

**CITY OF KENT  
PORTAGE COUNTY, OHIO**

**AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2013**

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





# Dave Yost • Auditor of State

City Council  
City of Kent  
325 South 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, 2013 through December 31, 2013. 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.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

September 11, 2014

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**CITY OF KENT  
PORTAGE COUNTY, OHIO  
AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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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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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, in accordance with the 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, 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, Portage County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City of Kent, Ohio's basic financial statements, and have issued our report thereon dated August 25, 2014, wherein we noted that the City restated its December 31, 2012 net position of the business-type activities, the Water Fund, and the Sewer Fund due to an overstatement of the City's utility accounts receivable.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Kent, Ohio's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the City of Kent, Ohio's internal control.

*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 City's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questions Costs as **Finding No. 2013-001**, that we consider to be a significant deficiency.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Kent, Ohio's financial statements are free from 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*.

## **City of Kent, Ohio's Response to Finding**

The City of Kent, Ohio's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City of Kent, Ohio's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Kent, Ohio's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Kent, Ohio's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Digitally signed by James G. Zupka, CPA,  
President  
DN: cn=James G. Zupka, CPA, President,  
o=James G. Zupka, CPA, Inc., ou=Accounting,  
email=jgzcpa@sbcglobal.net, c=US  
Date: 2014.08.28 16:53:18 -04'00'

August 25, 2014

**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 FOR EACH MAJOR FEDERAL  
PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY OMB CIRCULAR A-133**

To the Members of City Council  
City of Kent, Ohio

**Report on Compliance for Each Major Federal Program**

We have audited the City of Kent, Portage County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the City of Kent, Ohio's major federal program for the year ended December 31, 2013. The City of Kent, Ohio's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for the City of Kent, Ohio's major federal program based on our audit of the types of compliance requirements referred to above. 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 on compliance for the major federal program. However, our audit does not provide a legal determination of the City of Kent, Ohio's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, the City of Kent, Ohio, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2013.

## **Report on Internal Control Over Compliance**

Management of the City of Kent, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Kent, Ohio's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

## Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have also 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, 2013, and the related notes to the financial statements, which collectively comprise the City of Kent, Ohio's basic financial statements. We issued our report thereon dated August 25, 2014, which contained unmodified opinions on those financial statements. Our opinion also explained that the City of Kent, Ohio, restated its December 31, 2012 net position of the business-type activities, the Water Fund, and the Sewer Fund due to an overstatement of the City's utility accounts receivable. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic 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 basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**James G. Zupka,**  
**CPA, President**

Digitally signed by James G. Zupka, CPA,  
President  
DN: cn=James G. Zupka, CPA, President,  
o=James G. Zupka, CPA, Inc., ou=Accounting,  
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James G. Zupka, CPA, Inc.  
Certified Public Accountants

August 25, 2014

**CITY OF KENT  
PORTAGE COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

<b>Federal Grantor/ Pass-Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Number</b>	<b>Expenditures</b>
<b><u>U.S. Department of Agriculture</u></b>			
<i>Direct Program</i>			
Farmer's Market	10.168		\$ 9,618
<b><u>U.S. Department of Housing and Urban Development</u></b>			
<i>Passed through the Ohio Department of Development</i>			
Community Development Block Grant - Entitlement	14.218	MC-39-0026	534,575
<i>Passed through the Ohio Department of Development and Portage County</i>			
Neighborhood Stabilization Program Grant	14.218	B-Z-08-062-1	48,214
<b>Total U.S. Department of Housing and Urban Development</b>			<b>582,789</b>
<b><u>U.S. Department of Justice</u></b>			
<i>Direct Program</i>			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Formula	16.804	2010-DJ-BX-0669	462
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Formula	16.804	2009-SB-B9-1237	13,086
<i>Total CFDA #16.804</i>			<u>13,548</u>
Bullet Proof Vest Partnership	16.607	2013-BUBX11055643	600
<b>Total U.S. Department of Justice</b>			<b>14,148</b>
<b><u>U.S. Department of Transportation</u></b>			
<i>Passed through the Ohio Department of Transportation</i>			
<i>Highway Planning and Construction -</i>			
Redmond Bridge	20.205	PID 90582	423,536
East Summit Street Improvements	20.205	PID 84546	496,927
Fairchild Avenue Resurfacing	20.205	PID 93805	119,783
Spaulding Drive Bridge/SR 59	20.205	PID 81651	268,169
H & B Tannery Park	20.205	PID 84984	55,881
KSU Gateway Bike Trail	20.205	PID 88517	241,809
<b>Total U.S. Department of Transportation</b>			<b>1,606,105</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 2,212,660</b>

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

**CITY OF KENT  
PORTAGE COUNTY, OHIO  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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**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 cash basis of accounting. Consequently, certain expenditures are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when the obligation is accrued.

**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 program income represents interest revenue earned from the revolving loans and bank accounts and repayment of loans. The following table reflects principal outstanding and program income earned as of December 31, 2013. These amounts were subject to single audit procedures.

	<u>Principal Outstanding</u>	<u>Program Income</u>
Urban Development Action Grant (UDAG)	\$ 106,074	\$ 2,147
Economic Development and Administration (EDA)	<u>228,669</u>	<u>7,014</u>
Total	<u>\$ 334,743</u>	<u>\$ 9,161</u>

**CITY OF KENT  
PORTAGE COUNTY, OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2013**

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

2013(i)	Type of Financial Statement Opinion	Unmodified
2013(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2013(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
2013(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2013(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2013(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2013(v)	Type of Major Programs' Compliance Opinions	Unmodified
2013(vi)	Are there any reportable findings under .510(a)?	No
2013(vii)	Major Programs (list):  Community Development Block Grant - CFDA #14.218	
2013(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2013(ix)	Low Risk Auditee?	Yes

**CITY OF KENT  
PORTAGE COUNTY, OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2013  
(Continued)**

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

**Finding No. 2013-001 - Significant Deficiency - Internal Controls Over Financial Reporting**

Condition/Criteria

Financial reporting is the responsibility of the City's Finance Department and is essential to ensure the information provided to the readers of the financial statements is complete and accurate. During the annual financial statement preparation process, management identified the following error to the financial statements:

1. Restatement of fund balances and net position at December 31, 2012, for accounts receivables within the Water Fund and Sewer Fund were overstated. This error was corrected by the City on the customer billing prior to submission, but was not corrected on the document utilized to prepare the year-end financial statements.

As a result, audit adjustments have been prepared and made to correct the financial activity for 2013.

Cause/Effect

The changes in financial presentation resulted in a prior period adjustment to the various funds as noted above.

Recommendation

We recommend that the City ensure procedures are followed that will identify/detect any mis-statements in financial reporting so corrections/revisions can be made in the source document. We also recommend that the City exercise due diligence to ensure that any corrections/revisions made to source documents be posted to all related documents, including the financial statements and footnotes.

City Response

While the City understands and accepts this audit comment, we believe that this finding reflects more of a chance timing occurrence at the end of a reporting period than it does a deficiency in internal controls. The City utilizes the end of year trial balance report from our utility billing system when preparing the year-end receivables. The December 31, 2012 trial balance report included a large erroneous bill to one customer (resulting from a flawed meter read), that was subsequently discovered and corrected by our utility billing clerk two days later when she was reviewing the utility billing reports. It was corrected on the January 3, 2013 trial balance; however, for financial reporting purposes since only the end of the year report is used, the erroneous amounts were booked into the financial statements. The customer never received the erroneous billing and they were sent the corrected billing statement. We will implement procedures to do a more detailed analysis of the balances contained in the report used for GAAP purposes along with increased staff awareness of the criticality of timing for corrective adjustments, particularly when proximate to reporting period cutoff dates.

**CITY OF KENT  
PORTAGE COUNTY, OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2013  
(Continued)**

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

None.

**CITY OF KENT  
PORTAGE COUNTY, OHIO  
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

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The prior audit report, as of December 31, 2012, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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# City of Kent Ohio

Comprehensive Annual Financial Report  
For the year ended  
December 31, 2013

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# **CITY OF KENT, OHIO**



## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2013**

Issued by The Department of Budget and Finance

DAVID A. COFFEE  
Director of Budget and Finance

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# **INTRODUCTORY SECTION**

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**City of Kent, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2013*  
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*Comprehensive Annual Financial Report*  
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# CITY OF KENT, OHIO

## OFFICE OF THE CITY MANAGER

August 25, 2014

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

The Comprehensive Annual Financial Report (CAFR) of the City of Kent (the City) for the fiscal year ended December 31, 2013, 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, 2013, have been audited by the independent auditing firm of James G. Zupka, Certified Public Accountants, Incorporated. The independent auditor's unmodified 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 had a 2013 undergraduate enrollment of 26,461 students at the main campus in Kent and 40,559 students region-wide. The City covers an area of approximately 9.29 square miles. The City's 2010 population of 28,904 reflects a 3.6 percent growth as compared to the 2000 population of 27,906. Also of note in the 2010 census is the City of Kent's neighboring township to the south, Brimfield Township, which posted a 30 percent increase from the 2000 to 2010 census that has at least in part been related to the expansions and projects evidenced in the City of Kent and the continued growth of Kent State University.

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

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

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

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

### **Local Economy**

The economic recovery that began in 2011 continued to show signs of progress in 2013, with business activity and new investment levels stabilizing following successive years of record highs. For the years 1999 thru 2010 commercial construction investment in Kent averaged \$6.5 million a year. From 2011 thru 2012 commercial investment jumped to an average of \$55 million a year; an increase of 745 percent.

All of the recent commercial construction has begun to translate into new jobs and economic growth but the City of Kent has continued to maintain a conservative fiscal strategy in order to restore reserve balances and sustain City services at existing levels without any new or increased taxes or fees.

The City's commitment to aggressive cost cutting measures over the last 9 years, along with revenue stabilization derived from Kent State University and the new economic initiatives in downtown Kent enabled the City to hold the line on its budget in 2013, absorb the loss of \$900,000 in State funding, and emerge from the economic recession in a comparatively stable financial position heading into 2014.

For year-end 2013, overall City income tax collections were up 2.7 percent (\$334,514) from December 2012, and Kent State University's collections thru the end of December were up 3.75 percent (\$166,430). While Kent State University remains the City's largest employer, job growth occurring in the private sector resulted in Kent State University's income tax contributions dropping from 39.6 percent in 2011 to 37.1 percent of total municipal income tax revenues in 2013. The City's financial condition is still heavily influenced by the University's buffering effect on the City's tax base from the more volatile highs and lows of private business cycles -- but the continued private sector job growth is a welcomed and notable diversification.

In 2013 Kent State University set another student enrollment record, adding 161 students to the previous hundred year enrollment record set in 2012. Kent State University international student enrollment is up 17 percent to 2,260 in 2013, and graduate school enrollment is up 8.6 percent, securing Kent State University's position as the second largest public university in Ohio.

The University reported record earnings in 2013 which they are leveraging with the funds raised in the \$265 million Centennial Capital campaign to finance critical campus improvement projects.

2013 marked another year of income tax rebound, largely from construction activity and newly emerging business sectors rather than Kent State University or the other top ten income tax contributors in Kent, who as a group remained relatively flat. This diversification of income tax revenues is a long term financial goal and the job creation resulting from the early phases of the downtown redevelopment have pushed the City's 2013 income tax receipts to their highest recorded level. Total income tax receipts for the City in 2013 (not including the Franklin and Brimfield JEDD agreements explained below) exceeded the prior year by 2.7 percent or \$334,514.

### **Investments in Kent**

In 2013 Kent State University continued the largest capital re-investment program in the history of the University, initiating major renovations at Taylor Hall, Prentice Hall, Cartwright Hall, Music and Speech, Williams Hall, Tri-Towers, Heer Hall, and the Library building. The University began construction on the new Applied Engineering building, and announced the \$48 million new College of Architecture and the new \$18 million Institutional Advancement buildings that will further strengthen the campus connection to the Central Business District. These investments have transformed the campus and the campus community connection, generating significant construction related jobs and tax revenues.

Elsewhere in the Kent community new construction values were on the rise in 2013. Single family residential construction recovered from 2012, jumping 65 percent in 2013 and hitting a 5 year high of \$864,890. Two aging shopping plazas were purchased and restored, and the second phase of a senior housing complex was completed in 2013. Even with the construction of 4,000 new student rental beds in 2012, student housing units were running at 99 percent full which explains the interest of private developers to invest another \$40 million in new student housing units in Kent in the upcoming years.

The commercial construction market rebound that began in 2009 continued in 2013, energizing Kent's economy. Construction permits and investments in 2013 declined from the records set in 2011-12 but commercial investment was still more than twice the average of the previous 20 years at \$16,094,881.

On the public side, the City continued to aggressively pursue Federal, State and Regional grant funds for infrastructure improvement projects. As a result, the City has repaired more bridges, streets and sidewalks than it has in decades with additional projects in the pipeline for the next 2-4 years, e.g, \$18 million Summit Street Transportation Project, \$3 million SR 43 Signal Upgrade, Area Q Stormwater Project, and the new \$18 million City Police Building. Over the last 5 years the City was awarded (or was a partner in grant awards) amounting to over \$50 million in stimulus/grant funds, which has enabled the City to leverage grant funds to City funds at better than a 4:1 ratio.

The Fairchild Avenue Bridge project construction was completed in 2013 with the new bridge opened to traffic and the old bridge converted to a pedestrian/biking trail connection. This award winning project has improved safety, reduced traffic congestion and created a new park like setting at this important gateway to Kent.

Investment was not limited to new construction in 2013; it also included the continued demolition of blighted properties that wherever possible will be replaced with new residential and commercial properties. For the residential properties, the City accessed Federal grant funds to remove condemned structures and replace them with affordable housing to help stabilize distressed City neighborhoods.

### **Major Initiatives**

The \$6 million Acorn Corner Old Hotel Restoration of the Phoenix Project opened in 2013. Acorn Corner includes 3 floors of restaurant space, 1 floor of commercial office space and a floor of residential living units. Phases I, II, and III of the Phoenix Project continues to offer an eclectic mix of small local retail, restaurants, and office space. It includes the first off-campus University business enterprise, a professional marketing, advertising and media services company (staffed by students), as well as a new fashion school retail outlet. Phase III included the extension of Acorn Alley and added another 50,000 square feet of office and retail space. Phase III welcomed the new Laziza's restaurant, Tree City Coffee House, Rise and Shine Café, and the Wild Earth Outfitters store among other small retail shops.

The success of the Phoenix Project reaffirmed the value of the City and Kent State's commitment to finish CollegeTown Kent, a mixed use redevelopment project that includes 56,000 square feet of new retail and restaurant space, a 95 room hotel, a 15,000 square foot conference center, 75,000 square feet of office space, and 32 residential units strategically located at the edge of central business district and the expanded edge of the University campus in downtown Kent.

In 2012 two major corporate tenants, Davey Tree and Ametek Corporation moved into 60,000 square feet of office space in CollegeTown Kent and in 2013 they were joined by the world headquarters of Smithers-Oasis Company. During 2013 the City, PARTA and the University completed construction of the respective mixed use shops, transit center and hotel projects that are the centerpieces of the downtown revitalization.

In 2012 the downtown Kent redevelopment project won the State of Ohio Economic Development Project of the Year award and downtown Kent was featured in the New York Times and the Wall Street Journal. In 2013 the downtown project was recognized by the International Town Gown Association, the International City Manager's Association, the Ohio City Manager's Association, Sales and Marketing Executives International, and the International Economic Development Council for outstanding collaboration in economic development.

In related news from 2013, Portage County continued construction of their new \$8 million Municipal Courthouse building in downtown Kent.

The City continued to work with Franklin and Brimfield townships in 2013 to recruit new businesses and expand business development opportunities within the JEDD boundaries. As a result of these partnerships, the City received \$619,681 as its combined share of JEDD income taxes in 2013.

As part of the City's neighborhood enrichment initiatives, Kent State University continued to partner with the City to improve communication and neighbor relations in rental neighborhoods around the University. The City continued to expand the regulatory tools available for stabilizing rental neighborhoods including passage of a vacant property ordinance and updating the City's zoning code.

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

During 2013, 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. City staff continued to pursue efficiency and productivity improvements resulting in budget cuts and savings amounting to \$200,000 in 2013.

In 2013 City Council renewed their approval of the multi-year utility rate stabilization plan to ensure adequate long term funding for critical infrastructure investment needs while remaining sensitive to the ability of customers to pay for those needs. In addition, in 2013 Council established a fund balance policy and fiscal health index to track key financial indicators and to prepare contingency plans for a range of revenue scenarios.

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

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

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

The Director of Budget and Finance is authorized by this policy to invest interim and active monies not in excess of \$10 million with any one eligible financial institution designated as a public depository at any one time in select instruments as defined and authorized by the Ohio Revised Code, Chapter 135. The institutions are required by state statute to maintain a collateral pool of assets whose carrying value exceeds their total public deposits by at least five percent. All investment activity, including operational practices and compliance with the policies and procedures defined in the Investment Policy are overseen by the City's Treasury Investment Board. The Treasury Investment Board is comprised of the City Manager, the Director of Budget and Finance and the Director of Law. The total investment portfolio interest earned during 2013 was \$161,860.

### **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 2012. This was the twenty-sixth 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,

A handwritten signature in black ink that reads "Dave Ruller". The signature is stylized, with the first name "Dave" written in a cursive-like font and the last name "Ruller" in a more blocky, slightly cursive font.

Dave Ruller  
City Manager



Government Finance Officers Association

**Certificate of  
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Presented to

**City of Kent  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

**CITY OF KENT, OHIO**  
**ELECTED OFFICIALS - 2013**

MAYOR/COUNCIL PRESIDENT	Jerry T. Fiala
COUNCIL MEMBER AT LARGE	Michael A. DeLeone
COUNCIL MEMBER AT LARGE	Scott J. Flynn
COUNCIL MEMBER AT LARGE	Roger B. Sidoti

**CITY COUNCIL MEMBERS BY WARDS:**

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

**CITY OF KENT, OHIO**

**APPOINTED OFFICIALS - 2013**

**OFFICE OF CITY MANAGER**

City Manager

David A. Ruller

**OFFICE OF COUNCIL**

Clerk of Council

Linda M. Jordan

**DEPARTMENT OF LAW**

Law Director

James R. Silver

**DEPARTMENT OF PUBLIC SERVICES**

Service Director

Eugene K. Roberts

City Engineer

James S. Bowling

Water Plant Supervisor

Steve D. Hardesty, Sr.

Sewer Plant Supervisor

Robert W. Brown

Utilities Manager

John Osborne

Facilities Manager

Gerald G. Shanley

**DEPARTMENT OF BUDGET AND FINANCE**

Director of Budget and Finance

David A. Coffee

Controller

Brian L. Huff

**DEPARTMENT OF PUBLIC SAFETY**

Safety Director

Position is currently vacant

Fire Chief

Dave Manthey

Police Chief

Michelle A. Lee

**DEPARTMENT OF COMMUNITY DEVELOPMENT**

Community Development Director

Bridget Susel

Economic Development Director

Daniel D. Smith

**DEPARTMENT OF HEALTH**

Health Commissioner

Jeffrey S. Neistadt

**DEPARTMENT OF PARKS AND RECREATION**

Director of Parks and Recreation

John J. Idone

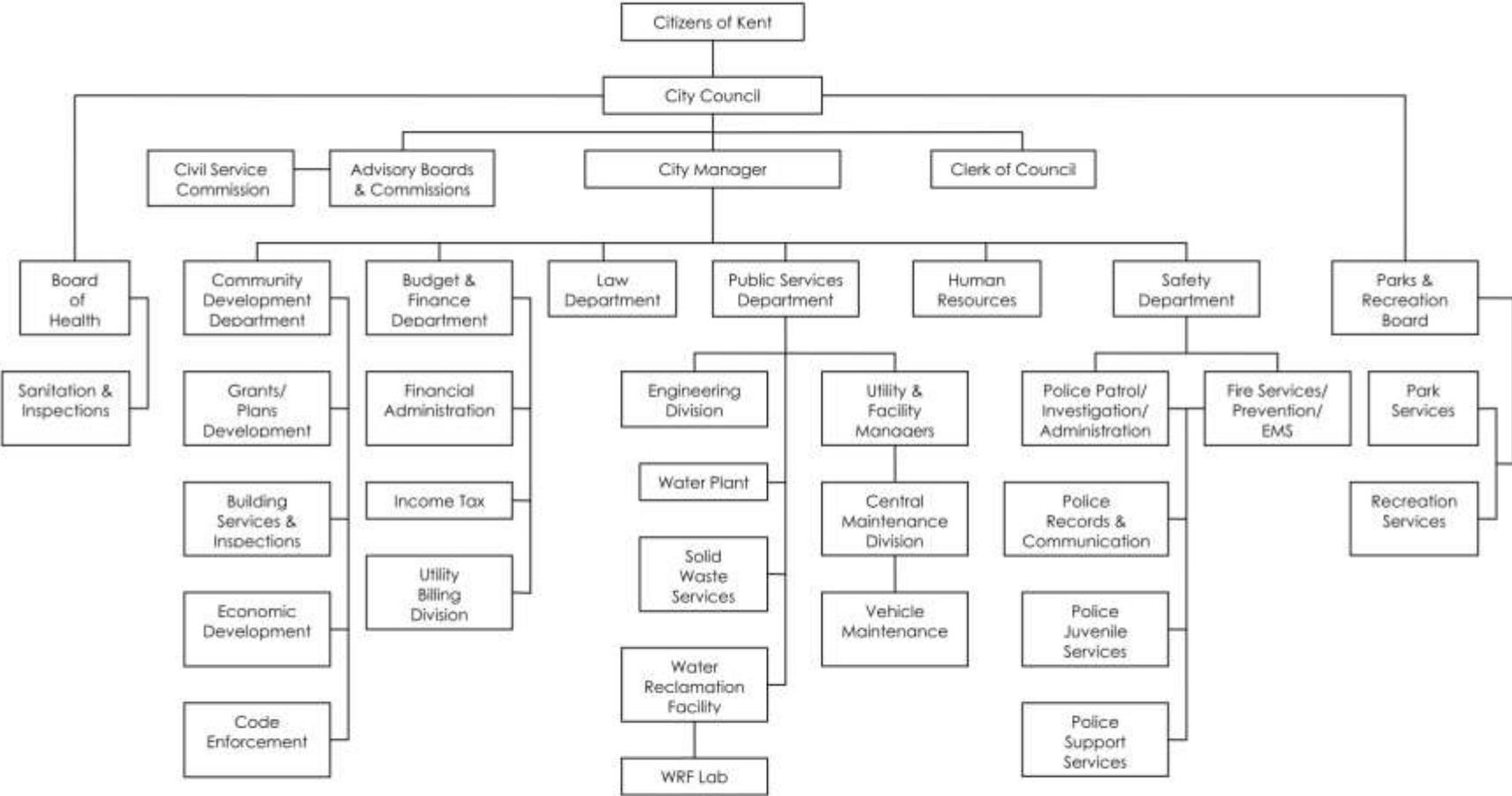
Parks Supervisor

Charles S. Tuttle

Recreation Supervisor

Nancy R. Rice

# City of Kent, Ohio Organizational Chart





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# FINANCIAL SECTION

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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

## INDEPENDENT AUDITOR'S REPORT

To the Members of City Council  
City of Kent, Ohio

The Honorable David Yost  
Auditor of State  
State of Ohio

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Kent, Portage County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **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, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison 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, and the Fire and Emergency Medical Services Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As described in Note 3 to the financial statements, during 2013 the City restated its December 31, 2012 net position of the business-type activities, the Water Fund, and the Sewer Fund due to an overstatement of the City's utility accounts receivable. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Kent, Ohio's basic financial statements. 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 basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2014, 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* in considering the City of Kent, Ohio's internal control over financial reporting and compliance.

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

August 25, 2014

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**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*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, 2013. 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 2013 are:

- Total assets of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$122,906,728 (*net position*). Of this amount, \$19,247,377 (*unrestricted net position*) may be used to meet the government's ongoing obligations to its citizens and creditors.
- Total net position increased by \$1,878,680 or 1.55 percent over 2012. Of this amount, governmental activities increased by \$1,885,944 and business-type activities decreased by \$7,264.
- Total capital assets increased by \$644,620 or 0.65 percent as compared to 2012. Governmental capital assets increased by \$1,867,151 and business-type capital assets decreased by \$1,222,531.
- Total current and other assets increased \$1,180,140 or 2.54 percent as compared to 2012. This increase reflects the increase of \$262,878 attributable to governmental activities and the increase of \$917,262 attributable to business-type activities.
- Total liabilities and deferred inflows of resources decreased \$53,920 or 0.22 percent as compared to 2012. This decrease is comprised of an increase in the governmental activities' liabilities and deferred inflows resources of \$244,085 and a decrease in the liabilities of the business-type activities of \$298,005.

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

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

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

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

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

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

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

The government-wide financial statements can be found starting on page 21 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-six 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, the Capital Projects Fund, and the Muni PI Tax Increment Equivalent 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.

**City of Kent, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2013*  
*Unaudited*

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The basic governmental fund financial statements can be found starting on page 24 of this report.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund, the Sewer Fund, 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 starting on page 34 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 38 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 39 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 starting on page 76 of this report.

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

**Statement of Net Position and the Statement of Activities.** While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and measures how the City did financially during fiscal year 2013. The *Statement of Net Position* and the *Statement of Activities* include assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into consideration all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net position and changes in that net position. The changes in the financial position statement are important because it tells whether, for the City as a whole, the financial position has improved or diminished. 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*  
*For the Year Ended December 31, 2013*  
*Unaudited*

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

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

**The City of Kent as a Whole**

Table 1 provides a summary of the City's net position for 2013 compared to 2012.

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and Other Assets	\$39,082,489	\$38,819,611	\$8,579,835	\$7,662,573	\$47,662,324	\$46,482,184
Capital Assets, Net	46,348,982	44,481,831	52,998,718	54,221,249	99,347,700	98,703,080
<i>Total Assets</i>	<u>85,431,471</u>	<u>83,301,442</u>	<u>61,578,553</u>	<u>61,883,822</u>	<u>147,010,024</u>	<u>145,185,264</u>
Current and Other Liabilities	7,358,802	13,373,626	965,800	1,051,321	8,324,602	14,424,947
Long-Term Liabilities:						
Due Within One Year	940,508	855,257	467,408	435,576	1,407,916	1,290,833
Due In More Than One Year	7,885,549	2,208,006	3,287,476	3,531,792	11,173,025	5,739,798
<i>Total Liabilities</i>	<u>16,184,859</u>	<u>16,436,889</u>	<u>4,720,684</u>	<u>5,018,689</u>	<u>20,905,543</u>	<u>21,455,578</u>
Property Taxes and PILOTs	3,197,753	2,701,638	0	0	3,197,753	2,701,638
<i>Deferred Inflows of Resources</i>	<u>3,197,753</u>	<u>2,701,638</u>	<u>0</u>	<u>0</u>	<u>3,197,753</u>	<u>2,701,638</u>
Net Investment in Capital Assets	39,451,103	38,898,560	48,867,706	49,793,993	88,318,809	88,692,553
Restricted	15,340,542	13,973,116	0	0	15,340,542	13,973,116
Unrestricted	11,257,214	11,291,239	7,990,163	7,071,140	19,247,377	18,362,379
<i>Total Net Position</i>	<u>\$66,048,859</u>	<u>\$64,162,915</u>	<u>\$56,857,869</u>	<u>\$56,865,133</u>	<u>\$122,906,728</u>	<u>\$121,028,048</u>

\* - Restated as disclosed in Note 3

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As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City, total assets exceed total liabilities and deferred inflows of resources by \$122,906,728 at the close of the most recent year.

The largest portion of the City's net position (71.86 percent) reflects its investment in capital assets (e.g., land, buildings and improvements, infrastructure, equipment and vehicles); less any related outstanding debt and deferred outflows/inflows of resources issued to acquire those assets. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional component of the City's net position (\$15,340,542 or 12.48 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$19,247,377 or 15.66 percent) may be used to meet the government's ongoing obligations to its citizens and creditors.

Total assets increased by \$1,824,760 from 2012 to 2013. The change in assets corresponds primarily to increases in equity in pooled cash and cash equivalents and capital assets, net of accumulated depreciation. These increases were offset by a decrease in the restated accounts receivables. The City actively pursues grant funding for various projects throughout the City. As a result, several capital projects have been partially funded through grants. Capital assets increased as a result of various development projects along with further construction on the E. Summit Street Improvements, the Pine Street Reconstruction, the Redmond Bridge Replacement, the Alley 4 Reconstruction project, Erie/Depyester Street reconstructions and a number of smaller projects still in the construction phase.

Total liabilities and deferred inflows of resources experienced a slight decrease of \$53,920, which corresponds to an increase of \$244,085 in governmental activities and a decrease of \$298,005 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 position, 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 position of the City increased \$1,878,680 from 2012 to 2013. The primary reason for this overall change is that the City had another year where, on a full accrual accounting basis, current year total revenues exceeded total expenses due in part to capitalized expenses for capital assets and business-type charges for services experienced an increase due to utility rate increases.

