

**CITY OF KENT
PORTAGE COUNTY**



**THE CITY OF
Kent, Ohio**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2020

PLATTENBURG
Certified Public Accountants

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

City Council
City of Kent
930 Overholt Road
Kent, Ohio 44240

We have reviewed the *Independent Auditor's Report* of the City of Kent, Portage County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2020 through December 31, 2020. 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 "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

July 28, 2021

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**CITY OF KENT
PORTAGE COUNTY
FOR THE YEAR ENDED DECEMBER 31, 2020**

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CITY OF KENT
PORTAGE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Grantor/ <i>Pass-Through/</i> Program Title	Federal CFDA Number	Grant or Pass Through Entity Number	Expenditures
U.S DEPARTMENT OF COMMERCE			
<i>Direct Program:</i>			
Economic Development Cluster			
Economic Adjustment Assistance - US Department of Commerce			
Economic Development Administration Revolving Loan Fund Grant	11.307	See Footnote E	\$ 410,071
Total Economic Development Cluster			<u>410,071</u>
Total U.S. Department of Commerce			<u>410,071</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Passed Through the Ohio Office of Criminal Justice Services:</i>			
Coronavirus Emergency Supplemental Funding Program	16.034	2020-CE-LEF-2100	13,302
Total U.S. Department of Justice			<u>13,302</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Direct Program:</i>			
CDBG - Entitlement Grants Cluster			
Community Development Block Grant - Entitlement Grants	14.218	MC-39-0026	337,067
Total CDBG - Entitlement Grants Cluster			<u>337,067</u>
<i>Passed Through Ohio Development Services:</i>			
Home Investment Partnerships Program	14.239	A-C-15-2CC-2	88,415
Total U.S. Department of Housing and Urban Development			<u>425,482</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through the Ohio Department of Health:</i>			
National State Based Tobacco Control Programs	93.305	06720014TU0319	28,097
<i>Passed Through the Portage County Board of Health:</i>			
Coronavirus Response Grant	93.354	06710012CO0120	36,816
Coronavirus Contact Tracer Grant	93.354	06710012CT0120	97,228
<i>Direct Program:</i>			
Food and Drug Administration Research	93.103	G-T-1810-06960	3,000
Total U.S. Department of Health and Human Services			<u>165,141</u>
U.S. DEPARTMENT OF TREASURY			
<i>Passed Through Ohio Office of Budget and Management:</i>			
Coronavirus Relief Fund	21.019	HB481-CRF-Local	2,304,149
Total U.S. Department of Treasury			<u>2,304,149</u>
U.S. DEPARTMENT OF TRANSPORTATION			
<i>Passed Through the Ohio Department of Transportation:</i>			
<i>Highway Planning and Construction Cluster</i>			
Highway Planning and Construction - North Water Street	20.205	PID 109347	203,168
Highway Planning and Construction - State Route 43 Signalization	20.205	PID 93442	124,284
Highway Planning and Construction - E. Main Street Improvements	20.205	PID 112026	71,450
Highway Planning and Construction - E. Summit Street Improvement	20.205	PID 84546	21,915
Total Highway Planning and Construction Cluster			<u>420,817</u>
Total U.S. Department of Transportation			<u>420,817</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 3,738,962</u></u>

The accompanying notes to this schedule are an integral part of this schedule.

**CITY OF KENT
PORTAGE COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of City of Kent (the City's) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE E – REVOLVING LOAN FUND (RLF)

Activity in the Economic Adjustment Assistance CFDA 11.307 revolving loan fund during 2020:

Beginning loans receivable balance as of January 1, 2020	\$259,335
Loan principal repaid	<u>\$(70,729)</u>
Ending loans receivable balance December 31, 2020	\$188,606
Cash Balance in the RLF at December 31, 2020	\$397,209
Total Value of the RLF EDA 11.307	\$585,815
Federal Share of RLF (70%)	\$410,071

**INDEPENDENT AUDITOR'S 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***

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

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Kent, Ohio (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2021, wherein we noted the City adopted GASB No. 83 as disclosed in Note 3.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 entity'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 financial statements. 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*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.

Cincinnati, Ohio

June 28, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

We have audited the City of Kent, Ohio's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2020. The City's major federal programs are 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 each of the City's major federal programs 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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'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 each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the City 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's internal control over compliance with the types of requirements

that could have a direct and material effect on each 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 the Uniform Guidance, 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'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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 28, 2021, which contained unmodified opinions on those financial statements wherein we noted the City adopted GASB No. 83 as disclosed in Note 3. 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 the Uniform Guidance 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.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.

Cincinnati, Ohio

June 28, 2021

CITY OF KENT, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2020

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

Coronavirus Relief Fund CFDA 21.019

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? Yes

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

CITY OF KENT
For the Year December 31, 2020

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
UNIFORM GUIDANCE

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Finding Corrected</u>	<u>Initial Occurrence</u>	<u>Explanation</u>
2019-001	Federal Award CFDA #20.205 Findings and Questioned Costs Verifying Vendors on SAM	Yes	FY 2019	The City corrected this issue.

CITY OF KENT, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2020

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CITY OF KENT, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2020

Issued by The Department of Budget and Finance

Rhonda C. Hall, CPA
Director of Budget and Finance

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INTRODUCTORY SECTION



City of Kent, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2020
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CITY OF KENT, OHIO

Office of the City Manager

June 28, 2021

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

The Comprehensive Annual Financial Report of the City of Kent (the City) for the fiscal year ended December 31, 2020, is herein submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. Management of the City is responsible for establishing and maintaining an internal control structure that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Kent's financial statements in conformity with generally accepted accounting principles (GAAP). The concept of reasonable assurance recognizes that the cost of the internal control structure should not exceed the benefits likely to be derived and that the evaluation of cost and benefits requires estimates and judgments by management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. Disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Auditor of State of Ohio requires periodic change from the use of independent auditing firms when they have been engaged for a number of consecutive years, to ensure integrity and fresh execution of an auditee's annual audit. Consequently, the financial records, books of accounts and transactions of the City of Kent, Ohio, for the year ended December 31, 2020, after being audited for six consecutive years by the Auditor of State of Ohio's Office now has changed to the independent accounting firm Plattenburg & Associates, Inc. Their unmodified opinion has been included in this report.

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

PROFILE OF THE GOVERNMENT

The City of Kent, Ohio, is located in Portage County, approximately fifteen miles northeast of the City of Akron and six miles west of the City of Ravenna, the county seat. The City is the largest of four cities in this industrial and agricultural county. It is principally noted as the home of Kent State University ("KSU" or "University") which had a 2020 undergraduate enrollment of 25,948 students at the main campus in Kent and 36,264 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 over the 2000 population of 27,906. Also of note, in the 2010 census the City of Kent's neighboring township to the south, Brimfield Township, posted a 30% increase from the 2000 to 2010 that reflects the rising popularity of the greater Kent area.

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 assigned fund balances 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

Between 2011 and 2015 the City's downtown redevelopment produced record setting investments. From 2016 to 2018 commercial and residential investments remained strong at or above pre-redevelopment investment levels. 2019 showed signs of a softening in the local construction market but it was the arrival of COVID19 in 2020 that pushed investment to their lowest levels in the last 20 years down to \$6.3 million from a high of \$55 million in 2011 and 2012.

For year-end 2020, total City income tax collections were down 1.77% (\$263,306) while Kent State University's collections were relatively flat, finishing the year with a .17% (\$8,940) increase over 2019. Business closures, cancellation of events, and restrictions imposed on businesses created an unpredictable and uneven year in economic performance. Sectors of Kent's economy that support health care performed well while conventional retail and restaurant businesses experienced dramatic losses that in a number of cases proved unrecoverable and led to business closures.

Despite the decline in revenues, the City was able to maintain targeted reserve balances and honor investment commitments in critical operational and capital needs. With increasing fiscal uncertainty brought on by COVID19, the City of Kent took aggressive steps to reduce the operating budget by 20%, freeze positions, and defer pay raises. The budget reduction measures combined with supplemental CARES Act funding enabled the City to avoid any furloughs or layoffs and balance the budget using reserve funds without adding new or increased taxes or fees.

Prior to 2020, cumulative economic growth made it possible for the City to provide union and non-union employee salary increases of 3.25% in 2018 and 3% in 2019 but no raises were provided in 2020.

The City's immediate steps to reduce and defer spending, combined with unexpected COVID19 financial assistance and one-time income tax gains from Kent State University's employee "buy-out" program, enabled the City to mitigate the impact of major economic losses without affecting community services. The ability to manage the pandemic driven losses after absorbing losses of over \$1.3 million in annual State funding over the last 8 years is a testament to the financial preparation and stewardship practiced by City staff and Kent City Council.

Historically the strength of Kent's economy has been the stabilizing influence of Kent State University which has been relatively recession-proof. However, the confluence of the shrinking demographic of college aged students, increased competitiveness for enrollment, rising costs of higher education, and the arrival of COVID19 was a catalyst for resetting higher education employment and business operations which had a direct impact on City revenues.

Kent State used the pandemic as an opportunity to reposition themselves in the crowded higher education market so that they can survive the short term losses from COVID19 and optimize their chances for long term recovery. As a result, 2020 was a tumultuous year with cuts in campus employment numbers, a major employee buy-out/retirement campaign, and staff/faculty pay cuts which contributed to City income tax contraction and local business losses in sales from lower than normal Kent State related business activity in the community.

For the first time in decades, volatility and uncertainty were the defining characteristics for both private and public sector income tax contributions in 2020. The extremes were amplified during COVID19 and while the City ended up with only a 1.77% decline in total income tax receipts there were so many unique factors contributing to that outcome that any forecasting based on trends coming out of 2020 are unclear at best.

Kent State University (KSU) remains the City's largest employer, contributing 31.4% of total municipal income tax revenues in 2020. It is worth noting that job growth occurring in the private sector has lessened the KSU percentage share of tax contributions by 5 to 7% overall when compared to historical levels. While the City's financial condition still benefits from the University's buffering effect on the City's tax base, the private sector diversification has helped spread the financial risk across more industries and reduce the City's financial exposure to unforeseen market disruptions in any one particular sector, including higher education. COVID19 tested the resiliency of the City's economic sectors and demonstrated the value of diversification across both public and private sectors.

In 2020, Kent State University experienced a 3.1% decline in enrollment with a drop of 1,000 students for a total of 25,948 students on the Kent campus. COVID19 presented the University with unexpected challenges in every aspect of operations from student attraction, retention, and remote learning, to financial assistance, student health, and student living.

Following a precipitous drop in income tax revenues in 2016, the City enjoyed a modest tax rebound in 2017, followed by another dip in income taxes in 2018, that was in turn followed by another modest rebound in 2019 – all of which seemed to reflect the ups and downs of national business cycles. In 2020 the arrival of COVID19 disrupted all business cycles in ways never experienced before and the City was fortunate to close out the year with a comparatively flat 1.77% decline.

On the surface a 1.77% decline suggests a relatively "normal" economic year but that aggregate number is a result of a combination of major losses and major one-time supplemental revenues that together appeared to normalize a completely abnormal year.

The challenge moving forward is coordinating the timing of the reboot of the economic recovery with the expiration of supplemental revenues, both of which are largely beyond the City's control.

Prior to COVID19 the City's local economic indicators were still trending favorably (low unemployment, low vacancy rates, stable corporate profits, etc.) but the overall rate of tax growth had been on a flattening trajectory. Until COVID19 and ongoing State taxation proposals are resolved, Kent's revenue future is uncertain. Kent State has announced the retroactive repayment of lost wages, they have authorized projects from their \$1 billion Master Plan to go out for bid, and they have resumed hiring new employees. Davey Tree is also moving forward with corporate expansion plans in Kent both of which suggest that construction revenues may soon be providing a needed boost to City income tax receipts for the next couple of years, hopefully giving the national and local economy a chance to stabilize and recover post COVID19.

Investments in Kent

In 2020, Kent State University deferred most of their large capital facilities re-investment projects pending the conclusion of COVID19. Smaller repair and replacement projects were authorized to continue including roof repairs at the Administrative Services Building, elevator replacement and fire alarm upgrades at McGilvery Hall, air handler and chiller replacement at the Animal Lab, and renovations at the Student Center.

In 2018, Kent State adopted its new 10 year Master Facilities Plan that includes over \$1 billion in new campus investments in Kent. Due to COVID19, the University has modified their project phasing schedule and in 2020 engineering work was underway for the expansion of the Aeronautics and Engineering Building, the new College of Business Administration Building, and the realignment of Terrace Drive.

With a total of only \$6.3 million in construction investment in residential, multifamily and commercial properties in 2020, COVID19 clearly had a chilling effect on investment. The figures for 2020 were down \$33 million from 2018 and bottomed-out at \$13 million less than the rolling 10-year average.

The resale housing market continued to show signs of strength as resale values climbed, housing supply tightened, and the time of market listings shortened. The student housing market showed signs of oversupply as lease-up rates have declined from 90-95% occupied in the fall of 2017 to 65-90% occupied in the fall of 2020. COVID19 slowed reinvestment but Kent's older shopping plazas continued to show signs of stability as vacated spaces were refilled with new tenants, keeping Kent's retail vacancy rate one of the lowest in the region.

The City and University continued to partner to implement the recommendations of the community housing study, including jointly negotiating with developers on private housing projects to "right size" the number of new units to avoid creating a student housing glut and to preserve the quality of life in City neighborhoods. In 2018 the City completed Phase I of the Zoning Code update and during 2020 the staff began holding a series of community meetings to update of the City's comprehensive plan (Phase 2) to match the plan with current local conditions and community priorities.

On the public side, the City aggressively pursued Federal, State and Regional grant funds for infrastructure improvement projects and COVID19 assistance. As a result, the City was able to sustain reinvestment in City bridges, streets and sidewalks despite the financial insecurity created by COVID19. In 2020 the City received CARES Act funding that was used to manage public health in the community, protect City first responders, and support local businesses.

In 2020 Kent City Council completed the public work sessions with the architect to design the new City Administration building and with a final design approved construction is scheduled to begin in 2021. City Council also authorized funding for significant repairs and expansion of the West Side Fire Station.

Over the last 10 years the City was awarded (or was a partner) in grant awards which has enabled the City to leverage grant funds to City funds at better than a 4:1 ratio.

Major Initiatives

COVID19 curtailed most new business openings but a few new establishments got off to a good start in 2020 before local COVID19 restrictions went into place, including the new Battleground restaurant, the River Merchant, Tropical Café, Pho King, and the North Water Brewing Company. Barrio's success also led them to expand their restaurant space in downtown Kent in 2020. These have proven to be popular additions to Kent's unique dining, retail and entertainment options that form the core of downtown Kent's growing reputation as a regional destination.

Other business announcements in 2020 included 2 new car wash facilities, Pokebowl restaurant, Davey Tree main campus expansion, Bell Tower brew pub, Aqua Onus 3rd shift, and Mac Trailer expanded their truck production line.

The City continued to work with Franklin and Brimfield townships in 2020 to recruit new businesses and expand business development opportunities within the Joint Economic Development District (JEDD) boundaries. As a result of the JEDD partnerships, the City received \$604,782 (on a cash basis) as its combined share of JEDD income taxes in 2020.

Long-term Financial Planning

During 2020, the City continued to update and implement the five-year capital improvement program that ensures the City's ability to meet the infrastructure needs of the community in future years.

In 2020, 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. City Council continues to use the fund balance policy and fiscal health index to track key financial indicators and to prepare contingency plans for a range of future revenue scenarios.

Cash Management Policies and Practices

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

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

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

The Treasury Investment Board is comprised of the City Manager, the Director of Budget and Finance and the Director of Law. The total investment portfolio interest earned during 2020 was \$1,072,132.

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 comprehensive annual financial report 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 2019. This was the 34th consecutive year that the government has received this prestigious award. A Certificate of Achievement is valid for a period of only one year. The City believes this report conforms to the Certificate of Achievement program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

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

Respectfully submitted,



Dave Ruller
City Manager



Rhonda Hall, CPA
Director of Budget and Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Kent
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF KENT, OHIO
ELECTED OFFICIALS - 2020

MAYOR/COUNCIL PRESIDENT	Jerry T. Fiala
COUNCIL MEMBER AT LARGE	Michael A. DeLeone
COUNCIL MEMBER AT LARGE	Gwen Rosenberg
COUNCIL MEMBER AT LARGE	Roger B. Sidoti

CITY COUNCIL MEMBERS BY WARDS:

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

CITY OF KENT, OHIO
APPOINTED OFFICIALS - 2020

OFFICE OF CITY MANAGER

City Manager

David A. Ruller

OFFICE OF COUNCIL

Clerk of Council

Amy Wilkens

DEPARTMENT OF LAW

Law Director

Hope Jones

DEPARTMENT OF BUDGET AND FINANCE

Director of Budget and Finance

Controller

Rhonda C. Hall, CPA

Brian L. Huff, CPA

DEPARTMENT OF PUBLIC SAFETY

Safety Director

Fire Chief

Police Chief

Position is currently vacant

John Tosko

Nicholas Shearer

DEPARTMENT OF PUBLIC SERVICES

Service Director

City Engineer

Water Plant Supervisor

Sewer Plant Supervisor

Utilities Manager

Facilities Manager

Melanie Baker

James S. Bowling

Brian Johnson

Bill Schesventer

Gary Labajetta

Brad McKay

DEPARTMENT OF COMMUNITY DEVELOPMENT

Community Development Director

Economic Development Director

Bridget Susel

Tom Wilke

DEPARTMENT OF HEALTH

Health Commissioner

Joan Seidel

DEPARTMENT OF PARKS AND RECREATION

Director of Parks and Recreation

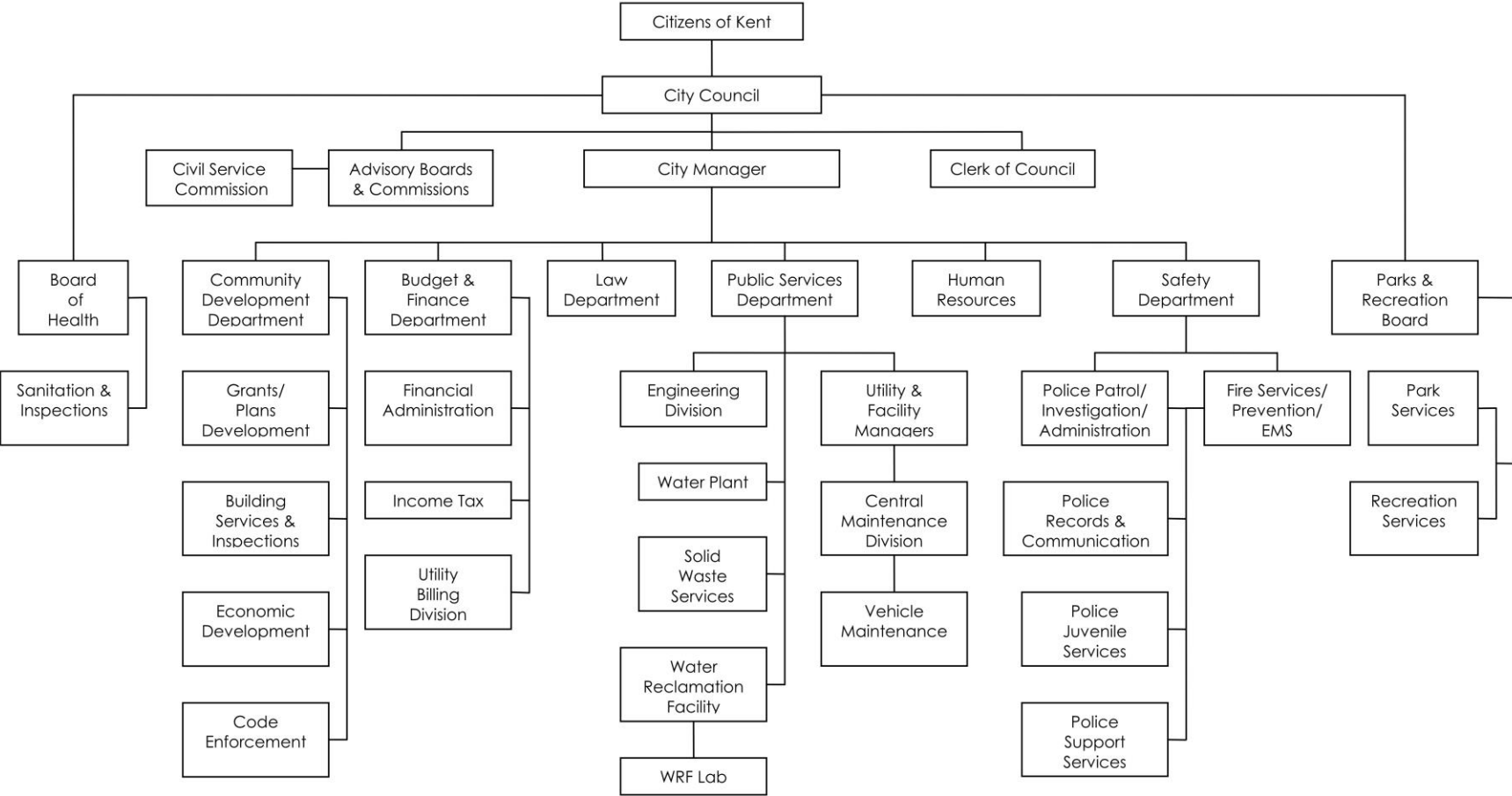
Parks Supervisor

Kevin Schwartzhoff *

Charles S. Tuttle

* Angela Manely, effective April 2021

City of Kent, Ohio Organizational Chart





FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Kent, Ohio (the City) as of and for the year ended December 31, 2020 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 entity'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 entity'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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Parks and Recreation Fund, Income Tax Safety Fund and the Fire and Emergency Medical Services Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, the City implemented GASB Statement No. 83, *Certain Asset Retirement Obligations*. We did not modify our opinion regarding 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, and schedules of pension information and other postemployment information 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City'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 June 28, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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's internal control over financial reporting and compliance.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.
Cincinnati, Ohio
June 28, 2021

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City of Kent, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

The discussion and analysis of the City of Kent's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2020. 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 2020 are:

- Total assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$126,343,304 (*net position*).
- Total net position increased by \$3,172,957 over 2019. Of this amount, governmental activities decreased by \$440,588 and business-type activities increased by \$3,613,545.
- Total capital assets decreased by \$2,565,532 or 1.76 percent as compared to 2019. This decrease reflects the decrease of \$4,088,197 to governmental capital assets and the increase of \$1,522,665 to business-type capital assets.
- Total current and other assets increased by \$5,828,257 or 11.50 percent as compared to 2019. This increase reflects the increase of \$3,495,999 and \$2,332,258 attributable to governmental activities and to business-type activities respectively.
- Total liabilities and deferred inflows of resources decreased \$5,902,640 or 6.73 percent as compared to 2019. This decrease is comprised of a decrease in the governmental activities and business-type activities' liabilities and deferred inflows resources of \$4,984,137 and \$918,503 respectively

Overview of the Financial Statements

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

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

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. 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, 2020
Unaudited

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

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

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

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

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

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

The City maintains twenty-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, Parks and Recreation, the Income Tax Safety Fund, the Fire and Emergency Medical Services Fund and the Capital Projects Fund, all of which are considered to be major funds. Data from the other twenty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

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

City of Kent, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund, the Sewer Fund, and the Storm Water Drainage Fund, all of which are considered to be major funds. The Solid Waste Fund is the City's only nonmajor proprietary fund and is presented separately in the proprietary fund financial statements. The Internal Service Fund is also presented on the proprietary fund financial statements. The basic proprietary fund financial statements can be found starting on page 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 pages 38-39 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 41 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 required supplementary information and the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual budgetary comparisons for all nonmajor funds and enterprise funds. This information can be found starting on page 98 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 2020. 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, 2020
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 2020 compared to 2019.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019 *	2020	2019
Assets						
Current and Other Assets	\$ 46,631,933	\$ 43,135,934	\$ 9,858,563	\$ 7,526,305	\$ 56,490,496	\$ 50,662,239
Net Pension Asset	53,763	26,885	43,998	22,006	97,761	48,891
Capital Assets, Net	88,360,073	92,448,270	55,109,244	53,586,579	143,469,317	146,034,849
<i>Total Assets</i>	<u>135,045,769</u>	<u>135,611,089</u>	<u>65,011,805</u>	<u>61,134,890</u>	<u>200,057,574</u>	<u>196,745,979</u>
Deferred Outflows of Resources						
Pension	3,988,600	9,285,469	815,395	2,172,861	4,803,995	11,458,330
OPEB	2,655,239	2,217,775	587,483	314,112	3,242,722	2,531,887
Asset Retirement Obligation	-	-	-	97,778	-	97,778
<i>Deferred Outflows of Resources</i>	<u>6,643,839</u>	<u>11,503,244</u>	<u>1,402,878</u>	<u>2,584,751</u>	<u>8,046,717</u>	<u>14,087,995</u>
Liabilities						
Current and Other Liabilities	1,589,413	6,655,426	306,533	775,523	1,895,946	7,430,949
Long-Term Liabilities:						
Due Within One Year	1,766,019	1,505,684	691,236	549,097	2,457,255	2,054,781
Due In More Than One Year:						
Net Pension Liability	25,889,730	33,073,221	5,071,731	7,134,481	30,961,461	40,207,702
Net OPEB Liability	7,202,260	6,842,527	3,531,160	3,376,139	10,733,420	10,218,666
Asset Retirement Obligation	-	-	4,400,000	4,400,000	4,400,000	4,400,000
Other Amounts	18,526,240	16,293,988	2,024,969	2,208,757	20,551,209	18,502,745
<i>Total Liabilities</i>	<u>54,973,662</u>	<u>64,370,846</u>	<u>16,025,629</u>	<u>18,443,997</u>	<u>70,999,291</u>	<u>82,814,843</u>
Deferred Inflows of Resources						
Property Taxes and PILOTs	3,533,986	3,510,442	-	-	3,533,986	3,510,442
Pension	3,808,038	321,898	1,150,184	144,915	4,958,222	466,813
OPEB	1,739,603	836,240	529,885	35,289	2,269,488	871,529
<i>Deferred Inflows of Resources</i>	<u>9,081,627</u>	<u>4,668,580</u>	<u>1,680,069</u>	<u>180,204</u>	<u>10,761,696</u>	<u>4,848,784</u>
Net Position						
Net Investment in Capital Assets	72,115,665	75,208,875	53,190,667	51,335,835	125,306,332	126,544,710
Restricted	14,394,144	11,546,151	-	-	14,394,144	11,546,151
Unrestricted	(8,875,490)	(8,680,119)	(4,481,682)	(6,240,395)	(13,357,172)	(14,920,514)
<i>Total Net Position</i>	<u>\$ 77,634,319</u>	<u>\$ 78,074,907</u>	<u>\$ 48,708,985</u>	<u>\$ 45,095,440</u>	<u>\$ 126,343,304</u>	<u>\$ 123,170,347</u>

* - Restated

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The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2020 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The City previously adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net pension asset.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Over time, net position may serve over time as useful indicator of a government's financial position. The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of 2020 by \$126,343,304. Due to the GASB 68 and GASB 75, the City reports a net pension of liability of \$30,961,461 and net OPEB liability of \$10,733,420. The recording of these pension and OPEB liabilities results in the City reporting total unrestricted net position of a negative \$13,357,172.

The largest portion of the City's net position 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 of \$14,394,144 or 11.39 percent, represents resources that are subject to external restrictions on how they may be used. Unrestricted net position has a deficit of \$13,357,172.

Total assets and deferred outflows of resources decreased by \$2,729,683 from 2019 to 2020. The decrease was mainly due to a decrease in capital assets and deferred outflows of resources. The changes in deferred outflows and inflows of resources, net pension liability, net pension asset, and net OPEB liability are due to the recording of GASB Statements No. 68 and 75 as previously discussed.

Total liabilities and deferred inflows of resources experienced a decrease of \$5,902,640, which corresponds to a decrease of \$4,984,137 and \$918,503 in governmental activities in the business-type funds respectively.

At the end of the current year, the City is able to report positive net position balances and both for the government as a whole, as well as for the governmental and business-type activities shown in Table 1, with the exception of the governmental and business activities unrestricted balance. This negative balance is due to the recording of GASB 68 and GASB 75.

The total net position of the City increased \$3,172,957 from 2019 to 2020. 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 to capitalized expenses for capital assets.

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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	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for Services	\$ 2,683,163	\$ 3,204,224	\$ 9,477,541	\$ 9,059,447	\$ 12,160,704	\$ 12,263,671
Operating Grants and Contributions	3,983,343	1,358,314	-	-	3,983,343	1,358,314
Capital Grants and Contributions	1,125,131	1,977,927	593,365	672,323	1,718,496	2,650,250
General Revenues:						
Municipal Income Taxes	14,668,597	17,344,598	-	-	14,668,597	17,344,598
Property and Other Local Taxes	3,404,605	3,535,193	-	-	3,404,605	3,535,193
Payments in Lieu of Taxes	455,412	457,473	-	-	455,412	457,473
Grants and Entitlements	1,787,461	1,731,103	-	-	1,787,461	1,731,103
Investment Income	1,071,392	1,258,897	740	4,004	1,072,132	1,262,901
Gain on Sale of Capital Assets	-	45,006	70	1,179	70	46,185
All Other Revenues	2,324,906	531,810	547,515	99,987	2,872,421	631,797
Total Revenues	31,504,010	31,444,545	10,619,231	9,836,940	42,123,241	41,281,485
Program Expenses						
Security of Persons and Property	15,015,999	3,901,826	-	-	15,015,999	3,901,826
Public Health and Welfare	331,904	550,122	-	-	331,904	550,122
Leisure Time Activities	2,192,326	2,810,759	-	-	2,192,326	2,810,759
Community Development	2,229,929	2,281,042	-	-	2,229,929	2,281,042
Transportation	5,549,194	5,447,601	-	-	5,549,194	5,447,601
General Government	3,100,662	3,662,564	-	-	3,100,662	3,662,564
Interest and Fiscal Charges	608,812	644,037	-	-	608,812	644,037
Water	-	-	4,128,576	4,471,050	4,128,576	4,471,050
Sewer	-	-	4,479,972	5,355,091	4,479,972	5,355,091
Solid Waste	-	-	220,003	247,436	220,003	247,436
Storm Water Drainage	-	-	1,092,907	1,167,401	1,092,907	1,167,401
Total Expenses	29,028,826	19,297,951	9,921,458	11,240,978	38,950,284	30,538,929
Increase in Net Position						
Before Transfers	2,475,184	12,146,594	697,773	(1,404,038)	3,172,957	10,742,556
Transfers	(2,915,772)	-	2,915,772	-	-	-
Change in Net Position	(440,588)	12,146,594	3,613,545	(1,404,038)	3,172,957	10,742,556
Net Position Beginning of Year	78,074,907	65,928,313	45,095,440	50,801,700	123,170,347	116,730,013
Restatement	-	-	-	(4,302,222)	-	(4,302,222)
Net Position End of Year	\$ 77,634,319	\$ 78,074,907	\$ 48,708,985	\$ 45,095,440	\$ 126,343,304	\$ 123,170,347

The recording of GASB Statement No. 68 and 75 requires the reader to perform additional calculations to determine the City's Total Net Position at December 31, 2020 without the implementation of GASB Statement No. 68 and 75. This is an important exercise, as the State Pension Systems (OPERS & OP&F) collect, hold, invest, and distribute pensions to our employees, not the City of Kent.

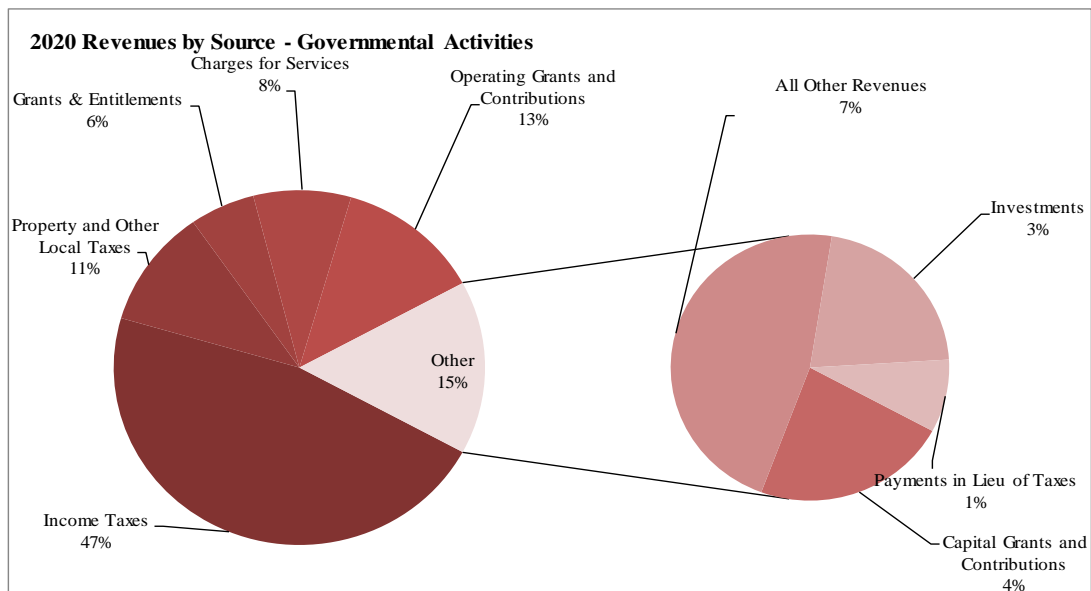
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These calculations are as follows:

	Governmental Activities	Business-Type Activities
Total Net Position at December 31, 2020 (with GASB 68 and 75)	\$ 77,634,319	\$ 48,708,985
GASB 68/75 Calculations:		
Add:		
Deferred Inflows related to Pension	3,808,038	1,150,184
Deferred Inflows related to OPEB	1,739,603	529,885
Net Pension Liability	25,889,730	5,071,731
Net OPEB Liability	7,202,260	3,531,160
Less:		
Net Pension Asset	(53,763)	(43,998)
Deferred Outflows related to Pension	(3,988,600)	(815,395)
Deferred Outflows related to OPEB	(2,655,239)	(587,483)
Total Net Position (without GASB 68 and 75)	<u>\$ 109,576,348</u>	<u>\$ 57,545,069</u>

Governmental Activities

Governmental activities decreased the City's net position by \$440,588 during 2020. Several types of revenues fund the City's governmental activities, with municipal income tax being the largest contributor. The City's total revenue increased by \$59,465 in 2020 as compared to 2019. As presented in table 2, municipal income tax revenues showed a decrease of \$2,676,001 or 15.43 percent. This decrease is due to a decrease in collections and the remainder due to the change in accruals. The increase in operating grants and contribution is mainly due to the CARES Act monies to support COVID-19 pandemic. All other revenue increased due to the increase of Ohio Bureau of Workers' Compensation reimbursement. The increase in total revenues is offset by the decrease in capital grants and contributions. The decrease in capital grants and contributions is due to the significant amount of revenue received in 2019 from the Ohio Department of Transportation related to Summit Street and other capital projects, that was significantly less in 2020.

