	630,843
165,543	129,495	295,038
<u>16,632,580</u>	<u>316,524</u>	<u>16,949,104</u>
(102,223)	102,223	0
<u>16,530,357</u>	<u>418,747</u>	<u>16,949,104</u>
1,442,696	81,398	1,524,094
<u>58,228,106</u>	<u>57,054,004</u>	<u>115,282,110</u>
<u>\$59,670,802</u>	<u>\$57,135,402</u>	<u>\$116,806,204</u>

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

**City of Kent, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2009*

	General	Street Construction, Maintenance and Repair	Parks and Recreation	Income Tax	Income Tax Safety	Fire and Emergency Medical Services
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$7,199,243	\$648,673	\$877,378	\$3,659,159	\$449,266	\$1,143,955
Receivables:						
Property Taxes Receivable	1,490,707	0	1,071,819	0	0	0
Income Taxes Receivable	0	0	0	1,277,921	0	0
Other Taxes Receivable	65,004	0	0	0	0	0
Interest Receivable	111,866	0	0	1,842	0	0
Loans Receivable	0	0	0	0	0	0
Other Receivable	268,974	0	24,754	0	0	0
Special Assessments Receivable	0	662,475	0	0	0	0
Receivables, Net	<u>1,936,551</u>	<u>662,475</u>	<u>1,096,573</u>	<u>1,279,763</u>	<u>0</u>	<u>0</u>
Due from Other Funds	616,466	0	0	2,037,080	0	0
Due from Other Governments	1,008,454	394,081	74,732	0	0	17,982
Inventories	20,932	171,467	0	0	0	0
Prepaid Items	55,360	5,632	943	0	0	3,406
Assets Held for Resale	1,200,717	0	0	0	0	0
Restricted Cash:						
Equity in Pooled Cash and Cash Equivalents	0	16,184	0	0	0	0
<b>Total Assets</b>	<u>\$12,037,723</u>	<u>\$1,898,512</u>	<u>\$2,049,626</u>	<u>\$6,976,002</u>	<u>\$449,266</u>	<u>\$1,165,343</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$155,534	\$12,280	\$8,040	\$47	\$0	\$6,285
Capital Contracts Payable	0	0	4,682	0	0	19,890
Accrued Wages and Benefits	327,858	36,295	31,260	8,660	212,534	174,307
Retainage Payable	0	0	0	0	0	0
Due to Other Funds	0	0	240,000	0	0	0
Unearned Revenue	0	0	0	0	0	0
Deferred Revenue	2,122,048	929,393	1,146,551	257,743	0	0
Accrued Interest Payable	0	0	0	0	0	0
Notes Payable	0	0	0	0	0	0
Payable from Restricted Assets	0	16,184	0	0	0	0
<b>Total Liabilities</b>	<u>2,605,440</u>	<u>994,152</u>	<u>1,430,533</u>	<u>266,450</u>	<u>212,534</u>	<u>200,482</u>
<b>Fund Balances</b>						
Reserved for Encumbrances	362,844	105,307	22,368	5,225	0	406,709
Reserved for Loans Receivable	0	0	0	0	0	0
Reserved for Inventories	20,932	171,467	0	0	0	0
Reserved for Prepaid Items	55,360	5,632	943	0	0	3,406
Reserved for Debt Service	0	0	0	0	0	0
Reserved for Assets Held for Resale	1,200,717	0	0	0	0	0
Unreserved:						
Designated:						
For Public Facilities and Programs	0	0	0	2,162,966	0	0
Undesignated (Deficit), Reported in:						
General Fund	7,792,430	0	0	0	0	0
Special Revenue Funds	0	621,954	595,782	4,541,361	236,732	554,746
Capital Projects Funds	0	0	0	0	0	0
<b>Total Fund Balances</b>	<u>9,432,283</u>	<u>904,360</u>	<u>619,093</u>	<u>6,709,552</u>	<u>236,732</u>	<u>964,861</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$12,037,723</u>	<u>\$1,898,512</u>	<u>\$2,049,626</u>	<u>\$6,976,002</u>	<u>\$449,266</u>	<u>\$1,165,343</u>

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

Capital Projects	Other Governmental Funds	Total Governmental Funds	<i>Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities December 31, 2009</i>	
\$3,218,073	\$1,821,345	\$19,017,092	<b>Total Governmental Fund Balances</b>	\$21,158,190
0	450,201	3,012,727	<b>Amounts reported for governmental activities in the statement of net assets are different because</b>	
0	0	1,277,921	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	37,965,288
0	0	65,004	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
0	21	113,729	Special Assessments	1,320,040
0	424,648	424,648	Delinquent Property Taxes	254,284
0	0	293,728	Intergovernmental	954,890
103,153	554,412	1,320,040	Charges for Services	70,951
103,153	1,429,282	6,507,797	Municipal Income Taxes	257,743
0	0	2,653,546	Total	2,857,908
123,001	128,824	1,747,074	An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	1,111,752
0	0	192,399	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental fund, an interest expenditure is reported when due	(9,031)
0	76	65,417	Long-term liabilities, including bonds and compensated absences, are not due and payable in the current period therefore are not reported in the funds:	
0	0	1,200,717	General Obligation Bonds	(1,685,000)
0	120,000	136,184	Special Assessment Bonds	(386,000)
\$3,444,227	\$3,499,527	\$31,520,226	OPWC Loans	(275,973)
			Compensated Absences	(1,066,332)
			Total	(3,413,305)
			<b>Net Assets of Governmental Activities</b>	<b>\$59,670,802</b>
13,736	37,650	233,572		
113,082	0	137,654		
0	6,466	797,380		
109,850	0	109,850		
0	225,000	465,000		
11,541	0	11,541		
103,153	1,057,463	5,616,351		
9,504	0	9,504		
2,965,000	0	2,965,000		
0	0	16,184		
3,325,866	1,326,579	10,362,036		
830,190	217,968	1,950,611		
0	424,648	424,648		
0	0	192,399		
0	76	65,417		
0	18,424	18,424		
0	0	1,200,717		
0	0	2,162,966		
0	0	7,792,430		
0	1,511,832	8,062,407		
(711,829)	0	(711,829)		
118,361	2,172,948	21,158,190		
\$3,444,227	\$3,499,527	\$31,520,226		

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, 2009*

	General	Street Construction, Maintenance and Repair	Parks and Recreation	Income Tax	Income Tax Safety	Fire and Emergency Medical Services
<b>Revenues</b>						
Property and Other Local Taxes	\$1,631,130	\$192,107	\$958,028	\$0	\$0	\$0
Income Taxes	0	0	0	10,525,332	0	0
Charges for Services	1,223,267	40,256	518,943	0	0	0
Fees, Licenses and Permits	64,053	0	531	0	0	0
Fines and Forfeitures	223,352	0	0	0	0	0
Intergovernmental	2,189,213	743,128	231,957	0	23,275	17,982
Special Assessments	0	74,723	0	0	0	0
Interest	370,943	0	0	23,790	0	0
Miscellaneous	61,713	43,203	19,329	0	4,851	8,690
<i>Total Revenues</i>	<u>5,763,671</u>	<u>1,093,417</u>	<u>1,728,788</u>	<u>10,549,122</u>	<u>28,126</u>	<u>26,672</u>
<b>Expenditures</b>						
Current:						
Security of Persons and Property	4,075,162	0	0	0	2,742,504	2,367,772
Public Health and Welfare	492,175	0	0	0	0	0
Leisure Time Activities	0	0	1,311,301	0	0	0
Community Development	1,386,779	0	0	0	0	0
Transportation	0	1,585,308	0	0	0	0
General Government	2,198,792	0	0	539,402	0	0
Capital Outlay	3,524	124,046	456,478	0	0	269,500
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>8,156,432</u>	<u>1,709,354</u>	<u>1,767,779</u>	<u>539,402</u>	<u>2,742,504</u>	<u>2,637,272</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,392,761)</u>	<u>(615,937)</u>	<u>(38,991)</u>	<u>10,009,720</u>	<u>(2,714,378)</u>	<u>(2,610,600)</u>
<b>Other Financing Sources (Uses)</b>						
Transfers In	2,000,000	551,487	0	0	2,570,183	2,570,183
Transfers Out	0	0	0	(9,945,393)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,000,000</u>	<u>551,487</u>	<u>0</u>	<u>(9,945,393)</u>	<u>2,570,183</u>	<u>2,570,183</u>
<i>Net Change in Fund Balances</i>	(392,761)	(64,450)	(38,991)	64,327	(144,195)	(40,417)
<i>Fund Balances (Deficit) Beginning of Year, Restated</i>	<u>9,825,044</u>	<u>968,810</u>	<u>658,084</u>	<u>6,645,225</u>	<u>380,927</u>	<u>1,005,278</u>
<i>Fund Balances End of Year</i>	<u><u>\$9,432,283</u></u>	<u><u>\$904,360</u></u>	<u><u>\$619,093</u></u>	<u><u>\$6,709,552</u></u>	<u><u>\$236,732</u></u>	<u><u>\$964,861</u></u>

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

			<i>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, 2009</i>	
Capital Projects	Other Governmental Funds	Total Governmental Funds		
			<b>Net Change in Fund Balances - Total Governmental Funds</b>	(\$335,155)
\$0	\$410,384	\$3,191,649		
0	0	10,525,332	<b>Amounts reported for governmental activities in the statement of activities are different because</b>	
0	0	1,782,466		
0	130,848	195,432	Governmental funds report capital outlays as expenditures.	
0	9,123	232,475	However, in the statement of activities, the cost of those assets	
1,952,214	618,286	5,776,055	are allocated over their estimated useful lives as depreciation	
23,444	36,593	134,760	expense. This is the amount by which capital outlays exceeded	
0	16,586	411,319	depreciation in the current period.	
8,399	23,227	169,412	Capital Outlay	4,038,511
1,984,057	1,245,047	22,418,900	Depreciation	(2,078,476)
			Total	1,960,035
			Capital contributions of capital assets to business-type activities	
10,092	573,698	9,769,228	decrease net assets in the statement of activities, but do not affect	
0	122,207	614,382	the governmental funds because they are not current financial uses.	(102,223)
0	0	1,311,301		
0	361,508	1,748,287	Donations of capital assets increase net assets in the statement of	
241,974	44,331	1,871,613	activities, but do not appear in the governmental funds because	
399	1,464	2,740,057	they are not current financial sources.	31,554
3,286,709	30,865	4,171,122		
			Revenues in the statement of activities that do not provide current	
0	198,947	198,947	financial resources are not reported as revenues in the funds.	
99,683	117,035	216,718	Delinquent Property Taxes	26,133
			Intergovernmental	(44,310)
3,638,857	1,450,055	22,641,655	Special Assessments	(116,740)
			Income Tax	(123,109)
			Charges for Services	(9,869)
(1,654,800)	(205,008)	(222,755)	Total	(267,895)
			Repayment of bond and loan principal is an expenditure in the	
1,875,000	267,627	9,834,480	governmental funds, but the repayment reduces long-term	
0	(1,487)	(9,946,880)	liabilities in the statement of net assets.	198,947
1,875,000	266,140	(112,400)		
			In the statement of activities, interest is accrued on outstanding	
220,200	61,132	(335,155)	bonds, whereas in governmental funds, an interest expenditure	
			is reported when due.	722
(101,839)	2,111,816	21,493,345	Compensated absences reported in the statement of activities	
			do not require the use of current financial resources and	
\$118,361	\$2,172,948	\$21,158,190	therefore are not reported as expenditures in governmental	
			funds.	(82,969)
			The internal service fund used by management to charge the costs	
			of insurance to individual funds is not reported in the entity-wide	
			statement of activities. Governmental expenditures and related	
			internal service fund revenues are eliminated. The net revenue	
			(expense) of the internal service fund is allocated among the	
			governmental activities.	39,680
			<i>Change in Net Assets of Governmental Activities</i>	<u>\$1,442,696</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  
 General Fund  
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 1,605,500	\$ 1,594,500	\$ 1,624,323	\$ 29,823
Intergovernmental	2,346,916	2,162,916	2,170,770	7,854
Interest	490,000	440,000	441,865	1,865
Fees, Licenses and Permits	102,900	72,900	76,079	3,179
Fines and Forfeits	243,000	225,500	226,121	621
Charges for Services	1,191,700	1,179,700	1,191,900	12,200
Miscellaneous	23,500	59,500	62,241	2,741
<b>Total Revenues</b>	<u>6,003,516</u>	<u>5,735,016</u>	<u>5,793,299</u>	<u>58,283</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	4,422,290	4,437,772	4,089,697	348,075
Public Health and Welfare	519,025	515,021	490,335	24,686
Community Development	1,436,830	1,481,030	1,267,645	213,385
General Government	2,560,801	2,569,420	2,220,285	349,135
<b>Total Expenditures</b>	<u>8,938,946</u>	<u>9,003,243</u>	<u>8,067,962</u>	<u>935,281</u>
Excess of Revenues Over (Under) Expenditures	(2,935,430)	(3,268,227)	(2,274,663)	993,564
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	5,000	2,500	2,500	-
Advances In	20,000	20,000	20,000	-
Advances Out	-	(25,000)	(25,000)	-
Transfer In	2,000,000	2,000,000	2,000,000	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,025,000</u>	<u>1,997,500</u>	<u>1,997,500</u>	<u>-</u>
Net Change in Fund Balance	(910,430)	(1,270,727)	(277,163)	993,564
Fund Balance - Beginning of Year	6,821,087	6,821,087	6,821,087	-
Recovery of Prior Year Encumbrances	-	-	106,704	106,704
<b>Fund Balance - End of Year</b>	<u>\$ 5,910,657</u>	<u>\$ 5,550,360</u>	<u>\$ 6,650,628</u>	<u>\$ 1,100,268</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  
 Street Construction, Maintenance and Repair Fund  
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ -	\$ 188,000	\$ 188,362	\$ 362
Intergovernmental	752,000	743,212	746,340	3,128
Charges for Services	30,500	30,500	40,256	9,756
Special Assessments	78,000	78,000	78,136	136
Miscellaneous	8,000	32,300	34,290	1,990
<b>Total Revenues</b>	<b>868,500</b>	<b>1,072,012</b>	<b>1,087,384</b>	<b>15,372</b>
<b>Expenditures</b>				
Current:				
Transportation	1,873,992	1,893,992	1,748,104	145,888
Excess of Revenues Over (Under) Expenditures	(1,005,492)	(821,980)	(660,720)	161,260
<b>Other Financing Sources</b>				
Transfers In	795,000	551,488	551,487	(1)
Net Change in Fund Balance	(210,492)	(270,492)	(109,233)	161,259
Fund Balance - Beginning of Year	626,597	626,597	626,597	-
Recovery of Prior Year Encumbrances	-	-	17,169	17,169
<b>Fund Balance - End of Year</b>	<b>\$ 416,105</b>	<b>\$ 356,105</b>	<b>\$ 534,533</b>	<b>\$ 178,428</b>

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  
 Parks and Recreation Fund  
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 972,201	\$ 958,001	\$ 958,028	\$ 27
Intergovernmental	224,966	369,430	369,771	341
Fees, Licenses and Permits	5,000	500	531	31
Charges for Services	495,500	509,050	509,657	607
Miscellaneous	20,500	18,000	18,514	514
<b>Total Revenues</b>	<u>1,718,167</u>	<u>1,854,981</u>	<u>1,856,501</u>	<u>1,520</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities	1,727,733	1,872,233	1,493,577	378,656
Excess of Revenues Over (Under) Expenditures	(9,566)	(17,252)	362,924	380,176
<b>Other Financing (Uses)</b>				
Advances Out	(20,000)	(20,000)	(20,000)	-
Net Change in Fund Balance	(29,566)	(37,252)	342,924	380,176
Fund Balance - Beginning of Year	412,287	412,287	412,287	-
Recovery of Prior Year Encumbrances	-	-	89,936	89,936
<b>Fund Balance - End of Year</b>	<u>\$ 382,721</u>	<u>\$ 375,035</u>	<u>\$ 845,147</u>	<u>\$ 470,112</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 Fund  
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Income Taxes	\$11,100,000	\$10,575,000	\$10,482,215	\$ (92,785)
Interest	60,000	42,206	42,206	-
<b>Total Revenues</b>	<u>11,160,000</u>	<u>10,617,206</u>	<u>10,524,421</u>	<u>(92,785)</u>
<b>Expenditures</b>				
Current:				
General Government	683,538	683,538	536,936	146,602
Excess of Revenues Over Expenditures	10,476,462	9,933,668	9,987,485	53,817
<b>Other Financing Sources (Uses)</b>				
Advances In	30,000	30,000	30,000	-
Transfer Out	(10,675,169)	(10,675,169)	(9,945,393)	729,776
<b>Total Other Financing Sources (Uses)</b>	<u>(10,645,169)</u>	<u>(10,645,169)</u>	<u>(9,915,393)</u>	<u>729,776</u>
Net Change in Fund Balance	(168,707)	(711,501)	72,092	783,593
Fund Balance - Beginning of Year	3,567,347	3,567,347	3,567,347	-
Recovery of Prior Year Encumbrances	-	-	54	54
<b>Fund Balance - End of Year</b>	<u><u>\$ 3,398,640</u></u>	<u><u>\$ 2,855,846</u></u>	<u><u>\$ 3,639,493</u></u>	<u><u>\$ 783,647</u></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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 2,500	\$ 3,040	\$ 26,315	\$ 23,275
Miscellaneous	-	-	4,851	4,851
<b>Total Revenues</b>	<u>2,500</u>	<u>3,040</u>	<u>31,166</u>	<u>28,126</u>
<b>Expenditures</b>				
Current:				
Security of Persons & Property	<u>2,733,017</u>	<u>2,733,557</u>	<u>2,732,531</u>	<u>1,026</u>
Excess of Revenues Over (Under) Expenditures	(2,730,517)	(2,730,517)	(2,701,365)	29,152
<b>Other Financing Sources</b>				
Transfers In	<u>2,603,771</u>	<u>2,603,771</u>	<u>2,570,183</u>	<u>(33,588)</u>
Net Change in Fund Balance	(126,746)	(126,746)	(131,182)	(4,436)
Fund Balance - Beginning of Year	476,201	476,201	476,201	-
Recovery of Prior Year Encumbrances	-	-	113	113
<b>Fund Balance - End of Year</b>	<u>\$ 349,455</u>	<u>\$ 349,455</u>	<u>\$ 345,132</u>	<u>\$ (4,323)</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, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 3,340	\$ 3,340
<b>Expenditures</b>				
Current:				
Security of Persons & Property	<u>2,766,696</u>	<u>2,818,278</u>	<u>2,552,945</u>	<u>265,333</u>
Excess of Revenues Over (Under) Expenditures	(2,766,696)	(2,818,278)	(2,549,605)	268,673
<b>Other Financing Sources</b>				
Transfers In	<u>2,603,771</u>	<u>2,603,771</u>	<u>2,570,183</u>	<u>(33,588)</u>
Net Change in Fund Balance	(162,925)	(214,507)	20,578	235,085
Fund Balance - Beginning of Year	594,423	594,423	594,423	-
Recovery of Prior Year Encumbrances	<u>-</u>	<u>-</u>	<u>15,981</u>	<u>15,981</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 431,498</u></u>	<u><u>\$ 379,916</u></u>	<u><u>\$ 630,982</u></u>	<u><u>\$ 251,066</u></u>

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

**City of Kent, Ohio**  
**Statement of Fund Net Assets**  
**Proprietary Funds**  
**December 31, 2009**

	Business-Type Activities					Governmental Activities - Internal Service Fund
	Water	Sewer	Solid Waste	Storm Water Drainage	Total	
<b>Assets</b>						
<i>Current Assets</i>						
Equity in Pooled Cash and Cash Equivalents	\$2,586,192	\$2,059,406	\$115,590	\$2,967,617	\$7,728,805	\$464,004
Receivables:						
Interest Receivable	14,234	10,570	0	0	24,804	0
Accounts Receivable	558,724	694,876	57,006	129,517	1,440,123	0
Other Receivable	0	74,479	0	31,952	106,431	0
Utilization Fee Receivable	34,863	83,050	0	0	117,913	0
Special Assessments Receivable	569,133	369,258	0	378,177	1,316,568	0
Less Allowance for Doubtful Accounts	(137,604)	(171,009)	(8,221)	(8,544)	(325,378)	0
Receivables, Net	1,039,350	1,061,224	48,785	531,102	2,680,461	0
Due from Other Governments	0	0	0	215,087	215,087	0
Inventories	20,809	17,223	0	0	38,032	0
Prepaid Items	14,826	3,227	16	328	18,397	0
<b>Total Current Assets</b>	<b>3,661,177</b>	<b>3,141,080</b>	<b>164,391</b>	<b>3,714,134</b>	<b>10,680,782</b>	<b>464,004</b>
<i>Noncurrent Assets</i>						
Cash Surrender Value of Life Insurance Policies	0	0	0	0	0	744,806
Capital Assets, Non-Depreciable	1,882,711	778,307	0	1,386,553	4,047,571	0
Capital Assets, Depreciable, Net	13,226,569	26,647,788	1,218	10,505,876	50,381,451	0
<b>Total Noncurrent Assets</b>	<b>15,109,280</b>	<b>27,426,095</b>	<b>1,218</b>	<b>11,892,429</b>	<b>54,429,022</b>	<b>744,806</b>
<b>Total Assets</b>	<b>18,770,457</b>	<b>30,567,175</b>	<b>165,609</b>	<b>15,606,563</b>	<b>65,109,804</b>	<b>1,208,810</b>
<b>Liabilities</b>						
<i>Current Liabilities</i>						
Accounts Payable	36,812	68,991	27,065	0	132,868	17,458
Capital Contracts Payable	11,937	0	0	2,403	14,340	0
Retainage Payable	8,316	8,667	0	24,143	41,126	0
Accrued Wages and Benefits	67,559	86,480	2,365	11,770	168,174	0
Claims Payable	0	0	0	0	0	94,865
Due to Other Funds	512,100	428,980	481,466	766,000	2,188,546	0
Unearned Revenue	0	3,328	0	0	3,328	0
Accrued Interest Payable	0	2,741	0	0	2,741	0
Notes Payable	0	855,000	0	0	855,000	0
Compensated Absences Payable	79,911	107,005	2,969	0	189,885	0
OWDA/OPWC Loans	32,664	178,438	0	4,967	216,069	0
<b>Total Current Liabilities</b>	<b>749,299</b>	<b>1,739,630</b>	<b>513,865</b>	<b>809,283</b>	<b>3,812,077</b>	<b>112,323</b>
<i>Long-Term Liabilities</i>						
Compensated Absences Payable	4,833	5,402	530	0	10,765	0
OWDA/OPWC Loans	585,150	3,466,553	0	84,592	4,136,295	0
<b>Total Long-Term Liabilities</b>	<b>589,983</b>	<b>3,471,955</b>	<b>530</b>	<b>84,592</b>	<b>4,147,060</b>	<b>0</b>
<b>Total Liabilities</b>	<b>1,339,282</b>	<b>5,211,585</b>	<b>514,395</b>	<b>893,875</b>	<b>7,959,137</b>	<b>112,323</b>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	14,491,466	22,926,104	1,218	11,802,870	49,221,658	0
Unrestricted	2,939,709	2,429,486	(350,004)	2,909,818	7,929,009	1,096,487
<b>Total Net Assets</b>	<b>\$17,431,175</b>	<b>\$25,355,590</b>	<b>(\$348,786)</b>	<b>\$14,712,688</b>	<b>\$57,150,667</b>	<b>\$1,096,487</b>