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

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

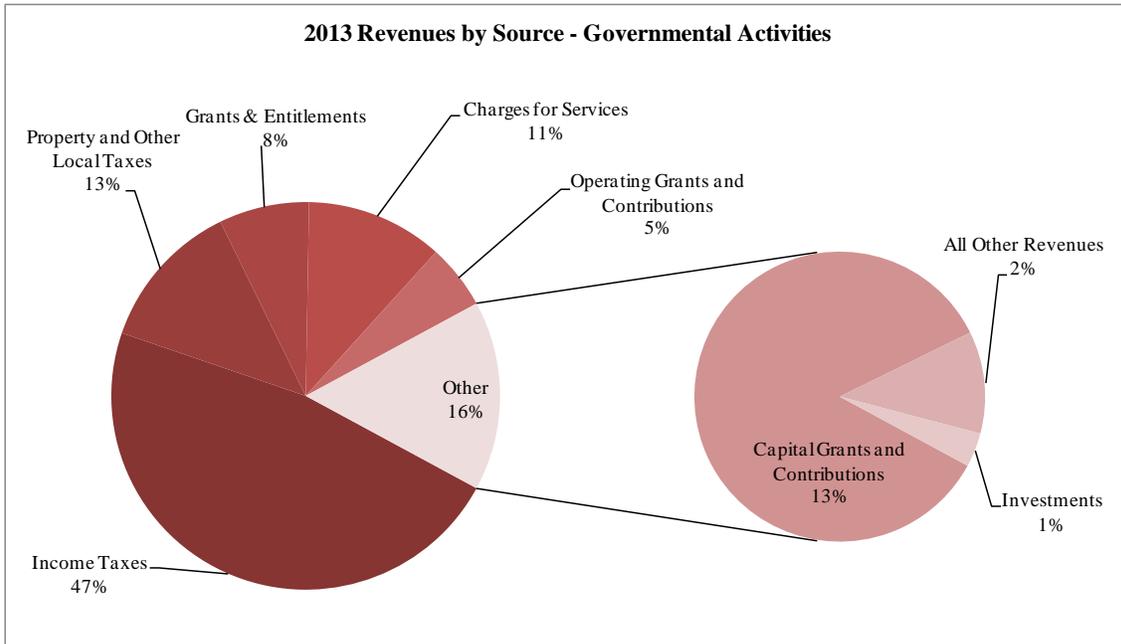
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$2,916,528	\$2,579,903	\$8,248,289	\$7,492,053	\$11,164,817	\$10,071,956
Operating Grants and Contributions	1,399,893	2,571,392	0	12,500	1,399,893	2,583,892
Capital Grants and Contributions	3,443,943	2,802,632	178,119	572,401	3,622,062	3,375,033
<b>General Revenues:</b>						
Municipal Income Taxes	12,163,342	12,921,715	0	0	12,163,342	12,921,715
Property and Other Local Taxes	3,223,562	3,221,452	0	0	3,223,562	3,221,452
Grants and Entitlements	1,935,682	1,668,485	0	0	1,935,682	1,668,485
Investment Income	144,065	206,287	17,795	29,250	161,860	235,537
All Other Revenues	463,264	475,985	55,730	64,055	518,994	540,040
<b>Total Revenues</b>	<b>25,690,279</b>	<b>26,447,851</b>	<b>8,499,933</b>	<b>8,170,259</b>	<b>34,190,212</b>	<b>34,618,110</b>
<b>Program Expenses</b>						
Security of Persons and Property	10,907,162	11,293,807	0	0	10,907,162	11,293,807
Public Health and Welfare	724,497	678,085	0	0	724,497	678,085
Leisure Time Activities	1,745,256	1,682,142	0	0	1,745,256	1,682,142
Community Development	3,529,274	4,022,927	0	0	3,529,274	4,022,927
Transportation	3,801,634	3,408,722	0	0	3,801,634	3,408,722
General Government	2,775,445	2,988,674	0	0	2,775,445	2,988,674
Interest and Fiscal Charges	321,067	247,423	0	0	321,067	247,423
Water	0	0	3,579,906	3,224,228	3,579,906	3,224,228
Sewer	0	0	3,693,322	3,849,553	3,693,322	3,849,553
Solid Waste	0	0	362,196	428,292	362,196	428,292
Storm Water Drainage	0	0	871,773	730,942	871,773	730,942
<b>Total Expenses</b>	<b>23,804,335</b>	<b>24,321,780</b>	<b>8,507,197</b>	<b>8,233,015</b>	<b>32,311,532</b>	<b>32,554,795</b>
Change in Net Position	1,885,944	2,126,071	(7,264)	(62,756)	1,878,680	2,063,315
Net Position Beginning of Year, Restated	64,162,915	62,036,844	56,865,133	56,927,889	121,028,048	118,964,733
Net Position End of Year	\$66,048,859	\$64,162,915	\$56,857,869	\$56,865,133	\$122,906,728	\$121,028,048

**Governmental Activities**

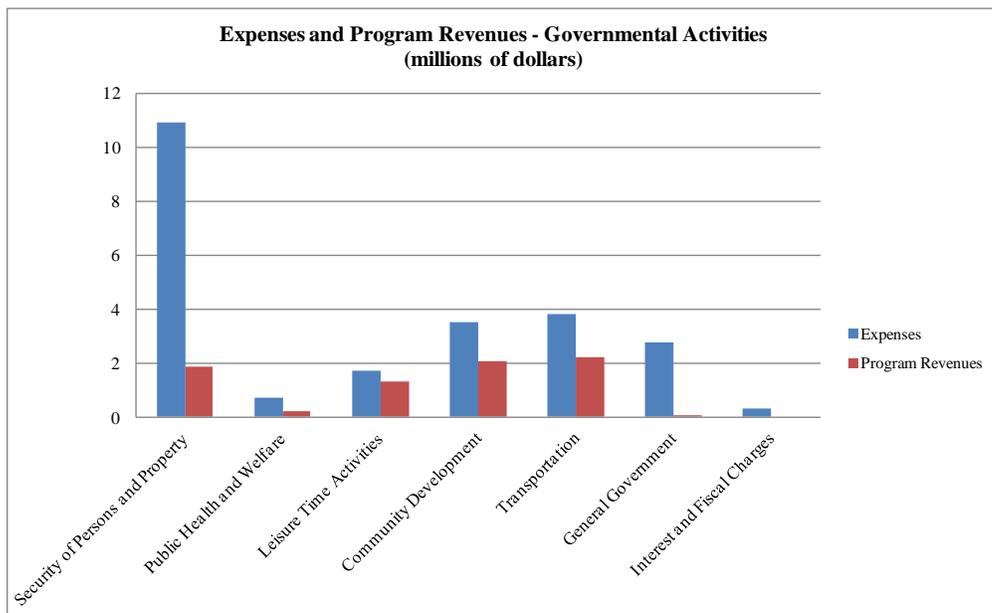
Governmental activities increased the City's net position by \$1,885,944 during 2013.

Several types of revenues fund the City's governmental activities, with municipal income tax being the largest contributor. As presented in the above table, income tax revenues showed a decrease of \$758,373 or 5.87 percent. This decrease is mainly attributed to several significant construction projects within the City's downtown development area coming to conclusion during 2013. The City's total revenue decreased by \$757,572 in 2013 as compared to 2012, the main decrease is related to operating grants and contributions and the largest increase is related to capital grants and contributions.

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Expenses in the governmental activities experienced a decrease of \$517,445 or 2.13 percent. During 2013, the largest program area for the City is security of persons and property at 45.82 percent which includes police, fire and emergency medical services. Transportation is the next largest program area at 15.97 percent, of which \$1.59 million or 41.82 percent of the total transportation expenses are attributable to depreciation from transportation-related activities. The next largest program area is community development at 14.83 percent and accounts for the major economic development occurring within the City. General Government is the fourth largest area at 11.66 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.

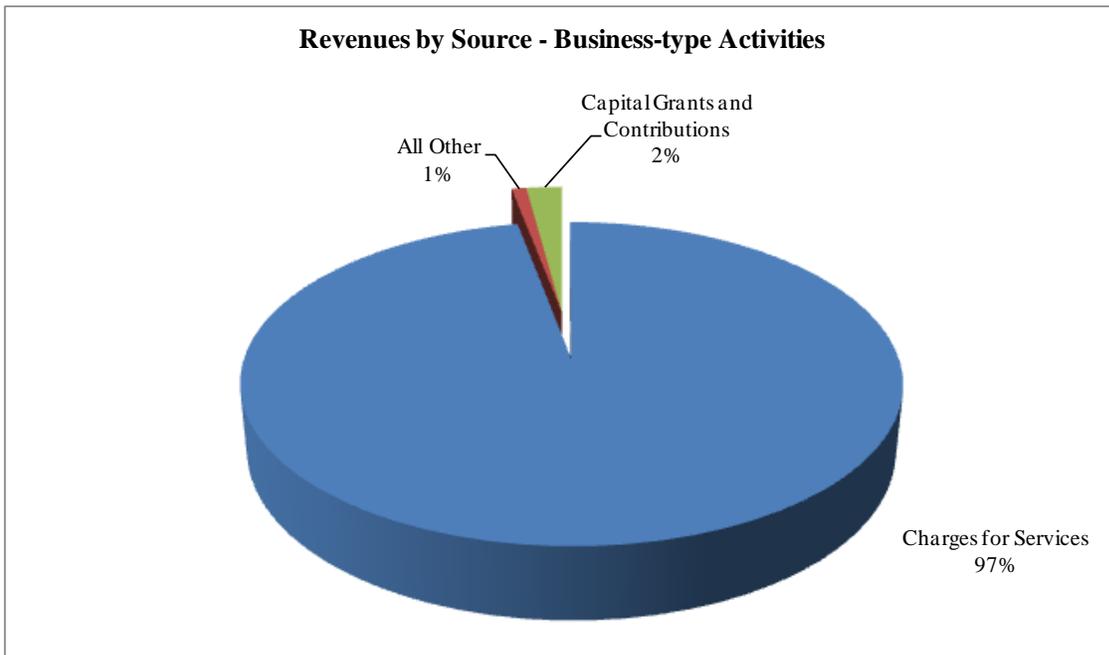


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**Business-Type Activities**

Business-type activities of the City, which include water, sewer, solid waste and storm water drainage operations, slightly decreased the City's net position by \$7,264.

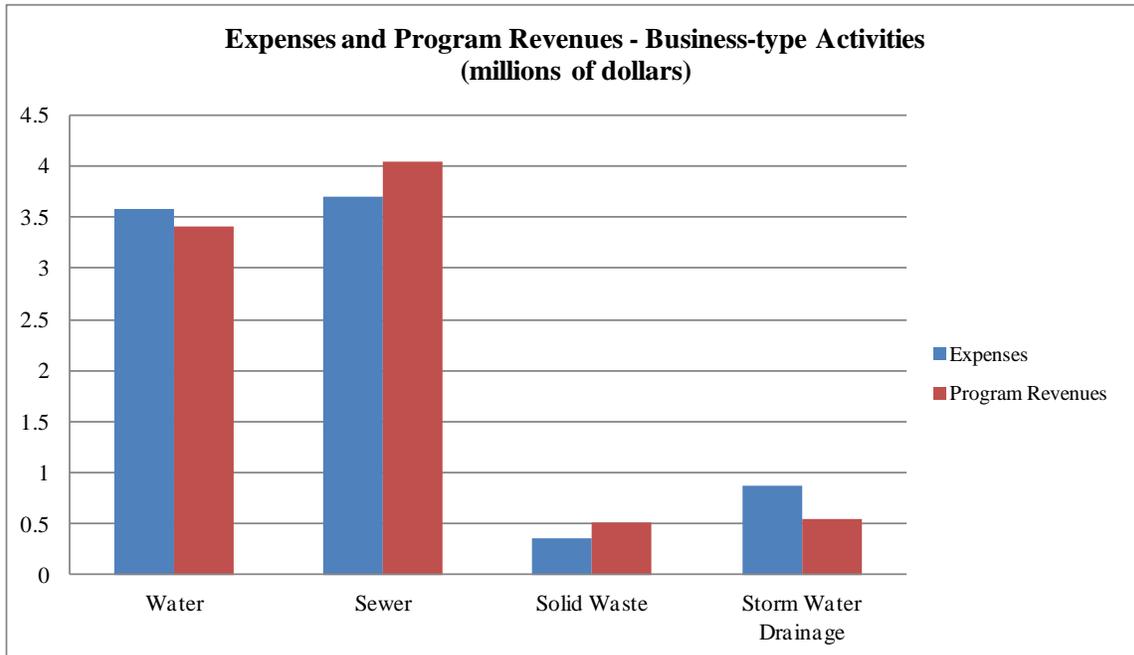


Charges for services account for 97.04 percent of total business-type revenues. The increase in charges for services, \$756,236 or 10.09 percent, is largely explained by the timing effect of previous water and sewer rate revisions implemented in 2010 and 2011 and the resulting impact on annual comparisons. The City also continued its program to upgrade the water meter reading system, resulting in further reduction in the number of estimated reads. The reduction in estimated meter reads translates to more accurate readings that reflect actual usage, which has a positive impact on charges for services.

Capital grants and contributions decreased by \$394,282, mostly due to the completion of several capital projects that had received grant funding provided through the Ohio Water Development Authority (OWDA) and Ohio Public Works Commission (OPWC). The OWDA grant funds were used to fund the Plum Creek Restoration project which was finalized in 2013. The OPWC Loan funds were used to fund the Erie/Depeyster Street reconstruction project.

Expenses in the business-type activities experienced a minor increase of \$274,182 or 3.33 percent. This minor increase was minimized by the City's ongoing efforts to control costs along with the continued implementation of automated water meter reading system.

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

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

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$24,560,389, which represents an increase of \$6,365,949 or 34.99 percent as compared to 2012. The General Fund's unassigned and assigned fund balances were sufficient to cover the deficits in unassigned fund balance from other governmental funds. *Unassigned and assigned fund balances* are available at the government's discretion. The remainder of the fund balance is nonspendable, restricted, or committed to indicate that it is not available for new spending because it is not in spendable form or it has already been restricted by external constrains or committed by internal constraints.

Fund balance for the City's General Fund increased by \$317,006 due to revenues exceeding operating expenditures. This also reflects the City's increase in charges for services mainly attributed to higher collections in the general government services provided.

Fund balance for the City's Income Tax Fund decreased by \$204,682 due to municipal income tax revenues decreasing coupled with expenditures seeing an increase over prior year's expenditures.

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Fund balance for the City's Capital Projects Fund increased by \$1,766,434 due an increase in municipal income tax revenues and total revenues exceeding total expenditures.

Fund balance for the City's Muni PI Tax Increment Equivalent Fund experienced the largest change with an increase of \$5,249,580. The City issued general obligation bonds to retire short-term bond anticipation notes (BANs). Expenditures from the original proceeds of BANs decreased during 2013 as major development projects in the downtown area concluded.

The net change in fund balances for the City's other major governmental funds are unremarkable. There were no significant changes in revenues and expenditures as compared to 2012.

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

The following table lists unrestricted net position and changes in net position for all of the proprietary funds.

	Water	Sewer	Solid Waste	Storm Water Drainage
Unrestricted Net Position	\$2,797,678	\$3,458,385	(\$44,567)	\$2,361,310
Change in Net Position	(196,890)	311,608	145,935	(340,886)

In the Water and Sewer Funds, which are the two largest enterprise funds, the unrestricted net position represent 77.81 percent and 95.78 percent, respectively of the total current operating expenses. In response to projected operating losses in subsequent years, City Council approved a multi-year utility rate stabilization plan to ensure adequate long term funding for critical infrastructure investment needs while remaining sensitive to the ability of customers to pay for those needs. This multi-year rate plan represents a significant commitment to preserving the long term viability of the utility infrastructure that is needed to serve residents, business and the environment for decades to come. Consequently, a Water rate increase of 9 percent was approved in 2012 to become effective with the first billing after January 15, 2013. Further rate ordinance revisions for Sewer and Solid Waste were left pending at year end subject to further review by Council. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

**General Fund Budgetary Highlights.** The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2013, the City amended its General Fund budget on various occasions. All recommendations for budget changes are reviewed by the Finance Committee of City Council prior to presentation to Council for ordinance enactment of the changes.

For the General Fund expenditures and other financing uses, the original budget amount was \$9,648,894 and the final amended budget was \$10,427,049, an increase of \$778,155. Actual expenditures were \$8,617,106 or \$1,809,943 less than were budgeted. Conservative budget practices and vacancies in some positions were the principal reason budget funds were not spent.

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**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, 2013, was \$99,347,700. The City's investment in capital assets increased by \$1,867,151 or 4.20 percent for governmental activities and decreased by \$1,222,531 or 2.25 percent for business-type activities when comparing 2013 to 2012.

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

Table 3 compares capital assets as of December 31, 2013 to balances at December 31, 2012.

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$7,752,401	\$7,752,401	\$1,886,376	\$1,875,036	\$9,638,777	\$9,627,437
Buildings, Structures and Improvements	5,693,477	6,029,443	5,185,193	5,499,021	10,878,670	11,528,464
Machinery and Equipment	3,615,187	2,671,718	1,804,211	1,823,166	5,419,398	4,494,884
Construction in Progress	10,140,485	12,135,940	2,420,042	4,383,858	12,560,527	16,519,798
Infrastructure						
Roads, Bridges, Walks	15,578,389	14,785,338	0	0	15,578,389	14,785,338
Traffic Signals	3,569,043	1,106,991	0	0	3,569,043	1,106,991
Water	0	0	10,217,347	9,922,097	10,217,347	9,922,097
Sewer	0	0	19,618,362	20,076,177	19,618,362	20,076,177
Storm Water	0	0	11,867,187	10,641,894	11,867,187	10,641,894
<i>Total Capital Assets</i>	\$46,348,982	\$44,481,831	\$52,998,718	\$54,221,249	\$99,347,700	\$98,703,080

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**Debt.** At December 31, 2013, the City's bonds, notes and loans outstanding were \$16.40 million.

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<i>Long-Term Obligations:</i>						
General Obligation Bonds	\$5,606,950	\$0	\$0	\$0	\$5,606,950	\$0
Special Assessment Bonds	274,000	305,000	0	0	274,000	305,000
OPWC Loans	324,731	241,446	144,318	145,827	469,049	387,273
OWDA Loans	0	0	3,371,694	3,606,429	3,371,694	3,606,429
Loans Payable	1,445,907	1,445,907	0	0	1,445,907	1,445,907
<i>Short-Term Obligations:</i>						
Notes Payable	4,615,000	10,295,000	615,000	675,000	5,230,000	10,970,000
<b>Total</b>	<b>\$12,266,588</b>	<b>\$12,287,353</b>	<b>\$4,131,012</b>	<b>\$4,427,256</b>	<b>\$16,397,600</b>	<b>\$16,714,609</b>

The City's total long-term debt increased by \$5,422,991 or 94.40 percent. This increase in long-term debt for 2013 is primarily due to the City's issuance of general obligation bonds to retire bond anticipation notes.

Short-term debt significantly decreased by \$5,740,000. The decrease in the City's short-term debt is explained above in the explanation of the increase in long-term debt.

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

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$25,221,155 at December 31, 2013.

Additional information concerning the City's debt can be found in Notes 16 and 17 to the basic financial statements.

**Current Financial Related Activities**

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

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

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Kent State University remains the centerpiece of the City's economic strategy. The historical role of Kent State University as the City's largest employer and largest consumer of local goods and services remains central to the City's revenue stabilization efforts. The University represents just over 37 percent of the City's income tax base and provides a reliable income stream that is less affected by the volatility of economic cycles that has left so many cities scrambling in the wake of private sector downturns over the last couple of years.

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

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

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

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

The City's economic transition is on-going but the sustainability of the early phase results are encouraging as the City's key financial measures have continued to trend favorably. Income tax receipts (on a cash basis) were up by 2.77 percent in 2013, and property values showed modest growth around the downtown business district and in select City neighborhoods. Two of the City's older shopping plazas in Kent were purchased and renovated in 2013 suggesting that the economic recovery is gaining traction outside of the downtown business district.

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

The commercial construction rebound that began in 2009 continued in 2013, adding depth to the City's economic recovery. From the years 1999 thru 2010 commercial construction investment in Kent averaged \$6.5 million a year. Then for 2011 and 2012 commercial investment skyrocketed to an average of \$55 million each year; an increase of 745 percent. In 2013, the commercial investment declined from the records set in 2011-12 but it remained more than twice the average for the previous 20 years.

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

The Kent Area Chamber of Commerce reports that 19 new small businesses opened or expanded in the City in 2013. Phoenix Project Phases 1 and 2, Acorn Alley, and College Town Kent were all fully operational, bringing 200 new permanent jobs to downtown Kent. Main Street Kent and the Kent Chamber of Commerce memberships reached all-time highs, the new Landmark Apartment building opened in downtown Kent, and the downtown revitalization project won a series of national, state and regional awards for economic excellence.

By 2013, most of the construction activity surrounding the new PARTA Transit Center, CollegeTown Kent, Acorn Corner, the Portage County Courthouse, public infrastructure and the new KSU Hotel and Conference Center was wrapping up. Once again in 2013, the City benefitted from the many construction workers that were on Kent job sites during the year, contributing income taxes and buying power to the Kent economy.

On the public side, the City continued to aggressively pursue Federal, State and Regional grant funds for infrastructure improvement projects. As a result, the City has repaired more bridges, streets and sidewalks than it has in decades with more projects in the pipeline for the next 2-4 years, e.g, \$18 million Summit Street Transportation Project, \$3 million SR 43 Signal Upgrade, Area Q Stormwater Project, and the new \$18 million City Police Building. Over the last 5 years the City was awarded (or was a partner in grant awards) amounting to over \$50 million in stimulus/grant funds, which has enabled the City to leverage grant funds to City funds at better than a 4:1 ratio.

The City continued to work with Franklin and Brimfield townships in 2012 to recruit new businesses and expand business development opportunities within the JEDD boundaries. As a result of these partnerships the City received \$619,681 as its combined share of JEDD income taxes in 2013, which amounts to a 41.7 percent increase compared to the 2012 combined income tax collections from the JEDDs. While a portion of this increase reflects economic growth within each JEDD, it should be noted that both JEDDs did also implement income tax rate increases that became effective on January 1, 2012.

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

During 2013, the City approved an update to the five-year capital improvement program that ensures the City's ability to meet the infrastructure needs of the community in future years. In addition to the capital plan, City Council continued to support strategic investments in 2013 that advanced critical economic development priorities. City staff also continued to pursue efficiency and productivity improvements and to hold vacant positions open wherever possible, resulting in budget cuts and savings in excess of \$200,000 in 2013.

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**City Operating Funds**

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

The City's strategic investments are starting to pay off but State funding cuts in 2012 cost the City \$900,000 in lost revenues. City finances have been on an upward swing but the unexpected State cuts pushed off the break-even point for the City's investments by a couple more years. Fortunately it appears that the net job growth has occurred fast enough to offset the loss in State funding before City operating reserves are depleted and the City had a net gain in the undesignated fund balance to close out 2013.

Construction activity in downtown Kent scaled-back with the completion of the first round of projects in 2013 but there are a number of expansions and additions (including the new PARTA retail space and College Town Kent's parcel D) that will likely add to the mix in 2014 making projections of the "new normal" for income tax receipts a continued work in progress. Recognizing this uncertainty, the City developed a Fiscal Health Index in 2012 to more closely track fund balance, debt load, income taxes, operating position and property taxes as markers of fiscal health using a composite health index that balances indicators of financial stability, risk and capacity for growth. At this point, the City's Fiscal Health heading into 2014 is better than it has been in a decade.

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

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, customers, employees, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Budget and Finance Department, City of Kent, 325 South Depeyster Street, Kent, Ohio 44240, telephone (330) 678-8102.

## **Basic Financial Statements**

**City of Kent, Ohio**  
*Statement of Net Position*  
*December 31, 2013*

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 20,969,949	\$ 8,931,947	\$ 29,901,896
Cash and Cash Equivalents:			
In Segregated Accounts	59,265	-	59,265
Cash Surrender Value of Life Insurance Policies	362,681	-	362,681
Materials and Supplies Inventory	219,922	26,165	246,087
Accounts Receivable	325,727	1,232,914	1,558,641
Accrued Interest Receivable	35,179	8,352	43,531
Intergovernmental Receivable	2,052,942	-	2,052,942
Other Receivable	-	1,994	1,994
Internal Balances	2,591,189	(2,591,189)	-
Prepaid Items	4,030,792	16,633	4,047,425
Municipal Income Taxes Receivable	2,496,243	-	2,496,243
Property Taxes Receivable	3,068,610	-	3,068,610
Other Taxes Receivable	103,658	-	103,658
Loans Receivable	724,743	-	724,743
Notes Receivable	240,000	-	240,000
Special Assessments Receivable	827,675	939,742	1,767,417
Utilization Fee Receivable	-	13,277	13,277
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	16,230	-	16,230
Assets held for Resale	957,684	-	957,684
Nondepreciable Capital Assets	17,892,886	4,306,418	22,199,304
Depreciable Capital Assets	28,456,096	48,692,300	77,148,396
<b>Total Assets</b>	<u>85,431,471</u>	<u>61,578,553</u>	<u>147,010,024</u>
<b>LIABILITIES</b>			
Accounts Payable	631,003	115,814	746,817
Contracts Payable	554,194	17,854	572,048
Accrued Wages and Benefits	948,663	196,452	1,145,115
Accrued Interest Payable	76,347	2,050	78,397
Retainage Payable	387,276	16,156	403,432
Claims Payable	126,304	-	126,304
Notes Payable	4,635,015	617,474	5,252,489
Long-term Liabilities:			
Due within one year	940,508	467,408	1,407,916
Due in more than one year	7,885,549	3,287,476	11,173,025
<b>Total Liabilities</b>	<u>16,184,859</u>	<u>4,720,684</u>	<u>20,905,543</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	2,824,785	-	2,824,785
Payments in Lieu of Taxes (PILOTs)	372,968	-	372,968
<b>Total Deferred Inflows of Resources</b>	<u>3,197,753</u>	<u>-</u>	<u>3,197,753</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	39,451,103	48,867,706	88,318,809
Restricted for:			
Capital Projects	6,407,172	-	6,407,172
Debt Services	385,140	-	385,140
Streets and Highways	1,776,799	-	1,776,799
Income Tax	2,276,808	-	2,276,808
Community Development Block Grant	990,373	-	990,373
Parks and Recreation	715,671	-	715,671
Fire and EMS	1,168,317	-	1,168,317
Community Development	1,061,324	-	1,061,324
Other Purpose	558,938	-	558,938
Unrestricted	11,257,214	7,990,163	19,247,377
<b>Total Net Position</b>	<u>\$ 66,048,859</u>	<u>\$ 56,857,869</u>	<u>\$ 122,906,728</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, 2013

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>				
Security of Persons and Property	\$ 10,907,162	\$ 1,746,787	\$ 85,049	\$ 54,563
Public Health and Welfare	724,497	213,738	-	-
Leisure Time Activities	1,745,256	593,189	6,400	730,884
Community Development	3,529,274	259,516	502,927	1,301,307
Transportation	3,801,634	40,798	805,517	1,357,189
General Government	2,775,445	62,500	-	-
Interest and Fiscal Charges	321,067	-	-	-
<b>Total Governmental activities</b>	<u>23,804,335</u>	<u>2,916,528</u>	<u>1,399,893</u>	<u>3,443,943</u>
<b>Business-type activities:</b>				
Water	3,579,906	3,281,466	-	75,817
Sewer	3,693,322	3,961,787	-	62,312
Solid Waste	362,196	508,985	-	-
Storm Water Drainage	871,773	496,051	-	39,990
<b>Total Business-type activities</b>	<u>8,507,197</u>	<u>8,248,289</u>	<u>-</u>	<u>178,119</u>
<b>Total Primary Government</b>	<u>\$ 32,311,532</u>	<u>\$ 11,164,817</u>	<u>\$ 1,399,893</u>	<u>\$ 3,622,062</u>

**General Revenues:**

Property Taxes levied for:

General Purposes

Other Purposes

Municipal Income Taxes levied for:

General Purposes

Capital Outlay

Other Purposes

Other Local Taxes

Grants & Entitlements not restricted to specific programs

Investment Income

All Other Revenues

Total General Revenues

Change in Net Position

Net Position - Beginning of Year, as Restated

**Net Position - End of Year**

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

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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (9,020,763)	\$ -	\$ (9,020,763)
(510,759)	-	(510,759)
(414,783)	-	(414,783)
(1,465,524)	-	(1,465,524)
(1,598,130)	-	(1,598,130)
(2,712,945)	-	(2,712,945)
(321,067)	-	(321,067)
<u>(16,043,971)</u>	<u>-</u>	<u>(16,043,971)</u>
-	(222,623)	(222,623)
-	330,777	330,777
-	146,789	146,789
-	(335,732)	(335,732)
<u>-</u>	<u>(80,789)</u>	<u>(80,789)</u>
<u>(16,043,971)</u>	<u>(80,789)</u>	<u>(16,124,760)</u>
1,335,154	-	1,335,154
1,396,589	-	1,396,589
2,362,758	-	2,362,758
2,583,635	-	2,583,635
7,216,949	-	7,216,949
491,819	-	491,819
1,935,682	-	1,935,682
144,065	17,795	161,860
463,264	55,730	518,994
<u>17,929,915</u>	<u>73,525</u>	<u>18,003,440</u>
1,885,944	(7,264)	1,878,680
64,162,915	56,865,133	121,028,048
<u>\$ 66,048,859</u>	<u>\$ 56,857,869</u>	<u>\$ 122,906,728</u>

**City of Kent, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2013*

	General Fund	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	\$ 4,761,512	\$ 722,773	\$ 866,761	\$ 4,280,636	\$ 393,146	\$ 757,129
Cash and Cash Equivalents:						
In Segregated Accounts	-	-	-	-	-	-
Materials and Supplies Inventory	32,394	187,528	-	-	-	-
Accrued Interest Receivable	33,404	-	-	1,775	-	-
Accounts Receivable	297,966	-	27,761	-	-	-
Interfund Receivable	1,241,039	-	-	2,452,080	-	-
Intergovernmental Receivable	730,218	348,225	57,076	-	-	-
Prepaid Items	13,574	5,795	918	10	21,015	2,839
Restricted Assets:						
Equity in Pooled Cash and Cash Equivalents	-	16,230	-	-	-	-
Municipal Income Taxes Receivable	483,229	83,263	-	146,492	673,813	593,275
Property Taxes Receivable	1,506,236	-	1,114,242	-	-	-
Special Assessments Receivable	-	396,840	-	-	-	-
Other Taxes Receivable	89,252	14,406	-	-	-	-
Loans Receivable	390,000	-	-	-	-	-
Notes Receivable	-	-	-	-	-	-
Assets Held for Resale	734,400	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 10,313,224</u>	<u>\$ 1,775,060</u>	<u>\$ 2,066,758</u>	<u>\$ 6,880,993</u>	<u>\$ 1,087,974</u>	<u>\$ 1,353,243</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 544,296	\$ 19,151	\$ 14,540	\$ 245	\$ 6,536	\$ 17,863
Accrued Wages and Benefits	175,312	40,245	45,040	9,150	417,752	242,474
Contracts Payable	-	-	-	-	-	54,563
Accrued Interest Payable	-	-	-	-	-	-
Retainage Payable	-	16,230	66,563	-	-	-
Interfund Payable	1,445,907	-	160,000	-	-	-
Notes Payable	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>2,165,515</u>	<u>75,626</u>	<u>286,143</u>	<u>9,395</u>	<u>424,288</u>	<u>314,900</u>
<b>Deferred Inflows of Resources:</b>						
Property Taxes and PILOTs	1,386,220	-	1,025,943	-	-	-
Unavailable Revenue - Delinquent Property Taxes	120,016	-	88,299	-	-	-
Unavailable Revenue - Municipal Income Taxes	262,340	45,203	-	79,529	365,807	322,083
Unavailable Revenue - Other	402,122	644,673	57,076	-	-	-
<b>Total Deferred Inflows of Resources</b>	<u>2,170,698</u>	<u>689,876</u>	<u>1,171,318</u>	<u>79,529</u>	<u>365,807</u>	<u>322,083</u>
<b>Fund Balances:</b>						
Nonspendable	2,411,407	193,323	918	10	21,015	2,839
Restricted	-	816,235	608,379	-	276,864	713,421
Committed	-	-	-	6,792,059	-	-
Assigned	305,274	-	-	-	-	-
Unassigned (Deficit)	3,260,330	-	-	-	-	-
<b>Total Fund Balances</b>	<u>5,977,011</u>	<u>1,009,558</u>	<u>609,297</u>	<u>6,792,069</u>	<u>297,879</u>	<u>716,260</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 10,313,224</u>	<u>\$ 1,775,060</u>	<u>\$ 2,066,758</u>	<u>\$ 6,880,993</u>	<u>\$ 1,087,974</u>	<u>\$ 1,353,243</u>

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

				<i>Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities December 31, 2013</i>	
Capital Projects	Muni PI Tax Increment Equivalent	Other Governmental Funds	Total Governmental Funds		
\$ 4,416,411	\$ 2,066,086	\$ 2,310,619	\$ 20,575,073	<b>Total Governmental Funds Balance</b>	\$ 24,560,389
-	-	59,265	59,265	<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>	
-	-	-	219,922	Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds. 46,348,982	
-	-	-	35,179	Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds:	
-	-	-	325,727	Delinquent property taxes \$ 243,825	
-	-	1,445,907	5,139,026	Municipal income taxes 1,355,187	
441,620	372,968	102,835	2,052,942	Special assessments 827,675	
39,714	3,946,667	260	4,030,792	Intergovernmental 811,555	
-	-	-	16,230	Charges for services 86,338	
516,171	-	-	2,496,243	Miscellaneous revenues 240,000	
-	-	448,132	3,068,610	<u>Total</u> 3,564,580	
86,082	-	344,753	827,675	In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due. (52,931)	
-	-	-	103,658	Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service funds are included in Governmental Activities in the Statement of Net Position. 453,896	
-	-	334,743	724,743	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
240,000	-	-	240,000	General obligation bonds (5,606,950)	
108,484	-	114,800	957,684	Special assessment bonds (274,000)	
<u>\$ 5,848,482</u>	<u>\$ 6,385,721</u>	<u>\$ 5,161,314</u>	<u>\$ 40,872,769</u>	OPWC loans (324,731)	
				Loan guarantees (1,445,907)	
\$ 1,016	\$ -	\$ 27,356	\$ 631,003	Compensated absences (1,174,469)	
-	-	18,690	948,663	<u>Total</u> (8,826,057)	
492,603	7,028	-	554,194	<b>Net Position of Governmental Activities</b> \$ 66,048,859	
6,483	5,500	11,433	23,416		
181,432	123,051	-	387,276		
325,000	-	439,573	2,370,480		
1,953,321	1,657,196	1,024,498	4,635,015		
2,959,855	1,792,775	1,521,550	9,550,047		
-	372,968	412,622	3,197,753		
-	-	35,510	243,825		
280,225	-	-	1,355,187		
422,249	-	439,448	1,965,568		
702,474	372,968	887,580	6,762,333		
39,714	3,946,667	260	6,226,153		
-	273,311	3,683,104	6,371,314		
2,146,439	-	-	8,938,498		
-	-	-	305,274		
-	-	(931,180)	2,719,150		
2,186,153	4,219,978	2,752,184	24,560,389		
<u>\$ 5,848,482</u>	<u>\$ 6,385,721</u>	<u>\$ 5,161,314</u>	<u>\$ 40,872,769</u>		

