

2024 Operating Budget Plan Executive Summary



Shammas Malik, Mayor

Prepared by the Department of Finance

March 11, 2024

Mayor Malik's 2024 Operating Budget Overview

The 2024 operating budget **outlines \$815 million in investments**. This is a **1.2% increase** from last year's budget and is primarily due to **staffing costs**. **Income tax and property taxes are expected to be higher** this year by **2% and 24%** respectfully, **offsetting the increase in expenditures**. Additionally, the **general fund is utilizing \$10.5 million of Revenue Replacement from the American Rescue Plan Act (ARPA)**. The budget includes a **4% cost of living wage increase** for all **CSPA** and **1360 employees** as well as a **3% increase for Police, Fire, and non-bargaining employees**.

What does this budget do?

A. Promotes safety as the first priority

- Prioritizes police and fire hiring.
- Hiring classes for both Police and Fire in 2024.
- Budgeting for 488 uniformed Police Officers which is the highest level in at least 20 years.
- Budgeting for 402 uniformed Firefighter/medics which is the highest level in 30 years.
- \$1.2 million Violence Intervention and Prevention funding through American Rescue Plan Act (ARPA).
- New roles to focus on retention and recruitment of safety forces and emergency management.

B. Realigns the mayor's office by creating new strategy team and discontinuing some prior roles

- Important part of Mayor's Together For Akron vision of a city government that is more strategic and more collaborative across safety, education, economic development, health, housing, environment, and more.
- New roles around Public Engagement and Data and Transparency will help improve the way city government interacts with the public, building trust and promoting community.
- Building out office of Sustainability and Resiliency by adding Environmental and Policy Specialist and building out office of Diversity, Equity, and Inclusion by adding a Cultural Engagement Coordinator and Diversity Supplier and Contract Compliance officer.

C. Prioritizes strategic initiatives

- Investing \$500,000 to support youth out of school time opportunities as a key partner with Youth Success Summit.
- Investing \$750,000 to launch the THRIVE program for small business support with a focus on Black-owned businesses.
- Investing \$250,000 to support planning for the city's Bicentennial celebration.

D. Invests in personnel and staffing

- 69% of the general fund expenditures are allocated to labor costs.
- Public Service
 - Hiring 6 people to assist with the city's water meter project.
 - Hiring 1 landscape technician to assist with the city's ACORN project and 2 landscapers for downtown Akron.
- Akron Municipal Court
 - Adding a mediator for the Municipal Court.
 - Adding a housing specialist for the Municipal Court.
- Akron City Council
 - Hiring a legislative and public policy specialist.
 - Hiring a Council Community Liaison.
- Budgeting for 2,055 full time employees, up from 2,019.
 - Adding 8 net new appointed positions.

E. Focuses on ARPA expenditures

- Investing \$7.5 million into the water main replacement program.
- \$2 million of ARPA allotted for lead services replacement. After this year's program, the city will only have 1,000 lead service lines remaining.
- \$28.9 million investment into parks and public spaces including:
 - Ed Davis Community Center
 - Joy Park Walking Path
 - Lock 3 Vision Plan
 - Patterson Park Community Center
 - Perkins Pool Reconstruction
 - Reservoir Park Community Center
 - Reservoir Pool Reconstruction
 - Rubber City Heritage Trail
 - Summit Lake Vision Plan
- \$7.5 million towards housing rehab and supporting CDCs.

2024 Budget Assumptions



Revenue

1. Income tax revenues to increase by 2%.
2. Local government fund revenues to remain stable.
3. Property tax revenues increase 24%.
4. General Fund utilizes \$10.5 million of Revenue Replacement funds to balance.

Expenditure

1. The budget includes a 4% cost-of-living wage increase for 2024 for all CSPA and 1360 employees and a 3% increase for Police, Fire, and non-bargaining employees
2. The charge for health care costs will remain stable.
3. The City will hire classes of both Police Officers and Firefighters in 2024.
4. The City will utilize \$61 million in ARPA funding in 2024.

2024 Budget Categories



Budget Categories to Workday Ledger Accounts

Wages/Benefits

61 – Salaries and Wages: Includes wages for full-time and part-time staff, overtime, longevity payments, purchase of leave, uniform allowance and separation pay.

