

# Newark

CITY SCHOOLS

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDING JUNE 30, 2024



NEWARK CITY SCHOOLS • NEWARK, OHIO





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Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
800-282-0370

Board of Education  
Newark City School District  
621 Mount Vernon Road  
Newark, Ohio 43055

We have reviewed the *Independent Auditor's Report* of the Newark City School District, Licking County, prepared by Julian & Grube, Inc., for the audit period July 1, 2023 through June 30, 2024. 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 Newark City School District is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

March 04, 2025

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ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

OF THE

NEWARK CITY  
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2024

PREPARED BY  
TREASURER'S DEPARTMENT  
JULIO VALLADARES, TREASURER/CFO

621 MOUNT VERNON ROAD

NEWARK, OHIO 43055

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**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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December 20, 2024

To the Citizens and Board of Education of the Newark City School District:

We are pleased to submit to you the twenty-first Annual Comprehensive Financial Report (ACFR) of the Newark City School District (the “District”). This ACFR, which includes an opinion from Julian & Grube, Inc., conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District’s management. To the best of our knowledge and belief, this ACFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

State statute requires an annual audit by independent accountants. Julian & Grube, Inc. conducted the audit. The audit has been conducted in accordance with generally accepted auditing standards, generally accepted government auditing standards, and include a review of internal controls and test of compliance with Federal and State laws and regulations. The Independent Auditor’s Report is included in the ACFR.

This transmittal letter is designed to provide historical information about the District, as well as complement the required Management’s Discussion and Analysis (discussed below). Unless noted otherwise, the financial data in this transmittal letter is presented on the modified accrual basis of accounting. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). The District’s MD&A, which focuses on the government-wide statements, can be found on page 17 of the financial section of this report.

## **PROFILE OF THE SCHOOL DISTRICT**

The City of Newark, the county seat of Licking County, is located approximately 33 miles east of Columbus in the central part of the State. The District serves an area of approximately 19 square miles and approximately 50,062 residents.

In the spring of 1802, General William Schenk platted around the ancient mounds of Central Ohio a settlement named after his hometown of Newark, New Jersey. There were many salt licks in the area and by 1808 the area known as Licking County was founded. In 1809 the first school was started in the Courthouse on the north side of the Town Square. James Maxwell was the first schoolteacher in this floorless room. The first official body designated as the Newark City Board of Education was formed in 1848.

The Board of Education (the “Board”) of the District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body, and policy initiator for the operation of the District. The Board is responsible for the annual operating budget and approves all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

During fiscal year 2024, the District had 5,938 students enrolled in twelve schools: Carson Elementary, Cherry Valley Elementary, John Clem Elementary, Ben Franklin Elementary, Hillview Elementary, Legend Elementary, and McGuffey Elementary schools housing grades K through 5; Heritage Middle, Liberty Middle, and Wilson Middle housing grades 6 through 8; the Newark Digital Academy housing grades K through 12 and Newark High School housing grades 9 through 12.

The District provides a full range of traditional and non-traditional educational programs, services and facilities. These include elementary and secondary curriculum at the general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities, special education programs and facilities.

Newark Catholic High School, St. Francis, Blessed Sacrament, and the Alive Vineyard Academy are located within the School District Service Area. The District acts as fiscal agent for state funds provided by the State of Ohio to these institutions. Revenues and expenditures of these schools are reported as a governmental activity of the District.

### **Internal Controls**

Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of costs and benefits requires estimates and judgments by management.

### **Budgetary Controls**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriations resolution, both of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. The legal level of budgetary control imposed by the District (the highest level for which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all budgeted funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

## **ECONOMIC CONDITION AND OUTLOOK**

The District is located approximately 33 miles from the metropolitan City of Columbus providing a wealth of opportunity for cultural, social and economic resources for its residents. Central Ohio Technical College and The Ohio State University of Newark share facilities at the Newark campus. Denison University is located in the adjoining Village of Granville. These colleges provide excellent educational opportunities for the Newark community.