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

**City of Kent, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2013*

	General Fund	Street Construction, Maintenance, and Repair	Parks and Recreation	Income Tax	Income Tax Safety	Fire and Emergency Medical Services	Capital Projects
<b>REVENUES</b>							
Property Taxes	\$ 1,332,589	\$ -	\$ 992,225	\$ -	\$ -	\$ -	\$ -
Municipal Income Taxes	2,431,573	416,347	-	650,011	3,432,697	2,995,883	2,619,086
Other Local Taxes	301,167	190,652	-	-	-	-	-
Intergovernmental	1,902,617	694,749	851,436	-	9,644	54,563	2,624,864
Interest	68,882	-	-	46,403	-	-	-
Fees, Licenses, and Permits	191,853	-	43,362	-	-	-	-
Fines and Forfeitures	189,060	-	-	-	-	-	-
Charges for Services	1,707,333	40,798	549,827	-	-	-	-
Special Assessments	-	65,499	-	-	-	-	55,395
All Other Revenues	166,224	12,399	50,063	25,723	24,237	20,103	160,714
<b>Total Revenues</b>	<b>8,291,298</b>	<b>1,420,444</b>	<b>2,486,913</b>	<b>722,137</b>	<b>3,466,578</b>	<b>3,070,549</b>	<b>5,460,059</b>
<b>EXPENDITURES</b>							
Current:							
Security of Persons and Property	3,916,474	-	-	-	3,473,206	2,634,021	3,347
Public Health and Welfare	482,814	-	-	-	-	-	40,060
Leisure Time Activities	-	-	1,529,772	-	-	-	-
Community Development	1,420,990	-	-	-	-	-	1,326,298
Transportation	-	1,596,030	-	-	-	-	582,060
General Government	2,159,993	-	-	499,872	-	-	6,602
Capital Outlay	-	-	1,115,743	-	-	743,247	1,828,124
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	9,271
Debt Issuance Costs	-	-	-	-	-	-	11,095
<b>Total Expenditures</b>	<b>7,980,271</b>	<b>1,596,030</b>	<b>2,645,515</b>	<b>499,872</b>	<b>3,473,206</b>	<b>3,377,268</b>	<b>3,806,857</b>
Excess of Revenues (Under) Expenditures	311,027	(175,586)	(158,602)	222,265	(6,628)	(306,719)	1,653,202
<b>OTHER FINANCING SOURCES (USES)</b>							
Sale of Capital Assets	5,979	8,417	1,330	-	-	-	-
General Obligation Bonds Issued	-	-	-	-	-	-	-
OPWC Loans Issued	-	-	-	-	-	-	113,232
Premium on Debt Issuance	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	(426,947)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,979</b>	<b>8,417</b>	<b>1,330</b>	<b>(426,947)</b>	<b>-</b>	<b>-</b>	<b>113,232</b>
Net Change in Fund Balances	317,006	(167,169)	(157,272)	(204,682)	(6,628)	(306,719)	1,766,434
Fund Balances - Beginning of Year	5,660,005	1,176,727	766,569	6,996,751	304,507	1,022,979	419,719
<b>Fund Balances - End of Year</b>	<b>\$ 5,977,011</b>	<b>\$ 1,009,558</b>	<b>\$ 609,297</b>	<b>\$ 6,792,069</b>	<b>\$ 297,879</b>	<b>\$ 716,260</b>	<b>\$ 2,186,153</b>

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

<b>Muni PI</b>			<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, 2013</i>	
<b>Tax Increment Equivalent</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>		
\$ -	\$ 403,251	\$ 2,728,065	<b>Net Change in Fund Balances-Total Governmental Funds</b>	\$ 6,365,949
-	-	12,545,597	<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>	
-	-	491,819	Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
74,709	766,321	6,978,903	Capital outlay	\$ 4,250,559
1,219	11,600	128,104	Depreciation	<u>(2,328,619)</u>
-	179,251	414,466	Total	1,921,940
-	12,403	201,463	In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets.	(54,789)
-	86,300	2,384,258	Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
-	49,250	170,144	Delinquent property taxes	3,678
-	90,549	550,012	Municipal income taxes	(382,255)
<u>75,928</u>	<u>1,598,925</u>	<u>26,592,831</u>	Special assessments	(93,882)
-	526,466	10,553,514	Intergovernmental	(282,395)
-	200,601	723,475	Charges for services	(83,659)
-	-	1,529,772	Miscellaneous revenues	<u>(80,000)</u>
237,061	542,201	3,526,550	Total	(918,513)
-	41,793	2,219,883	Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the City's issuance of general obligation bonds and related premiums along with the issuance of an OPWC loan.	(5,721,226)
-	1,970	2,668,437	Repayment of debt principal are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	60,947
49,711	513,734	4,250,559	Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental funds.	
-	60,947	60,947	Compensated absences	(103,559)
24,433	96,763	130,467	Amortization of premiums	1,044
123,137	5,998	140,230	Accrued interest on bonds	<u>(51,414)</u>
<u>434,342</u>	<u>1,990,473</u>	<u>25,803,834</u>	Total	(153,929)
<u>(358,414)</u>	<u>(391,548)</u>	<u>788,997</u>	Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities.	<u>385,565</u>
-	-	15,726	<b>Change in Net Position of Governmental Activities</b>	<u>\$ 1,885,944</u>
5,490,000	-	5,490,000		
-	-	113,232		
117,994	-	117,994		
-	266,947	266,947		
-	-	(426,947)		
<u>5,607,994</u>	<u>266,947</u>	<u>5,576,952</u>		
5,249,580	(124,601)	6,365,949		
<u>(1,029,602)</u>	<u>2,876,785</u>	<u>18,194,440</u>		
<u>\$ 4,219,978</u>	<u>\$ 2,752,184</u>	<u>\$ 24,560,389</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 1,511,760	\$ 1,482,259	\$ 1,332,589	\$ (149,670)
Other Local Taxes	200,780	206,387	274,700	68,313
Intergovernmental	1,299,583	1,335,887	1,778,055	442,168
Interest	57,081	58,676	78,097	19,421
Fees, Licenses and Permits	140,226	144,143	191,853	47,710
Fines and Forfeits	150,086	154,278	205,343	51,065
Charges for Services	1,212,179	1,246,041	1,658,471	412,430
Miscellaneous	120,866	124,243	165,413	41,170
<b>Total Revenues</b>	<u>4,692,561</u>	<u>4,751,914</u>	<u>5,684,521</u>	<u>932,607</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	5,210,828	5,210,828	4,150,479	1,060,349
Public Health and Welfare	549,523	549,523	482,056	67,467
Community Development	1,375,343	2,073,498	1,564,462	509,036
General Government	2,488,200	2,568,200	2,395,109	173,091
<b>Total Expenditures</b>	<u>9,623,894</u>	<u>10,402,049</u>	<u>8,592,106</u>	<u>1,809,943</u>
Excess of Revenues Over (Under) Expenditures	(4,931,333)	(5,650,135)	(2,907,585)	2,742,550
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	6,979	6,979
Advances In	20,000	20,000	20,000	-
Advances Out	(25,000)	(25,000)	(25,000)	-
Transfer In	2,400,000	2,400,000	2,400,000	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,395,000</u>	<u>2,395,000</u>	<u>2,401,979</u>	<u>6,979</u>
Net Change in Fund Balance	(2,536,333)	(3,255,135)	(505,606)	2,749,529
Fund Balance - Beginning of Year	4,418,054	4,418,054	4,418,054	-
Prior Year Encumbrances Appropriated	444,342	444,342	444,342	-
<b>Fund Balance - End of Year</b>	<u>\$ 2,326,063</u>	<u>\$ 1,607,261</u>	<u>\$ 4,356,790</u>	<u>\$ 2,749,529</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Other Local Taxes	\$ 211,725	\$ 211,725	\$ 189,739	\$ (21,986)
Intergovernmental	777,153	777,153	696,449	(80,704)
Charges for Services	45,526	45,526	40,798	(4,728)
Special Assessments	76,854	76,854	68,873	(7,981)
Miscellaneous	17,708	17,708	15,986	(1,722)
<b>Total Revenues</b>	<u>1,128,966</u>	<u>1,128,966</u>	<u>1,011,845</u>	<u>(117,121)</u>
<b>Expenditures</b>				
Current:				
Transportation	<u>1,670,238</u>	<u>1,670,238</u>	<u>1,542,365</u>	<u>127,873</u>
Excess of Revenues Over (Under) Expenditures	(541,272)	(541,272)	(530,520)	10,752
<b>Other Financing Sources</b>				
Sale of Capital Assets	2,500	2,500	8,417	5,917
Transfers In	<u>413,534</u>	<u>413,534</u>	<u>413,534</u>	<u>-</u>
<b>Total Other Financing Sources</b>	<u>416,034</u>	<u>416,034</u>	<u>421,951</u>	<u>5,917</u>
Net Change in Fund Balance	(125,238)	(125,238)	(108,569)	16,669
Fund Balance - Beginning of Year	729,013	729,013	729,013	-
Prior Year Encumbrances Appropriated	<u>39,444</u>	<u>39,444</u>	<u>39,444</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u>\$ 643,219</u>	<u>\$ 643,219</u>	<u>\$ 659,888</u>	<u>\$ 16,669</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  
 Parks and Recreation Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$ 1,142,859	\$ 1,209,160	\$ 992,225	\$ (216,935)
Intergovernmental	980,696	1,037,589	851,436	(186,153)
Fees, Licenses and Permits	19,019	20,122	16,512	(3,610)
Charges for Services	632,250	668,928	548,916	(120,012)
Miscellaneous	59,102	62,531	51,187	(11,344)
<b>Total Revenues</b>	<u>2,833,926</u>	<u>2,998,330</u>	<u>2,460,276</u>	<u>(538,054)</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities	3,091,945	3,428,438	3,325,056	103,382
Excess of Revenues Over (Under) Expenditures	(258,019)	(430,108)	(864,780)	(434,672)
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,330	1,330	1,330	-
Advances Out	(20,000)	(20,000)	(20,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(18,670)</u>	<u>(18,670)</u>	<u>(18,670)</u>	<u>-</u>
Net Change in Fund Balance	(276,689)	(448,778)	(883,450)	(434,672)
Fund Balance - Beginning of Year	697,790	697,790	697,790	-
Prior Year Encumbrances Appropriated	371,260	371,260	371,260	-
<b>Fund Balance - End of Year</b>	<u>\$ 792,361</u>	<u>\$ 620,272</u>	<u>\$ 185,600</u>	<u>\$ (434,672)</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Taxes	\$ 10,907,074	\$ 11,102,804	\$ 12,397,812	\$ 1,295,008
Interest	43,490	44,271	49,300	5,029
Miscellaneous	33,499	36,988	25,723	(11,265)
<b>Total Revenues</b>	<u>10,984,063</u>	<u>11,184,063</u>	<u>12,472,835</u>	<u>1,288,772</u>
<b>Expenditures</b>				
Current:				
General Government	<u>555,759</u>	<u>555,759</u>	<u>523,861</u>	<u>31,898</u>
Excess of Revenues Over Expenditures	10,428,304	10,628,304	11,948,974	1,320,670
<b>Other Financing Sources (Uses)</b>				
Advances In	255,000	255,000	255,000	-
Transfer Out	<u>(10,977,271)</u>	<u>(12,646,532)</u>	<u>(12,097,196)</u>	<u>549,336</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(10,722,271)</u>	<u>(12,391,532)</u>	<u>(11,842,196)</u>	<u>549,336</u>
Net Change in Fund Balance	(293,967)	(1,763,228)	106,778	1,870,006
Fund Balance - Beginning of Year	4,167,567	4,167,567	4,167,567	-
Prior Year Encumbrance Appropriated	<u>5,266</u>	<u>5,266</u>	<u>5,266</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u>\$ 3,878,866</u>	<u>\$ 2,409,605</u>	<u>\$ 4,279,611</u>	<u>\$ 1,870,006</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 3,446	\$ 53,446	\$ 9,644	\$ (43,802)
Miscellaneous	-	-	24,237	24,237
<b>Total Revenues</b>	<u>3,446</u>	<u>53,446</u>	<u>33,881</u>	<u>(19,565)</u>
<b>Expenditures</b>				
Current:				
Security of Persons & Property	<u>2,964,203</u>	<u>3,564,203</u>	<u>3,330,276</u>	<u>233,927</u>
Excess of Revenues Over (Under) Expenditures	(2,960,757)	(3,510,757)	(3,296,395)	214,362
<b>Other Financing Sources</b>				
Transfers In	<u>2,746,554</u>	<u>3,569,641</u>	<u>3,346,554</u>	<u>(223,087)</u>
Net Change in Fund Balance	(214,203)	58,884	50,159	(8,725)
Fund Balance - Beginning of Year	210,325	210,325	210,325	-
Prior Year Encumbrances Appropriated	132,662	132,662	132,662	-
<b>Fund Balance - End of Year</b>	<u>\$ 128,784</u>	<u>\$ 401,871</u>	<u>\$ 393,146</u>	<u>\$ (8,725)</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 3,446	\$ 55,927	\$ 54,563	\$ (1,364)
Miscellaneous	-	20,606	20,103	(503)
<b>Total Revenues</b>	<u>3,446</u>	<u>76,533</u>	<u>74,666</u>	<u>(1,867)</u>
<b>Expenditures</b>				
Current:				
Security of Persons & Property	<u>2,814,478</u>	<u>3,511,791</u>	<u>3,351,649</u>	<u>160,142</u>
Excess of Revenues Over (Under) Expenditures	(2,811,032)	(3,435,258)	(3,276,983)	158,275
<b>Other Financing Sources</b>				
Transfers In	<u>2,746,554</u>	<u>2,946,554</u>	<u>2,946,554</u>	<u>-</u>
Net Change in Fund Balance	(64,478)	(488,704)	(330,429)	158,275
Fund Balance - Beginning of Year	321,033	321,033	321,033	-
Prior Year Encumbrances Appropriated	718,085	718,085	718,085	-
<b>Fund Balance - End of Year</b>	<u><u>\$ 974,640</u></u>	<u><u>\$ 550,414</u></u>	<u><u>\$ 708,689</u></u>	<u><u>\$ 158,275</u></u>

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

**City of Kent, Ohio**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2013**

	Enterprise Funds					Governmental
	Water	Sewer	Solid Waste	Storm Water Drainage	Total	Activities Internal Service Fund
<b>ASSETS</b>						
<b>Current Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 2,465,464	\$ 3,304,634	\$ 560,967	\$ 2,600,882	\$ 8,931,947	\$ 394,876
Materials and Supplies Inventory	9,978	16,187	-	-	26,165	-
Accrued Interest Receivable	4,176	4,176	-	-	8,352	-
Accounts Receivable	555,573	513,112	87,260	76,969	1,232,914	-
Other Receivable	-	-	-	1,994	1,994	-
Prepaid Items	12,676	3,543	16	398	16,633	-
Special Assessments Receivable	407,261	238,448	-	294,033	939,742	-
Utilization Fee Receivable	2,575	10,702	-	-	13,277	-
<b>Total Current Assets</b>	<u>3,457,703</u>	<u>4,090,802</u>	<u>648,243</u>	<u>2,974,276</u>	<u>11,171,024</u>	<u>394,876</u>
<b>Noncurrent Assets:</b>						
Cash Surrender Value of Life Insurance Policies	-	-	-	-	-	362,681
Capital Assets:						
Land	1,360,175	441,944	-	84,257	1,886,376	-
Construction in Progress	621,803	774,909	-	1,023,330	2,420,042	-
Depreciable Assets, Net of Depreciation	12,668,815	24,117,943	332	11,905,210	48,692,300	-
<b>Total Noncurrent Assets</b>	<u>14,650,793</u>	<u>25,334,796</u>	<u>332</u>	<u>13,012,797</u>	<u>52,998,718</u>	<u>362,681</u>
<b>Total Assets</b>	<u>18,108,496</u>	<u>29,425,598</u>	<u>648,575</u>	<u>15,987,073</u>	<u>64,169,742</u>	<u>757,557</u>
<b>LIABILITIES</b>						
<b>Current Liabilities:</b>						
Accounts Payable	27,585	49,155	39,074	-	115,814	-
Accrued Wages and Benefits	81,893	92,544	2,879	19,136	196,452	-
Compensated Absences Payable	78,704	110,891	3,975	25,678	219,248	-
Contracts Payable	17,854	-	-	-	17,854	-
Retainage Payable	14,053	2,103	-	-	16,156	-
Interfund Payable	432,100	363,980	646,466	566,000	2,008,546	760,000
Accrued Interest Payable	-	2,050	-	-	2,050	-
Claims Payable	-	-	-	-	-	126,304
Notes Payable	-	617,474	-	-	617,474	-
OWDA Loans Payable	36,896	206,297	-	-	243,193	-
OPWC Loans Payable	-	-	-	4,967	4,967	-
<b>Total Current Liabilities</b>	<u>689,085</u>	<u>1,444,494</u>	<u>692,394</u>	<u>615,781</u>	<u>3,441,754</u>	<u>886,304</u>
<b>Noncurrent Liabilities:</b>						
Compensated Absences Payable	7,836	9,220	416	2,152	19,624	-
OWDA Loans Payable	444,084	2,684,417	-	-	3,128,501	-
OPWC Loans Payable	42,520	20,902	-	75,929	139,351	-
<b>Total Noncurrent Liabilities</b>	<u>494,440</u>	<u>2,714,539</u>	<u>416</u>	<u>78,081</u>	<u>3,287,476</u>	<u>-</u>
<b>Total Liabilities</b>	<u>1,183,525</u>	<u>4,159,033</u>	<u>692,810</u>	<u>693,862</u>	<u>6,729,230</u>	<u>886,304</u>
<b>NET POSITION</b>						
Net Investment in Capital Assets	14,127,293	21,808,180	332	12,931,901	48,867,706	-
Unrestricted	2,797,678	3,458,385	(44,567)	2,361,310	8,572,806	(128,747)
<b>Total Net Position</b>	<u>\$ 16,924,971</u>	<u>\$ 25,266,565</u>	<u>\$ (44,235)</u>	<u>\$ 15,293,211</u>	<u>\$ 57,440,512</u>	<u>\$ (128,747)</u>

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

(582,643)  
\$ 56,857,869

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

**City of Kent, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2013*

	Enterprise Funds					Governmental Activities
	Water	Sewer	Solid Waste	Storm Water Drainage	Total	Internal Service Fund
<b>OPERATING REVENUES</b>						
Charges for Services	\$ 3,281,466	\$ 3,961,787	\$ 508,985	\$ 496,051	\$8,248,289	\$ 2,655,847
Miscellaneous	47,702	6,896	-	1,132	55,730	14,809
<b>Total Operating Revenues</b>	<u>3,329,168</u>	<u>3,968,683</u>	<u>508,985</u>	<u>497,183</u>	<u>8,304,019</u>	<u>2,670,656</u>
<b>OPERATING EXPENSES</b>						
Salaries	1,311,726	1,501,069	48,535	318,544	3,179,874	-
Fringe Benefits	485,228	550,553	15,330	109,009	1,160,120	-
Materials and Supplies	365,970	265,358	3,032	402	634,762	-
Utilities	174,335	173,687	-	-	348,022	-
Contractual Services	718,590	310,122	295,931	189,929	1,514,572	561,516
Depreciation	534,722	805,536	222	260,329	1,600,809	-
Claims	-	-	-	-	-	1,826,567
Other	4,799	4,489	-	34	9,322	-
<b>Total Operating Expense</b>	<u>3,595,370</u>	<u>3,610,814</u>	<u>363,050</u>	<u>878,247</u>	<u>8,447,481</u>	<u>2,388,083</u>
Operating Income (Loss)	<u>(266,202)</u>	<u>357,869</u>	<u>145,935</u>	<u>(381,064)</u>	<u>(143,462)</u>	<u>282,573</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Interest	8,668	8,939	-	188	17,795	15,961
Interest and Fiscal Charges	(15,173)	(117,512)	-	-	(132,685)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(6,505)</u>	<u>(108,573)</u>	<u>-</u>	<u>188</u>	<u>(114,890)</u>	<u>15,961</u>
Capital Contributions from Grants	46,579	26,744	-	38,790	112,113	-
Transfers In	-	-	-	-	-	160,000
Capital Contributions from Tap In Fees	29,238	35,568	-	1,200	66,006	-
Change in Net Position	(196,890)	311,608	145,935	(340,886)	(80,233)	458,534
Net Position - Beginning of Year, as Restated	17,121,861	24,954,957	(190,170)	15,634,097		(587,281)
<b>Net Position - End of Year</b>	<u>\$16,924,971</u>	<u>\$25,266,565</u>	<u>\$ (44,235)</u>	<u>\$15,293,211</u>		<u>\$ (128,747)</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.

72,969  
\$ (7,264)

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, 2013

	Enterprise Funds					Governmental Activities
	Water	Sewer	Solid Waste	Storm Water Drainage	Total	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash Received from Charges for Services	\$3,155,184	\$3,972,115	\$474,570	\$ 552,670	\$8,154,539	\$ 2,655,847
Other Cash Receipts	46,202	4,396	-	8,962	59,560	14,809
Cash Payments to Employees for Services	(1,301,659)	(1,485,116)	(47,670)	(314,291)	(3,148,736)	-
Cash Payments for Employee Benefits	(485,647)	(550,915)	(15,303)	(108,953)	(1,160,818)	-
Cash Payments for Goods and Services	(1,252,003)	(741,778)	(308,338)	(192,239)	(2,494,358)	(607,120)
Cash Payments for Claims	-	-	-	-	-	(2,204,077)
Other Cash Payments	(4,799)	(4,489)	-	(34)	(9,322)	-
Net Cash Provided by (Used in) Operating Activities	<u>157,278</u>	<u>1,194,213</u>	<u>103,259</u>	<u>(53,885)</u>	<u>1,400,865</u>	<u>(140,541)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Advances In	-	-	25,000	-	25,000	-
Advances Out	(80,000)	(65,000)	-	(110,000)	(255,000)	-
Transfers In	-	-	-	-	-	160,000
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(80,000)</u>	<u>(65,000)</u>	<u>25,000</u>	<u>(110,000)</u>	<u>(230,000)</u>	<u>160,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Capital Grants and Contributions	53,909	37,531	-	46,119	137,559	-
Tap-in Fees	31,392	36,141	-	1,200	68,733	-
Special Assessments	39,702	39,308	-	19,830	98,840	-
Proceeds from Notes	-	615,000	-	-	615,000	-
Premium on Notes	-	3,711	-	-	3,711	-
Principal Paid on OWDA/OPWC Loans	(35,786)	(198,949)	-	(4,967)	(239,702)	-
Principal Paid on Notes	-	(675,000)	-	-	(675,000)	-
Interest Paid on OWDA/OPWC Loans	(15,173)	(114,576)	-	-	(129,749)	-
Interest Paid on Notes	-	(6,731)	-	-	(6,731)	-
Payments for Capital Acquisitions	(113,861)	(187,699)	-	(99,674)	(401,234)	-
Net Cash Used in Capital and Related Financing Activities	<u>(39,817)</u>	<u>(451,264)</u>	<u>-</u>	<u>(37,492)</u>	<u>(528,573)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceed from sales and maturities of investments	-	-	-	-	-	205,445
Interest on Investments	10,205	3,376	-	188	13,769	-
Net Cash Provided by Investing Activities	<u>10,205</u>	<u>3,376</u>	<u>-</u>	<u>188</u>	<u>13,769</u>	<u>205,445</u>
Net Increase (Decrease) in Cash and Cash Equivalents	47,666	681,325	128,259	(201,189)	656,061	224,904
Cash and Cash Equivalents - Beginning of Year	<u>2,417,798</u>	<u>2,623,309</u>	<u>432,708</u>	<u>2,802,071</u>	<u>8,275,886</u>	<u>169,972</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$2,465,464</u></u>	<u><u>\$3,304,634</u></u>	<u><u>\$560,967</u></u>	<u><u>\$ 2,600,882</u></u>	<u><u>\$8,931,947</u></u>	<u><u>\$ 394,876</u></u>

(Continued)

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

**City of Kent, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2013

	Enterprise Funds					Governmental Activities
	Water	Sewer	Solid Waste	Storm Water Drainage	Total	Internal Service Fund
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>						
Operating Income (Loss)	\$ (266,202)	\$ 357,869	\$145,935	\$ (381,064)	\$ (143,462)	\$ 282,573
Adjustments:						
Depreciation	534,722	805,536	222	260,329	1,600,809	-
Premium charged for Life Insurance Policies	-	-	-	-	-	1,930
(Increase) Decrease in Assets:						
Accounts Receivable	(127,782)	7,828	(34,415)	56,619	(97,750)	-
Other Receivable	-	-	4,185	7,830	12,015	-
Materials and Supplies Inventory	16,624	(8,430)	-	-	8,194	-
Prepaid Items	(205)	16	-	(31)	(220)	-
Increase (Decrease) in Liabilities:						
Accounts Payable	(9,527)	15,803	(13,560)	(1,877)	(9,161)	(47,534)
Accrued Wages and Benefits	1,928	3,332	331	1,089	6,680	-
Compensated Absences Payable	7,720	12,259	561	3,220	23,760	-
Claims Payable	-	-	-	-	-	(377,510)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 157,278</b>	<b>\$1,194,213</b>	<b>\$103,259</b>	<b>\$ (53,885)</b>	<b>\$1,400,865</b>	<b>\$ (140,541)</b>
<b>Schedule of Non-Cash Investing, Capital, and Financing Activities:</b>						
Proceeds and related capital acquisitions from OPWC Loan	\$ -	\$ 3,458	\$ -	\$ -	\$ 3,458	\$ -

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, 2013*

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 397,044
Total Assets	<u>\$ 397,044</u>
<b>Liabilities</b>	
Deposits Held and Due to Others	\$ 397,044
Total Liabilities	<u>\$ 397,044</u>

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, 2013*

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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. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*.

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

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

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

The City is associated with one jointly governed organization, the Northeast Ohio Public Energy Council, and two joint ventures, the Kent-Franklin Township Joint Economic Development District, and the Kent-Brimfield Township Joint Economic Development District. Information about these organizations is presented in Notes 20 and 21 to the basic financial statements, respectively.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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

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

**A. Basis of Presentation**

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

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

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

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

**B. Fund Accounting**

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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

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

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

**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 that is not restricted by City Charter, the expenditures relative to the administration of income tax collections, and transfers to support the operations of other funds as defined by annual Council appropriations.

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

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

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

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

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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

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

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

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

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

**C. Measurement Focus**

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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

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

***D. Basis of Accounting***

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

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

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

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**Deferred Outflows/Inflows of Resources** - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, there were no deferred outflows of resources as of December 31, 2013.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2013, but which were levied to finance year 2014 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, intergovernmental grants, special assessments, charges for services, and miscellaneous revenues. These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

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

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

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

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

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

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

During the year, the City's investments were limited to non-negotiable and negotiable certificates of deposits, a municipal bond, a United States Treasury note, and United States Agency debt securities.

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 2013 amounted to \$68,882, which includes \$60,362 assigned from other City funds.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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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, 2013 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

***H. Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City capitalization threshold is \$2,500 for 2013. 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:

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

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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***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 balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

***J. Compensated Absences***

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

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

The current portion of unpaid compensated absences is the amount of matured compensated absences expected to be paid using expendable available financial resources. These amounts are presented as “Matured Compensated Absences Payable” in the funds from which the employees are paid. The noncurrent portion of the liability is not reported in the governmental funds.

***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.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**L. Fund Balance**

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

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

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

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

*Assigned* – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts would represent intended uses established by City Council.

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

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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

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

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

***M. Net Position***

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

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, 2013*  
*(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 2013.

***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 (Personnel and Benefits, Other than Personnel and Benefits, Capital, Reserve/Debt Service, and Contingency) for all funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

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

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

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

**Changes in Accounting Principles**

GASB Statement Number 66, *Technical Corrections-2012-an amendment of GASB Statement No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 GASB and AICPA Pronouncements*. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012 and have been implemented by the City.

**Prior Period Adjustments**

Prior period adjustments are necessary for the City’s business-type activities net position and the net position of the Water Fund and the Sewer Fund. An adjustment to the City’s utility billing register caused the prior year’s accounts receivable to be overstated. These adjustments had the following impact:

	Business-Type Activities	
Net Position, December 31, 2012	\$ 57,731,783	
Adjustments:		
Adjustment to Accounts Receivable	(866,650)	
Restated Net Position, December 31, 2012	\$ 56,865,133	
	Water Fund	Sewer Fund
Net Position, December 31, 2012	\$ 17,439,471	\$ 25,503,997
Adjustments:		
Adjustment to Accounts Receivable	(317,610)	(549,040)
Restated Net Position, December 31, 2012	\$ 17,121,861	\$ 24,954,957

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**Note 4 – Accountability and Compliance**

**Fund Deficits**

Start-up costs associated with the City's recycling program (initiated in 1990) resulted in deficit net position 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 position over the last several years. However, recent increases in the curbside collection contract caused an increase in net position and the City's continued efforts to increase the fund net position which lead to an overall fund deficit of \$44,235 at December 31, 2013.

In addition, the City's General Obligation Debt Service Fund and Internal Service Fund reported deficit fund balances for 2013. These fund deficits resulted from accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**Note 5 - Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balances/net position on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General, 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 part of restricted, committed, and assigned fund balances (GAAP basis); and
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, 2013*  
(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	\$4,356,790	\$659,888	\$185,600	\$4,279,611	\$393,146	\$708,689
Net Adjustment						
Revenue Accruals	4,771,344	842,734	1,199,079	2,600,347	673,813	593,275
Deferred Revenue	(2,170,698)	(689,876)	(1,171,318)	(79,529)	(365,807)	(322,083)
Expenditure Accruals	(2,165,515)	(59,396)	(286,143)	(9,395)	(424,288)	(314,900)
Assets Held for Resale	734,400	0	0	0	0	0
Inventories/Prepays	45,968	193,323	918	10	21,015	2,839
Investment Valuation	(5,346)	0	0	0	0	0
Encumbrances	410,068	62,885	681,161	1,025	0	48,440
Fund Balance - GAAP Basis	<u>\$5,977,011</u>	<u>\$1,009,558</u>	<u>\$609,297</u>	<u>\$6,792,069</u>	<u>\$297,879</u>	<u>\$716,260</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, 2013*  
(Continued)

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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, 2013, 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 percent of the carrying value of the deposits. Such collateral, as permitted by Chapter 135 of the Ohio Revised Code, is held in financial institution pools at Federal Reserve banks, or at member banks of the federal reserve system in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds, or as specific collateral held at a Federal Reserve Bank in the name of the City.

At December 31, 2013, the carrying value of the City’s deposits was \$16,987,184, of which \$10,358,183 was non-negotiable certificates of deposit (cash and cash equivalents in segregated accounts of \$59,265 related to the City’s blended component unit are not included in the City’s deposits). The cash balances per the banks were \$16,274,607, of which \$11,465,119 was insured by Federal depository insurance. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$4,809,488 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, 2013, fair value was \$6,682 below the City’s net cost for investments. Fair value is determined by quoted market prices and other acceptable pricing methodologies.

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

The City holds one investment which matures on December 1, 2020. The \$361,000 investment in municipal bonds was specifically approved by the Treasury Investment Board of the City.

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

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

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

As of December 31, 2013, the City had the following investment and investment maturity:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturity</u>
Municipal Bonds	\$361,000	Aa2	December 1, 2020
U.S. Debt Securities	8,034,153	AA+	Various Maturities
U.S. Treasury Note	64,828	AA+	December 31, 2015
Money Market Mutual Funds	1,797	N/A	Daily
Negotiable Certificate of Deposit	4,865,153	N/A	Various Maturities
Total Investments	<u>\$13,326,931</u>		

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2013.