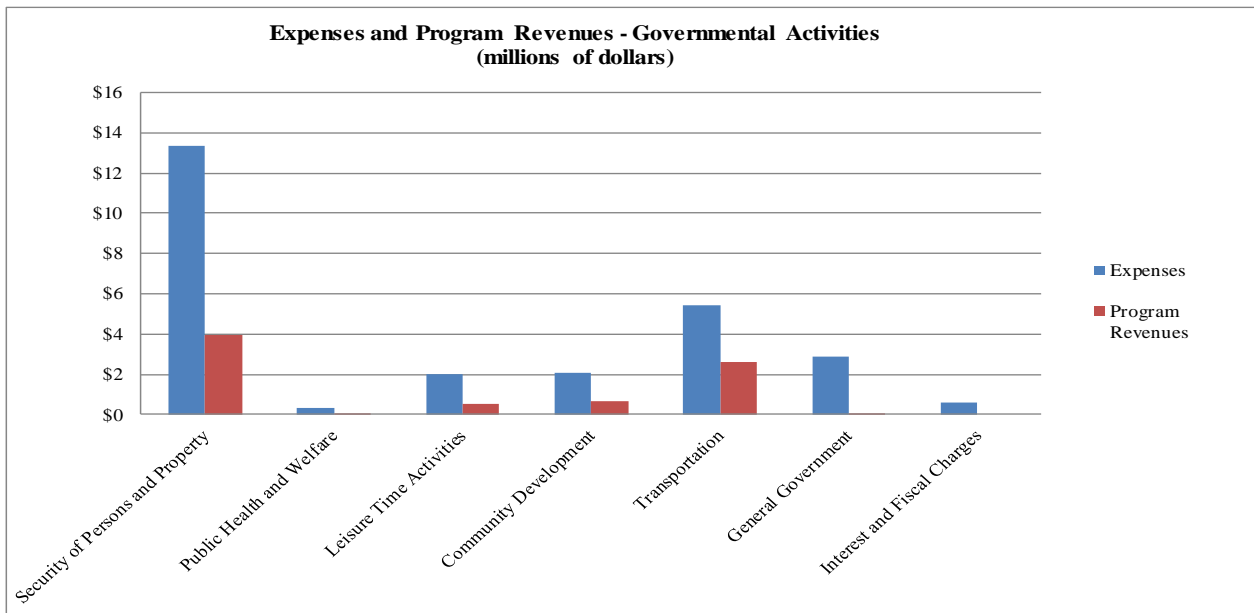


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The provisions of GASB Statements 68 and 75 required the City to recognize a pension/OPEB adjustment that increased expenses by \$2,398,272 in 2020 and reduced expensed by \$9,661,501 in 2019. As a result, it is difficult to ascertain the true operational cost of services and the changes in the cost of services from year to year. The table below shows the total cost of services by function with the GASB Statements 68 and 75 pension and OPEB costs removed.

	Governmental Activities	
	2020	2019
EXPENSES		
Program Expenses:		
Security of persons and property	\$ 13,346,475	\$ 14,950,058
Public health services	331,904	550,122
Leisure time activities	2,004,382	2,427,938
Community environment	2,089,595	2,021,651
Transportation	5,400,887	5,149,772
General government	2,848,499	3,215,874
Interest and fiscal charges	608,812	644,037
Total Expenses	\$ 26,630,554	\$ 28,959,452

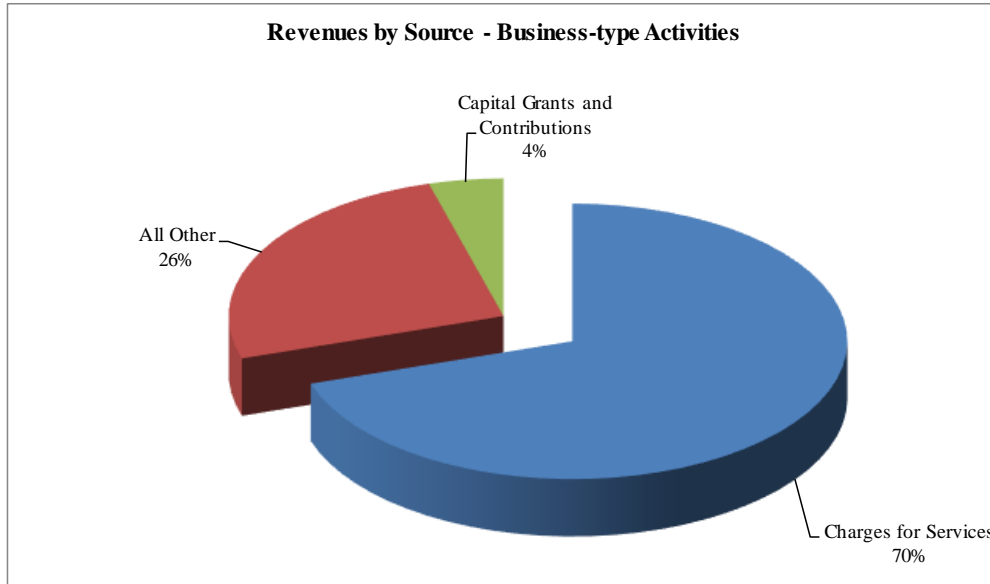
Using the adjusted table above, expenses in the governmental activities experienced a decrease of \$2,328,898 or 8.04 percent. During 2020, the largest program area for the City is security of persons and property at 50.12 percent which includes police, fire and emergency medical services. Transportation is the next largest at 20.28 percent, of which \$2,079,933 or 38.51 percent of the total transportation expenses are attributable to the annual depreciation expenses from transportation-related activities. General Government is the third largest area at 10.70 percent and accounts for the basic operations of the City including council, mayor, city manager, human resources, finance, law, engineering, service administration and civil service.



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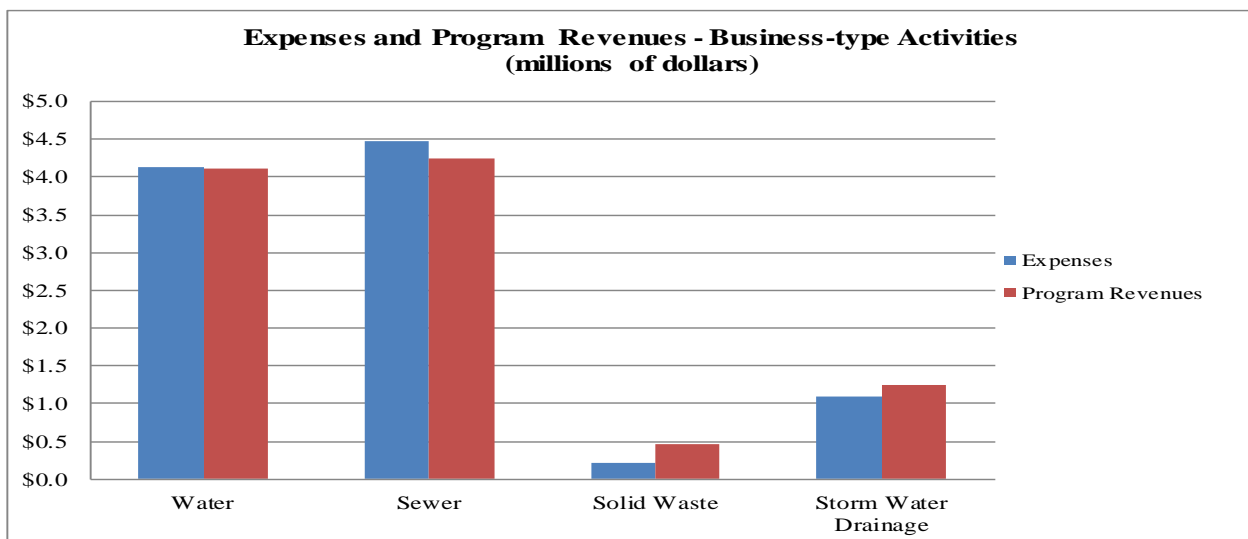
Business-Type Activities

Business-type activities of the City, which include water, sewer, solid waste and storm water drainage operations, increased the City's net position by \$3,613,545 or 8.01 percent. The water fund's beginning net position was restated due to the implementation of GASB Statement No. 83. See Note 3 and 25 for further information regarding GASB 83 and asset retirement obligations.



Charges for services account for 70.02 percent of total business-type revenues. Capital grants and contributions decreased by \$78,958, which was offset by an increase in charges for services by \$418,094. Overall, total revenues for the business-type activities increased by \$3,698,063 due to the increase in transfers in.

Expenses in the business-type activities experienced a decrease of \$1,319,520 or 11.74 percent.



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Program revenues approximate program expenses for both the water and sewer 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 \$38,589,496, which represents an increase of \$9,685,659 or 33.51 percent as compared to 2019. The General Fund's unassigned fund balance was sufficient to cover the deficits in the unassigned fund balance from other governmental funds. *Unassigned and assigned fund balances* are available at the City's discretion.

The remainder of the fund balance is nonspendable, restricted, or committed to indicate that it is not available for new spending because it is not in spendable form or it has already been restricted by external constraints or committed by internal constraints.

Fund balance for the City's General Fund increased by \$1,179,852 due to revenues generally exceeding expenditures during 2020, including the fluctuation of amounts of funds transferred to various funds.

Fund balance for the City's Parks and Recreation Fund decreased by \$115,954 due to a decrease in revenue. The decrease in revenue is mainly due to the decrease in charges for services due to COVID-19.

Fund balance for the City's Income Tax Safety Fund increased by \$993,949 due to an increase in revenue. The increase in revenue is due to increase in transfers in.

Fund balance for the City's Fire and Emergency Medical Services Fund increased by \$1,487,228 due to a decrease in expenditures. The decrease in expenditures is due to the planned spend-downs of the significant fund balance.

Fund balance for the City's Capital Projects Fund increased by \$1,497,644 due to the timing of project completions and payments to contractors.

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, respectively for the major enterprise funds.

Water	Sewer	Storm Water Drainage
(\$4,897,279)	(\$1,472,815)	\$1,507,497
668,629	164,992	2,411,231

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In the Water and Sewer Funds, which are the two largest enterprise funds, the negative unrestricted balances in these funds are due to the recording of GASB 68 and GASB 75. 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. Council approved a three percent increase in rates for water and sewer for 2020. These rate increases became effective February 2020. Further rate ordinance revisions for sewer were left pending at year end subject to further review by Council. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights. The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2020, 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 revenues and other financing sources, the original budget amount was \$9,733,000 and the final amended budget was \$9,653,394, a decrease of \$79,606. The decrease was due to decreased other local taxes. Actual revenues and other financing sources were \$9,722,519 or \$69,125 more than what was budgeted.

For the General Fund expenditures and other financing uses, the original budget amount was \$13,646,943 and the final amended budget was \$12,381,136, a decrease of \$1,265,807. Actual expenditures and other financing uses were \$10,312,060 or \$2,069,076 less than what was budgeted. Conservative budget practices coupled with vacancies in some positions were the principal reasons budgeted funds were not spent.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets (net of accumulated depreciation) for governmental and business-type activities as of December 31, 2020, was \$125,306,332. The City's investment in capital assets decreased by \$3,093,210 or 4.11 percent for governmental activities and increased by \$1,854,832 or 3.61 percent for business-type activities when comparing 2020 to 2019.

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.

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Table 3 compares capital assets as of December 31, 2020 to balances at December 31, 2019.

Table 3
Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 11,159,071	\$ 11,159,071	\$ 1,825,536	\$ 1,825,536	\$ 12,984,607	\$ 12,984,607
Buildings, Structures and Improvements	7,030,599	7,284,681	3,175,519	3,460,376	10,206,118	10,745,057
Vehicles, Machinery and Equipment	4,753,422	4,905,965	2,542,689	2,691,112	7,296,111	7,597,077
Construction in Progress	16,438,777	33,791,493	2,087,533	3,156,603	18,526,310	36,948,096
Infrastructure						
Roads, Bridges, Walks	43,972,871	32,700,667	-	-	43,972,871	32,700,667
Traffic Signals	5,005,333	2,606,393	-	-	5,005,333	2,606,393
Water	-	-	12,350,504	11,109,210	12,350,504	11,109,210
Sewer	-	-	17,800,278	17,844,384	17,800,278	17,844,384
Storm Water	-	-	15,327,185	13,499,358	15,327,185	13,499,358
Total Capital Assets	\$ 88,360,073	\$ 92,448,270	\$ 55,109,244	\$ 53,586,579	\$ 143,469,317	\$ 146,034,849

Debt. At December 31, 2020, the City's bonds, notes and loans outstanding were \$18,988,884.

Table 4
Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
<i>Long-Term Obligations:</i>						
General Obligation Bonds	\$ 16,230,899	\$ 13,597,907	\$ 200,000	\$ -	\$ 16,430,899	\$ 13,597,907
OPWC Loans	839,408	864,395	244,923	219,726	1,084,331	1,084,121
OWDA Loans	-	-	1,473,654	1,774,476	1,473,654	1,774,476
<i>Short-Term Obligations:</i>						
Notes Payable	-	3,645,000	-	255,000	-	3,900,000
Total	\$ 17,070,307	\$ 18,107,302	\$ 1,918,577	\$ 2,249,202	\$ 18,988,884	\$ 20,356,504

The City's total long-term debt increased by \$2,532,380 or 15.39 percent. This increase in long-term debt for 2020 is primarily due to the increase in general obligation bonds. Total short-term debt decreased by \$3,900,000 or 100 percent. As of December 31, 2020, the City did not have a short-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 \$44,061,137 at December 31, 2020.

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

Current Financial Related Activities

Over the last decade, the City and its community partners launched a series of pivotal development projects to leverage Kent's economic assets, accelerate economic growth, and mitigate the impacts of \$1.3 million in revenue losses from State divestment in local government funding. The projects proved economically transformative but successive rounds of State funding cuts eventually surpassed the capacity of local economic growth to keep pace with State cuts.

After a couple of record setting years the pace of economic growth leveled off but the cuts in State funding did not, leaving the City in the unusual position of revenue challenges despite a high performing economy. With near record lows in unemployment and vacancy rates in Kent, the City still struggled to bridge the losses in State cuts through economic growth alone and with concerns over declining reserve balances, the City returned to a more restrictive budget strategy in 2018.

The constrained budget approach enabled the City to fulfill investment commitments to City services and community priorities but with reduced financial flexibility, the ups and downs of routine business cycles tested the margins of the City's financial resiliency. In that context the City's economic growth strategy became more of a revenue stabilization tactic than a net growth effort.

To counter that trend, the City and its partners queued up another round of strategic development initiative. The early rounds of re-investment in the downtown business district succeeded in expanding the City's economic base and by 2020 another round of redevelopment projects were in the planning stages to add more depth to that base. The arrival of COVID19 upended the timing of those projects and community partners were forced to re-evaluate priorities and financial capabilities in the midst of the unforeseen pandemic.

The reassessment of investment priorities curtailed, delayed, and in some cases led to a redesign of the scope and schedule of projects that were part of the next wave of community investments. Previously each new phase of re-investment in the City yielded financial gain resulting from construction jobs and capital equity, adding to the City's economic base. Expectations remain for similar outcomes even from a scaled down project agenda heading into 2021-22.

COVID19 changed the local economic landscape and it is unclear what business operations will look like post COVID19. Which parts of the old economy will come back and which of the pandemic relief measures will become permanent features of the new normal? Will Federal and State emergency supplemental funding be enough to weather the pandemic? Will emergency funding continue long enough to allow the local economy to get back on its feet?

These are the most pressing fiscal policy issues facing the City and a range of contingency plans have been developed reflecting the probability of possible outcomes. Ongoing State legislative proposals to amend tax laws further complicates City financial planning efforts, making contingency plans all the more important moving forward.

Kent State University remains a critical element of the City's economic strategy under every scenario. 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 recovery efforts. The University represents approximately

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31% of the City's income tax base and provides a reliable income stream that has historically been less vulnerable to economic cycles but higher education found itself in the direct path of COVID19.

The confluence of the shrinking demographic of college aged students, increased competitiveness for enrollment, rising costs of higher education, and the arrival of COVID19 was a catalyst for resetting employment and business operations at Kent State University which adversely impacted City revenues. Kent State used the pandemic as an opportunity to reposition themselves in the crowded higher education market so that they can survive the short term losses from COVID19 and optimize their chances for long term recovery.

The “right sizing” of Kent State University in 2020 produced a financially tumultuous year that included the closure of campus, employee layoffs, an employee buy-out/retirement campaign, and staff and faculty pay cuts – all of which contributed to the contraction in City tax receipts from lost income taxes and from local business losses in sales from reduced Kent State related business activity.

For perspective, the magnitude of those secondary business losses are reflected in part through the 2017 Kent State University Economic Impact Study that noted \$493 million of direct, indirect, and induced economic benefit generated by Kent State University in Kent and Portage County during “normal” years. 2020 was well below normal, and as home to the University, the City has the most to gain during University up cycles and the most to lose during University down cycles. The lows in 2020 were unprecedented and produced adverse economic consequences that reverberated in every corner of Kent’s economy.

The City’s financial strategy has always sought to leverage and magnify University economic opportunities as producers and consumers of economic value in Kent. COVID19 reduced and redistributed University assets but they remain a key ingredient in City’s economic recovery plan.

In addition, the City’s commitment to broader economic restructuring remains intact -- with innovation replacing conventional manufacturing, favoring entrepreneurship, collaboration, and close ties between the business community and academic research. The City has made these guiding principles of its economic strategy, investing in building the resource networks and physical infrastructure to position the City of Kent for success in the new economy which includes the ability to absorb disruptions like COVID19.

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 the City of Kent's greatest competitive advantage. This leadership role was critical in the unified efforts to prepare, respond and mitigate the threats of COVID19 in the Kent community, and it will be equally important in the rebuilding that will follow.

The redevelopment of downtown Kent and the investments that have followed seek 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. Those priorities are woven throughout the projects contained in the University’s Master Plan.

The City’s economic transition is on-going but the sustainability of the initial results had been encouraging as local economic metrics were generally trending favorably. Unfortunately, even pre-COVID19 that economic success had not translated into equivalent levels of financial success for City tax receipts due to

City of Kent, Ohio
Management's Discussion and Analysis
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successive rounds of State funding cuts and the apparent “wageless” economic recovery with high employment numbers but limited wage growth.

Following a precipitous drop in income tax revenues in 2016, the City enjoyed a modest tax rebound in 2017, followed by another dip in income taxes in 2018, that was in turn followed by another modest rebound in 2019 – all of which seemed to reflect the ups and downs of national business cycles. In 2020 the arrival of COVID19 disrupted all business cycles in ways never experienced before and the City was fortunate to close out the year with a comparatively flat 1.77% decline.

On the surface a 1.77% decline suggests a relatively “normal” economic year but that aggregate number is a result of a combination of major losses and major one-time supplemental revenues that together helped normalize a completely abnormal year. The challenge moving forward is coordinating the timing of the reboot of the economic recovery with the expiration of supplemental revenues, both of which are largely beyond the City’s control.

Property values continued to show strength around the downtown business district and in select City neighborhoods. Even the City’s older shopping plazas seem to have benefitted from the rising property values as new business investments can be found in each business corridor in the City of Kent, demonstrating that the economic recovery has gained traction beyond the borders of the downtown business district. COVID19 slowed most public and private business transactions but savvy investors sought opportunities in the market cool down and a number of new private projects are underway.

Between 2011 and 2015 the City’s downtown redevelopment produced record setting investments. From 2016 to 2018 commercial and residential investments remained strong at or above pre-redevelopment investment levels. 2019 showed signs of a softening in the local construction market but it was the arrival of COVID19 in 2020 that pushed investment to their lowest levels in the last 20 years to \$6.3 million, down from a high of \$55 million in 2011 and 2012.

There are a number of mixed-use projects underway or in negotiations for the downtown Kent that represent another \$30 million in new investment and although this new investment won’t solve all of the City’s revenue uncertainty, the new housing supply, particularly in downtown, should be a source of new customers for Kent businesses. A growing customer base should keep the local job base stable, if not expanding, and help stabilize the City’s tax base that is needed to keep the City’s budget afloat and services intact.

Despite the chilling effects of COVID19, new business openings in 2020 included the popular Battleground restaurant and the River Merchant bar and grill. The new Bell Tower brewery finished up their construction approvals in 2020 and are set to open in 2021. Barrio’s restaurant completed a significant expansion in seating capacity and Wendy’s began a major store façade renovation project. Davey Tree began a 30,000 square foot expansion project at their global headquarters in Kent and they released their master plans for a new training and research center.

On the public side, the City aggressively pursued Federal, State and Regional grant funds for infrastructure improvement projects, continuing a decade long commitment to leverage grant funds (both directly and as a partner) at better than a 4:1 ratio of grant funding vs. local funding. As a result, the City continued to reinvest in City bridges, streets and sidewalks at near record levels.

In 2020 the City began the construction work for the \$1.3 million North Water Street improvement project in the downtown Mill District. In collaboration with Kent State University the City secured additional funding

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to be used in the \$18 million transportation improvement project to reconfigure the East Main Street corridor along the front campus of the University.

In 2020 Kent City Council completed the public meetings for the design of the new City Administration building and finalized their approval of the design. The architects were authorized to prepare the construction bid documents for bidding, demolition and construction is set to occur in 2021.

The City continued its ongoing work with the Franklin and Brimfield townships as JEDD partners in 2020. There was a 9.6% decrease in the combined income tax collections from the JEDDs mostly due to the pandemic, but all indications are that opportunities for growth remain strong.

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 incremental water and sewer rate increases. In 2016 Council amended the rate plans to reflect year-to-year water and sewer rate variations that had occurred due to fluctuations in capital spending schedules, and approved a one-time stormwater rate increase with an expectation to develop a new fee based model to incorporate stormwater capital and operating needs into the multi-year rate plan. The modifications to the rate plan were re-approved by City Council in 2020, confirming Council's commitment to multi-year rate planning, ensuring the long term viability of the rate plans, and ultimately saving utility customer dollars from the original 2011 rate plan.

As a result of the rate plans, the City has been able to implement more full-cost accounting for the Utility funds, thereby reducing the need for General Fund supplements to the Utility funds. This in turn has better enabled the City to replenish reserve balances in the Utility funds so that it can 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 2020, 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 2019 that advanced critical economic development priorities. City staff also continued to pursue efficiency and productivity improvements wherever possible in 2020.

City Operating Funds

The City's development activities that preceded COVID19's arrival succeeded in improving the diversity of Kent's economic assets which enhanced the City's financial resilience to manage through periods of economic uncertainty but COVID19 was an economic catastrophe that pushed that resilience to its limits. Kent's economic strengths are centered in a vibrant downtown featuring unique bars, restaurants, and hospitality services; all of which suffered a direct hit in the pandemic.

Federal and State pandemic assistance programs, combined with local initiatives, enabled the majority of businesses to survive with significantly reduced levels of operation. Early indications suggest that the pent up consumer demand for those businesses should create a rebound effect but the timing of that rebound remains unclear depending on the containment of the virus.

Overall, Kent's economy was operating from a position of strength entering the pandemic and there is mounting evidence that the rebound has already begun, raising expectations that a return to more stable economic conditions may be forthcoming as early as 2021.

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The significant pandemic funding packages issued by the State provided much needed assistance at a critical time but they appear to be transitory. The City and its partners will continue to work to grow the local economy but it may be untenable to expect an economy the size of Kent to fill the \$1.3 million/year hole left from State funding cuts.

The flurry of investment and new jobs that accompanied the construction of the large scale redevelopment provided temporary financial relief that helped bridge operating funding challenges in the short term and while construction has slowed, the City's economic indicators have maintained a level of performance that prior to COVID19 translated into modest economic growth. Unfortunately, those short gains have been upended by COVID19 and offset by the long term decline in State funding, exposing the City's annual fiscal operating position to a level of uncertainty it hasn't faced in years.

Coming out of the economic recession in 2008, the City developed a Fiscal Health Index to more closely track fund balance, debt load, income taxes, operating position and property taxes as markers of fiscal health using a composite health index that balances indicators of financial stability, risk and capacity for growth. At this point, the City's Fiscal Health outlook heading into 2021 remains within acceptable risk levels but the level of uncertainty is at an all-time high.

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 foreseeable future.

Contacting the City's Finance Department

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

City of Kent, Ohio
Statement of Net Position
December 31, 2020

	Governmental Activities	Business-Type Activities	Total	Component Unit City of Kent Health District
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 32,894,531	\$ 8,375,343	\$ 41,269,874	\$ 304,865
Cash and Cash Equivalents:				
In Segregated Accounts	64,861	-	64,861	-
Cash Surrender Value of Life Insurance Policies	237,294	-	237,294	-
Materials and Supplies Inventory	419,333	70,363	489,696	-
Accounts Receivable	1,814,579	1,463,536	3,278,115	7,470
Accrued Interest Receivable	122,712	-	122,712	-
Intergovernmental Receivable	1,599,824	42,750	1,642,574	10,100
Internal Balances	722,737	(722,737)	-	-
Prepaid Items	252,407	97,854	350,261	7,741
Municipal Income Taxes Receivable	3,629,848	-	3,629,848	-
Property and Other Taxes Receivable	3,358,130	-	3,358,130	-
Payments in Lieu of Taxes Receivable	366,653	-	366,653	-
Loans Receivable	438,606	-	438,606	-
Special Assessments Receivable	210,918	531,454	742,372	-
Net Pension Asset	53,763	43,998	97,761	5,133
Assets Held for Resale	499,500	-	499,500	-
Nondepreciable Capital Assets	27,597,848	3,913,069	31,510,917	36,630
Depreciable Capital Assets	60,762,225	51,196,175	111,958,400	35,248
Total Assets	135,045,769	65,011,805	200,057,574	407,187
DEFERRED OUTFLOWS OF RESOURCES				
Pension	3,988,600	815,395	4,803,995	95,114
OPEB	2,655,239	587,483	3,242,722	68,984
Total Deferred Outflows of Resources	6,643,839	1,402,878	8,046,717	164,098
LIABILITIES				
Accounts Payable	577,449	103,744	681,193	26,775
Contracts and Retainage Payable	211,548	60,490	272,038	-
Accrued Wages and Benefits	473,036	142,299	615,335	18,258
Accrued Interest Payable	47,270	-	47,270	-
Claims Payable	163,789	-	163,789	-
Unearned Revenue	116,321	-	116,321	-
Long-term Liabilities:				
Due within one year	1,766,019	691,236	2,457,255	36,106
Due in more than one year:				
Net Pension Liability	25,889,730	5,071,731	30,961,461	591,666
Net OPEB Liability	7,202,260	3,531,160	10,733,420	411,944
Asset Retirement Obligation	-	4,400,000	4,400,000	-
Other Amounts due in more than one year	18,526,240	2,024,969	20,551,209	7,297
Total Liabilities	54,973,662	16,025,629	70,999,291	1,092,046
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	3,167,333	-	3,167,333	-
Payments in Lieu of Taxes (PILOTs)	366,653	-	366,653	-
Pension	3,808,038	1,150,184	4,958,222	134,074
OPEB	1,739,603	529,885	2,269,488	61,561
Total Deferred Inflows of Resources	9,081,627	1,680,069	10,761,696	195,635
NET POSITION				
Net Investment in Capital Assets	72,115,665	53,190,667	125,306,332	71,878
Restricted for:				
Capital Projects	1,757,852	-	1,757,852	-
Debt Services	402,007	-	402,007	-
Streets and Highways	2,765,367	-	2,765,367	-
Public Facilities and Programs	2,430,078	-	2,430,078	-
Community Development Block Grant	108,210	-	108,210	-
Parks and Recreation	361,920	-	361,920	-
Police, Fire and EMS	5,008,341	-	5,008,341	-
Community Development	1,494,770	-	1,494,770	-
Other Purpose	65,599	-	65,599	306,623
Unrestricted	(8,875,490)	(4,481,682)	(13,357,172)	(1,094,897)
Total Net Position	\$ 77,634,319	\$ 48,708,985	\$ 126,343,304	\$ (716,396)

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, 2020

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Security of Persons and Property	\$ 15,015,999	\$ 1,801,008	\$ 2,165,412	\$ -
Public Health and Welfare	331,904	4,619	-	-
Leisure Time Activities	2,192,326	498,586	7,996	-
Community Development	2,229,929	243,812	406,918	-
Transportation	5,549,194	58,345	1,403,017	1,125,131
General Government	3,100,662	76,793	-	-
Interest and Fiscal Charges	608,812	-	-	-
Total Governmental activities	<u>29,028,826</u>	<u>2,683,163</u>	<u>3,983,343</u>	<u>1,125,131</u>
Business-type activities:				
Water	4,128,576	3,910,198	-	209,923
Sewer	4,479,972	4,085,516	-	165,633
Solid Waste	220,003	461,490	-	-
Storm Water Drainage	1,092,907	1,020,337	-	217,809
Total Business-type activities	<u>9,921,458</u>	<u>9,477,541</u>	<u>-</u>	<u>593,365</u>
Total Primary Government	<u>\$ 38,950,284</u>	<u>\$ 12,160,704</u>	<u>\$ 3,983,343</u>	<u>\$ 1,718,496</u>
Component Unit:				
City of Kent Health District	994,894	343,346	577,828	-
Total Component Unit	<u>\$ 994,894</u>	<u>\$ 343,346</u>	<u>\$ 577,828</u>	<u>\$ -</u>

General Revenues:

Property Taxes levied for:
General Purposes
Special Revenue
Municipal Income Taxes levied for:
General Purposes
Capital Outlay
Special Revenue
Other Local Taxes
Payments in Lieu of Taxes
Grants & Entitlements not restricted to specific programs
Investment Income
Gain on Sale of Capital Assets
All Other Revenues
Transfers
Total General Revenues
Change in Net Position
Net Position - Beginning of Year, Restated
Net Position - End of Year

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

Net (Expense) Revenue and Changes in Net Position			Component
Governmental	Business-type		Unit
Activities	Activities	Total	City of Kent
			Health District
\$ (11,049,579)	\$ -	\$ (11,049,579)	-
(327,285)	-	(327,285)	-
(1,685,744)	-	(1,685,744)	-
(1,579,199)	-	(1,579,199)	-
(2,962,701)	-	(2,962,701)	-
(3,023,869)	-	(3,023,869)	-
(608,812)	-	(608,812)	-
<u>(21,237,189)</u>	<u>-</u>	<u>(21,237,189)</u>	<u>-</u>
-	(8,455)	(8,455)	-
-	(228,823)	(228,823)	-
-	241,487	241,487	-
-	145,239	145,239	-
<u>-</u>	<u>149,448</u>	<u>149,448</u>	<u>-</u>
<u>(21,237,189)</u>	<u>149,448</u>	<u>(21,087,741)</u>	<u>-</u>
			<u>(73,720)</u>
			<u>(73,720)</u>
1,629,318	-	1,629,318	-
1,537,330	-	1,537,330	-
2,947,574	-	2,947,574	-
4,365,013	-	4,365,013	-
7,356,010	-	7,356,010	-
237,957	-	237,957	-
455,412	-	455,412	-
1,787,461	-	1,787,461	-
1,071,392	740	1,072,132	-
-	70	70	-
2,324,906	547,515	2,872,421	34,209
<u>(2,915,772)</u>	<u>2,915,772</u>	<u>-</u>	<u>-</u>
<u>20,796,601</u>	<u>3,464,097</u>	<u>24,260,698</u>	<u>34,209</u>
(440,588)	3,613,545	3,172,957	(39,511)
<u>78,074,907</u>	<u>45,095,440</u>	<u>123,170,347</u>	<u>(676,885)</u>
<u>\$ 77,634,319</u>	<u>\$ 48,708,985</u>	<u>\$ 126,343,304</u>	<u>\$ (716,396)</u>

City of Kent, Ohio
Balance Sheet
Governmental Funds
December 31, 2020

	<u>General Fund</u>	<u>Parks and Recreation</u>	<u>Income Tax Safety</u>	<u>Fire and Emergency Medical Services</u>	<u>Capital Projects</u>
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 11,708,648	\$ 427,883	\$ 1,769,773	\$ 3,985,196	\$ 7,700,829
Cash and Cash Equivalents:					
In Segregated Accounts	-	-	-	-	-
Materials and Supplies Inventory	-	-	33,026	-	-
Accrued Interest Receivable	118,540	-	-	-	-
Accounts Receivable	1,784,378	19,549	-	-	-
Interfund Receivable	1,612,000	-	-	-	-
Intergovernmental Receivable	705,689	54,932	22,866	-	247,881
Prepaid Items	42,722	1,137	117,962	62,866	6,978
Payments in Lieu of Taxes Receivable	-	-	-	-	-
Municipal Income Taxes Receivable	733,698	-	783,143	783,143	696,577
Property and Other Taxes Receivable	1,751,820	1,115,734	-	-	-
Special Assessments Receivable	-	-	-	-	205,277
Loans Receivable	-	-	-	-	-
Assets Held for Resale	134,500	-	-	-	-
Total Assets	<u>\$ 18,591,995</u>	<u>\$ 1,619,235</u>	<u>\$ 2,726,770</u>	<u>\$ 4,831,205</u>	<u>\$ 8,857,542</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 152,453	\$ 7,533	\$ 126,809	\$ 125,042	\$ 16,024
Accrued Wages and Benefits	70,385	31,875	182,256	134,493	8,702
Contracts and Retainage Payable	-	-	-	-	210,262
Interfund Payable	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Total Liabilities	<u>222,838</u>	<u>39,408</u>	<u>309,065</u>	<u>259,535</u>	<u>234,988</u>
Deferred Inflows of Resources:					
Property Taxes and PILOTS	1,630,212	1,073,902	-	-	-
Unavailable Revenue - Delinquent Property Taxes	63,954	41,832	-	-	-
Unavailable Revenue - Municipal Income Taxes	246,004	-	262,584	262,584	233,559
Unavailable Revenue - Other	502,737	69,651	-	-	210,027
Total Deferred Inflows of Resources	<u>2,442,907</u>	<u>1,185,385</u>	<u>262,584</u>	<u>262,584</u>	<u>443,586</u>
Fund Balances:					
Nonspendable	1,789,222	1,137	150,988	62,866	6,978
Restricted	-	393,305	2,004,133	4,246,220	-
Committed	2,430,078	-	-	-	8,171,990
Assigned	321,464	-	-	-	-
Unassigned	11,385,486	-	-	-	-
Total Fund Balances	<u>15,926,250</u>	<u>394,442</u>	<u>2,155,121</u>	<u>4,309,086</u>	<u>8,178,968</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 18,591,995</u>	<u>\$ 1,619,235</u>	<u>\$ 2,726,770</u>	<u>\$ 4,831,205</u>	<u>\$ 8,857,542</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, 2020</i>	
Other Governmental Funds	Total Governmental Funds		
\$ 6,082,438	\$ 31,674,767	Total Governmental Funds Balance	\$ 38,589,496
64,861	64,861	<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>	
386,307	419,333	Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.	88,360,073
4,172	122,712		
-	1,803,927	Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds:	
-	1,612,000	Delinquent property taxes	\$ 123,713
568,456	1,599,824	Municipal income taxes	1,217,068
20,742	252,407	Special assessments	210,918
366,653	366,653	Intergovernmental	763,245
633,287	3,629,848	Charges for services	161,706
490,576	3,358,130	Total	2,476,650
5,641	210,918		
438,606	438,606	In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due.	(47,270)
365,000	499,500		
<u>\$ 9,426,739</u>	<u>\$ 46,053,486</u>	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.	489,658
		The net pension asset, net pension liability and net OPEB liability are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds:	
		Deferred Outflows-Pension	3,988,600
		Deferred Inflows-Pension	(3,808,038)
		Net Pension Asset	53,763
		Net Pension Liability	(25,889,730)
		Deferred Outflows - OPEB	2,655,239
		Deferred Inflows - OPEB	(1,739,603)
		Net OPEB Liability	(7,202,260)
		Total	(31,942,029)
		Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
		General obligation bonds	(16,230,899)
		OPWC loans	(839,408)
		Compensated absences	(3,221,952)
		Total	(20,292,259)
		Net Position of Governmental Activities	<u>\$ 77,634,319</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, 2020