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

(15,265)  
\$57,135,402

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 Assets*  
*Proprietary Funds*  
*For the Year Ended December 31, 2009*

	Business-Type Activities				Total	Governmental Activities - Internal Service Fund
	Water	Sewer	Solid Waste	Storm Water Drainage		
<b>Operating Revenues</b>						
Charges for Services	\$2,635,679	\$3,433,218	\$400,690	\$560,039	\$7,029,626	\$2,127,758
Miscellaneous	87,033	41,583	0	879	129,495	597
<i>Total Operating Revenues</i>	<u>2,722,712</u>	<u>3,474,801</u>	<u>400,690</u>	<u>560,918</u>	<u>7,159,121</u>	<u>2,128,355</u>
<b>Operating Expenses</b>						
Personal Services	1,340,342	1,541,793	46,256	10,178	2,938,569	0
Benefits	454,120	532,457	16,614	1,592	1,004,783	0
Utilities	223,447	274,897	0	0	498,344	0
Contractual Services	235,463	294,201	410,744	43,752	984,160	0
Materials and Supplies	413,129	280,288	3,389	437	697,243	0
Claims	0	0	0	0	0	1,844,125
Premiums	0	0	0	0	0	430,018
Other Operating Expenses	6,008	17,874	1,724	2,544	28,150	0
Depreciation	629,205	932,600	328	229,141	1,791,274	0
<i>Total Operating Expenses</i>	<u>3,301,714</u>	<u>3,874,110</u>	<u>479,055</u>	<u>287,644</u>	<u>7,942,523</u>	<u>2,274,143</u>
<i>Operating Income (Loss)</i>	<u>(579,002)</u>	<u>(399,309)</u>	<u>(78,365)</u>	<u>273,274</u>	<u>(783,402)</u>	<u>(145,788)</u>
<b>Non Operating Revenues (Expenses)</b>						
Intergovernmental	0	0	12,500	0	12,500	0
Interest	56,654	53,595	0	76,780	187,029	32,495
Interest and Fiscal Charges	(19,270)	(166,648)	0	0	(185,918)	0
<i>Total Non Operating Revenues (Expenses)</i>	<u>37,384</u>	<u>(113,053)</u>	<u>12,500</u>	<u>76,780</u>	<u>13,611</u>	<u>32,495</u>
<i>Income (Loss) Before Contributions and Transfers</i>	<u>(541,618)</u>	<u>(512,362)</u>	<u>(65,865)</u>	<u>350,054</u>	<u>(769,791)</u>	<u>(113,293)</u>
Capital Contributions from Tap-in Fees	21,598	15,006	0	1,000	37,604	0
Capital Contributions from Special Assessments	0	0	0	233,677	233,677	0
Capital Contributions from Developers	69,478	96,518	0	10,000	175,996	0
Capital Contributions	0	0	0	102,223	102,223	0
Capital Grants	0	0	0	342,262	342,262	0
Transfers In	0	0	0	0	0	112,400
<i>Change in Net Assets</i>	<u>(450,542)</u>	<u>(400,838)</u>	<u>(65,865)</u>	<u>1,039,216</u>	<u>121,971</u>	<u>(893)</u>
<i>Net Assets Beginning of Year -</i>	<u>17,881,717</u>	<u>25,756,428</u>	<u>(282,921)</u>	<u>13,673,472</u>		<u>1,097,380</u>
<i>Net Assets End of Year</i>	<u>\$17,431,175</u>	<u>\$25,355,590</u>	<u>(\$348,786)</u>	<u>\$14,712,688</u>		<u>\$1,096,487</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.

(40,573)  
\$81,398

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, 2009**

	Business-Type Activities					Governmental Activities - Internal Service Fund
	Water	Sewer	Solid Waste	Storm Water Drainage	Total	
<b>Increase (Decrease) in Cash and Cash Equivalents</b>						
<b>Cash Flows from Operating Activities</b>						
Cash Received from Customers	\$2,575,640	\$3,337,970	\$411,795	\$553,842	\$6,879,247	\$2,127,758
Cash Payments for Employee Services and Benefits	(1,802,497)	(2,053,958)	(63,548)	0	(3,920,003)	0
Cash Payments to Suppliers for Goods and Services	(881,343)	(828,419)	(412,761)	(45,288)	(2,167,811)	(2,279,688)
Other Operating Revenues	87,033	41,583	0	879	129,495	597
Other Operating Expenses	(20,788)	(25,616)	(1,724)	(2,544)	(50,672)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	(41,955)	471,560	(66,238)	506,889	870,256	(151,333)
<b>Cash Flows from Noncapital Financing Activities</b>						
Intergovernmental	0	0	12,500	0	12,500	0
Transfers In	0	0	0	0	0	112,400
Advance Out	0	0	0	(30,000)	(30,000)	0
<i>Net Cash Provided by Noncapital Financing Activities</i>	0	0	12,500	(30,000)	(17,500)	112,400
<b>Cash Flows from Capital and Related Financing Activities</b>						
Acquisition of Capital Assets	(628,445)	(625,452)	0	(922,491)	(2,176,388)	0
Capital Grants	0	0	0	325,715	325,715	0
Proceeds of Notes	0	855,000	0	0	855,000	0
Premium on Notes	0	4,232	0	0	4,232	0
Principal Paid on OWDA\OPWC Loans	(31,690)	(172,082)	0	(4,967)	(208,739)	0
Interest Paid on OWDA\OPWC Loans	(19,270)	(132,335)	0	0	(151,605)	0
Special Assessments	43,017	54,195	0	45,046	142,258	0
Tap-In Fees	24,412	21,718	0	1,000	47,130	0
Principal Paid on Notes	0	(915,000)	0	0	(915,000)	0
Interest Paid on Notes	0	(42,776)	0	0	(42,776)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	(611,976)	(952,500)	0	(555,697)	(2,120,173)	0
<b>Cash Flows from Investing Activities</b>						
Proceeds from Sales of Investments	0	0	0	0	0	150,700
Interest on Investments	67,570	67,576	0	76,780	211,926	26,004
<i>Net Cash Provided by Investing Activities</i>	67,570	67,576	0	76,780	211,926	176,704
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(586,361)	(413,364)	(53,738)	(2,028)	(1,055,491)	137,771
<i>Cash and Cash Equivalents Beginning of Year</i>	3,172,553	2,472,770	169,328	2,969,645	8,784,296	326,233
<i>Cash and Cash Equivalents End of Year</i>	\$2,586,192	\$2,059,406	\$115,590	\$2,967,617	\$7,728,805	\$464,004

(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, 2009

	Business-Type Activities				Total	Governmental Activities - Internal Service Fund
	Water	Sewer	Solid Waste	Storm Water Drainage		
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities</b>						
Operating Income (Loss)	(\$579,002)	(\$399,309)	(\$78,365)	\$273,274	(\$783,402)	(\$145,788)
<i>Adjustments:</i>						
Depreciation	629,205	932,600	328	229,141	1,791,274	0
(Increase) Decrease in Assets:						
Accounts Receivable	(60,039)	(95,248)	11,105	(6,197)	(150,379)	0
Other Receivable	15,099	15,099	0	0	30,198	0
Materials and Supplies Inventory	(4,945)	1,025	0	0	(3,920)	0
Prepaid Items	(668)	1,473	9	1	815	0
Increase (Decrease) in Liabilities:						
Accounts Payable	(18,471)	10,727	1,363	(1,100)	(7,481)	(1,325)
Claims Payable	0	0	0	0	0	(4,220)
Accrued Wages	(14,143)	(4,235)	(457)	11,770	(7,065)	0
Compensated Absences Payable	(8,991)	9,428	(221)	0	216	0
<i>Total Adjustments</i>	<u>537,047</u>	<u>870,869</u>	<u>12,127</u>	<u>233,615</u>	<u>1,653,658</u>	<u>(5,545)</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(\$41,955)</u>	<u>\$471,560</u>	<u>(\$66,238)</u>	<u>\$506,889</u>	<u>\$870,256</u>	<u>(\$151,333)</u>

**Schedule of Non-Cash Capital Financing Activities**

During the year, the City's CDBG fund contributed capital to the Storm Water Drainage fund in the amount of \$102,223. In addition, the Water, Sewer and Storm Water Drainage funds received capital contributions from developers in the amounts of \$69,478, \$96,519 and \$10,000, respectively.

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, 2009*

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**Assets**

Cash and Cash Equivalents	<u><u>\$575,958</u></u>
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**Liabilities**

Accounts Payable	<u><u>\$575,958</u></u>
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The notes to the basic financial statements are an integral part of this statement

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**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. 14, “The Financial Reporting Entity.”

The City of Kent’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 not include any component units.

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 Note 19 and Note 21 to the basic financial statements, respectively.

**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 City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to apply FASB Statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the City’s accounting policies are described below.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
*(Continued)*

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**A. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a statement of net assets 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 assets 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 assets 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-types 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. 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.

**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 liabilities is reported as fund balances. The following are the City's major governmental funds:

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

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**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.

**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 transfers from the Income Tax fund and the License Tax Fund.

**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.

**Income Tax Fund** - This fund accounts for the revenue received from the municipal income tax, the expenditures relative to the administration of income tax collections, and transfers to support the operations of other funds.

**Income Tax Safety Fund** - This fund accounts for the 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 transfers from the Income Tax Fund.

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

**Proprietary Funds** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, 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.

**Sewer Fund** - This fund is used to account for sanitary sewer 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, 2009*  
*(Continued)*

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***Solid Waste Fund*** - This fund is used to account for solid waste collection 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.

***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 assets and changes in net assets. 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 in trust those funds held by the City and received from a contractor, developer, or individual to ensure compliance with the ordinances of the City of Kent.

***C. Measurement Focus***

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

***Fund Financial Statements*** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (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 and all liabilities associated with the operation of these funds are included on the statement of fund net assets. The statement of revenues, expenses and changes in fund net assets presents increases (e.g., revenues) and decreases (e.g., expenses) in total net assets. 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, 2009*  
(Continued)

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***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 revenue 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 8). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from 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 Revenue*** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but which were levied to finance year 2010 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue, although none were reported in 2009.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
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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."

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 certificates of deposits and repurchase agreements.

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 2009 amounted to \$370,943, which includes \$257,239 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.

***G. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2009 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 assets 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 assets and in the respective funds.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
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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 \$2,500 for 2009. 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 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 "Due to/from other funds." Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

***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 included in accrued wages and benefits in the funds from which the employees are paid. The noncurrent portion of the liability is not reported.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
*(Continued)*

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***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. Fund Equity***

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund balance reserves have been established for loans receivable, debt service, inventories, prepaid items, encumbrances and assets held for resale. The City also maintains a designation of unreserved fund balance for an account titled "For Public Facilities and Programs."

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

***M. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted as Special Revenues are mainly attributed to fire and emergency medical services along with urban development activities.

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

***N. 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.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
*(Continued)*

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***O. 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.

***P. Interfund Activity***

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

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.

***Q. 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 2009.

***R. 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.

***S. Budgetary Process***

All funds, except agency and internal service funds 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 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.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
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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.

**Note 3 – Changes in Accounting Principles**

For fiscal year 2009, the City implemented GASB Statements No. 52, *Land and Other Real Estate Held as Investments by Endowments*. GASB Statement No. 52 improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income.

The implementation of GASB Statements No. 52 did not affect the presentation of the financial statements of the City.

**Note 4 – Accountability and Compliance**

**Fund Deficits**

Start-up costs associated with the City's recycling program (initiated in 1990) resulted in deficit net assets in the Solid Waste fund. Disposition of Solid Waste fund capital assets in 1995 resulted in a loss of \$90,575 that contributed to increasing the deficit to \$446,384 at December 31, 2001. In 2001, City Council approved a substantial rate increase that was effective in January 2002. The combination of increased revenues and revised service levels resulted in a reduction of the deficit net assets over the last several years. However, recent increases in the curbside collection contract caused decreases in net assets of \$41,378 and \$65,865 for 2008 and 2009, respectively, which increased the overall deficit to \$348,786 at December 31, 2009.

**Note 5 - Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balances/net assets 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, Street Construction, Maintenance and Repair, Parks and Recreation, Income Tax, 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 liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Investments reported at fair value (GAAP) rather than cost (budget basis).

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

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 five major special revenue funds.

	General	Street Construction, Maintenance and Repair	Parks and Recreation	Income Tax	Income Tax Safety	Fire and Emergency Medical Services
Fund Balance - Budget Basis	\$6,650,628	\$534,533	\$845,147	\$3,639,493	\$345,132	\$630,982
Net Adjustment						
Revenue Accruals	3,561,471	1,056,556	1,171,305	3,316,843	0	17,982
Deferred Revenue	(2,122,048)	(929,393)	(1,146,551)	(257,743)	0	0
Expenditure Accruals	(483,392)	(48,575)	(283,982)	(8,707)	(212,534)	(200,482)
Assets Held for Resale	1,200,717	0	0	0	0	0
Inventories/Prepays	76,292	177,099	943	0	0	3,406
Investment Valuation	0	0	0	14,440	0	0
Encumbrances	548,615	114,140	32,231	5,226	104,134	512,973
Fund Balance - GAAP Basis	<u>\$9,432,283</u>	<u>\$904,360</u>	<u>\$619,093</u>	<u>\$6,709,552</u>	<u>\$236,732</u>	<u>\$964,861</u>

**Note 6 - Deposits and Investments**

The City maintains a cash pool that is available for the 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.

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;

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
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- 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, 2009, the City had \$1,055 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% 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.

At December 31, 2009, the carrying value of the City’s deposits was \$27,545,548, of which \$17,456,966 was non-negotiable certificates of deposit. The cash balances per the banks were \$27,160,726, of which \$1,741,196 was insured by Federal depository insurance. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$25,419,530 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, 2009, fair value was \$14,440 above 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. The City holds one investment which matures on December 1, 2020. The \$375,440 investment in City of Kent Special Assessment Bonds was specifically approved by the Treasury Investment Board.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

*Credit Risk.* The City's investment in City of Kent Assessment Bonds was not specifically rated; however, the City was rated Aa2 by Moody's Investors Services, in their latest recalibration of ratings to a different ratings scale. The City has no investment policy that would further limit its investment choices.

*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.

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

As of December 31, 2009, the City had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating *</u>	<u>Investment Maturity</u>
City of Kent Assessment Bonds	\$375,440	Aa2	December 1, 2020

\* Credit rating obtained from Moody's Investors Services.

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

The following is a reconciliation of cash and investments to the Statement of Net Assets as of December 31, 2009.

Investments	\$375,440
Carrying amount of the City's Deposits	27,545,548
Cash on Hand	1,055
Total	<u>\$27,922,043</u>
 <b><i>Governmental Activities</i></b>	
Governmental Funds	
Equity in Pooled Cash and Cash Equivalents	\$18,641,652
Restricted Cash	136,184
Investments	375,440
Internal Service Funds	
Equity in Pooled Cash and Cash Equivalents	464,004
Total Governmental Activities	<u>19,617,280</u>
 <b><i>Business-Type Activities</i></b>	
Enterprise Funds	
Equity in Pooled Cash and Cash Equivalents	7,728,805
<b><i>Agency Funds</i></b>	<u>575,958</u>
Total	<u>\$27,922,043</u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

**Note 7 - Income Taxes**

During 2009, the City levied income tax of 2% 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%.

**Note 8 - 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 2009 levy was based was \$350,120,000.

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. A revaluation was completed in 2006. 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 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 12.50 percent for 2007, 6.25 percent for 2008 and zero for 2009.

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.

**Note 9 – Interfund Balances and Transfers**

As of December 31, 2009, individual funds due to/from other funds that resulted from various interfund transactions were as follows:

	<b>PAYABLE FUND</b>						
	<i>Governmental Activities</i>		<i>Business-Type Activities</i>				Total
	Parks and Recreation	Nonmajor	Water	Sewer	Solid Waste	Storm Water Drainage	
<b>RECEIVABLE FUND</b>							
<i>Governmental Activities</i>							
General	\$240,000	\$225,000	\$0	\$0	\$151,466	\$0	\$616,466
Income Tax	0	0	512,100	428,980	330,000	766,000	\$2,037,080
<b>Total</b>	<b>\$240,000</b>	<b>\$225,000</b>	<b>\$512,100</b>	<b>\$428,980</b>	<b>\$481,466</b>	<b>\$766,000</b>	<b>\$2,653,546</b>

Interfund balances are used primarily to provide capital to expand the utility infrastructure which facilitates new development. The balances are also used to provide the initial cash for expenditure driven grant funds.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

Transfers made during the year ended December 31, 2009 were as follows:

	<b>TRANSFERS OUT</b>		
	<i>Governmental activities</i>		
	Income		
	Tax	Nonmajor	Total
<b>TRANSFERS IN</b>			
<i>Governmental Activities</i>			
General	\$2,000,000	\$0	\$2,000,000
Street Construction, Maintenance and Repair	550,000	1,487	\$551,487
Income Tax Safety	2,570,183	0	\$2,570,183
Fire and Emergency Medical Services	2,570,183	0	\$2,570,183
Capital Projects	1,875,000	0	\$1,875,000
Nonmajor	267,627	0	\$267,627
Internal Service Fund	112,400	0	\$112,400
Total Governmental Activities	\$9,945,393	\$1,487	\$9,946,880

Transfers are primarily from the Income Tax special revenue fund to various funds within the City to help finance the various programs accounted for in other funds. The License Tax nonmajor special revenue fund transferred \$1,487 to the Street Construction, Maintenance and Repair special revenue fund to close out the fund. 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.

**Note 10 – 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 Companion Life Insurance.

The claims liability of \$94,865 reported in the fund at December 31, 2009, 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 2007, 2008 and 2009 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2007	172,951	1,942,496	1,760,653	354,794
2008	354,794	1,697,439	1,953,148	99,085
2009	99,085	1,844,125	1,848,345	94,865

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
*(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 2009, the City contracted with several companies for various types of insurance as follows:

Company	Type of Coverage	Deductible
US Specialty Insurance Company	Wrongful Acts Liability	\$10,000
Scottsdale Insurance Company	Law Enforcement Liability	25,000
St. Paul Fire and Marine Insurance Company	Commercial Property	2,500
St. Paul Fire and Marine Insurance Company	Commercial Crime	1,000
St. Paul Fire and Marine Insurance Company	Inland Marine	1,000
St. Paul Fire and Marine Insurance Company	Boiler and Machinery	2,500
US Specialty Insurance Company	Automobile Comprehensive	500
US Specialty Insurance Company	Automobile Collision	500
St. Paul Fire and Marine Insurance Company	General Liability	0
St. Paul Fire and Marine Insurance Company	Employee Benefit Plans Administration	
	Administration Liability	1,000
St. Paul Fire and Marine Insurance Company	General Liability - Sewer Backup	5,000
St. Paul Fire and Marine 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 - New 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. Finally, the City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

**Note 11 - Capital Assets**

Capital asset activity for the year ended December 31, 2009, was as follows:

	<u>Balance</u> 12/31/08	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 12/31/09
<b>Governmental Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$5,819,427	\$42,239	\$0	\$5,861,666
Construction in Progress	5,101,067	3,529,646	(252,563)	8,378,150
<i>Total Capital Assets, Not Being Depreciated</i>	<u>10,920,494</u>	<u>3,571,885</u>	<u>(252,563)</u>	<u>14,239,816</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings, Structures and Improvements	10,965,188	67,467	0	11,032,655
Machinery and Equipment	10,386,554	470,654	(198,583)	10,658,625
Infrastructure:				
Roads	30,504,918	110,399	0	30,615,317
Bridges	2,454,556	0	0	2,454,556
Sidewalks	54,014	0	0	54,014
Traffic Signals	561,998	0	0	561,998
<i>Total Capital Assets, Being Depreciated</i>	<u>54,927,228</u>	<u>648,520</u>	<u>(198,583)</u>	<u>55,377,165</u>
Less Accumulated Depreciation:				
Buildings, Structures and Improvements	(4,532,304)	(349,941)	0	(4,882,245)
Machinery and Equipment	(7,640,168)	(566,194)	198,583	(8,007,779)
Infrastructure:				
Roads	(16,842,711)	(1,051,659)	0	(17,894,370)
Bridges	(639,519)	(47,603)	0	(687,122)
Sidewalks	(13,607)	(33,361)	0	(46,968)
Traffic Signals	(103,491)	(29,718)	0	(133,209)
<i>Total Accumulated Depreciation</i>	<u>(29,771,800)</u>	<u>(2,078,476) *</u>	<u>198,583</u>	<u>(31,651,693)</u>
Total Capital Assets, Being Depreciated, Net	<u>25,155,428</u>	<u>(1,429,956)</u>	<u>0</u>	<u>23,725,472</u>
Governmental Activities Capital Assets, Net	<u>\$36,075,922</u>	<u>\$2,141,929</u>	<u>(\$252,563)</u>	<u>\$37,965,288</u>

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

<u>Governmental Activities</u>	
Security of Persons and Property	\$446,347
Public Health and Welfare	3,221
Leisure Time Activities	67,782
Community Development	13,040
Transportation	1,442,948
General Government	105,138
Total Depreciation Expense	<u>\$2,078,476</u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

	Balance 12/31/08	Additions	Deletions	Balance 12/31/09
<b>Business-Type Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$1,775,033	\$12,503	\$0	\$1,787,536
Construction in Progress	608,880	1,651,155	0	2,260,035
<i>Total Capital Assets, Not Being Depreciated</i>	<u>2,383,913</u>	<u>1,663,658</u>	<u>0</u>	<u>4,047,571</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings, Structures and Improvements	14,440,212	0	0	14,440,212
Machinery and Equipment	9,817,646	469,813	(30,623)	10,256,836
Infrastructure:				
Water Mains	14,924,579	56,975	0	14,981,554
Sanitary Sewers	27,179,964	96,518	0	27,276,482
Storm Water Drainage Lines	13,899,910	112,223	0	14,012,133
<i>Total Capital Assets, Being Depreciated</i>	<u>80,262,311</u>	<u>735,529</u>	<u>(30,623)</u>	<u>80,967,217</u>
Less Accumulated Depreciation:				
Buildings, Structures and Improvements	(7,813,012)	(341,482)	0	(8,154,494)
Machinery and Equipment	(8,014,602)	(411,068)	30,623	(8,395,047)
Infrastructure:				
Water Mains	(4,589,338)	(270,463)	0	(4,859,801)
Sanitary Sewers	(5,091,653)	(547,918)	0	(5,639,571)
Storm Water Drainage Lines	(3,316,510)	(220,343)	0	(3,536,853)
<i>Total Accumulated Depreciation</i>	<u>(28,825,115)</u>	<u>(1,791,274) *</u>	<u>30,623</u>	<u>(30,585,766)</u>
Total Capital Assets, Being Depreciated, Net	<u>51,437,196</u>	<u>(1,055,745)</u>	<u>0</u>	<u>50,381,451</u>
Business-Type Activities Capital Assets, Net	<u>\$53,821,109</u>	<u>\$607,913</u>	<u>\$0</u>	<u>\$54,429,022</u>

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

<u>Business-Type Activities</u>	
Water Fund	\$629,205
Sewer Fund	932,600
Solid Waste Fund	328
Storm Water Drainage Fund	229,141
	<u>\$1,791,274</u>

**Note 12 - Pension and Other Post-employment Benefits**

The City and all of its employees are required to participate in one of two separate retirement systems, both of which are cost-sharing, multiple employer defined benefit pension plans. The following information was provided by the Public Employees Retirement System of Ohio and the Ohio Police and Fire Pension Fund to assist the City in complying with GASB Statement No. 27, "Accounting for Pensions by State and Local Government Employers" and GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pension".

