City of Kent

2025-26 Financial & Staffing Capacity Executive Summary

Objective

To frame the city's critical staffing needs in the context of the city's ability to balance service expectations with staffing levels and available public funds.

Findings

A few thoughts on approach…

Staff has spent the last 12 months compiling data to better define, forecast and prioritize staffing needs, establish baseline financial metrics, and formulate options to bring staffing funding closer into alignment with service expectations. That critical funding gap is estimated at $1.25 to 2.05 million.

Staff presented the most critical staffing needs in 2025 in a series of public Council meetings where the police chief, fire chief and service director identified the gaps in staffing, outlined historical trends, and forecast future service impacts resulting from staffing shortfalls.

This executive summary distills the findings of the full report to support discussions of options and solutions.

1. Staffing Critical Needs

city services

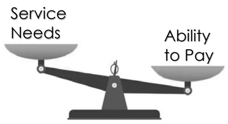
provided by employees

City is a Service Business: 72% of the City's total costs are directly for personnel that provide city services. Of that personnel cost, 82% are police, fire and service department (streets, water, sewer) employees. With the expansion in the scope of city services, rising service expectations, more extra service needs (e.g., downtown, festivals), and an aging infrastructure, historical staffing levels are coming up short resulting in an over-reliance on overtime, driving up costs and creating employee attraction, retention, and morale (burnout) challenges – all in an effort to keep pace by stretching staff resources to limit slippage in City services. The services hit hardest by these trends are police, fire and street maintenance.

2. 2026 Financial Position

Strong Reserves, Low Debt, Stable Income Tax: The City's fiscal health is based on the relative balance between the fiscal indicators of financial stability, risk and capacity for growth. In 2025, the City is in a "Fiscally Stable" position as reserve/undesignated fund balances are at record highs, debt load is within a preferred range, and income taxes have had successive years of growth. Personnel positions are "recurring" costs so while using savings may help bridge a year or two, a recurring revenue source must be secured to fund new positions. While stable, the current income tax is not capable of absorbing the projected $1.2 to $2.05 million needs in new positions.

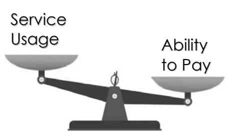
Kent Compared
with Peer Cities



3. Kent Community Profile

Higher Service Needs, Fewer Resources: Different cities have different levels of needs for city services and resources available to fund those needs. Cities with higher poverty rates, lower home ownership, higher multi-family populations, and wider age distribution, typically have higher service needs. Likewise, cities with higher median income, higher median home value, increasing population base, and greater revenue per capita have more resources to use to fund city services. In examining the socio-economic/demographic profile for Kent against peer cities, Kent falls in the *high needs, low resource category*; highlighting Kent's challenge as a comparatively higher needs community with a smaller resource base and limitations on resource growth as an effectively "built out" community.

Kent Compared
with Peer Cities



4. Kent Service Activity Levels

Higher Service Activity, Fewer Resources: In the last comparative study (2010) with 13 peer cities (Akron, Aurora, Alliance, Athens, Bowling Green, Cuyahoga Falls, Hudson, Oxford, Ravenna, Stow, Streetsboro, Tallmadge and Wooster) Kent had less staff and smaller budgets but higher activity levels than its peers. For 12/15 municipal services studied, Kent was budgeted and staffed below peer city averages. For 6/10 measures Kent's services activity levels exceeded peer city averages.

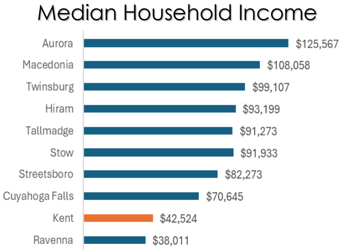
City Revenues

5. City Tax Revenues: Income vs. Property Tax

It's All About Income Tax: There are 2 categories of local City tax sources: income taxes and property taxes. The income tax from jobs in Kent contributes roughly 90% of the non-dedicated local tax revenues that fund city services. The City is in the "business" of building and maintaining a community – not making a profit – but from a strictly financial perspective; job growth = financial gain, residential growth = neutral to financial loss. The most successful communities find the balance point between the competing priorities of affordable yet sustainable public services, reconciling the proportional share of costs between jobs (income taxes) and residents (property taxes).

Kent Compared
with Peer Cities

Median Household Income



6. Kent Income Tax Base

Low-Capacity Tax Base: Kent has the highest poverty rate and the 2nd lowest median household income in the region, ranking it as one of the "least resourced" communities among the peer cities located closest to Kent geographically. When compared to cities that are more similar to Kent in terms of their demographic and financial profiles, Kent remains ranked in the bottom third among peer cities for average household income and bottom half of the peer cities for the incidence of poverty. Statistically, Kent is one of the least resourced communities in northeast Ohio. The low-income levels and high poverty rates mean Kent has fewer financial resources and less financial capacity to keep pace with peer cities through the same income tax rate.

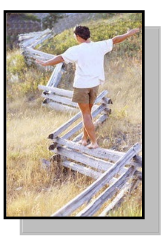
Kent's General Operating Income Tax Rate, Unchanged for

42 Years

7. Income Tax Rate Comparison

Low Tax Rate: Kent adopted a 2% income tax rate in 1984, and it has not changed in the last 42 years. A temporary (.25%) income tax increase was approved by voters in 2012 for the construction of the new police station. With the .25% temporary tax dedicated solely to paying off the Police Station debt and facility maintenance, Kent is operating city services on a 2% income tax rate which is tied for the lowest income tax rate among peer cities. Tax and revenue data shows that the same 2% tax rate applied in a community with a higher average median income generates 3 to 4 times more in tax receipts per household than the same 2% in Kent. That likely explains why the "wealthier" cities have lower income tax rates while the "less resourced" cities have adopted higher income tax rates to try to compensate for that higher income multiplier effect.

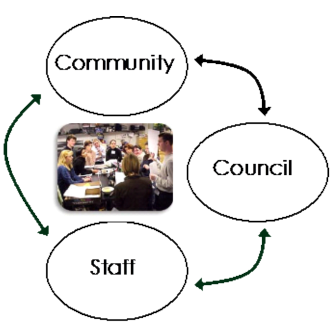
Balancing Service Expectations



With Staffing Funding Levels

8. Tax Rate, Staffing and Service Needs

Kent Imbalance: The range of city services (e.g., fire, police, public works, budget, parks and recreation, etc.), and their costs, are consistent across communities. Residents expect certain types and levels of city services in every community; it's the use of those services and the revenues available to fund those services that can vary -- at times significantly. The comparative city tax data shows how cities use the income tax rate as a means to normalize the relative income differences across communities to pay for the equivalent level of city services. The less resourced communities tend to have higher tax rates to generate the levels of revenue needed for those same services, while the more resourced communities are able to have lower income tax rates and still generate sufficient revenues to provide those same service levels. Cities use the income tax rate as a way to calibrate the balance point for their communities depending on where they land on the revenue/costs continuum. Over time, the financial balance can change to the degree that communities consider recalibrating the income tax rate.



Solution

To be determined: Fixing a $1.2-$2.05 million staffing problem may require a combination of actions, and the full report provides data to give city leaders and community members a chance to calculate the impacts of their preferred solution.

Opportunity

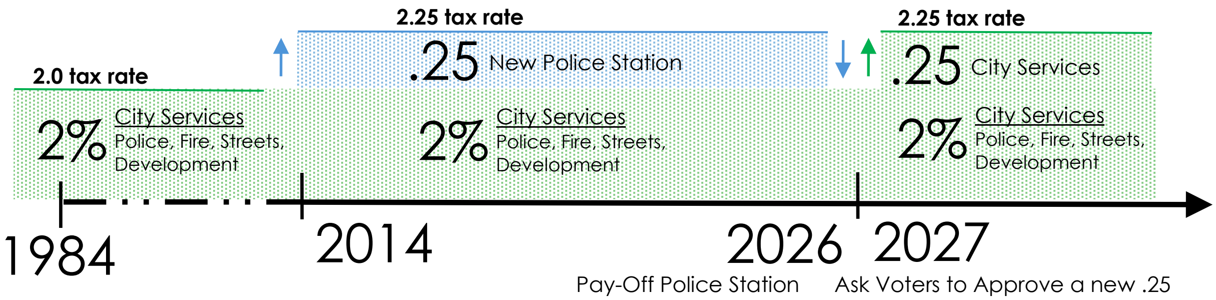
Higher than expected job and income growth in Kent accelerated the tax revenues collected to pay off the Police Station debt. The .25 temporary income tax was planned to be paid off by 2038, but staff anticipates having sufficient revenues in reserve to pay off the debt by the end of 2026. That creates an opportunity to sunset the .25 income tax for the Police Station and ask the voters to consider replacing that with a non-dedicated .25 income tax that could be used to fund staffing shortfalls with <u>no change</u> in residents' or non-residents' income taxes.