Investments	\$13,326,931
Carrying amount of the City's Deposits	16,987,184
Cash on Hand	<u>1,055</u>
Total	<u><u>\$30,315,170</u></u>
 <b><i>Governmental Activities</i></b>	
Governmental Funds	
Equity in Pooled Cash and Cash Equivalents	\$20,575,073
Restricted Cash	16,230
Internal Service Funds	
Equity in Pooled Cash and Cash Equivalents	<u>394,876</u>
Total Governmental Activities	<u><u>20,986,179</u></u>
 <b><i>Business-Type Activities</i></b>	
Enterprise Funds	
Equity in Pooled Cash and Cash Equivalents	<u>8,931,947</u>
 <b><i>Agency Funds</i></b>	
	<u>397,044</u>
Total	<u><u>\$30,315,170</u></u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

**Note 7 – Fund Balances**

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

Fund Balances	General	Street Construction, Maintenance & Repair	Parks and Recreation	Income Tax	Income Tax Safety	Fire and Emergency Medical Services	Capital Projects	Muni PI Tax Increment Equivalent	Other Governmental Funds	Total
<i>Nonspendable</i>										
Prepaid Items	\$ 13,574	\$ 5,795	\$ 918	\$ 10	\$ 21,015	\$ 2,839	\$ 39,714	\$ 3,946,667	\$ 260	\$ 4,030,792
Inventories	32,394	187,528	-	-	-	-	-	-	-	219,922
Interfund Balances	1,241,039	-	-	-	-	-	-	-	-	1,241,039
Loans Receivable	390,000	-	-	-	-	-	-	-	-	390,000
Assets Held for Resale	734,400	-	-	-	-	-	-	-	-	734,400
<b>Total Nonspendable</b>	<b>2,411,407</b>	<b>193,323</b>	<b>918</b>	<b>10</b>	<b>21,015</b>	<b>2,839</b>	<b>39,714</b>	<b>3,946,667</b>	<b>260</b>	<b>6,616,153</b>
<i>Restricted for</i>										
Police Pension	-	-	-	-	-	-	-	-	5,034	5,034
Fire Pension	-	-	-	-	-	-	-	-	5,038	5,038
Public Safety	-	-	-	-	276,864	713,421	-	-	274,272	1,264,557
Other Law Enforcement	-	-	-	-	-	-	-	-	88,614	88,614
Streets and Highways	-	816,235	-	-	-	-	-	-	106,066	922,301
Parks and Recreation	-	-	608,379	-	-	-	-	-	-	608,379
Food Services	-	-	-	-	-	-	-	-	40,732	40,732
Revolving Housing	-	-	-	-	-	-	-	-	79,126	79,126
Swimming Pool Inspections	-	-	-	-	-	-	-	-	4,985	4,985
Community Development	-	-	-	-	-	-	-	273,311	3,079,237	3,352,548
<b>Total Restricted</b>	<b>-</b>	<b>816,235</b>	<b>608,379</b>	<b>-</b>	<b>276,864</b>	<b>713,421</b>	<b>-</b>	<b>273,311</b>	<b>3,683,104</b>	<b>6,371,314</b>
<i>Committed to</i>										
Public Facilities and Programs	-	-	-	2,276,808	-	-	-	-	-	2,276,808
Income Tax	-	-	-	4,515,251	-	-	-	-	-	4,515,251
Capital Improvement	-	-	-	-	-	-	2,146,439	-	-	2,146,439
<b>Total Committed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,792,059</b>	<b>-</b>	<b>-</b>	<b>2,146,439</b>	<b>-</b>	<b>-</b>	<b>8,938,498</b>
<i>Assigned to</i>										
Purchases on Order	305,274	-	-	-	-	-	-	-	-	305,274
<b>Total Assigned</b>	<b>305,274</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>305,274</b>
<i>Unassigned (Deficit)</i>										
	3,260,330	-	-	-	-	-	-	-	(931,180)	2,329,150
<b>Total Fund Balances</b>	<b>\$ 5,977,011</b>	<b>\$ 1,009,558</b>	<b>\$ 609,297</b>	<b>\$ 6,792,069</b>	<b>\$ 297,879</b>	<b>\$ 716,260</b>	<b>\$ 2,186,153</b>	<b>\$ 4,219,978</b>	<b>\$ 2,752,184</b>	<b>\$ 24,560,389</b>

**Note 8 - Income Taxes**

During 2013, the City levied income tax of 2 percent on substantially all income earned within the City. In addition, residents are required to pay City income tax on income earned outside the City; however, credit is allowed for income taxes paid to other municipalities, up to a maximum of 2 percent.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

**Note 9 - 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 2012 tax levy was based was \$337,744,000.

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 2012. Public utility personal property is assessed at 88 percent of actual value (1997-2004) and 67 percent of actual value (2005-2008). General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax has been completely phased out. Amounts for prior year's unpaid tangible personal property taxes may still be collected.

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

**Note 10 – Interfund Balances and Transfers**

As of December 31, 2013, individual funds due to/from other funds that resulted from various interfund transactions were as follows:

	PAYABLE FUND									Total
	<i>Governmental Activities</i>					<i>Business-Type Activities</i>				
	General	Parks and Recreation	Capital Projects	Nonmajor	Internal Service	Water	Sewer	Solid Waste	Storm Water Drainage	
<b>RECEIVABLE FUND</b>										
<i>Governmental Funds</i>										
General	\$0	\$160,000	\$325,000	\$439,573	\$0	\$0	\$0	\$316,466	\$0	\$1,241,039
Income Tax	0	0	0	0	760,000	432,100	363,980	330,000	566,000	2,452,080
Nonmajor	1,445,907	0	0	0	0	0	0	0	0	1,445,907
<b>Total</b>	<b>\$1,445,907</b>	<b>\$160,000</b>	<b>\$325,000</b>	<b>\$439,573</b>	<b>\$760,000</b>	<b>\$432,100</b>	<b>\$363,980</b>	<b>\$646,466</b>	<b>\$566,000</b>	<b>\$5,139,026</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.

The interfund receivable/payable between the General Fund and the nonmajor governmental fund is related to the City's guarantee of the blended component unit's line of credit.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

Transfers made during the year ended December 31, 2013 were as follows:

	<b>TRANSFERS OUT</b>
	<i>Governmental Activities</i>
<b>TRANSFERS IN</b>	Income Tax
<i>Governmental Activities</i>	
Nonmajor	\$266,947
Internal Service Fund	160,000
Total Governmental Activities	\$426,947

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

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

**Note 11 – Risk Management**

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

The claims liability of \$126,304 reported in the fund at December 31, 2013, 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 2012 and 2013 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2012	\$ 397,958	\$ 2,546,767	\$ 2,440,911	\$ 503,814
2013	503,814	1,826,567	2,204,077	126,304

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(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 2013, 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
Travelers Insurance Company	Commercial Property	2,500
Travelers Insurance Company	Commercial Crime	1,000
Travelers Insurance Company	Inland Marine	1,000
Travelers Insurance Company	Boiler and Machinery	2,500
US Specialty Insurance Company	Automobile Comprehensive	500
US Specialty Insurance Company	Automobile Collision	500
Travelers Insurance Company	General Liability	0
Travelers Insurance Company	Employee Benefit Plans Administration	
	Administration Liability	1,000
Travelers Insurance Company	General Liability - Sewer Backup	5,000
Travelers Insurance Company	Excess General Liability	10,000
American Alternative Insurance Company	Fire General Liability	0
Ohio Casualty Insurance Company	Bond - Finance Officials	0
Ohio Casualty Insurance Company	Bond - Finance Director	0
Ohio Casualty Insurance Company	Blanket Employee Faithful	
	Performance Bond	0

The contracts listed above reflect no significant reduction in insurance coverage as compared to the prior year. 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, 2013*  
(Continued)

**Note 12 - Capital Assets**

Capital asset activity for the year ended December 31, 2013, was as follows:

	Balance 12/31/12	Additions	Deletions	Balance 12/31/13
<b>Governmental Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$7,752,401	\$0	\$0	\$7,752,401
Construction in Progress	12,135,940	2,737,166	(4,732,621)	10,140,485
<i>Total Capital Assets, Not Being Depreciated</i>	<u>19,888,341</u>	<u>2,737,166</u>	<u>(4,732,621)</u>	<u>17,892,886</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings, Structures and Improvements	11,949,998	25,595	0	11,975,593
Vehicles, Machinery and Equipment	10,095,471	1,536,777	(680,299)	10,951,949
Infrastructure:				
Roads	34,180,604	2,091,314	0	36,271,918
Bridges	2,949,089	0	0	2,949,089
Sidewalks	54,014	0	0	54,014
Traffic Signals	1,388,220	2,592,328	0	3,980,548
<i>Total Capital Assets, Being Depreciated</i>	<u>60,617,396</u>	<u>6,246,014</u>	<u>(680,299)</u>	<u>66,183,111</u>
Less Accumulated Depreciation:				
Buildings, Structures and Improvements	(5,920,555)	(361,561)	0	(6,282,116)
Vehicles, Machinery and Equipment	(7,423,753)	(538,519)	625,510	(7,336,762)
Infrastructure:				
Roads	(21,577,092)	(1,234,859)	0	(22,811,951)
Bridges	(771,748)	(63,009)	0	(834,757)
Sidewalks	(49,529)	(395)	0	(49,924)
Traffic Signals	(281,229)	(130,276)	0	(411,505)
<i>Total Accumulated Depreciation</i>	<u>(36,023,906)</u>	<u>(2,328,619) *</u>	<u>625,510</u>	<u>(37,727,015)</u>
Total Capital Assets, Being Depreciated, Net	<u>24,593,490</u>	<u>3,917,395</u>	<u>(54,789)</u>	<u>28,456,096</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$44,481,831</u>	<u>\$6,654,561</u>	<u>(\$4,787,410)</u>	<u>\$46,348,982</u>

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

Governmental Activities	
Security of Persons and Property	\$416,471
Public Health and Welfare	3,373
Leisure Time Activities	217,507
Community Development	10,955
Transportation	1,589,882
General Government	90,431
Total Depreciation Expense	<u>\$2,328,619</u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

	Balance 12/31/12	Additions	Deletions	Balance 12/31/13
<b>Business-Type Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$1,875,036	\$11,340	\$0	\$1,886,376
Construction in Progress	4,383,858	145,109	(2,108,925)	2,420,042
<i>Total Capital Assets, Not Being Depreciated</i>	<u>6,258,894</u>	<u>156,449</u>	<u>(2,108,925)</u>	<u>4,306,418</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings, Structures and Improvements	14,679,429	10,400	0	14,689,829
Vehicles, Machinery and Equipment	10,626,440	182,313	(138,354)	10,670,399
Infrastructure:				
Water Mains	15,586,580	567,914	0	16,154,494
Sanitary Sewers	27,356,907	90,108	0	27,447,015
Storm Water Drainage Lines	14,882,723	1,480,019	0	16,362,742
<i>Total Capital Assets, Being Depreciated</i>	<u>83,132,079</u>	<u>2,330,754</u>	<u>(138,354)</u>	<u>85,324,479</u>
Less Accumulated Depreciation:				
Buildings, Structures and Improvements	(9,180,408)	(324,228)	0	(9,504,636)
Vehicles, Machinery and Equipment	(8,803,274)	(201,268)	138,354	(8,866,188)
Infrastructure:				
Water Mains	(5,664,483)	(272,664)	0	(5,937,147)
Sanitary Sewers	(7,280,730)	(547,923)	0	(7,828,653)
Storm Water Drainage Lines	(4,240,829)	(254,726)	0	(4,495,555)
<i>Total Accumulated Depreciation</i>	<u>(35,169,724)</u>	<u>(1,600,809) *</u>	<u>138,354</u>	<u>(36,632,179)</u>
Total Capital Assets, Being Depreciated, Net	<u>47,962,355</u>	<u>729,945</u>	<u>0</u>	<u>48,692,300</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u><u>\$54,221,249</u></u>	<u><u>\$886,394</u></u>	<u><u>(\$2,108,925)</u></u>	<u><u>\$52,998,718</u></u>

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

Business-Type Activities	
Water Fund	\$534,722
Sewer Fund	805,536
Solid Waste Fund	222
Storm Water Drainage Fund	260,329
	<u>\$1,600,809</u>

**Note 13 - 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, 2013*  
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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 percent 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 visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), writing 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 the year ended December 31, 2013, the members of all three plans were required to contribute 10.00 percent of their annual covered salaries. The City's contribution rate was 14.00 percent of covered payroll. The pension allocation for the Traditional and Combined Plans was 13.00 percent during calendar year 2013. The City's required pension contributions to OPERS for the years ended December 31, 2013, 2012, and 2011 were \$954,377, \$721,729, and \$753,035, respectively. As of December 31, 2013, 100 percent of the City's required contributions have been made for 2012, 2011, and 87.19 percent has been made for 2013.

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

OPERS maintains 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.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide the OPEB Plan to its eligible members and beneficiaries. Authority to establish and amend the OPEB Plan is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), by writing to OPERS, 277 E. Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

*Funding Policy* - The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care coverage. The 2013 local government employer contribution rate was 14.00 percent of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00 percent of covered payroll for local government employers. Active members do not make contributions to the OPEB Plan.

OPERS' Post-employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 1.00 percent during calendar year 2013. The portion of employer contributions allocated to health care for members in the Combined Plan was 1.00 percent during calendar year 2013. Effective January 1, 2014, the portion of employer contributions allocated to health care was raised to 2.00 percent for both plans, as recommended by the OPERS Actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The City's 2013, 2012, and 2011 contributions that were used to fund post-employment benefits amounted to \$73,414, \$288,692, and \$301,214, respectively. As of December 31, 2013, the City has contributed 100 percent of its required post-employment contributions for 2012 and 2011, and 87.19 percent has been made for 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00 percent of the employer contributions toward the health care fund after the end of the transition period.

***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. The 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. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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From January 1, 2013 thru July 1, 2013, Plan members were required to contribute 10.00 percent of their annual covered salary. From July 2, 2013 thru December 31, 2013, Plan members were required to contribute 10.75 percent of their annual covered salary. Throughout 2013, the City is required to contribute 19.50 percent and 24.0 percent for police officers and firefighters, respectively.

The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively. The City's required pension contributions to OP&F for the years ending December 31, 2013, 2012, and 2011 were \$484,301, \$401,894, and \$400,210 for police and \$523,007, \$452,940, and \$442,026 for firefighters, respectively. As of December 31, 2013, the City has contributed 71.14 percent and 72.19 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 2012 and 2011.

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

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

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

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

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

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

**City of Kent, Ohio**  
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The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 Trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 4.69 percent of covered payroll from January 1, 2013 thru May 31, 2013 and 2.85 percent of covered payroll from June 1, 2013 thru December 31, 2013. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of the Sections 115 and 401(h).

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, 2013, 2012, and 2011 was \$107,617, \$212,768, and \$211,876 for police and \$90,705, \$177,238, and \$172,967 for firefighters, respectively. As of December 31, 2013, the City has contributed 71.14 percent and 72.19 percent, respectively, for the police officers and firefighters required contributions. 100.00 percent of the required contributions have been made for 2012 and 2011.

***Other Postemployment Benefits***

*Plan Description* – The City administers a single-employer defined benefit life insurance plan. The plan provides other post-employment benefits (OPEB) in the form of life insurance benefits to 68 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, 2013, were \$1,930. 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.

*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 No. 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, 2012 (the latest information available), 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	\$	1,930
Contributions made		1,930
Change in Net OPEB obligation		-
Net OPEB obligation - beginning of year		-
Net OPEB obligation - end of year	\$	-

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
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The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013, 2012, and 2011 were as follows:

<u>Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2011	\$ 11,665	100%	\$ -
2012	10,204	100	-
2013	1,930	100	-

*Funded Status and Funding Progress* – As of December 31, 2012 (the latest information available), the actuarial accrued liability for life insurance benefits was \$359,898, of which \$33,002 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, 2012 (the latest information available), was as follows:

Actuarial Accrued Liability	\$359,898
Actual Value of Plan Assets	<u>33,002</u>
Unfunded Actuarial Accrued Liability	<u><u>\$326,896</u></u>
 Fund Ratio (Actual Value of Plan Assets/AAL)	 9.17%

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.

*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.

**City of Kent, Ohio**  
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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 (the latest information available), was 16 years which is the average remaining life expectancy of the group.

**Note 14 – Other Employee Benefits**

***A. Compensated Absences***

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

The total obligation for vacation and compensatory time accrual for the City, including salary-related payments, amounted to \$1,274,898 as of December 31, 2013.

***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 \$112,378 as of December 31, 2013.

***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 \$26,065 as of December 31, 2013.

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**Note 15 - Construction and Other Commitments**

As of December 31, 2013, the City had capital contracts and retainage payables of \$941,470 and \$34,010 in governmental funds and business-type funds, respectively.

	<u>Contract Amount</u>
Governmental Activities	
SR 43 Signalization Improvement	\$ 17,734
Pine Street Reconstruction	1,388
2013 Street Program	327,481
Alley 5 Parking Lot	47,825
Redmond Bridge	66,563
Erie/Depyester Reconstruction	123,051
KSU Esplanade Project	225,376
Various Capital Purchases	132,052
	<u>\$941,470</u>
Business-Type	
Digester Improvements	\$2,103
Tank Painting	14,053
Other Projects	17,854
	<u>\$34,010</u>
Total	<u>\$975,480</u>

**Operating Lease where City is Lessee**

On August 3, 2011, the City entered into a 50-year lease agreement with the Portage Area Regional Transit Authority (PARTA). The lease agreement required the City to prepay all rentals and costs payable for the lease of two upper levels of the parking facility in the amount of \$4,000,000. The prepayment of the lease term is necessary to provide additional funding to PARTA for the construction of the parking facility. The first lease year shall commence when the parking facility is complete and operable. As of December 31, 2013, the construction of the parking facility was completed and operable.

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

**City of Kent, Ohio**  
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**Operating Lease where City is Lessor**

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

Based on accounting for leases, this lease is accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations. The minimum future rentals on the lease are as follows:

<u>Years</u>	
2014	\$30,001
2015	30,001
2016	30,001
2017	30,000
2018	30,000
Thereafter	<u>240,070</u>
Total	<u><u>\$390,073</u></u>

**Other Commitments**

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of December 31, 2013, the City's commitments for encumbrances in the governmental funds were as follows:

	<u>Encumbrances Outstanding</u>
Major Funds:	
General	\$ 305,274
Street Construction, Maintenance and Repair	62,885
Parks and Recreation	681,161
Income Tax	1,025
Income Tax Safety	-
Fire and Emergency Medical Services	48,440
Capital Projects	834,419
Muni PI Tax Increment Equivalent	148,290
Nonmajor Funds:	
Special Revenue Funds	217,143
Total	<u><u>\$ 2,298,637</u></u>

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

**Note 16 – Long-term Obligations**

Changes in bonds and other long-term obligations of the City during 2013 were as follows:

	Principal Outstanding 12/31/12	Additions	Deletions	Principal Outstanding 12/31/13	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Bonds:					
\$1,295,000 Alley 4 Improvements 2013 2.00% - 4.00%	\$0	\$1,295,000	\$0	\$1,295,000	\$0
\$4,195,000 Downtown Parking Improvements 2013 2.00% - 5.00%	0	4,195,000	0	4,195,000	0
Unamortized Premium	0	117,994	1,044	116,950	0
<i>Total General Obligation Bonds</i>	<u>0</u>	<u>5,607,994</u>	<u>1,044</u>	<u>5,606,950</u>	<u>0</u>
Special Assessment Bonds:					
\$561,000 Street Improvements 2000 5.50% - 6.00%	305,000	0	31,000	274,000	32,000
Ohio Public Works Commission Loans					
\$512,940 Fairchild Avenue Improvements 1999 0.00%	166,706	0	25,647	141,059	25,647
\$86,000 Elm-Mae-Morris Improvements 2001 0.00%	34,400	0	4,300	30,100	4,300
\$136,900 Erie & Depeyster Street Reconstruction 2012 0.00%	40,340	113,232	0	153,572	0
<i>Total Ohio Public Works Commission Loans</i>	<u>241,446</u>	<u>113,232</u>	<u>29,947</u>	<u>324,731</u>	<u>29,947</u>
Loans Payable	1,445,907	0	0	1,445,907	0
Compensated Absences	1,070,910	794,310	690,751	1,174,469	878,561
<b>Total Governmental Activities</b>	<u>\$3,063,263</u>	<u>\$6,515,536</u>	<u>\$752,742</u>	<u>\$8,826,057</u>	<u>\$940,508</u>
<b>Business-Type Activities</b>					
Ohio Water Development Authority Loans					
\$485,851 Kent-Ravenna Interconnect 2003 3.65%	\$309,733	\$0	\$23,346	\$286,387	\$24,206
\$4,372,503 Sanitary Sewer Improvements 2003 3.66%	3,089,663	0	198,949	2,890,714	206,297
\$271,200 Franklin Hills Waterline 2007 2.00%	207,033	0	12,440	194,593	12,690
<i>Total Ohio Water Development Authority Loans</i>	<u>3,606,429</u>	<u>0</u>	<u>234,735</u>	<u>3,371,694</u>	<u>243,193</u>
Ohio Public Works Commission Loans					
\$46,694 Elm-Mae-Morris Improvements 2005 0.00%	35,020	0	2,335	32,685	2,335
\$52,650 Drainage Area Q - Phase 3 2007 0.00%	42,121	0	2,632	39,489	2,632
\$233,100 Erie & Depeyster Street Reconstruction 2012 0.00%	68,686	3,458	0	72,144	0
<i>Total Ohio Public Works Commission Loans</i>	<u>145,827</u>	<u>3,458</u>	<u>4,967</u>	<u>144,318</u>	<u>4,967</u>
Compensated Absences	215,112	195,874	172,114	238,872	219,248
<b>Total Business-Type Activities</b>	<u>\$3,967,368</u>	<u>\$199,332</u>	<u>\$411,816</u>	<u>\$3,754,884</u>	<u>\$467,408</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, 2013 are as follows:

Governmental Activities							
Years	General Obligation Bonds		Special Assessment Bonds		OPWC	Total	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2014	\$0	\$253,317	\$32,000	\$16,440	\$29,947	\$61,947	\$269,757
2015	120,000	220,275	34,000	14,520	29,947	183,947	234,795
2016	120,000	217,875	37,000	12,480	29,947	186,947	230,355
2017	125,000	215,475	39,000	10,260	29,947	193,947	225,735
2018	125,000	212,975	41,000	7,920	29,947	195,947	220,895
2019-2023	670,000	1,021,425	91,000	8,280	21,424	782,424	1,029,705
2024-2028	780,000	914,850	0	0	0	780,000	914,850
2029-2033	940,000	451,800	0	0	0	940,000	451,800
2034-2038	1,150,000	535,800	0	0	0	1,150,000	535,800
2039-2043	1,460,000	225,750	0	0	0	1,460,000	225,750
Total	\$5,490,000	\$4,269,542	\$274,000	\$69,900	\$171,159	\$5,935,159	\$4,339,442

Business-Type Activities					
Years	OWDA Loans		OPWC	Total	
	Principal	Interest	Principal	Principal	Interest
2014	\$243,193	\$117,993	\$4,967	\$248,160	\$117,993
2015	251,960	109,227	4,967	256,927	109,227
2016	261,045	100,140	4,967	266,012	100,140
2017	270,461	90,724	4,967	275,428	90,724
2018	280,221	80,964	4,967	285,188	80,964
2019-2023	1,560,428	245,500	24,835	1,585,263	245,500
2024-2028	504,386	18,771	22,504	526,890	18,771
Total	\$3,371,694	\$763,319	\$72,174	\$3,443,868	\$763,319

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 receivables over periods ranging from ten to twenty years, with interest equal to the interest on the bonds issued to finance the improvements.

Loans payable relate to a guarantee the City has with the Kent Downtown Community Urban Redevelopment Corporation (the City's blended component unit) for property that was purchased in the downtown redevelopment district. These loans are the amount outstanding by the blended component unit on a line of credit. This line of credit provides for interest only payments on the outstanding balance until its conversion day on January 27, 2015. Interest accrues at the Wall Street Journal prime rate (3.25 percent at December 31, 2013) plus 0.5 percent with a minimum interest rate of 5.0 percent. The line of credit allows for borrowing up to \$2,250,000 and has a maturity date of January 27, 2030. An amortization schedule has not been provided for this debt as of December 31, 2013. This guarantee will be repaid from the City's General Fund.

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*For the Year Ended December 31, 2013*  
(Continued)

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

On October 7, 2013, the City issued general obligation bonds in the total amount of \$5,490,000. These bonds will fully mature on December 1, 2043 and they carried various interest rates ranging from 2.00 percent to 5.00 percent. The proceeds from these bonds were used to retire bond anticipation notes that had matured on October 8, 2013. \$1,295,000 of the bond proceeds were utilized to retire \$1,230,000 in bond anticipation notes related to the improvements made to Alley 4. \$4,195,000 of the bond proceeds were utilized to retire \$4,000,000 in bond anticipation notes related to the improvements to the downtown parking areas.

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 \$8.3 million of additional debt without obtaining voter approval.

**Note 17 – Note Obligations**

A summary of note transactions for the year ended December 31, 2013 follows:

	Balance 12/31/12	Additions	Deletions	Balance 12/31/13
<b>Governmental Activities</b>				
2012, 1.00%	\$9,095,000	\$0	\$9,095,000	\$0
2012, 1.50%	1,200,000	0	1,200,000	0
2013, 1.00%	0	1,020,000	0	1,020,000
2013, 1.00%	0	1,945,000	0	1,945,000
2013, 1.00%	0	1,650,000	0	1,650,000
Unamortized Premium	46,438	30,022	56,445	20,015
<i>Total Governmental Activities</i>	<u>10,341,438</u>	<u>4,645,022</u>	<u>10,351,445</u>	<u>4,635,015</u>
<b>Business-Type Activities</b>				
Sewer Fund				
2012, 1.00%	675,000	0	675,000	0
2013, 1.00%	0	615,000	0	615,000
Unamortized Premium	2,898	3,711	4,135	2,474
<i>Total Sewer Fund</i>	<u>677,898</u>	<u>618,711</u>	<u>679,135</u>	<u>617,474</u>
<b>Total</b>	<u>\$11,019,336</u>	<u>\$5,263,733</u>	<u>\$11,030,580</u>	<u>\$5,252,489</u>

On September 5, 2013, the City issued \$5.230 million in various purpose notes at an interest rate of 1.00 percent with a maturity date of September 4, 2014. The notes are backed by the full faith and credit of the City of Kent. However, it is the intention of the City that all enterprise obligations be paid from operating income. Note proceeds of \$4.615 million and the corresponding liabilities were reflected in governmental funds which received the proceeds. Note proceeds of \$0.615 million and the corresponding liability were reflected in the proprietary fund which received the proceeds.

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
(Continued)

The notes were issued at a premium of \$33,733. A portion of the premium was offset against the corresponding interest expense, and the unamortized balance is reported as part of the carrying value of the notes in the respective funds.

**Note 18 – Conduit Debt**

The City is party to certain conduit debt obligations:

<u>Type</u>	<u>On Behalf of</u>	<u>Principal Outstanding December 31, 2013</u>	<u>Year Issued</u>
Multi-Family Housing Revenue Bonds	Silver Meadows Apartments	<u>\$8,615,000</u>	1999

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

**Note 19 - Contingent Liabilities**

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

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

**Note 20 - Jointly Governed Organization**

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

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

**City of Kent, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2013*  
*(Continued)*

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**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 2013, the City received \$684,921 in income tax distributions from the JEDD. The joint venture is considered a separate reporting entity by the City's management. Accordingly, the joint venture's financial statements have not been included in the City's financial statements. The JEDD's financial statements can be obtained by contacting the City's Finance Department.

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

In 2013, the City received \$57,763 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 – Subsequent Event**

In November 2013, the City's electorate voted to increase the City's municipal income tax rate by 0.25 percent for a cumulative rate of 2.25 percent. This increase will not take effect until January 1, 2014 and will be utilized for the construction of a new police station.

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

## Combining Statements and Individual Fund Schedules

### *Fund Descriptions – Nonmajor Governmental Funds*

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

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

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

*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.

*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.

*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.

## Combining Statements and Individual Fund Schedules

### *Fund Descriptions – Nonmajor Governmental Funds*

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

*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.