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
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***Ohio Public Employees Retirement System***

The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans as described below:

- 1) The Traditional Pension Plan (TP) – a cost-sharing, multiple-employer defined benefit pension plan.
- 2) The Member-Directed Plan (MD) – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions, plus any investment earnings.
- 3) The Combined Plan (CO) – a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2009, member and employer contribution rates were consistent across all three plans (TP, MD and CO). The 2009 member contribution rates were 10.0% for members in state and local classifications other than law enforcement and public safety. The 2009 employer contribution rate for local government employers was 14.00% of covered payroll. The City's required contributions to the Traditional and Combined Plans for the years ended December 31, 2009, 2008 and 2007 were \$977,022, \$927,352, and \$846,383, respectively. As of December 31, 2009, 100 percent of the City's required contributions have been made for 2009, 2008 and 2007.

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

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 is considered an Other Post-employment Benefit (OPEB) as described in GASB Statement No. 45.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
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*Funding Policy* - The Ohio Revised Code provides the statutory authority to require 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 for the funding of post retirement health care benefits.

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. The portion of the 2009 employer contribution rate (identified above) that was used to fund health care was 7.00 percent from January 1 through March 31, 2009 and 5.50 percent from April 1 through December 31, 2009. The City's 2009, 2008, and 2007 contributions that were used to fund post-employment benefits amounted to \$448,665, \$470,543, and \$374,979, respectively. As of December 31, 2009, the City has contributed 100 percent of its required post-employment contributions for 2009, 2008, and 2007. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

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

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability 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 for the plan. Interested parties may obtain a copy by making a written request to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10% of their annual covered salary, while the City is required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to OP&F for the years ending December 31, 2009, 2008 and 2007 were \$579,701, \$560,062, and \$533,129 for police and \$566,465, \$549,298, and \$516,280 for firefighters, respectively. As of December 31, 2009, the City has contributed 74.27 percent and 75.58 percent respectively for the police officers and firefighters required contributions with the unpaid portion being recorded as a liability in the City's financial statements. 100.00 percent of the required contributions have been made for 2008 and 2007.

*Plan Description* – The City contributions to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by the OP&F is considered an Other Post-Employment

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
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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 are codified in Chapter 742 of the Ohio Revised Code.

*Funding Policy* – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to 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. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401 (h).

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

The portion of the City's contributions that was used to pay post-employment benefits for December 31, 2009, 2008, and 2007 was \$200,666, \$193,868, and \$184,463 for police and \$159,318, \$154,490, and \$145,075 for firefighters, respectively. As of December 31, 2009, the City has contributed 74.27 percent and 75.58 percent respectively for the police officers and firefighters required contributions. 100.00 percent of the required contributions have been made for 2008 and 2007.

***Other Postemployment Benefits***

*Plan Description* – The City administers a single-employer defined benefit life insurance plan. The plan provides other postemployment benefits (OPEB) in the form of life insurance benefits to 72 retirees employed by the City prior to June 2005. The benefits, benefit levels and employer contributions are governed by the City. The activity of the plan is reported in the City's Internal Service Fund. Life insurance benefits are only provided to the aforementioned retirees. All members of the plan have retired and the benefits provided have been set at a flat amount.

*Funding Policy* – The City's annual contributions to the plan for fiscal year ended December 31, 2009, were \$22,089. The plan requires no matching contributions from the employees during or after their period of employment. The City is funding the plan on a pay as you go basis.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
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(Continued)

*Annual OPEB Cost and Net OPEB Obligation* - The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC). The City has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (of funding excess) over the lesser of the average remaining life expectancy of the group or a period not to exceed thirty years. As of December 31, 2009, the alternative measurement method was performed to determine the funded status of the plan as well as the City's ARC. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligations to the plan:

Annual required contribution	\$ 22,089
Contributions made	<u>22,089</u>
Change in Net OPEB obligation	-
Net OPEB obligation - beginning of year	-
Net OPEB obligation - end of year	<u><u>\$ -</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 and 2008 were as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Annual</u> <u>OPEB</u> <u>Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net</u> <u>OPEB</u> <u>Obligation</u>
2008	\$ 9,935	100%	\$ -
2009	22,089	100	-

*Funded Status and Funding Progress* – As of December 31, 2009, the actuarial accrued liability for life insurance benefits was \$356,645, of which \$31,548 was funded through actual plan assets. There is no covered payroll since the plan is closed and all of the members are retired.

The funded status of the plan as of December 31, 2009, was as follows:

Actuarial Accrued Liability	\$356,645
Actual Value of Plan Assets	<u>31,548</u>
Unfunded Actuarial Accrued Liability	<u><u>\$325,097</u></u>
Fund Ratio (Actual Value of Plan Assets/AAL)	8.85%

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the other trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
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*Methods and Assumptions* – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and other historical patterns. The methods and assumptions used included techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actual value of assets, consistent with the long-term perspective of the calculations.

Based on the plan's benefits provided to the qualified retirees, some of the assumptions generally made are not applicable. However, the following simplifying assumptions are applicable to the plan and were made:

*Mortality* – Life expectancies were based on mortality tables from the National Center for Health Statistics ([www.cdc.gov](http://www.cdc.gov)). The 2004 United States Life Tables for Males and Females were used.

*Investment return* – The investment return is based on historical (and expected future) returns of its short-term investment portfolio (the current and expected investments that are expected to be used in financing the payment of benefits). The City expects to earn an average of 1.0 percent on these investments in the future.

*Inflation rate* – The expected long-term inflation assumption of 2.7 is provided through the Bureau of Labor Statistics ([www.bls.gov](http://www.bls.gov)) as of December 31, 2009.

In addition, a simplified version of the projected unit credit actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at December 31, 2009, was 16 years which is the average remaining life expectancy of the group.

**Note 13 – 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 10 days for City employees and 5 tours of duty for firemen at the end of any year. 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 \$1,155,299 as of December 31, 2009.

*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 \$86,091 as of December 31, 2009.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
*(Continued)*

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**B. Other Benefits**

City employees are contractually entitled to severance pay equal to one month of their salary if they retire with at least 10 years of service. The severance pay obligation was calculated using the termination payments method and amounted to \$25,592 as of December 31, 2009.

**Note 14 - Construction and Other Commitments**

As of December 31, 2009, the City had capital contracts and retainage payables of \$247,504 and \$55,466 in governmental funds and business-type funds, respectively.

	<u>Contract Amount</u>
Governmental	
Crain Avenue Bridge	\$46,038
Spaulding Drive Bridge	17,782
SR 59 Signalization Improvement	3,556
Admore/Stonewater Drive Connect	102,695
Portage Hike & Bike Trail - Tannery Section	2,832
SR 59 Street Light Replacement	9,045
2009 Street Program	34,998
Various Capital Purchases	30,558
	\$247,504
Business-Type	
Water Tank Study	\$11,937
Cherry-Middlebury Water Line Improvement	8,316
Sewer Plant Parking Lot	8,667
Area Q Storm Water Drainage	26,546
	\$55,466
Total	\$302,970

The City had no material operating lease commitments at December 31, 2009.

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**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

**Note 15 – Long-term Obligations**

Changes in bonds and other long-term obligations of the City during 2009 were as follows:

	Principal Outstanding 12/31/08	Additions	Deletions	Principal Outstanding 12/31/09	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Bonds:					
\$3,000,000 Various Purpose 1998 4.35% - 5.20%	\$1,830,000	\$0	\$145,000	\$1,685,000	\$155,000
Special Assessment Bonds:					
\$561,000 Street Improvements 2000 5.50% - 6.00%	410,000	0	24,000	386,000	25,000
Ohio Public Works Commission Loans					
\$512,940 Fairchild Avenue Improvements 1999 0.00%	256,470	0	25,647	230,823	25,647
\$86,000 Elm-Mae-Morris Improvements 2001 0.00%	49,450	0	4,300	45,150	4,300
<i>Total Ohio Public Works Commission Loans</i>	<u>305,920</u>	<u>0</u>	<u>29,947</u>	<u>275,973</u>	<u>29,947</u>
Compensated Absences	983,363	754,695	671,726	1,066,332	799,781
<i>Total Governmental Activities</i>	<u>\$3,529,283</u>	<u>\$754,695</u>	<u>\$870,673</u>	<u>\$3,413,305</u>	<u>\$1,009,728</u>
<b>Business-Type Activities</b>					
Ohio Water Development Authority Loans					
\$485,851 Kent-Ravenna Interconnect 2003 3.65%	\$395,113	\$0	\$20,201	\$374,912	\$20,945
\$4,372,503 Sanitary Sewer Improvements 2003 3.66%	3,817,073	0	172,082	3,644,991	178,438
\$271,200 Franklin Hills Waterline 2007 2.00%	254,391	0	11,489	242,902	11,719
<i>Total Ohio Water Development Authority Loans</i>	<u>4,466,577</u>	<u>0</u>	<u>203,772</u>	<u>4,262,805</u>	<u>211,102</u>
Ohio Public Works Commission Loans					
\$46,694 Elm-Mae-Morris Improvements 2005 0.00%	43,192	0	2,335	40,857	2,335
\$52,650 Drainage Area Q - Phase 3 2007 0.00%	51,334	0	2,632	48,702	2,632
<i>Total Ohio Public Works Commission Loans</i>	<u>94,526</u>	<u>0</u>	<u>4,967</u>	<u>89,559</u>	<u>4,967</u>
Compensated Absences	200,434	192,182	191,966	200,650	189,885
<i>Total Business-Type Activities</i>	<u>\$4,761,537</u>	<u>\$192,182</u>	<u>\$400,705</u>	<u>\$4,553,014</u>	<u>\$405,954</u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
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(Continued)

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2009 are as follows:

Governmental Activities							
Years	General Obligation Bonds		Special Assessment Bonds		OPWC	Total	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2010	\$155,000	\$85,937	\$25,000	\$23,035	\$29,947	\$209,947	\$108,972
2011	160,000	78,575	27,000	21,660	29,947	216,947	100,235
2012	170,000	70,815	29,000	20,040	29,947	228,947	90,855
2013	175,000	62,400	31,000	18,300	29,947	235,947	80,700
2014	185,000	53,300	32,000	16,440	29,947	246,947	69,740
2015-2019	840,000	111,800	195,000	50,640	124,088	1,159,088	162,440
2020	0	0	47,000	2,820	2,150	49,150	2,820
<b>Total</b>	<b>\$1,685,000</b>	<b>\$462,827</b>	<b>\$386,000</b>	<b>\$152,935</b>	<b>\$275,973</b>	<b>\$2,346,973</b>	<b>\$615,762</b>

Years	Principal	Interest	Principal	Principal	Interest
2010	\$211,102	\$150,084	\$4,967	\$216,069	\$150,084
2011	218,700	142,485	4,967	223,667	142,485
2012	226,574	134,612	4,967	231,541	134,612
2013	234,735	126,451	4,967	239,702	126,451
2014	243,193	117,993	4,967	248,160	117,993
2015-2019	1,354,025	451,904	24,835	1,378,860	451,904
2020-2024	1,582,063	189,423	24,835	1,606,898	189,423
2025-2028	192,413	3,999	15,054	207,467	3,999
<b>Total</b>	<b>\$4,262,805</b>	<b>\$1,316,951</b>	<b>\$89,559</b>	<b>\$4,352,364</b>	<b>\$1,316,951</b>

The general long-term obligation resulting from special assessment projects is funded through the issuance of bonds payable. Bonds issued are backed by the full faith, credit and general revenues of the City and fully retired with assessments levied against property owners. Assessments are receivable over periods ranging from ten to twenty years, with interest equal to the interest on the bonds issued to finance the improvements.

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

The City has the ability to issue \$14.6 million of additional debt without obtaining voter approval.

**City of Kent, Ohio**  
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(Continued)

**Note 16 – Note Obligations**

A summary of note transactions for the year ended December 31, 2009 follows:

	Balance 12/31/08	Additions	Deletions	Balance 12/31/09
<b>Governmental Activities</b>				
Capital Projects Fund				
2008, 3.75%	\$3,205,000	\$0	\$3,205,000	\$0
2009, 1.50%	0	2,965,000	0	2,965,000
<i>Total Capital Projects Fund</i>	<u>3,205,000</u>	<u>2,965,000</u>	<u>3,205,000</u>	<u>2,965,000</u>
<b>Business-Type Activities</b>				
Sewer Fund				
2008, 3.75%	915,000	0	915,000	0
2009, 1.50%	0	855,000	0	855,000
<i>Total Sewer Fund</i>	<u>915,000</u>	<u>855,000</u>	<u>915,000</u>	<u>855,000</u>
<b>Total</b>	<u><u>\$4,120,000</u></u>	<u><u>\$3,820,000</u></u>	<u><u>\$4,120,000</u></u>	<u><u>\$3,820,000</u></u>

On October 14, 2009, the City issued \$3.820 million in various purpose notes at an interest rate of 1.50% with a maturity date of October 14, 2010. 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. The note liability is reflected in the funds which received the proceeds. The notes were issued at a premium of \$18,909. A portion of the premium was offset against the corresponding interest expense, and the unamortized balance is reported as unearned revenue in the respective funds.

**Note 17 – Conduit Debt**

The City of Kent is party to certain Conduit Debt Obligations:

Type	On Behalf of	Principal Outstanding December 31, 2009	Year Issued
Multi-Family Housing Revenue Bonds	Silver Meadows Apartments	<u><u>\$9,195,000</u></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 18 - 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.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
(Continued)

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**Note 19 - 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. NOPEC is currently comprised of 126 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity 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 to the citizens of its member communities.

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 Joseph Migliorini, Board Chairman, 31320 Solon Road, Suite 20, Solon, Ohio 44139.

**Note 20 – Assets Held for Resale**

Assets held for resale represents five properties purchased by the City in 2008, which will be resold for development purposes. Three properties were purchased for \$821,645 and two properties were purchased for \$379,072. A fund balance reserve, in the amount of \$1,200,717 was created in the General Fund and presented in the governmental fund financial statements.

**Note 21 – 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 2009, the City received \$170,140 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.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*  
*(Continued)*

In 2009, the City received \$28,580 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.

**Note 22 – Restatement of Prior Year's Fund Balances**

A restatement of prior year's fund balances in the Street Construction, Maintenance and Repair major special revenue fund and the License Tax nonmajor special revenue fund is necessary to reflect management's decision to record the License Tax fund activity in the Street Construction, Maintenance and Repair fund. This restatement had no effect on governmental activities' net assets.

	Street Construction, Maintenance and Repair Fund	License Tax Fund
Fund Balances, 12/31/2008	\$ 957,834	\$ 12,463
Restatement:		
Record intergovernmental receivable in proper fund	10,976	(10,976)
Fund Balance, 12/31/2008, Restated	\$ 968,810	\$ 1,487

## Combining Statements and Individual Fund Schedules

### *Combining Statements – Nonmajor Governmental Funds*

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

Special Revenue funds are established to account for the proceeds of specific revenue sources (other than special assessments or those for major capital projects) that are restricted 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.

*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.

*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.

*License Tax Fund* - This fund accounts for the revenue received from municipal motor vehicle taxes. (Balance Sheet is not presented because there are no assets or liabilities in the current year)

*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.

*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.

## Combining Statements and Individual Fund Schedules

### *Combining Statements – Nonmajor Governmental Funds*

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

*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.

*Justice Assistance Grant (JAG) Fund* – This fund accounts for a Federal Grant received from the U.S. Department of Justice and will be utilized for several programs including K-9 acquisition and training, bike patrol, police citizen’s academy, and community police training and neighborhood policing activity.

*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.

#### ***Nonmajor Debt Service Fund***

The Debt Service Fund is established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

#### **Non-Major Debt Service Fund**

##### *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, 2009*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,802,921	\$18,424	\$1,821,345
Receivables:			
Property Taxes Receivable	450,201	0	450,201
Interest Receivable	21	0	21
Loans Receivable	424,648	0	424,648
Special Assessment Receivable	0	554,412	554,412
Receivables, Net	<u>874,870</u>	<u>554,412</u>	<u>1,429,282</u>
Due from Other Governments	128,824	0	128,824
Prepaid Items	76	0	76
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	120,000	0	120,000
<i>Total Assets</i>	<u><u>\$2,926,691</u></u>	<u><u>\$572,836</u></u>	<u><u>\$3,499,527</u></u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$37,650	\$0	\$37,650
Accrued Wages and Benefits	6,466	0	6,466
Due to Other Funds	225,000	0	225,000
Deferred Revenue	503,051	554,412	1,057,463
<i>Total Liabilities</i>	<u>772,167</u>	<u>554,412</u>	<u>1,326,579</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	217,968	0	217,968
Reserved for Loans Receivable	424,648	0	424,648
Reserved for Prepaid Items	76	0	76
Reserved for Debt Service	0	18,424	18,424
Unreserved, Undesignated			
Reported in:			
Special Revenue Funds	1,511,832	0	1,511,832
<i>Total Fund Balances</i>	<u>2,154,524</u>	<u>18,424</u>	<u>2,172,948</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$2,926,691</u></u>	<u><u>\$572,836</u></u>	<u><u>\$3,499,527</u></u>

**City of Kent, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2009*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property and Other Local Taxes	\$410,384	\$0	\$410,384
Fees, Licenses and Permits	130,848	0	130,848
Fines and Forfeitures	9,123	0	9,123
Intergovernmental	618,286	0	618,286
Special Assessments	0	36,593	36,593
Interest	16,586	0	16,586
Miscellaneous	21,763	1,464	23,227
<i>Total Revenues</i>	<u>1,206,990</u>	<u>38,057</u>	<u>1,245,047</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property	573,698	0	573,698
Public Health and Welfare	122,207	0	122,207
Community Development	361,508	0	361,508
Transportation	44,331	0	44,331
General Government	0	1,464	1,464
Capital Outlay	30,865	0	30,865
Debt Service:			
Principal Retirement	0	198,947	198,947
Interest and Fiscal Charges	0	117,035	117,035
<i>Total Expenditures</i>	<u>1,132,609</u>	<u>317,446</u>	<u>1,450,055</u>
<i>Excess of Revenues Under Expenditures</i>	<u>74,381</u>	<u>(279,389)</u>	<u>(205,008)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	267,627	267,627
Transfers Out	(1,487)	0	(1,487)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,487)</u>	<u>267,627</u>	<u>266,140</u>
<i>Net Change in Fund Balances</i>	72,894	(11,762)	61,132
<i>Fund Balances Beginning of Year, Restated</i>	2,081,630	30,186	2,111,816
<i>Fund Balances End of Year</i>	<u>\$2,154,524</u>	<u>\$18,424</u>	<u>\$2,172,948</u>

**City of Kent, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2009*

	West Side Fire	State Highway	Food Service	Revolving Housing	State and Local Forfeits
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$17,868	\$78,407	\$42,193	\$73,086	\$14,081
Receivables:					
Property Taxes Receivable	244,229	0	0	0	0
Interest Receivable	0	0	0	0	0
Loans Receivable	0	0	0	0	0
Receivables, Net	<u>244,229</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Due from Other Governments	16,985	30,758	0	0	0
Prepaid Items	76	0	0	0	0
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	0	0	0	0	0
<i>Total Assets</i>	<u><u>\$279,158</u></u>	<u><u>\$109,165</u></u>	<u><u>\$42,193</u></u>	<u><u>\$73,086</u></u>	<u><u>\$14,081</u></u>
 <b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$1,854	\$849	\$0	\$0	\$0
Accrued Wages and Benefits	5,225	0	467	740	0
Due to Other Funds	0	0	0	0	0
Deferred Revenue	261,214	21,641	0	0	0
<i>Total Liabilities</i>	<u>268,293</u>	<u>22,490</u>	<u>467</u>	<u>740</u>	<u>0</u>
 <b>Fund Balances</b>					
Reserved for Encumbrances	1,950	313	56	0	0
Reserved for Loans Receivable	0	0	0	0	0
Reserved for Prepaid Items	76	0	0	0	0
Unreserved, Undesignated	8,839	86,362	41,670	72,346	14,081
<i>Total Fund Balances</i>	<u>10,865</u>	<u>86,675</u>	<u>41,726</u>	<u>72,346</u>	<u>14,081</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$279,158</u></u>	<u><u>\$109,165</u></u>	<u><u>\$42,193</u></u>	<u><u>\$73,086</u></u>	<u><u>\$14,081</u></u>

Drug Law Enforcement	Enforcement and Education	Law Enforcement Trust	Community Development Block Grant	Neighborhood Stabilization	Wireless 911	Swimming Pool Inspections	JAG Grant
\$32,470	\$20,706	\$17,034	\$1,016,174	\$17,950	\$217,987	\$9,718	\$71,464
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	264,988	0	0	0	0
0	0	0	264,988	0	0	0	0
0	358	0	43,950	7,050	15,499	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>\$32,470</u>	<u>\$21,064</u>	<u>\$17,034</u>	<u>\$1,325,112</u>	<u>\$25,000</u>	<u>\$233,486</u>	<u>\$9,718</u>	<u>\$71,464</u>
\$0	\$0	\$0	\$32,291	\$0	\$2,656	\$0	\$0
0	0	0	0	0	0	34	0
0	0	0	200,000	25,000	0	0	0
0	0	0	0	0	0	0	0
0	0	0	232,291	25,000	2,656	34	0
0	0	0	215,649	0	0	0	0
0	0	0	264,988	0	0	0	0
0	0	0	0	0	0	0	0
32,470	21,064	17,034	612,184	0	230,830	9,684	71,464
<u>32,470</u>	<u>21,064</u>	<u>17,034</u>	<u>1,092,821</u>	<u>0</u>	<u>230,830</u>	<u>9,684</u>	<u>71,464</u>
<u>\$32,470</u>	<u>\$21,064</u>	<u>\$17,034</u>	<u>\$1,325,112</u>	<u>\$25,000</u>	<u>\$233,486</u>	<u>\$9,718</u>	<u>\$71,464</u>

(Continued)