62 – Benefits: Includes health benefits, unemployment, worker's compensation, pension and Medicare payments.

Discretionary Accounts

71 – Supplies: Goods needed for daily operations including building supplies, chemicals, salt, medical supplies, office supplies, fuel and oil and postage.

72 – Training, Education and Travel: Costs related to employee development and training. Also includes dues and memberships and subscriptions.

73 – Equipment: Includes larger dollar purchases of goods needed for daily operations. Includes building furnishings, recreation equipment, safety equipment and computers.

Non-Discretionary Accounts

80-Service Contracts: Contractual services provided to City Departments including professional services, consulting services, engineering services and demolition.

81 – Rentals and Leases: Includes rental of office space, equipment and subscription based software services.

82 – Utilities: Utility costs for City facilities including electric, gas, steam, phone and tipping fees.

83 – Debt Service: Annual payments to service the City's outstanding bonds, notes, loans and leases.

84 – Insurance: Annual costs related to the City's self-insured medical claims, liability insurance, property coverage and vehicle insurance.

85 – Intergovernmental Operations: Payments made to other governmental entities. Includes Property Taxes and fees paid to the State of Ohio.

86 - Equipment, Construction and Property: Capital project expenditures for land, building improvements, infrastructure improvements and vehicles.

87 - Interfund Expenses: Expenditures made between various City funds.

88 - Contractual Obligations: Includes contractual uniform purchases and remittance of taxes and assessments.

89 - Other Expenses: Includes other miscellaneous expenses including grant disbursements, fees and licenses and refunds.

General Fund

Cash Balance, Revenue, Expense, and Ending Cash (2022-2023 Actual and 2024 Budget)