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

#### *Nonmajor Debt Service Fund*

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

##### *General Obligation Debt Service Fund*

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

**City of Kent, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2013*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 2,213,901	\$ 96,718	\$ 2,310,619
Cash and Cash Equivalents:			
In Segregated Accounts	59,265	-	59,265
Interfund Receivable	1,445,907	-	1,445,907
Intergovernmental Receivable	102,835	-	102,835
Prepaid Items	260	-	260
Property Taxes Receivable	448,132	-	448,132
Special Assessments Receivable	-	344,753	344,753
Loans Receivable	334,743	-	334,743
Assets Held for Resale	114,800	-	114,800
<b>Total Assets</b>	<b>\$ 4,719,843</b>	<b>\$ 441,471</b>	<b>\$ 5,161,314</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 27,356	\$ -	\$ 27,356
Accrued Wages and Benefits	18,690	-	18,690
Accrued Interest Payable	8,033	3,400	11,433
Interfund Payable	439,573	-	439,573
Notes Payable	-	1,024,498	1,024,498
<b>Total Liabilities</b>	<b>493,652</b>	<b>1,027,898</b>	<b>1,521,550</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	412,622	-	412,622
Unavailable Revenue - Delinquent Property Taxes	35,510	-	35,510
Unavailable Revenue - Other	94,695	344,753	439,448
<b>Total Deferred Inflows of Resources</b>	<b>542,827</b>	<b>344,753</b>	<b>887,580</b>
<b>Fund Balances:</b>			
Nonspendable	260	-	260
Restricted	3,683,104	-	3,683,104
Unassigned (Deficit)	-	(931,180)	(931,180)
<b>Total Fund Balances (Deficit)</b>	<b>3,683,364</b>	<b>(931,180)</b>	<b>2,752,184</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 4,719,843</b>	<b>\$ 441,471</b>	<b>\$ 5,161,314</b>

**City of Kent, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2013*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Property Taxes	\$ 403,251	\$ -	\$ 403,251
Intergovernmental	766,321	-	766,321
Interest	11,600	-	11,600
Fees, Licenses, and Permits	179,251	-	179,251
Fines and Forfeitures	12,403	-	12,403
Charges for Services	86,300	-	86,300
Special Assessments	-	49,250	49,250
All Other Revenues	88,579	1,970	90,549
<b>Total Revenues</b>	<b>1,547,705</b>	<b>51,220</b>	<b>1,598,925</b>
<b>EXPENDITURES</b>			
Current:			
Security of Persons and Property	526,466	-	526,466
Public Health and Welfare	200,601	-	200,601
Community Development	542,201	-	542,201
Transportation	41,793	-	41,793
General Government	-	1,970	1,970
Capital Outlay	513,734	-	513,734
Debt Service:			
Principal Retirement	-	60,947	60,947
Interest and Fiscal Charges	73,299	23,464	96,763
Debt Issuance Costs	-	5,998	5,998
<b>Total Expenditures</b>	<b>1,898,094</b>	<b>92,379</b>	<b>1,990,473</b>
Excess of Revenues Over (Under) Expenditures	(350,389)	(41,159)	(391,548)
<b>OTHER FINANCING SOURCES</b>			
Transfer In	-	266,947	266,947
<b>Total Other Financing Sources</b>	<b>-</b>	<b>266,947</b>	<b>266,947</b>
Net Change in Fund Balances	(350,389)	225,788	(124,601)
Fund Balances - Beginning of Year	4,033,753	(1,156,968)	2,876,785
<b>Fund Balances - End of Year</b>	<b>\$ 3,683,364</b>	<b>\$ (931,180)</b>	<b>\$ 2,752,184</b>

**City of Kent, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2013*

	<b>West Side Fire</b>	<b>State Highway</b>	<b>Food Service</b>	<b>Revolving Housing</b>	<b>State and Local Forfeits</b>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 95,187	\$ 97,926	\$ 41,711	\$ 80,244	\$ 15,826
Cash and Cash Equivalents:					
In Segregated Accounts	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
Intergovernmental Receivable	12,564	28,234	-	-	-
Prepaid Items	48	-	-	-	-
Property Taxes Receivable	241,735	-	-	-	-
Loans Receivable	-	-	-	-	-
Assets Held for Resale	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 349,534</b>	<b>\$ 126,160</b>	<b>\$ 41,711</b>	<b>\$ 80,244</b>	<b>\$ 15,826</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 1,076	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	16,558	-	979	1,118	-
Accrued Interest Payable	-	-	-	-	-
Interfund Payable	-	-	-	-	-
<b>Total Liabilities</b>	<b>17,634</b>	<b>-</b>	<b>979</b>	<b>1,118</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	222,634	-	-	-	-
Unavailable Revenue - Delinq. Property Taxes	19,101	-	-	-	-
Unavailable Revenue - Other	12,564	20,094	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>254,299</b>	<b>20,094</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Nonspendable	48	-	-	-	-
Restricted	77,553	106,066	40,732	79,126	15,826
<b>Total Fund Balances</b>	<b>77,601</b>	<b>106,066</b>	<b>40,732</b>	<b>79,126</b>	<b>15,826</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 349,534</b>	<b>\$ 126,160</b>	<b>\$ 41,711</b>	<b>\$ 80,244</b>	<b>\$ 15,826</b>

<b>Drug Law Enforcement</b>	<b>Enforcement and Education</b>	<b>Law Enforcement Trust</b>	<b>Community Development Block Grant</b>	<b>Neighborhood Stabilization</b>	<b>Wireless 911</b>	<b>Swimming Pool Inspections</b>
\$ 31,229	\$ 23,214	\$ 18,345	\$ 947,650	\$ 285,142	\$ 199,287	\$ 5,020
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	36,971	12,051	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	228,669	-	-	-
-	-	-	-	-	-	-
<u>\$ 31,229</u>	<u>\$ 23,214</u>	<u>\$ 18,345</u>	<u>\$ 1,213,290</u>	<u>\$ 297,193</u>	<u>\$ 199,287</u>	<u>\$ 5,020</u>
\$ -	\$ -	\$ -	\$ 22,917	\$ -	\$ 2,568	\$ -
-	-	-	-	-	-	35
-	-	-	-	-	-	-
-	-	-	200,000	239,573	-	-
-	-	-	222,917	239,573	2,568	35
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	36,971	12,051	-	-
-	-	-	36,971	12,051	-	-
-	-	-	-	-	-	-
31,229	23,214	18,345	953,402	45,569	196,719	4,985
31,229	23,214	18,345	953,402	45,569	196,719	4,985
<u>\$ 31,229</u>	<u>\$ 23,214</u>	<u>\$ 18,345</u>	<u>\$ 1,213,290</u>	<u>\$ 297,193</u>	<u>\$ 199,287</u>	<u>\$ 5,020</u>

(Continued)

**City of Kent, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2013*

	<b>Police Pension</b>	<b>Fire Pension</b>	<b>Urban Development Action Grant</b>	<b>Kent Downtown Community Urban Redevelopment Corporation</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 5,034	\$ 5,038	\$ 363,048	\$ -	\$ 2,213,901
Cash and Cash Equivalents:					
In Segregated Accounts	-	-	-	59,265	59,265
Interfund Receivable	-	-	-	1,445,907	1,445,907
Intergovernmental Receivable	6,508	6,507	-	-	102,835
Prepaid Items	-	-	-	212	260
Property Taxes Receivable	103,198	103,199	-	-	448,132
Loans Receivable	-	-	106,074	-	334,743
Assets Held for Resale	-	-	-	114,800	114,800
<b>Total Assets</b>	<b>\$ 114,740</b>	<b>\$ 114,744</b>	<b>\$ 469,122</b>	<b>\$ 1,620,184</b>	<b>\$ 4,719,843</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ 795	\$ 27,356
Accrued Wages and Benefits	-	-	-	-	18,690
Accrued Interest Payable	-	-	-	8,033	8,033
Interfund Payable	-	-	-	-	439,573
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,828</b>	<b>493,652</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	94,994	94,994	-	-	412,622
Unavailable Revenue - Delinq. Property Taxes	8,204	8,205	-	-	35,510
Unavailable Revenue - Other	6,508	6,507	-	-	94,695
<b>Total Deferred Inflows of Resources</b>	<b>109,706</b>	<b>109,706</b>	<b>-</b>	<b>-</b>	<b>542,827</b>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	212	260
Restricted	5,034	5,038	469,122	1,611,144	3,683,104
<b>Total Fund Balances</b>	<b>5,034</b>	<b>5,038</b>	<b>469,122</b>	<b>1,611,356</b>	<b>3,683,364</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 114,740</b>	<b>\$ 114,744</b>	<b>\$ 469,122</b>	<b>\$ 1,620,184</b>	<b>\$ 4,719,843</b>



**City of Kent, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2013*

	<b>West Side Fire</b>	<b>State Highway</b>	<b>Food Service</b>	<b>Revolving Housing</b>	<b>State and Local Forfeits</b>
<b>REVENUES</b>					
Property Taxes	\$ 215,572	\$ -	\$ -	\$ -	\$ -
Intergovernmental	25,127	56,331	-	-	-
Interest	-	-	-	-	-
Fees, Licenses, and Permits	-	-	76,526	97,725	-
Fines and Forfeitures	-	-	-	-	270
Charges for Services	-	-	-	-	-
All Other Revenues	-	-	-	-	-
<b>Total Revenues</b>	<u>240,699</u>	<u>56,331</u>	<u>76,526</u>	<u>97,725</u>	<u>270</u>
<b>EXPENDITURES</b>					
Current:					
Security of Persons and Property	239,423	-	-	-	807
Public Health and Welfare	-	-	88,893	107,381	-
Community Development	-	-	-	-	-
Transportation	-	41,793	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Interest and Fiscal Charges	-	-	-	-	-
<b>Total Expenditures</b>	<u>239,423</u>	<u>41,793</u>	<u>88,893</u>	<u>107,381</u>	<u>807</u>
Net Change in Fund Balances	1,276	14,538	(12,367)	(9,656)	(537)
Fund Balances - Beginning of Year	76,325	91,528	53,099	88,782	16,363
<b>Fund Balances - End of Year</b>	<u>\$ 77,601</u>	<u>\$ 106,066</u>	<u>\$ 40,732</u>	<u>\$ 79,126</u>	<u>\$ 15,826</u>

<b>Drug Law Enforcement</b>	<b>Enforcement and Education</b>	<b>Law Enforcement Trust</b>	<b>Community Development Block Grant</b>	<b>Neighborhood Stabilization</b>	<b>Wireless 911</b>	<b>Swimming Pool Inspections</b>	<b>JAG Grant</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	588,591	-	75,405	-	-
-	-	11	8,319	24	-	-	-
-	-	-	-	-	-	5,000	-
6,689	5,444	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	88,554	25	-	-	-
<u>6,689</u>	<u>5,444</u>	<u>11</u>	<u>685,464</u>	<u>49</u>	<u>75,405</u>	<u>5,000</u>	<u>-</u>
4,000	5,956	-	-	-	54,732	-	13,548
-	-	-	-	-	-	4,327	-
-	-	-	430,564	48,214	-	-	-
-	-	-	-	-	-	-	-
-	-	-	325,734	-	188,000	-	-
-	-	-	-	-	-	-	-
<u>4,000</u>	<u>5,956</u>	<u>-</u>	<u>756,298</u>	<u>48,214</u>	<u>242,732</u>	<u>4,327</u>	<u>13,548</u>
2,689	(512)	11	(70,834)	(48,165)	(167,327)	673	(13,548)
28,540	23,726	18,334	1,024,236	93,734	364,046	4,312	13,548
<u>\$ 31,229</u>	<u>\$ 23,214</u>	<u>\$ 18,345</u>	<u>\$ 953,402</u>	<u>\$ 45,569</u>	<u>\$ 196,719</u>	<u>\$ 4,985</u>	<u>\$ -</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, 2013*

	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Urban Development Action Grant</u>	<u>Kent Downtown Community Urban Redevelopment Corporation</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>REVENUES</b>					
Property Taxes	\$ 93,838	\$ 93,841	\$ -	\$ -	\$ 403,251
Intergovernmental	10,434	10,433	-	-	766,321
Interest	-	-	2,984	262	11,600
Fees, Licenses, and Permits	-	-	-	-	179,251
Fines and Forfeitures	-	-	-	-	12,403
Charges for Services	-	-	-	86,300	86,300
All Other Revenues	-	-	-	-	88,579
<b>Total Revenues</b>	<u>104,272</u>	<u>104,274</u>	<u>2,984</u>	<u>86,562</u>	<u>1,547,705</u>
<b>EXPENDITURES</b>					
Current:					
Security of Persons and Property	104,000	104,000	-	-	526,466
Public Health and Welfare	-	-	-	-	200,601
Community Development	-	-	-	63,423	542,201
Transportation	-	-	-	-	41,793
Capital Outlay	-	-	-	-	513,734
Debt Service:					
Interest and Fiscal Charges	-	-	-	73,299	73,299
<b>Total Expenditures</b>	<u>104,000</u>	<u>104,000</u>	<u>-</u>	<u>136,722</u>	<u>1,898,094</u>
Net Change in Fund Balances	272	274	2,984	(50,160)	(350,389)
Fund Balances - Beginning of Year	4,762	4,764	466,138	1,661,516	4,033,753
<b>Fund Balances - End of Year</b>	<u>\$ 5,034</u>	<u>\$ 5,038</u>	<u>\$ 469,122</u>	<u>\$ 1,611,356</u>	<u>\$ 3,683,364</u>

## Combining Statements

### *Fund Descriptions – Fiduciary Funds*

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#### *Fiduciary Funds*

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

#### *Agency Fund*

*Agency Escrow Fund* – This fund holds 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, 2013*

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	<u>Balance</u> <u>12/31/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2013</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$ 702,144</u>	<u>\$ 312,291</u>	<u>\$ 617,391</u>	<u>\$ 397,044</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$ 702,144</u>	<u>\$ 312,291</u>	<u>\$ 617,391</u>	<u>\$ 397,044</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 1,511,760	\$ 1,482,259	\$ 1,332,589	\$ (149,670)
Other Local Taxes	200,780	206,387	274,700	68,313
Intergovernmental	1,299,583	1,335,887	1,778,055	442,168
Interest	57,081	58,676	78,097	19,421
Fees, Licenses and Permits	140,226	144,143	191,853	47,710
Fines and Forfeits	150,086	154,278	205,343	51,065
Charges for Services	1,212,179	1,246,041	1,658,471	412,430
Miscellaneous	120,866	124,243	165,413	41,170
<b>Total Revenues</b>	<b>4,692,561</b>	<b>4,751,914</b>	<b>5,684,521</b>	<b>932,607</b>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	1,648,491	1,648,491	1,204,568	443,923
Police				
Personal Services	2,807,163	2,807,163	2,244,482	562,681
Other Expenses	563,920	563,920	525,580	38,340
Total Police	3,371,083	3,371,083	2,770,062	601,021
Safety Director				
Personal Services	168,929	168,929	157,087	11,842
Other Expenses	22,325	22,325	18,762	3,563
Total Safety Director	191,254	191,254	175,849	15,405
Total Security of Persons and Property	5,210,828	5,210,828	4,150,479	1,060,349
Public Health & Welfare				
Department of Health				
Personal Services	280,173	280,173	245,567	34,606
Other Expenses	269,350	269,350	236,489	32,861
Total Public Health and Welfare	549,523	549,523	482,056	67,467

(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, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Community Development				
Community Development				
Personal Services	404,084	404,084	399,523	4,561
Other Expenses	189,075	204,075	183,166	20,909
Total Community Development	593,159	608,159	582,689	25,470
Economic Development				
Personal Services	101,859	106,859	101,859	5,000
Other Expenses	19,000	611,000	232,455	378,545
Total Economic Development	120,859	717,859	334,314	383,545
Building				
Personal Services	215,255	215,255	184,094	31,161
Other Expenses	58,750	73,750	67,325	6,425
Total Building	274,005	289,005	251,419	37,586
Public Planting				
Other Expenses	36,200	-	-	-
Main Street Program				
Other Expenses	50,000	68,500	68,477	23
Land Banking				
Other Expenses	120,000	120,000	86,300	33,700
Permit Parking				
Other Expenses	17,100	17,100	17,099	1
Shade Tree				
Other Expenses	79,020	79,020	75,412	3,608
Capital Outlay	10,000	10,000	9,953	47
Total Shade Tree	89,020	89,020	85,365	3,655

(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, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Urban Renewal				
Other Expenses	75,000	125,000	99,945	25,055
USDA Grant				
Other Expenses	-	38,855	38,854	1
Total Community Development	1,375,343	2,073,498	1,564,462	509,036
General Government				
Service Administration				
Personal Services	55,502	55,502	53,797	1,705
Other Expenses	482,600	524,300	522,905	1,395
Capital Outlay	6,000	8,000	5,145	2,855
Total Service Administration	544,102	587,802	581,847	5,955
Rental Units				
Other Expenses	29,000	31,000	31,000	-
Engineering				
Personal Services	184,031	184,031	152,726	31,305
Other Expenses	104,150	119,450	119,450	-
Total Engineering	288,181	303,481	272,176	31,305
Law				
Personal Services	299,789	299,789	278,461	21,328
Other Expenses	114,800	114,800	114,888	(88)
Total Law	414,589	414,589	393,349	21,240
Budget and Finance				
Personal Services	141,092	141,092	137,224	3,868
Other Expenses	118,687	118,687	109,229	9,458
Total Budget and Finance	259,779	259,779	246,453	13,326

(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, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Miscellaneous, Sundry and Contingency				
Other Expenses	258,000	258,000	191,883	66,117
Mayor's Office				
Personal Services	7,752	7,752	7,683	69
Other Expenses	2,750	2,750	2,624	126
Total Mayor's Office	10,502	10,502	10,307	195
City Council				
Personal Services	157,867	157,867	152,389	5,478
Other Expenses	19,000	22,000	20,161	1,839
Total City Council	176,867	179,867	172,550	7,317
Community Support				
Other Expenses	57,000	73,000	72,999	1
City Manager				
Personal Services	240,963	240,963	233,916	7,047
Other Expenses	54,000	54,000	54,000	-
Total City Manager	294,963	294,963	287,916	7,047
Human Resources				
Personal Services	48,027	48,027	46,813	1,214
Other Expenses	15,810	15,810	13,993	1,817
Total Human Resources	63,837	63,837	60,806	3,031
Civil Service				
Personal Services	60,680	60,680	59,153	1,527
Other Expenses	30,700	30,700	14,670	16,030
Total Civil Service	91,380	91,380	73,823	17,557
Total General Government	2,488,200	2,568,200	2,395,109	173,091
<b>Total Expenditures</b>	<b>9,623,894</b>	<b>10,402,049</b>	<b>8,592,106</b>	<b>1,809,943</b>

(Continued)

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Excess of Revenues Over (Under) Expenditures	(4,931,333)	(5,650,135)	(2,907,585)	2,742,550
<b>Other Financing Sources (Uses)</b>				
Sale of Assets	-	-	6,979	6,979
Advances In	20,000	20,000	20,000	-
Advances Out	(25,000)	(25,000)	(25,000)	-
Transfers In	2,400,000	2,400,000	2,400,000	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,395,000</u>	<u>2,395,000</u>	<u>2,401,979</u>	<u>6,979</u>
Net Change in Fund Balance	(2,536,333)	(3,255,135)	(505,606)	2,749,529
Fund Balance - Beginning of Year	4,418,054	4,418,054	4,418,054	-
Prior Year Encumbrances Appropriated	444,342	444,342	444,342	-
<b>Fund Balance - End of Year</b>	<u>\$ 2,326,063</u>	<u>\$ 1,607,261</u>	<u>\$ 4,356,790</u>	<u>\$ 2,749,529</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Other Local Taxes	\$ 211,725	\$ 211,725	\$ 189,739	\$ (21,986)
Intergovernmental	777,153	777,153	696,449	(80,704)
Charges for Services	45,526	45,526	40,798	(4,728)
Special Assessments	76,854	76,854	68,873	(7,981)
Miscellaneous	17,708	17,708	15,986	(1,722)
<b>Total Revenues</b>	<u>1,128,966</u>	<u>1,128,966</u>	<u>1,011,845</u>	<u>(117,121)</u>
<b>Expenditures</b>				
Current:				
Transportation				
Public Service				
Personal Services	928,353	928,353	888,943	39,410
Other	741,885	741,885	653,422	88,463
<b>Total Expenditures</b>	<u>1,670,238</u>	<u>1,670,238</u>	<u>1,542,365</u>	<u>127,873</u>
Excess of Revenues Over (Under) Expenditures	(541,272)	(541,272)	(530,520)	10,752
<b>Other Financing Sources</b>				
Sale of Capital Assets	2,500	2,500	8,417	5,917
Transfers In	413,534	413,534	413,534	-
<b>Total Other Financing Sources</b>	<u>416,034</u>	<u>416,034</u>	<u>421,951</u>	<u>5,917</u>
Net Change in Fund Balance	(125,238)	(125,238)	(108,569)	16,669
Fund Balance - Beginning of Year	729,013	729,013	729,013	-
Prior Year Encumbrances Appropriated	39,444	39,444	39,444	-
<b>Fund Balance - End of Year</b>	<u>\$ 643,219</u>	<u>\$ 643,219</u>	<u>\$ 659,888</u>	<u>\$ 16,669</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$ 1,142,859	\$ 1,209,160	\$ 992,225	\$ (216,935)
Intergovernmental	980,696	1,037,589	851,436	(186,153)
Fees, Licenses and Permits	19,019	20,122	16,512	(3,610)
Charges for Services	632,250	668,928	548,916	(120,012)
Miscellaneous	59,102	62,531	51,187	(11,344)
<b>Total Revenues</b>	<u>2,833,926</u>	<u>2,998,330</u>	<u>2,460,276</u>	<u>(538,054)</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities				
Parks & Recreation				
Personal Services	1,058,345	1,080,090	989,522	90,568
Other	527,600	522,655	509,842	12,813
Capital Outlay	1,506,000	1,825,693	1,825,692	1
<b>Total Expenditures</b>	<u>3,091,945</u>	<u>3,428,438</u>	<u>3,325,056</u>	<u>103,382</u>
Excess of Revenues Over (Under) Expenditures	(258,019)	(430,108)	(864,780)	(434,672)
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,330	1,330	1,330	-
Advances Out	(20,000)	(20,000)	(20,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(18,670)</u>	<u>(18,670)</u>	<u>(18,670)</u>	<u>-</u>
Net Change in Fund Balance	(276,689)	(448,778)	(883,450)	(434,672)
Fund Balance - Beginning of Year	697,790	697,790	697,790	-
Prior Year Encumbrances Appropriated	371,260	371,260	371,260	-
<b>Fund Balance - End of Year</b>	<u>\$ 792,361</u>	<u>\$ 620,272</u>	<u>\$ 185,600</u>	<u>\$ (434,672)</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Municipal Income Taxes	\$ 10,907,074	\$ 11,102,804	\$ 12,397,812	\$ 1,295,008
Interest	43,490	44,271	49,300	5,029
Miscellaneous	33,499	36,988	25,723	(11,265)
<b>Total Revenues</b>	<u>10,984,063</u>	<u>11,184,063</u>	<u>12,472,835</u>	<u>1,288,772</u>
<b>Expenditures</b>				
Current:				
General Government				
Budget & Finance				
Personal Services	213,831	213,831	207,473	6,358
Other	341,928	341,928	316,388	25,540
<b>Total Expenditures</b>	<u>555,759</u>	<u>555,759</u>	<u>523,861</u>	<u>31,898</u>
Excess of Revenues Over Expenditures	10,428,304	10,628,304	11,948,974	1,320,670
<b>Other Financing Sources (Uses)</b>				
Advances In	255,000	255,000	255,000	-
Transfer Out	(10,977,271)	(12,646,532)	(12,097,196)	549,336
<b>Total Other Financing Sources (Uses)</b>	<u>(10,722,271)</u>	<u>(12,391,532)</u>	<u>(11,842,196)</u>	<u>549,336</u>
Net Change in Fund Balance	(293,967)	(1,763,228)	106,778	1,870,006
Fund Balance - Beginning of Year	4,167,567	4,167,567	4,167,567	-
Prior Year Encumbrances Appropriated	5,266	5,266	5,266	-
<b>Fund Balance - End of Year</b>	<u>\$ 3,878,866</u>	<u>\$ 2,409,605</u>	<u>\$ 4,279,611</u>	<u>\$ 1,870,006</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 3,446	\$ 53,446	\$ 9,644	\$ (43,802)
Miscellaneous	-	-	24,237	24,237
<b>Total Revenues</b>	<u>3,446</u>	<u>53,446</u>	<u>33,881</u>	<u>(19,565)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Personal Services	<u>2,964,203</u>	<u>3,564,203</u>	<u>3,330,276</u>	<u>233,927</u>
Excess of Revenues Over (Under) Expenditures	(2,960,757)	(3,510,757)	(3,296,395)	214,362
<b>Other Financing Sources</b>				
Transfers In	<u>2,746,554</u>	<u>3,569,641</u>	<u>3,346,554</u>	<u>(223,087)</u>
Net Change in Fund Balance	(214,203)	58,884	50,159	(8,725)
Fund Balance - Beginning of Year	210,325	210,325	210,325	-
Prior Year Encumbrances Appropriated	<u>132,662</u>	<u>132,662</u>	<u>132,662</u>	-
<b>Fund Balance - End of Year</b>	<u>\$ 128,784</u>	<u>\$ 401,871</u>	<u>\$ 393,146</u>	<u>\$ (8,725)</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 3,446	\$ 55,927	\$ 54,563	\$ (1,364)
Miscellaneous	-	20,606	20,103	(503)
<b>Total Revenues</b>	<u>3,446</u>	<u>76,533</u>	<u>74,666</u>	<u>(1,867)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	2,105,863	2,405,863	2,291,104	114,759
Other	416,615	416,615	371,861	44,754
Capital Outlay	292,000	689,313	688,684	629
<b>Total Expenditures</b>	<u>2,814,478</u>	<u>3,511,791</u>	<u>3,351,649</u>	<u>160,142</u>
Excess of Revenues Over (Under) Expenditures	(2,811,032)	(3,435,258)	(3,276,983)	158,275
<b>Other Financing Sources</b>				
Transfers In	<u>2,746,554</u>	<u>2,946,554</u>	<u>2,946,554</u>	-
Net Change in Fund Balance	(64,478)	(488,704)	(330,429)	158,275
Fund Balance - Beginning of Year	321,033	321,033	321,033	-
Prior Year Encumbrances Appropriated	718,085	718,085	718,085	-
<b>Fund Balance - End of Year</b>	<u>\$ 974,640</u>	<u>\$ 550,414</u>	<u>\$ 708,689</u>	<u>\$ 158,275</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Capital Projects Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 772,790	\$ 2,743,111	\$ 2,994,600	\$ 251,489
Special Assessments	16,074	57,057	61,831	4,774
Miscellaneous	46,529	165,159	156,840	(8,319)
<b>Total Revenues</b>	<b>835,393</b>	<b>2,965,327</b>	<b>3,213,271</b>	<b>247,944</b>
<b>Expenditures</b>				
Capital Outlay:				
Safety	116,000	116,000	114,745	1,255
Service	2,684,266	5,271,526	4,769,379	502,147
Community Development	15,525	15,525	15,525	-
Public Health and Welfare	19,000	19,000	18,491	509
Total Capital Outlay	2,834,791	5,422,051	4,918,140	503,911
Debt Service:				
Principal	2,252,000	2,215,000	2,215,000	-
Interest & Fiscal Charges	31,600	57,505	22,088	35,417
Bond Issuance Costs	-	11,095	11,095	-
Total Debt Service	2,283,600	2,283,600	2,248,183	35,417
<b>Total Expenditures</b>	<b>5,118,391</b>	<b>7,705,651</b>	<b>7,166,323</b>	<b>539,328</b>
Excess of Revenues Over (Under) Expenditures	(4,282,998)	(4,740,324)	(3,953,052)	787,272
<b>Other Financing Sources</b>				
Bond Anticipation Notes Issued	1,945,000	1,945,000	1,945,000	-
Premium on Debt Issuances	-	-	12,481	12,481
Transfers In	2,563,607	2,786,694	2,563,607	(223,087)
<b>Total Other Financing Sources</b>	<b>4,508,607</b>	<b>4,731,694</b>	<b>4,521,088</b>	<b>(210,606)</b>
Net Change in Fund Balance	225,609	(8,630)	568,036	576,666
Fund Balance (Deficit) - Beginning of Year	(1,472,006)	(1,472,006)	(1,472,006)	-
Prior Year Encumbrances Appropriated	4,485,962	4,485,962	4,485,962	-
<b>Fund Balance - End of Year</b>	<b>\$ 3,239,565</b>	<b>\$ 3,005,326</b>	<b>\$ 3,581,992</b>	<b>\$ 576,666</b>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Muni PI Tax Increment Equivalent Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 74,709	\$ 74,709
Interest	-	-	1,219	1,219
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>75,928</b>	<b>75,928</b>
<b>Expenditures</b>				
Capital Outlay:				
Community Development	-	1,642,500	390,195	1,252,305
Debt Service:				
Principal	5,139,074	6,880,000	6,880,000	-
Interest & Fiscal Charges	51,248	68,800	68,609	191
Debt Issuance Costs	91,978	150,000	123,137	26,863
Total Debt Service	5,282,300	7,098,800	7,071,746	27,054
<b>Total Expenditures</b>	<b>5,282,300</b>	<b>8,741,300</b>	<b>7,461,941</b>	<b>1,279,359</b>
Excess of Revenues Over (Under) Expenditures	(5,282,300)	(8,741,300)	(7,386,013)	1,355,287
<b>Other Financing Sources</b>				
Bond Anticipation Notes Issued	-	1,458,800	1,650,000	191,200
General Obligation Bonds Issued	5,798,785	5,490,000	5,490,000	-
Premium on Debt Issuances	-	-	128,788	128,788
<b>Total Other Financing Sources</b>	<b>5,798,785</b>	<b>6,948,800</b>	<b>7,268,788</b>	<b>319,988</b>
Net Change in Fund Balance	516,485	(1,792,500)	(117,225)	1,675,275
Fund Balance - Beginning of Year	1,814,232	1,814,232	1,814,232	-
Prior Year Encumbrances Appropriated	220,789	220,789	220,789	-
<b>Fund Balance - End of Year</b>	<b>\$ 2,551,506</b>	<b>\$ 242,521</b>	<b>\$ 1,917,796</b>	<b>\$ 1,675,275</b>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Water Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 43,706	\$ 43,706	\$ 53,909	\$ 10,203
Interest	9,094	9,094	9,692	598
Charges for Services	2,960,600	2,960,600	3,155,184	194,584
Special Assessments	42,562	42,562	45,359	2,797
Miscellaneous	44,923	44,923	44,189	(734)
<b>Total Revenues</b>	<b>3,100,885</b>	<b>3,100,885</b>	<b>3,308,333</b>	<b>207,448</b>
<b>Expenses</b>				
Current:				
Administrative Support				
Salaries	339,381	339,381	328,236	11,145
Benefits	121,351	121,351	118,201	3,150
Contractual Services	58,165	58,165	44,911	13,254
Supplies and Materials	3,150	3,150	2,527	623
Other	1,022	1,022	122	900
Total Administrative Support	523,069	523,069	493,997	29,072
Service				
Salaries	1,027,562	1,027,562	973,423	54,139
Benefits	380,060	380,060	367,446	12,614
Utilities	207,452	207,452	200,375	7,077
Contractual Services	174,980	174,980	171,418	3,562
Supplies and Materials	490,125	490,125	379,433	110,692
Other	55,410	41,660	4,828	36,832
Capital Outlay	674,000	680,260	656,595	23,665
Total Service	3,009,589	3,002,099	2,753,518	248,581
Debt Service:				
Principal	35,786	35,513	35,513	-
Interest & Fiscal Charges	15,173	15,446	15,446	-
Total Debt Service	50,959	50,959	50,959	-
<b>Total Expenses</b>	<b>3,583,617</b>	<b>3,576,127</b>	<b>3,298,474</b>	<b>277,653</b>

(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, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Excess of Revenues Over (Under) Expenses	(482,732)	(475,242)	9,859	485,101
<b>Other Financing Sources (Uses)</b>				
Capital Contributions - Tap-in Fees	-	-	31,392	31,392
Advances Out	(80,000)	(80,000)	(80,000)	-
<b>Total Other Financing Sources (Uses)</b>	(80,000)	(80,000)	(48,608)	31,392
Net Change in Fund Equity	(562,732)	(555,242)	(38,749)	516,493
Fund Equity - Beginning of Year	2,070,142	2,070,142	2,070,142	-
Prior Year Encumbrances Appropriated	345,193	345,193	345,193	-
<b>Fund Equity - End of Year</b>	<u>\$ 1,852,603</u>	<u>\$ 1,860,093</u>	<u>\$ 2,376,586</u>	<u>\$ 516,493</u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Sewer Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 28,057	\$ 28,057	\$ 37,531	\$ 9,474
Interest	9,255	9,255	9,963	708
Charges for Services	3,693,233	3,693,233	3,972,115	278,882
Special Assessments	35,080	35,080	37,762	2,682
Miscellaneous	9,118	9,118	2,486	(6,632)
<b>Total Revenues</b>	<b>3,774,743</b>	<b>3,774,743</b>	<b>4,059,857</b>	<b>285,114</b>
<b>Expenses</b>				
Current:				
Administrative Support				
Salaries	339,381	339,381	328,236	11,145
Benefits	121,351	121,351	118,203	3,148
Contractual Services	50,565	50,565	37,509	13,056
Supplies and Materials	3,150	3,150	2,527	623
Other	5,023	5,023	-	5,023
Total Administrative Support	519,470	519,470	486,475	32,995
Service				
Salaries	1,031,213	1,031,213	996,507	34,706
Benefits	379,023	379,023	367,576	11,447
Utilities	230,456	230,456	212,071	18,385
Contractual Services	285,634	285,634	272,353	13,281
Supplies and Materials	289,138	374,138	268,908	105,230
Other	55,062	55,062	2,888	52,174
Capital Outlay	306,000	1,340,950	1,207,137	133,813
Total Service	2,576,526	3,696,476	3,327,440	369,036
Health				
Salaries	164,613	163,587	160,373	3,214
Benefits	64,110	65,136	65,136	-
Contractual Services	30,770	33,054	33,054	-
Supplies and Materials	20,630	18,346	16,196	2,150
Other	3,000	3,000	1,771	1,229
Capital Outlay	20,700	17,700	16,952	748
Total Health	303,823	300,823	293,482	7,341

(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, 2013  
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal Retirement	873,949	872,145	872,145	-
Interest & Fiscal Charges	121,003	119,813	119,813	-
Bond Issuance Costs	-	2,994	3,298	(304)
Total Debt Service	994,952	994,952	995,256	(304)
<b>Total Expenses</b>	<b>4,394,771</b>	<b>5,511,721</b>	<b>5,102,653</b>	<b>409,068</b>
Excess of Revenues Over (Under) Expenses	(620,028)	(1,736,978)	(1,042,796)	694,182
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Asset	-	-	1,041	1,041
Bond Anticipation Notes Issued	615,000	615,000	615,000	-
Premium on Debt Issuance	-	-	3,711	3,711
Capital Contribution - Tap-in Fees	36,141	36,141	36,141	-
Advances Out	(65,000)	(65,000)	(65,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>586,141</b>	<b>586,141</b>	<b>590,893</b>	<b>4,752</b>
Net Change in Fund Equity	(33,887)	(1,150,837)	(451,903)	698,934
Fund Equity - Beginning of Year	2,433,502	2,433,502	2,433,502	-
Prior Year Encumbrances Appropriated	187,344	187,344	187,344	-
<b>Fund Equity - End of Year</b>	<b>\$ 2,586,959</b>	<b>\$ 1,470,009</b>	<b>\$ 2,168,943</b>	<b>\$ 698,934</b>