**City of Kent, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds (continued)*  
*December 31, 2009*

	Police Pension	Fire Pension	Urban Development Action Grant	Total Nonmajor Special Revenue Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$184	\$185	\$173,414	\$1,802,921
Receivables:				
Property Taxes Receivable	102,986	102,986	0	450,201
Interest Receivable	0	0	21	21
Loans Receivable	0	0	159,660	424,648
Receivables, Net	<u>102,986</u>	<u>102,986</u>	<u>159,681</u>	<u>874,870</u>
Due from Other Governments	7,112	7,112	0	128,824
Prepaid Items	0	0	0	76
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	120,000	120,000
<i>Total Assets</i>	<u><u>\$110,282</u></u>	<u><u>\$110,283</u></u>	<u><u>\$453,095</u></u>	<u><u>\$2,926,691</u></u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$37,650
Accrued Wages and Benefits	0	0	0	6,466
Due to Other Funds	0	0	0	225,000
Deferred Revenue	110,098	110,098	0	503,051
<i>Total Liabilities</i>	<u>110,098</u>	<u>110,098</u>	<u>0</u>	<u>772,167</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	0	0	217,968
Reserved for Loans Receivable	0	0	159,660	424,648
Reserved for Prepaid Items	0	0	0	76
Unreserved, Undesignated	184	185	293,435	1,511,832
<i>Total Fund Balances</i>	<u>184</u>	<u>185</u>	<u>453,095</u>	<u>2,154,524</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$110,282</u></u>	<u><u>\$110,283</u></u>	<u><u>\$453,095</u></u>	<u><u>\$2,926,691</u></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, 2009*

	West Side Fire	State Highway	Food Service	License Tax	Revolving Housing	State and Local Forfeits
<b>Revenues</b>						
Property and Other Local Taxes	\$218,479	\$0	\$0	\$0	\$0	\$0
Fees, Licenses and Permits	0	0	50,693	0	76,930	0
Fines and Forfeitures	0	0	0	0	0	2,290
Intergovernmental	51,379	60,254	0	0	0	0
Interest	0	0	0	0	0	0
Miscellaneous	0	38	0	0	0	0
<i>Total Revenues</i>	<u>269,858</u>	<u>60,292</u>	<u>50,693</u>	<u>0</u>	<u>76,930</u>	<u>2,290</u>
<b>Expenditures</b>						
Current:						
Security of Persons and Property	271,595	0	0	0	0	0
Public Health and Welfare	0	0	48,732	0	69,173	0
Community Development	0	0	0	0	0	0
Transportation	0	44,331	0	0	0	0
Capital Outlay	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>271,595</u>	<u>44,331</u>	<u>48,732</u>	<u>0</u>	<u>69,173</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,737)</u>	<u>15,961</u>	<u>1,961</u>	<u>0</u>	<u>7,757</u>	<u>2,290</u>
<b>Other Financing Uses</b>						
Transfers Out	0	0	0	(1,487)	0	0
<i>Net Change in Fund Balances</i>	<u>(1,737)</u>	<u>15,961</u>	<u>1,961</u>	<u>(1,487)</u>	<u>7,757</u>	<u>2,290</u>
<i>Fund Balances Beginning of Year, Restated</i>	<u>12,602</u>	<u>70,714</u>	<u>39,765</u>	<u>1,487</u>	<u>64,589</u>	<u>11,791</u>
<i>Fund Balances End of Year</i>	<u>\$10,865</u>	<u>\$86,675</u>	<u>\$41,726</u>	<u>\$0</u>	<u>\$72,346</u>	<u>\$14,081</u>

Drug Law Enforcement	Enforcement and Education	Law Enforcement Trust	Community Development Block Grant	Neighborhood Stabilization	Wireless 911	Swimming Pool Inspections	JAG Grant
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	3,225	0
776	6,057	0	0	0	0	0	0
0	0	0	289,911	7,050	94,344	0	71,464
0	0	470	10,352	0	0	0	0
0	0	0	21,725	0	0	0	0
<u>776</u>	<u>6,057</u>	<u>470</u>	<u>321,988</u>	<u>7,050</u>	<u>94,344</u>	<u>3,225</u>	<u>71,464</u>
8,000	5,224	0	0	0	38,879	0	0
0	0	0	0	0	0	4,302	0
0	0	0	350,858	7,050	0	0	0
0	0	0	0	0	0	0	0
0	0	6,500	18,490	0	5,875	0	0
<u>8,000</u>	<u>5,224</u>	<u>6,500</u>	<u>369,348</u>	<u>7,050</u>	<u>44,754</u>	<u>4,302</u>	<u>0</u>
<u>(7,224)</u>	<u>833</u>	<u>(6,030)</u>	<u>(47,360)</u>	<u>0</u>	<u>49,590</u>	<u>(1,077)</u>	<u>71,464</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(7,224)	833	(6,030)	(47,360)	0	49,590	(1,077)	71,464
39,694	20,231	23,064	1,140,181	0	181,240	10,761	0
<u>\$32,470</u>	<u>\$21,064</u>	<u>\$17,034</u>	<u>\$1,092,821</u>	<u>\$0</u>	<u>\$230,830</u>	<u>\$9,684</u>	<u>\$71,464</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, 2009*

	Police Pension	Fire Pension	Urban Development Action Grant	Total Nonmajor Special Revenue Funds
<b>Revenues</b>				
Property and Other Local Taxes	\$95,953	\$95,952	\$0	\$410,384
Fees, Licenses and Permits	0	0	0	130,848
Fines and Forfeitures	0	0	0	9,123
Intergovernmental	21,942	21,942	0	618,286
Interest	0	0	5,764	16,586
Miscellaneous	0	0	0	21,763
<i>Total Revenues</i>	<u>117,895</u>	<u>117,894</u>	<u>5,764</u>	<u>1,206,990</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	125,000	125,000	0	573,698
Public Health and Welfare	0	0	0	122,207
Community Development	0	0	3,600	361,508
Transportation	0	0	0	44,331
Capital Outlay	0	0	0	30,865
<i>Total Expenditures</i>	<u>125,000</u>	<u>125,000</u>	<u>3,600</u>	<u>1,132,609</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(7,105)</u>	<u>(7,106)</u>	<u>2,164</u>	<u>74,381</u>
<b>Other Financing Uses</b>				
Transfers Out	0	0	0	(1,487)
<i>Net Change in Fund Balances</i>	(7,105)	(7,106)	2,164	72,894
<i>Fund Balances Beginning of Year, Restated</i>	7,289	7,291	450,931	2,081,630
<i>Fund Balances End of Year</i>	<u>\$184</u>	<u>\$185</u>	<u>\$453,095</u>	<u>\$2,154,524</u>

## Combining Statements

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### *Fiduciary Funds*

Fiduciary fund reporting focuses on net assets and changes in net assets. 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 Funds*

*Agency Escrow Fund* – This fund holds in trust those funds 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, 2009*

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	<u>Beginning Balance 12/31/08</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance 12/31/09</u>
<b>Assets</b>				
Cash and Cash Equivalents	<u>\$574,529</u>	<u>\$204,813</u>	<u>\$203,384</u>	<u>\$575,958</u>
<b>Liabilities</b>				
Accounts Payable	<u>\$574,529</u>	<u>\$204,813</u>	<u>\$203,384</u>	<u>\$575,958</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 1,605,500	\$ 1,594,500	\$ 1,624,323	\$ 29,823
Intergovernmental	2,346,916	2,162,916	2,170,770	7,854
Interest	490,000	440,000	441,865	1,865
Fees, Licenses and Permits	102,900	72,900	76,079	3,179
Fines and Forfeits	243,000	225,500	226,121	621
Charges for Services	1,191,700	1,179,700	1,191,900	12,200
Miscellaneous	23,500	59,500	62,241	2,741
<b>Total Revenues</b>	<b>6,003,516</b>	<b>5,735,016</b>	<b>5,793,299</b>	<b>58,283</b>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	1,172,518	1,172,518	1,063,148	109,370
Police				
Personal Services	2,499,564	2,499,564	2,407,589	91,975
Other Expenses	567,600	569,082	431,995	137,087
Capital Outlay	30,000	30,000	24,831	5,169
Total Police	3,097,164	3,098,646	2,864,415	234,231
Safety Director				
Personal Services	122,858	124,658	124,384	274
Other Expenses	29,750	41,950	37,750	4,200
Total Safety Director	152,608	166,608	162,134	4,474
Total Security of Persons and Property	4,422,290	4,437,772	4,089,697	348,075
Public Health & Welfare				
Personal Services	240,725	251,725	246,202	5,523
Other Expenses	275,300	262,558	244,133	18,425
Capital Outlay	3,000	738	0	738
Total Public Health and Welfare	519,025	515,021	490,335	24,686

(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, 2009  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Community Development				
Community Development				
Personal Services	448,326	448,326	349,764	98,562
Other Expenses	192,500	192,500	169,458	23,042
Total Community Development	640,826	640,826	519,222	121,604
Economic Development				
Personal Services	98,111	98,111	90,270	7,841
Other Expenses	11,600	11,600	4,147	7,453
Total Economic Development	109,711	109,711	94,417	15,294
Building				
Personal Services	214,930	214,930	160,181	54,749
Other Expenses	32,750	35,750	33,147	2,603
Total Building	247,680	250,680	193,328	57,352
Public Planting				
Other Expenses	47,500	47,500	35,637	11,863
Main Street Program				
Personal Services	81,753	83,953	83,880	73
Other Expenses	3,000	3,300	3,300	0
Total Main Street Program	84,753	87,253	87,180	73
Land Banking				
Other Expenses	96,400	103,100	103,100	0
Permit Parking				
Other Expenses	13,000	15,000	14,667	333
Shade Tree				
Other Expenses	81,960	81,960	75,991	5,969
Capital Outlay	15,000	15,000	14,863	137
Total Shade Tree	96,960	96,960	90,854	6,106

(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, 2009  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Urban Renewal				
Other Expenses	100,000	130,000	129,240	760
Total Urban Renewal	100,000	130,000	129,240	760
Total Community Development	1,436,830	1,481,030	1,267,645	213,385
General Government				
Service Administration				
Personal Services	62,714	63,414	63,253	161
Other Expenses	434,300	453,600	425,287	28,313
Capital Outlay	10,000	10,000	0	10,000
Total Service Administration	507,014	527,014	488,540	38,474
Rental Units				
Other Expenses	47,600	27,600	22,113	5,487
Engineering				
Personal Services	229,971	229,971	223,958	6,013
Other Expenses	124,800	124,800	97,256	27,544
Capital Outlay	4,000	4,000	3,356	644
Total Engineering	358,771	358,771	324,570	34,201
Law				
Personal Services	301,117	301,117	260,667	40,450
Other Expenses	116,700	116,700	99,900	16,800
Total Law	417,817	417,817	360,567	57,250
Budget and Finance				
Personal Services	170,343	170,343	147,939	22,404
Other Expenses	117,800	117,800	113,473	4,327
Total Budget and Finance	288,143	288,143	261,412	26,731

(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, 2009  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Miscellaneous, Sundry and Contingency				
Other Expenses	245,500	219,822	119,141	100,681
Mayor's Office				
Personal Services	7,721	7,721	7,721	0
Other Expenses	2,000	2,000	1,497	503
Total Mayor's Office	9,721	9,721	9,218	503
City Council				
Personal Services	157,371	157,371	143,059	14,312
Other Expenses	19,100	19,100	9,939	9,161
Total City Council	176,471	176,471	152,998	23,473
Community Support				
Other Expenses	55,000	89,297	78,066	11,231
City Manager				
Personal Services	233,782	233,782	208,539	25,243
Other Expenses	54,900	54,900	51,689	3,211
Total City Manager	288,682	288,682	260,228	28,454
Human Resources				
Personal Services	49,442	49,442	39,984	9,458
Other Expenses	17,750	17,750	14,685	3,065
Total Human Resources	67,192	67,192	54,669	12,523
Civil Service				
Personal Services	74,790	74,790	69,028	5,762
Other Expenses	24,100	24,100	19,735	4,365
Total Civil Service	98,890	98,890	88,763	10,127
Total General Government	2,560,801	2,569,420	2,220,285	349,135
<b>Total Expenditures</b>	<b>8,938,946</b>	<b>9,003,243</b>	<b>8,067,962</b>	<b>935,281</b>
Excess of Revenues Over (Under) Expenditures	(2,935,430)	(3,268,227)	(2,274,663)	993,564

(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, 2009  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	5,000	2,500	2,500	0
Advances In	20,000	20,000	20,000	0
Advances Out	0	(25,000)	(25,000)	0
Transfers In	2,000,000	2,000,000	2,000,000	0
<b>Total Other Financing Sources (Uses)</b>	<u>2,025,000</u>	<u>1,997,500</u>	<u>1,997,500</u>	<u>0</u>
Net Change in Fund Balance	(910,430)	(1,270,727)	(277,163)	993,564
Fund Balance - Beginning of Year	6,821,087	6,821,087	6,821,087	-
Recovery of Prior Year Encumbrances	-	-	106,704	106,704
<b>Fund Balance - End of Year</b>	<u><u>\$ 5,910,657</u></u>	<u><u>\$ 5,550,360</u></u>	<u><u>\$ 6,650,628</u></u>	<u><u>\$ 1,100,268</u></u>

**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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Taxes	\$ -	\$ 188,000	\$ 188,362	\$ 362
Intergovernmental	752,000	743,212	746,340	3,128
Charges for Services	30,500	30,500	40,256	9,756
Special Assessments	78,000	78,000	78,136	136
Miscellaneous	8,000	32,300	34,290	1,990
<b>Total Revenues</b>	<u>868,500</u>	<u>1,072,012</u>	<u>1,087,384</u>	<u>15,372</u>
<b>Expenditures</b>				
Current:				
Transportation				
Public Service				
Personal Services	999,792	999,792	931,926	67,866
Other	688,200	710,845	633,111	77,734
Capital Outlay	186,000	183,355	183,067	288
<b>Total Expenditures</b>	<u>1,873,992</u>	<u>1,893,992</u>	<u>1,748,104</u>	<u>145,888</u>
Excess of Revenues Over (Under) Expenditures	(1,005,492)	(821,980)	(660,720)	161,260
<b>Other Financing Sources</b>				
Transfers In	<u>795,000</u>	<u>551,488</u>	<u>551,487</u>	<u>(1)</u>
Net Change in Fund Balance	(210,492)	(270,492)	(109,233)	161,259
Fund Balance - Beginning of Year	626,597	626,597	626,597	-
Recovery of Prior Year Encumbrances	-	-	17,169	17,169
<b>Fund Balance - End of Year</b>	<u>\$ 416,105</u>	<u>\$ 356,105</u>	<u>\$ 534,533</u>	<u>\$ 178,428</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Park and Recreation Fund  
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 972,201	\$ 958,001	\$ 958,028	\$ 27
Intergovernmental	224,966	369,430	369,771	341
Fees, Licenses and Permits	5,000	500	531	31
Charges for Services	495,500	509,050	509,657	607
Miscellaneous	20,500	18,000	18,514	514
<b>Total Revenues</b>	<u>1,718,167</u>	<u>1,854,981</u>	<u>1,856,501</u>	<u>1,520</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities				
Parks & Recreation				
Personal Services	918,683	918,683	859,425	59,258
Other	519,550	531,550	453,561	77,989
Capital Outlay	289,500	422,000	180,591	241,409
<b>Total Expenditures</b>	<u>1,727,733</u>	<u>1,872,233</u>	<u>1,493,577</u>	<u>378,656</u>
Excess of Revenues Over (Under) Expenditures	(9,566)	(17,252)	362,924	380,176
<b>Other Financing (Uses)</b>				
Advances Out	(20,000)	(20,000)	(20,000)	-
Net Change in Fund Balance	(29,566)	(37,252)	342,924	380,176
Fund Balance - Beginning of Year	412,287	412,287	412,287	-
Recovery of Prior Year Encumbrances	-	-	89,936	89,936
<b>Fund Balance - End of Year</b>	<u>\$ 382,721</u>	<u>\$ 375,035</u>	<u>\$ 845,147</u>	<u>\$ 470,112</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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Income Taxes	\$11,100,000	\$10,575,000	\$10,482,215	\$ (92,785)
Interest	60,000	42,206	42,206	-
<b>Total Revenues</b>	<u>11,160,000</u>	<u>10,617,206</u>	<u>10,524,421</u>	<u>(92,785)</u>
<b>Expenditures</b>				
Current:				
General Government				
Budget & Finance				
Personal Services	235,438	235,438	215,102	20,336
Other	448,100	448,100	321,834	126,266
<b>Total Expenditures</b>	<u>683,538</u>	<u>683,538</u>	<u>536,936</u>	<u>146,602</u>
Excess of Revenues Over Expenditures	10,476,462	9,933,668	9,987,485	53,817
<b>Other Financing Sources (Uses)</b>				
Advances In	30,000	30,000	30,000	-
Transfer Out	(10,675,169)	(10,675,169)	(9,945,393)	729,776
<b>Total Other Financing Sources (Uses)</b>	<u>(10,645,169)</u>	<u>(10,645,169)</u>	<u>(9,915,393)</u>	<u>729,776</u>
Net Change in Fund Balance	(168,707)	(711,501)	72,092	783,593
Fund Balance - Beginning of Year	3,567,347	3,567,347	3,567,347	-
Recovery of Prior Year Encumbrances	-	-	54	54
<b>Fund Balance - End of Year</b>	<u>\$ 3,398,640</u>	<u>\$ 2,855,846</u>	<u>\$ 3,639,493</u>	<u>\$ 783,647</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 2,500	\$ 3,040	\$ 26,315	\$ 23,275
Miscellaneous	-	-	4,851	4,851
<b>Total Revenues</b>	<u>2,500</u>	<u>3,040</u>	<u>31,166</u>	<u>28,126</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Personal Services	2,730,517	2,730,517	2,729,862	655
Other	2,500	3,040	2,669	371
<b>Total Expenditures</b>	<u>2,733,017</u>	<u>2,733,557</u>	<u>2,732,531</u>	<u>1,026</u>
Excess of Revenues Over (Under) Expenditures	(2,730,517)	(2,730,517)	(2,701,365)	29,152
<b>Other Financing Sources</b>				
Transfers In	<u>2,603,771</u>	<u>2,603,771</u>	<u>2,570,183</u>	<u>(33,588)</u>
Net Change in Fund Balance	(126,746)	(126,746)	(131,182)	(4,436)
Fund Balance - Beginning of Year	476,201	476,201	476,201	-
Recovery of Prior Year Encumbrances	-	-	113	113
<b>Fund Balance - End of Year</b>	<u>\$ 349,455</u>	<u>\$ 349,455</u>	<u>\$ 345,132</u>	<u>\$ (4,323)</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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
<b>Revenues</b>				
Miscellaneous	\$ -	\$ -	\$ 3,340	\$ 3,340
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	2,154,496	2,154,496	2,021,562	132,934
Other	357,200	357,200	314,843	42,357
Capital Outlay	255,000	306,582	216,540	90,042
<b>Total Expenditures</b>	2,766,696	2,818,278	2,552,945	265,333
Excess of Revenues Over (Under) Expenditures	(2,766,696)	(2,818,278)	(2,549,605)	268,673
<b>Other Financing Sources</b>				
Transfers In	2,603,771	2,603,771	2,570,183	(33,588)
Net Change in Fund Balance	(162,925)	(214,507)	20,578	235,085
Fund Balance - Beginning of Year	594,423	594,423	594,423	-
Recovery of Prior Year Encumbrances	-	-	15,981	15,981
<b>Fund Balance - End of Year</b>	\$ 431,498	\$ 379,916	\$ 630,982	\$ 251,066

**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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 765,000	\$ 1,848,800	\$ 1,854,844	\$ 6,044
Special Assessments	6,000	23,000	23,843	843
Miscellaneous	-	8,000	8,000	-
<b>Total Revenues</b>	<u>771,000</u>	<u>1,879,800</u>	<u>1,886,687</u>	<u>6,887</u>
<b>Expenditures</b>				
Capital Outlay:				
Safety	5,000,000	300,000	26,000	274,000
Service	2,607,000	4,969,448	3,988,493	980,955
Total Capital Outlay	<u>7,607,000</u>	<u>5,269,448</u>	<u>4,014,493</u>	<u>1,254,955</u>
Debt Service:				
Principal	3,205,000	3,205,000	3,205,000	-
Interest & Fiscal Charges	126,988	129,625	129,391	234
Total Debt Service	<u>3,331,988</u>	<u>3,334,625</u>	<u>3,334,391</u>	<u>234</u>
<b>Total Expenditures</b>	<u>10,938,988</u>	<u>8,604,073</u>	<u>7,348,884</u>	<u>1,255,189</u>
Excess of Revenues Over (Under) Expenditures	(10,167,988)	(6,724,273)	(5,462,197)	1,262,076
<b>Other Financing Sources</b>				
Proceeds from Sale of Notes	7,968,000	2,965,000	2,965,000	-
Premium on Notes	-	14,500	14,677	177
Transfers In	2,500,000	2,500,000	1,875,000	(625,000)
<b>Total Other Financing Sources</b>	<u>10,468,000</u>	<u>5,479,500</u>	<u>4,854,677</u>	<u>(624,823)</u>
Net Change in Fund Balance	300,012	(1,244,773)	(607,520)	637,253
Fund Balance - Beginning of Year	2,682,630	2,682,630	2,682,630	-
Recovery of Prior Year Encumbrances	-	-	90,377	90,377
<b>Fund Balance - End of Year</b>	<u>\$ 2,982,642</u>	<u>\$ 1,437,857</u>	<u>\$ 2,165,487</u>	<u>\$ 727,630</u>

**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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Interest	\$ 70,000	\$ 67,000	\$ 67,570	\$ 570
Charges for Services	2,650,000	2,590,000	2,594,050	4,050
Special Assessments	38,000	40,000	41,202	1,202
Miscellaneous	35,000	72,000	73,848	1,848
<b>Total Revenues</b>	<b>2,793,000</b>	<b>2,769,000</b>	<b>2,776,670</b>	<b>7,670</b>
<b>Expenses</b>				
Current:				
Administrative Support				
Personal Services	394,242	391,720	371,098	20,622
Benefits	132,900	135,422	121,096	14,326
Contractual Services	45,000	47,615	41,670	5,945
Supplies and Materials	2,750	2,700	2,175	525
Other	22,500	34,707	34,382	325
<b>Total Administrative Support</b>	<b>597,392</b>	<b>612,164</b>	<b>570,421</b>	<b>41,743</b>
Service				
Personal Services	987,618	989,916	958,759	31,157
Benefits	350,885	348,587	336,540	12,047
Utilities	248,000	248,000	219,948	28,052
Contractual Services	153,900	158,465	143,907	14,558
Supplies and Materials	383,900	419,851	404,245	15,606
Other	55,500	11,291	4,816	6,475
Capital Outlay	815,000	1,542,068	750,586	791,482
<b>Total Service</b>	<b>2,994,803</b>	<b>3,718,178</b>	<b>2,818,801</b>	<b>899,377</b>
Debt Service:				
Principal	31,689	31,690	31,690	-
Interest & Fiscal Charges	19,270	19,270	19,270	-
<b>Total Debt Service</b>	<b>50,959</b>	<b>50,960</b>	<b>50,960</b>	<b>-</b>
<b>Total Expenses</b>	<b>3,643,154</b>	<b>4,381,302</b>	<b>3,440,182</b>	<b>941,120</b>
Excess of Revenues Over (Under) Expenses	(850,154)	(1,612,302)	(663,512)	948,790

(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, 2009  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources</b>				
Capital Contributions - Tap-in Fees	50,000	24,000	24,412	412
Net Change in Fund Equity	(800,154)	(1,588,302)	(639,100)	949,202
Fund Equity - Beginning of Year	2,991,332	2,991,332	2,991,332	-
Recovery of Prior Year Encumbrances	-	-	12,809	12,809
<b>Fund Equity - End of Year</b>	<b>\$ 2,191,178</b>	<b>\$ 1,403,030</b>	<b>\$ 2,365,041</b>	<b>\$ 962,011</b>