	General Fund	Parks and Recreation	Income Tax Safety	Fire and Emergency Medical Services	Capital Projects
REVENUES					
Property Taxes	\$ 1,635,524	\$ 1,072,900	\$ -	\$ -	\$ -
Municipal Income Taxes	3,261,597	-	3,491,253	3,491,253	3,091,577
Other Local Taxes	242,803	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Intergovernmental	1,732,858	109,863	1,938	-	1,001,442
Interest	1,012,063	-	-	-	-
Fees, Licenses, and Permits	249,933	-	-	-	-
Fines and Forfeitures	236,110	-	-	-	-
Charges for Services	1,609,738	483,867	-	-	-
Contributions and Donations	-	7,996	-	750	-
Special Assessments	-	-	-	-	105,261
All Other Revenues	1,590,828	55,696	222,135	146,192	1,850
Total Revenues	11,571,454	1,730,322	3,715,326	3,638,195	4,200,130
EXPENDITURES					
Current:					
Security of Persons and Property	-	-	6,423,551	4,204,294	-
Public Health and Welfare	331,904	-	-	-	-
Leisure Time Activities	-	1,796,556	-	-	-
Community Development	1,447,085	-	-	-	-
Transportation	-	-	-	-	1,373,646
General Government	2,725,445	-	-	-	11,137
Capital Outlay	21,200	52,780	-	49,252	1,291,654
Debt Service:	-	-	-	-	-
Principal Retirement	-	-	-	-	30,742
Interest and Fiscal Charges	-	-	-	-	3,212
Debt Issuance Costs	-	-	-	-	-
Total Expenditures	4,525,634	1,849,336	6,423,551	4,253,546	2,710,391
Excess of Revenues Over/(Under) Expenditures	7,045,820	(119,014)	(2,708,225)	(615,351)	1,489,739
OTHER FINANCING SOURCES (USES)					
Proceeds from Sale of Capital Assets	-	-	720	1,125	-
General Obligation Bonds Issued	-	-	-	-	-
OPWC Loans Issued	-	-	-	-	7,905
Transfers In	-	3,060	3,701,454	2,101,454	-
Transfers Out	(5,865,968)	-	-	-	-
Total Other Financing Sources (Uses)	(5,865,968)	3,060	3,702,174	2,102,579	7,905
Net Change in Fund Balances	1,179,852	(115,954)	993,949	1,487,228	1,497,644
Fund Balances - Beginning of Year	14,746,398	510,396	1,161,172	2,821,858	6,681,324
Fund Balances - End of Year	\$ 15,926,250	\$ 394,442	\$ 2,155,121	\$ 4,309,086	\$ 8,178,968

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

*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, 2020*

Other Governmental Funds	Total Governmental Funds																																																																																																																								
<table border="0" style="width: 100%;"> <tr><td>\$ 470,179</td><td>\$ 3,178,603</td></tr> <tr><td>2,827,887</td><td>16,163,567</td></tr> <tr><td>-</td><td>242,803</td></tr> <tr><td>455,412</td><td>455,412</td></tr> <tr><td>3,858,015</td><td>6,704,116</td></tr> <tr><td>49,066</td><td>1,061,129</td></tr> <tr><td>-</td><td>249,933</td></tr> <tr><td>7,446</td><td>243,556</td></tr> <tr><td>58,345</td><td>2,151,950</td></tr> <tr><td>-</td><td>8,746</td></tr> <tr><td>56,167</td><td>161,428</td></tr> <tr><td><u>310,379</u></td><td><u>2,327,080</u></td></tr> <tr><td><u>8,092,896</u></td><td><u>32,948,323</u></td></tr> </table>	\$ 470,179	\$ 3,178,603	2,827,887	16,163,567	-	242,803	455,412	455,412	3,858,015	6,704,116	49,066	1,061,129	-	249,933	7,446	243,556	58,345	2,151,950	-	8,746	56,167	161,428	<u>310,379</u>	<u>2,327,080</u>	<u>8,092,896</u>	<u>32,948,323</u>	<table border="0" style="width: 100%;"> <tr><td>2,568,106</td><td>13,195,951</td></tr> <tr><td>-</td><td>331,904</td></tr> <tr><td>-</td><td>1,796,556</td></tr> <tr><td>653,493</td><td>2,100,578</td></tr> <tr><td>1,962,465</td><td>3,336,111</td></tr> <tr><td>57,817</td><td>2,794,399</td></tr> <tr><td>328,202</td><td>1,743,088</td></tr> <tr><td>402,150</td><td>432,892</td></tr> <tr><td>585,890</td><td>589,102</td></tr> <tr><td>58,984</td><td>58,984</td></tr> <tr><td><u>6,617,107</u></td><td><u>26,379,565</u></td></tr> <tr><td><u>1,475,789</u></td><td><u>6,568,758</u></td></tr> <tr><td>32,151</td><td>33,996</td></tr> <tr><td>3,075,000</td><td>3,075,000</td></tr> <tr><td>-</td><td>7,905</td></tr> <tr><td>60,000</td><td>5,865,968</td></tr> <tr><td>-</td><td>(5,865,968)</td></tr> <tr><td><u>3,167,151</u></td><td><u>3,116,901</u></td></tr> <tr><td><u>4,642,940</u></td><td><u>9,685,659</u></td></tr> <tr><td><u>2,982,689</u></td><td><u>28,903,837</u></td></tr> <tr><td><u>\$ 7,625,629</u></td><td><u>\$ 38,589,496</u></td></tr> </table>	2,568,106	13,195,951	-	331,904	-	1,796,556	653,493	2,100,578	1,962,465	3,336,111	57,817	2,794,399	328,202	1,743,088	402,150	432,892	585,890	589,102	58,984	58,984	<u>6,617,107</u>	<u>26,379,565</u>	<u>1,475,789</u>	<u>6,568,758</u>	32,151	33,996	3,075,000	3,075,000	-	7,905	60,000	5,865,968	-	(5,865,968)	<u>3,167,151</u>	<u>3,116,901</u>	<u>4,642,940</u>	<u>9,685,659</u>	<u>2,982,689</u>	<u>28,903,837</u>	<u>\$ 7,625,629</u>	<u>\$ 38,589,496</u>	<p>Net Change in Fund Balances-Total Governmental Funds \$ 9,685,659</p> <p><i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i></p> <p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.</p> <table border="0" style="width: 100%; margin-left: 40px;"> <tr><td>Capital outlay</td><td style="text-align: right;">\$ 1,743,088</td><td></td></tr> <tr><td>Capital Contributions</td><td style="text-align: right;">(2,916,433)</td><td></td></tr> <tr><td>Depreciation</td><td style="text-align: right;"><u>(2,812,455)</u></td><td></td></tr> <tr><td>Total</td><td></td><td style="text-align: right;">(3,985,800)</td></tr> </table> <p>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. (102,397)</p> <p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p> <table border="0" style="width: 100%; margin-left: 40px;"> <tr><td>Delinquent property taxes</td><td style="text-align: right;">(11,955)</td><td></td></tr> <tr><td>Municipal income taxes</td><td style="text-align: right;">(1,494,970)</td><td></td></tr> <tr><td>Special assessments</td><td style="text-align: right;">(46,518)</td><td></td></tr> <tr><td>Intergovernmental</td><td style="text-align: right;">59,316</td><td></td></tr> <tr><td>Charges for services</td><td style="text-align: right;"><u>41,725</u></td><td></td></tr> <tr><td>Total</td><td></td><td style="text-align: right;">(1,452,402)</td></tr> </table> <p>Other financing sources in the Governmental Funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the issuance of bonds and loans. (3,082,905)</p> <p>Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.</p> <table border="0" style="width: 100%; margin-left: 40px;"> <tr><td>Pension</td><td style="text-align: right;">2,086,609</td></tr> <tr><td>OPEB</td><td style="text-align: right;">42,645</td></tr> </table> <p>Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.</p> <table border="0" style="width: 100%; margin-left: 40px;"> <tr><td>Pension</td><td style="text-align: right;">(3,659,249)</td></tr> <tr><td>OPEB</td><td style="text-align: right;">(868,277)</td></tr> </table> <p>Repayment of debt principal are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 432,892</p> <p>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.</p> <table border="0" style="width: 100%; margin-left: 40px;"> <tr><td>Compensated absences</td><td style="text-align: right;">115,418</td><td></td></tr> <tr><td>Amortization of premiums</td><td style="text-align: right;">42,008</td><td></td></tr> <tr><td>Accrued interest on bonds</td><td style="text-align: right;"><u>(2,734)</u></td><td></td></tr> <tr><td>Total</td><td></td><td style="text-align: right;">154,692</td></tr> </table> <p>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. 307,945</p> <p>Change in Net Position of Governmental Activities <u>\$ (440,588)</u></p>	Capital outlay	\$ 1,743,088		Capital Contributions	(2,916,433)		Depreciation	<u>(2,812,455)</u>		Total		(3,985,800)	Delinquent property taxes	(11,955)		Municipal income taxes	(1,494,970)		Special assessments	(46,518)		Intergovernmental	59,316		Charges for services	<u>41,725</u>		Total		(1,452,402)	Pension	2,086,609	OPEB	42,645	Pension	(3,659,249)	OPEB	(868,277)	Compensated absences	115,418		Amortization of premiums	42,008		Accrued interest on bonds	<u>(2,734)</u>		Total		154,692	
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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, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$ 1,614,000	\$ 1,614,000	\$ 1,635,524	\$ 21,524
Other Local Taxes	360,000	275,000	270,948	(4,052)
Intergovernmental	1,654,000	1,721,788	1,689,046	(32,742)
Interest	370,000	370,000	533,279	163,279
Fees, Licenses and Permits	43,900	43,900	249,933	206,033
Fines and Forfeits	223,000	223,000	239,008	16,008
Charges for Services	1,682,800	1,620,406	1,568,579	(51,827)
Miscellaneous	122,400	122,400	239,202	116,802
Total Revenues	<u>6,070,100</u>	<u>5,990,494</u>	<u>6,425,519</u>	<u>435,025</u>
Expenditures				
Current:				
Public Health and Welfare	871,865	1,063,991	351,632	712,359
Community Development	2,039,760	2,054,396	1,562,011	492,385
General Government	3,428,918	3,456,349	2,595,357	860,992
Total Expenditures	<u>6,340,543</u>	<u>6,574,736</u>	<u>4,509,000</u>	<u>2,065,736</u>
Excess of Revenues Over (Under) Expenditures	(270,443)	(584,242)	1,916,519	2,500,761
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	500	500	1,000	500
Advances In	56,000	56,000	56,000	-
Transfer In	3,606,400	3,606,400	3,240,000	(366,400)
Transfers Out	(7,306,400)	(5,806,400)	(5,803,060)	3,340
Total Other Financing Sources (Uses)	<u>(3,643,500)</u>	<u>(2,143,500)</u>	<u>(2,506,060)</u>	<u>(362,560)</u>
Net Change in Fund Balance	(3,913,943)	(2,727,742)	(589,541)	2,138,201
Fund Balance - Beginning of Year	5,836,153	5,836,153	5,836,153	-
Prior Year Encumbrances Appropriated	402,144	402,144	402,144	-
Fund Balance - End of Year	<u>\$ 2,324,354</u>	<u>\$ 3,510,555</u>	<u>\$ 5,648,756</u>	<u>\$ 2,138,201</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, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$ 1,057,361	\$ 1,057,361	\$ 1,072,900	\$ 15,539
Intergovernmental	966,000	116,000	109,863	(6,137)
Charges for Services	873,122	579,236	487,509	(91,727)
Contributions and Donations	10,750	10,750	12,996	2,246
Miscellaneous	28,484	28,484	50,866	22,382
Total Revenues	<u>2,935,717</u>	<u>1,791,831</u>	<u>1,734,134</u>	<u>(57,697)</u>
Expenditures				
Current:				
Leisure Time Activities	<u>2,475,070</u>	<u>2,298,470</u>	<u>1,974,324</u>	<u>324,146</u>
Excess of Revenues Over (Under) Expenditures	460,647	(506,639)	(240,190)	266,449
Other Financing Sources				
Sale of Capital Assets	6,110	6,110	-	(6,110)
Transfers In	6,400	6,400	3,060	(3,340)
Total Other Financing Sources	<u>12,510</u>	<u>12,510</u>	<u>3,060</u>	<u>(9,450)</u>
Net Change in Fund Balance	473,157	(494,129)	(237,130)	256,999
Fund Balance - Beginning of Year	412,959	412,959	412,959	-
Prior Year Encumbrances Appropriated	106,956	106,956	106,956	-
Fund Balance - End of Year	<u>\$ 993,072</u>	<u>\$ 25,786</u>	<u>\$ 282,785</u>	<u>\$ 256,999</u>

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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, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 1,938	\$ (3,062)
Miscellaneous	4,500	4,500	222,135	217,635
Total Revenues	9,500	9,500	224,073	214,573
Expenditures				
Current:				
Security of Persons & Property	7,914,858	8,234,858	6,458,645	1,776,213
Excess of Revenues Over (Under) Expenditures	(7,905,358)	(8,225,358)	(6,234,572)	1,990,786
Other Financing Sources				
Proceeds from Sale of Capital Assets	500	500	720	220
Transfers In	7,400,000	7,400,000	6,941,386	(458,614)
Total Other Financing Sources	7,400,500	7,400,500	6,942,106	(458,394)
Net Change in Fund Balance	(504,858)	(824,858)	707,534	1,532,392
Fund Balance - Beginning of Year	832,478	832,478	832,478	-
Prior Year Encumbrances Appropriated	59,329	59,329	59,329	-
Fund Balance - End of Year	\$ 386,949	\$ 66,949	\$ 1,599,341	\$ 1,532,392

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, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Contributions and Donations	\$ -	\$ -	\$ 750	\$ 750
All Other Revenues	-	-	146,192	146,192
Total Revenues	<u>-</u>	<u>-</u>	<u>146,942</u>	<u>146,942</u>
Expenditures				
Current:				
Security of Persons & Property	<u>6,590,180</u>	<u>6,597,080</u>	<u>5,595,384</u>	<u>1,001,696</u>
Excess of Revenues Over (Under) Expenditures	(6,590,180)	(6,597,080)	(5,448,442)	1,148,638
Other Financing Sources				
Proceeds from Sale of Capital Assets	1,000	1,000	1,125	125
Transfers In	<u>5,900,000</u>	<u>5,490,000</u>	<u>5,341,387</u>	<u>(148,613)</u>
Total Other Financing Sources	<u>5,901,000</u>	<u>5,491,000</u>	<u>5,342,512</u>	<u>(148,488)</u>
Net Change in Fund Balance	(689,180)	(1,106,080)	(105,930)	1,000,150
Fund Balance - Beginning of Year	1,903,469	1,903,469	1,903,469	-
Prior Year Encumbrances Appropriated	<u>714,868</u>	<u>714,868</u>	<u>714,868</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 1,929,157</u>	<u>\$ 1,512,257</u>	<u>\$ 2,512,407</u>	<u>\$ 1,000,150</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, 2020

	Enterprise Funds				Total	Governmental
	Water	Sewer	Storm Water Drainage	Nonmajor - Solid Waste		Internal Service Fund
ASSETS						
Current Assets:						
Equity in Pooled Cash and Cash Equivalents	\$ 2,705,122	\$ 2,438,524	\$ 2,045,756	\$ 1,185,941	\$ 8,375,343	\$ 1,219,764
Materials and Supplies Inventory	50,414	19,949	-	-	70,363	-
Accounts Receivable	562,887	658,694	161,513	80,442	1,463,536	10,652
Intergovernmental Receivable	14,250	-	28,500	-	42,750	-
Prepaid Items	42,729	46,836	6,799	1,490	97,854	-
Special Assessments Receivable	187,010	81,057	263,387	-	531,454	-
Total Current Assets	<u>3,562,412</u>	<u>3,245,060</u>	<u>2,505,955</u>	<u>1,267,873</u>	<u>10,581,300</u>	<u>1,230,416</u>
Noncurrent Assets:						
Cash Surrender Value of Life Insurance Policies	-	-	-	-	-	237,294
Net Pension Asset	18,163	20,739	4,396	700	43,998	-
Capital Assets:						
Land	1,340,365	412,575	72,596	-	1,825,536	-
Construction in Progress	507,093	966,356	614,084	-	2,087,533	-
Depreciable Assets, Net of Depreciation	13,745,295	21,963,742	15,487,138	-	51,196,175	-
Total Noncurrent Assets	<u>15,610,916</u>	<u>23,363,412</u>	<u>16,178,214</u>	<u>700</u>	<u>55,153,242</u>	<u>237,294</u>
Total Assets	<u>19,173,328</u>	<u>26,608,472</u>	<u>18,684,169</u>	<u>1,268,573</u>	<u>65,734,542</u>	<u>1,467,710</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension	336,653	384,310	81,467	12,965	815,395	-
OPEB	242,521	276,915	58,699	9,348	587,483	-
Total Deferred Outflows of Resources	<u>579,174</u>	<u>661,225</u>	<u>140,166</u>	<u>22,313</u>	<u>1,402,878</u>	<u>-</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	20,225	83,519	-	-	103,744	-
Accrued Wages and Benefits	60,341	52,088	17,245	12,625	142,299	-
Compensated Absences Payable	113,958	146,927	42,621	3,475	306,981	-
Contracts and Retainage Payable	26,607	33,883	-	-	60,490	-
Interfund Payable	-	-	-	12,000	12,000	1,525,000
Health Insurance Claims Payable	-	-	-	-	-	163,789
General Obligation Bonds Payable	-	50,000	-	-	50,000	-
OWDA and OPWC Loans Payable	55,968	268,320	9,967	-	334,255	-
Total Current Liabilities	<u>277,099</u>	<u>634,737</u>	<u>69,833</u>	<u>28,100</u>	<u>1,009,769</u>	<u>1,688,789</u>
Noncurrent Liabilities:						
Compensated Absences Payable	190,192	236,983	55,846	7,626	490,647	-
General Obligation Bonds Payable	-	150,000	-	-	150,000	-
OWDA and OPWC Loans Payable	248,500	1,018,188	117,634	-	1,384,322	-
Net Pension Liability	2,093,698	2,390,616	506,756	80,661	5,071,731	-
Net OPEB Liability	1,457,724	1,664,451	352,826	56,159	3,531,160	-
Asset Retirement Obligation	4,400,000	-	-	-	4,400,000	-
Total Noncurrent Liabilities	<u>8,390,114</u>	<u>5,460,238</u>	<u>1,033,062</u>	<u>144,446</u>	<u>15,027,860</u>	<u>-</u>
Total Liabilities	<u>8,667,213</u>	<u>6,094,975</u>	<u>1,102,895</u>	<u>172,546</u>	<u>16,037,629</u>	<u>1,688,789</u>
DEFERRED INFLOWS OF RESOURCES						
Pension	474,820	542,146	114,922	18,296	1,150,184	-
OPEB	219,463	249,226	52,804	8,392	529,885	-
Total Deferred Inflows of Resources	<u>694,283</u>	<u>791,372</u>	<u>167,726</u>	<u>26,688</u>	<u>1,680,069</u>	<u>-</u>
NET POSITION						
Net Investment in Capital Assets	15,288,285	21,856,165	16,046,217	-	53,190,667	-
Unrestricted	(4,897,279)	(1,472,815)	1,507,497	1,091,652	(3,770,945)	(221,079)
Total Net Position	<u>\$ 10,391,006</u>	<u>\$ 20,383,350</u>	<u>\$ 17,553,714</u>	<u>\$ 1,091,652</u>	<u>\$ (3,770,945)</u>	<u>\$ (221,079)</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.

(710,737)
\$ 48,708,985

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, 2020

	Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Water Drainage	Nonmajor - Solid Waste	Total	Internal Service Fund
OPERATING REVENUES						
Charges for Services	\$ 3,855,170	\$ 4,025,410	\$ 1,008,265	\$ 459,364	\$ 9,348,209	\$ 3,634,692
Miscellaneous	139,093	371,404	37,018	-	547,515	1,679
Total Operating Revenues	<u>3,994,263</u>	<u>4,396,814</u>	<u>1,045,283</u>	<u>459,364</u>	<u>9,895,724</u>	<u>3,636,371</u>
OPERATING EXPENSES						
Salaries	1,625,342	1,784,100	376,849	73,594	3,859,885	-
Fringe Benefits	853,456	980,055	205,853	36,210	2,075,574	-
Materials and Supplies	332,223	143,873	-	-	476,096	-
Utilities	184,213	180,965	-	-	365,178	-
Contractual Services	408,790	410,039	59,742	105,199	983,770	601,460
Depreciation	615,468	913,377	450,463	-	1,979,308	-
Claims	-	8,125	-	-	8,125	2,608,939
Other	103,318	8,587	-	5,000	116,905	-
Total Operating Expense	<u>4,122,810</u>	<u>4,429,121</u>	<u>1,092,907</u>	<u>220,003</u>	<u>9,864,841</u>	<u>3,210,399</u>
Operating Income (Loss)	<u>(128,547)</u>	<u>(32,307)</u>	<u>(47,624)</u>	<u>239,361</u>	<u>30,883</u>	<u>425,972</u>
NONOPERATING REVENUES (EXPENSES)						
Gain on Sale of Capital Assets	70	-	-	-	70	-
Interest	370	370	-	-	740	11,305
Interest and Fiscal Charges	(5,766)	(50,851)	-	-	(56,617)	-
Total Nonoperating Revenues (Expenses)	<u>(5,326)</u>	<u>(50,481)</u>	<u>-</u>	<u>-</u>	<u>(55,807)</u>	<u>11,305</u>
Capital Contributions	802,502	247,780	2,458,855	-	3,509,137	-
Change in Net Position	668,629	164,992	2,411,231	239,361	3,484,213	437,277
Net Position - Beginning of Year, Restated	9,722,377	20,218,358	15,142,483	852,291		(658,356)
Net Position - End of Year	<u>\$ 10,391,006</u>	<u>\$ 20,383,350</u>	<u>\$ 17,553,714</u>	<u>\$ 1,091,652</u>		<u>\$ (221,079)</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.

129,332
\$ 3,613,545

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, 2020

	Enterprise Funds					Governmental Activities
	Water	Sewer	Storm Water Drainage	Nonmajor - Solid Waste	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received from Charges for Services	\$ 3,861,842	\$ 3,964,890	\$ 1,010,689	\$ 451,100	\$ 9,288,521	\$ 3,634,692
Other Cash Receipts	123,842	357,046	37,019	-	517,907	1,679
Cash Payments to Employees for Services	(1,588,648)	(1,779,328)	(367,338)	(63,209)	(3,798,523)	-
Cash Payments for Employee Benefits	(634,275)	(710,497)	(142,634)	(24,992)	(1,512,398)	-
Cash Payments for Goods and Services	(902,109)	(746,338)	(66,351)	(120,063)	(1,834,861)	(570,714)
Cash Payments for Claims	-	-	-	-	-	(2,665,579)
Other Cash Payments	(5,540)	(8,587)	-	(5,000)	(19,127)	-
Net Cash Provided by Operating Activities	<u>855,112</u>	<u>1,077,186</u>	<u>471,385</u>	<u>237,836</u>	<u>2,641,519</u>	<u>400,078</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Advances Out	-	-	(16,000)	(89,466)	(105,466)	-
Net Cash (Used in) Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>(16,000)</u>	<u>(89,466)</u>	<u>(105,466)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital Grants and Contributions	152,644	147,087	188,034	-	487,765	-
Tap-in Fees	43,029	18,722	1,276	-	63,027	-
Special Assessments	28,120	14,979	25,842	-	68,941	-
Proceeds from Notes	-	200,000	-	-	200,000	-
Proceeds from Loans	33,784	-	-	-	33,784	-
Principal Paid on OWDA/OPWC Loans	(46,773)	(257,652)	(4,984)	-	(309,409)	-
Principal Paid on Notes	-	(255,000)	-	-	(255,000)	-
Interest Paid on OWDA/OPWC Loans	(5,766)	(47,640)	-	-	(53,406)	-
Interest Paid on Notes	-	(6,666)	-	-	(6,666)	-
Payments for Capital Acquisitions	(114,836)	(512,809)	(54,167)	-	(681,812)	-
Proceeds from Sale of Capital Assets	70	-	-	-	70	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>90,272</u>	<u>(698,979)</u>	<u>156,001</u>	<u>-</u>	<u>(452,706)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on Investments	370	370	-	-	740	-
Net Cash Provided by Investing Activities	<u>370</u>	<u>370</u>	<u>-</u>	<u>-</u>	<u>740</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	945,754	378,577	611,386	148,370	2,084,087	400,078
Cash and Cash Equivalents - Beginning of Year	1,759,368	2,059,947	1,434,370	1,037,571	6,291,256	819,686
Cash and Cash Equivalents - End of Year	<u>\$ 2,705,122</u>	<u>\$ 2,438,524</u>	<u>\$ 2,045,756</u>	<u>\$ 1,185,941</u>	<u>\$ 8,375,343</u>	<u>\$ 1,219,764</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, 2020

	Enterprise Funds				Total	Governmental
	Water	Sewer	Storm Water Drainage	Nonmajor - Solid Waste		Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS)						
TO NET CASH PROVIDED BY (USED IN) OPERATING						
ACTIVITIES						
Operating Income (Loss)	\$ (128,547)	\$ (32,307)	\$ (47,624)	\$ 239,361	\$ 30,883	\$ 425,972
Adjustments:						
Depreciation	615,468	913,377	450,463	-	1,979,308	-
Premium charged for Life Insurance Policies	-	-	-	-	-	30,746
(Increase) Decrease in Assets:						
Accounts Receivable	635	(60,520)	2,424	(8,264)	(65,725)	7,699
Materials and Supplies Inventory	24,149	(6,579)	-	-	17,570	-
Prepaid Items	7,016	(1,140)	2,503	35	8,414	-
Net Pension Asset	(9,079)	(10,367)	(2,196)	(350)	(21,992)	-
Deferred Outflows of Resources - Pension	560,340	639,791	135,621	21,714	1,357,466	-
Deferred Outflows of Resources - OPEB	(112,875)	(128,884)	(27,321)	(4,291)	(273,371)	-
Deferred Outflows of Resources - ARO	97,778	-	-	-	97,778	-
Increase (Decrease) in Liabilities:						
Accounts Payable	(49,166)	(63,387)	(15,902)	(16,364)	(144,819)	-
Contracts Payable	-	-	-	-	-	-
Accrued Wages and Benefits	14,173	(2,476)	7,352	10,846	29,895	-
Compensated Absences Payable	23,789	6,652	2,846	689	33,976	-
Net Pension Liability	(851,539)	(972,300)	(206,106)	(32,805)	(2,062,750)	-
Net OPEB Liability	63,996	73,071	15,489	2,465	155,021	-
Deferred Inflows of Resources - Pension	402,630	483,207	102,878	16,554	1,005,269	-
Deferred Inflows of Resources - OPEB	196,344	239,048	50,958	8,246	494,596	-
Health Insurance Claims Payable	-	-	-	-	-	(64,339)
Net Cash Provided by Operating Activities	\$ 855,112	\$ 1,077,186	\$ 471,385	\$ 237,836	\$ 2,641,519	\$ 400,078
<u>Schedule of Non-Cash Investing, Capital, and Financing Activities:</u>						
Net impact of accruals related to capital assets.	\$ 32,469	\$ 63,142	\$ -	\$ -	\$ 95,611	-
Capital contributions from Governmental Activities.	\$ 592,579	\$ 82,147	\$ 2,241,046	\$ -	\$ 2,915,772	-

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

City of Kent, Ohio
Statement of Fiduciary Net Position
Custodial Fund
December 31, 2020

	Custodial Fund
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 151,715
Receivables:	
Accounts	7,218
Total Assets	<u>158,933</u>
LIABILITIES	
Due to External Parties	146,347
Total Liabilities	<u>146,347</u>
NET POSITION	
Individuals, Organizations, and Other Governments	12,586
Total Net Position	<u>\$ 12,586</u>

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

City of Kent, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Year Ended December 31, 2020

	Custodial Fund
ADDITIONS	
Licenses, Permits, & Fees Distributions for Other Governments	\$ 166,125
Miscellaneous	29,000
Total Additions	195,125
DEDUCTIONS	
Licenses, Permits, & Fees Distributions to Other Governments	168,515
Distributions to Individuals	5,858
Total Deductions	174,373
Net Increase in Fiduciary Net Position	20,752
Net Position - Beginning of Year	(8,166)
Net Position - End of Year	\$ 12,586

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

Notes to the Basic Financial Statements

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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, 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 and discretely presented 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. The discretely presented component unit is reported in a separate column in the government-wide financial statement to emphasize that it is legally separate from the 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 Organization's 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 not issue separate audited financial statements.

Discretely Presented Component Unit City of Kent Health District provides numerous health-related services to the citizens of Kent. Services include: 1) annual licensing and inspections of restaurants, food service establishments, food vending machines, public swimming pools, tattoo and body art establishments, sanitation vehicles and multiple use housing units; 2) inspections of public schools and child care centers; 3) inspections of private well and septic systems inside the city limits; 4) rodent and mosquito control programs; 5) communicable disease prevention and treatment programs; 6) health education and tobacco free programs.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Per Ohio Revised Code 3709.05, the District is a legally separate entity from the City. The City is reporting the District as a discretely presented component unit because the District provides a service on behalf of the City, to the benefit of the residents of the City and it does not provide a service for the City government that benefits the City government. The discrete method of presentation requires component unit data to be reported together with, but separately from the data of the primary government in the government-wide financial statements. The Health District operates on a fiscal year ending December 31. Separately issued financial statements can be obtained from the Budget and Finance Department, City of Kent, 930 Overholt Road, Kent, Ohio 44240, telephone (330) 678-8102.

Information in the following notes to the basic financial statements is applicable to the primary government. When information is provided relative to the component unit, it is specifically identified.

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

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-types activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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.

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.

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 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.

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, 2020
(Continued)

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.

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

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

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

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary fund is one custodial fund. The custodial fund is used to account for building code and state fees due to other governments.

C. Measurement Focus

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

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets along with deferred outflows of resources and current liabilities along with deferred inflows of resources generally are included on the balance sheet.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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.

Unearned revenue arises when assets are recognized before revenue recognition criteria has been satisfied.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Deferred Outflows/Inflows of Resources - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows related to pension and OPEB plans are explained in Notes 13 and 14.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB 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, 2020, but which were levied to finance year 2021 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, municipal income taxes, intergovernmental grants, special assessments, and charges for services. These amounts are deferred and recognized as inflows of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 27. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 13 and 14)

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.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

During 2020, The City's investments were limited to State Treasury Asset Reserve of Ohio (STAR Ohio), non-negotiable and negotiable certificates of deposits, United States Agency debt securities, and money market mutual funds. The City's investment in State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The city measures their investment in STAR Ohio as the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2020, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

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 2020 amounted to \$1,012,063, which includes \$425,576 assigned from other City funds.

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

F. Inventory

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2020 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 acquisition value as of the date received. The City capitalization threshold is \$10,000. 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.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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.

I. Interfund Balances

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

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 Health District 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 vesting method. An accrual for earned sick leave is made to the extent that is probable that benefits will result in termination payments. The amount is based on accumulated sick leave and employees’ wage rates at year-end, taking into consideration any limits specified in the Health District’s vesting policy. The Health District records a liability for accumulated unused sick leave for employees after ten years of current service with the Health District.

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. 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.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

However, claims and judgments, compensated absences 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 fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

L. Pensions/Other Postemployment Benefits (OPEB)

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

M. Fund Balance

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

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

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

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

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

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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

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

Fund Balance Policy. The City Council desires to maintain a prudent level of financial resources to guard its citizens against disruption of services in the event the City experiences unexpected short-term revenue shortfalls or unanticipated one-time expenditures. The City’s cash fund balance has been accumulated to meet this purpose, provided stability and flexibility to respond to financial adversity or strategic opportunities. The long-term plan is to maintain a rolling undesignated operating cash fund balance (which includes the portions of the General Fund, Street Construction, Maintenance and Repair Fund, Income Tax Fund, Income Tax Safety Fund, and Fire and Emergency Medical Services Fund that are not constrained by encumbrances or the City’s self-imposed limitations) that will be no less than a minimum 25 percent of current budgeted operating expenditures. Operating expenditures are deemed to be non-capital expenditures. In the event the undesignated operating cash fund balance exceeds 25 percent of annual operating expenditures and other financing uses (transfers out), the amount exceeding this percentage may be available for appropriation at the discretion of the Director of Budget and Finance and/or the City Manager with the approval of City Council. Any appropriations from the undesignated operating cash fund balance that will take the combined balances below the minimum 25 percent threshold requires special notification to that effect by City Administration at the time City Council consideration is requested (i.e. declaration of a Fund Balance Emergency), along with the usual approval of the City Council.

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

N. Net Position

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

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

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

O. Operating Revenues and Expenses

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

P. Contributions of Capital

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

Q. Interfund Activity

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

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

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2020.

S. Estimates

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

T. Budgetary Process

All funds, except the agency funds, the blended component unit (included as a nonmajor special revenue fund) and the discretely presented component unit, 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.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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

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

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

Note 3 – Changes in Accounting Principles and Restatement of Net Position

During the year, the City implemented the following Governmental Accounting Standards Board (GASB) Statements:

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statements information for certain component units. The implementation of this Statement did not have an effect on the financial statements of the City.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. These changes were incorporated in the City's 2020 financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs).

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

The implementation of this Statement had the following effect on net position as of December 31, 2019:

	Business-Type Activities			
Net Position December 31, 2019	\$ 49,397,662			
Adjustments:				
GASB Statement No. 83	(4,302,222)			
Restated Net Position December 31, 2019	<u>\$ 45,095,440</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Storm Water Drainage</u>	<u>Solid Waste</u>
Net Position December 31, 2019	\$ 14,024,599	\$ 20,218,358	\$ 15,142,483	\$ 852,291
Adjustments:				
GASB Statement No. 83	(4,302,222)	-	-	-
Restated Net Position December 31, 2019	<u>\$ 9,722,377</u>	<u>\$ 20,218,358</u>	<u>\$ 15,142,483</u>	<u>\$ 852,291</u>

Note 4 – Accountability and Compliance

Fund Deficits

As of December 31, 2020, the City did not report deficit fund balances. 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, Parks and Recreation, Income Tax Safety, and the Fire and Emergency Medical Services funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the inventory is used, the prepaid is consumed, and the liability is incurred (GAAP basis);
3. Investments reported at fair value (GAAP) rather than cost (budget basis);
4. The Income Tax Fund is included in the General Fund (GAAP basis), but has a separate legally adopted budget (budget basis); and

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

5. Encumbrances are treated as expenditures (budget basis) rather than as a part of restricted, committed, and assigned fund balances (GAAP basis).

The table on the next page summarizes the adjustments necessary to reconcile the budgetary basis statements to the GAAP basis statements for the General Fund and for the three major special revenue funds.

