

# 2026 Operating Budget Overview

I am pleased to present the **proposed 2026 Operating Budget**, which represents the first phase of a two-year effort to right-size the City's operating expenditures. The second phase will occur during the 2027 budget cycle and will focus on further aligning our spending with our long-term financial realities. **The overarching goal of this rightsizing effort is to ensure that Akron's operations remain sustainable given the funding constraints we face both now and in the years ahead.**

The proposed 2026 operating budget totals **\$784.8 million**, a **reduction of \$13.8 million** from last year's adopted budget. General Fund expenditures are **budgeted at \$226 million**, slightly above the prior year's proposed amount of \$223 million. However, because actual 2025 General Fund spending was approximately \$228 million, the 2026 proposal **is roughly \$3 million below last year's actual expenditures.**

We are estimating a positive outlook of **2.5% income tax growth** for 2026, **stable property tax and local government funds**, and a new influx of an estimated **\$1,750,000 of revenues** from adult use cannabis sales.

## MISSION CRITICAL HIRING

The City of Akron has a team of **roughly 2,000 employees**. It's important for us to continue to invest in that team while also recognizing that we need to better control our labor costs. A core element of our cost savings strategy is a more focused approach to hiring. This budget reflects **a reduction of 35 full-time positions through attrition**, saving the city an **estimated \$3.5 million in wages and benefits** per year. At any given time, the City carries approximately 85 to 100 vacancies. Historically, if funding exists for a position, the HR Review Committee would routinely approve the posting of a vacant role. This practice is being reversed. **Moving forward, the default will be not to fill vacant positions unless they are demonstrated to be mission critical for City operations.** This approach **does not** apply to sworn police and fire positions.



## **SAFETY AND OVERTIME**

Personnel costs make up **72 percent of the General Fund operating budget** and **more than one third** of the City's overall operating expenditures. We are committed to preserving essential staffing levels, particularly in public safety. In 2026, we are budgeting for an **average of 455 police officers** with a max budget of **470 officers** and an **average of 378 firefighters** with a max budget of **388 firefighters**. We currently have **31 police cadets in training**, plan to onboard **another class of approximately 25** in November, and will welcome **five lateral transfers** this summer. Additionally, **a class of 25 firefighters** will begin in September. Maintaining strong public safety staffing is foundational to our Safer Together strategy.

**Police and fire overtime spending has increased sharply, even as staffing levels have grown.** In the Akron Fire Department, staffing has risen every year since 2020, yet overtime costs **have jumped from \$2.1 million in 2020 to \$7.5 million in 2025**. The Police Department shows a similar pattern: despite higher staffing levels, overtime spending **climbed from \$2.2 million in 2020 to \$6 million last year**.

In response, the administration has been working with **both departments** to identify meaningful reductions in overtime to maintain sustainable budgets this year and into the future.

The City is currently conducting a **staffing study with the Akron Police Department** and has issued a Request for Proposals for a similar study within the Fire Department. These analyses will help us align staffing models with national best practices for deployment and response.

In Akron Fire, we have already implemented a cap on daily overtime by **limiting the number of approved overtime shifts from 10 to 3**. In the first two weeks alone, this change **saved over \$90,000 without any negative impact on response times**. We will closely monitor this approach as we enter the spring and summer months. Public safety remains our highest priority, and adjustments will be made if operational needs require. Based on current results, we anticipate **saving approximately \$2.5 million in Fire overtime in 2026**.



Work also continues with Police leadership to determine the most effective and responsible strategies for reducing police overtime while maintaining service quality and public trust. Our expectation is to cut police overtime **by \$2 million in 2026.**

We are also conducting a **thorough review of all City contracts** to identify opportunities to bring work inhouse, eliminate nonessential services, and focus expenditures on core municipal priorities.