**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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
<b>Revenues</b>				
Interest	\$ 80,000	\$ 67,500	\$ 67,576	\$ 76
Charges for Services	3,400,000	3,340,000	3,345,465	5,465
Special Assessments	31,000	48,000	50,898	2,898
Miscellaneous	8,500	45,000	46,223	1,223
<b>Total Revenues</b>	<b>3,519,500</b>	<b>3,500,500</b>	<b>3,510,162</b>	<b>9,662</b>
<b>Expenses</b>				
Current:				
Administrative Support				
Personal Services	394,242	391,720	371,097	20,623
Benefits	132,900	135,422	121,251	14,171
Contractual Services	42,400	45,015	32,581	12,434
Supplies and Materials	2,750	2,700	2,175	525
Other	30,300	30,235	28,253	1,982
Total Administrative Support	602,592	605,092	555,357	49,735
Service				
Personal Services	953,908	948,264	896,566	51,698
Benefits	341,814	347,458	336,958	10,500
Utilities	306,000	306,000	272,602	33,398
Contractual Services	259,350	241,961	212,899	29,062
Supplies and Materials	229,400	257,886	228,866	29,020
Other	6,600	7,103	2,892	4,211
Capital Outlay	607,000	1,247,915	791,339	456,576
Total Service	2,704,072	3,356,587	2,742,122	614,465
Health				
Personal Services	238,196	237,836	233,909	3,927
Benefits	82,595	82,955	77,824	5,131
Contractual Services	36,800	34,236	13,174	21,062
Supplies and Materials	16,600	20,300	15,071	5,229
Other	4,900	3,764	1,966	1,798
Total Health	379,091	379,091	341,944	37,147

(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, 2009  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal Retirement	1,087,082	1,087,082	1,087,082	-
Interest & Fiscal Charges	174,958	175,179	175,111	68
Total Debt Service	<u>1,262,040</u>	<u>1,262,261</u>	<u>1,262,193</u>	<u>68</u>
<b>Total Expenses</b>	<u>4,947,795</u>	<u>5,603,031</u>	<u>4,901,616</u>	<u>701,415</u>
Excess of Revenues Over (Under) Expenses	(1,428,295)	(2,102,531)	(1,391,454)	711,077
<b>Other Financing Sources</b>				
Proceeds from Sale of Notes	855,000	855,000	855,000	-
Premium on Notes	-	4,000	4,232	232
Capital Contribution - Tap-in Fees	50,000	25,000	20,375	(4,625)
<b>Total Other Financing Sources</b>	<u>905,000</u>	<u>884,000</u>	<u>879,607</u>	<u>(4,393)</u>
Net Change in Fund Equity	(523,295)	(1,218,531)	(511,847)	706,684
Fund Equity - Beginning of Year	2,296,660	2,296,660	2,296,660	-
Recovery of Prior Year Encumbrances	-	-	41,889	41,889
<b>Fund Equity - End of Year</b>	<u>\$ 1,773,365</u>	<u>\$ 1,078,129</u>	<u>\$ 1,826,702</u>	<u>\$ 748,573</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 12,500	\$ 12,500	\$ 12,500	\$ -
Charges for Services	386,000	401,000	410,075	9,075
<b>Total Revenues</b>	<u>398,500</u>	<u>413,500</u>	<u>422,575</u>	<u>9,075</u>
<b>Expenses</b>				
Current:				
Service				
Personal Services	46,757	46,411	46,312	99
Benefits	15,957	16,803	16,765	38
Contractual Services	412,200	448,957	410,900	38,057
Supplies and Materials	1,100	3,843	3,389	454
Other	1,000	500	5	495
<b>Total Expenses</b>	<u>477,014</u>	<u>516,514</u>	<u>477,371</u>	<u>39,143</u>
Net Change in Fund Equity	(78,514)	(103,014)	(54,796)	48,218
Fund Equity - Beginning of Year	142,229	142,229	142,229	-
Recovery of Prior Year Encumbrances	-	-	10	10
<b>Fund Equity - End of Year</b>	<u>\$ 63,715</u>	<u>\$ 39,215</u>	<u>\$ 87,443</u>	<u>\$ 48,228</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Interest	\$ 85,000	\$ 75,000	\$ 76,780	\$ 1,780
Charges for Services	560,000	550,000	551,339	1,339
Special Assessments	9,500	39,500	39,551	51
Miscellaneous	-	6,300	6,374	74
<b>Total Revenues</b>	<u>654,500</u>	<u>670,800</u>	<u>674,044</u>	<u>3,244</u>
<b>Expenses</b>				
Current:				
Service				
Contractual Services	20,000	23,112	18,835	4,277
Supplies and Materials	-	755	437	318
Other	1,000	999	2	997
Capital Outlay	<u>250,000</u>	<u>1,159,451</u>	<u>705,177</u>	<u>454,274</u>
Total Service	271,000	1,184,317	724,451	459,866
Debt Service:				
Principal Retirement	<u>4,967</u>	<u>4,968</u>	<u>4,967</u>	<u>1</u>
<b>Total Expenses</b>	<u>275,967</u>	<u>1,189,285</u>	<u>729,418</u>	<u>459,867</u>
Excess of Revenues Over (Under) Expenses	378,533	(518,485)	(55,374)	463,111
<b>Other Financing Sources (Uses)</b>				
Capital Contributions- Tap-in Fees	3,000	1,000	1,000	-
Capital Grant	-	325,700	325,715	15
Advances Out	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(27,000)</u>	<u>296,700</u>	<u>296,715</u>	<u>15</u>
Net Change in Fund Equity	351,533	(221,785)	241,341	463,126
Fund Equity - Beginning of Year	2,493,088	2,493,088	2,493,088	-
Recovery of Prior Year Encumbrances	-	-	9,998	9,998
<b>Fund Equity - End of Year</b>	<u>\$ 2,844,621</u>	<u>\$ 2,271,303</u>	<u>\$ 2,744,427</u>	<u>\$ 473,124</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 221,751	\$ 218,451	\$ 218,479	\$ 28
Intergovernmental	49,716	51,016	51,379	363
Miscellaneous	-	36,000	36,027	27
<b>Total Revenues</b>	<u>271,467</u>	<u>305,467</u>	<u>305,885</u>	<u>418</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	240,000	240,000	240,000	-
Capital Outlay	-	36,027	36,027	-
Other	28,300	30,800	28,447	2,353
<b>Total Expenditures</b>	<u>268,300</u>	<u>306,827</u>	<u>304,474</u>	<u>2,353</u>
Net Change in Fund Balance	3,167	(1,360)	1,411	2,771
Fund Balance - Beginning of Year	13,151	13,151	13,151	-
<b>Fund Balance - End of Year</b>	<u>\$ 16,318</u>	<u>\$ 11,791</u>	<u>\$ 14,562</u>	<u>\$ 2,771</u>

**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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 60,600	\$ 60,300	\$ 60,514	\$ 214
Miscellaneous	-	-	38	38
<b>Total Revenues</b>	<u>60,600</u>	<u>60,300</u>	<u>60,552</u>	<u>252</u>
<b>Expenditures</b>				
Current:				
Transportation				
Service				
Other	60,000	60,000	44,644	15,356
<b>Total Expenditures</b>	<u>60,000</u>	<u>60,000</u>	<u>44,644</u>	<u>15,356</u>
Net Change in Fund Balance	600	300	15,908	15,608
Fund Balance - Beginning of Year	61,038	61,038	61,038	-
Recovery of Prior Year Encumbrances	-	-	299	299
<b>Fund Balance - End of Year</b>	<u>\$ 61,638</u>	<u>\$ 61,338</u>	<u>\$ 77,245</u>	<u>\$ 15,907</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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 49,500	\$ 49,500	\$ 50,693	\$ 1,193
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	54,213	54,213	43,959	10,254
Other	6,300	6,300	4,905	1,395
<b>Total Expenditures</b>	60,513	60,513	48,864	11,649
Net Change in Fund Balance	(11,013)	(11,013)	1,829	12,842
Fund Balance - Beginning of Year	40,295	40,295	40,295	-
Recovery of Prior Year Encumbrances	-	-	13	13
<b>Fund Balance - End of Year</b>	\$ 29,282	\$ 29,282	\$ 42,137	\$ 12,855

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 License Tax Fund  
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 245,000	\$ -	\$ -	\$ -
<b>Other Financing (Uses)</b>				
Transfers Out	(245,000)	(1,487)	(1,487)	-
Net Change in Fund Balance	-	(1,487)	(1,487)	-
Fund Balance - Beginning of Year	1,487	1,487	1,487	-
<b>Fund Balance - End of Year</b>	<u>\$ 1,487</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 72,000	\$ 72,000	\$ 77,000	\$ 5,000
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	72,938	72,938	69,007	3,931
Other	12,700	12,700	393	12,307
<b>Total Expenditures</b>	<u>85,638</u>	<u>85,638</u>	<u>69,400</u>	<u>16,238</u>
Net Change in Fund Balance	(13,638)	(13,638)	7,600	21,238
Fund Balance - Beginning of Year	65,486	65,486	65,486	-
<b>Fund Balance - End of Year</b>	<u>\$ 51,848</u>	<u>\$ 51,848</u>	<u>\$ 73,086</u>	<u>\$ 21,238</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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeits	\$ 5,000	\$ 2,250	\$ 2,290	\$ 40
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	15,000	14,000	-	14,000
Net Change in Fund Balance	(10,000)	(11,750)	2,290	14,040
Fund Balance - Beginning of Year	11,791	11,791	11,791	-
<b>Fund Balance - End of Year</b>	<b>\$ 1,791</b>	<b>\$ 41</b>	<b>\$ 14,081</b>	<b>\$ 14,040</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Fines and Forfeits	\$ 5,000	\$ 750	\$ 776	\$ 26
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	17,000	17,000	8,000	9,000
Capital Outlay	3,000	3,000	-	3,000
<b>Total Expenditures</b>	<u>20,000</u>	<u>20,000</u>	<u>8,000</u>	<u>12,000</u>
Net Change in Fund Balance	(15,000)	(19,250)	(7,224)	12,026
Fund Balance - Beginning of Year	39,694	39,694	39,694	-
<b>Fund Balance - End of Year</b>	<u>\$ 24,694</u>	<u>\$ 20,444</u>	<u>\$ 32,470</u>	<u>\$ 12,026</u>

**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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Fines and Forfeits	\$ 8,000	\$ 6,250	\$ 6,464	\$ 214
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	12,000	12,000	3,341	8,659
Net Change in Fund Balance	(4,000)	(5,750)	3,123	8,873
Fund Balance - Beginning of Year	17,573	17,573	17,573	-
Recovery of Prior Year Encumbrances	-	-	10	10
<b>Fund Balance - End of Year</b>	<b>\$ 13,573</b>	<b>\$ 11,823</b>	<b>\$ 20,706</b>	<b>\$ 8,883</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Interest	\$ 500	\$ 450	\$ 470	\$ 20
Fines and Forfeits	10,000	-	-	-
<b>Total Revenues</b>	<u>10,500</u>	<u>450</u>	<u>470</u>	<u>20</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Capital Outlay	<u>18,000</u>	<u>18,000</u>	<u>6,500</u>	<u>11,500</u>
Net Change in Fund Balance	(7,500)	(17,550)	(6,030)	11,520
Fund Balance - Beginning of Year	<u>23,064</u>	<u>23,064</u>	<u>23,064</u>	-
<b>Fund Balance - End of Year</b>	<u><u>\$ 15,564</u></u>	<u><u>\$ 5,514</u></u>	<u><u>\$ 17,034</u></u>	<u><u>\$ 11,520</u></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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 298,370	\$ 298,370	\$ 290,317	\$ (8,053)
Interest	20,000	10,000	10,352	352
Miscellaneous	50,000	60,000	74,347	14,347
<b>Total Revenues</b>	<u>368,370</u>	<u>368,370</u>	<u>375,016</u>	<u>6,646</u>
<b>Expenditures</b>				
Current:				
Community Development				
Community Development				
Personal Services	30,800	35,800	34,623	1,177
Other	347,570	589,599	578,484	11,115
Capital Outlay	-	17,686	17,686	-
<b>Total Expenditures</b>	<u>378,370</u>	<u>643,085</u>	<u>630,793</u>	<u>12,292</u>
Net Change in Fund Balance	(10,000)	(274,715)	(255,777)	18,938
Fund Balance - Beginning of Year	1,002,585	1,002,585	1,002,585	-
Recovery of Prior Year Encumbrances	-	-	21,427	21,427
<b>Fund Balance - End of Year</b>	<u>\$ 992,585</u>	<u>\$ 727,870</u>	<u>\$ 768,235</u>	<u>\$ 40,365</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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures</b>				
Current:				
Community Development				
Community Development				
Personal Services	\$ -	\$ 10,000	\$ 7,050	\$ 2,950
Other	-	15,000	-	15,000
<b>Total Expenditures</b>	<u>-</u>	<u>25,000</u>	<u>7,050</u>	<u>17,950</u>
Excess of Revenues Over (Under) Expenditures	-	(25,000)	(7,050)	17,950
<b>Other Financing Sources</b>				
Advances In	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	17,950	17,950
Fund Balance - Beginning of Year	-	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,950</u>	<u>\$ 17,950</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 60,000	\$ 80,000	\$ 83,782	\$ 3,782
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	25,000	52,500	36,223	16,277
Capital Outlay	10,000	10,000	5,875	4,125
<b>Total Expenditures</b>	<u>35,000</u>	<u>62,500</u>	<u>42,098</u>	<u>20,402</u>
Net Change in Fund Balance	25,000	17,500	41,684	24,184
Fund Balance - Beginning of Year	176,303	176,303	176,303	-
<b>Fund Balance - End of Year</b>	<u><u>\$ 201,303</u></u>	<u><u>\$ 193,803</u></u>	<u><u>\$ 217,987</u></u>	<u><u>\$ 24,184</u></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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 3,000	\$ 3,000	\$ 3,225	\$ 225
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	3,535	3,535	3,228	307
Other	1,700	1,700	1,072	628
<b>Total Expenditures</b>	<u>5,235</u>	<u>5,235</u>	<u>4,300</u>	<u>935</u>
Net Change in Fund Balance	(2,235)	(2,235)	(1,075)	1,160
Fund Balance - Beginning of Year	10,793	10,793	10,793	-
<b>Fund Balance - End of Year</b>	<u>\$ 8,558</u>	<u>\$ 8,558</u>	<u>\$ 9,718</u>	<u>\$ 1,160</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 JAG Grant Fund  
 For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 71,464	\$ 71,464	\$ -
Net Change in Fund Balance	-	71,464	71,464	-
Fund Balance - Beginning of Year	-	-	-	-
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ 71,464</u>	<u>\$ 71,464</u>	<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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 97,385	\$ 97,385	\$ 95,953	\$ (1,432)
Intergovernmental	21,304	20,509	21,942	1,433
<b>Total Revenues</b>	<u>118,689</u>	<u>117,894</u>	<u>117,895</u>	<u>1</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Personal Services	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>
Net Change in Fund Balance	(6,311)	(7,106)	(7,105)	1
Fund Balance - Beginning of Year	<u>7,290</u>	<u>7,290</u>	<u>7,290</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u>\$ 979</u>	<u>\$ 184</u>	<u>\$ 185</u>	<u>\$ 1</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 97,385	\$ 97,385	\$ 95,952	\$ (1,433)
Intergovernmental	21,304	20,509	21,942	1,433
<b>Total Revenues</b>	<u>118,689</u>	<u>117,894</u>	<u>117,894</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>
Net Change in Fund Balance	(6,311)	(7,106)	(7,106)	-
Fund Balance - Beginning of Year	<u>7,291</u>	<u>7,291</u>	<u>7,291</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 980</u></u>	<u><u>\$ 185</u></u>	<u><u>\$ 185</u></u>	<u><u>\$ -</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, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$ 10,000	\$ 5,000	\$ 5,922	\$ 922
Miscellaneous	15,000	20,000	22,026	2,026
<b>Total Revenues</b>	<u>25,000</u>	<u>25,000</u>	<u>27,948</u>	<u>2,948</u>
<b>Expenditures</b>				
Current:				
Community Development				
City Manager				
Other	3,600	144,512	3,600	140,912
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Net Change in Fund Balance	21,400	(119,512)	24,348	143,860
Fund Balance - Beginning of Year	149,066	149,066	149,066	-
<b>Fund Balance - End of Year</b>	<u>\$ 170,466</u>	<u>\$ 29,554</u>	<u>\$ 173,414</u>	<u>\$ 143,860</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, 2009*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Special Assessments	\$ 50,000	\$ 38,000	\$ 38,057	\$ 57
<b>Expenditures</b>				
Current:				
General Government				
Budget and Finance				
Other	3,500	3,500	1,464	2,036
Debt Service:				
Principal	198,947	198,947	198,947	-
Interest & Fiscal Charges	117,035	117,035	117,035	-
Total Debt Service	315,982	315,982	315,982	-
<b>Total Expenditures</b>	319,482	319,482	317,446	2,036
Excess of Revenues Over (Under) Expenditures	(269,482)	(281,482)	(279,389)	2,093
<b>Other Financing Sources</b>				
Transfers In	267,627	267,627	267,627	-
Net Change in Fund Balance	(1,855)	(13,855)	(11,762)	2,093
Fund Balance - Beginning of Year	30,186	30,186	30,186	-
<b>Fund Balance - End of Year</b>	<u>\$ 28,331</u>	<u>\$ 16,331</u>	<u>\$ 18,424</u>	<u>\$ 2,093</u>

# **STATISTICAL SECTION**

# City of Kent, Ohio

## Statistical Section

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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 source, the property tax.	S9 – S16
<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.	S17 – S23
<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.	S24 – S25
<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.	S26 – S35

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

# City of Kent, Ohio

## Net Assets by Component Accrual Basis of Accounting Last Seven Years

**Table 1**

	2009	2008	2007	2006	2005	2004	2003
<b>Governmental Activities</b>							
Invested in Capital Assets, Net of Related Debt	\$32,644,284	\$30,315,249	\$26,951,296	\$17,826,725	\$15,071,440	\$10,945,438	\$7,742,185
Restricted:							
Capital Projects	3,186,514	3,207,869	2,607,054	1,907,765	2,497,612	2,599,661	2,987,712
Debt Service	572,836	621,191	696,830	773,209	850,671	935,399	1,011,723
Other Purposes	7,686,069	7,973,546	8,001,455	7,447,628	6,474,089	6,388,315	6,425,950
Unrestricted	15,581,099	16,110,251	16,802,244	14,267,218	13,419,546	14,674,034	14,770,661
<i>Total Governmental Activities Net Assets</i>	<u>59,670,802</u>	<u>58,228,106</u>	<u>55,058,879</u>	<u>42,222,545</u>	<u>38,313,358</u>	<u>35,542,847</u>	<u>32,938,231</u>
<b>Business Type - Activities</b>							
Invested in Capital Assets, Net of Related Debt	49,221,658	48,345,006	48,198,941	48,635,444	47,751,884	45,884,269	41,824,749
Unrestricted	7,913,744	8,708,998	9,447,211	7,491,831	6,855,253	5,798,379	5,632,183
<i>Total Business-Type Activities Net Assets</i>	<u>57,135,402</u>	<u>57,054,004</u>	<u>57,646,152</u>	<u>56,127,275</u>	<u>54,607,137</u>	<u>51,682,648</u>	<u>47,456,932</u>
<b>Primary Government</b>							
Invested in Capital Assets, Net of Related Debt	81,865,942	78,660,255	75,150,237	66,462,169	62,823,324	56,829,707	49,566,934
Restricted	11,445,419	11,802,606	11,305,339	10,128,602	9,822,372	9,923,375	10,425,385
Unrestricted	23,494,843	24,819,249	26,249,455	21,759,049	20,274,799	20,472,413	20,402,844
<i>Total Primary Government Net Assets</i>	<u>\$116,806,204</u>	<u>\$115,282,110</u>	<u>\$112,705,031</u>	<u>\$98,349,820</u>	<u>\$92,920,495</u>	<u>\$87,225,495</u>	<u>\$80,395,163</u>

# City of Kent, Ohio

## Changes in Net Assets Accrual Basis of Accounting Last Seven Years

**Table 2**

	2009	2008	2007	2006	2005	2004	2003
<b>Program Revenues</b>							
Governmental Activities:							
Charges for Services:							
Security of Persons and Property	\$1,345,473	\$1,473,544	\$1,296,839	\$1,242,357	\$895,878	\$787,397	\$572,818
Public Health and Welfare	163,857	162,688	154,456	160,183	208,339	202,513	168,914
Leisure Time Activities	519,474	485,958	483,382	440,288	392,615	335,721	245,281
Community Development	59,667	74,398	72,749	76,504	243,509	234,795	209,881
Transportation	40,256	420	420	2,350	2,033	3,971	7,789
General Government	71,777	98,375	90,659	193,686	433,944	397,637	340,826
Subtotal - Charges for Services	2,200,504	2,295,383	2,098,505	2,115,368	2,176,318	1,962,034	1,545,509
Operating Grants and Contributions:							
Security of Persons and Property	236,658	109,737	174,223	40,670	58,165	90,360	45,007
Public Health and Welfare	8,564	8,467	9,786	8,404	4,893	8,568	2,651
Leisure Time Activities	0	0	0	0	0	11,961	8,023
Community Development	337,839	487,756	289,541	670,627	743,594	705,128	711,927
Transportation	793,252	821,735	853,067	740,864	771,546	961,337	618,533
General Government	0	0	0	0	23,055	50,599	76,269
Subtotal - Operating Grants and Contributions	1,376,313	1,427,695	1,326,617	1,460,565	1,601,253	1,827,953	1,462,410
Capital Grants and Contributions:							
Security of Persons and Property	0	0	0	38,303	0	0	0
Leisure Time Activities	7,001	892,074	0	0	0	0	0
Community Development	0	0	0	0	0	0	119,116
Transportation	1,998,656	1,930,197	991,738	1,811,785	797,717	898,967	0
Subtotal - Capital Grants and Contributions	2,005,657	2,822,271	991,738	1,850,088	797,717	898,967	119,116
<i>Total Governmental Activities Program Revenues</i>	<i>5,582,474</i>	<i>6,545,349</i>	<i>4,416,860</i>	<i>5,426,021</i>	<i>4,575,288</i>	<i>4,688,954</i>	<i>3,127,035</i>
Business-Type Activities:							
Charges for Services:							
Water	2,635,679	2,491,836	2,764,094	2,718,143	2,817,816	2,800,642	2,742,512
Sewer	3,433,218	3,173,156	3,606,844	3,534,247	3,519,931	3,514,419	3,471,812
Solid Waste	400,690	377,726	397,071	390,015	390,057	409,650	403,039
Storm Water Drainage	560,039	558,382	574,530	559,376	538,781	492,517	531,238
Subtotal - Charges for Services	7,029,626	6,601,100	7,342,539	7,201,781	7,266,585	7,217,228	7,148,601
Operating Grants and Contributions:							
Water	0	0	0	0	627	4,549	6,588
Sewer	0	0	0	0	12,730	79,484	14,514
Solid Waste	12,500	12,500	12,500	12,500	12,500	12,500	2,789
Storm Water Drainage	0	0	0	0	0	0	0
Subtotal - Operating Grants and Contributions	12,500	12,500	12,500	12,500	25,857	96,533	23,891
Capital Grants and Contributions							
Water	91,076	42,052	732,442	277,139	590,769	277,022	773,838
Sewer	111,524	39,693	156,177	270,058	1,172,094	3,122,967	1,654,812
Solid Waste	0	0	0	0	0	0	0
Storm Water Drainage	586,939	201,215	342,499	573,081	605,128	0	678,898
Subtotal - Capital Grants and Contributions	789,539	282,960	1,231,118	1,120,278	2,367,991	3,399,989	3,107,548
<i>Total Business-Type Activities Program Revenues</i>	<i>7,831,665</i>	<i>6,896,560</i>	<i>8,586,157</i>	<i>8,334,559</i>	<i>9,660,433</i>	<i>10,713,750</i>	<i>10,280,040</i>
<i>Total Primary Government Program Revenues</i>	<i>\$13,414,139</i>	<i>\$13,441,909</i>	<i>\$13,003,017</i>	<i>\$13,760,580</i>	<i>\$14,235,721</i>	<i>\$15,402,704</i>	<i>\$13,407,075</i>