Alternatively, the funding need is large enough to consider sunsetting the .25 police debt and asking voters to replace it with a .50 income tax that would include a ".25 refund" for people that live in Kent. That option would generate an additional $1.4 million for staffing and service needs (e.g., sidewalk shoveling expansion, parks and recreation needs) with <u>no change in residents' income taxes</u> and a .25 increase ($125/$50,000) for non-residents (tax options shown on next page).

Tax Option 1-No Change in Resident Taxes

2014-2026
Resident Income Taxes $1,125 per $50,000 Salary
Non-resident Income Taxes $1,125 per $50,000 Salary

2027 -
Resident Income Taxes $1,125 per $50,000 Salary
Non-resident Income Taxes $1,125 per $50,000 Salary



Redirects $2.1 million from police station debt to be used for 3 new police officers, 3 firefighters and a 3-person full-time street repair crew.

Pay-Off Police Station Debt at the end of 2026

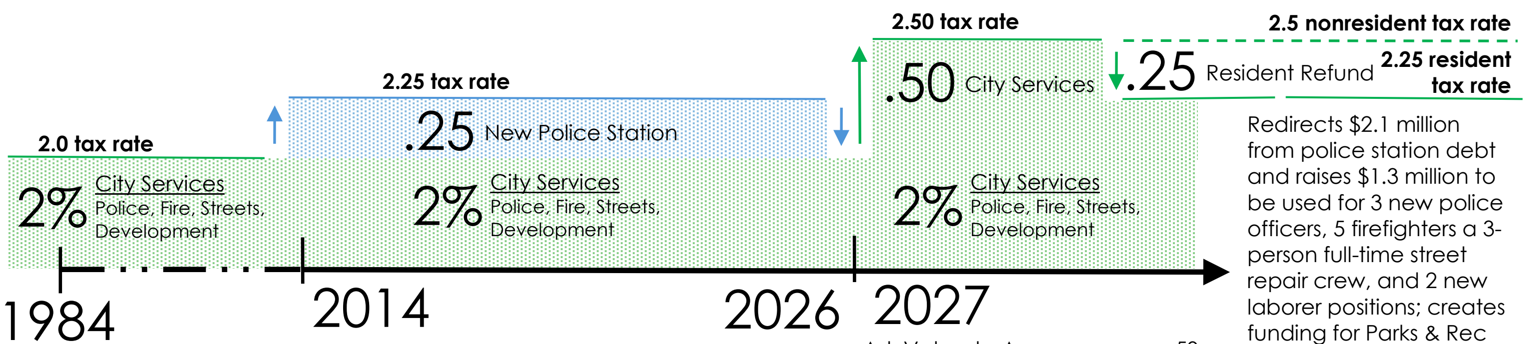
Ask Voters to Approve a new .25 for Fire, Police and Street staffing for 2027

Removes Police .25 from tax rate (2.25-.25 = 2.0) ➛ Puts .25 back, tax rate stays same at 2.25; (2.0+.25 = 2.25)

Tax Option 2-No Change in Resident Taxes

2014-2026
Resident Income Taxes $1,125 per $50,000 Salary
Nonresident Income Taxes $1,125 per $50,000 Salary

2027 -
Resident Income Taxes $1,125 per $50,000 Salary
Nonresident Income Taxes $1,250 per $50,000 Salary



Redirects $2.1 million from police station debt and raises $1.3 million to be used for 3 new police officers, 5 firefighters a 3-person full-time street repair crew, and 2 new laborer positions; creates funding for Parks & Rec Capital Plan; opportunity to expand city services, e.g., sidewalk clearing.

Pay-Off Police Station Debt at the end of 2026,

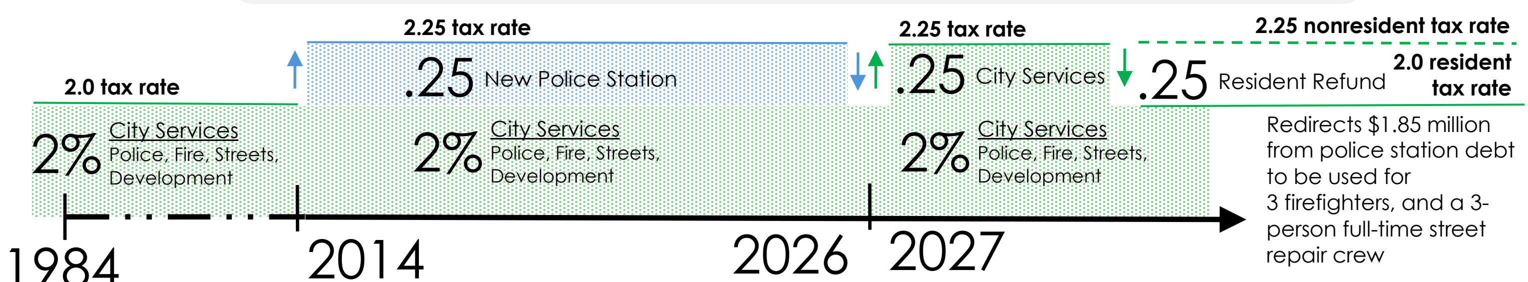
Ask Voters to Approve a new .50 with a.25 refund for residents for Fire, Police and Street staff in 2027

Removes Police .25 from tax rate (2.25-.25 = 2.0) ➛ Puts .50 back with .25 refund; resident tax rate stays the same ((2.0+.50)-.25 = 2.25) for residents
Puts .50 back; nonresidents tax rises to 2.50 (2.0 +.5 = 2.5)

Tax Option 3-Lowers Residents Taxes

2014-2026
Resident Income Taxes $1,125 per $50,000 Salary
Nonresident Income Taxes $1,125 per $50,000 Salary

2027 -
Resident Income Taxes $1,000 per $50,000 Salary
Nonresident Income Taxes $1,125 per $50,000 Salary



Redirects $1.85 million from police station debt to be used for 3 firefighters, and a 3-person full-time street repair crew

Pay-Off Police Station Debt at the end of 2026,

Ask Voters to Approve a new .25 with a .25 refund for residents for Fire, Police and Street staffing for 2027

Removes Police .25 from tax rate (2.25-.25 = 2.0) ➛ Puts .25 back, creates .25 resident refund
- residents tax rate goes down to 2.0; ((2.0+.25)-.25 = 2.0)
- nonresidents tax rate stays the same at 2.25 (2.0+.25 = 2.25)

Staffing and Funding Capacity >>> General Fund Services

Information Technology
engineering
planning
police
streets
law
fire
traffic
council
city clerk
civil service
city manager
human resources
central maintenance
community engagement

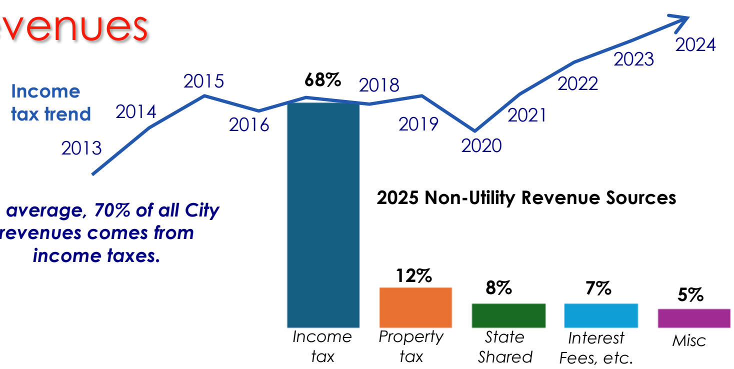
$22 million

Supplemental Funding

health
parks & recreation $900,000

TOTAL 2026 BUDGET $59,987,590

Revenues



On average, 70% of all City revenues comes from income taxes.