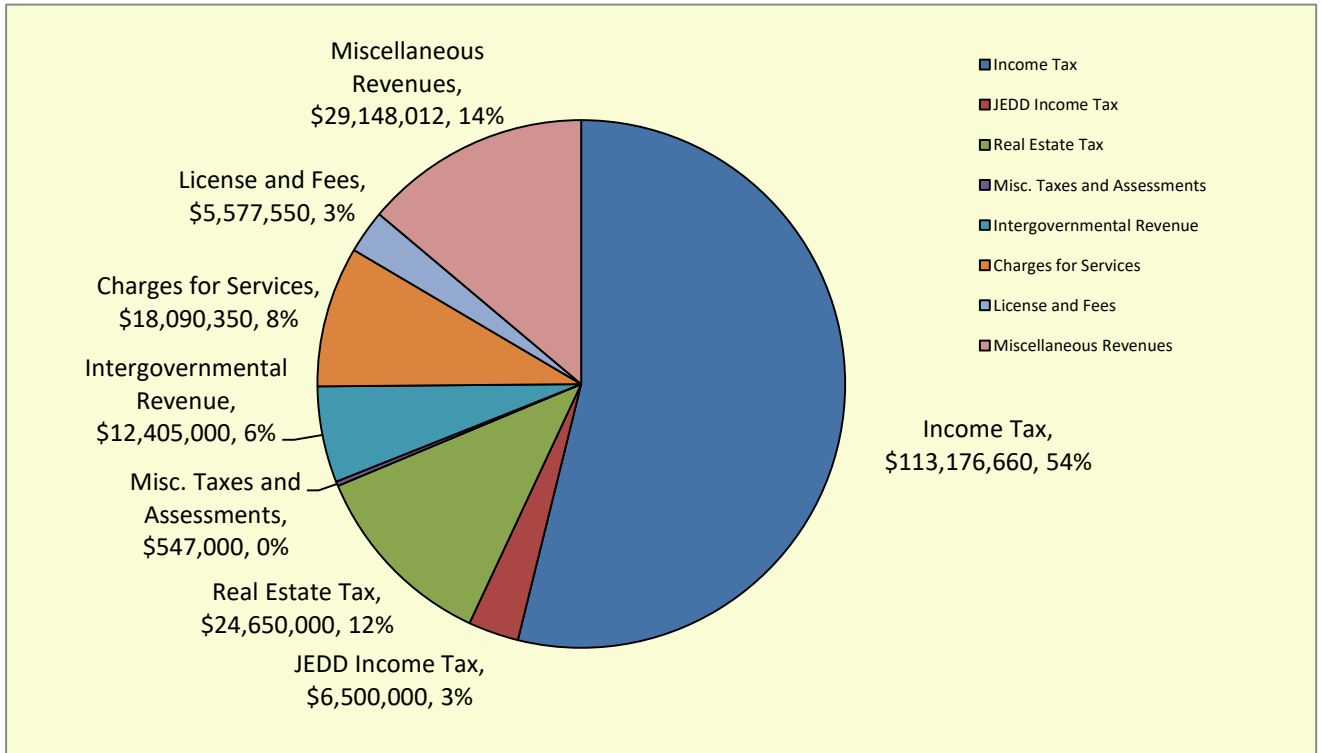


	<u>2022</u> <u>Actual</u>	<u>2023</u> <u>Actual</u>	<u>2024</u> <u>Budget</u>
<u>Cash Balance, January 1</u>	\$28,056,599	\$25,210,073	\$28,742,636
<u>Revenue</u>			
Taxes, Assessments and JEDD	\$129,176,334	\$137,318,358	\$144,873,660
Intergovernmental Revenue	12,796,238	12,297,976	12,405,000
Charges for Services	17,410,393	17,808,752	18,090,350
License and Fees	6,261,726	5,360,199	5,577,550
Miscellaneous Revenues	16,786,781	22,873,433	29,148,012
Total Revenue	<u>\$182,431,472</u>	<u>\$195,658,718</u>	<u>\$210,094,572</u>
<u>Expense</u>			
Labor	\$89,778,207	\$91,799,476	\$101,560,158
Benefits	39,752,268	42,614,866	44,357,908
Supplies	2,054,444	2,065,207	2,234,050
Training, Education, Travel	628,659	619,995	1,013,907
Equipment Expense	456,340	399,820	723,730
Service Contracts	18,531,641	19,782,070	21,073,328
Rentals and Leases	1,512,428	1,717,323	2,529,720
Utilities	4,799,718	4,371,218	4,627,500
Debt Service	620,153	277,187	215,488
Insurance	891,468	942,725	1,095,190
Intergovernmental Obligations	3,205,695	2,263,245	2,790,410
Equipment, Construction, Property	883,773	279,336	255,300
Interfund Expenses	20,184,416	23,768,460	25,840,541
Contractual Obligations	569,662	476,227	610,100
Other Expenses	1,409,127	749,002	1,189,710
Total Expense	<u>\$185,277,998</u>	<u>\$192,126,155</u>	<u>\$210,117,040</u>
<u>Cash Balance, December 31</u>	<u>\$25,210,073</u>	<u>\$28,742,636</u>	<u>\$28,720,168</u>