(Continued)

# City of Kent, Ohio

## Changes in Net Assets (continued) Accrual Basis of Accounting Last Seven Years

**Table 2**

	2009	2008	2007	2006	2005	2004	2003
<b>Expenses</b>							
Governmental Activities:							
Security of Persons and Property	\$10,369,569	\$10,048,146	\$9,767,636	\$9,323,964	\$9,088,539	\$9,075,391	\$7,925,699
Public Health and Welfare	620,303	624,117	567,464	565,274	547,160	561,554	492,345
Leisure Time Activities	1,382,046	1,349,541	1,304,088	1,316,911	1,202,921	1,242,072	793,778
Community Development	1,771,093	1,809,918	1,806,399	1,909,670	1,850,436	1,959,483	1,822,724
Transportation	3,462,831	3,511,591	3,242,973	2,181,729	2,056,046	1,958,035	1,540,000
General Government	2,848,297	2,758,218	2,697,076	2,751,222	2,747,645	2,825,076	2,394,007
Interest and Fiscal Charges	215,996	258,757	276,968	279,179	245,952	242,475	256,440
<i>Total Governmental Activities Expenses</i>	<u>20,670,135</u>	<u>20,360,288</u>	<u>19,662,604</u>	<u>18,327,949</u>	<u>17,738,699</u>	<u>17,864,086</u>	<u>15,224,993</u>
Business-Type Activities							
Water	3,339,193	3,310,242	3,075,261	2,898,864	2,936,749	2,899,516	2,660,267
Sewer	4,062,437	3,881,883	3,758,029	3,819,961	3,511,561	3,397,853	3,441,320
Solid Waste	479,740	430,779	449,101	429,551	362,930	371,803	396,039
Storm Water Drainage	287,644	275,168	261,035	240,410	215,725	237,800	232,269
<i>Total Business-Type Activities Expenses</i>	<u>8,169,014</u>	<u>7,898,072</u>	<u>7,543,426</u>	<u>7,388,786</u>	<u>7,026,965</u>	<u>6,906,972</u>	<u>6,729,895</u>
<i>Total Primary Government Program Expenses</i>	<u>28,839,149</u>	<u>28,258,360</u>	<u>27,206,030</u>	<u>25,716,735</u>	<u>24,765,664</u>	<u>24,771,058</u>	<u>21,954,888</u>
<b>Net (Expense)/Revenue</b>							
Governmental Activities	(\$15,087,661)	(\$13,814,939)	(\$15,245,744)	(\$12,901,928)	(\$13,163,411)	(\$13,175,132)	(\$12,097,958)
Business-Type Activities	(337,349)	(1,001,512)	1,042,731	945,773	2,633,468	3,806,778	3,550,145
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$15,425,010)</u>	<u>(\$14,816,451)</u>	<u>(\$14,203,013)</u>	<u>(\$11,956,155)</u>	<u>(\$10,529,943)</u>	<u>(\$9,368,354)</u>	<u>(\$8,547,813)</u>
<b>General Revenues and Other Changes in Net Assets</b>							
Governmental Activities							
Taxes:							
Property and Other Local Taxes Levied For:							
General Purposes	\$1,639,561	\$1,645,714	\$1,672,891	\$1,688,373	\$1,579,658	\$1,588,087	\$1,482,922
Other Purposes	1,578,221	1,539,836	1,580,977	1,517,163	1,442,769	1,462,646	1,425,001
Income Taxes	10,402,223	10,508,828	10,577,734	10,147,407	10,149,597	9,705,339	9,743,877
Grants and Entitlements not Restricted to							
Specific Programs	2,403,218	2,430,874	2,653,962	2,203,538	2,308,746	2,173,408	2,642,496
Investment Earnings	443,814	781,307	1,158,296	1,083,312	615,028	354,751	369,743
Gain (Loss) on Sale of Capital Assets	0	0	0	0	0	26,173	0
Miscellaneous	165,543	77,607	284,815	171,322	99,965	261,338	407,711
Transfers			0	0	0	(170,000)	(225,000)
<i>Total Governmental Activities</i>	<u>16,632,580</u>	<u>16,984,166</u>	<u>17,928,675</u>	<u>16,811,115</u>	<u>16,195,763</u>	<u>15,401,742</u>	<u>15,846,750</u>
Business-Type Activities							
Investment Earnings	187,029	353,880	415,999	320,134	225,528	94,364	100,152
Gain (Loss) on Sale of Capital Assets	0	0	0	203,669	0	17,357	0
Miscellaneous	129,495	55,484	60,147	50,602	46,722	49,469	79,665
Transfers	0	0	0	0	0	170,000	225,000
<i>Total Business-Type Activities</i>	<u>316,524</u>	<u>409,364</u>	<u>476,146</u>	<u>574,405</u>	<u>272,250</u>	<u>331,190</u>	<u>404,817</u>
<i>Total Primary Government</i>	<u>16,949,104</u>	<u>17,393,530</u>	<u>18,404,821</u>	<u>17,385,520</u>	<u>16,468,013</u>	<u>15,732,932</u>	<u>16,251,567</u>
<b>Change in Net Assets</b>							
Governmental Activities	1,544,919	3,169,227	2,682,931	3,909,187	3,032,352	2,226,610	3,748,792
Business-Type Activities	(20,825)	(592,148)	1,518,877	1,520,178	2,905,718	4,137,968	3,954,962
<i>Total Primary Government Change in Net Assets</i>	<u>\$1,524,094</u>	<u>\$2,577,079</u>	<u>\$4,201,808</u>	<u>\$5,429,365</u>	<u>\$5,938,070</u>	<u>\$6,364,578</u>	<u>\$7,703,754</u>

The periods noted above do not reflect amounts restated.

# City of Kent, Ohio

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

**Table 3**

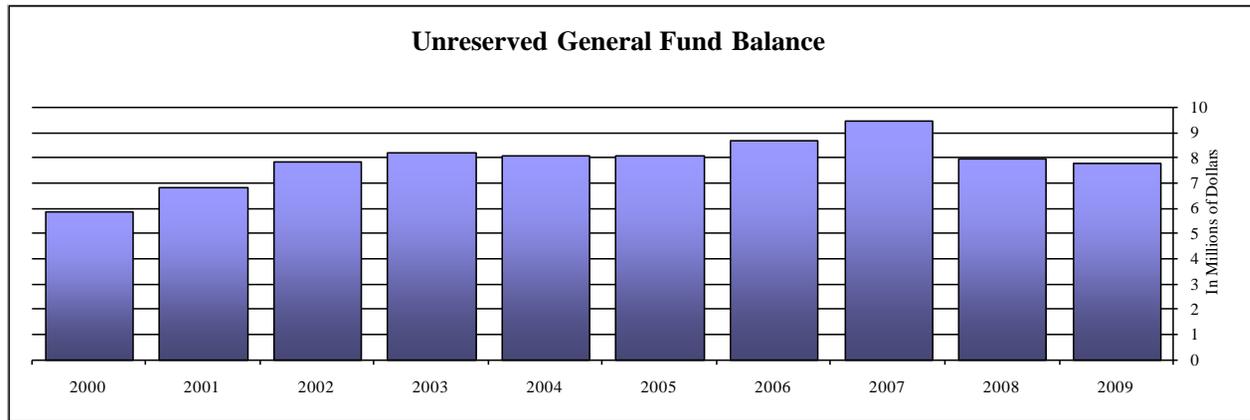
<u>Year</u>	<u>Municipal Income Taxes</u>	<u>Property and Other Local Taxes</u>	<u>Total</u>
2,009	\$10,402,223	\$3,217,782	\$13,620,005
2008	10,508,828	3,185,550	13,694,378
2007	10,577,734	3,253,868	13,831,602
2006	10,147,407	3,205,536	13,352,943
2005	10,149,597	3,022,427	13,172,024
2004	9,705,339	3,050,733	12,756,072
2003	9,743,877	2,907,923	12,651,800

# City of Kent, Ohio

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

**Table 4**

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>General Fund</b>										
Reserved	\$1,639,853	\$1,831,388	\$623,091	\$326,376	\$307,588	\$732,394	\$638,866	\$1,054,925	\$853,395	\$771,349
Unreserved	7,792,430	7,993,656	9,467,823	8,690,503	8,128,983	8,131,289	8,228,294	7,885,318	6,875,449	5,874,288
<b>Total General Fund</b>	<b>9,432,283</b>	<b>9,825,044</b>	<b>10,090,914</b>	<b>9,016,879</b>	<b>8,436,571</b>	<b>8,863,683</b>	<b>8,867,160</b>	<b>8,940,243</b>	<b>7,728,844</b>	<b>6,645,637</b>
<b>All Other Governmental Funds</b>										
Reserved	2,212,363	2,237,630	2,348,967	1,994,925	2,542,837	2,375,454	2,841,313	5,026,575	4,755,880	2,084,599
Unreserved, Designated:										
Special Revenue funds										
For Public Facilities and Programs	2,162,966	2,120,760	2,030,076	1,965,565	1,866,936	1,798,054	1,752,668	1,698,184	1,647,123	1,558,664
For Future Loans	0	0	0	0	0	0	0	0	0	257,260
Undesignated (Deficit), Reported in:										
Special Revenue funds	8,062,407	7,863,374	8,586,351	7,709,110	7,096,062	6,548,672	6,218,145	5,745,245	5,740,222	5,024,089
Debt Service funds	0	0	0	0	0	0	0	0	0	0
Capital Projects funds	(711,829)	(553,463)	(1,824,391)	(2,112,636)	(2,510,795)	(2,817,282)	(2,342,442)	(5,382,802)	(3,012,660)	407,507
<b>Total All Other Governmental Funds</b>	<b>11,725,907</b>	<b>11,668,301</b>	<b>11,141,003</b>	<b>9,556,964</b>	<b>8,995,040</b>	<b>7,904,898</b>	<b>8,469,684</b>	<b>7,087,202</b>	<b>9,130,565</b>	<b>9,332,119</b>
<b>Total Governmental Funds</b>	<b>\$21,158,190</b>	<b>\$21,493,345</b>	<b>\$21,231,917</b>	<b>\$18,573,843</b>	<b>\$17,431,611</b>	<b>\$16,768,581</b>	<b>\$17,336,844</b>	<b>\$16,027,445</b>	<b>\$16,859,409</b>	<b>\$15,977,756</b>



# City of Kent, Ohio

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

**Table 5**

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Revenues</b>										
Taxes:										
Property and Other Local Taxes	\$3,191,649	\$3,181,717	\$3,268,463	\$3,115,248	\$2,998,573	\$3,053,539	\$2,876,964	\$2,705,651	\$2,645,656	\$2,171,068
Municipal Income Taxes	10,525,332	10,590,922	10,564,245	10,179,387	10,142,768	9,697,832	9,745,072	9,630,343	9,390,575	9,283,257
Charges for Services	1,782,466	1,782,566	1,727,130	1,373,609	1,458,020	1,239,502	988,417	849,472	755,909	840,692
Fees, Licenses and Permits	195,432	233,749	225,905	334,498	348,454	349,356	241,387	293,606	300,552	152,496
Fines and Forfeitures	232,475	273,217	234,768	245,442	369,844	373,176	315,705	339,937	352,319	363,619
Intergovernmental	5,776,055	6,794,713	4,406,113	3,848,989	3,988,310	4,759,878	4,145,984	4,457,224	3,671,672	3,707,016
Special Assessments	134,760	188,193	206,943	164,351	163,218	163,005	166,775	166,417	209,485	159,746
Interest	411,319	746,226	1,119,987	1,044,343	573,151	311,813	319,078	432,931	931,920	941,332
Miscellaneous	169,412	84,153	235,884	441,168	97,432	261,338	407,711	485,468	345,495	407,801
<b>Total Revenues</b>	<b>22,418,900</b>	<b>23,875,456</b>	<b>21,989,438</b>	<b>20,747,035</b>	<b>20,139,770</b>	<b>20,209,439</b>	<b>19,207,093</b>	<b>19,361,049</b>	<b>18,603,583</b>	<b>18,027,027</b>
<b>Expenditures</b>										
Current:										
Security of Persons and Property	9,769,228	9,604,565	9,177,854	8,871,722	8,574,921	8,566,950	7,977,881	7,801,668	7,328,137	7,197,719
Public Health and Welfare	614,382	622,121	561,623	564,743	545,881	557,405	520,443	517,827	466,178	421,649
Leisure Time Activities	1,311,301	1,282,314	1,233,477	1,237,456	1,141,268	1,175,458	979,959	955,279	863,226	827,170
Community Development	1,748,287	1,783,711	1,789,461	1,895,068	1,836,098	1,924,022	1,946,318	2,102,383	2,098,614	1,832,505
Transportation	1,871,613	1,650,958	1,471,685	1,299,412	1,400,731	1,455,517	1,424,857	1,365,439	1,251,158	1,432,219
General Government	2,740,057	2,623,065	2,533,830	2,627,620	2,568,272	2,659,253	2,424,777	2,616,445	2,880,775	2,675,061
Capital Outlay	4,171,122	5,569,791	2,160,125	2,646,181	2,714,605	3,732,130	2,264,048	4,382,589	2,835,200	2,837,314
Debt Service:										
Principal Retirement	198,947	217,947	211,947	204,947	188,947	187,947	181,947	170,947	176,947	696,797
Interest and Fiscal Charges	216,718	259,556	277,737	280,497	246,585	242,924	257,533	289,869	331,500	199,632
<b>Total Expenditures</b>	<b>22,641,655</b>	<b>23,614,028</b>	<b>19,417,739</b>	<b>19,627,646</b>	<b>19,217,308</b>	<b>20,501,606</b>	<b>17,977,763</b>	<b>20,202,446</b>	<b>18,231,735</b>	<b>18,120,066</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(222,755)</b>	<b>261,428</b>	<b>2,571,699</b>	<b>1,119,389</b>	<b>922,462</b>	<b>(292,167)</b>	<b>1,229,330</b>	<b>(841,397)</b>	<b>371,848</b>	<b>(93,039)</b>

(Continued)

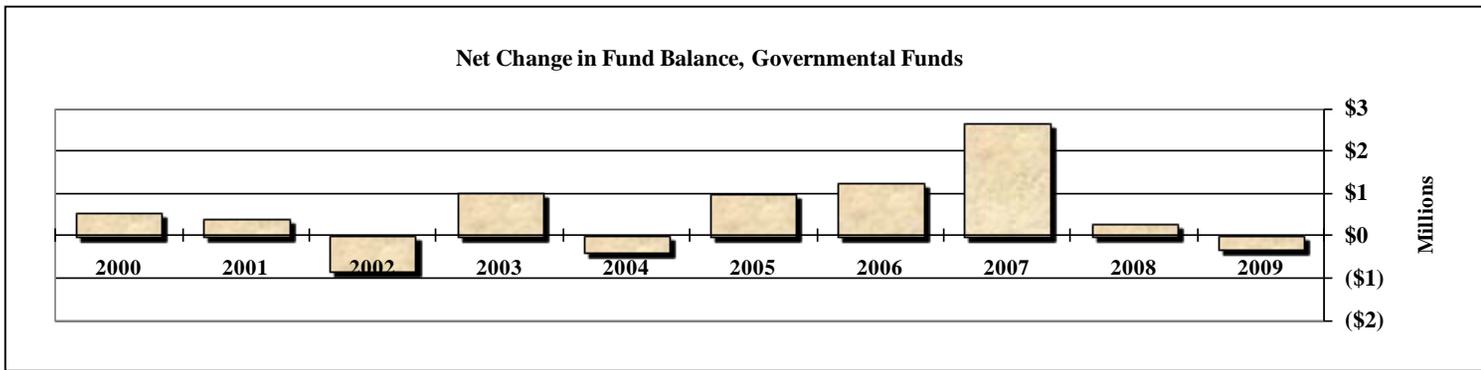
# City of Kent, Ohio

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

### Last Ten Years

**Table 5**

<b>Other Financing Sources (Uses)</b>										
Sale of Capital Assets	0	0	86,375	112,843	0	26,913	0	0	0	0
General Obligation Bonds Issued	0	0	0	0	0	0	0	0	0	0
Special Assessment Bonds Issued	0	0	0	0	0	0	0	0	0	561,000
Notes Issued	0	0	0	0	0	0	0	0	0	0
Note Premium	0	0	0	0	0	26,730	0	9,433	0	0
Loan Proceeds	0	0	0	0	0	0	0	0	0	86,000
Transfers In	9,834,480	10,643,237	10,188,942	9,599,347	9,579,181	8,995,666	9,273,113	8,640,696	7,985,703	8,883,318
Transfers Out	(9,946,880)	(10,643,237)	(10,188,942)	(9,599,347)	(9,549,181)	(9,165,666)	(9,498,113)	(8,640,696)	(7,985,703)	(8,883,318)
<i>Total Other Financing Sources (Uses)</i>	<u>(112,400)</u>	<u>0</u>	<u>86,375</u>	<u>112,843</u>	<u>30,000</u>	<u>(116,357)</u>	<u>(225,000)</u>	<u>9,433</u>	<u>0</u>	<u>647,000</u>
<i>Net Change in Fund Balances</i>	<u>(\$335,155)</u>	<u>\$261,428</u>	<u>\$2,658,074</u>	<u>\$1,232,232</u>	<u>\$952,462</u>	<u>(\$408,524)</u>	<u>\$1,004,330</u>	<u>(\$831,964)</u>	<u>\$371,848</u>	<u>\$553,961</u>
 Debt Service as a Percentage of Noncapital Expenditures	 2.25%	 2.65%	 2.84%	 2.86%	 2.64%	 2.57%	 2.80%	 2.91%	 3.30%	 5.87%



# 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>
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
2005	10,142,768	2,998,573	13,141,341
2004	9,697,832	3,053,539	12,751,371
2003	9,745,072	2,876,964	12,622,036
2002	9,630,343	2,705,651	12,335,994
2001	9,390,575	2,645,656	12,036,231
2000	9,283,257	2,171,068	11,454,325

# City of Kent, Ohio

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

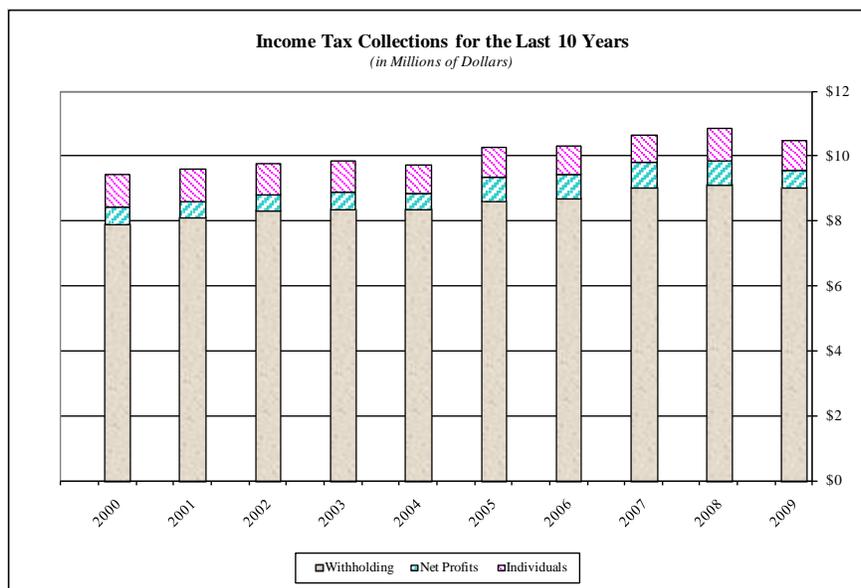
### Last Ten Years

**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
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
2005	2.00	10,305,383	8,613,458	83.58	772,397	7.50	919,528	8.92
2004	2.00	9,725,546	8,346,704	85.83	506,032	5.20	872,810	8.97
2003	2.00	9,858,757	8,358,858	84.79	558,370	5.66	941,529	9.55
2002	2.00	9,782,615	8,324,405	85.09	496,000	5.07	962,210	9.84
2001	2.00	9,603,984	8,106,727	84.41	498,065	5.19	999,192	10.40
2000	2.00	9,443,505	7,897,167	83.62	562,719	5.96	983,619	10.42

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

The City levies a 2.00% income tax on substantially all income earned within the City. 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 2.00% 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>2009</b>		
Rank	Employer Name	
1	Kent State University	
2	Kent City Schools	
3	Davey Tree Expert Co., Inc.	
4	City of Kent	
5	Ametek, Inc.	
6	Land-O-Lakes	
7	Smithers-Oasis Company	
8	Klaben Family Ford, Inc.	
9	ACS Industries, Inc.	
10	Seal Master Corporation	

<b>2000</b>		
2009 Rank	Rank	Employer Name
1	1	Kent State University
2	2	Kent City Schools
3	3	Davey Tree Expert Co., Inc.
5	4	Ametek, Inc.
4	5	City of Kent
7	6	Smithers-Oasis Company
8	7	Klaben Family Ford, Inc.
6	8	Land-O-Lakes
n/a	9	Gouglar Industries, Inc.
14	10	Kent Adhesive Products

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	Police Pension Fund	Total City	Portage County	Kent City School District	
2009/2010	\$ 4.76	\$ 0.73	\$ 3.45	\$ 0.30	\$ 0.30	\$ 9.54	\$ 13.62	\$ 102.42	\$ 125.58
2008/2009	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.18	125.34
2007/2008	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.42	125.58
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	95.78	118.94
2004/2005	4.66	0.73	3.45	0.30	0.30	9.44	13.62	95.77	118.83
2003/2004	4.66	0.73	3.45	0.30	0.30	9.44	12.72	96.01	118.17
2002/2003	4.66	0.73	3.45	0.30	0.30	9.44	12.72	94.48	116.64
2001/2002	4.66	0.73	3.45	0.30	0.30	9.44	12.72	86.35	108.51
2000/2001	4.66	0.73	3.45	0.30	0.30	9.44	12.72	86.60	108.76

Source: Portage County, Ohio; County Auditor



# City of Kent, Ohio

## Assessed Valuations and Estimated Actual Values of Taxable Property

### Last Ten Years

**Table 10**

Tax Year/ Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2009/2010	\$245,425,880	\$99,440,840	\$985,333,486	\$4,703,740	\$7,020,507
2008/2009	256,434,590	100,457,690	1,019,692,229	4,346,170	6,486,821
2007/2008	252,810,490	99,540,990	1,006,718,514	4,320,510	6,448,522
2006/2007	247,212,070	102,158,740	998,202,314	7,473,970	11,155,179
2005/2006	224,455,410	92,947,180	906,864,543	8,102,390	12,093,119
2004/2005	218,255,087	93,118,010	889,637,420	9,530,700	10,830,341
2003/2004	214,777,462	92,267,150	877,270,320	9,745,960	11,074,955
2002/2003	185,232,675	87,820,073	780,150,709	10,064,210	11,436,602
2001/2002	182,139,853	86,295,100	766,957,009	9,883,000	11,230,682
2000/2001	178,091,013	86,032,900	754,639,751	10,532,130	11,968,330

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 zero for 2009.