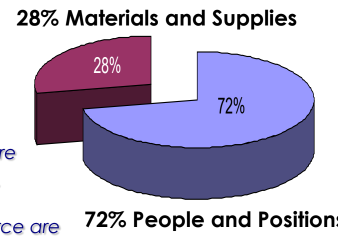
Expenses

72% of the city's costs are "people" costs.

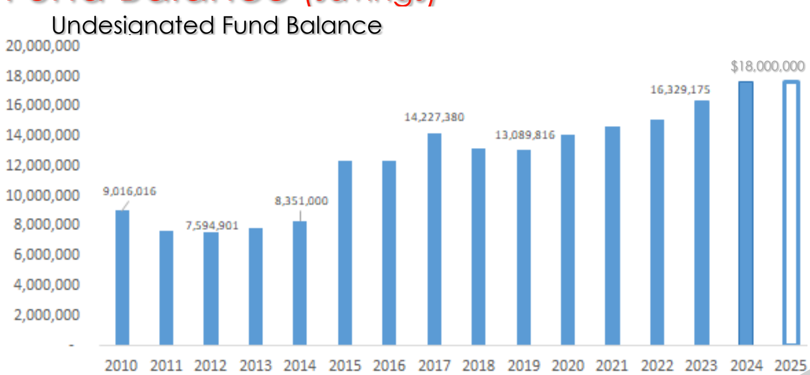
Reducing costs means reducing services and employees.

60% of the city workforce are police and fire personnel.

82% of the city workforce are police, fire and service personnel.



Fund Balance (savings)

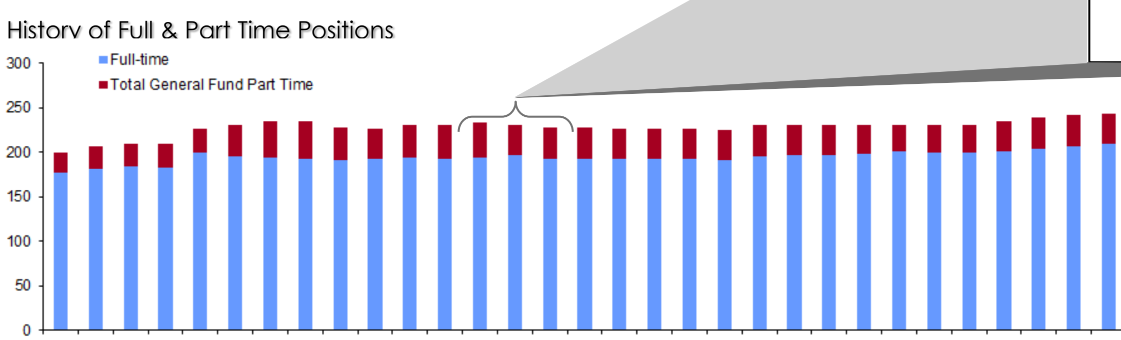


In 2025, the undesignated fund balance (savings in reserve) was at a record high, debt load low, and income taxes had record back-to-back-back years of growth.

2007-10 Permanent Position Cuts

Planner to Part Time	$ 38,500
Reduced 3 police positions	$247,500
Reduced 1 secretary	$ 58,000
Reduced 2 analysts	$154,000
Reduced 1 tax auditor	$ 60,000
Reduced 1 water specialist	$ 92,000
Reduced Engineer to Part Time	$ 20,000
Eliminated 2 finance positions	$120,000

TOTAL CUTS = $ 790,000
+ 30 Positions Frozen
= $ 3.4 million savings



The City's full-time head count has increased from 195 positions in 2000 to 209 in 2025;

an increase of 14 positions (7%) over 25 years.

***Data on this page has not been updated since the 2010 Financial Study, but the relative rankings are likely unchanged.**

Kent Community Profile:

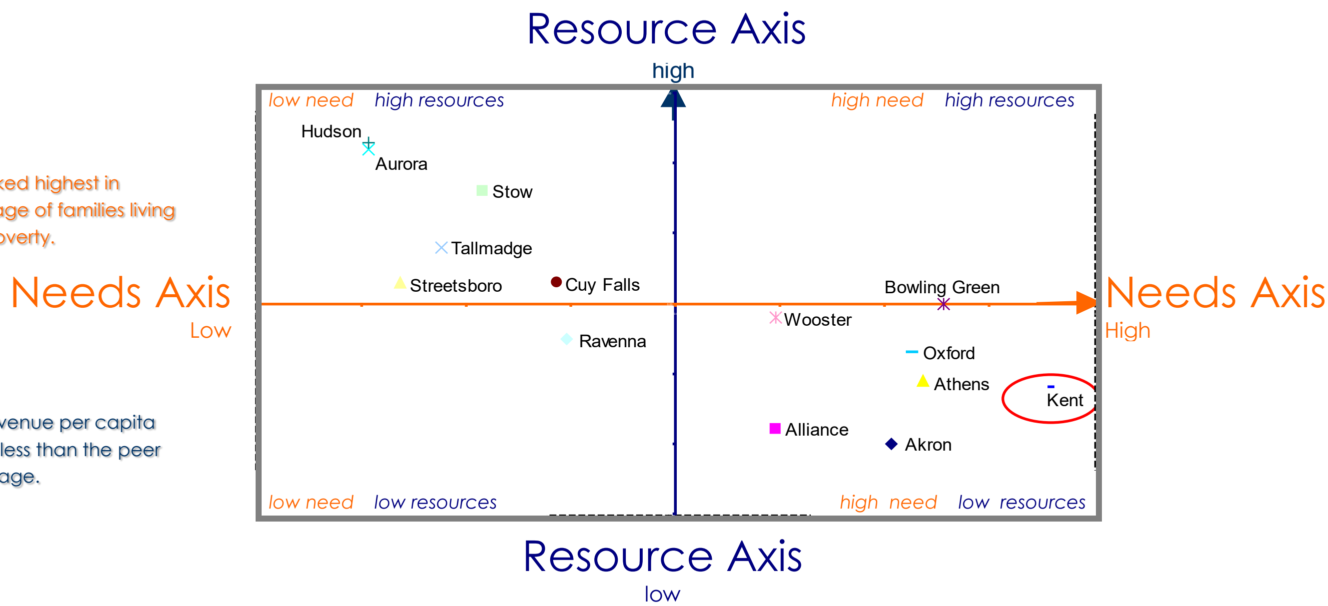
Data Finding

Higher Service Needs, Fewer Resources

Different cities have different levels of needs for city services and resources available to fund those needs. Cities with higher poverty rates, lower home ownership, higher multi-family populations, wider age distribution, typically have higher service needs. Likewise, cities with higher median income, higher median house value, increasing population base, and greater revenue per capita have more resources to use to fund city services. In examining the socio-economic/demographic profile for Kent against peer cities, Kent ended up in the *high needs, low resource* quadrant; once again highlighting Kent's challenge as a comparatively higher needs community with a smaller resource base and limitations on growth as a largely "built-out" community.

Kent ranked highest in percentage of families living below poverty.

Kent's revenue per capita was 26% less than the peer city average.



Kent Staffing and Activity Levels:

Finding

Smaller Staff, More Work

In the last full comparison (2010) to 13 peer cities (Akron, Aurora, Alliance, Athens, Bowling Green, Cuyahoga Falls, Hudson, Oxford, Ravenna, Stow, Streetsboro, Tallmadge and Wooster) Kent had less staff and smaller budgets but higher activity levels than its peers.

For 12/15 measures Kent is budgeted and staffed below peer city averages.

For 6/10 measures Kent's service needs and activity levels exceeds peer city averages.