**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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Charges for Services	\$ 420,000	\$ 420,000	\$ 474,570	\$ 54,570
<b>Expenses</b>				
Current:				
Service				
Salaries	50,430	50,430	47,670	2,760
Benefits	16,173	16,173	15,303	870
Contractual Services	447,350	447,350	431,950	15,400
Supplies and Materials	8,000	8,000	3,043	4,957
Other	500	500	-	500
<b>Total Expenses</b>	<u>522,453</u>	<u>522,453</u>	<u>497,966</u>	<u>24,487</u>
Excess of Revenues Over (Under) Expenses	(102,453)	(102,453)	(23,396)	79,057
<b>Other Financing Sources</b>				
Advances In	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net Change in Fund Equity	(77,453)	(77,453)	1,604	79,057
Fund Equity - Beginning of Year	377,014	377,014	377,014	-
Prior Year Encumbrances Appropriated	55,694	55,694	55,694	-
<b>Fund Equity - End of Year</b>	<u><u>\$ 355,255</u></u>	<u><u>\$ 355,255</u></u>	<u><u>\$ 434,312</u></u>	<u><u>\$ 79,057</u></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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 35,455	\$ 777,318	\$ 46,119	\$ (731,199)
Interest	172	422	188	(234)
Charges for Services	505,157	550,000	552,670	2,670
Special Assessments	19,161	47,044	20,963	(26,081)
Miscellaneous	13,855	34,016	7,829	(26,187)
<b>Total Revenues</b>	<u>573,800</u>	<u>1,408,800</u>	<u>627,769</u>	<u>(781,031)</u>
<b>Expenses</b>				
Current:				
Service				
Salaries	326,877	326,877	314,291	12,586
Benefits	112,669	112,669	108,953	3,716
Contractual Services	51,054	51,054	31,471	19,583
Supplies and Materials	5,946	5,946	402	5,544
Other	1,000	1,000	34	966
Capital Outlay	1,421,000	2,449,100	262,830	2,186,270
Total Service	<u>1,918,546</u>	<u>2,946,646</u>	<u>717,981</u>	<u>2,228,665</u>
Debt Service:				
Principal Retirement	9,968	9,968	4,967	5,001
<b>Total Expenses</b>	<u>1,928,514</u>	<u>2,956,614</u>	<u>722,948</u>	<u>2,233,666</u>
Excess of Revenues Over (Under) Expenses	(1,354,714)	(1,547,814)	(95,179)	1,452,635
<b>Other Financing Sources (Uses)</b>				
Capital Contributions - Tap-in Fees	1,200	1,200	1,200	-
Advances Out	(110,000)	(110,000)	(110,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(108,800)</u>	<u>(108,800)</u>	<u>(108,800)</u>	<u>-</u>
Net Change in Fund Equity	(1,463,514)	(1,656,614)	(203,979)	1,452,635
Fund Equity - Beginning of Year	2,521,177	2,521,177	2,521,177	-
Prior Year Encumbrances Appropriated	280,894	280,894	280,894	-
<b>Fund Equity - End of Year</b>	<u>\$ 1,338,557</u>	<u>\$ 1,145,457</u>	<u>\$ 2,598,092</u>	<u>\$ 1,452,635</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$ 222,108	\$ 214,856	\$ 215,572	\$ 716
Intergovernmental	25,889	25,044	25,127	83
<b>Total Revenues</b>	<u>247,997</u>	<u>239,900</u>	<u>240,699</u>	<u>799</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	213,255	228,255	224,547	3,708
Other	23,600	23,600	21,577	2,023
<b>Total Expenditures</b>	<u>236,855</u>	<u>251,855</u>	<u>246,124</u>	<u>5,731</u>
Net Change in Fund Balance	11,142	(11,955)	(5,425)	6,530
Fund Balance - Beginning of Year	81,478	81,478	81,478	-
Prior Year Encumbrances Appropriated	14,699	14,699	14,699	-
<b>Fund Balance - End of Year</b>	<u>\$ 107,319</u>	<u>\$ 84,222</u>	<u>\$ 90,752</u>	<u>\$ 6,530</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 60,000	\$ 60,000	\$ 56,469	\$ (3,531)
<b>Expenditures</b>				
Current:				
Transportation				
Service				
Other	60,000	61,000	61,000	-
Net Change in Fund Balance	-	(1,000)	(4,531)	(3,531)
Fund Balance - Beginning of Year	82,781	82,781	82,781	-
Prior Year Encumbrances Appropriated	5,616	5,616	5,616	-
<b>Fund Balance - End of Year</b>	<u>\$ 88,397</u>	<u>\$ 87,397</u>	<u>\$ 83,866</u>	<u>\$ (3,531)</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 48,000	\$ 48,000	\$ 76,526	\$ 28,526
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	46,989	86,989	86,687	302
Other	2,000	2,000	1,878	122
<b>Total Expenditures</b>	<u>48,989</u>	<u>88,989</u>	<u>88,565</u>	<u>424</u>
Net Change in Fund Balance	(989)	(40,989)	(12,039)	28,950
Fund Balance - Beginning of Year	53,547	53,547	53,547	-
Prior Year Encumbrances Appropriated	143	143	143	-
<b>Fund Balance - End of Year</b>	<u><u>\$ 52,701</u></u>	<u><u>\$ 12,701</u></u>	<u><u>\$ 41,651</u></u>	<u><u>\$ 28,950</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 73,000	\$ 73,000	\$ 97,725	\$ 24,725
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	93,673	103,673	99,013	4,660
Other	12,500	12,500	8,195	4,305
<b>Total Expenditures</b>	<u>106,173</u>	<u>116,173</u>	<u>107,208</u>	<u>8,965</u>
Net Change in Fund Balance	(33,173)	(43,173)	(9,483)	33,690
Fund Balance - Beginning of Year	89,463	89,463	89,463	-
Prior Year Encumbrances Appropriated	213	213	213	-
<b>Fund Balance - End of Year</b>	<u><u>\$ 56,503</u></u>	<u><u>\$ 46,503</u></u>	<u><u>\$ 80,193</u></u>	<u><u>\$ 33,690</u></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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeits	\$ -	\$ -	\$ 270	\$ 270
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	45	7,045	2,592	4,453
Net Change in Fund Balance	(45)	(7,045)	(2,322)	4,723
Fund Balance - Beginning of Year	16,318	16,318	16,318	-
Prior Year Encumbrances Appropriated	45	45	45	-
<b>Fund Balance - End of Year</b>	<u>\$ 16,318</u>	<u>\$ 9,318</u>	<u>\$ 14,041</u>	<u>\$ 4,723</u>

**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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Fines and Forfeits	\$ -	\$ -	\$ 6,939	\$ 6,939
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	-	25,000	4,000	21,000
Net Change in Fund Balance	-	(25,000)	2,939	27,939
Fund Balance - Beginning of Year	28,290	28,290	28,290	-
<b>Fund Balance - End of Year</b>	<b>\$ 28,290</b>	<b>\$ 3,290</b>	<b>\$ 31,229</b>	<b>\$ 27,939</b>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Enforcement and Education Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues</b>				
Fines and Forfeits	\$ 4,000	\$ 4,000	\$ 6,266	\$ 2,266
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	-	15,000	8,967	6,033
Net Change in Fund Balance	4,000	(11,000)	(2,701)	8,299
Fund Balance - Beginning of Year	19,893	19,893	19,893	-
Prior Year Encumbrances Appropriated	3,011	3,011	3,011	-
<b>Fund Balance - End of Year</b>	<b>\$ 26,904</b>	<b>\$ 11,904</b>	<b>\$ 20,203</b>	<b>\$ 8,299</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	\$ 50	\$ 50	\$ 11	\$ (39)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Capital Outlay	-	15,000	-	15,000
Net Change in Fund Balance	50	(14,950)	11	14,961
Fund Balance - Beginning of Year	18,334	18,334	18,334	-
<b>Fund Balance - End of Year</b>	<b>\$ 18,384</b>	<b>\$ 3,384</b>	<b>\$ 18,345</b>	<b>\$ 14,961</b>

**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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 207,091	\$ 403,023	\$ 618,190	\$ 215,167
Interest	2,787	5,423	8,319	2,896
Miscellaneous	54,362	105,794	162,276	56,482
<b>Total Revenues</b>	<u>264,240</u>	<u>514,240</u>	<u>788,785</u>	<u>274,545</u>
<b>Expenditures</b>				
Current:				
Community Development				
Community Development				
Personal Services	44,096	44,096	18,902	25,194
Other	260,476	536,771	528,303	8,468
Capital Outlay	135,000	424,826	404,699	20,127
<b>Total Expenditures</b>	<u>439,572</u>	<u>1,005,693</u>	<u>951,904</u>	<u>53,789</u>
Net Change in Fund Balance	(175,332)	(491,453)	(163,119)	328,334
Fund Balance - Beginning of Year	701,826	701,826	701,826	-
Prior Year Encumbrances Appropriated	239,892	239,892	239,892	-
<b>Fund Balance - End of Year</b>	<u>\$ 766,386</u>	<u>\$ 450,265</u>	<u>\$ 778,599</u>	<u>\$ 328,334</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Interest	17	17	24	7
Miscellaneous	74,983	74,983	105,810	30,827
<b>Total Revenues</b>	<u>75,000</u>	<u>75,000</u>	<u>105,834</u>	<u>30,834</u>
<b>Expenditures</b>				
Current:				
Community Development				
Community Development				
Other	-	50,500	50,214	286
Net Change in Fund Balance	75,000	24,500	55,620	31,120
Fund Balance - Beginning of Year	203,968	203,968	203,968	-
Prior Year Encumbrances Appropriated	23,554	23,554	23,554	-
<b>Fund Balance - End of Year</b>	<u>\$ 302,522</u>	<u>\$ 252,022</u>	<u>\$ 283,142</u>	<u>\$ 31,120</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 85,000	\$ 85,000	\$ 83,810	\$ (1,190)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Other	73,000	73,000	62,949	10,051
Capital Outlay	-	188,000	188,000	-
<b>Total Expenditures</b>	<b>73,000</b>	<b>261,000</b>	<b>250,949</b>	<b>10,051</b>
Net Change in Fund Balance	12,000	(176,000)	(167,139)	8,861
Fund Balance - Beginning of Year	168,726	168,726	168,726	-
Prior Year Encumbrances Appropriated	192,000	192,000	192,000	-
<b>Fund Balance - End of Year</b>	<b>\$ 372,726</b>	<b>\$ 184,726</b>	<b>\$ 193,587</b>	<b>\$ 8,861</b>

**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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Fees, Licenses and Permits	\$ 2,300	\$ 2,300	\$ 5,000	\$ 2,700
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Health				
Personal Services	4,200	4,200	4,198	2
Other	300	300	158	142
<b>Total Expenditures</b>	<u>4,500</u>	<u>4,500</u>	<u>4,356</u>	<u>144</u>
Net Change in Fund Balance	(2,200)	(2,200)	644	2,844
Fund Balance - Beginning of Year	4,376	4,376	4,376	-
<b>Fund Balance - End of Year</b>	<u>\$ 2,176</u>	<u>\$ 2,176</u>	<u>\$ 5,020</u>	<u>\$ 2,844</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, 2013*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police and Others				
Personal Services	-	6,032	6,032	-
Other	-	7,516	7,516	-
<b>Total Expenditures</b>	<u>-</u>	<u>13,548</u>	<u>13,548</u>	<u>-</u>
Net Change in Fund Balance	-	(13,548)	(13,548)	-
Fund Balance - Beginning of Year	12,848	12,848	12,848	-
Prior Year Encumbrances Appropriated	700	700	700	-
<b>Fund Balance - End of Year</b>	<u>\$ 13,548</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  
 Police Pension Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$ 93,504	\$ 91,186	\$ 93,838	\$ 2,652
Intergovernmental	10,397	10,139	10,434	295
<b>Total Revenues</b>	<u>103,901</u>	<u>101,325</u>	<u>104,272</u>	<u>2,947</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police				
Personal Services	<u>104,000</u>	<u>104,000</u>	<u>104,000</u>	<u>-</u>
Net Change in Fund Balance	(99)	(2,675)	272	2,947
Fund Balance - Beginning of Year	<u>4,762</u>	<u>4,762</u>	<u>4,762</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 4,663</u></u>	<u><u>\$ 2,087</u></u>	<u><u>\$ 5,034</u></u>	<u><u>\$ 2,947</u></u>

**City of Kent, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Fire Pension Fund  
 For the Year Ended December 31, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$ 93,505	\$ 91,187	\$ 93,841	\$ 2,654
Intergovernmental	10,396	10,138	10,433	295
<b>Total Revenues</b>	<u>103,901</u>	<u>101,325</u>	<u>104,274</u>	<u>2,949</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire				
Personal Services	104,000	104,000	104,000	-
Net Change in Fund Balance	(99)	(2,675)	274	2,949
Fund Balance - Beginning of Year	4,764	4,764	4,764	-
<b>Fund Balance - End of Year</b>	<u>\$ 4,665</u>	<u>\$ 2,089</u>	<u>\$ 5,038</u>	<u>\$ 2,949</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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Interest	\$ 2,366	\$ 2,366	\$ 3,239	\$ 873
Miscellaneous	17,634	17,634	144,143	126,509
<b>Total Revenues</b>	<u>20,000</u>	<u>20,000</u>	<u>147,382</u>	<u>127,382</u>
<b>Expenditures</b>				
Current:				
Community Development				
City Manager				
Other	<u>125,000</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>
Net Change in Fund Balance	(105,000)	(105,000)	147,382	252,382
Fund Balance - Beginning of Year	<u>215,666</u>	<u>215,666</u>	<u>215,666</u>	<u>-</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 110,666</u></u>	<u><u>\$ 110,666</u></u>	<u><u>\$ 363,048</u></u>	<u><u>\$ 252,382</u></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, 2013*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Special Assessments	\$ 258,053	\$ 38,053	\$ 51,220	\$ 13,167
<b>Expenditures</b>				
Current:				
General Government				
Budget and Finance				
Other	-	3,500	1,970	1,530
Debt Service:				
Principal	60,947	1,460,024	1,260,947	199,077
Interest & Fiscal Charges	26,875	36,300	36,249	51
Bond Issuance Costs	-	5,998	5,998	-
Total Debt Service	<u>87,822</u>	<u>1,502,322</u>	<u>1,303,194</u>	<u>199,128</u>
<b>Total Expenditures</b>	<u>87,822</u>	<u>1,505,822</u>	<u>1,305,164</u>	<u>200,658</u>
Excess of Revenues Over (Under) Expenditures	170,231	(1,467,769)	(1,253,944)	213,825
<b>Other Financing Sources</b>				
Bond Anticipation Notes Issued	-	1,220,000	1,020,000	(200,000)
Premium on Debt Issuance	-	-	6,747	6,747
Transfers In	66,947	266,947	266,947	-
<b>Total Other Financing Sources</b>	<u>66,947</u>	<u>1,486,947</u>	<u>1,293,694</u>	<u>(193,253)</u>
Net Change in Fund Balance	237,178	19,178	39,750	20,572
Fund Balance - Beginning of Year	56,968	56,968	56,968	-
<b>Fund Balance - End of Year</b>	<u>\$ 294,146</u>	<u>\$ 76,146</u>	<u>\$ 96,718</u>	<u>\$ 20,572</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 – S17
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S18 – S22
<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.	S23 – S24
<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.	S25 – S34

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

# City of Kent, Ohio

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

**Table 1**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Governmental Activities</b>										
Net Investment in										
Capital Assets	\$39,451,103	\$38,898,560	\$37,887,705	\$34,486,661	\$32,644,284	\$30,315,249	\$26,951,296	\$17,826,725	\$15,071,440	\$10,945,438
Restricted	15,340,542	13,973,116	11,523,440	10,583,375	11,445,419	11,802,606	11,305,339	10,128,602	9,822,372	9,923,375
Unrestricted	11,257,214	11,291,239	12,407,928	15,181,317	15,581,099	16,110,251	16,802,244	14,267,218	13,419,546	14,674,034
<b>Total Governmental Activities Net Position</b>	<b>66,048,859</b>	<b>64,162,915</b>	<b>61,819,073</b>	<b>60,251,353</b>	<b>59,670,802</b>	<b>58,228,106</b>	<b>55,058,879</b>	<b>42,222,545</b>	<b>38,313,358</b>	<b>35,542,847</b>
<b>Business Type - Activities</b>										
Net Investment in										
Capital Assets	48,867,706	49,793,993	49,593,173	50,033,315	49,221,658	48,345,006	48,198,941	48,635,444	47,751,884	45,884,269
Unrestricted	7,990,163	7,937,790	7,334,716	7,321,992	7,913,744	8,708,998	9,447,211	7,491,831	6,855,253	5,798,379
<b>Total Business-Type Activities Net Position</b>	<b>56,857,869</b>	<b>57,731,783</b>	<b>56,927,889</b>	<b>57,355,307</b>	<b>57,135,402</b>	<b>57,054,004</b>	<b>57,646,152</b>	<b>56,127,275</b>	<b>54,607,137</b>	<b>51,682,648</b>
<b>Primary Government</b>										
Net Investment in										
Capital Assets	88,318,809	88,692,553	87,480,878	84,519,976	81,865,942	78,660,255	75,150,237	66,462,169	62,823,324	56,829,707
Restricted	15,340,542	13,973,116	11,523,440	10,583,375	11,445,419	11,802,606	11,305,339	10,128,602	9,822,372	9,923,375
Unrestricted	19,247,377	19,229,029	19,742,644	22,503,309	23,494,843	24,819,249	26,249,455	21,759,049	20,274,799	20,472,413
<b>Total Primary Government Net Position</b>	<b>\$122,906,728</b>	<b>\$121,894,698</b>	<b>\$118,746,962</b>	<b>\$117,606,660</b>	<b>\$116,806,204</b>	<b>\$115,282,110</b>	<b>\$112,705,031</b>	<b>\$98,349,820</b>	<b>\$92,920,495</b>	<b>\$87,225,495</b>

The periods noted above do not reflect amounts restated.

# City of Kent, Ohio

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

**Table 2**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges for Services:</b>										
Security of Persons and Property	\$1,746,787	\$1,504,097	\$1,419,667	\$1,472,354	\$1,345,473	\$1,473,544	\$1,296,839	\$1,242,357	\$895,878	\$787,397
Public Health and Welfare	213,738	184,556	160,213	151,774	163,857	162,688	154,456	160,183	208,339	202,513
Leisure Time Activities	593,189	515,414	709,428	483,292	519,474	485,958	483,382	440,288	392,615	335,721
Community Development	259,516	233,565	250,093	58,576	59,667	74,398	72,749	76,504	243,509	234,795
Transportation	40,798	37,412	28,985	38,632	40,256	420	420	2,350	2,033	3,971
General Government	62,500	104,859	170,899	63,132	71,777	98,375	90,659	193,686	433,944	397,637
Subtotal - Charges for Services	2,916,528	2,579,903	2,739,285	2,267,760	2,200,504	2,295,383	2,098,505	2,115,368	2,176,318	1,962,034
<b>Operating Grants and Contributions:</b>										
Security of Persons and Property	85,049	165,394	133,319	50,659	236,658	109,737	174,223	40,670	58,165	90,360
Public Health and Welfare	0	6,892	11,926	9,977	8,564	8,467	9,786	8,404	4,893	8,568
Leisure Time Activities	6,400	6,300	13,549	0	0	0	0	0	0	11,961
Community Development	502,927	1,624,800	657,956	704,125	337,839	487,756	289,541	670,627	743,594	705,128
Transportation	805,517	768,006	785,830	804,778	793,252	821,735	853,067	740,864	771,546	961,337
General Government	0	0	0	0	0	0	0	0	23,055	50,599
Subtotal - Operating Grants and Contributions	1,399,893	2,571,392	1,602,580	1,569,539	1,376,313	1,427,695	1,326,617	1,460,565	1,601,253	1,827,953
<b>Capital Grants and Contributions:</b>										
Security of Persons and Property	54,563	0	186,789	0	0	0	0	38,303	0	0
Leisure Time Activities	730,884	644,119	250,000	32,297	7,001	892,074	0	0	0	0
Community Development	1,301,307	1,253,088	380,851	0	0	0	0	0	0	0
Transportation	1,357,189	905,425	1,980,191	873,056	1,998,656	1,930,197	991,738	1,811,785	797,717	898,967
General Government	0	0	290,880	0	0	0	0	0	0	0
Subtotal - Capital Grants and Contributions	3,443,943	2,802,632	3,088,711	905,353	2,005,657	2,822,271	991,738	1,850,088	797,717	898,967
<b>Total Governmental Activities Program Revenues</b>	<b>7,760,364</b>	<b>7,953,927</b>	<b>7,430,576</b>	<b>4,742,652</b>	<b>5,582,474</b>	<b>6,545,349</b>	<b>4,416,860</b>	<b>5,426,021</b>	<b>4,575,288</b>	<b>4,688,954</b>
<b>Business-Type Activities:</b>										
<b>Charges for Services:</b>										
Water	3,281,466	3,197,503	2,741,795	2,706,968	2,635,679	2,491,836	2,764,094	2,718,143	2,817,816	2,800,642
Sewer	3,961,787	4,150,757	3,566,055	3,491,363	3,433,218	3,173,156	3,606,844	3,534,247	3,519,931	3,514,419
Solid Waste	508,985	445,105	424,599	419,696	400,690	377,726	397,071	390,015	390,057	409,650
Storm Water Drainage	496,051	565,338	555,853	548,930	560,039	558,382	574,530	559,376	538,781	492,517
Subtotal - Charges for Services	8,248,289	8,358,703	7,288,302	7,166,957	7,029,626	6,601,100	7,342,539	7,201,781	7,266,585	7,217,228
<b>Operating Grants and Contributions:</b>										
Water	0	0	0	0	0	0	0	0	627	4,549
Sewer	0	0	180,546	0	0	0	0	0	12,730	79,484
Solid Waste	0	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Subtotal - Operating Grants and Contributions	0	12,500	193,046	12,500	12,500	12,500	12,500	12,500	25,857	96,533
<b>Capital Grants and Contributions</b>										
Water	75,817	334,491	134,295	127,177	91,076	42,052	732,442	277,139	590,769	277,022
Sewer	62,312	70,760	194,121	57,438	111,524	39,693	156,177	270,058	1,172,094	3,122,967
Solid Waste	0	0	0	0	0	0	0	0	0	0
Storm Water Drainage	39,990	167,150	86,604	1,083,023	586,939	201,215	342,499	573,081	605,128	0
Subtotal - Capital Grants and Contributions	178,119	572,401	415,020	1,267,638	789,539	282,960	1,231,118	1,120,278	2,367,991	3,399,989
<b>Total Business-Type Activities Program Revenues</b>	<b>8,426,408</b>	<b>8,943,604</b>	<b>7,896,368</b>	<b>8,447,095</b>	<b>7,831,665</b>	<b>6,896,560</b>	<b>8,586,157</b>	<b>8,334,559</b>	<b>9,660,433</b>	<b>10,713,750</b>
<b>Total Primary Government Program Revenues</b>	<b>\$16,186,772</b>	<b>\$16,897,531</b>	<b>\$15,326,944</b>	<b>\$13,189,747</b>	<b>\$13,414,139</b>	<b>\$13,441,909</b>	<b>\$13,003,017</b>	<b>\$13,760,580</b>	<b>\$14,235,721</b>	<b>\$15,402,704</b>

# City of Kent, Ohio

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

**Table 2**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Expenses</b>										
Governmental Activities:										
Security of Persons and Property	\$10,907,162	\$11,293,807	\$11,155,689	\$10,595,357	\$10,369,569	\$10,048,146	\$9,767,636	\$9,323,964	\$9,088,539	\$9,075,391
Public Health and Welfare	724,497	678,085	666,053	632,398	620,303	624,117	567,464	565,274	547,160	561,554
Leisure Time Activities	1,745,256	1,682,142	1,611,324	1,438,323	1,382,046	1,349,541	1,304,088	1,316,911	1,202,921	1,242,072
Community Development	3,529,274	4,022,927	3,002,485	1,787,031	1,771,093	1,809,918	1,806,399	1,909,670	1,850,436	1,959,483
Transportation	3,801,634	3,408,722	3,732,080	3,713,225	3,462,831	3,511,591	3,242,973	2,181,729	2,056,046	1,958,035
General Government	2,775,445	2,988,674	3,090,494	2,852,097	2,848,297	2,758,218	2,697,076	2,751,222	2,747,645	2,825,076
Interest and Fiscal Charges	321,067	247,423	196,981	143,384	215,996	258,757	276,968	279,179	245,952	242,475
<b>Total Governmental Activities Expenses</b>	<b>23,804,335</b>	<b>24,321,780</b>	<b>23,455,106</b>	<b>21,161,815</b>	<b>20,670,135</b>	<b>20,360,288</b>	<b>19,662,604</b>	<b>18,327,949</b>	<b>17,738,699</b>	<b>17,864,086</b>
Business-Type Activities										
Water	3,579,906	3,224,228	3,239,611	3,306,197	3,339,193	3,310,242	3,075,261	2,898,864	2,936,749	2,899,516
Sewer	3,693,322	3,849,553	4,139,302	3,985,170	4,062,437	3,881,883	3,758,029	3,819,961	3,511,561	3,397,853
Solid Waste	362,196	428,292	434,718	453,846	479,740	430,779	449,101	429,551	362,930	371,803
Storm Water Drainage	871,773	730,942	813,922	664,552	287,644	275,168	261,035	240,410	215,725	237,800
<b>Total Business-Type Activities Expenses</b>	<b>8,507,197</b>	<b>8,233,015</b>	<b>8,627,553</b>	<b>8,409,765</b>	<b>8,169,014</b>	<b>7,898,072</b>	<b>7,543,426</b>	<b>7,388,786</b>	<b>7,026,965</b>	<b>6,906,972</b>
<b>Total Primary Government Program Expenses</b>	<b>32,311,532</b>	<b>32,554,795</b>	<b>32,082,659</b>	<b>29,571,580</b>	<b>28,839,149</b>	<b>28,258,360</b>	<b>27,206,030</b>	<b>25,716,735</b>	<b>24,765,664</b>	<b>24,771,058</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(\$16,043,971)	(\$16,367,853)	(\$16,024,530)	(\$16,419,163)	(\$15,087,661)	(\$13,814,939)	(\$15,245,744)	(\$12,901,928)	(\$13,163,411)	(\$13,175,132)
Business-Type Activities	(80,789)	710,589	(731,185)	37,330	(337,349)	(1,001,512)	1,042,731	945,773	2,633,468	3,806,778
<b>Total Primary Government Net (Expense)/Revenue</b>	<b>(\$16,124,760)</b>	<b>(\$15,657,264)</b>	<b>(\$16,755,715)</b>	<b>(\$16,381,833)</b>	<b>(\$15,425,010)</b>	<b>(\$14,816,451)</b>	<b>(\$14,203,013)</b>	<b>(\$11,956,155)</b>	<b>(\$10,529,943)</b>	<b>(\$9,368,354)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities										
Taxes:										
Property and Other Local Taxes Levied For:										
General Purposes	\$1,826,973	\$1,796,724	\$1,620,411	\$1,626,108	\$1,639,561	\$1,645,714	\$1,672,891	\$1,688,373	\$1,579,658	\$1,588,087
Other Purposes	1,396,589	1,424,728	1,618,587	1,593,553	1,578,221	1,539,836	1,580,977	1,517,163	1,442,769	1,462,646
Municipal Income Taxes	12,163,342	12,921,715	10,962,364	10,800,430	10,402,223	10,508,828	10,577,734	10,147,407	10,149,597	9,705,339
Grants and Entitlements not Restricted to										
Specific Programs	1,935,682	1,668,485	2,735,703	2,446,005	2,403,218	2,430,874	2,653,962	2,203,538	2,308,746	2,173,408
Investment Earnings	144,065	206,287	221,008	232,274	443,814	781,307	1,158,296	1,083,312	615,028	354,751
Gain (Loss) on Sale of Capital Assets	0	0	0	0	0	0	0	0	0	26,173
Miscellaneous	463,264	475,985	574,177	301,344	165,543	77,607	284,815	171,322	99,965	261,338
Transfers	0	0	(140,000)	0	0	0	0	0	0	(170,000)
<b>Total Governmental Activities</b>	<b>17,929,915</b>	<b>18,493,924</b>	<b>17,592,250</b>	<b>16,999,714</b>	<b>16,632,580</b>	<b>16,984,166</b>	<b>17,928,675</b>	<b>16,811,115</b>	<b>16,195,763</b>	<b>15,401,742</b>
Business-Type Activities										
Investment Earnings	17,795	29,250	33,514	76,543	187,029	353,880	415,999	320,134	225,528	94,364
Gain (Loss) on Sale of Capital Assets	0	0	0	23,796	0	0	0	203,669	0	17,357
Miscellaneous	55,730	64,055	130,253	82,236	129,495	55,484	60,147	50,602	46,722	49,469
Transfers	0	0	140,000	0	0	0	0	0	0	170,000
<b>Total Business-Type Activities</b>	<b>73,525</b>	<b>93,305</b>	<b>303,767</b>	<b>182,575</b>	<b>316,524</b>	<b>409,364</b>	<b>476,146</b>	<b>574,405</b>	<b>272,250</b>	<b>331,190</b>
<b>Total Primary Government</b>	<b>18,003,440</b>	<b>18,587,229</b>	<b>17,896,017</b>	<b>17,182,289</b>	<b>16,949,104</b>	<b>17,393,530</b>	<b>18,404,821</b>	<b>17,385,520</b>	<b>16,468,013</b>	<b>15,732,932</b>
<b>Change in Net Position</b>										
Governmental Activities	1,885,944	2,126,071	1,567,720	580,551	1,544,919	3,169,227	2,682,931	3,909,187	3,032,352	2,226,610
Business-Type Activities	(7,264)	803,894	(427,418)	219,905	(20,825)	(592,148)	1,518,877	1,520,178	2,905,718	4,137,968
<b>Total Primary Government Change in Net Position</b>	<b>\$1,878,680</b>	<b>\$2,929,965</b>	<b>\$1,140,302</b>	<b>\$800,456</b>	<b>\$1,524,094</b>	<b>\$2,577,079</b>	<b>\$4,201,808</b>	<b>\$5,429,365</b>	<b>\$5,938,070</b>	<b>\$6,364,578</b>

The periods noted above do not reflect amounts restated.

