

CITY OF KENT, OHIO

2012 BUDGET ASSUMPTIONS AND NOTES

Operating Revenues

1. Operating Revenue categories will reflect mixed changes as compared to FY2011 levels.
 - a. Income Tax receipts will show a moderate increase
 - b. Local Government Funds will show a decrease of \$450,000 due to State budget changes
 - c. Kent-Franklin JEDD will show a significant increase of \$140,000 due to a scheduled rate increase and net growth in the JEDD
2. Revenues in the Utility (Enterprise) funds will become increasingly inadequate to sustain services without rate revisions recommended by staff – to be determined as a subsequent policy decision by Kent City Council.

Personnel Services Expenses

1. All authorized positions have been budgeted at the top of range for salary expenses (variance between top of range budgeting practice and actual for FY2012 is approximately \$490,000 citywide)
2. Citywide salary ranges remain unchanged from 2011; i.e. 0% adjustment
3. Employer Medicare (FICA) expenses calculated at 1.45% of salary
4. Workers' Compensation expenses calculated at 2.0% of salary
5. Employer OPERS expenses calculated at 14.0% of salary
6. Employer Police & Fire Pension expenses calculated at 19.5% and 24.0% respectively (pension board is discussing increase to 25.0% across the board)
7. Employer Health Insurance expenses have been increasing and this is reflected in the revised budget of \$11,280 (family) for everyone – (changes related to new National Health Care Program still cannot be reliably quantified at this time)
8. Sellback expenses for sick and vacation time is based on prior two years activity. Budgeted maximum sellback amounts for 2012 if there was a past history.
9. Overtime expense projections were provided by each department
10. Budgeted for 3 vacant firefighter positions and 2 vacant Finance positions (vacant positions totals approximately \$320,000 citywide)
11. Public Safety budget reflects additional \$160,000 for anticipated retirements
12. General Govt. budget reflects additional \$20,000 for anticipated retirements
13. Utilities budget reflect additional \$35,000 for anticipated retirements
14. Recommended total for 2012 compared to most recent 2011 amendment reflects a \$54,450 decrease, or 0.28% overall reduction (\$19,224,891 vs \$19,279,341)

Operations & Maintenance Expenses

1. Fuel – unchanged City cost of \$3.00/gal from 2011; consumption slight decrease overall due to improving fleet efficiency
2. Utilities – unchanged from 2011; while some rate increases are anticipated, consumption levels should improve with improved energy conservation measures
3. Insurance/Bonding – minimal increase over 2011 level
4. Recommended total for 2012 compared to most recent 2011 amendment reflects a \$961,573 decrease, or 10.87% overall reduction (\$7,880,753 vs \$8,842,326)

Capital Expenses

1. The delta between Parks & Recreation planned capital expenditures and outside funding is \$418,551, which will be paid from accumulated Park Fund balances



CITY OF KENT, OHIO

Definition of Expenditure Categories Operation and Maintenance Accounts Only

- 21 *Travel and Transportation* - Includes any costs associated with travel by City employees on official business. Such charges may include costs for lodging, meals, common carrier fares, car rental, mileage allowance, tolls, parking charges, per diem allowances, phone calls and other incidental costs of traveling. Also included in this category would be registration fees for meetings and conferences.
- 22 *Training* – Includes any costs associated with job-related training. This category is being used by the Fire Department to track expenditures by cost center.
- 25 *Auto Allowance* – Expenditures for vehicle allowances.
- 28 *Vehicle Fuel* - Represents the cost of fuel (gasoline & diesel) purchased in bulk by the City for use in its vehicles and power equipment. Vehicle and equipment supplies such as motor oil and tires are charged to line 42, operating materials.
- 31 *Utilities* - Expenditures for the purchase of electricity, natural gas, water and sewer services provided by both public and private utilities.
- 32 *Communications and Postage* - Services provided by businesses to assist in transmitting and receiving messages or information. Included in this category are such costs as postage, telephone usage and installation, fax transmission, post office box rental, radio equipment accessories, alarm system purchases and express delivery charges.
- 33 *Rents and Leases* - Expenditures for leasing or renting land, buildings or equipment for both temporary and long-term use by the City. This category includes vehicle rental for other than travel on official business and capital and operating lease agreement payments.
- 34 *Professional Services* - Contracted services that by their nature can be performed only by persons or firms with specialized skills and knowledge. Included are the services of management consultants, architects, engineers, lawyers, auditors and physicians. Fees for banking services (e.g., safekeeping and trustee services, fiscal agency, account maintenance, etc.) are also included. Education and training services provided by formal institutions (including the State of Ohio) are recorded here.
- 35 *Maintenance of Equipment and Facilities* - Expenditures for repair and maintenance services provided by outside persons or firms. Includes the cost of service, maintenance, overhaul, part replacement or rework of any City equipment (including computer equipment) or facility. Annual maintenance contracts and agreements are charged here.