Comparison Categories	Below Average	At Average	Exceeds Average
1. Spending and Staffing Levels			
Expenses Per Capita	KENT		
Fire and EMS Costs Per Resident		KENT	
Fire and EMS Costs Per Population Served	KENT		
Fire Service Costs Per Call	KENT		
Fire and EMS Staffing	KENT		
Police and Fire Public Safety Costs Per Capita	KENT		
Police Costs Per Capita	KENT		
Sworn Police Per 1,000 Population	KENT		
Civilian Police Per 1,000 Population			KENT
Public Service FTE Per 1,000 Population	KENT		
Public Service Budget Per Capita	KENT		
Public Service FTE Per Infrastructure Mile	KENT		
Parks and Rec Costs Per Capita	KENT		
General Gov't Costs Per Capita	KENT		
Comm. Devel. Costs Per Capita		KENT	
SUBTOTAL	12/15	2/15	1/15
2. Activity and Service Need Indicators			
Fire and EMS Activity Levels		KENT	
Part 1 Crimes Per 1,000 Population		KENT	
Property Crimes Per 1,000 Population		KENT	
Personal Violence Per 1,000 Population			KENT
Police Calls Per 1,000 Population		KENT	
Police Arrests Per 1,000 Population			KENT
DUI Arrests Per 1,000 Population			KENT
Infrastructure Value			KENT
% of Infrastructure Rated Poor/Fair			KENT
% of Roads Rated Poor/Fair			KENT
SUBTOTAL	0/10	4/10	6/10

Kent Tax Sources:

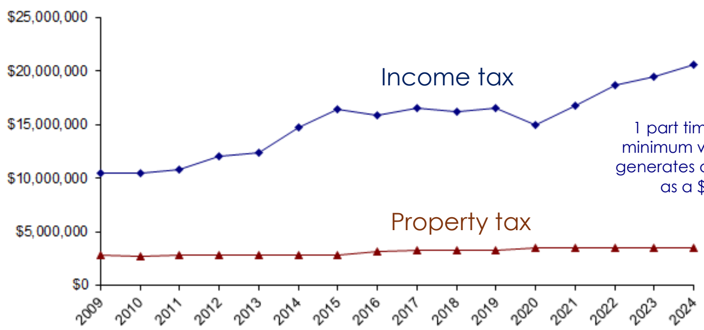
Finding

Financially it's all about the jobs: INCOME TAX property tax

There are 2 categories of local City tax sources: income taxes and property taxes. Income taxes and property taxes require voter approval (state law allows a finite amount of "non-voted" property tax and Kent is at that limit).

The income tax from jobs in Kent contributes roughly 90% of the non-dedicated local tax revenues that fund city services.

Local Tax Revenues by Source



1 part time (30 hours/week) minimum wage job ($11/hour) generates as much tax revenue as a $320,000 home.

Over the last 14 years, income taxes have increased 73%, and property tax receipts have risen 47%.

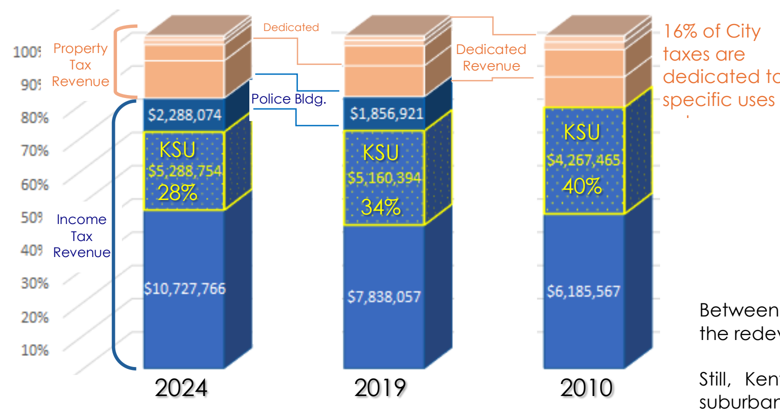
On average, during this time period:
1% rise in property tax generated $ 29,000
1% rise in income tax generated $108,000

Businesses tend to be lower consumers of city services compared to residential properties, e.g., fewer fire, EMS or police calls -- and the services businesses consume tend to have direct fees paid by the business, e.g., business permits, health inspections, etc.

The City is in the "business" of building and maintaining a community – not making a profit – but from a strictly financial perspective; job growth = financial gain, residential growth = neutral to financial loss.

The most successful communities find the balance point between the competing priorities of affordable yet sustainable public services, reconciling the proportional share of costs between jobs (income taxes) and residents (property taxes).

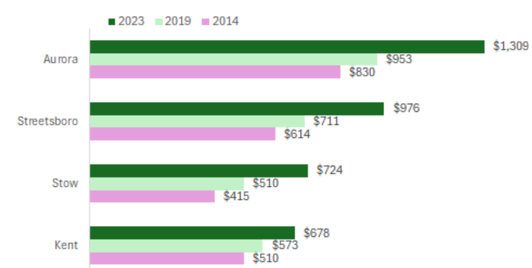
City Revenue Source Snapshot: property & income taxes



Kent State has historically been an income stabilizer, but its proportional share of income tax receipts has declined (dropping 12%) since 2010.

Bottom Line: People that work in the community supply the majority of the tax revenues used for the services enjoyed by the people that live in the community.

Per Capita Income Tax Receipts (2023, 2019, 2014)

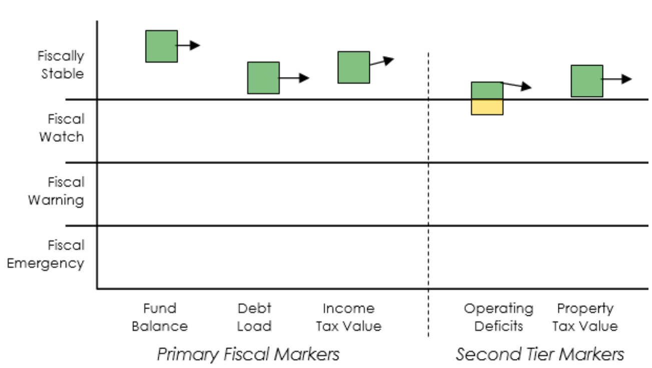


Between 2014 to 2023, Kent had record successive years of income tax growth with the redevelopment of downtown and in-fill corporate expansions.

Still, Kent's in-fill growth (33% increase) was one-half less growth than peer suburban/rural cities (64% average increase) due to the abundant undeveloped land in those cities where private developers built "mega-sized" industrial parks producing leaps in job growth.

Even in the best of times, Kent's growth has been (and will be) incremental due to geographic constraints, creating a financial disadvantage for generating new external revenue, and necessitating consideration of ways to generate more internal revenue to keep pace with rising costs and resident services and quality of life expectations.

Composite Fiscal Health Index 2025



The City's fiscal health is based on the relative balance between the fiscal indicators of financial stability, risk and capacity for growth.

The vital statistics for fiscal health include reserve fund balances, debt load, income taxes with a second tier of fiscal markers that include operating cash flow and property tax values.

In 2025, the City is positioned in the Fiscally Stable category as reserve/undesignated fund balances are at record highs, debt load is within the preferred range, and income taxes have had back-to-back-to-back years of growth.

The record levels of reserves have allowed the city to make sizable investments in staff/technology/facilities which on an annualized basis has lifted annual spending slightly above annual revenues resulting in a planned operating deficit in a given year (not recurring).

Tax Base & Fiscal Capacity

Finding

Same Tax Rate, Less Capacity, Less Revenue

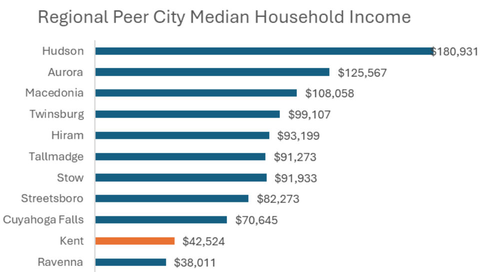
Income and property taxes apply set rates to job salaries or assessed property value. Mathematically, the higher paying the jobs or the higher value of the property, the higher the revenues generated in a community.

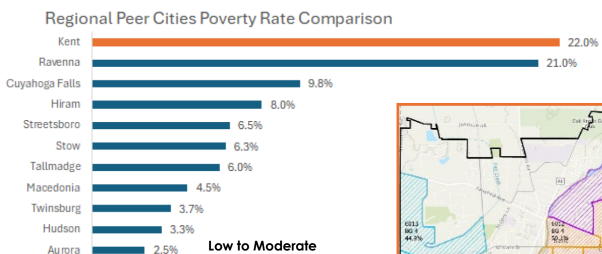
For the predominant category of income taxes, indicators of the capacity of a community to generate revenue from income tax include median household income, poverty rates, and local tax rate.