	General	Parks and Recreation	Income Tax Safety	Fire and Emergency Medical Services
Fund Balance - Budget Basis	\$ 5,648,756	\$ 282,785	\$ 1,599,341	\$ 2,512,407
Net Adjustments:				
Revenue Accruals	5,079,622	1,190,215	806,009	783,143
Deferred Inflows	(2,438,044)	(1,185,385)	(262,584)	(262,584)
Expenditure Accruals	(113,783)	(39,408)	(203,111)	(159,957)
Assets Held for Resale	134,500	-	-	-
Inventories/Prepays	38,914	1,137	150,988	62,866
Investment Valuation	733,362	-	-	-
Funds Budgeted elsewhere	6,511,158	-	-	-
Encumbrances	331,765	145,098	64,478	1,373,211
Fund Balance - GAAP Basis	<u>\$ 15,926,250</u>	<u>\$ 394,442</u>	<u>\$ 2,155,121</u>	<u>\$ 4,309,086</u>

Note 6 - Deposits and Investments

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

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

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, 2020
(Continued)

- 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).

Custodial Credit Risk: Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC), as well as qualified securities pledged by the institution holding the assets. Ohio law requires that deposits either be insured or protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. The City's financial institution had enrolled in OPCS as of December 31, 2020.

Cash on Hand

At December 31, 2020, the City had \$1,105 in undeposited cash on hand, which is included on the balance sheet of the City as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

At December 31, 2020, the carrying value of the City's deposits was \$12,086,552 (including \$304,865 of component unit cash). The cash balances per the banks were \$4,204,645, of which \$739,753 was insured by Federal depository insurance and \$1,764,260 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name, and \$1,700,632 was uninsured and uncollateralized. The City's financial institutions were approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System, resulting in the uninsured and uncollateralized balance.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Investments

STAR Ohio is measured at net asset value per share while all other investments are measured at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The City's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs). The table below identifies the City's recurring fair value measurement as of December 31, 2020. As previously discussed, Star Ohio is reported at its net asset value.

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates. All other investments of the City are valued using quoted market prices. At December 31, 2020, fair value was \$759,174 above the City's net cost for investments.

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

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

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

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

As of December 31, 2020, the City had the following investments and investment maturities:

<u>Investment Type</u>	<u>Measurement Value</u>	<u>Credit Rating</u>	<u>Investment Maturity</u>	<u>Level</u>	<u>Percentage of Investments</u>
Star Ohio	\$ 3,632,242	AAAm	Daily	N/A	12.23%
U.S. Agencies Debt Securities	12,066,686	AA+	Various Maturities	2	40.62%
Money Market Mutual Funds	59,168	N/A	Daily	N/A	0.20%
Negotiable Certificate of Deposit	13,945,562	N/A	Various Maturities	2	46.95%
Total Investments	<u>\$ 29,703,658</u>				<u>100.00%</u>

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments to the Statement of Net Position as of December 31, 2020.

Investments	\$ 29,703,658
Carrying amount of the City's Deposits	12,086,552
Cash on Hand	1,105
Total	<u>\$41,791,315</u>
 <i>Governmental Activities</i>	
Governmental Funds	
Equity in Pooled Cash and Cash Equivalents	\$ 31,674,767
Cash and Cash Equivalents in Segregated Accounts	64,861
Internal Service Funds	
Equity in Pooled Cash and Cash Equivalents	<u>1,219,764</u>
Total Governmental Activities	<u>32,959,392</u>
 <i>Business-Type Activities</i>	
Enterprise Funds	
Equity in Pooled Cash and Cash Equivalents	<u>8,375,343</u>
 <i>Custodial Fund</i>	
	<u>151,715</u>
 <i>Component Unit</i>	
	<u>304,865</u>
Total	<u>\$ 41,791,315</u>

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(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	Parks and Recreation	Income Tax Safety	Fire and Emergency Medical Services	Capital Projects	Other Governmental Funds	Total
<i>Nonspendable</i>							
Prepaid Items	\$ 42,722	\$ 1,137	\$ 117,962	\$ 62,866	\$ 6,978	\$ 20,742	\$ 252,407
Inventories	-	-	33,026	-	-	386,307	419,333
Interfund Balances	1,612,000	-	-	-	-	-	1,612,000
Assets Held for Resale	134,500	-	-	-	-	-	134,500
<i>Total Nonspendable</i>	<u>1,789,222</u>	<u>1,137</u>	<u>150,988</u>	<u>62,866</u>	<u>6,978</u>	<u>407,049</u>	<u>2,418,240</u>
<i>Restricted for</i>							
Police Pension	-	-	-	-	-	72,493	72,493
Fire Pension	-	-	-	-	-	84,616	84,616
Public Safety	-	-	2,004,133	4,246,220	-	329,462	6,579,815
Other Law Enforcement	-	-	-	-	-	57,577	57,577
Streets and Highways	-	-	-	-	-	2,120,961	2,120,961
Parks and Recreation	-	393,305	-	-	-	-	393,305
Swimming Pool Inspections	-	-	-	-	-	58,755	58,755
Community Development	-	-	-	-	-	1,592,980	1,592,980
Debt Service	-	-	-	-	-	402,007	402,007
Police Facilities	-	-	-	-	-	1,912,543	1,912,543
Muni PI TIF	-	-	-	-	-	587,186	587,186
<i>Total Restricted</i>	<u>-</u>	<u>393,305</u>	<u>2,004,133</u>	<u>4,246,220</u>	<u>-</u>	<u>7,218,580</u>	<u>13,862,238</u>
<i>Committed to</i>							
Public Facilities and Programs	2,430,078	-	-	-	-	-	2,430,078
Capital Improvement	-	-	-	-	8,171,990	-	8,171,990
<i>Total Committed</i>	<u>2,430,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,171,990</u>	<u>-</u>	<u>10,602,068</u>
<i>Assigned to</i>							
Community and Economic Development	106,075	-	-	-	-	-	106,075
General Governance	215,389	-	-	-	-	-	215,389
<i>Total Assigned</i>	<u>321,464</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>321,464</u>
<i>Unassigned</i>	11,385,486	-	-	-	-	-	11,385,486
Total Fund Balances	<u><u>\$ 15,926,250</u></u>	<u><u>\$ 394,442</u></u>	<u><u>\$ 2,155,121</u></u>	<u><u>\$ 4,309,086</u></u>	<u><u>\$ 8,178,968</u></u>	<u><u>\$ 7,625,629</u></u>	<u><u>\$ 38,589,496</u></u>

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 8 - Income Taxes

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

Note 9 - Property Taxes and Payments in Lieu of Taxes

Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the City. The assessed value upon which the 2019 tax levy was based was \$419,629,880.

Real property taxes received by the City in a calendar year are levied on January 1 of the preceding calendar year on assessed values as of January 1 of the preceding year, the lien date. The assessed value of real property (including public utility real property) is established by the County Auditor at 35 percent of estimated true value. A revaluation of all property is required to be completed no less than every six years, with a statistical update every third year. The last revaluation was completed in 2015. Public utility personal property is assessed at 88 percent of actual value (1997-2004) and 67 percent of actual value (2005-2008).

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

Payments in Lieu of Taxes

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

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 10 – Interfund Activities

As of December 31, 2020, individual funds due to/from other funds that resulted from various interfund transactions were as follows:

<u>RECEIVABLE FUND</u>	PAYABLE FUND			
	<i>Governmental Activities</i>		<i>Business-Type Activities</i>	
	Nonmajor	Internal Service	Nonmajor - Solid Waste	Total
<i>Governmental Funds</i>				
General	\$ 75,000	\$ 1,525,000	\$ 12,000	\$ 1,612,000

Interfund balances were used primarily to provide capital to expand the utility infrastructure which facilitates new development. The balances were also used to provide the initial cash for expenditure driven grant funds and provide funds to the parks and recreation fund for the purchase of land. The interfund receivable/payable between the General Fund and the Internal Service Fund was for the purpose of providing additional resources to the Internal Service Fund due to significant claims paid in prior periods. The City has put in place efforts to repay these outstanding interfund balances in future periods.

Transfers made during the year ended December 31, 2020 were as follows:

	TRANSFERS OUT
	<i>Governmental</i>
	General
TRANSFERS IN	
<i>Governmental Funds</i>	
Parks and Recreation	\$ 3,060
Income Tax Safety	3,701,454
Fire and Emergency Medical Services	2,101,454
Nonmajor Fund	60,000
Total Governmental Activities	\$ 5,865,968

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

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

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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 \$95,000 is covered by PACE-Gerber.

The claims liability of \$163,789 reported in the fund at December 31, 2020, 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 2019 and 2020 were:

	<u>Beginning of Year</u>	<u>Claims</u>	<u>Payments</u>	<u>End of Year</u>
2019	\$ 130,539	\$ 3,157,856	\$ 3,060,267	\$ 228,128
2020	228,128	2,601,240	2,665,579	163,789

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 2020, the City contracted with several companies for various types of insurance as follows:

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

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

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 12 - Capital Assets

Capital asset activity for the year ended December 31, 2020, was as follows:

	Balance 12/31/2019	Additions	Deletions	Balance 12/30/2020
Governmental Activities				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 11,159,071	\$ -	\$ -	\$ 11,159,071
Construction in Progress	33,791,493	1,150,191	(18,502,907)	16,438,777
<i>Total Capital Assets, Not Being Depreciated</i>	<u>44,950,564</u>	<u>1,150,191</u>	<u>(18,502,907)</u>	<u>27,597,848</u>
<i>Capital Assets, Being Depreciated</i>				
Buildings, Structures and Improvements	13,627,599	-	-	13,627,599
Machinery and Equipment	11,807,631	592,897	(597,018)	11,803,510
Infrastructure				
Roads	59,032,978	11,658,692	-	70,691,670
Bridges	4,540,122	-	-	4,540,122
Sidewalks	1,389,157	1,265,149	-	2,654,306
Traffic Signals	4,117,179	2,662,633	-	6,779,812
<i>Total Capital Assets, Being Depreciated</i>	<u>94,514,666</u>	<u>16,179,371</u>	<u>(597,018)</u>	<u>110,097,019</u>
Less Accumulated Depreciation				
Buildings, Structures and Improvements	(6,342,918)	(254,082)	-	(6,597,000)
Machinery and Equipment	(6,901,666)	(643,043)	494,621	(7,050,088)
Infrastructure				
Roads	(30,845,248)	(1,484,050)	-	(32,329,298)
Bridges	(1,339,661)	(91,858)	-	(1,431,519)
Sidewalks	(76,681)	(75,729)	-	(152,410)
Traffic Signals	(1,510,786)	(263,693)	-	(1,774,479)
<i>Total Accumulated Depreciation</i>	<u>(47,016,960)</u>	<u>(2,812,455) *</u>	<u>494,621</u>	<u>(49,334,794)</u>
Total Capital Assets Being Depreciated, Net	<u>47,497,706</u>	<u>13,366,916</u>	<u>(102,397)</u>	<u>60,762,225</u>
Governmental Activities Capital Assets, Net	<u>\$ 92,448,270</u>	<u>\$ 14,517,107</u>	<u>\$ (18,605,304)</u>	<u>\$ 88,360,073</u>

* Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Security of Persons and Property	\$443,706
Leisure Time Activities	210,419
Community Development	14,607
Transportation	2,079,933
General Government	63,790
<i>Total</i>	<u>\$2,812,455</u>

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Business Type Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 1,825,536	\$ -	\$ -	\$ 1,825,536
Construction	3,156,603	427,143	(1,496,213)	2,087,533
<i>Total Capital Assets, Not Being Depreciated</i>	4,982,139	427,143	(1,496,213)	3,913,069
<i>Capital Assets Being Depreciated</i>				
Building, Structures & Improvement	14,721,254	-	-	14,721,254
Machinery and Equipment	11,286,310	159,058	-	11,445,368
Infrastructure				
Water Lines	18,774,421	1,611,085	-	20,385,506
Sewer Lines	28,996,366	539,940	-	29,536,306
Storm Water Line	19,957,099	2,260,960	-	22,218,059
<i>Total Capital Assets Being Depreciated</i>	93,735,450	4,571,043	-	98,306,493
Less Accumulated Depreciation				
Building, Structures & Improvements	(11,260,878)	(284,857)	-	(11,545,735)
Machinery and Equipment	(8,595,198)	(307,481)	-	(8,902,679)
Infrastructure				
Water Lines	(7,665,211)	(369,791)	-	(8,035,002)
Sewer Lines	(11,151,982)	(584,046)	-	(11,736,028)
Storm Water Line	(6,457,741)	(433,133)	-	(6,890,874)
<i>Total Accumulated Depreciation</i>	(45,131,010)	(1,979,308) *	-	(47,110,318)
Total Capital Assets Being Depreciated, Net	48,604,440	2,591,735	-	51,196,175
<i>Business Type Activities Capital Assets, Net</i>	\$ 53,586,579	\$ 3,018,878	\$ (1,496,213)	\$ 55,109,244

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

Business-Type Activities	
Water Fund	\$615,468
Sewer Fund	913,377
Storm Water Drainage Fund	450,463
	<u>\$1,979,308</u>

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Capital asset activity for the component unit the year ended December 31, 2020, was as follows:

	Balance 12/31/19	Additions	Deletions	Balance 12/31/20
Component Unit				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 36,630	\$ -	\$ -	\$ 36,630
<i>Capital Assets, Being Depreciated:</i>				
Vehicles, Machinery and Equipment	99,012			99,012
Less Accumulated Depreciation:				
Vehicles, Machinery and Equipment	(57,058)	(6,706)	-	(63,764)
Total Capital Assets, Being Depreciated, Net	41,954	(6,706)	-	35,248
Component Unit Capital Assets, Net	\$ 78,584	\$ (6,706)	\$ -	\$ 71,878

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City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 13 – Defined Benefit Pension Plans

Net Pension Liability/Asset

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

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

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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

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

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

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

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

The OPERS Board of Trustees approved a proposal at its October 2019 meeting to create a new tier of membership in the OPERS traditional pension plan. OPERS currently splits its non-retired membership into Group A, B or C depending on age and service criteria. Retirement Group D would consist of OPERS contributing members hired in 2022 and beyond. Group D will have its own eligibility standards, benefit structure and unique member features designed to meet the changing needs of Ohio public workers. It also will help OPERS address expected investment market volatility and adjust to the lack of available funding for health care.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

	State and Local
2020 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2020 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0
Total Employer	14.0 %
 Employee	 10.0 %

* Member contributions within combined plan are not used to fund the defined benefit retirement allowance

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with remainder going to pension.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2020 for the Traditional and Combined plans. The portion of the employer's contribution allocated to health care was 4% for the Member-Directed plan for 2020. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's (including the component unit) contractually required contributions was \$1,202,215 for fiscal year ending December 31, 2020.

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

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

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

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

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

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the members' base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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

	<u>Police</u>	<u>Firefighters</u>
2020 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2020 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,458,449 for 2020. Of this amount, \$23,814 is reported as accrued wages and benefits.

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

The net pension liability/asset for OPERS was measured as of December 31, 2019, and the total pension liability/asset used to calculate the net pension liability/asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net pension liability/asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

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

	<u>OPERS Traditional Pension Plan</u>	<u>OPERS Combined Pension Plan</u>	<u>OP&F Police</u>	<u>OP&F Fire</u>	<u>Total</u>
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.060919%	0.046018%	0.1450880%	0.1532900%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	<u>0.060006%</u>	<u>0.049344%</u>	<u>0.1406797%</u>	<u>0.1516448%</u>	
Change in Proportionate Share	<u>-0.000913%</u>	<u>0.003326%</u>	<u>-0.0044083%</u>	<u>-0.0016452%</u>	
Proportionate Share of the Net Pension Liability/(Asset) - City of Kent	\$ 11,268,927	\$ (97,761)	\$ 9,476,933	\$ 10,215,601	\$ 30,863,700
Proportionate Share of the Net Pension Liability - Component Unit	591,666	(5,133)	-	-	586,533
Pension Expense	\$ 1,964,957	\$ 9,523	\$ 1,222,469	\$ 1,359,087	\$ 4,556,036

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F Police	OP&F Fire	Total	Component Unit - OPERS
Deferred Outflows of Resources					
Changes of assumptions	\$ 611,975	\$ 232,633	\$ 250,767	\$ 1,095,375	\$ 32,131
Differences between expected and actual experience	-	358,733	386,691	745,424	-
Changes in proportion and differences between City contributions and proportionate share of contributions	57,422	116,629	188,454	362,505	3,010
City contributions subsequent to the measurement date	1,142,242	694,986	763,463	2,600,691	59,973
Total Deferred Outflows of Resources	<u>\$ 1,811,639</u>	<u>\$ 1,402,981</u>	<u>\$ 1,589,375</u>	<u>\$ 4,803,995</u>	<u>\$ 95,114</u>
Deferred Inflows of Resources					
Net difference between projected and actual earnings on pension plan investments	\$ 2,260,577	\$ 457,813	\$ 493,497	\$ 3,211,887	\$ 118,690
Differences between expected and actual experience	165,429	488,765	526,860	1,181,054	8,686
Changes in proportion and differences between City contributions and proportionate share of contributions	129,993	292,875	142,413	565,281	6,698
Total Deferred Inflows of Resources	<u>\$ 2,555,999</u>	<u>\$ 1,239,453</u>	<u>\$ 1,162,770</u>	<u>\$ 4,958,222</u>	<u>\$ 134,074</u>

\$2,600,691 for the City and \$59,973 for the component unit are reported as deferred outflows of resources related to pension resulting from City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension (including the component unit) will be recognized in pension expense as follows:

	OPERS	OP&F Police	OP&F Fire	Total	Component Unit - OPERS
Year Ending December 31:					
2021	\$ (288,551)	\$ (88,177)	\$ (53,715)	\$ (430,443)	\$ (15,150)
2022	(775,485)	(69,809)	(9,669)	(\$854,963)	(40,716)
2023	88,475	153,321	234,357	\$476,153	4,645
2024	(901,808)	(464,364)	(455,131)	(\$1,821,303)	(47,349)
2025	(3,109)	(62,429)	(52,700)	(118,238)	(163)
Thereafter	(6,124)	-	-	(6,124)	(200)
Total	<u>\$ (1,886,602)</u>	<u>\$ (531,458)</u>	<u>\$ (336,858)</u>	<u>\$ (2,754,918)</u>	<u>\$ (98,933)</u>

Actuarial Assumptions - OPERS

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

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Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 10.75 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2020, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

The total pension asset in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 8.25 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2020, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the previously described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

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

City of Kent, Ohio
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For the Year Ended December 31, 2020
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OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was at a loss of 17.2 percent for 2019.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.83 %
Domestic Equities	19.00	5.75
Real Estate	10.00	5.20
Private Equity	12.00	10.70
International Equities	21.00	7.66
Other investments	13.00	4.98
Total	<u>100.00 %</u>	5.61 %

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent, post-experience study results. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.2 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

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

City's proportionate share of the net pension liability/(asset)	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Traditional Pension Plan	\$ 18,586,107	\$ 11,268,927	\$ 4,690,997
Combined Plan	\$ (59,071)	\$ (97,761)	\$ (125,645)

Component Unit's proportionate share of the net pension liability/(asset)	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Traditional Pension Plan	\$ 975,849	\$ 591,666	\$ 246,297
Combined Plan	\$ (3,102)	\$ (5,133)	\$ (6,597)

Changes Between Measurement Date and Report Date

Subsequent to December 31, 2019, the global economy was impacted by the COVID-19 pandemic and market volatility increased significantly. It is likely that 2020 investment market conditions and other economic factors will be negatively impacted; however, the overall impact on the OPERS investment portfolio and funding position is unknown at this time.

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2019 is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2019, are presented below:

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple, 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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For the Year Ended December 31, 2020
(Continued)

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Mortality rates for active members were based on the RP2014 Total employee and Healthy Annuitant Mortality Tables rolled back to 2006, and projected with the Conduent Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019 are summarized on the next page:

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Asset Class	Target Allocation	10 year Expected Real Rate of Return **	30 year Expected Real Rate of Return **
Cash and Cash Equivalents	0.00 %	0.10 %	1.00 %
Domestic Equity	16.00	3.90	5.40
International Equity	16.00	4.70	5.80
Core Fixed Income *	23.00	1.10	2.70
U.S. Inflation Linked Bonds *	17.00	0.40	2.50
High Yield Fixed Income	7.00	2.50	4.70
Private Real Estate	12.00	5.40	6.40
Private Markets	8.00	6.10	8.00
Midstream Energy Infrastructure	8.00	5.80	6.60
Private Credit	5.00	4.80	5.50
Real Assets	8.00	6.90	7.40
Total	120.00 %		

Note: Assumptions are geometric

* levered 2x

** numbers are net of expected inflation

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

Discount Rate The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$ 27,293,168	\$ 19,692,534	\$ 13,335,358

City of Kent, Ohio
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For the Year Ended December 31, 2020
(Continued)

Changes Between Measurement Date and Report Date

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures may impact subsequent periods of OP&F, including the fair value of OP&F's investment portfolio. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that may be recognized in subsequent periods cannot be determined with half of the fiscal year remaining. In addition, the impact on the OP&F's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Note 14 – Defined Benefit OPEB Plans

Net OPEB Liability

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

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide health care to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

City of Kent, Ohio
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For the Year Ended December 31, 2020
(Continued)

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for post-employment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty 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 75. See OPERS' Comprehensive Annual Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 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-employment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.0 percent.

City of Kent, Ohio
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(Continued)

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's (including the component unit) contractually required contribution was \$15,524 for 2020.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) a cost-sharing, multiple-employer defined post-employment healthcare plan that provides various levels of health care to retired, disabled and beneficiaries, as well as their dependents. On January 1, 2019, OP&F changed the way it supports retiree health care. A stipend-based health care model has replaced the self-insured group health care plan that had been in place. A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

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 Government Accounting Standards Board (GASB) Statement No. 75.

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. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 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. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

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

The City's contractually required contribution to OP&F was \$34,533 for 2020. Of this amount, \$507 is reported as an accrued wages and benefits.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net OPEB Liability Prior Measurement Date	0.060558%	0.298378%	
Proportion of the Net OPEB Liability Current Measurement Date	<u>0.059785%</u>	<u>0.292324%</u>	
Change in Proportionate Share	<u><u>-0.000773%</u></u>	<u><u>-0.006054%</u></u>	
Proportionate Share of the Net OPEB Liability - City of Kent	\$ 7,845,918	\$ 2,887,502	\$ 10,733,420
Proportionate Share of the Net OPEB Liability - Component Unit	411,944	-	411,944
OPEB Expense	\$ 972,772	\$ 330,743	\$ 1,303,515

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At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>	<u>Component Unit - OPERS</u>
Deferred Outflows of Resources				
Differences between expected and actual experience	\$ 210	\$ -	\$ 210	\$ 11
Changes of assumptions	1,241,926	1,688,144	2,930,070	65,206
Changes in proportion and differences between City contributions and proportionate share of contributions	52,155	211,004	263,159	2,993
City contributions subsequent to the measurement date	<u>14,750</u>	<u>34,533</u>	<u>49,283</u>	<u>774</u>
Total Deferred Outflows of Resources	<u>\$ 1,309,041</u>	<u>\$ 1,933,681</u>	<u>\$ 3,242,722</u>	<u>\$ 68,984</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$ 717,545	\$ 310,523	\$ 1,028,068	\$ 37,674
Changes of assumptions	-	615,369	615,369	-
Net difference between projected and actual earnings on OPEB plan investments	399,510	132,871	532,381	20,976
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>57,625</u>	<u>36,045</u>	<u>93,670</u>	<u>2,911</u>
Total Deferred Inflows of Resources	<u>\$ 1,174,680</u>	<u>\$ 1,094,808</u>	<u>\$ 2,269,488</u>	<u>\$ 61,561</u>

\$49,283 of the City and \$774 of the component unit is reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB (including the component unit) will be recognized in OPEB expense as follows:

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>	<u>Component Unit - OPERS</u>
2021	\$ 217,281	\$ 149,165	\$ 366,446	\$ 11,408
2022	73,076	149,166	222,242	3,837
2023	319	176,422	176,741	17
2024	(171,065)	133,452	(37,613)	(8,613)
2025	-	142,777	142,777	-
Thereafter	<u>-</u>	<u>53,358</u>	<u>53,358</u>	<u>-</u>
Total	<u>\$ 119,611</u>	<u>\$ 804,340</u>	<u>\$ 923,951</u>	<u>\$ 6,649</u>

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Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.16 percent
Prior Measurement date	3.96 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	2.75 percent
Health Care Cost Trend Rate	10.5 percent, initial 3.25 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006.

The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

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

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During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 19.70 percent for 2019.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	36.00 %	1.53 %
Domestic Equities	21.00	5.75
Real Estate Investment Trust	6.00	5.69
International Equities	23.00	7.66
Other investments	14.00	4.90
Total	100.00 %	4.55 %

Discount Rate A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met).

This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

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For the Year Ended December 31, 2020
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Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
City's proportionate share of the net OPEB liability	\$ 10,267,642	\$ 7,845,918	\$ 5,906,904
	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
Component Unit's proportionate share of the net OPEB liability	\$ 539,095	\$ 411,944	\$ 310,138

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$ 7,614,391	\$ 7,845,918	\$ 8,074,493
	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Component Unit's proportionate share of the net OPEB liability	\$ 399,788	\$ 411,944	\$ 423,945

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For the Year Ended December 31, 2020
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Changes between Measurement Date and Report Date

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

Actuarial Assumptions – OP&F

OP&F’s total OPEB liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations.

Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee’s entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	3.56 percent
Prior measurement date	4.66 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

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Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

Age	Police	Fire
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

Age	Police	Fire
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019, are summarized below:

Asset Class	Target Allocation	10 year Expected Real Rate of Return **	30 year Expected Real Rate of Return **
Cash and Cash Equivalents	0.00 %	0.10 %	1.00 %
Domestic Equity	16.00	3.90	5.40
Non-US Equity	16.00	4.70	5.80
Core Fixed Income *	23.00	1.10	2.70
U.S. Inflation Linked Bonds *	17.00	0.40	2.50
High Yield Fixed Income	7.00	2.50	4.70
Real Estate	12.00	6.90	7.40
Private Markets	8.00	6.10	8.00
Master Limited Partnerships	8.00	5.80	6.60
Private Credit	5.00	4.80	5.50
Real Assets	8.00	6.90	7.40
Total	120.00 %		

Note: Assumptions are geometric

* levered 2x

** numbers are net of expected inflation

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For the Year Ended December 31, 2020
(Continued)

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

Discount Rate The total OPEB liability was calculated using the discount rate of 3.56 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.56 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2031. The long-term expected rate of return on health care investments was applied to projected costs through 2031, and the municipal bond rate was applied to all health care costs after that date

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.56 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.56 percent), or one percentage point higher (4.56 percent) than the current rate.

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
City's proportionate share of the net OPEB liability	\$ 3,580,316	\$ 2,887,502	\$ 2,311,822

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Net OPEB liability is sensitive to changes in the health care cost trend rate because it is based on a medical benefit that is a flat dollar amount.

Note 15 – Other Employee Benefits

A. Compensated Absences

Accumulated Unpaid Vacation and Compensatory Time City employees earn vacation leave ranging from 10 to 30 days per year based on length of service, except for firemen who accumulate vacation at rates from 6 to 14 tours of duty per year based on length of service. Accumulated vacation leave cannot exceed 15 days for some City employees, 5 tours of duty for firemen at the end of any year, and other City employees are not permitted to carry any accumulated vacation leave. All accumulated unused vacation time is paid upon termination. The total obligation for vacation and compensatory time accrual for the City, including salary-related payments, amounted to \$1,321,483 as of December 31, 2020.

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For the Year Ended December 31, 2020
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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 vested method and amounted to \$2,086,166 as of December 31, 2020.

Note 16 - Construction and Other Commitments

As of December 31, 2020, the City had capital contracts and retainage payables of \$211,548 and \$60,490 in governmental funds and business-type funds, respectively.

	<u>Contract Amount</u>
Governmental Activities	
2018 Street Program	\$ 57,738
N. Water St. Improvement	11,237
E. Main St. Area Improvement	69,354
New PD Landscaping Improvements	1,286
2019 Pavement Resurfacing	51,437
2020 Street Program	20,496
	211,548
Business-Type	
Valleyview/Morris Water & Storm Improvements	\$ 54,300
WRF Primary Clarifier	6,190
	60,490
Total	\$ 272,038

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.

City of Kent, Ohio
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For the Year Ended December 31, 2020
(Continued)

The minimum future rentals on the lease are as follows:

<u>Years</u>	
2021	\$ 30,000
2022	30,000
2022	30,000
2023	30,000
2024	30,000
Thereafter	<u>90,068</u>
Total	<u><u>\$ 240,068</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, 2020, the City's commitments for encumbrances in the governmental funds were as follows:

	<u>Encumbrances Outstanding</u>
Major Funds:	
General	\$ 321,464
Parks and Recreation	158,787
Income Tax Safety	63,776
Fire and Emergency Medical Services	1,366,970
Capital Projects	2,846,180
Nonmajor Governmental Funds	<u>3,025,894</u>
Total	<u><u>\$ 7,783,071</u></u>

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For the Year Ended December 31, 2020
(Continued)

Note 17 – Long-term Obligations

Changes in bonds and other long-term obligations of the City during 2020 were as follows:

	Principal Outstanding 12/31/19	Additions	Deletions	Principal Outstanding 12/31/20	Due Within One Year
Governmental Activities					
General Obligation Bonds:					
\$4,465,000 Safety Center Construction					
2015 2.00% - 5.00%	\$ 3,960,000	\$ -	\$ 135,000	\$ 3,825,000	\$ 140,000
Unamortized Premium	446,635	-	21,353	425,282	-
\$4,535,000 Safety Center Construction					
2014 2.00% - 5.00%	3,900,000	-	135,000	3,765,000	140,000
Unamortized Premium	329,384	-	16,538	312,846	-
\$1,295,000 Alley 4 Improvements					
2013 2.00% - 4.00%	1,020,000	-	60,000	960,000	60,000
\$4,195,000 Downtown Parking Improvements					
2013 2.00% - 5.00%	3,850,000	-	70,000	3,780,000	75,000
Unamortized Premium	91,888	-	4,117	87,771	-
\$930,000 Alley 5 Improvements					
2020 1.29%	-	930,000	-	930,000	80,000
\$2,145,000 Safety Center Construction					
2020 1.29%	-	2,145,000	-	2,145,000	185,000
<i>Total General Obligation Bonds</i>	<u>13,597,907</u>	<u>3,075,000</u>	<u>442,008</u>	<u>16,230,899</u>	<u>680,000</u>
Ohio Public Works Commission Loans - Direct Borrowings					
\$86,000 Elm-Mae-Morris Improvements					
2001 0.00%	4,300	-	2,150	2,150	2,150
\$197,760 Erie & Depeyster Street Reconstruction					
2012 0.00%	118,502	-	9,878	108,624	19,776
\$44,202 Rockwell/Whittier/Woodard Street Rehab					
2017 0.00%	37,572	-	2,210	35,362	4,420
\$150,000 S. Chestnut/Middlebury Road Rehab					
2017 0.00%	116,917	-	6,154	110,763	12,308
\$150,000 SR 43 Traffic Improvements					
2018 0.00%	337,104	-	-	337,104	-
\$250,000 East Summit Street Improvements					
2018 0.00%	250,000	-	12,500	237,500	25,000
\$7,905 SR 43 Traffic Improvements					
2020 0.00%	-	7,905	-	7,905	790
<i>Total Ohio Public Works Commission Loans</i>	<u>864,395</u>	<u>7,905</u>	<u>32,892</u>	<u>839,408</u>	<u>64,444</u>
Net Pension Liability					
OPERS	8,717,692	-	2,520,496	6,197,196	-
OP&F	24,355,529	-	4,662,995	19,692,534	-
<i>Total Net Pension Liability</i>	<u>33,073,221</u>	<u>-</u>	<u>7,183,491</u>	<u>25,889,730</u>	<u>-</u>
Net OPEB Liability					
OPERS	4,125,336	189,422	-	4,314,758	-
OP&F	2,717,191	170,311	-	2,887,502	-
<i>Total Net OPEB Liability</i>	<u>6,842,527</u>	<u>359,733</u>	<u>-</u>	<u>7,202,260</u>	<u>-</u>
Compensated Absences	3,337,370	957,364	1,072,782	3,221,952	1,021,575
<i>Total Governmental Activities</i>	<u>\$ 57,715,420</u>	<u>\$ 4,400,002</u>	<u>\$ 8,731,173</u>	<u>\$ 53,384,249</u>	<u>\$ 1,766,019</u>

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	Restated Principal Outstanding 12/31/19	Additions	Deletions	Principal Outstanding 12/31/20	Due Within One Year
Business-Type Activities					
General Obligation Bonds:					
\$200,000 Sanitary Sewer 2020 1.29%	\$ -	\$ 200,000	\$ -	\$ 200,000	\$ 50,000
Ohio Water Development Authority Loans - Direct Borrowings					
\$485,851 Kent-Ravenna Interconnect 2003 3.65%	127,102	-	30,073	97,029	31,181
\$4,372,503 Sanitary Sewer Improvements 2003 3.66%	1,532,854	-	256,449	1,276,405	265,921
\$271,200 Franklin Hills Waterline 2007 2.00%	114,520	-	14,300	100,220	14,587
Total Ohio Water Development Authority Loans	1,774,476	-	300,822	1,473,654	311,689
Ohio Public Works Commission Loans - Direct Borrowings					
\$46,694 Elm-Mae-Morris Improvements 2005 0.00%	18,675	-	1,168	17,507	2,335
\$52,650 Drainage Area Q - Phase 3 2007 0.00%	23,697	-	1,316	22,381	2,632
\$71,990 Erie & Depeyster Street Reconstruction 2012 0.00%	43,348	-	3,603	39,745	7,199
\$100,00 Drainage Area Q - Phase 5 2015 0.00%	80,000	-	2,500	77,500	5,000
\$54,006 Hudson Water Line Replacement 2019 0.00%	54,006	-	-	54,006	5,400
\$50,000 Valleyview/Morris Water and Storm Improvement 2020 0.00%	-	33,784	-	33,784	-
Total Ohio Public Works Commission Loans	219,726	33,784	8,587	244,923	22,566
<i>Net Pension Liability - OPERS</i>	7,134,481	-	2,062,750	5,071,731	-
<i>Net OPEB Liability - OPERS</i>	3,376,139	155,021	-	3,531,160	-
Asset Retirement Obligation	4,400,000	-	-	4,400,000	-
Compensated Absences	763,652	273,667	239,691	797,628	306,981
Total Business-Type Activities	\$ 17,668,474	\$ 662,472	\$ 2,611,850	\$ 15,719,096	\$ 691,236

Changes in long-term obligations of the component unit during 2020 were as follows:

	Outstanding 12/31/19	Additions	Deletions	Outstanding 12/31/20	Due Within One Year
<i>Net Pension Liability - OPERS</i>	\$ 832,306	\$ -	\$ 240,640	\$ 591,666	\$ -
<i>Net OPEB Liability - OPERS</i>	393,859	18,085	-	411,944	-
Compensated Absences	38,340	28,179	23,116	43,403	36,106
Total Long-term Liabilities	\$ 1,264,505	\$ 46,264	\$ 263,756	\$ 1,047,013	\$ 36,106

City of Kent, Ohio
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(Continued)

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2020 are as follows:

Governmental Activities					
Years	General Obligation Bonds		OPWC	Total	
	Principal	Interest	Principal	Principal	Interest
2021	\$ 680,000	\$ 570,718	\$ 64,444	\$ 744,444	\$ 570,718
2022	680,000	554,824	62,294	742,294	554,824
2023	705,000	536,856	62,294	767,294	536,856
2024	720,000	518,098	62,294	782,294	518,098
2025	755,000	498,815	62,150	817,150	498,815
2026-2030	4,055,000	2,150,386	188,828	4,243,828	2,150,386
2031-2035	3,500,000	1,505,906	-	3,500,000	1,505,906
2036-2040	3,395,000	696,600	-	3,395,000	696,600
2041-2043	915,000	93,000	-	915,000	93,000
Total	<u>\$ 15,405,000</u>	<u>\$ 7,125,203</u>	<u>\$ 502,304</u>	<u>\$ 15,907,304</u>	<u>\$ 7,125,203</u>

Business-Type Activities					
Years	OWDA Loans		OPWC	Total	
	Principal	Interest	Principal	Principal	Interest
2021	\$ 311,689	\$ 49,497	\$ 22,566	\$ 334,255	\$ 49,497
2022	322,953	38,233	22,566	345,519	38,233
2023	334,626	26,558	22,566	357,192	26,558
2024	311,973	14,772	22,566	334,539	14,772
2025	168,122	3,511	22,720	190,842	3,511
2026-2030	24,291	488	70,658	94,949	488
2031-2035	-	-	25,000	25,000	-
2036	-	-	2,497	2,497	-
Total	<u>\$ 1,473,654</u>	<u>\$ 133,059</u>	<u>\$ 211,139</u>	<u>\$ 1,684,793</u>	<u>\$ 133,059</u>

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

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

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

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

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The City's direct borrowings from OWDA contain a provision that in an event of default the amount of such default shall bear interest at the default rate from the due date until the date of payment. In addition to the interest, a late charge of one percent on the amount of each default shall also be paid to OWDA by the City from the pledged revenues for failure to make the payment.