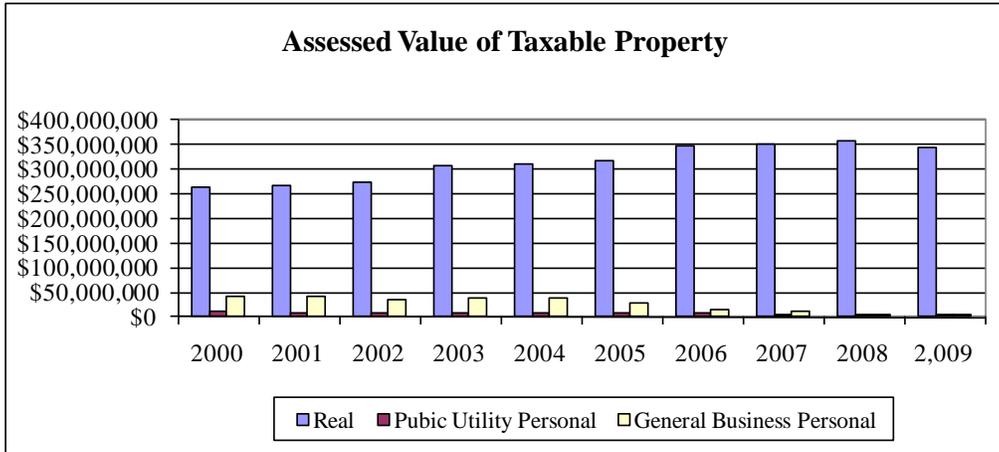
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by 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

- (1) Other than public utility property
- (2) Real and tangible personal public utility property
- (3) This amount is calculated based on the following percentages:
  - Real property is assessed at 35% of actual value.
  - Public utility is assessed at 88% of actual value - 1996 through 2004.
  - Public utility is assessed at 67% of actual value - 2005 through 2009.
  - Tangible personal is assessed at 25% of true value for capital assets and 23% of true value for inventory.

**Table 10**

Tangible Personal Property					
General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Direct Tax Rate
\$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	34.74%	9.54
10,845,518	173,528,288	367,517,508	1,186,695,325	30.97	9.54
15,448,700	123,589,600	372,293,480	1,132,947,093	32.86	9.54
28,023,818	149,460,363	353,528,798	1,068,418,025	33.09	9.54
37,133,989	148,535,956	358,037,786	1,049,003,717	34.13	9.44
38,007,178	152,028,712	354,797,750	1,040,373,987	34.10	9.44
36,373,796	145,495,184	319,490,754	937,082,495	34.09	9.44
42,935,640	171,742,560	321,253,593	949,930,250	33.82	9.44
42,056,737	168,226,948	316,712,780	934,835,029	33.88	9.44



# 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>
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
2005	3,016,195	2,904,751	96.31	83,750	2,988,501	99.08	221,840
2004	2,990,557	2,908,664	97.26	130,128	3,038,792	101.61	193,334
2003	2,822,825	2,757,875	97.70	77,216	2,835,091	100.43	166,525
2002	2,633,533	2,534,329	96.23	68,297	2,602,626	98.83	159,168
2001	2,458,410	2,401,347	97.68	62,949	2,464,296	100.24	148,243
2000	2,149,762	2,000,343	93.05	60,103	2,060,446	95.85	110,384

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.

Note: The County Auditor does not provide delinquent taxes by the year they were levied.

# City of Kent, Ohio

## Principal Taxpayers – Real Estate Tax

2009 and 2000

Table 12

Taxpayer	2009	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Mikey Ryan	\$2,941,120	0.84 %
Draucker, Carl A.	2,623,460	0.75
Silver Meadows Ltd.	2,500,100	0.71
Whitehall Terrace Investors LLC	2,389,170	0.68
DSMP - Kent LLC	2,365,790	0.68
Douglas Partners LLC	2,126,710	0.61
New Indian Valley Ltd.	1,845,940	0.53
Fontaine Trailer Company	1,732,750	0.49
Davey Tree Expert Co	1,693,550	0.48
Inn at Golden Pond Ltd.	1,675,520	0.48
<b>Total</b>	<b>\$21,894,110</b>	<b>6.25 %</b>
<b>Total Assessed Valuation</b>	<b>\$350,120,000</b>	
Taxpayer	2000	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Ohio Bell	\$4,653,280	1.47 %
Gougler Industries, Inc.	4,453,800	1.41 %
Ohio Edison	3,719,120	1.17 %
Silver Meadows Ltd.	3,452,050	1.09 %
W9/GLM Real Estate	2,885,120	0.91 %
Paul P. Tell Sr.	2,758,890	0.87 %
Mickey Ryan LLC *	2,620,800	0.83 %
Kent State Apartments	2,271,150	0.72 %
Klaben Ford, Inc.	2,251,180	0.71 %
Whitehall Associates, Inc.	2,176,020	0.69 %
<b>Total</b>	<b>\$31,241,410</b>	<b>9.87 %</b>
<b>Total Assessed Valuation</b>	<b>\$316,712,780</b>	

Source: Portage County, County Treasurer

(1) The amounts presented represent the assessed values upon which 2009 and 2000 collections were based.

# City of Kent, Ohio

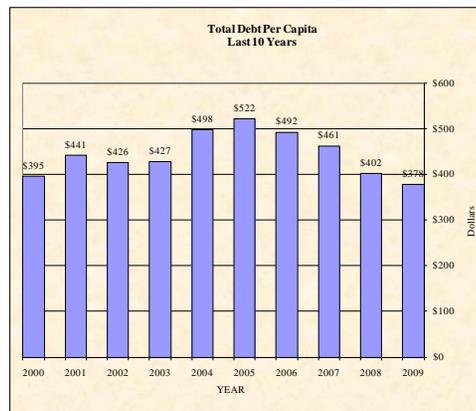
## Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita

### Last Ten Years

**Table 13**

Year	Governmental Activities				Business-Type Activities				Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Bond Anticipation Notes	General Obligation Bonds	OPWC Loans	Bond Anticipation Notes	OWDA Loans			
2009	\$1,685,000	\$386,000	\$275,973	\$2,965,000	\$0	\$89,559	\$855,000	\$4,262,805	\$10,519,337	2.01%	\$378
2008	1,830,000	410,000	305,920	3,205,000	0	94,526	915,000	4,466,577	11,227,023	2.68	402
2007	1,970,000	458,000	335,867	3,445,000	0	96,324	1,910,000	4,657,673	12,872,864	3.07	461
2006	2,105,000	505,000	365,814	3,680,000	0	33,733	2,460,000	4,574,265	13,723,812	3.28	492
2005	2,235,000	550,000	395,761	3,920,000	0	33,733	3,010,000	4,410,631	14,555,125	3.47	522
2004	2,355,000	589,000	425,708	4,170,000	0	0	3,610,000	2,737,725	13,887,433	3.31	498
2003	2,475,000	627,000	455,655	4,405,000	0	0	2,910,000	1,041,602	11,914,257	2.84	427
2002	2,590,000	664,000	485,602	4,740,000	0	0	3,395,000	0	11,874,602	2.83	426
2001	2,700,000	695,000	515,549	4,750,000	3,645,000	0	0	0	12,305,549	2.94	441
2000	2,805,000	737,000	545,496	3,000,000	3,945,000	0	0	0	11,032,496	2.63	395

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 Net Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Net Bonded Debt Per Capita</u>
2009	27,906	b	\$1,001,146,633	\$1,685,000	0.17 %	\$60.38
2008	27,906	b	1,042,872,489	1,830,000	0.18	65.58
2007	27,906	b	1,186,695,325	1,970,000	0.17	70.59
2006	27,906	b	1,132,947,093	2,105,000	0.19	\$75.43
2005	27,906	b	1,068,418,025	2,235,000	0.21	\$80.09
2004	27,906	b	1,049,003,717	2,355,000	0.22	\$84.39
2003	27,906	b	1,040,373,987	2,475,000	0.24	\$88.69
2002	27,906	b	937,082,495	2,590,000	0.28	\$92.81
2001	27,906	b	949,930,250	2,700,000	0.28	\$96.75
2000	27,906	b	934,835,029	2,805,000	0.30	\$100.52

Sources:

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

(a) 1990 Federal Census

(b) 2000 Federal Census

(2) County Auditor

(3) Includes all general obligation bonded debt with the exception of those general obligation issues that are supported by business-type activities.

## City of Kent, Ohio

*Pledged Revenue Coverage*  
*Sewer System General Obligation Bonds*  
*Last Ten Years*

**Table 15**

Year	Sewer Operating Revenue and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service		Percent Coverage
				Principal	Interest	
2009	\$3,528,396	\$2,941,510	\$586,886	\$0	\$0	N/A
2008	3,302,650	2,783,653	518,997	0	0	N/A
2007	3,794,529	2,574,379	1,220,150	0	0	N/A
2006	3,682,389	2,596,987	1,085,402	0	0	N/A
2005	3,626,854	2,669,943	956,911	0	0	N/A
2004	3,577,423	2,708,742	868,681	0	0	N/A
2003	3,535,737	2,654,034	881,703	0	0	N/A
2002	3,773,337	2,529,934	1,243,403	315,000	233,405	2.27
2001	3,811,595	2,452,707	1,358,888	300,000	250,805	2.47
2000	3,505,972	2,420,124	1,085,848	280,000	266,765	1.99

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

Source: City Financial Records

## City of Kent, Ohio

*Pledged Revenue Coverage*  
*Water System Mortgage Revenue Bonds*  
**Last Ten Years**

**Table 16**

Year	Water Operating Revenue and Interest	Direct Operating Expenses (1)	Net Available Revenues	Debt Service		Percent Coverage
				Principal	Interest	
2009	\$2,779,366	\$2,672,509	\$106,857	\$0	\$0	N/A
2008	2,647,878	2,684,485	(36,607)	0	0	N/A
2007	2,951,582	2,400,530	551,052	0	0	N/A
2006	2,869,475	2,281,655	587,820	0	0	N/A
2005	2,921,177	2,328,973	592,204	0	0	N/A
2004	2,861,427	2,340,647	520,780	0	0	N/A
2003	2,828,579	2,167,861	660,718	0	0	N/A
2002	3,098,769	2,170,544	928,225	0	0	N/A
2001	2,987,952	2,055,737	932,215	0	0	N/A
2000	2,964,205	2,109,231	854,974	265,000	15,328	3.05

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

Source: City Financial Records

## City of Kent, Ohio

*Pledged Revenue Coverage  
Special Assessments Bonds  
Last Ten Years*

**Table 17**

<u>Year</u>	<u>Debt Service Assessments</u>	<u>Debt Service</u>		<u>Percent Coverage</u>
		<u>Principal</u>	<u>Interest</u>	
2009	\$36,593	\$24,000	\$24,355	0.76
2008	78,428	48,000	27,570	1.04
2007	76,950	47,000	30,730	0.99
2006	77,709	45,000	33,780	0.99
2005	80,410	39,000	36,375	1.07
2004	76,056	38,000	38,915	0.99
2003	82,795	37,000	41,390	1.06
2002	79,822	31,000	43,410	1.07
2001	107,140	42,000	58,501	1.07
2000	77,116	44,000	16,576	1.27

Source: City Financial Records

# City of Kent, Ohio

## Legal Debt Margin

### Last Ten Years

**Table 18**

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Total Assessed Property Value	\$350,120,000	\$362,281,790	\$367,517,508	\$372,293,480	\$353,528,798	\$358,037,786	\$354,797,750	\$319,490,754	\$321,253,593	\$316,712,780
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	36,762,600	38,039,588	38,589,338	39,090,815	37,120,524	37,593,968	37,253,764	33,546,529	33,731,627	33,254,842
Debt Outstanding:										
General Obligation Bonds - Governmental Activities	1,685,000	1,830,000	1,970,000	2,105,000	2,235,000	2,355,000	2,475,000	2,590,000	2,700,000	2,805,000
General Obligation Bonds - Business Type Activities	0	0	0	0	0	0	0	0	3,645,000	3,945,000
Special Assessment Bonds	386,000	410,000	458,000	505,000	550,000	589,000	627,000	664,000	695,000	737,000
Mortgage Revenue Bonds	0	0	0	0	0	0	0	0	0	0
Bond Anticipation Notes - Governmental Activities	2,965,000	3,205,000	3,445,000	3,680,000	3,920,000	4,170,000	4,405,000	4,740,000	4,750,000	3,000,000
Bond Anticipation Notes - Business Type Activities	855,000	915,000	1,910,000	2,460,000	3,010,000	3,610,000	2,910,000	3,395,000	0	0
Total Gross Indebtedness	5,891,000	6,360,000	7,783,000	8,750,000	9,715,000	10,724,000	10,417,000	11,389,000	11,790,000	10,487,000
Less:										
General Obligation Bonds - Business Type Activities	0	0	0	0	0	0	0	0	(3,645,000)	(3,945,000)
Special Assessment Bonds	(386,000)	(410,000)	(458,000)	(505,000)	(550,000)	(589,000)	(627,000)	(664,000)	(695,000)	(737,000)
Mortgage Revenue Bonds	0	0	0	0	0	0	0	0	0	0
Bond Anticipation Notes - Business Type Activities	(855,000)	(915,000)	(1,910,000)	(2,460,000)	(3,010,000)	(3,610,000)	(2,910,000)	(3,395,000)	0	0
General Obligation Bond Retirement Fund Balance	(18,424)	(30,186)	(27,328)	(38,108)	(39,179)	(44,130)	(44,847)	(40,116)	(44,704)	(39,166)
Total Net Debt Applicable to Debt Limit	4,631,576	5,004,814	5,387,672	5,746,892	6,115,821	6,480,870	6,835,153	7,289,884	7,405,296	5,765,834
Legal Debt Margin Within 10 ½ % Limitations	\$32,131,024	\$33,034,774	\$33,201,666	\$33,343,923	\$31,004,703	\$31,113,098	\$30,418,611	\$26,256,645	\$26,326,331	\$27,489,008
Legal Debt Margin as a Percentage of the Debt Limit	87.40%	86.84%	86.04%	85.30%	83.52%	82.76%	81.65%	78.27%	78.05%	82.66%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	\$19,256,600	\$19,925,498	\$20,213,463	\$20,476,141	\$19,444,084	\$19,692,078	\$19,513,876	\$17,571,991	\$17,668,948	\$17,419,203
Total Gross Indebtedness	5,891,000	6,360,000	7,783,000	8,750,000	9,715,000	10,724,000	10,417,000	11,389,000	11,790,000	10,487,000
Less:										
General Obligation Bonds - Business Type Activities	0	0	0	0	0	0	0	0	(3,645,000)	(3,945,000)
Special Assessment Bonds	(386,000)	(410,000)	(458,000)	(505,000)	(550,000)	(589,000)	(627,000)	(664,000)	(695,000)	(737,000)
Mortgage Revenue Bonds	0	0	0	0	0	0	0	0	0	0
Bond Anticipation Notes - Business Type Activities	(855,000)	(915,000)	(1,910,000)	(2,460,000)	(3,010,000)	(3,610,000)	(2,910,000)	(3,395,000)	0	0
General Obligation Bond Retirement Fund Balance	(18,424)	(30,186)	(27,328)	(38,108)	(39,179)	(44,130)	(44,847)	(40,116)	(44,704)	(39,166)
Net Debt Within 5 ½ % Limitations	4,631,576	5,004,814	5,387,672	5,746,892	6,115,821	6,480,870	6,835,153	7,289,884	7,405,296	5,765,834
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$14,625,024	\$14,920,684	\$14,825,791	\$14,729,249	\$13,328,263	\$13,211,208	\$12,678,723	\$10,282,107	\$10,263,652	\$11,653,369
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	75.95%	74.88%	73.35%	71.93%	68.55%	67.09%	64.97%	58.51%	58.09%	66.90%

Source: City Financial Records

# City of Kent, Ohio

## Computation of Direct and Overlapping General Obligation Bonded Debt

December 31, 2009

**Table 19**

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct - City of Kent</b>			
General Obligation Bonds	\$1,685,000	100.00 %	\$1,685,000
<b>Overlapping</b>			
Kent City School District (2)			
General Obligation Bonds	24,924,200	68.31	17,025,721
Portage County (3)			
General Obligation Bonds	13,067,522	10.43	1,362,943
<i>Total Overlapping Debt</i>	<u>37,991,722</u>		<u>18,388,664</u>
Total	<u><u>\$39,676,722</u></u>		<u><u>\$20,073,664</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 20**

<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>
2009	27,906	\$524,529,390	\$18,870	\$29,074	3,389	9.9%	7.5%
2008	27,906	419,008,590	15,015	29,582	3,638	7.8%	5.8%
2007	27,906	419,008,590	15,015	29,582	3,382	5.4%	4.5%
2006	27,906	419,008,590	15,015	29,582	3,415	5.1%	4.2%
2005	27,906	419,008,590	15,015	29,582	3,371	5.6%	4.6%
2004	27,906	419,008,590	15,015	29,582	3,427	5.8%	4.6%
2003	27,906	419,008,590	15,015	29,582	3,471	5.8%	4.3%
2002	27,906	419,008,590	15,015	29,582	3,547	5.4%	6.1%
2001	27,906	419,008,590	15,015	29,582	3,618	4.3%	4.7%
2000	27,906	419,008,590	15,015	29,582	3,800	3.9%	4.3%

(1) Source: U. S. Census

(a) Years 2000 through 2006 - 2000 Federal Census

(b) Years 1997 through 1999 - 1990 Federal Census

(2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"

(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 21**

<b>*2009</b>		
Employer	Number of W-2's processed	Percentage of Total City W-2's processed
Kent State University	10,456	68.63%
Kent City Schools	900	5.91
Davey Tree Expert Co., Inc.	N/A	N/A
City of Kent	275	1.81
Land-O-Lakes	196	1.29
OHNH Emp LLC	177	1.16
Smithers-Oasis Company	149	0.98
Klaben Family Ford	90	0.59
Don Joseph Inc	72	0.47
Robinson Memorial Hospital - STR	67	0.44
<b>Total</b>	<b>12,382</b>	<b>81.27%</b>
<b>Total W-2's Processed</b>	<b>15,235</b>	
<b>2000</b>		
Employer	Number of W-2's processed	Percentage of Total City W-2's processed
Kent State University	9,000	35.38%
Kent City Schools	891	3.50
City of Kent	262	1.03
Ravens Inc.	185	0.73
Klaben Family Ford Inc.	170	0.67
Kent Adhesive Products	138	0.54
Parker Hannifin	135	0.53
Portage County Auditor	104	0.41
Kent Apples	200	0.79
Podnar Plastic	138	0.00
<b>Total</b>	<b>11,223</b>	<b>44.12%</b>
<b>Total W-2's Processed</b>	<b>25,435</b>	

\* As of 2009, RITA cannot rank by w2's, switch to top W/H

N/A - not available

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

# City of Kent, Ohio

## City Government Employees by Function/Program

*Last Eight Years (1)*

**Table 22**

Function/Program	2009	2008	2007	2006	2005	2004	2003	2002
General Government								
City Council								
Councilman	9	9	9	9	9	9	9	9
Clerk of Council	1	1	1	1	1	1	1	1
Mayor								
Mayor/President of Council	1	1	1	1	1	1	1	1
City Manager								
City Manager	1	1	1	1	1	1	1	1
Executive Secretary to City Manager	1	1	1	1	1	1	1	1
Human Resources								
Human Resources Manager	1	1	1	1	1	1	1	1
Civil Service								
Civil Service Commissioner	3	3	3	3	3	3	3	3
Administrative Assistant to Civil Service Commission	1	1	1	1	1	1	1	1
Law								
Director of Law	1	1	1	1	1	1	1	1
Assistant Law Director/Prosecutor	1	1	1	1	1	1	1	1
Assistant Law Director	1	1	1	1	1	1	1	1
Executive Secretary to Dir. Of Law	1	1	1	1	1	1	1	1
Finance Administration								
Director of Budget & Finance	1	1	1	1	1	1	1	1
Controller	1	1	1	1	1	1	1	1
Operations Analyst	1	1	1	1	1	1	1	1
Senior Account Clerk	1	1	1	1	1	1	1	1
Account Clerk	5	4	4	4	4	4	4	4
Administrative Assistant to Director of Budget & Finance	0	1	1	1	1	1	1	1
Tax Administration								
Income Tax Commissioner	0	1	1	1	1	1	1	1
Income Tax Auditor	1	1	1	1	1	1	1	2
Account Clerk	0	1	1	1	1	1	1	1
Service Administration								
Director of Public Service	1	1	1	1	1	1	1	1
Administrative Assistant to Director of Public Service	1	1	1	1	1	1	1	1
Account Clerk	1	1	1	1	1	1	1	1

(Continued)

# City of Kent, Ohio

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

### Last Eight Years (1)

**Table 22**

Function/Program	2009	2008	2007	2006	2005	2004	2003	2002
Engineering								
Deputy Service Director/ Superintendent of Engineering	1	1	1	1	1	1	1	1
Senior Engineer	2	2	2	2	2	2	2	2
Design Engineer	1	1	1	1	1	1	1	1
Asst. Design Engineer (Part-time)	0	0	0	0	0	0	1	1
Engineering Technician	2	2	2	2	2	2	2	2
Engineering Aide I	1	1	1	1	1	1	0	0
Engineering Aide II	1	1	1	1	1	1	1	1
Co-op Student (Part-time)	0	0	0	0	0	0	1	1
Security of Persons and Property								
Safety Director								
Safety Director	1	1	1	1	1	1	1	1
Police								
Police Chief	1	1	1	1	1	1	1	1
Police Captain	2	2	2	2	2	2	2	2
Lieutenant	5	5	5	5	5	5	5	5
Technical Sergeant	4	4	4	4	4	4	4	4
Police Officer	27	27	27	27	27	27	27	27
Administrative Assistant to Chief	1	1	1	1	1	1	1	1
Secretary to Police Department	1	1	1	1	1	1	1	1
Records and Communications								
Coordinator - Dispatchers	3	3	3	3	3	3	3	3
Clerk-Dispatcher	7	7	7	7	7	7	7	7
Clerk-Dispatcher (Part-time)	3	3	3	3	3	3	3	3
Juvenile Services								
Juvenile Counselor	1	1	1	1	1	1	1	1
Police Officer	3	3	3	3	3	3	3	3
Support Services								
Compliance Officer	1	1	1	1	1	1	1	1
Detention Officer	6	6	6	6	6	6	6	6
Fire								
Fire Chief	1	1	1	1	1	1	1	1
Fire Captain	3	3	3	3	3	3	3	3
Fire Lieutenant	3	3	3	3	3	3	3	3
Firefighter	27	27	27	27	27	24	24	24
Fireman - Paid on Call	3	3	3	3	3	3	3	9
Fire Services Specialist	1	1	1	1	1	1	1	1
Community Services - Fire								
Fire Lieutenant	2	2	2	2	2	1	1	1
Firefighter	0	0	0	0	0	1	1	1