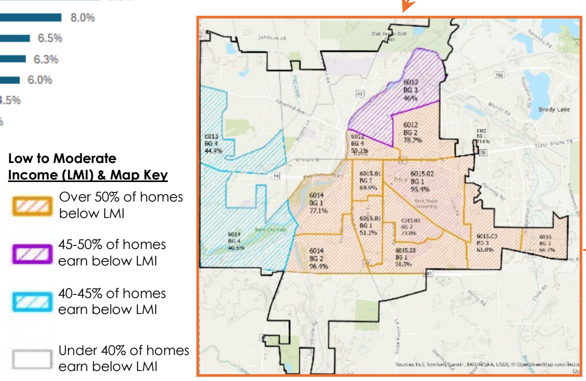
Using the household median income data provides a coarse-grain estimation of income tax capacity. The data doesn't include where the resident works and pays income tax in, but for comparative purposes, the household median income data is a reasonable proxy to compare the revenue generating capacity and relative rankings across communities.

Income Tax Revenue Generator Indicators Comparison

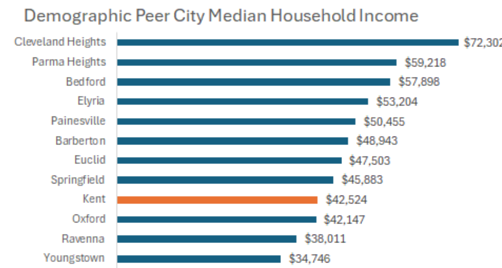
Cities immediately around Kent

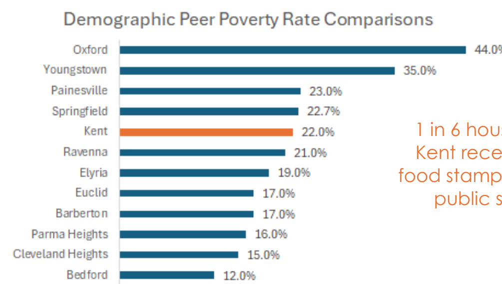






Peer Cities most like Kent financially





1 in 6 households in Kent receive SNAP, food stamps and other public support.

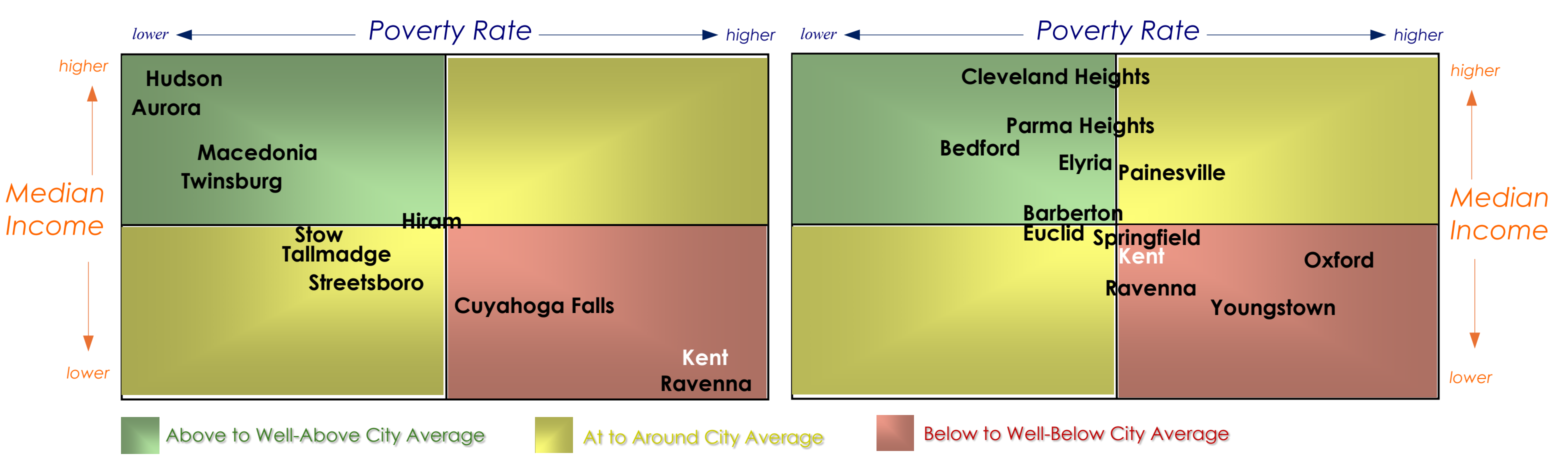
1 in 2 households in Kent earns below the census threshold for "moderate to low income"

1 Person Home < $56,200
2 Person Home < $64,200
3 Person Home < $72,250
4 Person Home < $80,250

Kent has the highest poverty rate and the 2nd lowest median household income in the region, ranking it as one of the "least resourced" communities among the peer cities located closest to Kent geographically.

When compared to cities that are more similar to Kent in terms of their demographic and financial profiles, Kent remains ranked in the bottom third among peer cities for average household income and bottom half of the peer cities for the incidence of poverty.

Statistically, Kent is one of the least resourced communities in northeast Ohio. The low-income levels and high poverty rates mean Kent has fewer financial resources and less financial capacity to keep pace with peer cities through comparable income tax rates.



Tax Base & Fiscal Capacity

Finding

Same Tax Rate, Less Capacity, Less Revenue

Property Tax Revenue Generator Indicators Comparison

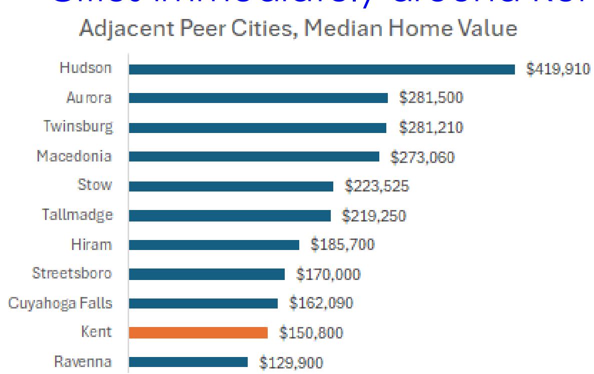
For the smaller revenue category of property taxes, the indicators for revenue generation includes assessed property value (established by the County) and median property tax bills (resulting from the local millage x assessed value).

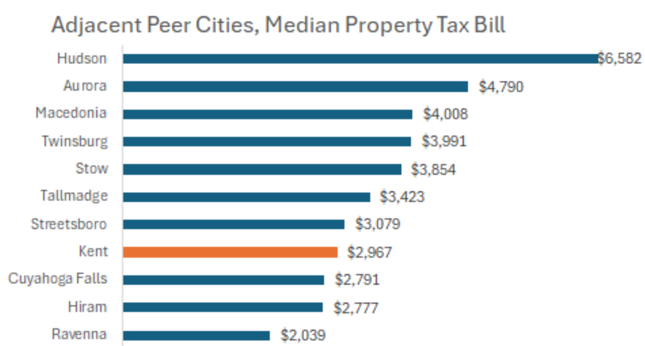
The higher the local property tax millage and the higher the value of the assessed property, the higher the revenues generated in a community.

Property taxes provide approximately 10% of Kent's governmental revenues, but they are one of the primary sources of funding for local school districts, and other voter approved uses which will vary across cities; so again, the indicators are not exact, but they provide a reasonable proxy for cross comparisons and rankings.

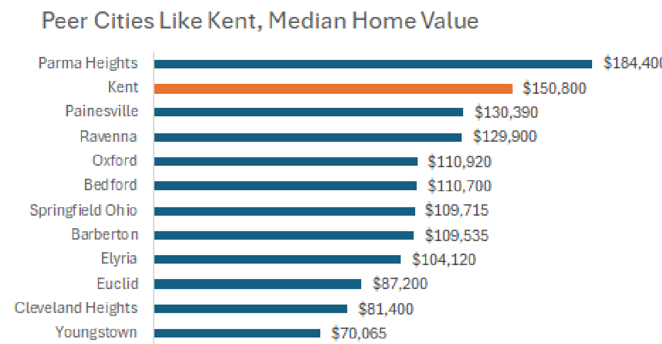
County Property Valuation History for Kent

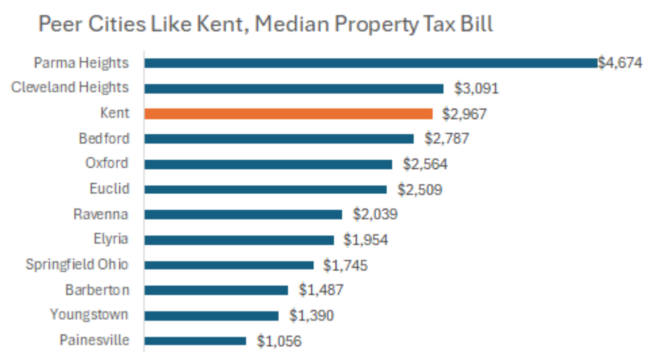
Cities immediately around Kent





Cities most like Kent Financially





Other Income and Property Tax Revenue Factors

Income taxes are only paid by people that are employed in Kent – not retirees or unemployed residents. Property taxes are paid by all business and residential property owners in Kent, including retirees that own property. State owned land, such as Kent State University, is exempt from paying local property tax.