In 2012, the City entered into a grant/loan agreement with OPWC for the reconstruction of Erie and Depeyster Streets. The OPWC loan was issued for \$269,750 at an interest rate of 0.00 percent and will mature in 2025. This loan is split between governmental and proprietary funds.

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

In 2017, the City entered into a loan agreement with OPWC for the rehab of Rockwell/Whittier/Woodard Streets. The OPWC loan was issued for \$44,202 at an interest rate of 0.00 percent and will mature in 2028. This loan will be paid from the Capital Projects Fund.

In 2017, the City entered into a loan agreement with OPWC for the rehab of South Chestnut/Middlebury Roads. The OPWC loan was issued for \$150,000 at an interest rate of 0.00 percent and will mature in 2035. This loan will be paid from the Capital Projects Fund.

In 2018, the City entered into a loan agreement with OPWC for SR 43 traffic improvements. The OPWC loan was issued for \$150,000 at an interest rate of 0.00 percent. This loan will be paid from the Capital Projects Fund. An amortization schedule has not been prepared by OPWC since the project is still ongoing.

In 2018, the City entered into a loan agreement with OPWC for East Summit street improvements. The OPWC loan was issued for \$250,000 at an interest rate of 0.00 percent. This loan will be paid from the Capital Projects Fund.

In 2019, the City entered into a loan agreement with OPWC for the Hudson Waterline Replacement. The OPWC loan was issued for \$54,006 at an interest rate of 0.00 percent. This loan will be paid from the Water and Storm Water Drainage Funds.

In 2020, the City entered into a loan agreement with OPWC for Valleyview/Morris Water and Storm Improvements. The OPWC loan was issued for \$50,000 at an interest rate of 0.00 percent. As of December 31, 2020, \$33,784 has been disbursed and an amortization schedule has not been prepared by OPWC since the project is still ongoing.

In 2020, the City entered into a loan agreement with OPWC for SR 43 traffic improvements. The OPWC loan was issued for \$7,905 at an interest rate of 0.00 percent. This loan will be paid from the Capital Projects Fund.

The City's total direct borrowings from OPWC contain a provision that in an event of default the amount of such default shall bear interest thereafter at the rate of 8 percent per annum until the date of payment, and outstanding amounts become immediately due. Also, OPWC may direct the county treasurer to pay the outstanding amount from the portion of the local government fund that would otherwise be remitted to the City.

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For the Year Ended December 31, 2020
(Continued)

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.

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

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

On December 1, 2020, the City issued general obligation bonds in the total amount of \$3,275,000. These bonds will fully mature on December 1, 2031 and they carried interest rate of 1.29 percent. The proceeds from these bonds will be used for the construction of Safety Center.

For governmental activities, compensated absences and net pension and OPEB liability are generally liquidated by the fund where the corresponding employee's salary and pension expenditure is recorded.

There is no repayment schedule for net pension and net OPEB liability. However, employer contributions are most significantly made from the general fund, the major special revenue funds, police and fire pension nonmajor funds and the major enterprise funds. See Notes 13 and 14 for further information regarding net pension and net OPEB liability.

See Note 25 for further information regarding the asset retirement obligation liability.

The City has the ability to issue \$6,446,797 of additional debt without obtaining voter approval.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 18 – Note Obligations

A summary of note transactions for the year ended December 31, 2020 follows:

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Governmental Activities				
2019, 2.250% - Fire Station	\$ 255,000	\$ -	\$ 255,000	\$ -
2019, 2.250% - Street Improvements	990,000	-	990,000	-
2019, 2.250% - Police Station	2,400,000	-	2,400,000	-
Unamortized Premium	22,040	-	22,040	-
<i>Total Governmental Activities</i>	<u>3,667,040</u>	<u>-</u>	<u>3,667,040</u>	<u>-</u>
Business-Type Activities				
Sewer Fund				
2019, 2.250% - Sanitary Sewer Trunk Lines	255,000	-	255,000	-
Unamortized Premium	1,542	-	1,542	-
<i>Total Sewer Fund</i>	<u>256,542</u>	<u>-</u>	<u>256,542</u>	<u>-</u>
Total	<u>\$ 3,923,582</u>	<u>\$ -</u>	<u>\$ 3,923,582</u>	<u>\$ -</u>

Note 19 – Conduit Debt

The City is party to certain conduit debt obligations:

Type	On Behalf of	Principal Outstanding December 31, 2020	Year Issued
Multi-Family Housing Revenue Bonds	Silver Meadows Apartments	<u>\$7,170,000</u>	1999

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

Note 20 - Contingent Liabilities

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

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

Note 21 - Jointly Governed Organization

Northeast Ohio Public Energy Council The City is a member of The Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity and natural gas.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

NOPEC is currently comprised of over 240 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.

Note 22 – Joint Ventures

Kent-Franklin Township Joint Economic Development District (JEDD) – In June 2006, the City of Kent and Franklin Township entered into a contract to create the Kent-Franklin Township JEDD, which is a statutorily created subdivision of the State of Ohio.

The JEDD was created to facilitate the economic development, to create or preserve jobs and employment opportunities, and to improve the economic welfare of the people in the State of Ohio, Portage County, the City of Kent, and Franklin Township. Each member of the five member Board of Directors is appointed to govern the District.

In 2020, the City received \$494,393 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 2020, the City received \$110,389 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 23 – Tax Abatement Disclosure

As of December 31, 2020, the City of Kent provides tax incentives under two different programs: The Community Reinvestment Area and the Job Creation Tax Credit Program.

City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Real Estate Tax Abatement

Pursuant to Ohio Revised Code Chapter 5709, the City established its first Community Reinvestment Area (CRA) in 1983, its second one in 2005 and its most recent one in April of 2015. The City of Kent authorized the maximum eligible real property tax exemption for each CRA through the enacting legislation for the three different Community Reinvestment Areas. The 1983 CRA was established under what are known as pre-1994 ORC regulations and do not require a separate agreement with each property owner receiving a real property tax exemption. The City's two other CRAs were established under the more current ORC requirements so the actual amount of the real property exemption and term are determined separately for each company and is based on investment amount, employment estimates, and payroll commitments, which are then formalized in a contractual agreement approved by Kent City Council. The eligible real property tax exemption is applied to the increase in the assessed property tax valuation resulting from the improvements. The amount of the real property tax exemption is deducted from the recipient's property tax bill. The establishment of the Community Reinvestment Areas assists the City with job creation and job retention projects in order to strengthen the City's income tax base.

Income Tax Abatement

The Kent Job Creation Tax Credit Program, created in 2011, is an economic development incentive offered to qualifying businesses that agree to create a specified number of new jobs and if the job creation commitment is met, the qualified business can receive a refundable tax credit up to a maximum of 24% of the municipal income tax withheld for the payroll generated by the new employees. Kent City Council may grant an income tax credit that exceeds 24%, if extenuating circumstances exist, and the spirit of the program is satisfied. "Extenuating circumstances" may include but are not limited to: a plausible threat that an existing company will relocate out of the City of Kent in the absence of this incentive; prolonged, adverse national economic conditions; or the creation of more than 50 new positions. The City's Job Creation Tax Credit Program is structured so that it is only available to businesses that also enter into a Job Creation Tax Credit Agreement with the State of Ohio. The business provides the City with annual verification from the State of Ohio that the terms of the State's agreement have been met and that the State of Ohio issued the company an income tax credit.

City Council's Incentive Criteria for Decision Making

The City of Kent has offered income tax incentives and CRA real property tax exemptions to various businesses based upon the level of investment, job creation and job retention resulting from a proposed project. Consideration is given to the quality of the jobs retained or created and the amount of capital investment when determining the level of incentive to award.

The following are the tax exemptions or other economic incentives provided in 2020, by the City, identified by dollar amount and type:

\$23,577	Total CRA I real property taxes exempted for four (2) active commercial CRA projects.
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City of Kent, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020
(Continued)

Note 24 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The investments of the pension and other employee benefit plan in which the City participates fluctuate with market conditions, and due to market volatility, the amounts of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Note 25 – ASSET RETIREMENT OBLIGATIONS

State and/or Federal laws and regulations require the City to go through a decommissioning process if their water treatment facilities were to close. Through the decommissioning process, the City would be responsible to remediate any public safety issues associated with their water treatment facilities. These asset retirement obligations (ARO) of \$4,400,000 associated with the City water treatment facilities were estimated by the City engineer. This asset was fully depreciated as of December 31, 2020.

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities. At this time, due to limitations associated with the existing plant's age and building materials within the plant, the engineer consulted would not have a reasonable estimate to calculate a liability for this year.

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

Traditional Plan	2020	2019	2018
City's Proportion of the Net Pension Liability	0.057013%	0.057880%	0.056804%
City's Proportionate Share of the Net Pension Liability	\$ 11,268,927	\$ 15,852,173	\$ 8,911,379
City's Covered Payroll	\$ 8,021,607	\$ 7,828,850	\$ 7,506,485
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	140.48%	202.48%	118.72%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%
Combined Plan	2020	2019	2018
City's Proportion of the Net Pension (Asset)	0.046882%	0.043722%	0.032748%
City's Proportionate Share of the Net Pension (Asset)	\$ (97,761)	\$ (48,891)	\$ (44,580)
City's Covered Payroll	\$ 208,700	\$ 175,850	\$ 134,115
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Payroll	46.84%	27.80%	33.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	145.28%	126.64%	137.28%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

2017	2016	2015	2014
0.058997%	0.059840%	0.058628%	0.058628%
\$ 13,397,215	\$ 10,365,044	\$ 7,071,191	\$ 6,911,477
\$ 7,635,042	\$ 7,443,358	\$ 7,211,608	\$ 7,057,815
175.47%	139.25%	98.05%	97.93%
77.25%	81.08%	86.45%	86.36%
2017	2016	2015	2014
0.033715%	0.033850%	0.012633%	0.012633%
\$ (18,765)	\$ (16,474)	\$ (4,864)	\$ (1,326)
\$ 131,233	\$ 108,792	\$ 46,525	\$ 43,892
14.30%	15.14%	10.45%	3.02%
116.55%	116.90%	114.83%	104.33%

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

Traditional Plan	2020	2019	2018
Component Unit's Proportion of the Net Pension Liability	0.002993%	0.003039%	0.002982%
Component Unit's Proportionate Share of the Net Pension Liability	\$ 591,666	\$ 832,306	\$ 467,885
Component Unit's Covered Payroll	\$ 421,171	\$ 399,314	\$ 394,246
Component Unit's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	140.48%	208.43%	118.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%
Combined Plan	2020	2019	2018
Component Unit's Proportion of the Net Pension (Asset)	0.002462%	0.002296%	0.001719%
Component Unit's Proportionate Share of the Net Pension (Asset)	\$ (5,133)	\$ (2,567)	\$ (2,341)
Component Unit's Covered Payroll	\$ 10,957	\$ 20,964	\$ 7,046
Component Unit's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Payroll	46.85%	12.24%	33.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	145.28%	126.64%	137.28%

(1) Information prior to 2018 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information



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

Police	2020	2019	2018
City's Proportion of the Net Pension Liability	0.1406797%	0.1450880%	0.1450792%
City's Proportionate Share of the Net Pension Liability	\$ 9,476,933	\$ 11,843,015	\$ 8,904,168
City's Covered Payroll	\$ 3,723,532	\$ 3,653,768	\$ 3,544,416
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	254.51%	324.13%	251.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.89%	63.07%	70.91%
Fire	2020	2019	2018
City's Proportion of the Net Pension Liability	0.1516448%	0.1532900%	0.1530062%
City's Proportionate Share of the Net Pension Liability	\$ 10,215,601	\$ 12,512,514	\$ 9,390,684
City's Covered Payroll	\$ 3,250,157	\$ 3,128,247	\$ 3,020,894
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	314.31%	399.98%	310.86%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.89%	63.07%	70.91%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

2017	2016	2015	2014
0.1431999%	0.1462218%	0.1401723%	0.1401723%
\$ 9,070,138	\$ 9,406,552	\$ 7,261,510	\$ 6,826,831
\$ 3,460,921	\$ 3,312,074	\$ 3,088,474	\$ 3,078,837
262.07%	284.01%	235.12%	221.73%
68.36%	66.77%	71.71%	73.00%
2017	2016	2015	2014
0.1480412%	0.1510256%	0.1481493%	0.1481493%
\$ 9,376,781	\$ 9,715,583	\$ 7,674,751	\$ 7,215,336
\$ 2,909,770	\$ 2,764,847	\$ 2,654,217	\$ 2,585,304
322.25%	351.40%	289.15%	279.09%
68.36%	66.77%	71.71%	73.00%

City of Kent, Ohio
Required Supplementary Information
Schedule of City Contributions - Pension
Ohio Public Employees Retirement System
Last Eight Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Contractually Required Contributions</u>			
Traditional Plan	\$ 1,170,432	\$ 1,181,989	\$ 1,151,943
Combined Plan	<u>31,783</u>	<u>30,752</u>	<u>27,554</u>
Total Required Contributions	\$ 1,202,215	\$ 1,212,741	\$ 1,179,497
Contributions in Relation to the Contractually Required Contribution	<u>(1,202,215)</u>	<u>(1,212,741)</u>	<u>(1,179,497)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll			
Traditional Plan	\$ 8,360,229	\$ 8,442,779	\$ 8,228,164
Combined Plan	\$ 227,021	\$ 219,657	\$ 196,814
<u>Pension Contributions as a Percentage of Covered Payroll</u>			
Traditional Plan	14.00%	14.00%	14.00%
Combined Plan	14.00%	14.00%	14.00%

(1) Information prior to 2013 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 1,027,095	\$ 916,205	\$ 893,203	\$ 865,393	\$ 917,516
<u>18,351</u>	<u>15,748</u>	<u>13,055</u>	<u>5,583</u>	<u>5,706</u>
\$ 1,045,446	\$ 931,953	\$ 906,258	\$ 870,976	\$ 923,222
<u>(1,045,446)</u>	<u>(931,953)</u>	<u>(906,258)</u>	<u>(870,976)</u>	<u>(923,222)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,900,731	\$ 7,635,042	\$ 7,443,358	\$ 7,211,608	\$ 7,057,815
\$ 141,162	\$ 131,233	\$ 108,792	\$ 46,525	\$ 43,892
13.00%	12.00%	12.00%	12.00%	13.00%
13.00%	12.00%	12.00%	12.00%	13.00%

City of Kent, Ohio
Required Supplementary Information
Schedule of Component Unit's Contributions - Pension
Ohio Public Employees Retirement System
Last Four Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Contractually Required Contributions</u>				
Traditional Plan	\$ 58,387	\$ 58,964	\$ 55,904	\$ 51,252
Combined Plan	1,586	1,534	2,935	916
Total Required Contributions	\$ 59,973	\$ 60,498	\$ 58,839	\$ 52,168
Contributions in Relation to the Contractually Required Contribution	(59,973)	(60,498)	(58,839)	(52,168)
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Component Unit's Covered Payroll</u>				
Traditional Plan	\$ 417,050	\$ 421,171	\$ 399,314	\$ 394,246
Combined Plan	\$ 11,329	\$ 10,957	\$ 20,964	\$ 7,046
<u>Pension Contributions as a Percentage of Covered Payroll</u>				
Traditional Plan	14.00%	14.00%	14.00%	13.00%
Combined Plan	14.00%	14.00%	14.00%	13.00%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information



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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Contractually Required Contributions</u>				
Police	\$ 694,986	\$ 707,471	\$ 694,216	\$ 673,439
Fire	<u>763,463</u>	<u>763,787</u>	<u>735,138</u>	<u>709,910</u>
Total Required Contributions	\$ 1,458,449	\$ 1,471,258	\$ 1,429,354	\$ 1,383,349
Contributions in Relation to the Contractually Required Contribution	<u>(1,458,449)</u>	<u>(1,471,258)</u>	<u>(1,429,354)</u>	<u>(1,383,349)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>City's Covered Payroll</u>				
Police	\$ 3,657,821	\$ 3,723,532	\$ 3,653,768	\$ 3,544,416
Fire	\$ 3,248,779	\$ 3,250,157	\$ 3,128,247	\$ 3,020,894
<u>Pension Contributions as a Percentage of Covered Payroll</u>				
Police	19.00%	19.00%	19.00%	19.00%
Fire	23.50%	23.50%	23.50%	23.50%

[1] – 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.

See accompanying notes to the required supplementary information

2016	2015	2014	2013	2012	2011
\$ 657,575	\$ 629,294	\$ 586,810	\$ 484,301	\$ 401,894	\$ 400,210
<u>683,796</u>	<u>649,739</u>	<u>623,741</u>	<u>523,007</u>	<u>452,940</u>	<u>442,026</u>
\$ 1,341,371	\$ 1,279,033	\$ 1,210,551	\$ 1,007,308	\$ 854,834	\$ 842,236
<u>(1,341,371)</u>	<u>(1,279,033)</u>	<u>(1,210,551)</u>	<u>(1,007,308)</u>	<u>(854,834)</u>	<u>(842,236)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,460,921	\$ 3,312,074	\$ 3,088,474	\$ 3,078,837	\$ 3,152,110	\$ 3,138,902
\$ 2,909,770	\$ 2,764,847	\$ 2,654,217	\$ 2,585,304	\$ 2,625,739	\$ 2,562,470
19.00%	19.00%	19.00%	[1]	12.75%	12.75%
23.50%	23.50%	23.50%	[1]	17.25%	17.25%

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

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.056803%	0.057537%	0.056228%	0.058530%
City's Proportionate Share of the Net OPEB Liability	\$ 7,845,918	\$ 7,501,475	\$ 6,105,925	\$ 5,911,729
City's Covered Payroll	\$ 8,230,180	\$ 8,345,442	\$ 7,964,462	\$ 8,088,762
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	95.33%	89.89%	76.66%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

City of Kent, Ohio
Required Supplementary Information
Schedule of the Component Unit's Proportionate Share of the Net OPEB Liability
Ohio Public Employees Retirement System
Last Three Years (1)

	2020	2019	2018
Component Unit's Proportion of the Net OPEB Liability	0.002982%	0.003021%	0.002952%
Component Unit's Proportionate Share of the Net OPEB Liability	\$ 411,944	\$ 393,859	\$ 320,587
Component Unit's Covered Payroll	\$ 432,256	\$ 438,309	\$ 418,300
Component Unit's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	95.30%	89.86%	76.64%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%

(1) Information prior to 2018 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the Component Unit's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

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

	2020	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.292324%	0.298378%	0.298085%	0.291240%
City's Proportionate Share of the Net OPEB Liability	\$ 2,887,502	\$ 2,717,191	\$ 16,889,106	\$ 13,824,508
City's Covered Payroll	\$ 6,973,689	\$ 6,782,015	\$ 6,565,310	\$ 6,370,691
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	41.41%	40.06%	257.25%	217.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.08%	46.57%	14.13%	15.96%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

City of Kent, Ohio
Required Supplementary Information
Schedule of City Contributions – OPEB
Ohio Public Employees Retirement System
Last Six Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 14,750	\$ 14,051	\$ 13,635	\$ 93,385	\$ 168,434	\$ 151,417
Contributions in Relation to the Contractually Required Contribution	<u>(14,750)</u>	<u>(14,051)</u>	<u>(13,635)</u>	<u>(93,385)</u>	<u>(168,434)</u>	<u>(151,417)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 8,527,474	\$ 8,230,180	\$ 8,345,442	\$ 7,964,462	\$ 8,088,762	\$ 7,832,214
Contributions as a Percentage of Covered Payroll	0.17%	0.17%	0.16%	1.17%	2.08%	1.93%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information



City of Kent, Ohio
Required Supplementary Information
Schedule of Component Unit's Contributions – OPEB
Ohio Public Employees Retirement System
Last Four Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually Required Contribution	\$ 774	\$ 738	\$ 716	\$ 668
Contributions in Relation to the Contractually Required Contribution	<u>(774)</u>	<u>(738)</u>	<u>(716)</u>	<u>(668)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Component Unit Covered Payroll	\$ 447,870	\$ 432,256	\$ 438,309	\$ 418,300
Contributions as a Percentage of Covered Payroll	0.17%	0.17%	0.16%	0.16%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually Required Contribution	\$ 34,533	\$ 34,869	\$ 33,910	\$ 32,827
Contributions in Relation to the Contractually Required Contribution	<u>(34,533)</u>	<u>(34,869)</u>	<u>(33,910)</u>	<u>(32,827)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 6,906,600	\$ 6,973,689	\$ 6,782,015	\$ 6,565,310
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

See accompanying notes to the required supplementary information

2016	2015	2014	2013	2012	2011
\$ 31,660	\$ 30,292	\$ 28,619	\$ 192,322	\$ 390,006	\$ 384,843
<u>(31,660)</u>	<u>(30,292)</u>	<u>(28,619)</u>	<u>(192,322)</u>	<u>(390,006)</u>	<u>(384,843)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,370,691	\$ 6,076,921	\$ 5,742,691	\$ 5,664,141	\$ 5,777,849	\$ 5,701,372
0.50%	0.50%	0.50%	3.62%	6.75%	6.75%

City of Kent, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2020

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2020.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2020, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%.

City of Kent, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2020
(Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the investment rate of return was reduced from 8.25 percent to 8.00 percent (b) the projected salary increases was reduced from 4.25% to 3.75% (c) the payroll increases was reduced from 3.75% to 3.25% (d) the inflation assumptions was reduced from 3.25% to 2.75% (e) the cost of living adjustments was reduced from 2.60% to 2.20% (f) rates of withdrawal, disability and service retirement were updated to reflect recent experience (g) mortality rates were updated to the RP-2014 Total Employee and Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2016 (h) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2016. For 2019-2020, there have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation of the pension plan as of the measurement date.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018 and 2020. For 2019, see below regarding changes to stipend-based model.

Changes in assumptions: For 2018, the single discount rate changed from 3.79 percent to 3.24 percent. For 2019, the changes of assumptions were: (a) beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend-based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years (b) beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5% (c) the single discount rate changed from 3.24 percent to 4.66 percent. For 2020, the single discount rate changed from 4.66 to 3.56.

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

Combining Statements and Individual Fund Schedules

Fund Descriptions – Nonmajor Governmental Funds

Non-Major Special Revenue Funds

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

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

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

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

CARES Act Fund- This fund accounts for grant proceeds provided to the local governments who have been financially impacted by the outbreak of COVID-19. The Coronavirus Aid, Relief and Economic Security Act (CARES Act) funding may only be used to cover costs that are necessary expenditures incurred in response to the COVID-19 outbreak.

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

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.

Combining Statements and Individual Fund Schedules

Fund Descriptions – Nonmajor Governmental Funds

Non-Major Special Revenue Funds (continued)

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

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

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

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

CHIP Grant Fund – This fund accounts for the revenue received from the State of Ohio Development Services Agency that provides grant funding to the City to assist low-to-moderate income homeowners with completing rehabilitation activities on single-family, owner-occupied residential properties. Rehabilitation activities correct code deficiencies and promote safe and decent housing.

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.

Escrow Fund – this fund holds deposits held by the City and received from a contractor, developer, or individual to ensure compliance with the ordinances of the City of Kent. Due to the implementation of GASB Statement No. 84, this fund was moved to a special revenue fund, but is not yet required to have a budget, therefor a budgetary schedule is not provided for this fund.

Combining Statements and Individual Fund Schedules

Fund Descriptions – Nonmajor Governmental Funds

Non-Major Special Revenue Funds (continued)

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

Nonmajor Debt Service Fund

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

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

Nonmajor Capital Projects Fund

The Capital Project fund is established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. A description of the City’s capital project fund follows:

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

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

City of Kent, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 3,433,200	\$ 402,007	\$ 2,247,231	\$ 6,082,438
Cash and Cash Equivalents:	-			
In Segregated Accounts	64,861	-	-	64,861
Materials and Supplies Inventory	386,307	-	-	386,307
Accrued Interest Receivable	4,172	-	-	4,172
Intergovernmental Receivable	568,456	-	-	568,456
Prepaid Items	20,742	-	-	20,742
Accrued Interest Receivable	-	-	366,653	366,653
Municipal Income Taxes Receivable	241,716	-	391,571	633,287
Property and Other Taxes Receivable	490,576	-	-	490,576
Special Assessments Receivable	5,641	-	-	5,641
Loans Receivable	438,606	-	-	438,606
Assets Held for Resale	365,000	-	-	365,000
Total Assets	\$ 6,019,277	\$ 402,007	\$ 3,005,455	\$ 9,426,739
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 143,092	\$ -	\$ 6,496	\$ 149,588
Accrued Wages and Benefits	45,325	-	-	45,325
Contracts and Retainage Payable	-	-	1,286	1,286
Interfund Payable	75,000	-	-	75,000
Unearned Revenue	116,321	-	-	116,321
Total Liabilities	379,738	-	7,782	387,520
Deferred Inflows of Resources:				
Property Taxes and PILOTs	463,219	-	366,653	829,872
Unavailable Revenue - Delinquent Property Taxes	17,927	-	-	17,927
Unavailable Revenue - Municipal Income Taxes	81,046	-	131,291	212,337
Unavailable Revenue - Other	353,454	-	-	353,454
Total Deferred Inflows of Resources	915,646	-	497,944	1,413,590
Fund Balances:				
Nonspendable	407,049	-	-	407,049
Restricted	4,316,844	402,007	2,499,729	7,218,580
Total Fund Balances	4,723,893	402,007	2,499,729	7,625,629
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,019,277	\$ 402,007	\$ 3,005,455	\$ 9,426,739

City of Kent, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Property Taxes	\$ 470,179	\$ -	\$ -	\$ 470,179
Municipal Income Taxes	1,084,267	-	1,743,620	2,827,887
Payments in Lieu of Taxes	-	-	455,412	455,412
Intergovernmental	3,858,015	-	-	3,858,015
Interest	49,066	-	-	49,066
Fines and Forfeitures	7,446	-	-	7,446
Charges for Services	58,345	-	-	58,345
Special Assessments	5,685	50,482	-	56,167
All Other Revenues	120,346	-	190,033	310,379
Total Revenues	<u>5,653,349</u>	<u>50,482</u>	<u>2,389,065</u>	<u>8,092,896</u>
EXPENDITURES				
Current:				
Security of Persons and Property	2,568,106	-	-	2,568,106
Community Development	647,623	-	5,870	653,493
Transportation	1,962,465	-	-	1,962,465
General Government	-	1,232	56,585	57,817
Capital Outlay	93,954	-	234,248	328,202
Debt Service:				
Principal Retirement	-	2,150	400,000	402,150
Interest and Fiscal Charges	-	2,820	583,070	585,890
Debt Issuance Costs	-	-	58,984	58,984
Total Expenditures	<u>5,272,148</u>	<u>6,202</u>	<u>1,338,757</u>	<u>6,617,107</u>
Excess of Revenues Over (Under) Expenditures	<u>381,201</u>	<u>44,280</u>	<u>1,050,308</u>	<u>1,475,789</u>
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	32,151	-	-	32,151
General Obligation Bonds Issued	-	-	3,075,000	3,075,000
Transfers In	-	60,000	-	60,000
Total Other Financing Sources	<u>32,151</u>	<u>60,000</u>	<u>3,075,000</u>	<u>3,167,151</u>
Net Change in Fund Balances	413,352	104,280	4,125,308	4,642,940
Fund Balances (Deficit) - Beginning of Year	4,310,541	297,727	(1,625,579)	2,982,689
Fund Balances - End of Year	<u>\$ 4,723,893</u>	<u>\$ 402,007</u>	<u>\$ 2,499,729</u>	<u>\$ 7,625,629</u>

City of Kent, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	West Side Fire	Street Construction, Maintenance, and Repair	State Highway	CARES Act
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 105,317	\$ 1,760,309	\$ 91,486	\$ -
Cash and Cash Equivalents:				
In Segregated Accounts	-	-	-	-
Materials and Supplies Inventory	-	386,307	-	-
Accrued Interest Receivable	-	3,927	245	-
Intergovernmental Receivable	12,125	439,480	35,633	-
Prepaid Items	7,559	13,183	-	-
Municipal Income Taxes Receivable	-	241,716	-	-
Property and Other Taxes Receivable	242,064	9,430	-	-
Special Assessments Receivable	-	5,641	-	-
Loans Receivable	-	-	-	-
Assets Held for Resale	-	-	-	-
Total Assets	\$ 367,065	\$ 2,859,993	\$ 127,364	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 531	\$ 24,281	\$ 3,072	\$ -
Accrued Wages and Benefits	6,773	38,552	-	-
Interfund Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	7,304	62,833	3,072	-
Deferred Inflows of Resources:				
Property Taxes and PILOTs	232,941	-	-	-
Unavailable Revenue - Delinq. Property Taxes	9,123	-	-	-
Unavailable Revenue - Municipal Income Taxes	-	81,046	-	-
Unavailable Revenue - Other	12,125	296,269	23,686	-
Total Deferred Inflows of Resources	254,189	377,315	23,686	-
Fund Balances:				
Nonspendable	7,559	399,490	-	-
Restricted	98,013	2,020,355	100,606	-
Total Fund Balances	105,572	2,419,845	100,606	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 367,065	\$ 2,859,993	\$ 127,364	\$ -

State and Local Forfeits	Drug Law Enforcement	Enforcement and Education	Law Enforcement Trust	Community Development Block Grant	Neighborhood Stabilization	Wireless 911	CHIP Grant
\$ 4,767	\$ 31,662	\$ 19,071	\$ 2,077	\$ 226,929	\$ -	\$ 231,449	\$ 58,755
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	69,844	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 4,767</u>	<u>\$ 31,662</u>	<u>\$ 19,071</u>	<u>\$ 2,077</u>	<u>\$ 296,773</u>	<u>\$ -</u>	<u>\$ 231,449</u>	<u>\$ 58,755</u>
\$ -	\$ -	\$ -	\$ -	\$ 113,563	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	75,000	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	188,563	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	10,000	-	-	-
-	-	-	-	10,000	-	-	-
-	-	-	-	-	-	-	-
4,767	31,662	19,071	2,077	98,210	-	231,449	58,755
<u>4,767</u>	<u>31,662</u>	<u>19,071</u>	<u>2,077</u>	<u>98,210</u>	<u>-</u>	<u>231,449</u>	<u>58,755</u>
<u>\$ 4,767</u>	<u>\$ 31,662</u>	<u>\$ 19,071</u>	<u>\$ 2,077</u>	<u>\$ 296,773</u>	<u>\$ -</u>	<u>\$ 231,449</u>	<u>\$ 58,755</u>

(Continued)

City of Kent, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2020

	Police Pension	Fire Pension	Urban Development Action Grant	Escrow Fund	Kent Downtown Community Urban Redevelopment Corporation	Total Nonmajor Special Revenue Funds
ASSETS						
Equity in Pooled Cash and Cash Equivalents	\$ 72,493	\$ 84,616	\$ 627,948	\$ 116,321	\$ -	\$ 3,433,200
Cash and Cash Equivalents:						
In Segregated Accounts	-	-	-	-	64,861	64,861
Materials and Supplies Inventory	-	-	-	-	-	386,307
Accrued Interest Receivable	-	-	-	-	-	4,172
Intergovernmental Receivable	5,612	5,762	-	-	-	568,456
Prepaid Items	-	-	-	-	-	20,742
Municipal Income Taxes Receivable	-	-	-	-	-	241,716
Property and Other Taxes Receivable	119,541	119,541	-	-	-	490,576
Special Assessments Receivable	-	-	-	-	-	5,641
Loans Receivable	-	-	438,606	-	-	438,606
Assets Held for Resale	-	-	-	-	365,000	365,000
Total Assets	\$ 197,646	\$ 209,919	\$ 1,066,554	\$ 116,321	\$ 429,861	\$ 6,019,277
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 1,645	\$ 143,092
Accrued Wages and Benefits	-	-	-	-	-	45,325
Interfund Payable	-	-	-	-	-	75,000
Deferred Revenue	-	-	-	116,321	-	116,321
Total Liabilities	-	-	-	116,321	1,645	379,738
Deferred Inflows of Resources:						
Property Taxes and PILOTs	115,139	115,139	-	-	-	463,219
Unavailable Revenue - Delinq. Property Taxes	4,402	4,402	-	-	-	17,927
Unavailable Revenue - Municipal Income Taxes	-	-	-	-	-	81,046
Unavailable Revenue - Other	5,612	5,762	-	-	-	353,454
Total Deferred Inflows of Resources	125,153	125,303	-	-	-	915,646
Fund Balances:						
Nonspendable	-	-	-	-	-	407,049
Restricted	72,493	84,616	1,066,554	-	428,216	4,316,844
Total Fund Balances	72,493	84,616	1,066,554	-	428,216	4,723,893
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 197,646	\$ 209,919	\$ 1,066,554	\$ 116,321	\$ 429,861	\$ 6,019,277



City of Kent, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	West Side Fire	Street Construction, Maintenance, and Repair	State Highway
REVENUES			
Property Taxes	\$ 238,485	\$ -	\$ -
Municipal Income Taxes	-	1,084,267	-
Intergovernmental	24,249	1,181,593	81,261
Interest	-	36,791	2,036
Fines and Forfeitures	-	-	-
Charges for Services	-	58,345	-
Special Assessments	-	5,685	-
All Other Revenues	-	23,380	-
Total Revenues	262,734	2,390,061	83,297
EXPENDITURES			
Current:			
Security of Persons and Property	212,823	-	-
Community Development	-	-	-
Transportation	-	1,893,059	69,406
Capital Outlay	-	-	-
Total Expenditures	212,823	1,893,059	69,406
Excess of Revenues Over (Under) Expenditures	49,911	497,002	13,891
OTHER FINANCING SOURCES			
Proceeds from Sale of Capital Assets	-	32,151	-
Total Other Financing Sources	-	32,151	-
Net Change in Fund Balances	49,911	529,153	13,891
Fund Balances - Beginning of Year	55,661	1,890,692	86,715
Fund Balances - End of Year	\$ 105,572	\$ 2,419,845	\$ 100,606