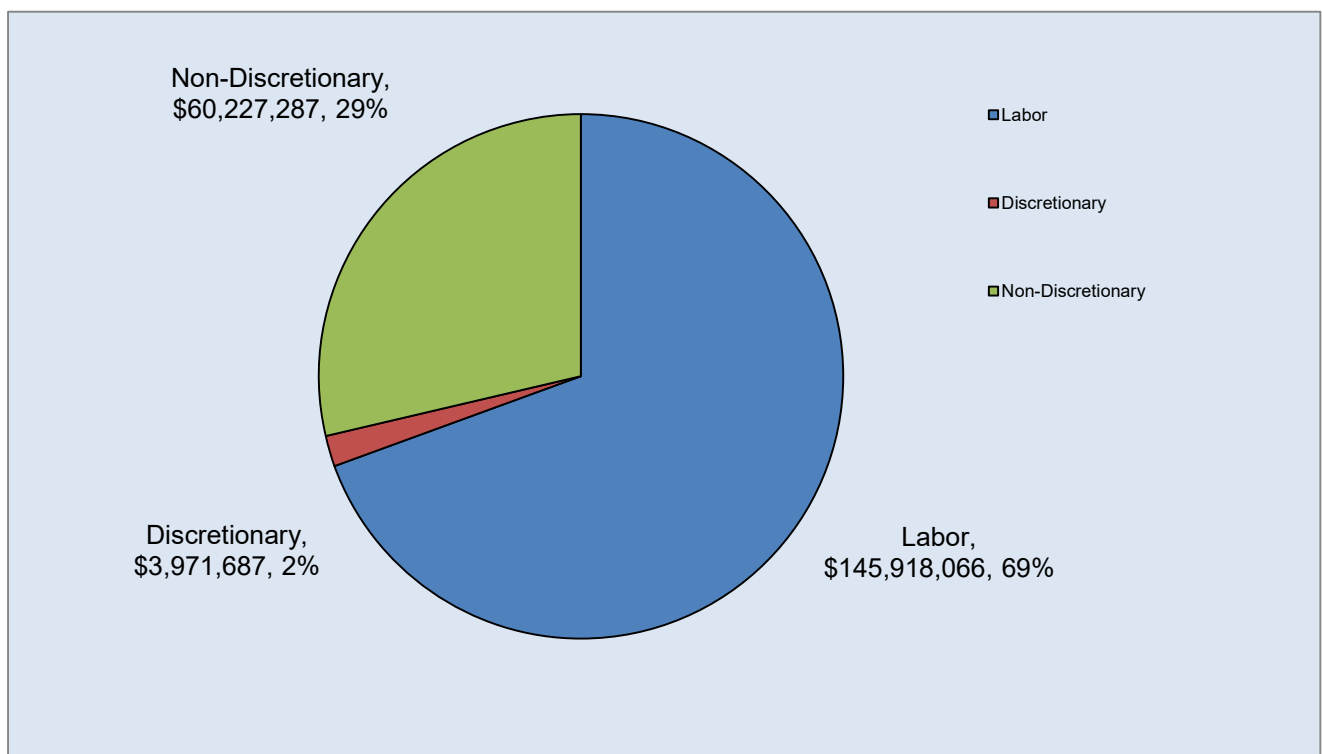
General Fund 2024 Budget



Revenue by Major Source



Expense by Category



All Funds

Gross Revenue - by Fund



<u>Fund - Title</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Budget</u>
1000-GENERAL FUND	\$182,431,472	\$193,688,834	\$210,094,572
2000-INCOME TAX COLLECTION	11,349,803	6,623,359	6,575,000
2005-EMERGENCY MEDICAL SERVICE	19,928,753	22,650,743	26,760,500
2010-SPECIAL ASSESSMENT BOND PAYMENT	30,759,965	31,596,420	33,307,505
2015-POLICE PENSION-LIABILITY	928,272	918,717	1,140,000
2020-FIRE PENSION-LIABILITY	928,272	918,717	1,140,000
2025-INCOME TAX CAPITAL IMPROVEMENT (DW)	45,091,729	47,414,793	49,162,000
2030-STREET & HIGHWAY MAINTENANCE	11,383,805	13,843,869	11,691,117
2080-COMMUNITY DEVELOPMENT (DW)	14,550,056	8,977,682	10,355,500
2095-COMMUNITY ENVIRONMENT GRANTS (DW)	4,005,903	1,833,504	561,227
2127-A.M.A.T.S.	1,660,747	1,739,075	2,120,100
2146-H.O.M.E. PROGRAM (DW)	2,730,515	1,126,333	3,339,100
2195-TAX EQUIVALENCY (DW)	16,431,789	17,376,304	16,761,780
2200-SPECIAL REVENUE LOANS	62	262	-
2240-JOINT ECONOMIC DEVELOPMENT DISTRICT (DW)	19,313,275	18,840,455	17,524,045
2255-AKRON MUNICIPAL COURT INFORMATION SYSTEM	301,018	398,395	765,000
2295-POLICE GRANTS	3,319,007	4,002,002	6,026,840
2305-SAFETY PROGRAMS	2,303,220	7,551,775	10,453,121
2320-EQUIPMENT & FACILITIES OPERATING (DW)	2,406,933	2,850,669	3,013,243
2330-VARIOUS PURPOSE FUNDING (DW)	75,060,763	4,542,975	4,675,746
2340-DEPOSITS	874,992	1,620,271	710,000
2355-COMMUNITY LEARNING CENTERS (DW)	21,893,862	17,953,470	19,564,000
2360-POLICE, FIRE, ROAD INCOME TAX	17,986,127	18,007,826	18,813,128
2365-GENERAL GRANTS	264,255	549,052	1,274,000
3000-GENERAL BOND PAYMENT	1,934,249	1,927,910	2,350,000
4060-STREETS (DW)	20,092,037	21,485,248	21,755,627
4150-INFORMATION TECH. AND IMPROVE.	20,000	100,000	-
4160-PARKS AND RECREATION (DW)	6,950,637	3,465,637	4,450,000
4165-PUBLIC FACILITIES AND IMPROVEMENTS (DW)	6,640,122	10,408,456	9,002,175
4170-PUBLIC PARKING (DW)	1,110,000	-	3,800,000
4175-ECONOMIC DEVELOPMENT (DW)	1,431,009	465,651	2,400,000
5000-WATER	43,353,000	41,748,817	56,712,700
5005-SEWER	98,541,329	95,280,226	97,675,000
5010-OIL & GAS	141,106	93,924	100,000
5015-GOLF COURSE	1,877,891	2,610,684	2,046,750
5020-AIRPORT	1,638,433	2,502,020	2,734,800
5030-OFF-STREET PARKING	2,642,295	2,966,146	5,154,160
6000-MOTOR EQUIPMENT	10,517,554	11,133,599	9,775,870
6005-LIABILITY SELF-INSURANCE	42,139,407	42,464,508	47,927,192
6007-WORKERS' COMPENSATION RESERVE	1,638,104	3,338,396	3,145,000
6009-SELF-INSURANCE SETTLEMENT	-	-	-
6015-TELEPHONE SYSTEM ROTARY	742,158	778,178	835,060
6025-ENGINEERING	2,557,163	6,501,685	4,307,458
6030-DATA PROCESSING	4,222,200	4,348,933	4,804,000
7000-CLAIRE MERRIX TENNIS TRUST	-	-	-
7003-HOLOCAUST MEMORIAL	-	-	-
7010-UNCLAIMED MONIES	-	-	25,000
7020-POLICE/FIRE BENEFICIARY SCHOLARSHIP	200	300	200
7025-POLICE PROPERTY MONETARY EVIDENCE	523,750	267,891	330,000
Grand Total	\$734,617,241	\$676,913,711	\$735,158,516