The Kent Campus of Kent State University occupies roughly 800 acres of land – which represents approximately 14% of the Kent's incorporated land area (Kent is 9.2 square miles of land or 5,888 acres).

Using the average of property taxes received for the 5008 non-KSU acres in Kent of $688/acre, the State land exemption equates to an estimated lost value of approximately $550,000 in city property tax revenues.

However, the high density of jobs on campus, pushes the income taxes received for that land area to 2-3 times higher per acre than the average income tax/acre in the city – producing $5,290,000 in income taxes rather than the $2,000,000 to be expected at the average rate. Running the math, the $3,290,000 in income taxes offsets the $550,000 loss in property taxes almost 6 times over.

For the city, income tax enjoys a 10:1 revenue generating advantage over property taxes, and Kent State's income taxes contribute 28% of total income taxes while Kent State's property tax free status pulls 14% of the city's land area off the tax ledger. In other words, Kent State's tax contributions are greater where it matters most.

Property owners that pay property tax include business building owners or single/family homeowners, but Kent's high rental rates (58%) means that a majority of even the residential property taxpayers are also business owners operating rental units. For a landlord the property tax is a cost of business rather than a tax burden imposed on a Kent resident -- although the landlord may choose to pass the tax payment through to the tenant in the rental rate.

Income Tax Rate

Finding

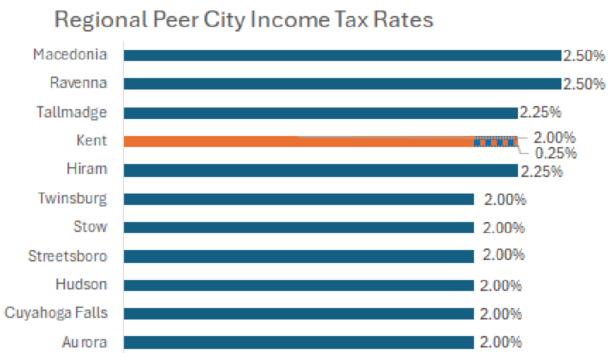
Same Services, Same Tax Rate, Less Revenue

Kent adopted a 2% income tax rate in 1984, and it has not changed in the last 42 years. A temporary (.25%) income tax increase was approved by voters in 2012 for the construction of the new police station (those funds can only be used for police station facility costs). The building debt was originally scheduled to be paid off in 2038, at which time the .25% will sunset and be removed from the tax rate.

With the .25% temporary tax dedicated to paying off the Police Station debt/facility maintenance, Kent is effectively operating on a 2% income tax rate which hasn't changed in 42 years. At 2%, Kent's income tax rate is tied for the lowest income tax rate among peer cities, but the data also suggests that the same 2% tax rate applied in a community with a higher average median income generates 3 to 4 times more in tax receipts per household than the same 2% in Kent.

That likely explains why the "more resourced" cities have lower income tax rates while the "less resourced" cities have adopted higher income tax rates to try to compensate for that higher income multiplier effect.

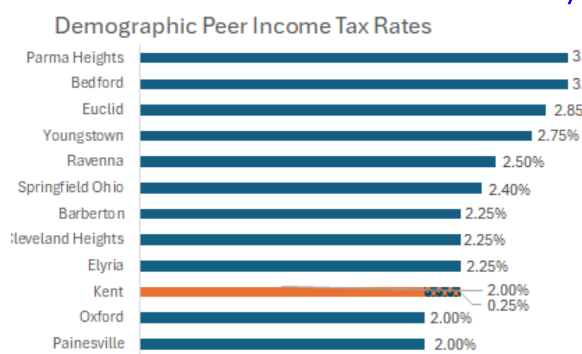
Cities immediately around Kent

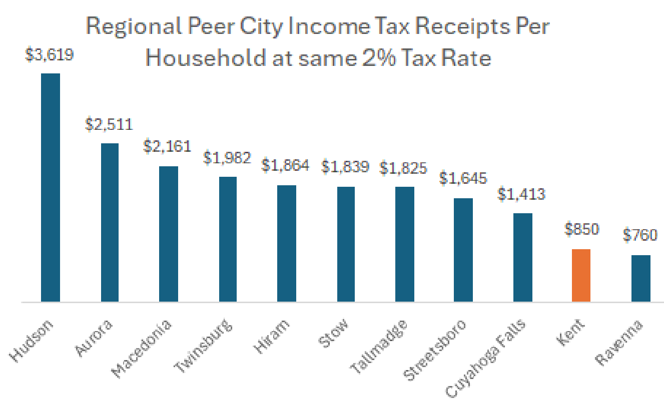


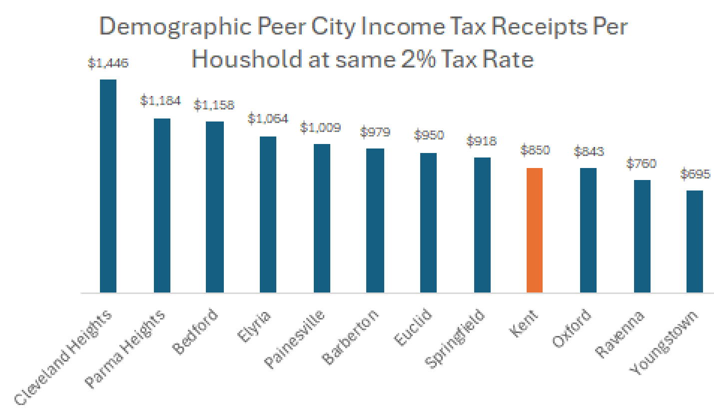
The same 2% income tax rate in Kent generates an average of 44% less funding than in regional peer cities.

On average, for every $1 dollar of income tax collected in regional peer cities, Kent collects .44 cents.

Cities most like Kent Financially







The range of city services (e.g., fire, police, public works, budget, parks and recreation, etc.), and their corollary costs, are consistent across communities. In general, residents expect certain types and levels of city services in every community; it's the use of those services and the revenues available to fund those services that can vary -- at times significantly.

The comparative city tax data shows how cities use the income tax rate as a means to normalize the relative income differences across communities to pay for the equivalent level of city services. The less resources communities tend to have higher tax rates to generate the levels of revenue needed for those same services, while the more resourced communities are able to have lower income tax rates and still generate sufficient revenues to provide those same service levels.

Recognizing this "community math," cities deploy a combination of strategies to grow the local economic base and grow local income tax capacity, while simultaneously adopting best practices and investing in technology to optimize service efficiencies to contain or reduce costs.

Those dual efforts are always ongoing, and cities use the income tax rate as a way to calibrate the balance point for their communities depending on where they land on the revenue/costs continuum. At various times, the local financial balance changes to the point that communities consider recalibrating the income tax rate.

Kent Funding Needs

Finding

Funding Shortages: 1st Tier & 2nd Tier Critical Needs

In 2023 and 2024, staff advised Council that staffing had become inadequate for maintaining the responsiveness, quality and reliability of City services in Police, Fire and Street Maintenance. In 2025, staff made a series of presentations to Council outlining the most critical shortages resulting from an imbalance between staff capacity and workload, how that imbalance evolved, what impact it is having, and what it would cost to restore a more sustainable balance.

During the Great Recession (2007-2010), the City made $2 million in personnel cuts, reducing the city workforce by 10%. By 2017, as investments in the downtown began to yield income tax growth, it became possible to start reducing the staffing shortfall through limited new hires (3 firefighters, IT Director, Assistant Development Director, Community Engagement Coordinator) but the larger staffing deficit remained unresolved.