CARES Act	State and Local Forfeits	Drug Law Enforcement	Enforcement and Education	Law Enforcement Trust	Community Development Block Grant	Neighborhood Stabilization	Wireless 911	CHIP Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
2,163,474	-	-	-	-	384,690	-	-	-
-	-	-	-	-	245	86	-	84
-	-	4,570	2,876	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	14,455	-	-	82,511
<u>2,163,474</u>	<u>-</u>	<u>4,570</u>	<u>2,876</u>	<u>-</u>	<u>399,390</u>	<u>86</u>	<u>-</u>	<u>82,595</u>
2,163,474	-	-	6,176	-	-	-	-	-
-	-	-	-	-	481,099	139,468	-	23,840
-	-	-	-	-	-	-	-	-
-	-	-	-	-	93,954	-	-	-
<u>2,163,474</u>	<u>-</u>	<u>-</u>	<u>6,176</u>	<u>-</u>	<u>575,053</u>	<u>139,468</u>	<u>-</u>	<u>23,840</u>
-	-	4,570	(3,300)	-	(175,663)	(139,382)	-	58,755
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	4,570	(3,300)	-	(175,663)	(139,382)	-	58,755
-	4,767	27,092	22,371	2,077	273,873	139,382	231,449	-
<u>\$ -</u>	<u>\$ 4,767</u>	<u>\$ 31,662</u>	<u>\$ 19,071</u>	<u>\$ 2,077</u>	<u>\$ 98,210</u>	<u>\$ -</u>	<u>\$ 231,449</u>	<u>\$ 58,755</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, 2020

	Police Pension	Fire Pension	Urban Development Action Grant	Escrow Fund	Kent Downtown Community Urban Redevelopment Corporation	Total Nonmajor Special Revenue Funds
REVENUES						
Property Taxes	\$ 115,847	\$ 115,847	\$ -	\$ -	\$ -	\$ 470,179
Income Taxes	-	-	-	-	-	1,084,267
Intergovernmental	11,224	11,524	-	-	-	3,858,015
Interest	-	-	9,824	-	-	49,066
Fines and Forfeitures	-	-	-	-	-	7,446
Charges for Services	-	-	-	-	-	58,345
Special Assessments	-	-	-	-	-	5,685
All Other Revenues	-	-	-	-	-	120,346
Total Revenues	127,071	127,371	9,824	-	-	5,653,349
EXPENDITURES						
Current:						
Security of Persons and Property	98,726	86,907	-	-	-	2,568,106
Community Development	-	-	3,216	-	-	647,623
Transportation	-	-	-	-	-	1,962,465
Capital Outlay	-	-	-	-	-	93,954
Total Expenditures	98,726	86,907	3,216	-	-	5,272,148
Excess of Revenues Over (Under) Expenditures	28,345	40,464	6,608	-	-	381,201
OTHER FINANCING SOURCES						
Proceeds from Sale of Capital Assets	-	-	-	-	-	32,151
Total Other Financing Sources	-	-	-	-	-	32,151
Net Change in Fund Balances	28,345	40,464	6,608	-	-	413,352
Fund Balances - Beginning of Year	44,148	44,152	1,059,946	-	428,216	4,310,541
Fund Balances - End of Year	\$ 72,493	\$ 84,616	\$ 1,066,554	\$ -	\$ 428,216	\$ 4,723,893

City of Kent, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2020

	Muni PI Tax Increment Equivalent	Police Station Levy	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$ 587,186	\$ 1,660,045	\$ 2,247,231
Payments in Lieu of Taxes Receivable	366,653	-	366,653
Income Taxes Receivable	-	391,571	391,571
Total Assets	\$ 953,839	\$ 2,051,616	\$ 3,005,455
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ 6,496	\$ 6,496
Contracts Payable	-	1,286	1,286
Total Liabilities	-	7,782	7,782
 Deferred Inflows of Resources:			
Property Taxes and PILOTs	366,653	-	366,653
Unavailable Revenue - Income Taxes	-	131,291	131,291
Total Deferred Inflows of Resources	366,653	131,291	497,944
 Fund Balances:			
Restricted	587,186	1,912,543	2,499,729
Total Fund Balances	587,186	1,912,543	2,499,729
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 953,839	\$ 2,051,616	\$ 3,005,455

City of Kent, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020

	Muni PI Tax Increment Equivalent	Police Station Levy	Total Nonmajor Capital Projects Funds
REVENUES			
Income Taxes	\$ -	\$ 1,743,620	\$ 1,743,620
Payment in Lieu of Taxes	455,412	-	455,412
All Other Revenues	-	190,033	190,033
Total Revenues	455,412	1,933,653	2,389,065
EXPENDITURES			
Community Environment	5,870	-	5,870
General Government	-	56,585	56,585
Capital Outlay	-	234,248	234,248
Debt Service:			
Principal Retirement	130,000	270,000	400,000
Interest and Fiscal Charges	220,343	362,727	583,070
Bond Issuance Costs	18,083	40,901	58,984
Total Expenditures	374,296	964,461	1,338,757
Excess of Revenues Over Expenditures	81,116	969,192	1,050,308
OTHER FINANCING SOURCES			
General Obligation Bonds Issued	930,000	2,145,000	3,075,000
Total Other Financing Sources	930,000	2,145,000	3,075,000
Net Change in Fund Balances	1,011,116	3,114,192	4,125,308
Fund Balances - Beginning of Year	(423,930)	(1,201,649)	(1,625,579)
Fund Balances - End of Year	\$ 587,186	\$ 1,912,543	\$ 2,499,729

**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, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$ 1,614,000	\$ 1,614,000	\$ 1,635,524	\$ 21,524
Other Local Taxes	360,000	275,000	270,948	(4,052)
Intergovernmental	1,654,000	1,721,788	1,689,046	(32,742)
Interest	370,000	370,000	533,279	163,279
Fees, Licenses and Permits	43,900	43,900	249,933	206,033
Fines and Forfeits	223,000	223,000	239,008	16,008
Charges for Services	1,682,800	1,620,406	1,568,579	(51,827)
Miscellaneous	122,400	122,400	239,202	116,802
Total Revenues	6,070,100	5,990,494	6,425,519	435,025
Expenditures				
Current:				
Public Health & Welfare				
Department of Health				
Personal Services	462,327	512,327	94,922	417,405
Other Expenses	409,538	551,664	256,710	294,954
Total Public Health and Welfare	871,865	1,063,991	351,632	712,359
Community Development				
Community Development				
Personal Services	609,174	609,174	535,675	73,499
Other Expenses	351,595	361,231	234,594	126,637
Total Community Development	960,769	970,405	770,269	200,136
Economic Development				
Personal Services	124,748	124,748	119,291	5,457
Other Expenses	40,909	40,909	19,929	20,980
Total Economic Development	165,657	165,657	139,220	26,437
Building				
Personal Services	315,150	315,150	290,196	24,954
Other Expenses	71,673	71,673	44,049	27,624
Total Building	386,823	386,823	334,245	52,578

(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, 2020
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Main Street Program				
Other Expenses	70,000	70,000	70,000	-
Land Banking				
Other Expenses	10,000	10,000	7,200	2,800
Permit Parking				
Other Expenses	100,600	100,600	82,304	18,296
Capital Outlay	135,000	135,000	60,669	74,331
Total Permit Parking	235,600	235,600	142,973	92,627
Shade Tree				
Other Expenses	121,048	121,048	26,863	94,185
Capital Outlay	10,000	10,000	-	10,000
Total Shade Tree	131,048	131,048	26,863	104,185
Urban Renewal				
Other Expenses	79,863	84,863	71,241	13,622
Total Community Development	2,039,760	2,054,396	1,562,011	492,385
General Government				
Service Administration				
Personal Services	73,619	73,619	69,008	4,611
Other Expenses	582,373	582,373	372,014	210,359
Total Service Administration	655,992	655,992	441,022	214,970
Rental Units				
Other Expenses	26	26	-	26
Engineering				
Personal Services	240,940	240,940	214,227	26,713
Other Expenses	114,402	114,402	67,842	46,560
Total Engineering	355,342	355,342	282,069	73,273
Law				
Personal Services	333,967	333,967	296,616	37,351
Other Expenses	167,193	167,193	74,172	93,021
Total Law	501,160	501,160	370,788	130,372
Budget and Finance				
Personal Services	220,511	220,511	189,399	31,112
Other Expenses	162,689	179,866	121,988	57,878
Capital Outlay	-	3,254	3,254	-
Total Budget and Finance	383,200	403,631	314,641	88,990

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, 2020
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Information Technology				
Personal Services	85,484	85,484	83,688	1,796
Other Expenses	234,295	234,295	169,925	64,370
Total Information Technology	319,779	319,779	253,613	66,166
Miscellaneous, Sundry and Contingency				
Other Expenses	282,909	282,909	135,977	146,932
Mayor's Office				
Personal Services	9,530	9,530	9,351	179
Other Expenses	5,641	5,641	2,468	3,173
Total Mayor's Office	15,171	15,171	11,819	3,352
City Council				
Personal Services	167,708	167,708	153,019	14,689
Other Expenses	33,343	33,343	19,491	13,852
Total City Council	201,051	201,051	172,510	28,541
Community Support				
Other Expenses	106,629	106,629	66,594	40,035
Office of City Manager				
City Manager				
Personal Services	327,241	327,241	308,828	18,413
Other Expenses	67,699	70,699	67,392	3,307
Total City Manager	394,940	397,940	376,220	21,720
Human Resources				
Personal Services	64,790	68,790	64,756	4,034
Other Expenses	22,287	22,287	18,709	3,578
Total Human Resources	87,077	91,077	83,465	7,612
City Hall Relocation				
Capital Outlay	43,892	43,892	21,300	22,592
Civil Service				
Personal Services	32,425	32,425	28,159	4,266
Other Expenses	49,325	49,325	37,180	12,145
Total Civil Service	81,750	81,750	65,339	16,411
Total General Government	3,428,918	3,456,349	2,595,357	860,992
Total Expenditures	6,340,543	6,574,736	4,509,000	2,065,736

(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, 2020
 (Continued)*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Excess of Revenues Over (Under) Expenditures	(270,443)	(584,242)	1,916,519	2,500,761
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	500	500	1,000	500
Advances In	56,000	56,000	56,000	-
Transfers In	3,606,400	3,606,400	3,240,000	(366,400)
Transfers Out	(7,306,400)	(5,806,400)	(5,803,060)	3,340
Total Other Financing Sources (Uses)	<u>(3,643,500)</u>	<u>(2,143,500)</u>	<u>(2,506,060)</u>	<u>(362,560)</u>
Net Change in Fund Balance	(3,913,943)	(2,727,742)	(589,541)	2,138,201
Fund Balance - Beginning of Year	5,836,153	5,836,153	5,836,153	-
Prior Year Encumbrances Appropriated	402,144	402,144	402,144	-
Fund Balance - End of Year	<u>\$ 2,324,354</u>	<u>\$ 3,510,555</u>	<u>\$ 5,648,756</u>	<u>\$ 2,138,201</u>

City of Kent, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Parks and Recreation Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$ 1,057,361	\$ 1,057,361	\$ 1,072,900	\$ 15,539
Intergovernmental	966,000	116,000	109,863	(6,137)
Charges for Services	873,122	579,236	487,509	(91,727)
Contributions and Donations	10,750	10,750	12,996	2,246
Miscellaneous	28,484	28,484	50,866	22,382
Total Revenues	<u>2,935,717</u>	<u>1,791,831</u>	<u>1,734,134</u>	<u>(57,697)</u>
Expenditures				
Current:				
Leisure Time Activities				
Parks & Recreation				
Personal Services	1,427,466	1,427,466	1,256,781	170,685
Other	740,278	719,678	648,027	71,651
Capital Outlay	307,326	151,326	69,516	81,810
Total Expenditures	<u>2,475,070</u>	<u>2,298,470</u>	<u>1,974,324</u>	<u>324,146</u>
Excess of Revenues Over (Under) Expenditures	460,647	(506,639)	(240,190)	266,449
Other Financing Sources				
Sale of Capital Assets	6,110	6,110	-	(6,110)
Transfers In	6,400	6,400	3,060	(3,340)
Total Other Financing Sources	<u>12,510</u>	<u>12,510</u>	<u>3,060</u>	<u>(9,450)</u>
Net Change in Fund Balance	473,157	(494,129)	(237,130)	256,999
Fund Balance - Beginning of Year	412,959	412,959	412,959	-
Prior Year Encumbrances Appropriated	106,956	106,956	106,956	-
Fund Balance - End of Year	<u>\$ 993,072</u>	<u>\$ 25,786</u>	<u>\$ 282,785</u>	<u>\$ 256,999</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, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 1,938	\$ (3,062)
Miscellaneous	4,500	4,500	222,135	217,635
Total Revenues	<u>9,500</u>	<u>9,500</u>	<u>224,073</u>	<u>214,573</u>
Expenditures				
Current:				
Security of Persons and Property				
Police				
Personal Services	7,167,073	7,487,073	5,831,925	1,655,148
Other	747,785	747,785	626,720	121,065
Total Expenditures	<u>7,914,858</u>	<u>8,234,858</u>	<u>6,458,645</u>	<u>1,776,213</u>
Excess of Revenues Over (Under) Expenditures	(7,905,358)	(8,225,358)	(6,234,572)	1,990,786
Other Financing Sources				
Proceeds from Sale of Capital Assets	500	500	720	220
Transfers In	7,400,000	7,400,000	6,941,386	(458,614)
Total Other Financing Sources	<u>7,400,500</u>	<u>7,400,500</u>	<u>6,942,106</u>	<u>(458,394)</u>
Net Change in Fund Balance	(504,858)	(824,858)	707,534	1,532,392
Fund Balance - Beginning of Year	832,478	832,478	832,478	-
Prior Year Encumbrances Appropriated	59,329	59,329	59,329	-
Fund Balance - End of Year	<u>\$ 386,949</u>	<u>\$ 66,949</u>	<u>\$ 1,599,341</u>	<u>\$ 1,532,392</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, 2020*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Contributions and Donations	\$ -	\$ -	\$ 750	\$ 750
Miscellaneous	-	-	146,192	146,192
Total Revenues	<u>-</u>	<u>-</u>	<u>146,942</u>	<u>146,942</u>
Expenditures				
Current:				
Security of Persons and Property				
Fire				
Personal Services	4,925,538	4,925,538	3,665,294	1,260,244
Other	542,278	542,278	481,523	60,755
Capital Outlay	1,122,364	1,129,264	1,448,567	(319,303)
Total Expenditures	<u>6,590,180</u>	<u>6,597,080</u>	<u>5,595,384</u>	<u>1,001,696</u>
Excess of Revenues Over (Under) Expenditures	(6,590,180)	(6,597,080)	(5,448,442)	1,148,638
Other Financing Sources				
Proceeds from Sale of Capital Assets	1,000	1,000	1,125	125
Transfers In	5,900,000	5,490,000	5,341,387	(148,613)
Total Other Financing Sources	<u>5,901,000</u>	<u>5,491,000</u>	<u>5,342,512</u>	<u>(148,488)</u>
Net Change in Fund Balance	(689,180)	(1,106,080)	(105,930)	1,000,150
Fund Balance - Beginning of Year	1,903,469	1,903,469	1,903,469	-
Prior Year Encumbrances Appropriated	714,868	714,868	714,868	-
Fund Balance - End of Year	<u>\$ 1,929,157</u>	<u>\$ 1,512,257</u>	<u>\$ 2,512,407</u>	<u>\$ 1,000,150</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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 5,181,034	\$ 687,326	\$ (4,493,708)
Special Assessments	20,000	109,555	89,555
Miscellaneous	-	1,850	1,850
Total Revenues	5,201,034	798,731	(4,402,303)
Expenditures			
Capital Outlay:			
Safety	375,723	277,203	98,520
Service	16,983,123	6,232,539	10,750,584
Budget and Finance	26,640	360	26,280
Administration	2,182,400	559,500	1,622,900
Total Capital Outlay	19,567,886	7,069,602	12,498,284
Debt Service:			
Principal	324,139	290,397	33,742
Interest & Fiscal Charges	6,675	6,666	9
Debt Issuance Costs	1,625	-	1,625
Total Debt Service	332,439	297,063	35,376
Total Expenditures	19,900,325	7,366,665	12,533,660
Excess of Revenues Over (Under) Expenditures	(14,699,291)	(6,567,934)	8,131,357
Other Financing Sources			
Bond Anticipation Notes Issued	3,580,000	-	(3,580,000)
Premium on Debt Issuances	20,000	-	(20,000)
OWDA Loans Issued	182,500	138,649	(43,851)
Transfers In	3,482,621	2,941,128	(541,493)
Total Other Financing Sources	7,265,121	3,079,777	(4,185,344)
Net Change in Fund Balance	(7,434,170)	(3,488,157)	3,946,013
Fund Balance - Beginning of Year	3,335,885	3,335,885	-
Prior Year Encumbrances Appropriated	4,700,793	4,700,793	-
Fund Balance - End of Year	\$ 602,508	\$ 4,548,521	\$ 3,946,013

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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Property Taxes	\$ 230,446	\$ 238,485	\$ 8,039
Intergovernmental	25,804	24,249	(1,555)
Total Revenues	<u>256,250</u>	<u>262,734</u>	<u>6,484</u>
Expenditures			
Current:			
Security of Persons and Property			
Fire			
Personal Services	278,104	196,482	81,622
Other	30,417	22,996	7,421
Total Expenditures	<u>308,521</u>	<u>219,478</u>	<u>89,043</u>
Net Change in Fund Balance	(52,271)	43,256	95,527
Fund Balance - Beginning of Year	53,787	53,787	-
Prior Year Encumbrances Appropriated	3,290	3,290	-
Fund Balance - End of Year	<u>\$ 4,806</u>	<u>\$ 100,333</u>	<u>\$ 95,527</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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive Negative
	Final	Actual	
Revenues			
Intergovernmental	\$ 1,204,000	\$ 1,191,103	\$ (12,897)
Interest	2,000	16,645	14,645
Charges for Services	32,000	58,345	26,345
Special Assessments	63,000	5,685	(57,315)
Miscellaneous	-	23,380	23,380
Total Revenues	<u>1,301,000</u>	<u>1,295,158</u>	<u>(5,842)</u>
Expenditures			
Current:			
Transportation			
Public Service			
Personal Services	1,182,517	1,029,723	152,794
Other	1,344,498	963,350	381,148
Total Expenditures	<u>2,527,015</u>	<u>1,993,073</u>	<u>533,942</u>
Excess of Revenues Over (Under) Expenditures	(1,226,015)	(697,915)	528,100
Other Financing Sources			
Proceeds from Sale of Capital Assets	3,000	32,152	29,152
Transfers In	1,000,000	1,000,000	-
Total Other Financing Sources	<u>1,003,000</u>	<u>1,032,152</u>	<u>29,152</u>
Net Change in Fund Balance	(223,015)	334,237	557,252
Fund Balance - Beginning of Year	1,034,934	1,034,934	-
Prior Year Encumbrances Appropriated	100,071	100,071	-
Fund Balance - End of Year	<u>\$ 911,990</u>	<u>\$ 1,469,242</u>	<u>\$ 557,252</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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 81,500	\$ 81,761	\$ 261
Interest	500	1,042	542
Total Revenues	82,000	82,803	803
Expenditures			
Current:			
Transportation			
Public Service			
Other	72,019	71,500	519
Net Change in Fund Balance	9,981	11,303	1,322
Fund Balance - Beginning of Year	71,480	71,480	-
Prior Year Encumbrances Appropriated	2,019	2,019	-
Fund Balance - End of Year	\$ 83,480	\$ 84,802	\$ 1,322

City of Kent, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 CARES Act Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Intergovernmental	\$ 2,163,474	\$ 2,163,474	\$ -
Expenditures			
Current:			
Security Persons and Property			
Personal Services	2,163,474	2,163,474	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -

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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive Negative
	Final	Actual	
Revenues			
Municipal Income Taxes	\$ 15,094,000	\$ 15,017,007	\$ (76,993)
Interest	4,000	2,820	(1,180)
Total Revenues	<u>15,098,000</u>	<u>15,019,827</u>	<u>(78,173)</u>
Expenditures			
Current:			
General Government			
Budget & Finance			
Personal Services	308,391	269,866	38,525
Other	2,723,061	2,691,626	31,435
Total Expenditures	<u>3,031,452</u>	<u>2,961,492</u>	<u>69,960</u>
Excess of Revenues Over Expenditures	12,066,548	12,058,335	(8,213)
Other Financing Sources (Uses)			
Advances In	69,000	69,000	-
Transfer Out	(17,070,449)	(15,272,090)	1,798,359
Total Other Financing Sources (Uses)	<u>(17,001,449)</u>	<u>(15,203,090)</u>	<u>1,798,359</u>
Net Change in Fund Balance	(4,934,901)	(3,144,755)	1,790,146
Fund Balance - Beginning of Year	3,654,425	3,654,425	-
Prior Year Encumbrances Appropriated	2,405,288	2,405,288	-
Fund Balance - End of Year	<u>\$ 1,124,812</u>	<u>\$ 2,914,958</u>	<u>\$ 1,790,146</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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive - Negative
	Final	Actual	(Negative)
Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	<u>4,767</u>	<u>4,767</u>	<u>-</u>
Fund Balance - End of Year	<u><u>\$ 4,767</u></u>	<u><u>\$ 4,767</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
 Drug Law Enforcement Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues			
Fines and Forfeits	\$ -	\$ 4,570	\$ 4,570
Expenditures			
Current:			
Security of Persons and Property			
Police			
Other	9,000	-	9,000
Net Change in Fund Balance	(9,000)	4,570	13,570
Fund Balance - Beginning of Year	27,092	27,092	-
Fund Balance - End of Year	<u>\$ 18,092</u>	<u>\$ 31,662</u>	<u>\$ 13,570</u>

City of Kent, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Enforcement and Education Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
	Final		
Revenues			
Fines and Forfeits	\$ 3,000	\$ 2,876	\$ (124)
Expenditures			
Current:			
Security of Persons and Property			
Police			
Other	11,000	6,176	4,824
Net Change in Fund Balance	(8,000)	(3,300)	4,700
Fund Balance - Beginning of Year	22,371	22,371	-
Fund Balance - End of Year	\$ 14,371	\$ 19,071	\$ 4,700

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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive - (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues	\$ -	\$ -	\$ -
Expenditures	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning of Year	<u>2,077</u>	<u>2,077</u>	<u>-</u>
Fund Balance - End of Year	<u><u>\$ 2,077</u></u>	<u><u>\$ 2,077</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
 Community Development Block Grant Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues			
Intergovernmental	\$ 624,527	\$ 324,846	\$ (299,681)
Interest	500	245	(255)
Miscellaneous	49,500	14,455	(35,045)
Total Revenues	<u>674,527</u>	<u>339,546</u>	<u>(334,981)</u>
Expenditures			
Current:			
Community Development			
Department of Community Development			
Personal Services	17,875	14,297	3,578
Other	773,259	650,987	122,272
Capital Outlay	218,362	135,350	83,012
Total Expenditures	<u>1,009,496</u>	<u>800,634</u>	<u>208,862</u>
Net Change in Fund Balance	(334,969)	(461,088)	(126,119)
Fund Balance - Beginning of Year	165,205	165,205	-
Prior Year Encumbrances Appropriated	198,794	198,794	-
Fund Balance - End of Year	<u>\$ 29,030</u>	<u>\$ (97,089)</u>	<u>\$ (126,119)</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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
Revenues			
Interest	\$ 300	\$ 86	\$ (214)
Expenditures			
Current:			
Community Development			
Community Development			
Personal Services	400	308	92
Other	139,160	139,160	-
Total Expenditures	<u>139,560</u>	<u>139,468</u>	<u>92</u>
Net Change in Fund Balance	(139,260)	(139,382)	(122)
Fund Balance - Beginning of Year	139,382	139,382	-
Fund Balance - End of Year	<u>\$ 122</u>	<u>\$ -</u>	<u>\$ (122)</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, 2020*

	Budgeted Amounts	Actual	Variance with Final Budget Positive - (Negative)
	Final		
Revenues	\$ -	\$ -	\$ -
Expenditures	-	-	-
Fund Balance - Beginning of Year	231,449	231,449	-
Fund Balance - End of Year	\$ 231,449	\$ 231,449	\$ -

City of Kent, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 CHIP Grant Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Interest	\$ -	\$ 84	\$ 84
Miscellaneous	276,000	82,511	(193,489)
Total Revenues	<u>276,000</u>	<u>82,595</u>	<u>(193,405)</u>
Expenditures			
Current:			
Community Development			
Other	<u>226,000</u>	<u>23,840</u>	<u>202,160</u>
Net Change in Fund Balance	50,000	58,755	8,755
Fund Balance - Beginning of Year	-	-	-
Fund Balance - End of Year	<u><u>\$ 50,000</u></u>	<u><u>\$ 58,755</u></u>	<u><u>\$ 8,755</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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Property Taxes	\$ 114,889	\$ 115,847	\$ 958
Intergovernmental	11,000	11,224	224
Total Revenues	<u>125,889</u>	<u>127,071</u>	<u>1,182</u>
Expenditures			
Current:			
Security of Persons and Property			
Police			
Personal Services	<u>120,000</u>	<u>98,726</u>	<u>21,274</u>
Net Change in Fund Balance	5,889	28,345	22,456
Fund Balance - Beginning of Year	<u>44,148</u>	<u>44,148</u>	-
Fund Balance - End of Year	<u><u>\$ 50,037</u></u>	<u><u>\$ 72,493</u></u>	<u><u>\$ 22,456</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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Property Taxes	\$ 114,889	\$ 115,847	\$ 958
Intergovernmental	11,000	11,524	524
Total Revenues	<u>125,889</u>	<u>127,371</u>	<u>1,482</u>
Expenditures			
Current:			
Security of Persons and Property			
Fire			
Personal Services	<u>120,000</u>	<u>86,907</u>	<u>33,093</u>
Net Change in Fund Balance	5,889	40,464	34,575
Fund Balance - Beginning of Year	<u>44,152</u>	<u>44,152</u>	<u>-</u>
Fund Balance - End of Year	<u><u>\$ 50,041</u></u>	<u><u>\$ 84,616</u></u>	<u><u>\$ 34,575</u></u>

City of Kent, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Urban Development Action Grant Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Interest	\$ 1,000	\$ 9,824	\$ 8,824
Miscellaneous	59,000	74,504	15,504
Total Revenues	<u>60,000</u>	<u>84,328</u>	<u>24,328</u>
Expenditures			
Current:			
Community Development			
City Manager			
Other	50,000	-	50,000
Net Change in Fund Balance	10,000	84,328	74,328
Fund Balance - Beginning of Year	543,620	543,620	-
Fund Balance - End of Year	<u>\$ 553,620</u>	<u>\$ 627,948</u>	<u>\$ 74,328</u>

City of Kent, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 General Obligation Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Special Assessments	\$ -	\$ 50,482	\$ 50,482
Expenditures			
Current:			
General Government			
Budget and Finance			
Other	3,500	1,232	2,268
Debt Service:			
Principal	51,300	49,150	2,150
Interest & Fiscal Charges	2,820	2,820	-
Total Debt Service	54,120	51,970	2,150
Total Expenditures	57,620	53,202	4,418
Excess of Revenues Over (Under) Expenditures	(57,620)	(2,720)	54,900
Other Financing Sources			
Transfers In	60,000	60,000	-
Net Change in Fund Balance	2,380	57,280	54,900
Fund Balance - Beginning of Year	344,727	344,727	-
Fund Balance - End of Year	\$ 347,107	\$ 402,007	\$ 54,900

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, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Payments in Lieu of Taxes	\$ 450,000	\$ 455,412	\$ 5,412
Expenditures			
Current:			
Capital Outlay:			
Community Development	10,175	16,045	(5,870)
Debt Service:			
Principal	1,120,000	1,120,000	-
Interest & Fiscal Charges	233,754	233,754	-
Debt Issuance Costs	37,421	18,086	19,335
Total Debt Service	1,391,175	1,371,840	19,335
Total Expenditures	1,401,350	1,387,885	13,465
Excess of Revenues Over (Under) Expenditures	(951,350)	(932,473)	18,877
Other Financing Sources			
Bond Anticipation Notes Issued	930,000	930,000	-
Premium on Debt Issuance	8,500	-	(8,500)
Total Other Financing Sources	938,500	930,000	(8,500)
Net Change in Fund Balance	(12,850)	(2,473)	10,377
Fund Balance - Beginning of Year	569,306	569,306	-
Prior Year Encumbrances Appropriated	10,175	10,175	-
Fund Balance - End of Year	\$ 566,631	\$ 577,008	\$ 10,377

City of Kent, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Police Station Levy Fund
 For the Year Ended December 31, 2020*

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Final	Actual	
Revenues			
Miscellaneous	\$ -	\$ 190,033	\$ 190,033
Expenditures			
Current:			
Capital Outlay:			
Safety	568,328	356,725	211,603
Debt Service:			
Principal	2,670,000	2,670,000	-
Interest & Fiscal Charges	405,239	395,239	10,000
Debt Issuance Costs	57,286	40,903	16,383
Total Debt Service	3,132,525	3,106,142	26,383
Total Expenditures	3,700,853	3,462,867	237,986
Excess of Revenues Over (Under) Expenditures	(3,700,853)	(3,272,834)	428,019
Other Financing Sources			
Bond Anticipation Notes Issued	2,080,000	2,145,000	65,000
Premium on Debt Issuance	20,000	-	(20,000)
Transfers In	1,800,000	1,548,188	(251,812)
Total Other Financing Sources	3,900,000	3,693,188	(206,812)
Net Change in Fund Balance	199,147	420,354	221,207
Fund Balance - Beginning of Year	970,638	970,638	-
Prior Year Encumbrances Appropriated	24,828	24,828	-
Fund Balance - End of Year	\$ 1,194,613	\$ 1,415,820	\$ 221,207

STATISTICAL SECTION



City of Kent, Ohio

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 – S15
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, income taxes and property taxes.	S16 – S23
Debt Capacity 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.	S24 – S28
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S29 – S30
Operating Information 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.	S31 – S40

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*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Governmental Activities				
Net Investment in				
Capital Assets	\$72,115,665	\$75,208,875	\$73,565,735	\$67,360,368
Restricted	14,394,144	11,546,151	18,566,597	18,027,734
Unrestricted	<u>(8,875,490)</u>	<u>(8,680,119)</u>	<u>(26,635,798)</u>	<u>(5,548,617)</u>
<i>Total Governmental Activities Net Position</i>	<u>77,634,319</u>	<u>78,074,907</u>	<u>65,496,534</u>	<u>79,839,485</u>
Business Type - Activities				
Net Investment in				
Capital Assets	53,190,667	51,335,835	50,456,860	49,952,592
Unrestricted	<u>(4,481,682)</u>	<u>(1,938,173)</u>	<u>251,908</u>	<u>4,113,816</u>
<i>Total Business-Type Activities Net Position</i>	<u>48,708,985</u>	<u>49,397,662</u>	<u>50,708,768</u>	<u>54,066,408</u>
Primary Government				
Net Investment in				
Capital Assets	125,306,332	126,544,710	124,022,595	117,312,960
Restricted	14,394,144	11,546,151	18,566,597	18,027,734
Unrestricted	<u>(13,357,172)</u>	<u>(10,618,292)</u>	<u>(26,383,890)</u>	<u>(1,434,801)</u>
<i>Total Primary Government Net Position</i>	<u>\$126,343,304</u>	<u>\$127,472,569</u>	<u>\$116,205,302</u>	<u>\$133,905,893</u>

The periods noted above do not reflect amounts restated.