## City of Kent, Ohio

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

**Table 3**

<u>Year</u>	<u>Municipal Income Taxes</u>	<u>Property and Other Local Taxes</u>	<u>Total</u>
2013	\$12,163,342	\$3,223,562	\$15,386,904
2012	12,921,715	3,221,452	16,143,167
2011	10,962,364	3,238,998	14,201,362
2010	10,800,430	3,219,661	14,020,091
2009	10,402,223	3,217,782	13,620,005
2008	10,508,828	3,185,550	13,694,378
2007	10,577,734	3,253,868	13,831,602
2006	10,147,407	3,205,536	13,352,943
2005	10,149,597	3,022,427	13,172,024
2004	9,705,339	3,050,733	12,756,072

# City of Kent, Ohio

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

**Table 4**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General Fund</b>										
Nonspendable	\$2,411,407	\$2,033,323	\$1,159,430	\$2,529,366	\$0	\$0	\$0	\$0	\$0	\$0
Assigned	305,274	2,894,067	2,863,740	2,744,000	0	0	0	0	0	0
Unassigned	3,260,330	732,615	3,204,918	4,346,151	0	0	0	0	0	0
Reserved	0	0	0	0	1,639,853	1,831,388	623,091	326,376	307,588	732,394
Unreserved	0	0	0	0	7,792,430	7,993,656	9,467,823	8,690,503	8,128,983	8,131,289
<b>Total General Fund</b>	<b>5,977,011</b>	<b>5,660,005</b>	<b>7,228,088</b>	<b>9,619,517</b>	<b>9,432,283</b>	<b>9,825,044</b>	<b>10,090,914</b>	<b>9,016,879</b>	<b>8,436,571</b>	<b>8,863,683</b>
<b>All Other Governmental Funds</b>										
Nonspendable	4,204,746	4,303,876	4,269,688	187,302	0	0	0	0	0	0
Restricted	6,371,314	7,000,667	5,129,268	5,000,566	0	0	0	0	0	0
Committed	8,938,498	7,416,462	6,000,683	5,580,030	0	0	0	0	0	0
Unassigned (Deficit)	(931,180)	(6,186,570)	(5,461,833)	(115,035)	0	0	0	0	0	0
Reserved	0	0	0	0	2,212,363	2,237,630	2,348,967	1,994,925	2,542,837	2,375,454
Unreserved:										
Designated:										
Special Revenue funds										
For Public Facilities and Programs	0	0	0	0	2,162,966	2,120,760	2,030,076	1,965,565	1,866,936	1,798,054
Undesignated (Deficit), Reported in:										
Special Revenue funds	0	0	0	0	8,062,407	7,863,374	8,586,351	7,709,110	7,096,062	6,548,672
Capital Projects funds	0	0	0	0	(711,829)	(553,463)	(1,824,391)	(2,112,636)	(2,510,795)	(2,817,282)
<b>Total All Other Governmental Funds</b>	<b>18,583,378</b>	<b>12,534,435</b>	<b>9,937,806</b>	<b>10,652,863</b>	<b>11,725,907</b>	<b>11,668,301</b>	<b>11,141,003</b>	<b>9,556,964</b>	<b>8,995,040</b>	<b>7,904,898</b>
<b>Total Governmental Funds</b>	<b>\$24,560,389</b>	<b>\$18,194,440</b>	<b>\$17,165,894</b>	<b>\$20,272,380</b>	<b>\$21,158,190</b>	<b>\$21,493,345</b>	<b>\$21,231,917</b>	<b>\$18,573,843</b>	<b>\$17,431,611</b>	<b>\$16,768,581</b>

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

# City of Kent, Ohio

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

**Table 5**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Revenues</b>										
Taxes:										
Property and Other Local Taxes	\$3,219,884	\$3,253,169	\$3,252,122	\$3,188,957	\$3,191,649	\$3,181,717	\$3,268,463	\$3,115,248	\$2,998,573	\$3,053,539
Municipal Income Taxes	12,545,597	11,921,978	10,785,019	10,497,813	10,525,332	10,590,922	10,564,245	10,179,387	10,142,768	9,697,832
Charges for Services	2,384,258	1,905,500	1,815,145	1,710,682	1,782,466	1,782,566	1,727,130	1,373,609	1,458,020	1,239,502
Fees, Licenses and Permits	414,466	396,389	737,262	203,840	195,432	233,749	225,905	334,498	348,454	349,356
Fines and Forfeitures	201,463	223,148	182,599	215,091	232,475	273,217	234,768	245,442	369,844	373,176
Intergovernmental	6,978,903	6,824,535	6,694,046	4,933,568	5,776,055	6,794,713	4,406,113	3,848,989	3,988,310	4,759,878
Special Assessments	170,144	200,091	154,563	162,134	134,760	188,193	206,943	164,351	163,218	163,005
Interest	128,104	178,996	187,822	199,075	411,319	746,226	1,119,987	1,044,343	573,151	311,813
Miscellaneous	550,012	357,551	214,177	301,496	169,412	84,153	235,884	441,168	97,432	261,338
<b>Total Revenues</b>	<b>26,592,831</b>	<b>25,261,357</b>	<b>24,022,755</b>	<b>21,412,656</b>	<b>22,418,900</b>	<b>23,875,456</b>	<b>21,989,438</b>	<b>20,747,035</b>	<b>20,139,770</b>	<b>20,209,439</b>
<b>Expenditures</b>										
Current:										
Security of Persons and Property	10,553,514	10,263,063	10,283,338	10,132,948	9,769,228	9,604,565	9,177,854	8,871,722	8,574,921	8,566,950
Public Health and Welfare	723,475	621,527	665,015	624,153	614,382	622,121	561,623	564,743	545,881	557,405
Leisure Time Activities	1,529,772	1,444,809	1,401,566	1,316,516	1,311,301	1,282,314	1,233,477	1,237,456	1,141,268	1,175,458
Community Development	3,526,550	3,225,697	3,023,979	1,787,852	1,748,287	1,783,711	1,789,461	1,895,068	1,836,098	1,924,022
Transportation	2,219,883	1,803,687	2,185,911	1,859,655	1,871,613	1,650,958	1,471,685	1,299,412	1,400,731	1,455,517
General Government	2,668,437	2,680,256	2,972,845	2,772,347	2,740,057	2,623,065	2,533,830	2,627,620	2,568,272	2,659,253
Capital Outlay	4,250,559	3,695,672	5,912,555	3,764,921	4,171,122	5,569,791	2,160,125	2,646,181	2,714,605	3,732,130
Debt Service:										
Principal Retirement	60,947	1,434,937	201,973	209,947	198,947	217,947	211,947	204,947	188,947	187,947
Interest and Fiscal Charges	130,467	191,040	197,800	144,108	216,718	259,556	277,737	280,497	246,585	242,924
Bond Issuance Costs	140,230	62,354	0	0	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>25,803,834</b>	<b>25,423,042</b>	<b>26,844,982</b>	<b>22,612,447</b>	<b>22,641,655</b>	<b>23,614,028</b>	<b>19,417,739</b>	<b>19,627,646</b>	<b>19,217,308</b>	<b>20,501,606</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>788,997</b>	<b>(161,685)</b>	<b>(2,822,227)</b>	<b>(1,199,791)</b>	<b>(222,755)</b>	<b>261,428</b>	<b>2,571,699</b>	<b>1,119,389</b>	<b>922,462</b>	<b>(292,167)</b>

(Continued)

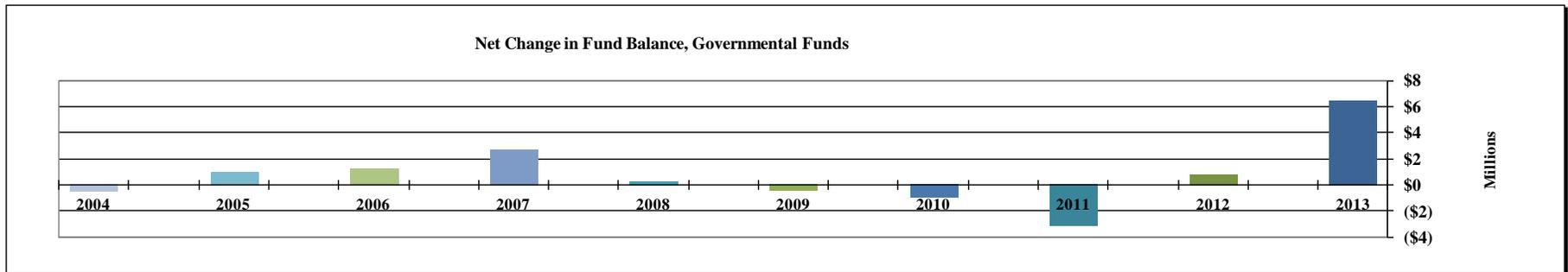
# City of Kent, Ohio

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

### Last Ten Years

**Table 5**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Other Financing Sources (Uses)</b>										
Sale of Capital Assets	15,726	15,346	5,741	0	0	0	86,375	112,843	0	26,913
General Obligation Bonds Issued	5,490,000	0	0	0	0	0	0	0	0	0
Premium on Debt Issued	117,994	0	0	0	0	0	0	0	0	26,730
Loan Proceeds	113,232	1,117,114	0	455,101	0	0	0	0	0	0
Transfers In	266,947	270,762	268,522	10,178,069	9,834,480	10,643,237	10,188,942	9,599,347	9,579,181	8,995,666
Transfers Out	(426,947)	(430,762)	(558,522)	(10,319,189)	(9,946,880)	(10,643,237)	(10,188,942)	(9,599,347)	(9,549,181)	(9,165,666)
<b>Total Other Financing Sources (Uses)</b>	<b>5,576,952</b>	<b>972,460</b>	<b>(284,259)</b>	<b>313,981</b>	<b>(112,400)</b>	<b>0</b>	<b>86,375</b>	<b>112,843</b>	<b>30,000</b>	<b>(116,357)</b>
<b>Net Change in Fund Balances</b>	<b>\$6,365,949</b>	<b>\$810,775</b>	<b>(\$3,106,486)</b>	<b>(\$885,810)</b>	<b>(\$335,155)</b>	<b>\$261,428</b>	<b>\$2,658,074</b>	<b>\$1,232,232</b>	<b>\$952,462</b>	<b>(\$408,524)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>0.89%</b>	<b>7.48%</b>	<b>1.91%</b>	<b>1.85%</b>	<b>2.25%</b>	<b>2.65%</b>	<b>2.84%</b>	<b>2.86%</b>	<b>2.64%</b>	<b>2.57%</b>



## 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>
2013	\$12,545,597	\$3,219,884	\$15,765,481
2012	11,921,978	3,253,169	15,175,147
2011	10,785,019	3,252,122	14,037,141
2010	10,497,813	3,188,957	13,686,770
2009	10,525,332	3,191,649	13,716,981
2008	10,590,922	3,181,717	13,772,639
2007	10,564,245	3,268,463	13,832,708
2006	10,179,387	3,115,248	13,294,635
2005	10,142,768	2,998,573	13,141,341
2004	9,697,832	3,053,539	12,751,371

# City of Kent, Ohio

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

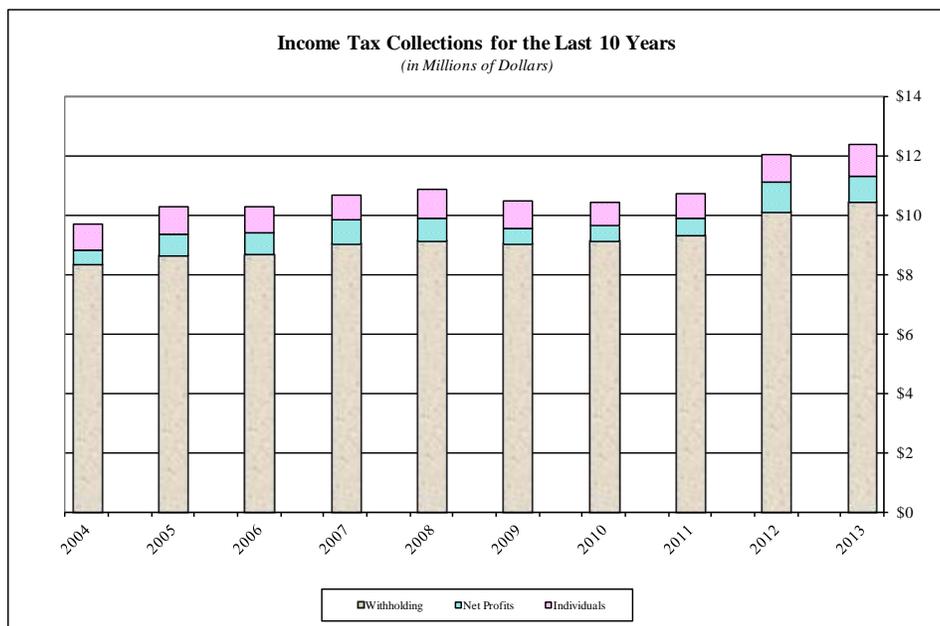
### Last Ten Years

**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
2013	2.00%	\$12,397,812	\$10,422,124	84.06%	\$899,704	7.26%	\$1,075,984	8.68%
2012	2.00	12,067,888	10,090,208	83.61	1,030,657	8.54	947,023	7.85
2011	2.00	10,711,488	9,320,111	87.01	568,412	5.31	822,965	7.68
2010	2.00	10,453,032	9,127,346	87.32	514,532	4.92	811,154	7.76
2009	2.00	10,482,215	9,014,860	86.00	563,146	5.37	904,209	8.63
2008	2.00	10,871,742	9,132,780	84.01	754,913	6.94	984,049	9.05
2007	2.00	10,660,344	9,027,152	84.68	816,743	7.66	816,449	7.66
2006	2.00	10,315,459	8,682,188	84.16	748,460	7.26	884,811	8.58
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

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>2013</b>		
Rank	Employer Name	
1	Kent State University	
2	Kent City Schools	
3	Davey Tree Expert Co., Inc.	
4	City of Kent	
5	Land-O-Lakes	
6	Smithers-Oasis Company	
7	Klaben Family Ford, Inc.	
8	Ametek Inc	
9	Ametek Technical & Industrial	
10	MAC Trailer Enterprises	

<b>2004</b>		
2013 Rank	Rank	Employer Name
1	1	Kent State University
2	2	Kent City Schools
4	3	City of Kent
3	4	Davey Tree Expert Co., Inc.
5	5	Land-O-Lakes
8	6	Ametek, Inc.
6	7	Smithers-Oasis Company
n/a	8	Integrated Logistics Holding Co.
7	9	Klaben Family Ford, Inc.
n/a	10	Fontaine Trailer Co.

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

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

n/a - Information is not available.

## City of Kent, Ohio

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

***Last Ten Years***

**Table 9**

Tax Year/ Collection Year	City of Kent Direct Rates						Overlapping Rates		Total Direct & Overlapping Rates
	General Fund	West Side Fire Station	Recreation Fund	Police Pension Fund	Fire Pension Fund	Total City	Portage County	Kent City School District	
2012/2013	\$ 4.76	\$ 0.73	\$ 3.45	\$ 0.30	\$ 0.30	\$ 9.54	\$ 13.62	\$ 102.73	\$ 125.89
2011/2012	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.73	125.89
2010/2011	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.57	125.73
2009/2010	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.91	126.07
2008/2009	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.42	125.58
2007/2008	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.18	125.34
2006/2007	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.42	125.58
2005/2006	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.42	125.58
2004/2005	4.76	0.73	3.45	0.30	0.30	9.54	13.62	95.78	118.94
2003/2004	4.66	0.73	3.45	0.30	0.30	9.44	13.62	95.77	118.83

Source: Portage County, Ohio; County Auditor



# City of Kent, Ohio

## Assessed Valuations and Estimated Actual Values of Taxable Property

### Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2013	\$222,686,490	\$109,348,950	\$948,672,686	\$5,708,560	\$8,520,239
2012	244,935,210	96,240,890	974,788,857	5,159,580	7,700,866
2011	245,769,930	97,898,140	981,908,771	4,896,150	7,307,687
2010	245,425,880	99,440,840	985,333,486	4,703,740	7,020,507
2009	256,434,590	100,457,690	1,019,692,229	4,346,170	6,486,821
2008	252,810,490	99,540,990	1,006,718,514	4,320,510	6,448,522
2007	247,212,070	102,158,740	998,202,314	7,473,970	11,155,179
2006	224,455,410	92,947,180	906,864,543	8,102,390	12,093,119
2005	218,255,087	93,118,010	889,637,420	9,530,700	10,830,341
2004	214,777,462	92,267,150	877,270,320	9,745,960	11,074,955

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

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

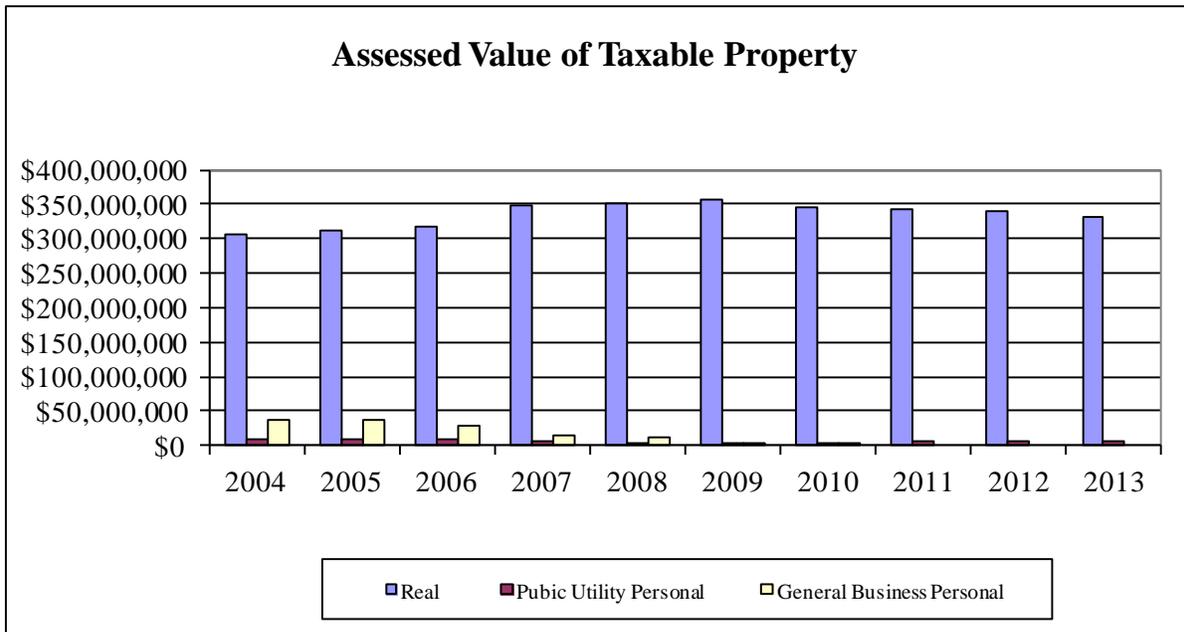
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by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

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

- (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**

<u>Tangible Personal Property</u>					
<u>General Business</u>			<u>Total</u>		
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Tax Rate</u>
\$0	\$0	\$337,744,000	\$957,192,925	35.28%	9.54
0	0	346,335,680	982,489,723	35.25	9.54
0	0	348,564,220	989,216,458	35.24	9.54
549,540	8,792,640	350,120,000	1,001,146,633	34.97	9.54
1,043,340	16,693,440	362,281,790	1,042,872,489	34.97	9.54
10,845,518	173,528,288	367,517,508	1,186,695,325	34.74	9.54
15,448,700	123,589,600	372,293,480	1,132,947,093	30.97	9.54
28,023,818	149,460,363	353,528,798	1,068,418,025	33.09	9.54
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



# 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>
2013	\$ 3,011,295	\$ 2,926,504	97.18%	\$ 102,987	\$ 3,029,491	100.60%	\$ 156,571
2012	3,094,935	3,003,867	97.06	107,602	3,111,469	100.53	226,103
2011	3,102,660	2,991,353	96.41	114,216	3,105,569	100.09	267,134
2010	3,110,607	2,971,714	95.53	98,660	3,070,374	98.71	284,989
2009	3,115,522	3,002,879	96.38	94,310	3,097,189	99.41	254,285
2008	3,165,432	3,072,009	97.05	88,462	3,160,471	99.84	228,150
2007	3,214,063	3,125,628	97.25	89,501	3,215,129	100.03	224,317
2006	3,001,119	2,943,312	98.07	87,851	3,031,163	101.00	238,914
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

Source: Portage County, Ohio; County Auditor

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

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

# City of Kent, Ohio

## Principal Taxpayers – Real Estate Tax

2013 and 2004

Table 12

Taxpayer	2013	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Whitehall Terrace Investors LLC	\$3,478,830	1.02 %
CDC-Kent LLC	2,912,000	0.86
Mikey Ryan	2,901,920	0.86
Douglas Partners LLC	2,585,660	0.77
Silver Meadows Ltd.	2,452,980	0.73
DSMP - Kent LLC	2,375,140	0.70
New Indian Valley Ltd.	1,810,870	0.54
Klaben, Richard G.	1,781,050	0.53
Inn at Golden Pond Ltd.	1,778,220	0.53
Davey Tree Expert Co	1,575,000	0.46
Total	\$23,651,670	7.00 %
Total Assessed Valuation	\$337,744,000	
Taxpayer	2004	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Ohio Bell	\$4,215,540	1.19 %
Gougler Industries, Inc.	\$3,952,230	1.11
Silver Meadows Ltd.	3,628,560	1.02
DSMP - Kent LLC*	3,396,400	0.96
Mickey Ryan LLC	2,882,600	0.81
Paul P. Tell Sr.	2,758,890	0.78
Ohio Edison	2,676,410	0.75
Whitehall Terrace Investors LLC	2,176,020	0.61
Douglas Partners **	2,108,760	0.59
Klaben Ford, Inc.	1,883,350	0.54
Total	\$29,678,760	8.36 %
Total Assessed Valuation	\$354,797,750	

Source: Portage County, Ohio; County Treasurer

(1) The amounts presented represent the assessed values upon which 2012 and 2003 collections were based.

\* Formerly Associated Estates Realty and Dale Terrace

\*\* Formerly W9/GLM Real Estate

# City of Kent, Ohio

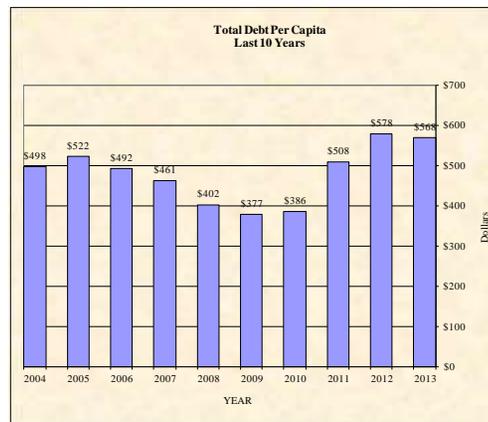
## Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita

### Last Ten Years

**Table 13**

Year	Governmental Activities					Business-Type Activities			Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Loans Payable	Bond Anticipation Notes	OPWC Loans	Bond Anticipation Notes	OWDA Loans			
2013	\$5,606,950	\$274,000	\$324,731	\$1,445,907	\$4,635,015	\$144,318	\$617,474	\$3,371,694	\$16,420,089	2.97%	\$568
2012	0	305,000	241,446	1,445,907	10,295,000	145,827	675,000	3,606,429	16,714,609	3.03	578
2011	1,370,000	334,000	231,053	375,123	7,715,000	82,108	735,000	3,833,003	14,675,287	2.66	508
2010	1,530,000	361,000	246,026	455,101	3,625,000	84,592	\$795,000	4,051,703	11,148,422	2.02	386
2009	1,685,000	386,000	275,973	0	2,965,000	89,559	\$855,000	4,262,805	10,519,337	2.51	377
2008	1,830,000	410,000	305,920	0	3,205,000	94,526	915,000	4,466,577	11,227,023	2.68	402
2007	1,970,000	458,000	335,867	0	3,445,000	96,324	1,910,000	4,657,673	12,872,864	3.07	461
2006	2,105,000	505,000	365,814	0	3,680,000	33,733	2,460,000	4,574,265	13,723,812	3.28	492
2005	2,235,000	550,000	395,761	0	3,920,000	33,733	3,010,000	4,410,631	14,555,125	3.47	522
2004	2,355,000	589,000	425,708	0	4,170,000	0	3,610,000	2,737,725	13,887,433	3.31	498

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



## City of Kent, Ohio

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

**Table 14**

<u>Year</u>	<u>Population (1)</u>		<u>Estimated Actual Value of Taxable Property (2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Ratio of Gross Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Gross Bonded Debt Per Capita</u>
2013	28,904	b	\$957,192,925	5,606,950	0.59 %	\$193.99
2012	28,904	b	982,489,723	0	0.00	0.00
2011	28,904	b	989,216,458	1,370,000	0.14	47.40
2010	28,904	b	1,001,146,633	1,530,000	0.15	52.93
2009	27,906	a	1,042,872,489	1,685,000	0.16	60.38
2008	27,906	a	1,186,695,325	1,830,000	0.15	65.58
2007	27,906	a	1,132,947,093	1,970,000	0.17	70.59
2006	27,906	a	1,068,418,025	2,105,000	0.20	75.43
2005	27,906	a	1,049,003,717	2,235,000	0.21	80.09
2004	27,906	a	1,040,373,987	2,355,000	0.23	84.39

Sources:

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

(a) 2000 Federal Census

(b) 2010 Federal Census

(2) Portage County, Ohio; County Auditor

(3) Includes all 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  
Special Assessments Bonds  
Last Ten Years*

**Table 15**

Year	Debt Service Assessments	Debt Service		Percent Coverage
		Principal	Interest	
2013	\$51,220	\$31,000	\$18,300	1.04
2012	49,250	29,000	20,040	1.00
2011	49,250	27,000	21,660	1.01
2010	61,756	25,000	23,035	1.29
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

Source: City Financial Records

# City of Kent, Ohio

## Legal Debt Margin

### Last Ten Years

**Table 16**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Total Assessed Property Value	<u>\$337,744,000</u>	<u>\$346,335,680</u>	<u>\$348,564,220</u>	<u>\$350,120,000</u>	<u>\$362,281,790</u>	<u>\$367,517,508</u>	<u>\$372,293,480</u>	<u>\$353,528,798</u>	<u>\$358,037,786</u>	<u>\$354,797,750</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>35,463,120</u>	<u>36,365,246</u>	<u>36,599,243</u>	<u>36,762,600</u>	<u>38,039,588</u>	<u>38,589,338</u>	<u>39,090,815</u>	<u>37,120,524</u>	<u>37,593,968</u>	<u>37,253,764</u>
Debt Outstanding:										
General Obligation Bonds - Governmental Activities	5,606,950	0	1,370,000	1,530,000	1,685,000	1,830,000	1,970,000	2,105,000	2,235,000	2,355,000
Special Assessment Bonds	274,000	305,000	334,000	361,000	386,000	410,000	458,000	505,000	550,000	589,000
Bond Anticipation Notes - Governmental Activities	4,635,015	10,295,000	7,715,000	3,625,000	2,965,000	3,205,000	3,445,000	3,680,000	3,920,000	4,170,000
Bond Anticipation Notes - Business Type Activities	617,474	675,000	735,000	795,000	855,000	915,000	1,910,000	2,460,000	3,010,000	3,610,000
Total Gross Indebtedness	<u>11,133,439</u>	<u>11,275,000</u>	<u>10,154,000</u>	<u>6,311,000</u>	<u>5,891,000</u>	<u>6,360,000</u>	<u>7,783,000</u>	<u>8,750,000</u>	<u>9,715,000</u>	<u>10,724,000</u>
Less:										
Special Assessment Bonds	(274,000)	(305,000)	(334,000)	(361,000)	(386,000)	(410,000)	(458,000)	(505,000)	(550,000)	(589,000)
Bond Anticipation Notes - Business Type Activities	(617,474)	(675,000)	(735,000)	(795,000)	(855,000)	(915,000)	(1,910,000)	(2,460,000)	(3,010,000)	(3,610,000)
General Obligation Bond Retirement Fund Balance	0	0	(47,709)	(32,145)	(18,424)	(30,186)	(27,328)	(38,108)	(39,179)	(44,130)
Total Net Debt Applicable to Debt Limit	<u>10,241,965</u>	<u>10,295,000</u>	<u>9,037,291</u>	<u>5,122,855</u>	<u>4,631,576</u>	<u>5,004,814</u>	<u>5,387,672</u>	<u>5,746,892</u>	<u>6,115,821</u>	<u>6,480,870</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$25,221,155</u>	<u>\$26,070,246</u>	<u>\$27,561,952</u>	<u>\$31,639,745</u>	<u>\$33,408,012</u>	<u>\$33,584,524</u>	<u>\$33,703,143</u>	<u>\$31,373,632</u>	<u>\$31,478,147</u>	<u>\$30,772,894</u>
Legal Debt Margin as a Percentage of the Debt Limit	71.12%	71.69%	75.31%	86.07%	87.82%	87.03%	86.22%	84.52%	83.73%	82.60%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$18,575,920</u>	<u>\$19,048,462</u>	<u>\$19,171,032</u>	<u>\$19,256,600</u>	<u>\$19,925,498</u>	<u>\$20,213,463</u>	<u>\$20,476,141</u>	<u>\$19,444,084</u>	<u>\$19,692,078</u>	<u>\$19,513,876</u>
Total Gross Indebtedness	11,133,439	11,275,000	10,154,000	6,311,000	5,891,000	6,360,000	7,783,000	8,750,000	9,715,000	10,724,000
Less:										
Special Assessment Bonds	(274,000)	(305,000)	(334,000)	(361,000)	(386,000)	(410,000)	(458,000)	(505,000)	(550,000)	(589,000)
Bond Anticipation Notes - Business Type Activities	(617,474)	(675,000)	(735,000)	(795,000)	(855,000)	(915,000)	(1,910,000)	(2,460,000)	(3,010,000)	(3,610,000)
General Obligation Bond Retirement Fund Balance	0	0	(47,709)	(32,145)	(18,424)	(30,186)	(27,328)	(38,108)	(39,179)	(44,130)
Net Debt Within 5 ½ % Limitations	<u>10,241,965</u>	<u>10,295,000</u>	<u>9,037,291</u>	<u>5,122,855</u>	<u>4,631,576</u>	<u>5,004,814</u>	<u>5,387,672</u>	<u>5,746,892</u>	<u>6,115,821</u>	<u>6,480,870</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$8,333,955</u>	<u>\$8,753,462</u>	<u>\$10,133,741</u>	<u>\$14,133,745</u>	<u>\$15,293,922</u>	<u>\$15,208,649</u>	<u>\$15,088,469</u>	<u>\$13,697,192</u>	<u>\$13,576,257</u>	<u>\$13,033,006</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	44.86%	45.95%	52.86%	73.40%	76.76%	75.24%	73.69%	70.44%	68.94%	66.79%

Source: City Financial Records

# City of Kent, Ohio

## Computation of Direct and Overlapping General Obligation Bonded Debt

December 31, 2013

Table 17

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
<b>Direct - City of Kent</b>			
General Obligation Bond			
Anticipation Notes	\$4,635,015	100.00 %	\$4,635,015
General Obligation Bonds	\$5,606,950	100.00	5,606,950
Special Assessment Bonds	274,000	100.00	274,000
OPWC Loans	324,731	100.00	324,731
Other Loans Payable	1,445,907	100.00	1,445,907
<i>Total Direct Debt</i>	<i>\$12,286,603</i>		<i>\$12,286,603</i>
<b>Overlapping</b>			
Kent City School District (2)			
General Obligation Bonds	19,843,800	67.79	13,452,112
Portage County (3)			
General Obligation Bonds	19,627,072	10.46	2,052,992
Special Assessment Bonds	570,785	10.46	59,704
OWDA Loans	315,197	10.46	32,970
<i>Total Overlapping Debt</i>	<i>40,356,854</i>		<i>15,597,778</i>
<b>Total</b>	<b>\$52,643,457</b>		<b>\$27,884,381</b>

(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 18**

Year	Population (1)		Total Personal Income (4)	Personal Income Per Capita (1)	Median Household Income (1)	School Enrollment (2)	Portage County Unemployment Rate (3)	City of Kent Unemployment Rate (3)
2013	28,904	b	\$552,066,400	\$19,100	\$26,696	3,297	6.6%	5.2%
2012	28,904	b	552,066,400	19,100	26,696	3,374	6.8%	7.7%
2011	28,904	b	552,066,400	19,100	26,696	3,496	8.3%	7.7%
2010	28,904	b	552,066,400	19,100	26,696	3,314	9.8%	7.9%
2009	27,906	a	419,008,590	15,015	29,582	3,389	9.9%	7.5%
2008	27,906	a	419,008,590	15,015	29,582	3,638	7.8%	5.8%
2007	27,906	a	419,008,590	15,015	29,582	3,382	5.4%	4.5%
2006	27,906	a	419,008,590	15,015	29,582	3,415	5.1%	4.2%
2005	27,906	a	419,008,590	15,015	29,582	3,371	5.6%	4.6%
2004	27,906	a	419,008,590	15,015	29,582	3,427	5.8%	4.6%

(1) Source: U. S. Census

(a) 2000 Federal Census

(b) 2010 Federal Census

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

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

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

Note: Total Personal Income, Personal Income Per Capita, and Median Household Income for 2010 were the same as 2009 due to the unavailability of information.