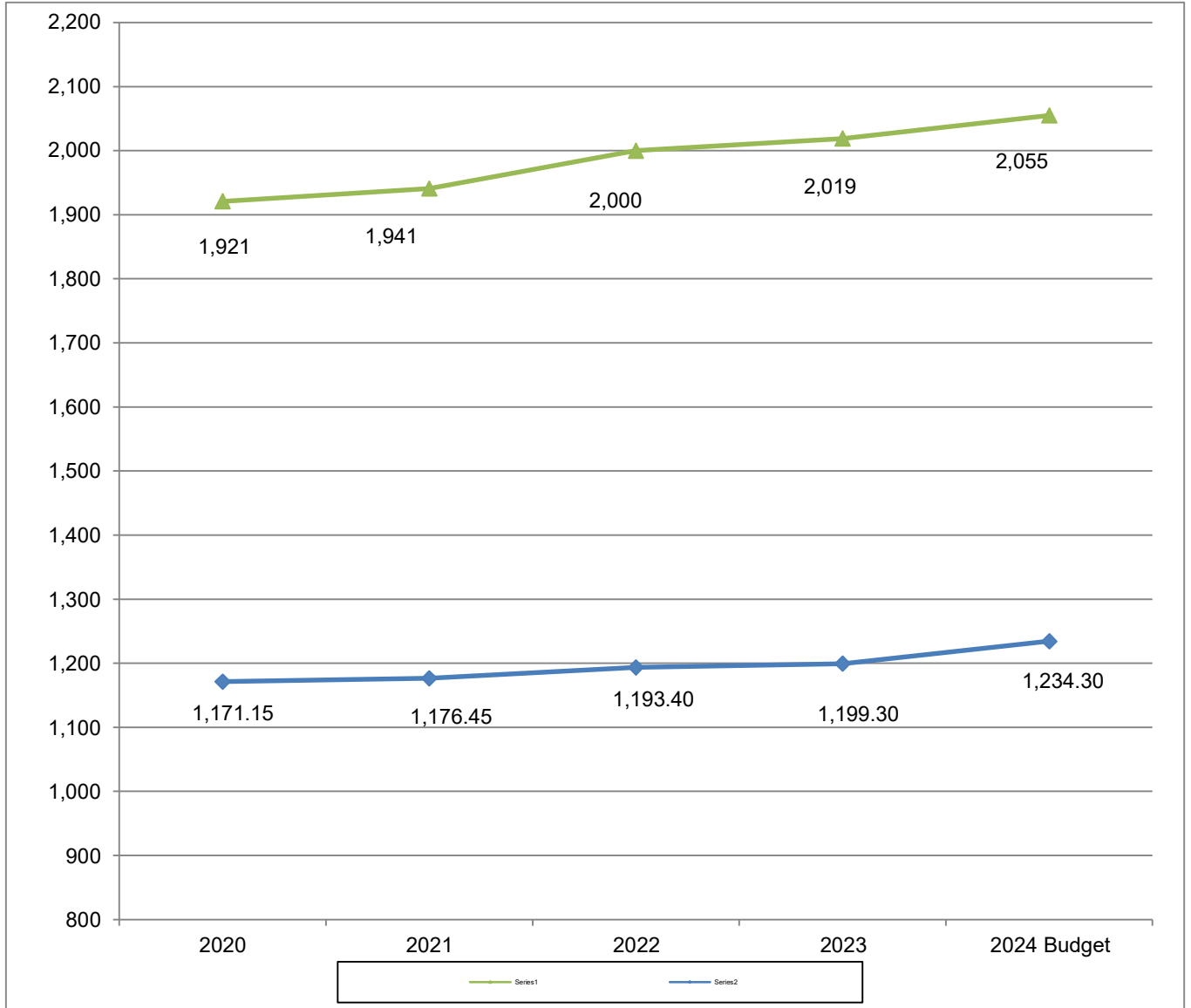
All Funds

Gross Expenditures - by Fund

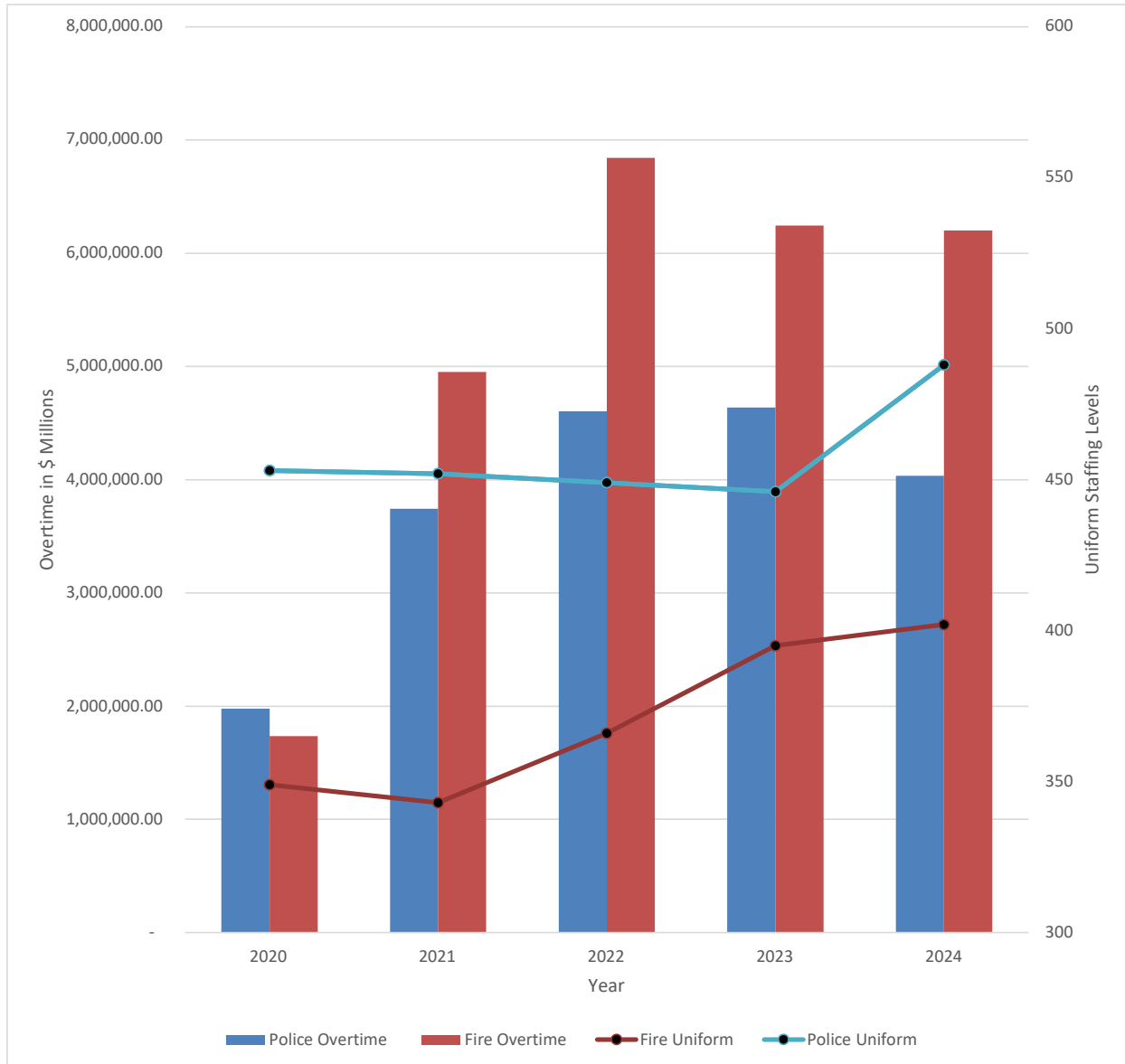


<u>Fund - Title</u>	<u>2022 Actual</u>	<u>2023 Actual</u>	<u>2024 Budget</u>
1000-GENERAL FUND	\$185,277,998	\$192,277,478	\$210,117,040
2000-INCOME TAX COLLECTION	12,268,346	6,235,161	7,068,800
2005-EMERGENCY MEDICAL SERVICE	19,988,366	21,945,408	26,348,089
2010-SPECIAL ASSESSMENT BOND PAYMENT	32,485,836	31,632,995	33,742,726
2015-POLICE PENSION-LIABILITY	939,207	906,275	1,120,000
2020-FIRE PENSION-LIABILITY	939,207	906,273	1,120,000
2025-INCOME TAX CAPITAL IMPROVEMENT (DW)	41,989,785	45,119,758	45,333,601
2030-STREET & HIGHWAY MAINTENANCE	10,882,602	12,988,831	14,080,986
2080-COMMUNITY DEVELOPMENT (DW)	10,481,318	10,264,665	10,317,421
2095-COMMUNITY ENVIRONMENT GRANTS (DW)	3,192,163	1,844,687	528,890
2127-A.M.A.T.S.	1,709,114	1,777,304	2,118,365
2146-H.O.M.E. PROGRAM (DW)	2,053,549	1,119,684	3,851,000
2195-TAX EQUIVALENCY (DW)	14,181,117	13,581,085	14,963,420