Table 1

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$60,061,703	\$55,391,747	\$39,903,344	\$39,451,103	\$38,898,560	\$37,887,705
20,795,807	18,029,115	17,879,819	15,340,542	13,973,116	11,523,440
<u>(7,211,295)</u>	<u>(4,101,580)</u>	<u>11,937,532</u>	<u>11,257,214</u>	<u>11,291,239</u>	<u>12,407,928</u>
<u>73,646,215</u>	<u>69,319,282</u>	<u>69,720,695</u>	<u>66,048,859</u>	<u>64,162,915</u>	<u>61,819,073</u>
49,624,570	49,925,407	49,833,675	48,867,706	49,793,993	49,593,173
<u>5,207,511</u>	<u>4,576,955</u>	<u>7,183,616</u>	<u>7,990,163</u>	<u>7,937,790</u>	<u>7,334,716</u>
<u>54,832,081</u>	<u>54,502,362</u>	<u>57,017,291</u>	<u>56,857,869</u>	<u>57,731,783</u>	<u>56,927,889</u>
109,686,273	105,317,154	89,737,019	88,318,809	88,692,553	87,480,878
20,795,807	18,029,115	17,879,819	15,340,542	13,973,116	11,523,440
<u>(2,003,784)</u>	<u>475,375</u>	<u>19,121,148</u>	<u>19,247,377</u>	<u>19,229,029</u>	<u>19,742,644</u>
<u>\$128,478,296</u>	<u>\$123,821,644</u>	<u>\$126,737,986</u>	<u>\$122,906,728</u>	<u>\$121,894,698</u>	<u>\$118,746,962</u>

City of Kent, Ohio

Changes in Net Position Accrual Basis of Accounting Last Ten Years

	2020	2019	2018	2017
Program Revenues				
Governmental Activities:				
Charges for Services:				
Security of Persons and Property	\$ 1,801,008	\$ 1,869,518	\$ 2,031,970	\$ 1,734,417
Public Health and Welfare	4,619	-	376,250	331,773
Leisure Time Activities	498,586	824,388	859,038	790,276
Community Development	243,812	389,224	418,762	396,100
Transportation	58,345	106,410	54,885	42,212
General Government	76,793	14,684	110,373	49,797
Subtotal - Charges for Services	2,683,163	3,204,224	3,851,278	3,344,575
Operating Grants and Contributions:				
Security of Persons and Property	2,165,412	25	44,680	12,245
Public Health and Welfare	-	-	-	-
Leisure Time Activities	7,996	19,050	55,572	-
Community Development	406,918	244,968	200,126	6,696
Transportation	1,403,017	1,094,271	791,018	858,807
General Government	-	-	-	-
Subtotal - Operating Grants and Contributions	3,983,343	1,358,314	1,091,396	877,748
Capital Grants and Contributions:				
Security of Persons and Property	-	-	-	-
Leisure Time Activities	-	-	-	644,428
Community Development	-	365,000	-	-
Transportation	1,125,131	1,612,927	3,361,639	6,112,002
General Government	-	-	-	-
Subtotal - Capital Grants and Contributions	1,125,131	1,977,927	3,361,639	6,756,430
Total Governmental Activities Program Revenues	7,791,637	6,540,465	8,304,313	10,978,753
Business-Type Activities:				
Charges for Services:				
Water	3,910,198	3,804,573	3,814,274	3,538,859
Sewer	4,085,516	3,843,322	4,021,710	4,002,825
Solid Waste	461,490	410,504	482,892	580,308
Storm Water Drainage	1,020,337	1,001,048	997,098	983,070
Subtotal - Charges for Services	9,477,541	9,059,447	9,315,974	9,105,062
Operating Grants and Contributions:				
Sewer	-	-	-	-
Solid Waste	-	-	-	-
Subtotal - Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions				
Water	209,923	517,416	54,587	36,750
Sewer	165,633	5,779	51,460	41,927
Storm Water Drainage	217,809	149,128	1,600	156,103
Subtotal - Capital Grants and Contributions	593,365	672,323	107,647	234,780
Total Business-Type Activities Program Revenues	10,070,906	9,731,770	9,423,621	9,339,842
Total Primary Government Program Revenues	\$ 17,862,543	\$ 16,272,235	\$ 17,727,934	\$ 20,318,595

Table 2

2016	2015	2014	2013	2012	2011
\$ 1,727,198	\$ 1,509,255	\$ 1,462,625	\$ 1,746,787	\$ 1,504,097	\$ 1,419,667
311,770	293,058	264,534	213,738	184,556	160,213
667,353	767,323	694,019	593,189	515,414	709,428
417,610	413,530	222,108	259,516	233,565	250,093
57,985	111,934	52,848	40,798	37,412	28,985
28,559	93,893	51,191	62,500	104,859	170,899
3,210,475	3,188,993	2,747,325	2,916,528	2,579,903	2,739,285
41,354	86,441	146,158	85,049	165,394	133,319
-	-	-	-	6,892	11,926
7,100	7,150	5,050	6,400	6,300	13,549
580,234	137,763	731,476	502,927	1,624,800	657,956
813,816	738,936	864,307	805,517	768,006	785,830
-	-	6,729	-	-	-
1,442,504	970,290	1,753,720	1,399,893	2,571,392	1,602,580
-	-	-	54,563	-	186,789
-	27,909	375,702	730,884	644,119	250,000
-	-	184,257	1,301,307	1,253,088	380,851
5,184,058	12,571,371	467,278	1,357,189	905,425	1,980,191
-	-	-	-	-	290,880
5,184,058	12,599,280	1,027,237	3,443,943	2,802,632	3,088,711
9,837,037	16,758,563	5,528,282	7,760,364	7,953,927	7,430,576
3,319,116	3,429,946	3,006,999	3,281,466	3,197,503	2,741,795
3,954,158	4,261,658	3,904,905	3,961,787	4,150,757	3,566,055
541,363	521,150	484,830	508,985	445,105	424,599
963,591	562,743	565,152	496,051	565,338	555,853
8,778,228	8,775,497	7,961,886	8,248,289	8,358,703	7,288,302
-	-	-	-	-	180,546
-	-	-	-	12,500	12,500
-	-	-	-	12,500	193,046
196,294	129,054	19,051	75,817	334,491	134,295
270,555	198,770	31,962	62,312	70,760	194,121
163,893	326,085	202,918	39,990	167,150	86,604
630,742	653,909	253,931	178,119	572,401	415,020
9,408,970	9,429,406	8,215,817	8,426,408	8,943,604	7,896,368
\$ 19,246,007	\$ 26,187,969	\$ 13,744,099	\$ 16,186,772	\$ 16,897,531	\$ 15,326,944

City of Kent, Ohio

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

	2020	2019	2018	2017
Expenses				
Governmental Activities:				
Security of Persons and Property	\$ 15,015,999	\$ 3,901,826	\$ 15,227,583	\$ 13,445,628
Public Health and Welfare	331,904	550,122	1,048,660	978,817
Leisure Time Activities	2,192,326	2,810,759	2,422,995	2,290,693
Community Development	2,229,929	2,281,042	1,613,437	2,081,122
Transportation	5,549,194	5,447,601	4,078,837	5,491,314
General Government	3,100,662	3,662,564	3,689,377	3,192,464
Interest and Fiscal Charges	608,812	644,037	627,987	645,096
<i>Total Governmental Activities Expenses</i>	<u>29,028,826</u>	<u>19,297,951</u>	<u>28,708,876</u>	<u>28,125,134</u>
Business-Type Activities				
Water	4,128,576	4,471,050	3,885,404	3,925,238
Sewer	4,479,972	5,355,091	5,040,532	4,869,479
Solid Waste	220,003	247,436	339,312	387,087
Storm Water Drainage	1,092,907	1,167,401	1,067,187	1,011,067
<i>Total Business-Type Activities Expenses</i>	<u>9,921,458</u>	<u>11,240,978</u>	<u>10,332,435</u>	<u>10,192,871</u>
<i>Total Primary Government Program Expenses</i>	<u>38,950,284</u>	<u>30,538,929</u>	<u>39,041,311</u>	<u>38,318,005</u>
Net (Expense)/Revenue				
Governmental Activities	(21,237,189)	(12,757,486)	(20,404,563)	(17,146,381)
Business-Type Activities	149,448	(1,509,208)	(908,814)	(853,029)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>\$ (21,087,741)</u>	<u>\$ (14,266,694)</u>	<u>\$ (21,313,377)</u>	<u>\$ (17,999,410)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 1,867,275	\$ 1,879,618	\$ 1,863,809	\$ 1,868,194
Other Purposes	1,537,330	1,300,182	1,673,618	1,689,726
Municipal Income Taxes	14,668,597	17,699,991	16,105,879	16,809,427
Payments in Lieu of Taxes	455,412	457,473	462,329	408,906
Grants and Entitlements not Restricted to				
Specific Programs	1,787,461	1,731,103	1,767,973	1,807,042
Investment Earnings	1,071,392	1,258,897	574,057	382,400
Gain on Sale of Capital Assets	-	45,006	4,656	-
Miscellaneous	2,324,906	531,810	630,269	373,956
Transfers	(2,915,772)	-	-	-
<i>Total Governmental Activities</i>	<u>20,796,601</u>	<u>24,904,080</u>	<u>23,082,590</u>	<u>23,339,651</u>
Business-Type Activities				
Investment Earnings	740	4,004	1,711	16
Gain on Sale of Capital Assets	70	1,179	6,957	-
Miscellaneous	547,515	99,987	130,885	87,340
Transfers	2,915,772	-	-	-
<i>Total Business-Type Activities</i>	<u>3,464,097</u>	<u>105,170</u>	<u>139,553</u>	<u>87,356</u>
<i>Total Primary Government</i>	<u>24,260,698</u>	<u>25,009,250</u>	<u>23,222,143</u>	<u>23,427,007</u>
Change in Net Position				
Governmental Activities	(440,588)	12,146,594	2,678,027	6,193,270
Business-Type Activities	3,613,545	(1,404,038)	(769,261)	(765,673)
<i>Total Primary Government Change in Net Position</i>	<u>\$ 3,172,957</u>	<u>\$ 10,742,556</u>	<u>\$ 1,908,766</u>	<u>\$ 5,427,597</u>

The periods noted above do not reflect amounts restated.

Table 2

2016	2015	2014	2013	2012	2011
\$ 13,327,470	\$ 12,085,275	\$ 11,106,253	\$ 10,907,162	\$ 11,293,807	\$ 11,155,689
865,759	751,049	733,837	724,497	678,085	666,053
2,182,450	2,129,354	1,876,396	1,745,256	1,682,142	1,611,324
2,180,658	2,013,840	2,154,400	3,529,274	4,022,927	3,002,485
5,132,998	5,194,392	3,720,312	3,801,634	3,408,722	3,732,080
3,051,990	3,980,966	3,015,330	2,775,445	2,988,674	3,090,494
625,093	599,464	441,711	321,067	247,423	196,981
27,366,418	26,754,340	23,048,239	23,804,335	24,321,780	23,455,106
3,614,125	3,940,584	3,266,800	3,579,906	3,224,228	3,239,611
4,304,016	4,170,412	3,888,272	3,693,322	3,849,553	4,139,302
375,328	354,304	360,163	362,196	428,292	434,718
872,141	927,030	776,836	871,773	730,942	813,922
9,165,610	9,392,330	8,292,071	8,507,197	8,233,015	8,627,553
36,532,028	36,146,670	31,340,310	32,311,532	32,554,795	32,082,659
(17,529,381)	(9,995,777)	(17,519,957)	(16,043,971)	(16,367,853)	(16,024,530)
243,360	37,076	(76,254)	(80,789)	710,589	(731,185)
\$ (17,286,021)	\$ (9,958,701)	\$ (17,596,211)	\$ (16,124,760)	\$ (15,657,264)	\$ (16,755,715)
\$ 1,827,297	\$ 2,153,989	\$ 1,909,075	\$ 1,826,973	\$ 1,796,724	\$ 1,620,411
1,670,369	1,600,001	1,396,312	1,396,589	1,424,728	1,618,587
15,529,037	16,687,329	15,322,764	12,163,342	12,921,715	10,962,364
368,097	511,990	372,968	-	-	-
1,830,099	1,807,531	1,600,833	1,935,682	1,668,485	2,735,703
332,106	288,799	192,313	144,065	206,287	221,008
-	2,409,100	23,761	-	-	-
299,309	300,254	460,767	463,264	475,985	574,177
-	-	-	-	-	(140,000)
21,856,314	25,758,993	21,278,793	17,929,915	18,493,924	17,592,250
256	14,185	34,289	17,795	29,250	33,514
11,860	2,192	6,842	-	-	-
74,243	118,447	194,545	55,730	64,055	130,253
-	-	-	-	-	140,000
86,359	134,824	235,676	73,525	93,305	303,767
21,942,673	25,893,817	21,514,469	18,003,440	18,587,229	17,896,017
4,326,933	15,763,216	3,758,836	1,885,944	2,126,071	1,567,720
329,719	171,900	159,422	(7,264)	803,894	(427,418)
\$ 4,656,652	\$ 15,935,116	\$ 3,918,258	\$ 1,878,680	\$ 2,929,965	\$ 1,140,302

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>
2020	\$14,668,597	\$3,404,605	\$18,073,202
2019	17,699,991	3,179,800	20,879,791
2018	16,105,879	3,537,427	19,643,306
2017	16,809,427	3,557,920	20,367,347
2016	15,529,037	3,497,666	19,026,703
2015	16,687,329	3,753,990	20,441,319
2014	15,322,764	3,305,387	18,628,151
2013	12,163,342	3,223,562	15,386,904
2012	12,921,715	3,221,452	16,143,167
2011	10,962,364	3,238,998	14,201,362



City of Kent, Ohio

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

	2020	2019	2018	2017
General Fund				
Nonspendable	\$1,789,222	\$1,948,042	\$1,970,156	\$1,947,979
Committed	2,430,078	2,404,538	2,378,998	2,353,458
Assigned	321,464	350,129	409,893	210,972
Unassigned	11,385,486	10,043,689	9,591,109	10,267,779
Total General Fund	15,926,250	14,746,398	14,350,156	14,780,188
All Other Governmental Funds				
Nonspendable	629,018	822,988	565,959	444,358
Restricted	13,862,238	8,288,119	7,750,320	7,852,656
Committed	8,171,990	6,671,911	5,648,964	4,390,114
Unassigned (Deficit)	-	(1,625,579)	(2,649,832)	(2,471,506)
Total All Other Governmental Funds	22,663,246	14,157,439	11,315,411	10,215,622
Total Governmental Funds	\$38,589,496	\$28,903,837	\$25,665,567	\$24,995,810

Table 4

2016	2015	2014	2013	2012	2011
\$3,148,164	\$3,604,995	\$4,960,977	\$2,411,417	\$2,033,323	\$1,159,430
2,327,888	2,302,348	2,276,808	2,276,808	-	-
309,949	221,857	294,510	305,274	2,894,067	2,863,740
9,587,507	9,797,755	5,438,123	7,688,581	732,615	3,204,918
<u>15,373,508</u>	<u>15,926,955</u>	<u>12,970,418</u>	<u>12,682,080</u>	<u>5,660,005</u>	<u>7,228,088</u>
445,052	455,723	4,595,363	4,204,736	4,303,876	4,269,688
14,657,131	15,661,713	11,491,915	6,371,314	7,000,667	5,129,268
4,276,398	2,921,531	2,578,713	6,661,690	7,416,462	6,000,683
(1,018,500)	(892,659)	(949,135)	(5,720,431)	(6,186,570)	(5,461,833)
<u>18,360,081</u>	<u>18,146,308</u>	<u>17,716,856</u>	<u>11,517,309</u>	<u>12,534,435</u>	<u>9,937,806</u>
<u>\$33,733,589</u>	<u>\$34,073,263</u>	<u>\$30,687,274</u>	<u>\$24,199,389</u>	<u>\$18,194,440</u>	<u>\$17,165,894</u>

City of Kent, Ohio

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

	2020	2019	2018	2017
Revenues				
Taxes:				
Property and Other Local Taxes	\$3,421,406	\$3,541,655	\$3,537,347	\$3,554,524
Municipal Income Taxes	16,163,567	16,626,196	16,173,757	16,425,784
Payments in Lieu of Taxes	455,412	457,473	462,329	408,906
Charges for Services	2,151,950	2,798,620	2,979,199	2,542,446
Fees, Licenses and Permits	249,933	66,890	558,636	424,912
Fines and Forfeitures	243,556	324,928	294,039	340,127
Intergovernmental	6,704,116	4,650,973	6,173,038	9,881,732
Contributions and Donations	8,746	384,325	725	-
Special Assessments	161,428	264,583	172,429	221,523
Interest	1,061,129	1,248,546	562,586	368,217
Miscellaneous	2,327,080	538,832	385,469	368,970
<i>Total Revenues</i>	<u>32,948,323</u>	<u>30,903,021</u>	<u>31,299,554</u>	<u>34,537,141</u>
Expenditures				
Current:				
Security of Persons and Property	13,195,951	12,901,180	12,278,699	11,841,104
Public Health and Welfare	331,904	542,738	946,620	875,813
Leisure Time Activities	1,796,556	1,998,691	2,076,417	1,795,084
Community Development	2,100,578	1,924,919	1,488,843	1,937,742
Transportation	3,336,111	3,436,315	2,243,882	3,495,634
General Government	2,794,399	3,058,200	3,060,763	2,864,129
Capital Outlay	1,743,088	2,893,844	7,825,913	18,544,516
Debt Service:				
Principal Retirement	432,892	437,474	431,933	1,328,405
Interest and Fiscal Charges	589,102	657,067	648,697	644,470
Bond Issuance Costs	58,984	29,931	29,023	30,519
<i>Total Expenditures</i>	<u>26,379,565</u>	<u>27,880,359</u>	<u>31,030,790</u>	<u>43,357,416</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,568,758</u>	<u>3,022,662</u>	<u>268,764</u>	<u>(8,820,275)</u>

Table 5

2016	2015	2014	2013	2012	2011
\$3,754,936	\$3,477,279	\$3,430,049	\$3,219,884	\$3,253,169	\$3,252,122
15,746,639	16,522,458	14,947,349	12,545,597	11,921,978	10,785,019
368,097	511,990	372,968	-	-	-
2,524,653	2,235,836	2,117,668	2,384,258	1,905,500	1,815,145
383,602	598,196	423,085	414,466	396,389	737,262
290,389	270,676	215,851	201,463	223,148	182,599
8,112,873	3,160,870	3,763,838	6,978,903	6,824,535	6,694,046
-	12,246,493	-	-	-	-
149,785	134,333	166,455	170,144	200,091	154,563
317,069	270,211	173,655	128,104	178,996	187,822
667,978	380,239	509,397	550,012	357,551	214,177
<u>32,316,021</u>	<u>39,808,581</u>	<u>26,120,315</u>	<u>26,592,831</u>	<u>25,261,357</u>	<u>24,022,755</u>
11,412,483	11,349,702	10,723,832	10,553,514	10,263,063	10,283,338
827,419	741,845	719,149	723,475	621,527	665,015
1,844,700	1,683,258	1,617,012	1,529,772	1,444,809	1,401,566
2,128,439	1,734,365	2,144,934	3,526,550	3,225,697	3,023,979
3,155,370	3,160,843	2,112,695	2,219,883	1,803,687	2,185,911
2,793,395	3,061,925	2,831,873	2,668,437	2,680,256	2,972,845
8,966,215	17,107,260	3,835,844	4,250,559	3,695,672	5,912,555
881,904	354,991	29,947	60,947	1,434,937	201,973
654,654	490,638	357,801	130,467	191,040	197,800
17,518	120,195	114,419	140,230	62,354	-
<u>32,682,097</u>	<u>39,805,022</u>	<u>24,487,506</u>	<u>25,803,834</u>	<u>25,423,042</u>	<u>26,844,982</u>
<u>(366,076)</u>	<u>3,559</u>	<u>1,632,809</u>	<u>788,997</u>	<u>(161,685)</u>	<u>(2,822,227)</u>

City of Kent, Ohio

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

	2020	2019	2018	2017
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	33,996	52,196	62,067	9,454
General Obligation Bonds Issued	3,075,000	-	-	-
Premium on Debt Issued	-	-	-	-
Loan Proceeds	7,905	342,409	338,926	73,042
Transfers In	5,865,968	5,401,943	5,575,348	6,180,248
Transfers Out	(5,865,968)	(5,401,943)	(5,575,348)	(6,180,248)
Total Other Financing Sources (Uses)	3,116,901	394,605	400,993	82,496
Net Change in Fund Balances	\$9,685,659	\$3,417,267	\$669,757	(\$8,737,779)
 Debt Service as a Percentage of Noncapital Expenditures	 4.15%	 4.38%	 4.66%	 7.95%

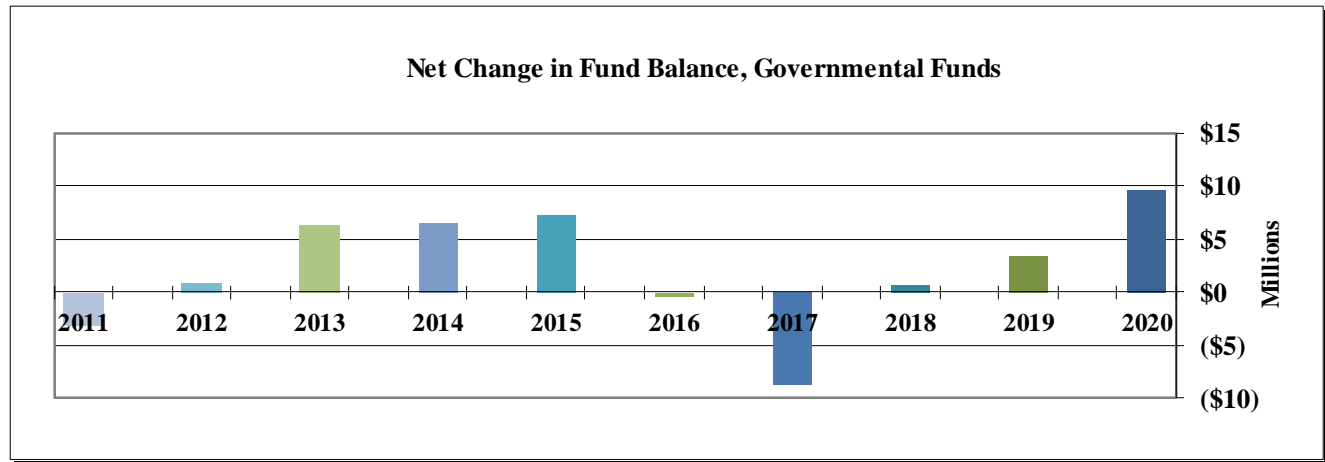


Table 5

2016	2015	2014	2013	2012	2011
26,402	2,409,100	23,761	15,726	15,346	5,741
-	4,465,000	4,535,000	5,490,000	-	-
-	533,826	413,452	117,994	-	-
-	1,171	42,863	113,232	1,117,114	-
5,557,992	5,831,822	3,259,948	266,947	270,762	268,522
<u>(5,557,992)</u>	<u>(5,991,822)</u>	<u>(3,419,948)</u>	<u>(426,947)</u>	<u>(430,762)</u>	<u>(558,522)</u>
26,402	7,249,097	4,855,076	5,576,952	972,460	(284,259)
<u>(\$339,674)</u>	<u>\$7,252,656</u>	<u>\$6,487,885</u>	<u>\$6,365,949</u>	<u>\$810,775</u>	<u>(\$3,106,486)</u>
6.48%	2.42%	1.88%	0.89%	7.48%	1.91%

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>
2020	\$16,163,567	\$3,421,406	\$19,584,973
2019	16,626,196	3,541,655	20,167,851
2018	16,173,757	3,537,347	19,711,104
2017	16,425,784	3,554,524	19,980,308
2016	15,746,639	3,754,936	19,501,575
2015	16,522,458	3,477,279	19,999,737
2014	14,947,349	3,430,049	18,377,398
2013	12,545,597	3,219,884	15,765,481
2012	11,921,978	3,253,169	15,175,147
2011	10,785,019	3,252,122	14,037,141

City of Kent, Ohio

Income Tax Revenue Base and Collections (Cash Basis)

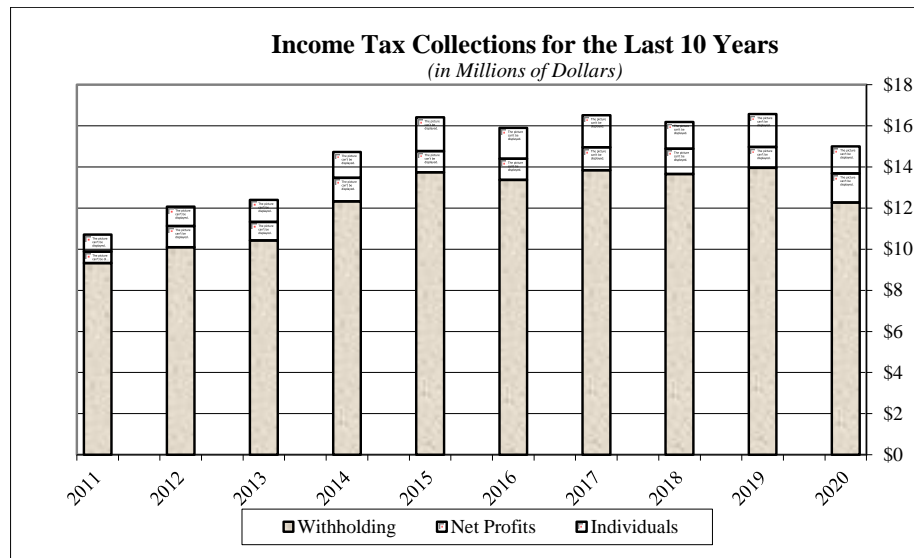
Last Ten Years

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
2020	2.25%	\$15,004,603	\$12,268,993	81.76%	\$1,421,898	9.48%	\$1,313,712	8.76%
2019	2.25	16,572,904	13,952,415	84.18	1,016,461	6.13	1,604,028	9.68
2018	2.25	16,182,875	13,652,263	83.75	1,231,238	7.61	1,299,374	8.03
2017	2.25	16,523,087	13,839,558	83.75	1,113,206	6.74	1,570,323	9.50
2016	2.25	15,899,464	13,370,776	84.09	1,022,789	6.43	1,505,899	9.47
2015	2.25	16,416,347	13,748,146	83.74	1,022,937	6.23	1,645,264	10.02
2014	2.25	14,732,950	12,333,821	83.71	1,131,339	7.68	1,267,790	8.61
2013	2.00	12,397,812	10,422,124	84.06	899,704	7.26	1,075,984	8.68
2012	2.00	12,067,888	10,090,208	84.06	1,030,657	8.54	947,023	7.85
2011	2.00	10,711,488	9,320,111	87.01	568,412	5.31	822,965	7.68

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

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



City of Kent, Ohio

Top Ten Income Tax Withholders

Current and Nine Years Ago

Table 8

2020		
Rank	Employer Name	
1	Kent State University	
2	Davey Tree Expert Co., Inc.	
3	Kent City Board of Education	
4	City of Kent	
5	Land-O-Lakes	
6	Smithers-Oasis Company	
7	Klaben Ford Lincoln Mercury	
8	Ametek Technical & Industrial	
9	Davey Resouce Group	
10	Mac Trailer	

2011		
2020 Rank	Rank	Employer Name
1	1	Kent State University
3	2	Kent City Schools
2	3	Davey Tree Expert Co., Inc.
4	4	City of Kent
5	5	Land O Lakes
40	6	Ametek, Inc
6	7	Smithers-Oasis Company
7	8	Klaben Family Ford, Inc.
8	9	Ametek Technical & Industrial
n/a	10	ACS Industries

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	
2019/2020	\$ 4.76	\$ 0.73	\$ 3.45	\$ 0.30	\$ 0.30	\$ 9.54	\$ 13.62	\$ 110.41	\$ 133.57
2018/2019	4.76	0.73	3.45	0.30	0.30	9.54	13.62	110.48	133.64
2017/2018	4.76	0.73	3.45	0.30	0.30	9.54	13.62	110.83	133.99
2016/2017	4.76	0.73	3.45	0.30	0.30	9.54	13.62	110.92	134.08
2015/2016	4.76	0.73	3.45	0.30	0.30	9.54	13.62	110.97	134.13
2014/2015	4.76	0.73	3.45	0.30	0.30	9.54	13.62	111.22	134.38
2013/2014	4.76	0.73	3.45	0.30	0.30	9.54	13.62	111.24	134.40
2012/2013	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.73	125.89
2011/2012	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.73	125.89
2010/2011	4.76	0.73	3.45	0.30	0.30	9.54	13.62	102.57	125.73

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
2020	\$ 256,854,650	\$ 154,667,980	\$ 1,175,778,943	\$ 8,107,250	\$ 12,100,373
2019	255,720,030	151,894,600	1,164,613,229	7,572,030	11,301,537
2018	229,795,580	143,905,720	1,067,718,000	7,312,670	10,914,433
2017	228,519,490	138,846,400	1,049,616,829	7,043,860	10,513,224
2016	227,733,470	135,546,600	1,037,943,057	6,517,190	9,727,149
2015	223,631,000	120,648,230	983,654,943	6,366,170	9,501,746
2014	223,150,150	121,763,920	985,468,771	6,160,110	9,194,194
2013	222,686,490	109,348,950	948,672,686	5,708,560	8,520,239
2012	244,935,210	96,240,890	974,788,857	5,159,580	7,700,866
2011	245,769,930	97,898,140	981,908,771	4,896,150	7,307,687

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.

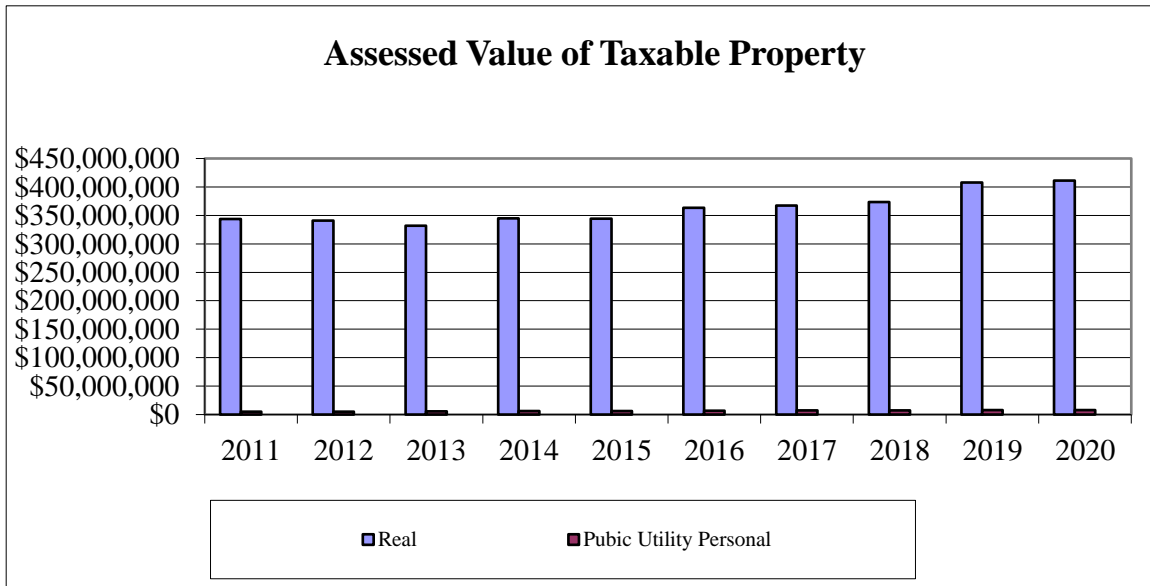
The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by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

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

Table 10

Assessed Value	Total		Direct Tax Rate
	Estimated Actual Value	Ratio	
\$ 419,629,880	\$ 1,187,879,316	35.33%	9.54
415,186,660	1,175,914,766	35.31	9.54
381,013,970	1,078,632,433	35.32	9.54
374,409,750	1,060,130,052	35.32	9.54
369,797,260	1,047,670,206	35.30	9.54
350,645,400	993,156,689	35.31	9.54
351,074,180	994,662,965	35.30	9.54
337,744,000	957,192,925	35.28	9.54
346,335,680	982,489,723	35.25	9.54
348,564,220	989,216,458	35.24	9.54



City of Kent, Ohio

Property Tax Levies and Collections

Last Ten Years

Table 11

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections (1)</u>	<u>Percent of Total Tax Collections to Tax Levy (1)</u>	<u>Accumulated Outstanding Delinquent Taxes</u>
2020	\$ 3,497,333	\$ 3,416,480	97.69%	\$ 81,267	\$ 3,497,747	100.01%	\$ 134,330
2019	3,480,801	3,414,378	98.09	85,500	3,499,878	100.55	120,309
2018	3,294,797	3,214,897	97.57	83,737	3,298,634	100.12	135,927
2017	3,276,092	3,234,876	98.74	71,364	3,306,240	100.92	106,189
2016	3,235,916	3,149,608	97.33	348,708	3,498,316	108.11	130,422
2015	3,140,019	3,040,892	96.84	123,279	3,164,171	100.77	208,441
2014	3,390,720	3,055,380	90.11	107,240	3,162,620	93.27	216,271
2013	3,011,295	2,926,504	97.18	102,987	3,029,491	100.60	156,571
2012	3,094,935	3,003,867	97.06	107,602	3,111,469	100.53	226,103
2011	3,102,660	2,991,353	96.41	114,216	3,105,569	100.09	267,134

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

2020 and 2011

Table 12

Taxpayer	2020	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Province Kent OH LLC	\$15,218,710	3.63 %
ACC OP (University Edge Kent) LLC	10,188,330	2.43
CDC-Kent LLC	7,383,010	1.76
Mikey Ryan LLC	4,888,030	1.16
DSMP-Kent LLC	4,282,360	1.02
Douglas Partners LLC	3,888,850	0.93
Whitehall Terrace Investors LLC	3,367,810	0.80
Kent Summit LLC	3,136,870	0.75
SLK Global Solutions	2,714,950	0.65
Klaben Property Management LLC	2,175,390	0.52
Total	\$57,244,310	13.65 %
Total Assessed Valuation	\$419,629,880	
Taxpayer	2011	
	Real Property Assessed Valuation (1)	Percentage of Real Assessed Valuation
Mikey Ryan LLC	\$2,941,120	0.84 %
Draucker, Carl A.	2,623,460	0.75
Silver Meadows Ltd.	2,500,100	0.72
DSMP - Kent LLC	2,365,790	0.68
Whitehall Terrace Investors LLC	2,190,900	0.63
Douglas Partners	2,126,710	0.61
New Indian Valley Ltd.	1,845,940	0.53
Fontaine Trailer Company	1,732,750	0.50
Davey Tree Expert Co	1,693,550	0.49
Inn at Golden Pond Ltd.	1,675,520	0.47
Total	\$21,695,840	6.22 %
Total Assessed Valuation	\$348,564,220	

Source: Portage County, Ohio; County Treasurer

(1) The amounts presented represent the assessed values upon which 2020 and 2011 collections were based.