# City of Kent, Ohio

## Principal Employers

*Current and Nine Years Ago*

**Table 19**

<b>2013</b>		
Employer	Number of W-2's processed	Percentage of Total City W-2's processed
Kent State University	11,180	
Kent City Schools	829	
Davey Tree Expert Co., Inc.	425	
City of Kent	268	
Land-O-Lakes	204	
Smithers-Oasis Company	130	
Klaben Family Ford	138	
Ametek Inc	44	
Ametek Technical & Industrial	4	
MAC Trailer Enterprises	137	
Total	<u>13,359</u>	<u>N/A</u>
Total W-2's Processed	<u>N/A</u>	
<b>2004</b>		
Employer	Number of W-2's processed	Percentage of Total City W-2's processed
Kent State University	10,680	
Kent City Schools	735	
City of Kent	273	
Davey Tree	228	
Land O Lakes	176	
Ametek	102	
Smithers Oasis	141	
Integrated Logistics	122	
Klaben Family Ford Inc	103	
Fontaine Trailer Co.	125	
Total	<u>12,685</u>	<u>61.07%</u>
Total W-2's Processed	<u>20,772</u>	

N/A - RITA was unable to provide this information for 2013

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

# City of Kent, Ohio

## City Government Employees by Function/Program

*Last Ten Years*

**Table 20**

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Government										
City Council										
Councilman	9	9	9	9	9	9	9	9	9	9
Clerk of Council	1	1	1	1	1	1	1	1	1	1
Mayor										
Mayor/President of Council	1	1	1	1	1	1	1	1	1	1
City Manager										
City Manager	1	1	1	1	1	1	1	1	1	1
Executive Secretary to City Manager	1	1	1	1	1	1	1	1	1	1
Human Resources										
Human Resources Manager	1	1	1	1	1	1	1	1	1	1
Civil Service										
Civil Service Commissioner	3	3	3	3	3	3	3	3	3	3
Civil Service Coordinator	1	1	1	1	0	0	0	0	0	0
Administrative Assistant to Civil Service Commission	0	0	0	0	1	1	1	1	1	1
Law										
Director of Law	1	1	1	1	1	1	1	1	1	1
Assistant Law Director/Prosecutor	1	1	1	1	1	1	1	1	1	1
Assistant Law Director	1	1	1	1	1	1	1	1	1	1
Executive Secretary to Dir. Of Law	1	1	1	1	1	1	1	1	1	1
Finance Administration										
Director of Budget & Finance	1	1	1	1	1	1	1	1	1	1
Controller	1	1	1	1	1	1	1	1	1	1
Operations Analyst	1	1	1	1	1	1	1	1	1	1
Senior Account Clerk	1	1	1	1	1	1	1	1	1	1
Account Clerk	5	5	5	5	5	4	4	4	4	4
Administrative Assistant to Director of Budget & Finance	0	0	0	0	0	1	1	1	1	1
Tax Administration										
Income Tax Commissioner	0	0	0	0	0	1	1	1	1	1
Income Tax Auditor	1	1	1	1	1	1	1	1	1	1
Account Clerk	0	0	0	0	0	1	1	1	1	1
Service Administration										
Director of Public Service	1	1	1	1	1	1	1	1	1	1
Administrative Assistant to Director of Public Service	1	1	1	1	1	1	1	1	1	1
Account Clerk	1	1	1	1	1	1	1	1	1	1
Engineering Aide I	1	1	1	1	0	0	0	0	0	0

# City of Kent, Ohio

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

***Last Ten Years***

**Table 20**

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Engineering										
Deputy Service Director/ Superintendent of Engineering	1	1	1	1	1	1	1	1	1	1
Senior Engineer	3	2	2	2	2	2	2	2	2	2
Senior Engineer (Part-time)	0	1	1	1	0	0	0	0	0	0
Design Engineer	0	0	0	0	1	1	1	1	1	1
Asst. Design Engineer (Part-time)	0	0	0	0	0	0	0	0	0	0
Engineering Technician	2	2	2	2	2	2	2	2	2	2
Engineering Aide I	0	0	0	0	1	1	1	1	1	1
Engineering Aide II	1	1	1	1	1	1	1	1	1	1
Co-op Student (Part-time)	0	0	0	0	0	0	0	0	0	0
Security of Persons and Property										
Safety Director										
Safety Director	1	1	1	1	1	1	1	1	1	1
Police										
Police Chief	1	1	1	1	1	1	1	1	1	1
Police Captain	2	2	2	2	2	2	2	2	2	2
Lieutenant	5	5	5	5	5	5	5	5	5	5
Technical Sergeant	4	4	4	4	4	4	4	4	4	4
Police Officer	27	27	27	27	27	27	27	27	27	27
Administrative Assistant to Chief	1	1	1	1	1	1	1	1	1	1
Secretary to Police Department	1	1	1	1	1	1	1	1	1	1
Records and Communications										
Coordinator - Dispatchers	1	3	3	3	3	3	3	3	3	3
Clerk-Dispatcher	9	7	7	7	7	7	7	7	7	7
Clerk-Dispatcher (Part-time)	3	3	3	3	3	3	3	3	3	3
Juvenile Services										
Juvenile Counselor	1	1	1	1	1	1	1	1	1	1
Police Officer	3	3	3	3	3	3	3	3	3	3
Support Services										
Compliance Officer	1	1	1	1	1	1	1	1	1	1
Detention Officer	6	6	6	6	6	6	6	6	6	6
Fire										
Fire Chief	1	1	1	1	1	1	1	1	1	1
Fire Captain	3	3	3	3	3	3	3	3	3	3
Fire Lieutenant	3	3	3	3	3	3	3	3	3	3
Firefighter	27	27	27	27	27	27	27	27	27	24
Fireman - Paid on Call	3	3	3	3	3	3	3	3	3	3
Fire Services Specialist	1	1	1	1	1	1	1	1	1	1
Community Services - Fire										
Fire Lieutenant	2	2	2	2	2	2	2	2	2	1
Firefighter	0	0	0	0	0	0	0	0	0	1

# City of Kent, Ohio

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

***Last Ten Years***

**Table 20**

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Central Maintenance</b>										
Utilities Manager	1	1	0	0	0	0	0	0	0	0
Facilities Manager	1	1	0	0	0	0	0	0	0	0
Cent. Maint. Mgr./Water Dist. Spec.	0	0	1	1	1	1	1	1	1	1
Assignment Supervisor	0	0	0	0	0	0	0	1	1	1
Chief Operator	3	3	3	3	3	3	3	0	0	0
Repair Operator	3	3	3	3	3	3	3	6	6	6
Service Technician/Gardener	1	1	1	1	1	1	1	1	1	1
Service Worker	11	11	11	11	11	11	11	11	11	11
Carpenter	1	1	1	1	1	1	1	1	1	1
Arborist Supervisor	0	0	1	1	1	1	1	1	1	0
Arborist	0	0	0	0	0	0	0	0	0	1
Account Clerk	1	1	1	1	1	1	1	0	0	0
<b>Vehicle Maintenance</b>										
Master Mechanic	1	1	1	1	1	1	1	1	1	1
Mechanic	3	3	3	3	3	3	3	3	3	3
<b>Basic Utility Services</b>										
<b>Water Treatment Plant</b>										
Supervisor - Water Plant	1	1	1	1	1	1	1	1	1	1
Water Laboratory Technician	1	1	1	1	1	1	1	1	1	1
Plant Mechanic	1	1	1	1	1	1	1	1	1	1
Water Plant Chief Operator	1	1	1	1	1	1	1	1	1	1
Water Plant Operator	5	5	5	5	5	5	5	5	5	5
Laborer (General Maintenance)	1	1	1	1	1	1	1	1	1	1
<b>Wastewater Treatment Plant</b>										
Supervisor - Wastewater Plant	1	1	1	1	1	1	1	1	1	1
Plant Mechanic	1	1	1	1	1	1	1	1	1	1
Chemist	1	1	0	0	0	0	0	0	0	0
Lab Tech	1	1	0	0	0	0	0	0	0	0
Environmental Tech	1	1	0	0	0	0	0	0	0	0
Wastewater Plant Operator	7	7	7	7	7	7	7	7	8	8
Chief Operator	1	1	1	1	1	1	1	1	1	1
<b>Public Health Services</b>										
<b>Health</b>										
Health Commissioner	1	1	1	1	1	1	1	1	1	1
Deputy Health Commissioner	0	0	1	1	1	1	1	1	1	1
Chief Sanitarian	1	0	0	0	0	0	0	0	0	0
Public Health Sanitarian	2	3	2	2	2	2	2	2	2	2
Administrative Assistant to										
Health Commissioner	1	1	1	1	1	1	1	1	1	1
Laboratory Technician	0	0	2	2	2	2	2	2	2	2
Chemist	0	0	1	1	1	1	1	1	1	1
Secretary (Part-time)	1	1	1	1	1	1	1	1	1	1

# City of Kent, Ohio

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

*Last Ten Years*

**Table 20**

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Leisure Time Activities										
Parks and Recreation										
Director - Parks and Recreation	1	1	1	1	1	1	1	1	1	1
Supervisor - Recreation	1	1	1	1	1	1	1	1	1	1
Supervisor - Parks	1	1	1	1	1	1	1	1	1	1
Clerk-Typist I	0	0	0	0	0	0	0	0	0	0
Account Clerk	1	1	1	1	1	1	1	1	1	1
Parks Maintenance Laborer	2	2	2	2	2	2	2	2	2	2
Senior Parks Crew Leader	1	1	1	1	1	1	1	1	1	1
Part-time and Seasonal	45	37	35	34	34	34	34	51	40	35
KABC Coordinator	5	1	1	1	1	1	1	1	0	0
K-6 Child Care (Full-Time)	1	1	1	1	1	0	0	0	0	0
K-6 Child Care (Part-Time)	16	16	16	16	16	17	17	0	0	0
Community Development										
Community Development										
Director of Community Development	1	1	1	1	1	1	1	1	1	1
Administrative Assistant to Director of Community Development	1	1	1	1	1	1	1	1	1	1
Grants & Neighborhood Programs Cord Plans Administrator	0	0	0	0	0	1	1	1	1	1
Development Planner	1	1	1	1	1	1	1	1	1	1
Economic Development Coordinator	0	0	0	0	0	1	1	1	1	1
Development Engineer	1	1	1	1	1	1	1	1	1	1
Code Enforcement Officer (Part-time)	0	0	0	0	0	0	0	0	1	0
Substainability Planner (Part-time)	0	0	0	0	0	0	0	1	1	1
Building										
Building Services Supervisor	1	1	1	1	1	1	1	1	1	1
Specialized Inspectors (Part-time)	5	5	5	5	5	5	5	5	5	5
Code Enforcement Officer (Part-time)	0	0	0	0	0	1	1	1	0	0
Code Enforcement Officer (Full-time)	1	1	1	1	1	0	0	0	0	0
Account Clerk	1	1	1	1	1	1	1	1	1	1
Main Street Program										
Coordinator	0	0	1	1	1	1	1	0	0	0
Economic Development										
Economic Development Director	1	1	1	1	1	0	0	0	0	0
Totals All Departments	<u>292</u>	<u>280</u>	<u>279</u>	<u>278</u>	<u>278</u>	<u>280</u>	<u>280</u>	<u>280</u>	<u>269</u>	<u>260</u>
Full-Time	193	192	193	193	193	194	194	193	194	192
Part-Time	99	88	86	85	85	86	86	87	75	68

# City of Kent, Ohio

## Capital Assets Statistics by Function/Program

### Last Ten Years

**Table 21**

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General Government</b>										
Number of Buildings	1.5	1.5	1.5	1.5	1.5	2	2	2	2	2
Administrative Vehicles	4	4	4	4	4	6	6	3	3	3
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	25	26	25	25	26	28	25	29	29	30
<b>Fire</b>										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	13	13	13	13	15	14	14	13	13	13
<b>Recreation</b>										
Number of Buildings	9	9	9	8	7	6	6	6	6	6
Number of Parks	23	23	23	23	23	21	21	21	21	21
Park Acreage	364	354	354	354	354	354	354	344	344	344
Number of Baseball Diamonds	6	6	6	6	6	6	6	6	6	6
Number of Soccer Fields	15	15	15	15	10	8	8	8	8	8
Vehicles	10	11	11	11	10	10	10	13	11	11
<b>Transportation</b>										
Number of Buildings	3.75	3.75	3.75	3.75	3.75	2.5	2.5	2.5	2.5	2.5
Salt Dome	1	1	1	1	1	1	1	1	1	1
Streets (Center Lane Miles)	90.00	90.00	90.00	90.00	89.90	89.90	89.90	89.90	88.50	87.10
Service Vehicles	48	53	55	55	55	29	27	30	27	26
<b>Public Health and Welfare</b>										
Number of Buildings	0.50	0.50	0.50	0.50	0.50	1.25	1.25	1.25	1.25	1.25
Service Vehicles	5	4	5	5	6	4	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	0.25	0.25
Service Vehicles	2	1	2	2	2	2	2	1	1	1
<b>Water</b>										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Water Lines (Linear Feet)	374,437	374,437	374,437	374,437	368,220	368,110	364,280	362,700	353,500	341,100
Vehicles	6	6	6	6	6	6	9	17	16	15
<b>Sewer</b>										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (Linear Feet)	334,132	334,132	334,132	334,132	332,090	332,090	332,090	330,600	330,600	322,500
Vehicles	7	7	5	5	5	5	9	12	12	12
<b>Storm Water Drainage</b>										
Storm Sewers (Linear Feet)	383,918	383,918	383,918	383,918	382,330	376,460	376,460	370,000	370,000	363,100

Source: City of Kent capital asset records

# City of Kent, Ohio

## Operating Indicators by Function/Program

### Last Ten Years

**Table 22**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>City Council and Clerk of Council</b>										
Number of Ordinances/Resolutions Passed	145	143	127	119	139	222	121	145	154	161
Number of Passports Accepted (Began November 2002)	325	355	373	443	420	554	872	737	677	687
<b>Civil Service</b>										
City of Kent:										
Entry Level Examinations	4	7	3	7	9	4	4	5	5	6
Promotional Examinations	0	5	2	1	3	1	0	2	2	0
Kent City School District:										
Entry Level Examinations	0	2	2	1	1	3	2	3	5	1
Promotional Examinations	0	0	0	1	0	2	1	0	0	0
<b>Budget and Finance Department</b>										
Number of checks/vouchers issued	5,402	5,471	5,651	5,595	5,756	6,162	5,958	6,207	6,529	7,185
Number of W-2's issued	268	267	267	269	275	271	284	285	281	273
<b>Budget and Finance Department - Income Tax</b>										
Transaction Totals:										
Individual Returns	13,116	11,138	6,697	7,446	15,517	15,693	14,221	15,461	16,010	15,708
Business (Net Profit) Returns	2,771	2,517	1,471	1,523	2,794	4,354	4,210	4,326	4,436	4,293
Withholding Accounts	14,191	13,024	9,735	9,461	11,061	11,211	11,068	11,257	11,079	10,613
Total Transactions	30,078 *	26,679 *	17,903	18,430	29,372	31,258	29,499	31,044	31,525	30,614
* as of May 23, 2013 extensions not due until Oct.										
<b>Budget and Finance Department - Utility Billing</b>										
Number of Bills Mailed	92,400	92,400	92,400	94,302	77,251	77,226	77,865	71,968	71,119	70,294
Number of Delinquent Notices Sent	0 *	0	0 *	10,716	10,136	8,424	8,270	7,774	7,667	7,270
* as of 2011 no longer sent out										
<b>Building Department Indicators</b>										
Construction Permits Issued	153	285	229	155	196	234	228	220	205	200
Estimated Value of Construction	\$16,094,881	\$54,781,339	\$57,678,055	\$5,207,307	\$3,151,776	\$13,533,428	\$13,638,361	\$12,175,029	\$30,845,822	\$19,578,587
Number of permits issued	752	970	848	614	770	883	876	884	919	983
Amount of Revenue generated from permits	\$410,158	\$8,070,390	\$1,016,442	\$160,411	\$183,823	\$336,066	\$302,931	\$363,161	\$563,819	\$490,748
Number of contract registrations issued	266	145	190	208	254	193	238	244	264	290
Revenue generated from above 1,2,3	\$15,675	\$5,625	\$6,263	\$6,712	\$6,812	\$5,538	\$7,425	\$7,750	\$8,550	\$9,375
Number of Planning Commission Docket Items	19	29	25	27	13	15	23	29	27	23
Zoning Board of Appeals Docket Items	19	25	29	21	20	20	26	29	31	36

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

**Table 22**

		2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Public Services Department - Engineering</b>											
	<u>Unit</u>										
Total Number of Projects	EA	30	25	27	30	24	N/A	18	31	18	32
Total Dollars All Projects	\$	\$13,569,897	\$18,714,486	\$922,406	\$9,295,845	\$4,654,978	\$2,828,069	\$1,266,956	\$2,858,642	\$5,125,125	\$7,785,585
Total Professional Services Support	\$	\$1,801,415	\$2,504,285	\$1,737,999	\$2,165,201	\$1,291,834	\$1,266,667	\$374,225	\$794,863	\$826,852	\$735,051
Total Division Operating	\$	\$34,133	\$31,827	\$30,798	\$26,538	\$40,040	\$37,972	\$16,461	\$33,044	\$23,308	\$28,881
Private Inspection Request		187	243	171	149	153	160	198	176	193	200
<b>Public Services Department - Central Maintenance</b>											
	<u>Unit</u>										
Street Repair (Curbs, aprons, berms, asphalt)	Hr.s	4,131	4,322	3,338	3,983	4,028	2,351	2,983	2,198	2,216	2,240
Paint Striping	Hr.s	757	1,224	808	1,121	871	853	858	860	1,199	813
Street Sweeper	Hr.s	910	888	993	1,148	1,132	1,128	1,059	1,145	955	817
Cold Patch	Hr.s	706	1,313	1,339	1,179	1,380	1,070	333	804	1,775	1,263
Snow & Ice Removal regular	Hr.s	1,740	1,013	1,588	5,758	2,375	1,426	1,617	667	1,014	1,062
Snow & Ice Removal overtime	Hr.s	1,764	1,221	1,501	2,665	2,028	3,052	2,276	611	2,103	2,380
Sewer and Sanitary calls for service	Ea	60	57	55	57	44	43	35	36	38	52
After hours Sewer Calls	Hr.s	72	54	74	62	65	67	13	9	4	2
Sewer Crew	Hr.s	2,445	1,939	1,809	2,012	2,089	2,737	1,432	829	843	964
Sewer jet, Vac-all, other services	Hr.s	2,451	1,538	1,808	2,012	2,089	2,737	1,432	829	843	964
Water Distribution Maintenance	Hr.s	6,286	6,943	5,624	8,124	7,981	7,234	4,955	3,989	4,661	4,868
Number of Water Breaks	Ea	19	25	12	44	32	37	33	29	29	19
Water Meter Reading	Hr.s	412	486	953	1,309	1,573	1,443	1,262	1,187	1,032	814
Landscaping, Tree Maint.(Stump-Chipper service)	Hr.s	2,837	3,158	3,972	4,193	5,753	5,246	2,586	3,894	4,448	5,854
Leaf collection	Hr.s	1,747	1,551	2,864	2,800	1,590	4,089	4,616	4,474	4,210	4,135
Holiday lights setup	Hr.s	160	189	48	56	48	96	77	110	224	397
Downtown Square events	Hr.s	580	614	585	576	532	430	246	257	253	287
Equipment repair	Hr.s	7,565	7,536	7,661	8,448	8,436	7,291	7,539	6,921	7,736	8,180
Sign department	Hr.s	1,324	1,595	1,110	1,054	1,077	1,108	1,217	1,787	1,685	1,465
Number of Trees Planted per year	Ea	84	111	244	N/A	191	123	99	186	71	95
Gallons of Calcium Chloride used (Year Jan-Dec)	Gal.s	0	4,426	5,525	8,512	7,140	9,440	5,300	900	600	15,538
Cost of Calcium Chloride Purchased	\$/Gal.	\$0.000	\$0.550	\$0.550	\$0.970	\$0.960	\$0.959	\$0.479	\$0.595	\$0.545	\$0.545
Gallons of Aqua Salina used(Year Jan-Dec)	Gal.s	10,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cost of Aqua Salina	\$/Gal.	\$0.23	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tons of snow melting salt used (Year Jan-Dec)	Tons	4,783	1,621	3,196	3,687	4,188	8,723	5,048	1,860	4,416	4,678
Cost of salt purchased	\$/Ton	37.13	\$43.20	\$43.20	\$43.00	\$43.20	\$43.20	\$37.04	\$35.52	\$34.88	\$34.88
<b>Public Services Department - Water Reclamation</b>											
Wastewater rates (per 1st 300 cu. ft.)	\$	\$14.29	\$12.61	\$11.57	\$11.57	\$11.22	\$11.22	\$11.22	\$11.01	\$10.68	\$10.68
Total yearly flow	MG	840	737	832	756	989	923	854	920	990	1,029
Average daily flow	MGD	2.30	2.02	2.28	2.00	2.00	2.53	2.34	2.51	2.70	2.82
Sludge removed (dry tons)	\$/Ton	343	363	351	359	329	342	340	336	431	572
Treatment chemical cost	\$	\$123,533	\$55,645	\$56,750	\$64,699	\$66,548	\$53,000	\$52,000	\$62,500	\$54,200	\$44,000
Treatment electrical cost	\$	\$98,000	\$108,259	\$167,112	\$161,314	\$190,931	\$183,859	\$170,420	\$163,000	\$164,000	\$164,000

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

**Table 22**

		2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Public Services Department - Water Treatment Plant</b>											
	<b>Unit</b>										
Raw Water from wells	MG	1,036.37	1,032.45	988.01	1,000.70	932.00	932.00	1,001.53	1,015.49	1,058.77	1,053.20
Annual pumpage - finished water	MG	900.22	909.68	885.43	918.34	929.00	929.00	993.85	1,005.44	1,042.66	1,014.52
Lime	\$/Ton	\$147	\$138	\$138	\$124	\$124	\$124	\$124	\$113	\$101	\$84
Soda ash	\$/Ton	\$376	\$376	\$359	\$359	\$281	\$281	\$270	\$258	\$193	\$160
Chlorine	\$/Ton	\$540	\$540	\$510	\$510	\$510	\$510	\$450	\$540	\$540	\$426
Hydrofluosilicic acid	\$/Ton	\$702	\$702	\$702	\$720	\$484	\$484	\$340	\$309	\$236	\$246
Carbon dioxide	\$/Ton	\$116	\$154	\$150	\$150	\$176	\$176	\$176	\$86	\$86	\$86
Electric (wells, plant, booster stations, tanks)	Ttl. \$	\$148,404	\$154,186	\$158,764	\$178,180	\$178,266	\$178,266	\$163,208	\$135,023	\$161,554	\$144,777
Lime sludge production plant	CY	2,009.80	2,029.30	2,065.70	1,982.50	1,986.40	1,986.40	1,977.30	1,606.80	1,566.50	1,937.00
Lime sludge removed from plant and lagoons	CY	1,817.20	2,044.90	3,825.00	3,760.30	1,986.70	1,986.70	3,346.50	5,473.80	4,763.90	4,567.40
Lime	tons	742.04	744.89	716.17	733.08	639.90	639.90	700.70	751.10	772.53	808.77
Soda Ash	tons	276.91	289.04	295.49	291.45	288.80	288.80	284.70	268.96	321.14	290.55
Chlorine	tons	11.61	11.89	11.46	11.88	12.31	12.31	12.34	11.35	12.50	12.36
Carbon Dioxide	tons	46.56	41.69	41.69	41.40	38.34	38.34	38.71	36.72	43.89	50.09
Hydrofluosilicic acid	tons	16.53	16.27	16.27	17.14	16.06	16.06	17.15	18.00	19.96	18.72
Rainfall	inches	37.98	33.14	44.14	30.79	36.38	36.38	49.51	47.88	42.52	47.81
<b>Police</b>											
Total Calls for Services		18,062	19,680	19,470	20,669	21,765	21,674	19,937	19,491	21,284	25,041
Number of traffic citations issued		2,576	3,393	2,841	3,247	3,554	3,669	3,380	3,071	3,817	4,878
Number of parking citations issued		3,492	2,546	2,468	2,915	3,834	3,389	2,662	3,042	3,158	4,281
Number of criminal arrests		2,102	2,391	2,066	2,110	2,440	2,615	2,376	2,354	1,977	2,285
Number of accident reports completed		861	843	856	839	818	797	840	885	949	1,071
Part I Offenses (major offenses)		955	951	926	885	911	975	1,035	1,142	1,180	1,115
Animal Warden service calls		431	558	389	492	470	551	511	319	495	552
DUI arrests		205	277	237	214	302	306	253	364	341	436
Motor Vehicle Accidents		861	843	856	839	818	797	840	885	949	1,071
Property Damage Accidents		565	531	540	526	512	441	500	506	539	604
Fatalities from Motor Vehicle Accidents		0	1	0	0	0	0	0	3	1	3
Community Diversion Program Youths		70	70	48	55	70	70	75	80	85	87
<b>Fire</b>											
Fire Losses:											
City of Kent		\$347,225	\$335,906	\$111,800	\$183,850	\$1,048,500	\$467,350	\$292,500	\$444,600	\$991,885	\$186,500
Kent State University		\$1,010,500	\$10,452	\$150,000	\$0	\$150,000	\$200,500	\$0	\$6,000	\$871,000	\$0
Franklin Township		\$58,700	\$3,037	\$8,900	\$119,000	\$8,900	\$645,720	\$167,500	\$451,600	\$42,075	\$541,670
Other		\$0	\$0	\$0	\$0	\$0	\$27,500	\$0	\$0	\$0	\$0
Total Fire Losses		\$1,416,425	\$349,395	\$270,700	\$302,850	\$1,207,400	\$1,341,070	\$460,000	\$902,200	\$1,904,960	\$728,170

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

**Table 22**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Fire - continued</b>										
Fire Calls:										
City of Kent	561	629	521	571	602	764	541	555	624	635
Kent State University	87	210	240	196	212	246	219	213	209	267
Franklin Township	118	173	138	140	118	154	142	135	143	164
Other	59	50	49	46	3	2	70	44	48	68
Total Fire Calls	825	1,062	948	953	935	1,166	972	947	1,024	1,134
Emergency Medical Services Calls:										
City of Kent	2,296	2,215	2,373	2,395	2,421	2,374	2,110	2,059	1,960	1,940
Kent State University	346	438	378	335	347	292	308	264	284	315
Franklin Township	412	445	368	351	341	411	400	339	372	356
Other	55	43	40	48	8	5	38	14	50	72
Total Emergency Medical Services Calls	3,109	3,141	3,159	3,129	3,117	3,082	2,856	2,676	2,666	2,683
Total Calls for Service (Fire & EMS)	3,934	4,203	4,095	4,082	4,052	4,248	3,828	3,623	3,690	3,817
<b>Community Development</b>										
Grants received due to Community Development Dept.	\$275,277	\$264,116	\$515,952	\$478,841	\$383,118	\$298,370	\$310,449	\$510,537	\$902,271	\$366,000
Grants received for other Departments	N/A	\$38,855	\$224,289	N/A						
<b>Health Department</b>										
Health Inspections:										
Food Service Operations	722	1,342	1,068	1,041	1,072	1,018	939	851	913	1,534
Housing	805	1,695	1,633	1,622	1,824	1,668	1,385	1,419	1,500	1,554
Swimming Pools	37	157	129	144	134	111	84	94	114	147
Nuisances	344	523	510	545	514	671	390	466	357	610
All Other	124	193	182	171	129	138	110	148	186	254
Total Inspections	1,915	3,910	3,522	3,523	3,673	3,606	2,908	2,978	3,070	4,099
Permits & Licenses Issued:										
Food Establishment Licenses	281	253	220	183	199	215	209	216	207	236
Housing Licenses	322	569	523	538	548	550	552	552	605	552
All Other Licenses	62	39	65	63	56	61	65	114	13	80
Total Permits & Licenses	665	861	808	784	803	826	826	882	825	868
Child Immunizations	246	218	114	80	123	195	112	89	75	106
Birth and Death Certificates Issued (Original & Copies)	3,844	3,315	3,593	3,034	2,982	3,047	3,080	3,048	3,219	3,220

# City of Kent, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

**Table 22**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Recreation</b>										
Program Revenue:										
Adult Leagues and Programs	\$69,662	\$62,216	\$36,846	\$35,475	\$28,723	\$28,025	\$32,151	\$39,747	\$38,192	\$36,989
Youth Leagues and Programs	79,188	76,248	77,707	93,878	84,106	70,853	77,612	77,267	76,989	57,069
Camps and Lessons	69,490	58,262	59,413	56,792	58,725	50,526	48,537	74,042	51,863	62,886
Preschool Programs	33,321	30,248	23,331	28,069	24,369	26,916	23,916	19,825	17,061	18,239
KABC Leagues	24,410	21,225	22,594	26,381	22,289	20,898	31,101	31,894	34,447	36,721
Special Events/Other	25,180	18,355	18,460	58,652	57,436	55,812	49,709	13,733	17,274	15,512
Non-Resident Fees	17,750	13,733	13,329	12,401	13,371	13,295	13,464	10,144	10,140	9,715
After School and Summer Programs	227,006	208,380	192,698	201,467	209,426	227,023	210,688	147,148	129,559	82,202
Total Program Revenue	<u>\$546,007</u>	<u>\$488,667</u>	<u>\$444,378</u>	<u>\$513,115</u>	<u>\$498,445</u>	<u>\$493,348</u>	<u>\$487,178</u>	<u>\$413,800</u>	<u>\$375,525</u>	<u>\$319,333</u>
Number of Participants:										
KABC (5-18 years old)	375	395	430	446	480	490	503	517	520	new program
Fall Soccer (4-12 years old)	328	404	360	410	368	364	353	388	320	325
Spring Soccer (4-12 years old)	407	379	453	424	431	399	484	426	455	545
School Age Child Care (6-12 years old)	175	151	93	110	110	120	120	110	70	50
Flag Football (6-12 years old)	125	104	118	94	85	96	91	81	85	85
Basketball	458	319	358	412	397	399	330	332	334	350
Lacrosse	40	86	80	85	70	60	62	52	59	50
Volleyball	N/A	N/A	37	37	45	51	42	46	N/A	N/A
Wrestling	24	32	16	15	34	31	30	30	N/A	N/A
Karate	147	173	133	120	24	25	30	30	N/A	N/A
Sports Camps	375	447	403	480	453	248	384	353	N/A	N/A
Preschool Kinderbound	28	28	21	22	21	21	21	18	N/A	N/A
Preschool Tiny Tots	11	22	20	18	18	13	15	15	N/A	N/A
Summer Day Camps - All	230	229	254	243	228	232	1,230	1,140	N/A	N/A
Ice Hockey	0	0	0	0	23	29	N/A	N/A	N/A	N/A
USTA	17	22	20	23	51	N/A	N/A	N/A	N/A	N/A
Theater	43	57	54	63	58	46	N/A	N/A	N/A	N/A
Cheer	25	24	44	56	27	35	N/A	N/A	N/A	N/A
Adult Tennis	20	28	23	18	22	32	N/A	N/A	N/A	N/A
Adult Softball Teams	47	44	69	51	52	46	N/A	N/A	N/A	N/A
Adult Men's Basketball	102	95	95	111	N/A	N/A	N/A	N/A	N/A	N/A
Black Squirrel Triathlon	56	113	273	197	N/A	N/A	N/A	N/A	N/A	N/A
Art in the Park Artists	98	101	108	96	N/A	N/A	N/A	N/A	N/A	N/A
Kids Nite Out	147	147	167	148	N/A	N/A	N/A	N/A	N/A	N/A
Turkey Trot	614	388	385	242	N/A	N/A	N/A	N/A	N/A	N/A
Adult Fitness Class	1,352	1,262	N/A							
Adult Egg Hunt	577	N/A								

Source: City Departments  
N/A - Information is not available

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# Dave Yost • Auditor of State

CITY OF KENT

PORTAGE COUNTY

## CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
SEPTEMBER 23, 2014