2200-SPECIAL REVENUE LOANS	-	-	12,280
2240-JOINT ECONOMIC DEVELOPMENT DISTRICT (DW)	19,598,071	18,443,747	18,660,760
2255-AKRON MUNICIPAL COURT INFORMATION SYSTEM	869,968	589,843	755,486
2295-POLICE GRANTS	3,461,936	3,481,634	6,053,491
2305-SAFETY PROGRAMS	4,247,727	7,050,384	12,345,161
2320-EQUIPMENT & FACILITIES OPERATING (DW)	2,318,353	2,889,342	2,851,931
2330-VARIOUS PURPOSE FUNDING (DW)	39,981,833	40,127,268	63,331,900
2340-DEPOSITS	1,294,208	557,050	2,691,910
2355-COMMUNITY LEARNING CENTERS (DW)	21,155,297	18,018,568	17,990,977
2360-POLICE, FIRE, ROAD INCOME TAX	12,697,698	18,087,262	24,322,950
2365-GENERAL GRANTS	349,483	265,600	1,243,024
3000-GENERAL BOND PAYMENT	1,753,107	1,255,086	2,425,230
4060-STREETS (DW)	19,656,091	19,213,587	23,974,157
4150-INFORMATION TECH. AND IMPROVE.	165,953	72,616	-
4160-PARKS AND RECREATION (DW)	6,148,007	4,091,538	4,409,100
4165-PUBLIC FACILITIES AND IMPROVEMENTS (DW)	10,291,766	9,954,278	10,293,650