City of Kent, Ohio

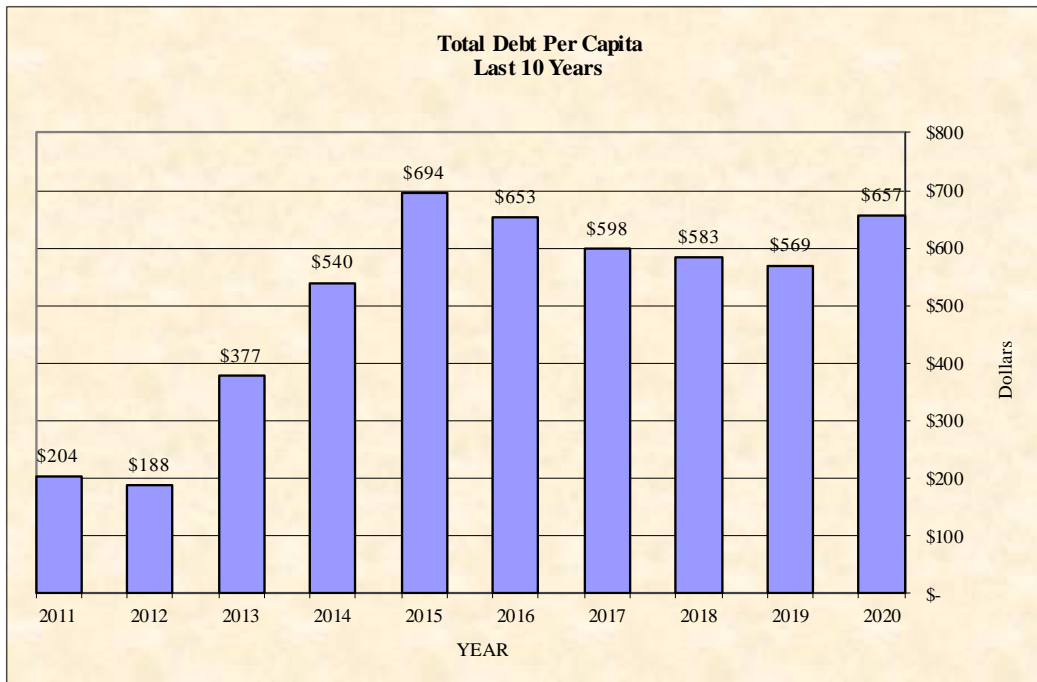
Ratio of Outstanding Debt to Total Personal Income and Debt Per Capita

Last Ten Years

Table 13

Year	Governmental Activities			Business-Type Activities			Total Debt	Per Capita
	General Obligation Bonds	OPWC Loans	Loans Payable	General Obligation Bonds	OPWC Loans	OWDA Loans		
2020	\$ 16,230,899	\$ 839,408	\$ -	\$ 200,000	\$ 244,923	\$ 1,473,654	\$ 18,988,884	\$ 657
2019	13,597,907	864,395	-	-	219,726	1,774,476	16,456,504	569
2018	14,029,975	569,460	-	-	182,886	2,064,814	16,847,135	583
2017	14,452,043	282,467	-	-	200,052	2,345,035	17,279,597	598
2016	14,869,111	259,148	903,682	-	217,218	2,615,496	18,864,655	653
2015	15,281,179	308,871	1,365,863	-	234,384	2,876,541	20,066,838	694
2014	10,549,847	337,647	1,445,907	-	139,351	3,128,501	15,601,253	540
2013	5,606,950	324,731	1,445,907	-	144,318	3,371,694	10,893,600	377
2012	-	241,446	1,445,907	-	145,827	3,606,429	5,439,609	188
2011	1,370,000	231,053	375,123	-	82,108	3,833,003	5,891,287	204

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

Year	Population (1)	Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt (3)	Accumulated Resources Restricted for Repayment	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Net Bonded Debt Per Capita
2020	28,904	\$1,187,879,316	\$16,230,899	(\$402,007)	\$15,828,892	1.33 %	\$547.64
2019	28,904	1,175,914,766	13,597,907	(378,005)	13,219,902	1.12	457.37
2018	28,904	1,078,632,433	14,029,975	(301,014)	13,728,961	1.27	474.98
2017	28,904	1,060,130,052	14,452,043	(267,832)	14,184,211	1.34	490.74
2016	28,904	1,047,670,206	14,869,111	(225,860)	14,643,251	1.40	506.62
2015	28,904	993,156,689	15,281,179	(219,717)	15,061,462	1.52	521.09
2014	28,904	994,662,965	10,549,847	(201,441)	10,348,406	1.04	358.03
2013	28,904	957,192,925	5,606,950	(385,140)	5,221,810	0.55	180.66
2012	28,904	982,489,723	-	(443,454)	-	0.00	0.00
2011	28,904	989,216,458	1,370,000	(483,475)	886,525	0.09	30.67

Sources:

- (1) U. S. Bureau of Census, 2010 Census of Population.
- (2) Portage County, Ohio; County Auditor
- (3) Includes all long-term general obligation bonded debt

City of Kent, Ohio

Legal Debt Margin

Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Assessed Property Value	<u>\$419,629,880</u>	<u>\$415,186,660</u>	<u>\$381,013,970</u>	<u>\$374,409,750</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>\$ 44,061,137</u>	<u>\$ 43,594,599</u>	<u>\$ 40,006,467</u>	<u>\$ 39,313,024</u>
Debt Outstanding:				
General Obligation Bonds - Governmental Activities	16,230,899	13,597,907	14,029,975	14,452,043
General Obligation Bonds - Business Type Activities	200,000	-	-	-
Bond Anticipation Notes - Governmental Activities	0	3,667,040	4,860,743	5,651,472
Bond Anticipation Notes - Business Type Activities	<u>0</u>	<u>256,542</u>	<u>317,047</u>	<u>377,100</u>
Total Gross Indebtedness	16,430,899	17,521,489	19,207,765	20,480,615
Less:				
General Obligation Bonds - Business Type Activities	(200,000)	-	-	-
Bond Anticipation Notes - Business Type Activities	-	(256,542)	(317,047)	(377,100)
General Obligation Bond Retirement Fund Balance	<u>402,007</u>	<u>297,727</u>	<u>170,254</u>	<u>(124,586)</u>
Total Net Debt Applicable to Debt Limit	<u>16,632,906</u>	<u>17,562,674</u>	<u>19,060,972</u>	<u>19,978,929</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$27,428,231</u>	<u>\$26,031,925</u>	<u>\$20,945,495</u>	<u>\$19,334,095</u>
Legal Debt Margin as a Percentage of the Debt Limit	62.25%	59.71%	52.36%	49.18%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$23,079,643</u>	<u>\$22,835,266</u>	<u>\$20,955,768</u>	<u>\$20,592,536</u>
Total Gross Indebtedness	16,430,899	17,521,489	19,207,765	20,480,615
Less:				
General Obligation Bonds - Business Type Activities	(200,000)	-	-	-
Bond Anticipation Notes - Business Type Activities	-	(256,542)	(317,047)	(377,100)
General Obligation Bond Retirement Fund Balance	<u>402,007</u>	<u>297,727</u>	<u>170,254</u>	<u>(124,586)</u>
Net Debt Within 5 ½ % Limitations	<u>16,632,906</u>	<u>17,562,674</u>	<u>19,060,972</u>	<u>19,978,929</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$6,446,737</u>	<u>\$5,272,592</u>	<u>\$1,894,796</u>	<u>\$613,607</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	27.93%	23.09%	9.04%	2.98%

Source: City Financial Records

Table 15

2016	2015	2014	2013	2012	2011
<u>\$369,797,260</u>	<u>\$350,645,400</u>	<u>\$351,074,180</u>	<u>\$337,744,000</u>	<u>\$346,335,680</u>	<u>\$348,564,220</u>
\$ 38,828,712	\$ 36,817,767	\$ 36,862,789	\$ 35,463,120	\$ 36,365,246	\$ 36,599,243
14,869,111	15,281,179	10,549,847	5,606,950	-	1,370,000
-	-	-	-	-	-
2,591,901	3,057,726	4,174,422	4,635,015	10,295,000	7,715,000
437,007	497,011	557,401	617,474	675,000	735,000
17,898,019	18,835,916	15,281,670	10,859,439	10,970,000	9,820,000
-	-	-	-	-	-
(437,007)	(497,011)	(557,401)	(617,474)	(675,000)	(735,000)
(410,682)	(678,698)	(949,135)	(931,180)	(1,156,968)	(47,709)
17,050,330	17,660,207	13,775,134	9,310,785	9,138,032	9,037,291
<u>\$21,778,382</u>	<u>\$19,157,560</u>	<u>\$23,087,655</u>	<u>\$26,152,335</u>	<u>\$27,227,214</u>	<u>\$27,561,952</u>
56.09%	52.03%	62.63%	73.75%	74.87%	75.31%
<u>\$20,338,849</u>	<u>\$19,285,497</u>	<u>\$19,309,080</u>	<u>\$18,575,920</u>	<u>\$19,048,462</u>	<u>\$19,171,032</u>
17,898,019	18,835,916	15,281,670	10,859,439	10,970,000	9,820,000
-	-	-	-	-	-
(437,007)	(497,011)	(557,401)	(617,474)	(675,000)	(735,000)
(410,682)	(678,698)	(949,135)	(931,180)	(1,156,968)	(47,709)
17,050,330	17,660,207	13,775,134	9,310,785	9,138,032	9,037,291
<u>\$3,288,519</u>	<u>\$1,625,290</u>	<u>\$5,533,946</u>	<u>\$9,265,135</u>	<u>\$9,910,430</u>	<u>\$10,133,741</u>
16.17%	8.43%	28.66%	49.88%	52.03%	52.86%

City of Kent, Ohio

Computation of Direct and Overlapping General Obligation Bonded Debt

December 31, 2020

Table 16

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of Kent			
General Obligation Bonds	\$16,230,899	100.00 %	\$16,230,899
OPWC Loans	839,408	100.00	839,408
<i>Total Direct Debt</i>	<u>\$17,070,307</u>		<u>\$17,070,307</u>
Overlapping			
Kent City School District (2)			
General Obligation Bonds	8,910,000	68.63	6,114,933
Portage County (3)			
General Obligation Bonds	13,271,908	10.65	1,413,458
Special Assessment Bonds	60,605	10.65	6,454
OWDA Loans	29,621	10.65	3,155
<i>Total Overlapping Debt</i>	<u>22,272,134</u>		<u>7,538,000</u>
Total	<u><u>\$39,342,441</u></u>		<u><u>\$24,608,307</u></u>

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

(2) Source: Kent City Schools Treasurer

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

City of Kent, Ohio

Demographic and Economic Statistics

Last Ten Years

Table 17

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (4)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>School Enrollment (2)</u>	<u>Portage County Unemployment Rate (3)</u>	<u>City of Kent Unemployment Rate (3)</u>
2020	28,904	\$552,066,400	\$19,100	\$26,696	3,253	4.1%	3.9%
2019	28,904	552,066,400	19,100	26,696	3,228	4.8%	3.5%
2018	28,904	552,066,400	19,100	26,696	3,228	4.8%	4.1%
2017	28,904	552,066,400	19,100	26,696	3,225	4.7%	3.8%
2016	28,904	552,066,400	19,100	26,696	3,244	5.0%	4.3%
2015	28,904	552,066,400	19,100	26,696	3,713	4.9%	4.2%
2014	28,904	552,066,400	19,100	26,696	3,314	4.8%	4.2%
2013	28,904	552,066,400	19,100	26,696	3,297	6.6%	5.2%
2012	28,904	552,066,400	19,100	26,696	3,374	6.8%	7.7%
2011	28,904	552,066,400	19,100	26,696	3,496	8.3%	7.7%

(1) Source: U. S. Census - 2010

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

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

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

City of Kent, Ohio

Principal Employers

Current and Nine Years Ago

Table 18

2020		
Employer	Percentage of City's Withholding	Percentage of Total City W-2's processed
Kent State University	36.71%	
Davey Tree Expert Co., Inc.	4.27%	
Kent City Board of Education	4.17%	
City of Kent	2.27%	
Land-O-Lakes	1.63%	
Smithers-Oasis Company	1.62%	
Klaben Ford Lincoln Mercury	1.11%	
Ametek Technical & Industrial	1.10%	
Davey Resource	0.93%	
MAC Trailer Enterprises	0.88%	
Total	\$ 8,691,724	54.69%
Total City's Withholdings	\$ 15,896,637	
2011		
Employer	Percentage of City's Withholding	Percentage of Total City W-2's processed
Kent State University	52.34%	
Kent City Schools	4.48%	
Davey Tree	1.65%	
City of Kent	1.34%	
Land O Lakes	0.98%	
OHNH Emp LLC	0.85%	
Smithers Oasis	0.65%	
Klaben Family Ford Inc	0.48%	
Kent Adhesive Product	0.40%	
Don Joseph Inc.	0.36%	
Total	N/A	63.53%
Total W-2's Processed	\$ 19,972	

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 19

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
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
Information Technology										
IT & Communications Manager	1	1	1	1	1	0	0	0	0	0
Civil Service										
Civil Service Commissioner	0	0	0	0	0	0	0	3	3	3
Civil Service Coordinator (Part-Time)	1	1	1	1	1	1	1	0	0	0
Civil Service Coordinator (Full-Time)	0	0	0	0	0	0	0	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	0	1	1	1	1	1	1	1	1	1
Collections Coordinator	1									
Senior Account Clerk	1	1	1	1	1	1	1	1	1	1
Account Clerk	5	5	5	5	5	5	5	5	5	5
Tax Administration										
Income Tax Auditor	1	1	1	1	1	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

City of Kent, Ohio

City Government Employees by Function/Program (continued)

Last Ten Years

Table 19

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Engineering										
Deputy Service Director/										
Superintendent of Engineering	1	1	1	1	1	1	1	1	1	1
Senior Engineer	3	3	3	3	3	3	3	3	2	2
Senior Engineer (Part-time)	0	0	0	0	0	0	0	0	1	1
Engineering Technician	2	2	2	2	2	2	2	2	2	2
Engineering Aide II	1	1	1	1	1	1	1	1	1	1
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	28	28	28	28	28	28	28	28	28	28
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	1	1	1	1	1	1	1	3	3
Clerk-Dispatcher	11	11	9	9	9	9	9	9	7	7
Clerk-Dispatcher (Part-time)	0	0	3	3	3	3	3	3	3	3
Records Clerk	1	1	0	0	0	0	0	0	0	0
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	2	2	2	2	2	2	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	27
Fireman - Paid on Call	3	3	3	3	3	3	3	3	3	3
Fire Services Specialist	1	1	1	1	1	1	1	1	1	1
Community Services - Fire										
Fire Lieutenant	2	2	2	2	2	2	2	2	2	2

City of Kent, Ohio

City Government Employees by Function/Program (continued)

Last Ten Years

Table 19

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Central Maintenance										
Utilities Manager	1	1	1	1	1	1	1	1	1	0
Facilities Manager	1	1	1	1	1	1	1	1	1	0
Cent. Maint. Mgr./Water Dist. Spec.	0	0	0	0	0	0	0	0	0	1
Assignment Supervisor	0	0	0	0	1	0	0	0	0	0
Chief Operator	3	3	3	3	3	3	3	3	3	3
Repair Operator	4	3	3	3	3	3	3	3	3	3
Service Technician/Gardener	1	1	1	1	1	1	1	1	1	1
Service Worker	7	9	9	9	8	8	9	11	11	11
Carpenter	1	1	1	1	1	1	1	1	1	1
Arborist Supervisor	0	0	0	0	0	0	0	0	0	1
Laborers	4	4	4	4	4	5	4	0	0	0
Account Clerk	1	1	1	1	1	0	0	1	1	1
Vehicle Maintenance										
Master Mechanic	1	1	1	1	1	1	1	1	1	1
Mechanic	3	3	3	3	3	3	3	3	3	3
Basic Utility Services										
Water Treatment Plant										
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
Wastewater Treatment Plant										
Water Reclamation Facility Manager	1	1	1	1	1	1	1	1	1	1
Plant Mechanic	1	1	1	1	1	1	1	1	1	1
Chemist	1	1	1	1	1	1	1	1	1	0
Lab Technician	1	1	1	1	1	1	1	1	1	0
Environmental Technician	1	1	1	1	1	1	1	1	1	0
Water Reclamation Facility Operator	7	7	7	7	7	7	7	7	7	7
Water Reclamation Facility Chief Operator	1	1	1	1	1	1	1	1	1	1
Public Health Services (Component Unit)										
Health										
Health Commissioner	1	1	1	1	1	1	1	1	1	1
Deputy Health Commissioner	0	0	0	0	0	0	0	0	0	1
Chief Sanitarian	1	1	1	1	1	1	1	1	0	0
Accreditation Coordinator (Full-Time)	1	1	1	0	0	0	0	0	0	0
Accreditation Coordinator (Part-Time)	0	0	0	1	1	1	0	0	0	0
Public Health Sanitarian	2	2	2	2	2	2	2	2	3	2
Administrative Assistant to										
Health Commissioner	1	1	1	1	1	1	1	1	1	1
Laboratory Technician	0	0	0	0	0	0	0	0	0	2
Chemist	0	0	0	0	0	0	0	0	0	1
Secretary (Full-time)	1	1	1	1	1	1	0	0	0	0
Secretary (Part-time)	0	0	0	0	0	1	1	1	1	1

City of Kent, Ohio

City Government Employees by Function/Program (continued)

Last Ten Years

Table 19

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Leisure Time Activities										
Parks and Recreation										
Director - Parks and Recreation	1	1	1	1	1	1	1	1	1	1
Supervisor - Recreation	1	1	1	1	1	1	1	1	1	1
Supervisor - Parks	1	1	1	1	1	1	1	1	1	1
Account Clerk	1	1	1	1	1	1	1	1	1	1
Parks Maintenance Laborer	2	2	2	2	2	2	2	2	2	2
Senior Parks Crew Leader	1	1	1	1	1	1	1	1	1	1
Recreation Specialist	1	1	1	1	1	1	1	1	1	1
Part-time and Seasonal	46	46	46	46	45	45	45	45	37	35
KABC Coordinator (Part-Time)	5	5	5	5	5	5	5	5	1	1
K-6 Child Care (Part-Time)	16	16	16	16	16	16	16	16	16	16
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 Coord	1	1	1	1	1	1	1	1	1	1
Development Planner	1	1	1	1	1	1	1	1	1	1
Development Engineer	1	1	1	1	1	1	1	1	1	1
Building										
Building Services Supervisor	1	1	1	1	1	1	1	1	1	1
Specialized Inspectors (Part-time)	8	8	8	8	8	8	5	5	5	5
Code Enforcement Officer	2	2	2	1	1	1	1	1	1	1
Construction Clerk	1	1	1	1	1	1	1	1	1	1
Coordinator	0	0	0	0	0	0	0	0	0	1
Economic Development										
Economic Development Director	1	1	1	1	1	1	1	1	1	1
Totals All Departments	<u>299</u>	<u>300</u>	<u>300</u>	<u>299</u>	<u>298</u>	<u>297</u>	<u>291</u>	<u>293</u>	<u>281</u>	<u>280</u>
Full-Time	202	201	201	198	198	199	196	193	192	193
Part-Time	97	99	99	101	99	98	95	99	88	86

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

City of Kent, Ohio

Capital Assets Statistics by Function/Program

Last Ten Years

Table 20

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
Number of Buildings	0.25	0.25	0.25	0.25	0.25	0.25	1.5	1.5	1.5	1.5
Administrative Vehicles	6	6	4	4	4	4	4	4	4	4
Police										
Stations	2	2	2	2	1	1	1	1	1	1
Vehicles	27	27	28	28	28	27	25	25	26	25
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	14	14	14	15	15	13	14	13	13	13
Recreation										
Number of Buildings	10	10	10	10	10	10	10	9	9	9
Number of Parks	24	24	24	24	24	24	24	23	23	23
Park Acreage	380	380	380	380	380	373	367	364	354	354
Number of Baseball Diamonds	6	6	6	6	6	6	6	6	6	6
Number of Soccer Fields	15	15	15	15	15	15	15	15	15	15
Vehicles	11	11	11	12	11	11	11	10	11	11
Transportation										
Number of Buildings	3.5	3.5	3.5	3.5	3.5	3.5	3.75	3.75	3.75	3.75
Salt Dome	1	1	1	1	1	1	1	1	1	1
Streets (Center Lane Miles)	90	90	90	90	90	90	90.00	90.00	90.00	90.00
Service Vehicles	47	48	47	55	54	53	52	48	53	55
Public Health and Welfare										
Number of Buildings	0	0	0	0	0	0	0.50	0.50	0.50	0.50
Service Vehicles	6	6	6	8	6	5	5	5	4	5
Community Development										
Number of Buildings	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Service Vehicles	2	2	2	2	2	2	2	2	1	2
Water										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Water Lines (Linear Feet)	580800	570240	570240	374437	374437	374437	374,437	374,437	374,437	374,437
Vehicles	6	6	6	7	6	7	7	6	6	6
Sewer										
Treatment Plant	1	1	1	1	1	1	1	1	1	1
Sanitary Sewers (Linear Feet)	424,820	424,820	424,820	334,132	334,132	334,132	334,132	334,132	334,132	334,132
Vehicles	7	7	7	7	7	9	7	7	7	5
Storm Water Drainage										
Storm Sewers (Linear Feet)	386,518	386,518	386,518	383,918	383,918	383,918	383,918	383,918	383,918	383,918

Source: City of Kent capital asset records

City of Kent, Ohio

Operating Indicators by Function/Program

Last Ten Years

Table 21

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
City Council and Clerk of Council										
Number of Ordinances/Resolutions Passed	132	142	149	162	113	174	178	145	143	127
Number of Passports Accepted	59	210	159	108	216	226	329	325	355	373
Civil Service										
City of Kent:										
Entry Level Examinations	4	5	7	9	2	10	6	4	7	3
Promotional Examinations	3	2	3	0	1	5	0	0	5	2
Kent City School District:										
Entry Level Examinations	4	1	0	3	2	3	1	0	2	2
Promotional Examinations	0	0	0	0	0	0	0	0	0	0
Budget and Finance Department										
Number of checks/vouchers issued	4,799	5,087	5,265	5,369	5,445	5,293	5,392	5,402	5,471	5,651
Number of W-2's issued	280	286	286	290	292	279	289	268	267	267
Budget and Finance Department - Utility Billing										
Number of Bills Mailed	98,083	97,324	96,099	95,653	95,595	95,273	95,273	92,400	92,400	92,400
Number of Delinquent Notices Sent	0	0	0	0	0	0	0	0	0	0
* as of 2011 no longer sent out										
Building Department Indicators										
Construction Permits Issued	169	129	162	158	157	163	150	153	285	229
Estimated Value of Construction	\$22,913,056	\$43,407	\$36,601,120	\$15,400,116	\$22,334,047	\$28,759,761	\$11,701,280	\$16,094,881	\$54,781,339	\$57,678,055
Number of permits issued	1077	1011	965	835	919	971	862	752	970	848
Amount of Revenue generated from permits	\$286,767	\$157,993	\$560,176	\$195,595	\$175,598	\$673,928	\$285,587	\$410,158	\$8,070,390	\$1,016,442
Number of contract registrations issued	483	549	508	452	465	399	299	266	145	190
Revenue generated from above	\$32,100	\$36,150	\$35,196	\$30,300	\$30,200	\$27,050	\$15,000	\$15,675	\$5,625	\$6,263
Number of Planning Commission Docket Items	15	15	13	16	22	23	13	19	29	25
Zoning Board of Appeals Docket Items	25	19	17	19	27	14	21	19	25	29

City of Kent, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

Table 21

		2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public Services Department - Engineering											
	<u>Unit</u>										
Total Number of Projects	EA	37	35	37	37	40	33	30	30	25	27
Total Dollars All Projects	\$	\$4,839,534	\$5,258,286	\$8,132,540	\$18,442,392	\$9,241,958	\$4,788,282	\$5,459,997	\$13,569,897	\$18,714,486	\$922,406
Total Professional Services Support	\$	\$1,104,511	\$871,068	\$1,299,092	\$1,174,163	\$1,277,004	\$1,142,122	\$1,232,942	\$1,801,415	\$2,504,285	\$1,737,999
Total Division Operating	\$	\$27,642	\$33,926	\$35,346	\$33,769	\$30,804	\$47,045	\$45,409	\$34,133	\$31,827	\$30,798
Private Inspection Request		286	285	290	412	399	425	210	187	243	171
Public Services Department - Central Maintenance											
	<u>Unit</u>										
Street Repair (Curbs, aprons, berms, asphalt)	Hr.s	5,000	5,483	7,328	8,575	4,611	5,927	3,513	4,131	4,322	3,338
Paint Striping	Hr.s	687	1,018	564	0	1,031	772	120	757	1,224	808
Street Sweeper	Hr.s	1,364	1,624	1,835	1,579	1,170	1,002	352	910	888	993
Cold Patch	Hr.s	731	686	833	1,613	513	692	1,492	706	1,313	1,339
Snow & Ice Removal regular	Hr.s	1,128	2,005	1,300	862	1,581	1,971	1,585	1,740	1,013	1,588
Snow & Ice Removal overtime	Hr.s	2,478	3,148	1,571	1,375	1,040	1,100	1,838	1,764	1,221	1,501
Sewer and Sanitary calls for service	Ea	17	7	10	5	9	27	26	60	57	55
After hours Sewer Calls	Hr.s	5	8	4	72	49	66	42	72	54	74
Sewer Crew	Hr.s	2,978	1,701	1,637	2,772	3,046	3,071	2,186	2,445	1,939	1,809
Sewer jet, Vac-all, other services	Hr.s	330	410	324	1,729	1,249	1,350	1,344	2,451	1,538	1,808
Water Distribution Maintenance	Hr.s	7,957	8,513	8,765	8,718	8,820	8,092	8,045	6,286	6,943	5,624
Number of Water Breaks	Ea	24	34	17	8	14	13	29	19	25	12
Water Meter Reading	Hr.s	192	192	192	192	192	510	456	412	486	953
Landscaping, Tree Maint.(Stump-Chipper service)	Hr.s	4,168	4,547	3,932	2,743	2,322	2,394	1,788	2,837	3,158	3,972
Leaf collection	Hr.s	3,100	1,624	2,221	1,422	1,365	1,957	2,046	1,747	1,551	2,864
Holiday lights setup	Hr.s	182	366	360	324	292	265	289	160	189	48
Downtown Square events	Hr.s	304	386	531	520	517	409	517	580	614	585
Equipment repair	Hr.s	6,345	7,099	7,367	7,147	7,962	8,562	7,754	7,565	7,536	7,661
Sign department	Hr.s	1,278	2,080	2,264	1,878	2,208	1,671	1,041	1,324	1,595	1,110
Number of Trees Planted per year	Ea	37	363	685	54	58	65	90	84	111	244
Gallons of Calcium Chloride used (Year Jan-Dec)	Gal.s	0	0	0	0	0	0	0	0	4,426	5,525
Cost of Calcium Chloride Purchased	\$/Gal.	0	0	0	0	0	0	\$0.000	\$0.000	\$0.550	\$0.550
Gallons of Aqua Salina used(Year Jan-Dec)	Gal.s	0	4,750	15,000	24,832	25,801	36,496	17,030	10,000	N/A	N/A
Cost of Aqua Salina	\$/Gal.	\$0.00	\$0.43	\$0.43	\$0.43	\$0.63	\$0.34	\$0.34	\$0.23	N/A	N/A
Tons of snow melting salt used (Year Jan-Dec)	Tons	1,991	1,896	2,800	3,439	2,458	2,832	2,473	4,783	1,621	3,196
Cost of salt purchased	\$/Ton	80.00	79.82	48.47	54.47	54.47	59.99	27.50	37.13	\$43.20	\$43.20
Public Services Department - Water Reclamation											
Wastewater rates (per 1st 300 cu. ft.)	\$	17.06	17.06	16.56	15.62	15.16	14.72	\$14.29	\$14.29	\$12.61	\$11.57
Total yearly flow	MG	834	914.8	800	764	713	764	890	840	737	832
Average daily flow	MGD	2.28	2.51	2.19	2.09	1.95	2.09	2.44	2.30	2.02	2.28
Sludge removed (dry tons)	\$/Ton	266	340	337	323	334	340	386	343	363	351
Treatment chemical cost	\$	\$70,627	\$78,074	\$56,438	\$143,723	\$137,463	\$123,036	\$119,728	\$123,533	\$55,645	\$56,750
Treatment electrical cost	\$	\$118,821	\$121,687	\$143,920	\$124,082	\$108,790	\$113,798	\$101,263	\$98,000	\$108,259	\$167,112

City of Kent, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

Table 21

		2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Public Services Department - Water Treatment Plant											
	Unit										
Raw Water from wells	MG	862	925	982	955	968	883.04	944.20	1,036.37	1,032.45	988.01
Annual pumpage - finished water	MG	826	850	878	848	876	873.48	901.98	900.22	909.68	885.43
Lime	\$/Ton	\$173	\$173	\$132	\$132	\$147	\$147	\$147	\$147	\$138	\$138
Soda ash	\$/Ton	\$330	\$330	\$330	\$330	\$377	\$376	\$376	\$376	\$376	\$359
Chlorine	\$/Ton	\$610	\$610	\$540	\$540	\$540	\$540	\$540	\$540	\$540	\$510
Hydrofluosilicic acid	\$/Ton	\$480	\$702	\$702	\$702	\$702	\$702	\$702	\$702	\$702	\$702
Carbon dioxide	\$/Ton	\$116	\$116	\$116	\$116	\$116	\$116	\$116	\$116	\$154	\$150
Electric (wells, plant, booster stations, tanks)	Ttl. \$	\$180,246	\$174,020	\$189,166	\$191,080	\$189,911	\$173,762	\$158,885	\$148,404	\$154,186	\$158,764
Lime sludge production plant	CY	\$1,342.00	\$1,369.00	\$1,536.00	\$2,951.00	\$1,535.00	\$1,532.70	1,840.80	2,009.80	2,029.30	2,065.70
Lime sludge removed from plant and lagoons	CY	1325.00	1880.00	1070.00	2145.00	2576.00	2711.00	771.50	1,817.20	2,044.90	3,825.00
Lime	tons	678.00	690.00	719.00	719.00	723.09	738.90	753.13	742.04	744.89	716.17
Soda Ash	tons	220	225	268	268	240.88	243.04	281.61	276.91	289.04	295.49
Chlorine	tons	11.4	11.53	11.59	11.59	11.81	11.61	11.79	11.61	11.89	11.46
Carbon Dioxide	tons	48.75	51	51.81	51.81	52.77	45.53	45.15	46.56	41.69	41.69
Hydrofluosilicic acid	tons	14.53	14.71	17.63	16.63	16.16	15.88	16.46	16.53	16.27	16.27
Rainfall	inches	41.57	47.16	34.55	34.58	30.92	29.73	39.79	37.98	33.14	44.14
Police											
Total Calls for Services		21,067	27,981	25,609	25,701	28,545	22,949	20,534	18,062	19,680	19,470
Number of traffic citations issued		2,025	3,122	2,872	2,874	3,541	3,366	3,023	2,576	3,393	2,841
Number of parking citations issued		7,887	11,262	11,733	12,751	9,056	8,179	3,814	3,492	2,546	2,468
Number of criminal arrests		1,371	1,685	1,605	1,878	2,222	2,208	2,261	2,102	2,391	2,066
Number of accident reports completed		493	647	705	753	1,015	1,067	815	861	843	856
Part I Offenses (major offenses)		642	420	598	651	745	772	837	955	951	926
Animal Warden service calls		415	425	358	380	374	399	365	431	558	389
DUI arrests		119	182	145	164	182	186	187	205	277	237
Motor Vehicle Accidents		493	647	705	753	1,015	1,067	815	861	843	856
Property Damage Accidents		266	405	405	422	673	739	458	565	531	540
Fatalities from Motor Vehicle Accidents		0	0	0	0	0	0	2	0	1	0
Community Diversion Program Youths		7	29	22	30	37	34	46	70	70	48
Fire											
Fire Losses:											
City of Kent		\$280,600	\$170,000	\$197,000	\$409,750	\$155,000	\$242,530.00	\$398,180	\$347,225	\$335,906	\$111,800
Kent State University		\$0	\$0	\$0	\$0	\$0	\$26,000.00	\$0	\$1,010,500	\$10,452	\$150,000
Franklin Township		\$20,000	\$0	\$0	\$93,600	\$243,905	\$20,000.00	\$9,000	\$58,700	\$3,037	\$8,900
Other		\$0	\$40,000	\$0	\$0	\$0	\$0.00	\$0	\$0	\$0	\$0
Total Fire Losses		\$300,600	\$210,000	\$197,000	\$503,350	\$398,905	\$288,530	\$407,180	\$1,416,425	\$349,395	\$270,700

City of Kent, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

Table 21

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Fire - continued										
Fire Calls:										
City of Kent	669	789	673	622	650	627	540	561	629	521
Kent State University	96	147	127	120	74	53	65	87	210	240
Franklin Township	211	205	173	171	140	132	116	118	173	138
Other	33	44	33	46	52	45	49	59	50	49
Total Fire Calls	1,009	1,185	1,006	959	916	857	770	825	1,062	948
Emergency Medical Services Calls:										
City of Kent	2,548	2,574	2,660	2,540	2,336	2,326	2,311	2,296	2,215	2,373
Kent State University	129	318	374	306	360	357	391	346	438	378
Franklin Township	511	553	568	473	461	378	410	412	445	368
Other	47	43	72	40	71	71	52	55	43	40
Total Emergency Medical Services Calls	3,235	3,488	3,674	3,359	3,228	3,132	3,164	3,109	3,141	3,159
Total Calls for Service (Fire & EMS)	4,244	4,673	4,680	4,318	4,144	3,989	3,934	3,934	4,203	4,095
Community Development										
Grants received due to Community Development Dept.	\$481,416	\$283,165	\$277,478	\$248,453	\$271,075	\$253,380	\$268,778	\$275,277	\$264,116	\$515,952
Ohio Arts Council	0	3171	3284	3457	N/A	N/A	N/A	N/A	\$38,855	\$224,289
Health Department										
Health Inspections:										
Food Service Operations	549	716	681	676	664	676	795	722	1,342	1,068
Housing	383	536	558	525	542	677	893	805	1,695	1,633
Swimming Pools	74	71	61	54	69	62	31	37	157	129
Nuisances	144	126	102	118	209	398	634	344	523	510
All Other	71	109	88	49	43	49	111	124	193	182
Total Inspections	1221	1558	1490	1422	1527	1862	2,464	1,915	3,910	3,522
Permits & Licenses Issued:										
Food Establishment Licenses	224	249	253	264	259	280	315	281	253	220
Housing Licenses	310	310	309	307	310	307	308	322	569	523
All Other Licenses	63	65	50	57	51	48	60	62	39	65
Total Permits & Licenses	597	624	612	628	620	635	683	665	861	808
Child Immunizations	92	186	156	188	278	218	212	246	218	114
Birth and Death Certificates Issued (Original & Copies)	9,433	10,394	9,781	9,123	9,072	7,968	6,783	3,844	3,315	3,593

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

City of Kent, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

Table 21

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Recreation										
Program Revenue:										
Adult Leagues and Programs	\$39,000	\$33,200	\$32,104	\$30,275	\$33,111	\$38,992	\$49,186	\$69,662	\$62,216	\$36,846
Youth Leagues and Programs	105,254	121,000	118,887	120,338	97,106	88,244	86,263	79,188	76,248	77,707
Camps and Lessons	4,998	58,200	57,297	65,099	67,406	60,065	61,529	69,490	58,262	59,413
Preschool Programs	9,394	42,749	39,172	38,347	29,617	35,946	25,484	33,321	30,248	23,331
KABC Leagues	30,738	34,658	40,404	39,649	31,457	28,781	28,681	24,410	21,225	22,594
Special Events/Other	2,542	54,000	51,564	44,362	65,111	87,911	38,569	25,180	18,355	18,460
Non-Resident Fees	6,257	13,141	15,677	15,540	14,837	14,654	15,050	17,750	13,733	13,329
After School and Summer Programs	225,495	373,199	318,391	334,915	289,340	283,276	257,977	227,006	208,380	192,698
Fitness Center	21,441	41,896	39,959	42,688	40,297	47,476	32,758	0	0	0
Total Program Revenue	\$445,119	\$772,043	\$713,455	\$731,213	\$668,282	\$685,345	\$595,497	\$546,007	\$488,667	\$444,378
Number of Participants:										
KABC (5-18 years old)	167	373	383	371	333	292	353	375	395	430
Fall Soccer (4-12 years old)	216	310	302	376	324	403	383	328	404	360
Spring Soccer (4-12 years old)	0	425	327	451	391	439	448	407	379	453
School Age Child Care (6-12 years old)	50	191	175	170	150	130	156	175	151	93
Flag Football (6-12 years old)	198	171	158	125	114	113	130	125	104	118
Basketball	89	714	373	391	475	586	629	458	319	358
Lacrosse	0	15	N/A	14	17	43	35	40	86	80
Volleyball	0	12	10	N/A	N/A	N/A	N/A	N/A	N/A	37
Wrestling	0	23	24	13	N/A	11	19	24	32	16
Karate	34	43	26	44	69	91	N/A	147	173	133
Sports Camps	0	302	348	305	188	332	353	375	447	403
Preschool Kinderbound	6	20	19	19	17	17	26	28	28	21
Preschool Tiny Tots	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11	22	20
Summer Day Camps - All	60	1,240	1,381	1,500	1,560	1,292	1,281	230	229	254
Note: 2014, 2007, and 2006 are on a per week basis										
Ice Hockey	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0
USTA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	17	22	20
Theater	0	46	40	39	34	61	43	43	57	54
Cheer	0	N/A	N/A	29	N/A	N/A	45	25	24	44
Adult Tennis	0	59	15	22	8	32	23	20	28	23
Adult Softball Teams	106	103	64	61	65	83	86	47	44	69
Adult Men's Basketball	0	60	120	80	92	130	112	102	95	95
Black Squirrel Triathlon	N/A	N/A	N/A	N/A	N/A	N/A	75	56	113	273
Art in the Park Artists	0	86	105	92	91	92	100	98	101	108
Kids Nite Out	59	206	149	199	176	155	115	147	147	167
Turkey Trot	134	400	557	564	538	755	549	614	388	385
Adult Fitness Class	689	2,004	5,364	1,784	1,796	1,577	1,452	1,352	1,262	N/A
Adult Egg Hunt	0	890	854	747	744	809	720	577	N/A	N/A
PC Tennis Open	0	59	38	22	13	17	35	N/A	N/A	N/A
Hip Hop Hoops	18	51	50	66	96	100	58	N/A	N/A	N/A
Creative Arts	N/A	N/A	31	24	23	27	46	N/A	N/A	N/A
Youth Artist	0	21	24	26	14	21	N/A	N/A	N/A	N/A
Graveyard Scramble	0	0	0	0	0	230	N/A	N/A	N/A	N/A
FootSkills-Soccer	0	91	103	94	68	60	N/A	N/A	N/A	N/A
Adult Education Classes	12	63	62	63	46	87	N/A	N/A	N/A	N/A
Basketball (outdoor)	0	170	180	18	16	N/A	N/A	N/A	N/A	N/A
BabySitter	15	28	12	33	15	N/A	N/A	N/A	N/A	N/A
Cross Country	0	47	22	29	25	N/A	N/A	N/A	N/A	N/A
Tumbling for Tots	0	22	35	30	30	N/A	N/A	N/A	N/A	N/A
Schools Out Ice Skating	0	100	143	104	85	N/A	N/A	N/A	N/A	N/A
Basketball Skills Camp	0	0	51	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: City of Kent



OHIO AUDITOR OF STATE KEITH FABER



CITY OF KENT

PORTAGE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 8/10/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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