(Continued)

# City of Kent, Ohio

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

*Last Eight Years (1)*

**Table 22**

Function/Program	2009	2008	2007	2006	2005	2004	2003	2002
<b>Central Maintenance</b>								
Central Maintenance Manager	0	0	0	0	0	0	0	1
Cent. Maint. Mgr./Water Dist. Spec.	1	1	1	1	1	1	1	0
Assignment Supervisor	0	0	0	1	1	1	1	1
Chief Operator	3	3	3	0	0	0	0	0
Repair Operator	3	3	3	6	6	6	6	6
Service Technician/Gardener	1	1	1	1	1	1	0	0
Service Worker	11	11	11	11	11	11	12	12
Carpenter	1	1	1	1	1	1	1	1
Arborist Supervisor	1	1	1	1	1	0	0	1
Arborist	0	0	0	0	0	1	1	1
Account Clerk	1	1	1	0	0	0	0	0
<b>Vehicle Maintenance</b>								
Master Mechanic	1	1	1	1	1	1	1	1
Mechanic	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
Water Laboratory Technician	1	1	1	1	1	1	1	1
Plant Mechanic	1	1	1	1	1	1	1	1
Water Plant Chief Operator	1	1	1	1	1	1	1	1
Water Plant Operator	5	5	5	5	5	5	5	5
Laborer (General Maintenance)	1	1	1	1	1	1	1	1
<b>Wastewater Treatment Plant</b>								
Supervisor - Wastewater Plant	1	1	1	1	1	1	1	1
Plant Mechanic	1	1	1	1	1	1	1	1
Wastewater Plant Operator	7	7	7	7	8	8	8	8
Chief Operator	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
Deputy Health Commissioner	1	1	1	1	1	1	1	1
Public Health Sanitarian	2	2	2	2	2	2	2	2
Administrative Assistant to								
Health Commissioner	1	1	1	1	1	1	1	1
Laboratory Technician	2	2	2	2	2	2	2	2
Chemist	1	1	1	1	1	1	1	1
Secretary (Part-time)	1	1	1	1	1	1	1	1

(Continued)

# City of Kent, Ohio

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

*Last Eight Years (1)*

**Table 22**

Function/Program	2009	2008	2007	2006	2005	2004	2003	2002
Leisure Time Activities								
Parks and Recreation								
Director - Parks and Recreation	1	1	1	1	1	1	1	1
Supervisor - Recreation	1	1	1	1	1	1	1	1
Supervisor - Parks	1	1	1	1	1	1	1	1
Clerk-Typist I	0	0	0	0	0	0	1	1
Account Clerk	1	1	1	1	1	1	0	0
Parks Maintenance Laborer	2	2	2	2	2	2	2	2
Senior Parks Crew Leader	1	1	1	1	1	1	1	1
Part-time and Seasonal	34	34	34	51	40	35	35	35
KABC Coordinator	1	1	1	1	0	0	0	0
K-6 Child Care (Full-Time)	1	0	0	0	0	0	0	0
K-6 Child Care (Part-Time)	16	17	17	0	0	0	0	0
Community Development								
Community Development								
Director of Community Development	1	1	1	1	1	1	1	1
Administrative Assistant to Director of Community Development	1	1	1	1	1	1	1	1
Grants & Neighborhood Programs Cord Plans Administrator	1	0	0	0	0	0	0	0
Development Planner	0	1	1	1	1	1	1	1
Economic Development Coordinator	1	1	1	1	1	1	1	1
Development Engineer	0	1	1	1	1	1	1	1
Code Enforcement Officer (Part-time)	1	1	1	1	1	1	1	1
Substainability Planner (Part-time)	0	0	0	0	1	0	0	0
0	0	0	1	1	1	1	1	1
Building								
Building Services Supervisor	1	1	1	1	1	1	1	1
Specialized Inspectors (Part-time)	5	5	5	5	5	5	5	5
Code Enforcement Officer (Part-time)	0	1	1	1	0	0	0	0
Code Enforcement Officer (Full-time)	1	0	0	0	0	0	0	0
Account Clerk	1	1	1	1	1	1	1	1
Main Street Program								
Coordinator	1	1	1	0	0	0	0	0
Economic Development								
Economic Development Director	1	0	0	0	0	0	0	0
Totals All Departments	<u>278</u>	<u>280</u>	<u>280</u>	<u>280</u>	<u>269</u>	<u>260</u>	<u>261</u>	<u>269</u>
Full-Time	193	194	194	193	194	192	191	193
Part-Time	85	86	86	87	75	68	70	76

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

(1) Information prior to 2002 is not available

# City of Kent, Ohio

## Capital Assets Statistics by Function/Program

### *Last Eight Years (1)*

**Table 23**

Function/Program	2009	2008	2007	2006	2005	2004	2003	2002
<b>General Government</b>								
Number of Buildings	1.5	2	2	2	2	2	2	2
Administrative Vehicles	4	6	6	3	3	3	3	3
<b>Police</b>								
Stations	1	1	1	1	1	1	1	1
Vehicles	26	28	25	29	29	30	29	29
<b>Fire</b>								
Stations	2	2	2	2	2	2	2	2
Vehicles	15	14	14	13	13	13	10	9
<b>Recreation</b>								
Number of Buildings	7	6	6	6	6	6	6	6
Number of Parks	23	21	21	21	21	21	21	21
Park Acreage	354	354	354	344	344	344	344	344
Number of Baseball Diamonds	6	6	6	6	6	6	6	6
Number of Soccer Fields	10	8	8	8	8	8	8	8
Vehicles	10	10	10	13	11	11	11	13
<b>Transportation</b>								
Number of Buildings	3.75	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Salt Dome	1	1	1	1	1	1	1	1
Streets (Center Lane Miles)	N/A	89.90	89.90	89.90	88.50	87.10	85.90	85.20
Service Vehicles	55	29	27	30	27	26	26	26
<b>Public Health and Welfare</b>								
Number of Buildings	0.50	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Service Vehicles	6	4	3	3	3	3	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
Service Vehicles	2	2	2	1	1	1	1	1
<b>Water</b>								
Treatment Plant	1	1	1	1	1	1	1	1
Water Lines (Linear Feet)	N/A	368,110	364,280	362,700	353,500	341,100	330,600	326,800
Vehicles	6	6	9	17	16	15	14	15
<b>Sewer</b>								
Treatment Plant	1	1	1	1	1	1	1	1
Sanitary Sewers (Linear Feet)	N/A	332,090	332,090	330,600	330,600	322,500	320,000	314,600
Vehicles	5	5	9	12	12	12	12	11
<b>Storm Water Drainage</b>								
Storm Sewers (Linear Feet)	N/A	376,460	376,460	370,000	370,000	363,100	362,900	357,200

(1) Information prior to 2002 is not available

# City of Kent, Ohio

## Operating Indicators by Function/Program

### Last Eight Years (1)

**Table 24**

	2009	2008	2007	2006	2005	2004	2003	2002
<b>City Council and Clerk of Council</b>								
Number of Ordinances/Resolutions Passed	139	222	121	145	154	161	191	133
Number of Passports Accepted (Began November 2002)	420	554	872	737	677	687	324	15
<b>Civil Service</b>								
City of Kent:								
Entry Level Examinations	9	4	4	5	5	6	8	6
Promotional Examinations	3	1	0	2	2	0	4	1
Kent City School District:								
Entry Level Examinations	1	3	2	3	5	1	5	4
Promotional Examinations	0	2	1	0	0	0	0	5
<b>Budget and Finance Department</b>								
Number of checks/vouchers issued	5,756	6,162	5,958	6,207	6,529	7,185	6,970	6,889
Number of W-2's issued	275	271	284	285	281	273	276	267
<b>Budget and Finance Department - Income Tax</b>								
Transaction Totals:								
Individual Returns	N/A	15,693	14,221	15,461	16,010	15,708	16,262	17,559
Business (Net Profit) Returns	N/A	4,354	4,210	4,326	4,436	4,293	4,149	3,756
Withholding Accounts	N/A	11,211	11,068	11,257	11,079	10,613	10,428	10,496
Total Transactions		31,258	29,499	31,044	31,525	30,614	30,839	31,811
<b>Budget and Finance Department - Utility Billing</b>								
Number of Bills Mailed	77,251	77,226	77,865	71,968	71,119	70,294	69,159	69,595
Numer of Delinquent Notices Sent	10,136	8,424	8,270	7,774	7,667	7,270	7,258	7,488
<b>Building Department Indicators</b>								
Construction Permits Issued	196	234	228	220	205	200	209	156
Estimated Value of Construction	\$3,151,776	\$13,533,428	\$13,638,361	\$12,175,029	\$30,845,822	\$19,578,587	\$12,592,526	\$18,976,664
Number of permits issued	770	883	876	884	919	983	896	660
Amount of Revenue generated from permits	\$183,823	\$336,066	\$302,931	\$363,161	\$563,819	\$490,748	\$349,026	\$311,141
Number of contract registrations issued	254	193	238	244	264	290	383	235
Revenue generated from above 1,2,3	\$6,812	\$5,538	\$7,425	\$7,750	\$8,550	\$9,375	\$8,988	\$10,413
Number of Planning Commission Docket Items	13	15	23	29	27	23	23	35
Zoning Board of Appeals Docket Items	20	20	26	29	31	36	29	46

(Continued)

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Eight Years (1)

**Table 24**

		2009	2008	2007	2006	2005	2004	2003	2002
<b>Public Services Department - Engineering</b>									
	Unit								
Total Number of Projects	EA			18	31	18	32	41	30
Total Dollars All Projects	\$	N/A	\$2,828,069	\$1,266,956	\$2,858,642	\$5,125,125	\$7,785,585	\$2,846,202	\$1,924,864
Total Professional Services Support	\$	N/A	\$1,266,667	\$374,225	\$794,863	\$826,852	\$735,051	\$2,025,029	\$550,963
Total Division Operating	\$	N/A	\$37,972	\$16,461	\$33,044	\$23,308	\$28,881	\$81,795	\$30,555
<b>Public Services Department - Central Maintenance</b>									
	Unit								
Street Repair (Curbs, aprons, berms, asphalt)	Hr.s	N/A	2,351	2,983	2,198	2,216	2,240	1,746	2,336
Paint Striping	Hr.s	N/A	853	858	860	1,199	813	1,108	1,187
Street Sweeper	Hr.s	N/A	1,128	1,059	1,145	955	817	1,120	1,342
Cold Patch	Hr.s	N/A	1,070	333	804	1,775	1,263	1,393	977
Snow & Ice Removal regular	Hr.s	N/A	1,426	1,617	667	1,014	1,062	1,455	992
Snow & Ice Removal overtime	Hr.s	N/A	3,052	2,276	611	2,103	2,380	3,084	1,829
Sewer and Sanitary calls for service	Ea	N/A	43	35	36	38	52	49	18
After hours Sewer Calls	Hr.s	N/A	67	13	9	4	2	13	3
Sewer Crew	Hr.s	N/A	2,737	1,432	829	843	964	1,260	1,106
Sewer jet, Vac-all, other services	Hr.s	N/A	2,737	1,432	829	843	964	1,260	1,106
Water Distribution Maintenance	Hr.s	N/A	7,234	4,955	3,989	4,661	4,868	5,013	5,663
Number of Water Breaks	Ea	N/A	37	33	29	29	19	25	18
Water Meter Reading	Hr.s	N/A	1,443	1,262	1,187	1,032	814	761	459
Landscaping, Tree Maint.(Stump-Chipper service)	Hr.s	N/A	5,246	2,586	3,894	4,448	5,854	4,432	5,761
Leaf collection	Hr.s	N/A	4,089	4,616	4,474	4,210	4,135	5,206	5,022
Holiday lights setup	Hr.s	N/A	96	77	110	224	397	320	312
Downtown Square events	Hr.s	N/A	430	246	257	253	287	269	343
Equipment repair	Hr.s	N/A	7,291	7,539	6,921	7,736	8,180	7,465	8,082
Sign department	Hr.s	N/A	1,108	1,217	1,787	1,685	1,465	1,608	2,105
Number of Trees Planted per year	Ea	N/A	123	99	186	71	95	193	90
Gallons of Calcium Chloride used (Year Jan-Dec)	Gal.s	N/A	9,440	5,300	900	600	15,538	13,836	1,350
Cost of Calcium Chloride Purchased	\$/Gal.	N/A	\$0.959	\$0.479	\$0.595	\$0.545	\$0.545	\$0.470	\$0.359
Tons of snow melting salt used (Year Jan-Dec)	Tons	N/A	8,723	5,048	1,860	4,416	4,678	6,216	4,131
Cost of salt purchased	\$/Ton	N/A	\$43.20	\$37.04	\$35.52	\$34.88	\$34.88	\$32.83	\$35.62
<b>Public Services Department - Water Reclamation</b>									
Wastewater rates (per 1st 300 cu. ft.)	\$	N/A	\$11.22	\$11.22	\$11.01	\$10.68	\$10.68	\$10.68	\$10.38
Total yearly flow	MG	N/A	923	854	920	990	1,029	1,014	920
Average daily flow	MGD	N/A	2.53	2.34	2.51	2.70	2.82	2.78	2.51
Sludge removed (dry tons)	\$/Ton	N/A	342	340	336	431	572	559	392
Treatment chemical cost	\$	N/A	\$53,000	\$52,000	\$62,500	\$54,200	\$44,000	\$52,100	\$46,000
Treatment electrical cost	\$	N/A	\$183,859	\$170,420	\$163,000	\$164,000	\$164,000	\$164,000	\$145,000

(Continued)

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Eight Years (1)

**Table 24**

	2009	2008	2007	2006	2005	2004	2003	2002	
<b>Public Services Department - Water Treatment Plant</b>									
	Unit								
Raw Water from wells	MG	N/A	932.00	1,001.53	1,015.49	1,058.77	1,053.20	1,100.84	1,133.21
Annual pumpage - finished water	MG	N/A	929.00	993.85	1,005.44	1,042.66	1,014.52	1,009.43	1,021.65
Lime	\$/Ton	N/A	\$124	\$124	\$113	\$101	\$84	\$70	\$67
Soda ash	\$/Ton	N/A	\$281	\$270	\$258	\$193	\$160	\$154	\$155
Chlorine	\$/Ton	N/A	\$510	\$450	\$540	\$540	\$426	\$420	\$380
Hydrofluosilicic acid	\$/Ton	N/A	\$484	\$340	\$309	\$236	\$246	\$252	\$254
Carbon dioxide	\$/Ton	N/A	\$176	\$176	\$86	\$86	\$86	\$86	\$86
Electric (wells, plant, booster stations, tanks)	Ttl. \$	N/A	\$178,266	\$163,208	\$135,023	\$161,554	\$144,777	\$129,536	\$131,481
Lime sludge production plant	CY	N/A	1,986.40	1,977.30	1,606.80	1,566.50	1,937.00	1,972.10	2,345.20
Lime sludge removed from plant and lagoons	CY	N/A	1,986.70	3,346.50	5,473.80	4,763.90	4,567.40	3,684.00	4,245.40
Lime	tons	N/A	639.90	700.70	751.10	772.53	808.77	812.10	800.22
Soda Ash	tons	N/A	288.80	284.70	268.96	321.14	290.55	189.02	190.97
Chlorine	tons	N/A	12.31	12.34	11.35	12.50	12.36	11.47	11.92
Carbon Dioxide	tons	N/A	38.34	38.71	36.72	43.89	50.09	49.63	42.85
Hydrofluosilicic acid	tons	N/A	16.06	17.15	18.00	19.96	18.72	18.44	18.68
Rainfall	inches	N/A	36.38	49.51	47.88	42.52	47.81	51.53	33.34
<b>Police</b>									
Total Calls for Services		21,765	21,674	19,937	19,491	21,284	25,041	25,010	22,661
Number of traffic citations issued		3,554	3,669	3,380	3,071	3,817	4,878	4,470	4,687
Number of parking citations issued		3,834	3,389	2,662	3,042	3,158	4,281	4,425	4,023
Number of criminal arrests		2,440	2,615	2,376	2,354	1,977	2,285	2,366	2,446
Number of accident reports completed		818	797	840	885	949	1,071	1,002	1,058
Part I Offenses (major offenses)		911	975	1,035	1,142	1,180	1,115	1,208	1,332
Animal Warden service calls		470	551	511	319	495	552	679	529
DUI arrests		302	306	253	364	341	436	293	307
Motor Vehicle Accidents		818	797	840	885	949	1,071	1,002	1,058
Property Damage Accidents		512	441	500	506	539	604	585	611
Fatalities from Motor Vehicle Accidents		0	0	0	3	1	3	0	1
Community Diversion Program Youths		70	70	75	80	85	87	52	62
<b>Fire</b>									
Fire Losses:									
City of Kent		\$1,048,500	\$467,350	\$292,500	\$444,600	\$991,885	\$186,500	\$420,000	\$217,075
Kent State University		\$150,000	\$200,500	\$0	\$6,000	\$871,000	\$0	\$0	\$50
Franklin Township		\$8,900	\$645,720	\$167,500	\$451,600	\$42,075	\$541,670	\$1,000,500	\$344,000
Other		\$0	\$27,500	\$0	\$0	\$0	\$0	\$0	\$0
Total Fire Losses		\$1,207,400	\$1,341,070	\$460,000	\$902,200	\$1,904,960	\$728,170	\$1,420,500	\$561,125

(Continued)

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Eight Years (1)

**Table 24**

	2009	2008	2007	2006	2005	2004	2003	2002
<b>Fire - continued</b>								
Fire Calls:								
City of Kent	602	764	541	555	624	635	628	600
Kent State University	212	246	219	213	209	267	211	171
Franklin Township	118	154	142	135	143	164	142	137
Other	3	2	70	44	48	68	49	46
Total Fire Calls	935	1,166	972	947	1,024	1,134	1,030	954
Emergency Medical Services Calls:								
City of Kent	2,421	2,374	2,110	2,059	1,960	1,940	1,938	1,834
Kent State University	347	292	308	264	284	315	244	152
Franklin Township	341	411	400	339	372	356	334	291
Other	8	5	38	14	50	72	86	131
Total Emergency Medical Services Calls	3,117	3,082	2,856	2,676	2,666	2,683	2,602	2,408
Total Calls for Service (Fire & EMS)	4,052	4,248	3,828	3,623	3,690	3,817	3,632	3,362
<b>Community Development</b>								
Grants received due to Community Development Dept.	\$383,118	\$298,370	\$310,449	\$510,537	\$902,271	\$366,000	\$934,000	\$438,000
<b>Health Department</b>								
Health Inspections:								
Food Service Operations	1,072	1,018	939	851	913	1,534	1,436	1,373
Housing	1,824	1,668	1,385	1,419	1,500	1,554	1,570	1,712
Swimming Pools	134	111	84	94	114	147	138	166
Nuisances	514	671	390	466	357	610	548	493
All Other	129	138	110	148	186	254	208	187
Total Inspections	3,673	3,606	2,908	2,978	3,070	4,099	3,900	3,931
Permits & Licenses Issued:								
Food Establishment Licenses	199	215	209	216	207	236	217	220
Housing Licenses	548	550	552	552	605	552	534	548
All Other Licenses	56	61	65	114	13	80	58	55
Total Permits & Licenses	803	826	826	882	825	868	809	823
Child Immunizations	123	195	112	89	75	106	172	81
Birth and Death Certificates Issued (Original & Copies)	2,982	3,047	3,080	3,048	3,219	3,220	3,060	N/A

(Continued)

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Eight Years (1)

**Table 24**

	2009	2008	2007	2006	2005	2004	2003	2002
<b>Recreation</b>								
Program Revenue:								
Adult Leagues and Programs	\$28,723	\$28,025	\$32,151	\$39,747	\$38,192	\$36,989	\$37,252	\$35,569
Youth Leagues and Programs	84,106	70,853	77,612	77,267	76,989	57,069	40,051	23,486
Camps and Lessons	58,725	50,526	48,537	74,042	51,863	62,886	50,733	46,586
Preschool Programs	24,369	26,916	23,916	19,825	17,061	18,239	13,998	15,340
KABC Leagues	22,289	20,898	31,101	31,894	34,447	36,721	35,114	33,795
Special Events/Other	57,436	55,812	49,709	13,733	17,274	15,512	13,315	20,840
Non-Resident Fees	13,371	13,295	13,464	10,144	10,140	9,715	9,573	11,124
After School and Summer Programs	209,426	227,023	210,688	147,148	129,559	82,202	26,518	0
<b>Total Program Revenue</b>	<b>\$498,445</b>	<b>\$493,348</b>	<b>\$487,178</b>	<b>\$413,800</b>	<b>\$375,525</b>	<b>\$319,333</b>	<b>\$226,554</b>	<b>\$186,740</b>
Number of Participants:								
KABC (5-18 years old)	480	490	503	517	520	new program	new program	new program
Fall Soccer (4-12 years old)	368	364	353	388	320	325	350	300
Spring Soccer (4-12 years old)	431	399	484	426	455	545	422	350
School Age Child Care (6-12 years old)	110	120	120	110	70	50	40	N/A
Flag Football (6-12 years old)	85	96	91	81	85	85	80	40
Basketball	397	399	330	332	334	350	360	300
Lacrosse	70	60	62	52	59	50	new program	new program
Volleyball	45	51	42	46	N/A	N/A	N/A	N/A
Wrestling	34	31	30	30	N/A	N/A	N/A	N/A
Karate	24	25	30	30	N/A	N/A	N/A	N/A
Sports Camps	453	248	384	353	N/A	N/A	N/A	N/A
Preschool Kinderbound	21	21	21	18	N/A	N/A	N/A	N/A
Preschool Tiny Tots	18	13	15	15	N/A	N/A	N/A	N/A
Summer Day Camps - All	228	232	1,230	1,140	N/A	N/A	N/A	N/A
Ice Hockey	23	29	N/A	N/A	N/A	N/A	N/A	N/A
USTA	51	N/A						
Theater	58	46	N/A	N/A	N/A	N/A	N/A	N/A
Cheer	27	35	N/A	N/A	N/A	N/A	N/A	N/A
Adult Tennis	22	32	N/A	N/A	N/A	N/A	N/A	N/A
Adult Softball Teams	52	46	N/A	N/A	N/A	N/A	N/A	N/A

(1) Information prior to 2002 is not available

Source: City Departments





**Mary Taylor, CPA**  
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 5, 2010**