Positions are "recurring" costs so while using savings may help bridge a year or two, a recurring cost needs a recurring revenue source. In terms of what the City can control, coming up with $1.2 - $2.05 million in recurring revenues would require re-allocating funds (cutting less-core services) or seeking to change the City's tax rates.

1st Tier Critical Needs 3 Police Officers 3 Firefighters 3 Street Maintenance Subtotal 1 = $1.2 million
2nd Tier Critical Needs Parks Capital ($250,000) 2 Firefighters ($300,000) 2 Mtce Workers ($300,000) Subtotal 2 = $850,000
TOTAL = $2.050,000

Fixing a $1.2-$2.05 million problem may require a combination of actions, and this worksheet has been designed to give you a chance to calculate the impacts of your own strategy. Using the information materials provided with this worksheet you can consider what services you would be willing to cut or what tax rates/policies you would support changing. The goal is to eliminate the gap in a way that is sustainable and supports what you believe is most important to the community.

1. Re-Allocation Strategies

reprioritizing and reallocating recurring funding

	Annual Cost	Factor	Revenue Increase
(1) Charter Change to Reduce 25% Capital Mandate	25%=$4,300,000	1% ↓ raises $175,000	
(2) Technology/Productivity Investment	$500,000 - $1 million	one-time expense	N/A
(3) Pay-Off Police Debt, Sunset .25% and Replace .25%		$7,600,000 pay off	$2.2 million/year
(4) Pay-Off Police Debt, Sunset .25% and Replace .25% (with refund to city residents)	$350,000 in refunds		$1,850,000/year
		Sub Total #1	$

Shortfall
$1,200,000
$2,050,000

2. Service Cuts/Elimination Options

cutting/eliminating existing services, reallocate recurring savings

(5) Eliminate Leaf Collection Service/Yard Waste Site	$85,000/year
(6) Eliminate Brush Chipping Service	$175,000/year
(7) Eliminate Spring Clean Up Service	$40,000/year
(8) Eliminate Street Sweeping Service	$75,000/year
(9) Reduce/Cut City General Fund Support of Health Dept.	$0 to 700,000/year
Other	
Sub Total #2	$

Projected Shortfall $1,200,000 / $2,050,000 – $ = Remaining Shortfall $

3. New Revenue Generation

consideration of new fees, tax increases

	Current Info	Revenue Factor	Household Impact	Rate Change	Revenue Raised
(10) Conventional Income Tax Increase	current rate 2.(25)%	raise $2.2 million per .25% ↑	$125/$50,000		
(11) Refundable Income Tax Increase	current rate 2.(25)%	raise $1.85 million per .25% ↑	$0 residents		
(12) Remove/Reduce Income Tax Credit	current credit 100%	Per10% ↓ raise $350,000	$112/$50,000		
(13) Property Tax Increase	$2.6 million @ .58 mils	raise $320,000 per 1 mil ↑	$32/$100,000		
			Sub Total #3		

minus

$

New Balance

$

Footnotes

(1) The City Charter requires 25% of income taxes be used for capital improvements. To change this would require voter approval.
(2) Using reserve funds to invest in technology will enhance services, improve workflow and transparency without notable cost savings.
(3) The rising rate of income tax collections has produced more revenues sooner, with enough collected to pay off the police station debt by 2027 rather than 2038. Paying off the debt would enable the city to sunset the dedicated 'police station' .25 income tax. If approved by the voters, the .25 that was removed could be replaced by a new non-dedicated .25 to support staffing needs. In this scenario, residents' income taxes would stay the same, but the revenues would be eligible to pay for staffing; this requires voter approval.
(4) Same scenario as #3 footnote, with the added option of offering residents of Kent a refund for the .25 income tax rate. This means that residents' taxes would go down by their deduction amount (back to 2%), while people that work but don't live in Kent would pay the same amount of taxes they paid before the .25 was sunset, but those revenues could now be used to support staffing; requires voter approval.
(5)(6)(7)(8) These options show the potential cost savings of non-essential General Fund supported services.
(9) The Health Department is a quasi-state agency. Over time as the Health Dept. budget has grown, the City has supplemented funding with local tax dollars, but this is a local choice, not a legal or Charter obligation.
(10)(11) Are essentially the same scenarios as footnotes (3)(4) without the discussion of early debt payoff; both require voter approval.
(12) City residents that work outside Kent are given a 100% credit for income tax paid where they work. Some cities only credit a portion of the tax paid in other cities. Changing the tax credit does not require voter approval, only a vote by City Council.
(13) Property taxes are a small percentage of city revenue, which competes with school levy funding for voter approval, but it is an option. Property taxes raise taxes on retirees and low-income property owners; any property tax change requires voter approval.

Public Safety

The City budget is not allocated strictly by function so the budget numbers reflected below were rounded to the closest approximate calculated cost for each functional activity and the numbers may differ from the approved operating budget document.

POLICE

customers: 50,000 -KSU, mutual aid

2026 Budget: $10,660,000

Employees: 67 FTE

Funding Sources: -100% Gen Fund -$2.35 million in dedicated public safety income tax -*$180,000 property tax pension levy

% budget / % people

	Administration	Patrol	Records/Dispatch	Detectives/Jail/Other	Pension
Resources					
Budget:	$ 800,000	$ 6,500,000	$ 1,600,000	$ 1,000,000	$ 180,000*
People:	5 FTE	39 FTE	14 FTE	9 FTE	
Business Focus	Administration manages police business functions, e.g., personnel, purchasing, budgeting, customer service, planning.	Patrol provides core police services; responding to calls, patrolling city streets and neighborhoods, making arrests, etc.	Dispatch is the communications hub for public safety, routing citizen calls to police and fire for response.	This section includes a compliance officer who handles animal issues, parking issues and the jail detention center.	This is a financial account that provides for the police pension that is generated from .30 mils of property tax.
Staff Assessment – Resource Position	Adequate	Lagging	Adequate	Adequate	Adequate
	Currently carrying an extra captain position (3).	The number of police officers available per shift is below industry standards.			The City's police pension contributions are driven by state statute.

FIRE

customers: - 75,000, KSU and Franklin Twship

2026 Budget: $8,000,000

Employees: 40 FTE

Funding Sources -100% Gen Fund -$2,000,000 in contracts/fees; -$450,000 levy -$2.35 million in dedicated public safety income tax

% budget / % people

	Administration	Fire and Rescue	Fire Community Services	Pension
Resources				
Budget:	$ 350,000	$ 6,700,000	$ 400,000	$ 180,000*
People:	2 FTE	36 FTE	2 FTE	
Business Focus	Administration manages fire business functions, e.g., personnel, purchasing, budgeting, customer service, planning.	Fire and rescue includes emergency medical and accident response as well as fire suppression.	Fire services include programs that benefit the community such as fire prevention, inspections, plan review and education.	This is a financial account that provides for the fire pension that is generated from .30 mils of property tax.
Staff Assessment – Resource Position	Slightly lagging	Lagging	Adequate	Adequate
	A deputy chief is needed to perform administrative functions, secondary leadership, training and succession planning.	The number of fire fighters available per shift is below standard and cost-effective staffing levels.		The City's fire pension contributions are driven by state statute.

City Administration

The City budget is not allocated strictly by function so the budget numbers reflected below were rounded to the closest approximate calculated cost for each functional activity and the numbers may differ from the approved operating budget document.

ADMIN.

customers: 27,000

2026 Budget: $2,875,000

Employees: 11 FTE, 10 PT

Funding Sources
100% General

-additional $415,000 of HR and IT costs paid by Utility budgets

City Manager & Community Engagement

Resources

Budget: $ 800,000

People: 3 FTE

Business Focus

The City Manager is the chief executive officer responsible for organizational leadership, financial management and service performance.

Resource Position (Staff Assessment): Adequate

Mayor/Clerk/Council Civil Service

Resources

Budget: $ 380,000

People: 1 FTE 10 PT

Business Focus

The City Clerk oversees the administrative functions of the work of Civil Service & Council, including minutes, agenda preparation and legal documents.