4170-PUBLIC PARKING (DW)	277,118	83,267	3,765,200
4175-ECONOMIC DEVELOPMENT (DW)	340,117	1,829,478	2,186,360
5000-WATER	44,545,778	50,653,775	54,114,746
5005-SEWER	101,470,697	106,944,310	111,640,900
5010-OIL & GAS	30,655	79,495	183,390
5015-GOLF COURSE	1,961,431	2,586,071	1,991,304
5020-AIRPORT	1,639,842	1,700,379	2,864,580
5030-OFF-STREET PARKING	2,609,320	2,638,330	5,075,780
6000-MOTOR EQUIPMENT	10,511,648	10,137,238	10,343,110
6005-LIABILITY SELF-INSURANCE	42,371,885	43,732,065	47,152,986
6007-WORKERS' COMPENSATION RESERVE	2,101,297	2,592,334	2,954,660
6009-SELF-INSURANCE SETTLEMENT	-	-	15,000
6015-TELEPHONE SYSTEM ROTARY	565,295	455,245	900,730
6025-ENGINEERING	3,646,786	3,694,085	4,271,300
6030-DATA PROCESSING	4,721,659	4,339,728	4,777,581
7000-CLAIRE MERRIX TENNIS TRUST	-	-	-
7010-UNCLAIMED MONIES	917	49,415	25,000
7020-POLICE/FIRE BENEFICIARY SCHOLARSHIP	-	-	2,000
7025-POLICE PROPERTY MONETARY EVIDENCE	479,280	619,961	660,000
Grand Total	\$697,651,831	\$716,832,583	\$814,996,972