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- 36 *Insurance and Bonding* - Expenditures for all types of insurance including, property, automobile, general liability and employee fidelity are charged here. Insurance related to employee benefits (e.g., health and life insurance) are not recorded here.
- 37 *Printing, Photocopying and Advertising* - Costs of printing, reproduction, microfilming, photographing, blueprinting and binding are recorded in this category. Custom form design and printing charges are also included here. Publication of announcements, official notices and legal ads in professional publications, newspapers and periodicals or broadcast over radio and television are charged to this account.
- 38 *Criminal Apprehension* - Expenditures related to so-called "sting operations" conducted by the City's Police Department. The purpose of these operations is to apprehend and prosecute persons involved in illegal activities.
- 39 *Miscellaneous Contractual Services* - Includes the costs of contracted services provided to the City but not elsewhere classified. Examples of such costs include professional society and association dues, software license agreements and solid waste removal.
- 41 *Office Supplies* - Expenditures for the purchase of office supplies including, but not limited to, pencils, pens, erasers, paper clips, staples, ribbons, tape, notepads, rubber bands, calendars and copy paper.
- 42 *Operating Materials* - Purchases of materials used in the fulfillment of departmental operations are recorded in this account. Examples of such items include cleaning supplies, chemicals, drugs and medicines, lab supplies, road salt and cinders, food, motor oil, tires, lubricants, gravel, lumber, sand and hardware. Subscriptions to newspapers and periodicals are also included in this classification.
- 44 *Small Tools and Minor Equipment* - Purchases of tools and equipment costing less than \$2,500 are recorded in this account. Items may include hammers, saws, wrenches, garden tools, small power tools, rakes, shovels. Tool and equipment items costing more than \$2,500 are charged to line 63, capital equipment.
- 45 *Ammunition* - Expenditures for the purchase of ammunition for weapons used by the City's Police Department.
- 46 *Prisoner Sustenance* - Costs related to the physical needs of prisoners housed in the City jail. Items purchased from this account may include meals, toiletries and medicines.
- 48 *Fees Remitted to the State* - Fees mandated by the Ohio Revised Code and collected by the City which must periodically be remitted to the State.

CITY OF KENT, OHIO
ELECTED AND APPOINTED OFFICIALS

ELECTED OFFICIALS

Jerry T. Fiala	Mayor/Council President
Garret M. Ferrara	Councilmember - Ward 1
Jack E. Amrhein	Councilmember - Ward 2
Wayne A. Wilson	Councilmember - Ward 3
John M. Kuhar	Councilmember - Ward 4
Heidi L. Shaffer	Councilmember - Ward 5
Tracy A. Wallach	Councilmember - Ward 6
Michael A. DeLeone	Councilmember at Large
Erik D. Valenta	Councilmember at Large
Robin G. Turner	Councilmember at Large

APPOINTED OFFICIALS

David A. Ruller	City Manager
William C. Lillich	Safety Director
James R. Silver	Law Director
David A. Coffee	Budget and Finance Director
Eugene K. Roberts	Service Director
Jeffrey S. Neistadt	Health Commissioner
Gary S. Locke	Community Development Director
John J. Idone	Parks and Recreation Director
Michelle A. Lee	Police Chief
James A. Williams	Fire Chief

CITY OF KENT, OHIO ORGANIZATIONAL CHART