Resource Position (Staff Assessment): Adequate

HR & IT

Resources

Budget: $ 1,500,000

People: 4 FTE

Business Focus

The Human Resource manager ensures compliance with labor laws, hiring, discipline, etc. IT plans, manages and maintains the City's IT infrastructure.

Resource Position (Staff Assessment): Adequate

Law

Resources

Budget: $ 535,000

People: 3 FTE

Business Focus

The Law Director provides legal counsel to the city, advises on legal matters, and represents the city in legal actions.

Resource Position (Staff Assessment): Adequate

FINANCE

customers: 27,000

2026 Budget: $1,675,000

Employees: 8 FTE

Funding Sources
-additional $465,000 of Finance costs is paid by Utilities

Administration

Resources

Budget: $ 500,000

People: 3 FTE

Business Focus

Finance administration is responsible for proper management of all financial operations and planning.

Resource Position (Staff Assessment): Adequate

Income Tax

Resources

Budget: $ 800,000

People: 1 FTE

Business Focus

The City income tax employee manages the tracking, collections and distribution of income tax revenues with RITA.

Resource Position (Staff Assessment): Adequate

Finance Operations

Resources

Budget: $ 350,000

People: 2 FTE

Business Focus

Finance Operations include accounting, data processing, record keeping, billing, payroll and accounts receivable for all city operations.

Resource Position (Staff Assessment): Adequate

Utility Billing

Resources

Budget: $ 350,000

People: 2 FTE

Business Focus

Provides billing and account management services for water and sewer customers.

Resource Position (Staff Assessment): Adequate

Service

The City budget is not allocated strictly by function so the budget numbers reflected below were rounded to the closest approximate calculated cost for each functional activity and the numbers may differ from the approved operating budget document.

CENTRAL MAINT.

% budget
% people

customers: 50,000, with KSU

2026 Budget: $6,160,000

Employees: 32 FTE

Funding Sources: -*additional $566,000 is paid by Utilities

	Administration	Streets, Sidewalks, & Transportation	Storm Drainage & Solid Waste	Sanitary Sewers Mtce.	Water Distribution Mtce.
Resources					
Budget	$ 567,000	$ 2,200,000	$ 530,000*	$500,000*	$ 1,150,000*
People	3 FTE	26 FTE (shared)	26 FTE (shared)	26 FTE (shared)	26 FTE (shared)
Business Focus	Administration manages all division business functions, e.g., personnel, purchasing, budgeting, customer service.	Transportation is responsible for the repairs, replacement, and installation of signs, signals and traffic markings; etc.	Provides street drainage response, maintenance and repair; also includes street sweeping, public trash collection.	Performs routine maintenance and emergency response for sanitary sewer collection system.	Performs routine maintenance and emergency response for water distribution network.
Staff Assessment – Resource Position	Adequate	Lagging Shared staffing across functional areas constrains attention, repair and maintenance.	Lagging	Adequate to below	Adequate to below

CENTRAL MAINT.

% budget
% people

	Vehicle Mtce.	Tree Mtce.	Facilities Mtce.	Environmental	Special Events
Resources					
Budget	$ 700,000	$ 170,000	$ 100,000	$ 150,000	$ 50,000
People	4 FTE	26 FTE (shared)	26 FTE (shared)	26 FTE (shared)	26 FTE (shared)
Business Focus	Vehicle Mtce. personnel repair and maintain the city's vehicle fleet.	Crews manage the city's urban forestry and tree maintenance, projects required to comply with Tree City USA designation.	Facilities services include planning, maintenance, repair and capital construction.	Leaf collection, trash, recycling, brush chipping, and related landscaping and gardening services.	Central Mtce. crews provide set up, take down and clean up work for community events.
Staff Assessment – Resource Position	Adequate	Adequate	Adequate	Adequate	Adequate to slightly below Resource levels lag slightly in keeping up with all the new downtown events.

Service

The City budget is not allocated strictly by function so the budget numbers reflected below were rounded to the closest approximate calculated cost for each functional activity and the numbers may differ from the approved operating budget document.

UTILITIES

	Wastewater Plant	Water Plant	Engineering
% budget / % people			
customers: 30,000 in service area	**Resources**	**Resources**	**Resources**
2026 Budget: $5,310,000	Budget: $ 2,500,000*	Budget: $2,350,000*	Budget: $ 460,000
Employees: 32 FTE	People: 13 FTE	People: 10 FTE	People: 9 FTE
Funding Sources: -* paid by Utilities -**additional $340,000 paid from Capital; -**additional $800,000 paid by Utilities	**Business Focus**	**Business Focus**	**Business Focus**
	The sewer plant is responsible for the operation and maintenance of plant and lift stations, and lab services.	The water plant is responsible for the operation and maintenance of plant, pump facilities and tanks.	Responsible for site plan review, capital project planning, design, inspection and construction.
Staff Assessment	**Resource Position**: Adequate	**Resource Position**: Adequate	**Resource Position**: Adequate

Community Development

COMM. DEV.

	Administration & Sustainability	Dev. Services	CDBG Program	Building Inspection	Economic Dev.
% budget / % people					
customers: 27,000	**Resources**	**Resources**	**Resources**	**Resources**	**Resources**
2026 Budget: $2,530,000	Budget: $1,300,000	Budget: $ 300,000	Budget: $ 280,000*	Budget: $ 560,000	Budget: $ 370,000
Employees: 11 FTE	People: 4 FTE	People: 2 FTE	People: (shared)	People: 4 FTE	People: 1 FTE
Funding Sources -*Additional $53,000 paid by Utilities	**Business Focus**	**Business Focus**	**Business Focus**	**Business Focus**	**Business Focus**
	Oversees the development services business functions, e.g., purchasing, budgeting, parking meters. Includes the services of the Sustainability Office.	Provides land use and development services, e.g., site plan, zoning, and manages social service, and permit parking.	Administers the federal CDBG program including housing rehabilitation, fair housing, etc.	Provides inspection services to ensure compliance with state and city building code requirements.	Manages a range of tax abatement, tax incentive, and business development programs to attract, grow and retain businesses.
Staff Assessment	**Resource Position**: Adequate	**Resource Position**: Adequate	**Resource Position**: Adequate to below	**Resource Position**: Adequate	**Resource Position**: Adequate
			Federal CDBG funding available to Kent has been cut by almost 50% in the last 20 years.		Include land banking funds, urban renewal funds, and Main Street Kent funding.

The City budget is not allocated strictly by function so the budget numbers reflected below were rounded to the closest approximate calculated cost for each functional activity and the numbers may differ from the approved operating budget document.

Leisure Services

PARKS

% budget
% people

customers:
27,000

2026 Budget:
$2,250,000

Employees:
15 FTE

Funding Sources:
-100% Levy/Fees
($1.25 mil. levy))
($685,000 fees)

Staff Assessment

	Parks and Recreation Admin. & Services	KYBS	K-6 Child Care
Resources	Budget: $ 1,750,000 People: 13 FTE Plus PT	Budget: $ 50,000 People: 1 PT	Budget: $ 500,000 People: 1 FTE Plus PT
Business Focus	This budget area includes administration of programs, maintenance of parks, recreational supplies, and special event funding.	The Kent Amateur Baseball Congress funding is used to support softball development leagues in Kent.	Administers the federal CDBG program including housing rehabilitation, fair housing, etc.
Resource Position	Lagging Levy Funded The levy funding is flat and is not keeping pace with capital or operating needs.	Adequate Levy Funded	Adequate to slightly below Self Funded Fee Program

Health Services

HEALTH

% budget
% people

customers:
27,000

2026 Budget:
$1,160,000

Employees:
7 FTE

Funding Sources:
-additional $115,000 paid by Utilities

Staff Assessment

	Administration	Food Services	Pool Inspections	Revolving Housing
Resources	Budget: $ 800,000 People: 4 FTE	Budget: $ 150,000 People: 3 FTE (shared)	Budget: $ 10,000 People: 3 FTE (shared)	Budget: $ 200,000 People: 3 FTE (shared)
Business Focus	Oversees the Health department business functions, e.g., purchasing, budgeting, etc.	Handles annual licensing of restaurants and routine health inspections of food establishments.	Provides public swimming pool inspection services and monitoring as required.	Assists in the repair in and rehabilitation of at risk housing. (fee based service)
Resource Position	Adequate	Adequate	Adequate	Adequate