## **REVENUE**

While our focus is on controlling and reducing expenditures, we are also **pursuing additional revenue opportunities** that align with city priorities. The City is **reactivating traffic speed cameras in school zones**—an initiative that has been paused since the start of the pandemic in 2020. A request for proposals will be released soon to identify a contractor to manage this program. We expect it to generate **approximately \$600,000 in 2026 and \$1.2 million annually** in subsequent years.

We have also issued a new request for proposals for the management of City-owned parking facilities to reduce the annual subsidy of parking, which cost the City \$2M in 2025. As part of this RFP process, we will also consider the possible sale of one or more parking garages.

In an effort to attract additional business and investment to the city, Akron is transitioning from **the outdated legacy code to the Form-Based Code** which will provide a clearer and more accessible zoning code appropriate for a 21st century city. **The Form-Based Code will guide development in ways that better align with our shared values and vision.**

In 2026, we will invest in growing opportunity and increasing the tax base through **economic development initiatives across the spectrum of entrepreneurship** from microenterprise to mature corporations. The economic development team will meet with more than **200 business owners** to support their experience, retention, and connection to resources. Additionally, the team will track connections, site searches, and investments in expanding businesses, commercial property redevelopment, and attraction of prospective businesses to Akron.



## INVESTMENT

While we are taking a more disciplined approach to spending, we also recognize the importance of **strategic investment** in high impact community initiatives.

- **Homelessness:** In addition to our annual federal funding allocated to address homelessness, this budget allocates **an additional \$250,000 of local funds** to support emergency services for homeless resource providers, including additional funding to support the Emergency Overnight Warming Center and **expand other emergency sites** over the 2026-2027 winter season.
- **Street Team:** With our street team credible messenger pilot program concluding in June, this budget **expands that program with at least \$250,000 of additional funding** for the second half of 2026 as we work with our partners to build a permanent and sustainable program.
- **Youth Success Summit:** Our early support helped the organization secure a **significant multiyear Wallace Foundation grant**, projected to bring **\$6-10 million** to Akron. The City will **invest \$500,000 in 2026** to expand this partnership and increase opportunities for Akron's youth.
- **Unified Early Learning System:** The City will **invest \$140,000** to support the continuation of piloting Phase 1 of Akron's Unified Early Learning System. This effort aims to stabilize childcare providers, support the early childhood workforce, and expand high quality learning opportunities for working families.
- **Project Play:** We are **committing \$175,000** to partner with the Aspen Institute on a study focused on youth sports and play access. Increasing opportunities for our youth is both a health and wellness initiative, and a violence prevention strategy.
- **Use of Force Implementation:** The Police Executive Research Forum (PERF) is finalizing its use of force policy review for the Akron Police Department. The City is setting aside an **initial \$500,000 to begin implementing the forthcoming recommendations.**



- **Great Streets:** Community Development Block Grant funds **totaling \$400,000** will support investment in neighborhood business districts through feedback-informed revisions to the Great Streets program.
- **Small Business Assistance:** To leverage the impact of our small staff team, and match our business district investment, City funds **totaling \$497,500** will resourcefully be deployed across strategic small business assistance providers, stretching City capacity through partnerships that help us to serve more businesses throughout Akron.
- **APS Akron After School:** This funding of **\$250,000** continues the City of Akron's **25+ year partnership with Akron After School** to provide safe, enriching environments through after-school and summer learning programs for Akron Public Schools' students while supporting working families.

## CONCLUSION

The 2026 Operating Budget reflects a **responsible and forward looking approach** to the City's financial management. It balances necessary cost reductions with targeted investments that strengthen public safety, support vulnerable residents, and build long term opportunity for Akron's families. By implementing disciplined hiring practices, reducing overtime expenditures, identifying new revenue sources, and investing strategically in key community priorities, **we are positioning Akron for greater fiscal stability while continuing to meet the needs of our residents.** This budget represents an important first step toward long term sustainability, and we will continue this work through the 2027 budget cycle and beyond.

Sincerely,