Budgeted Full-time Employees Total vs. General Fund



Police and Fire Uniform Overtime and Staffing by Year



American Rescue Plan Act Funding 2024 Operating Budget



	Labor Budget	Other Budget	Total Budget
<u>Public Utilities</u>			
Akron Cares		540,000.00	540,000.00
Water Main Replacement Program 2023	-	7,564,130.00	7,564,130.00
Lead Services Replacement	-	2,053,400.00	2,053,400.00
	-	10,157,530.00	10,157,530.00
<u>Parks and Public Spaces</u>			
Ed Davis Community Center	100,000.00	800,000.00	900,000.00
Joy Park Walking Path	-	67,500.00	67,500.00
Lock 3 Vision Plan	-	387,180.00	387,180.00
Miscellaneous Public Space Improvements	-	400,000.00	400,000.00
Patterson Park Community Center	83,330.00	8,950,000.00	9,033,330.00
Perkins Pool Reconstruction	-	266,670.00	266,670.00
Reservoir Park Community Center	-	4,700,000.00	4,700,000.00
Reservoir Pool Reconstruction	-	6,900,000.00	6,900,000.00
Rubber City Heritage Trail Phase 1	-	1,017,000.00	1,017,000.00
Summit Lake Vision Plan	-	3,600,000.00	3,600,000.00
	183,330.00	27,088,350.00	27,271,680.00
<u>Housing</u>			
Rehabilitation of Existing Homes	-	4,500,000.00	4,500,000.00
CDC Support	-	3,000,000.00	3,000,000.00
	-	7,500,000.00	7,500,000.00
<u>Violence Prevention</u>			
Safety Related Investment		364,630.00	364,630.00
Violence Intervention and Prevention Programming		1,000,000.00	1,000,000.00
	-	1,364,630.00	1,364,630.00
<u>Access to Healthcare and Social Services</u>			
AxessPointe Community Health Center	-	900,000.00	900,000.00
Homelessness Support Programs	-	1,000,000.00	1,000,000.00
Medical Debt Relief	-	500,000.00	500,000.00
Mobile Hygeine Unit	-	75,000.00	75,000.00
	-	2,475,000.00	2,475,000.00
<u>City Budget Stabilization</u>			
Project Administration	-	950,000.00	950,000.00
2024 Budget Revenue Replacement	10,750,000.00	66,500.00	10,816,500.00
	10,750,000.00	1,016,500.00	11,766,500.00
<u>Total 2024 Budgeted Allocation</u>	10,933,330.00	49,602,010.00	60,535,340.00