The City of Newark offers an excellent opportunity for business growth and expansion. The City stimulates the economy through a diverse group of employers, from the small family operated business to the major commercial/industrial and service corporations. The five largest employers in the District in terms of numbers of employees are: Licking Memorial Hospital, Licking County Government, Newark City Schools, Anomatic Corporation and OSU-N/COTC.

Newark area businesses continue to manufacture and distribute a wide variety of products. Foremost among these products are plastics, insulation, prefabricated homes, prismatic reflectors, wiping cloths, quartz and specialty products, asphalt, automotive products, bricks, chemicals, electronic equipment, truck axles and transmissions, anodized aluminum products, wood veneer, dairy products, concrete products and many other industrial specialty items.

The District, during the 2009 and 2011 national recession was impacted regarding income tax revenues to the tune of collecting 3.5% less income tax. Beginning in fiscal year 2012, the local economy started to show signs of improvements that over the period of fiscal year 2016 through 2018, the District is collecting income tax revenues at an average of net 3.1%. For fiscal year 2020, income tax collections decreased by 7.8%, and due to COVID-19, the District income tax collection in 2021 dropped by 0.02% or \$161,813 over the previous year. However, the average Post COVID-19, Fiscal years 2022 and 2023, in net income tax collections increased by 13.8%

## **LONG-TERM FINANCIAL PLANNING**

The District prepares a five-year financial forecast annually for use as a tool for long range planning. The five-year forecast contains projected local and state revenues, spending patterns within each area of the budget, and cash balances in the District's operating fund. The five-year forecast provides early warning signs of potential financial problems.

The District uses the five-year forecast to provide a basis for making financial decisions, including the construction of the annual budget, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot. Recently, May 8, 2018, the District passed a 7.5 mil emergency property tax levy which would generate estimated annual revenues for the next 10 years of \$5.9 million. This levy will expire on December 31, 2029. The continuing support of the community for the passage of the income tax Levy and emergency Levy helps the District maintain a healthy financial condition during the period of the 5-year forecast. The District will continue to look at ways to increase revenues or contain expenditures.

## **MAJOR INITIATIVES AND ACCOMPLISHMENTS**

Accomplishments for 2024

### **Financial**

The District received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for its fiscal year 2023 ACFR.

The District received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association for its fiscal year 2023 Popular Annual Financial Report.

The District is in the final steps of centralizing the preschool program by acquiring an existing facility using ESSER funds and renovate it not only for the preschool program, but also for moving the digital academy and the Technology department into the new facility to allow for more space. Construction is expected to be done by December 2024.

### **Instruction**

The District obtains academic performance results from the State of Ohio's District report card. The District achieved the following grades on the 2023-2024 State of Ohio District report card:

Performance index	71.3%
4-year graduation	78.6%
5-year graduation	82.6%
*Closing the Gap	** Needs support to meet state standards in closing educational gaps.
*FY22 - ODE switched to star rating	

### **Achievement Tests**

State and federal law requires testing students in grades 3 - 8 and high school in various subjects. During 2023-2024, the following tests were administered:

- 3<sup>rd</sup> grade - reading and math
- 4<sup>th</sup> grade - reading and math
- 5<sup>th</sup> grade - reading, math, and science
- 6<sup>th</sup> grade - reading and math

7<sup>th</sup> grade - reading and math

8<sup>th</sup> grade - reading, math, and science

High School end of course exams: Algebra, Geometry, Biology, American History, American Government and English LA2.

The percentage of High School students who have successfully passed the 2023-2024 End of Course Exams is listed here:

Newark High School:

Algebra I	41.2%
Biology	61.8%
English II	59.1%
Geometry	40.5%
Government	69.7%
History	68.4%

NCS Digital:

Algebra I	28.2%
Biology	34.9%
English II	31.0%
Geometry	40.5%
Government	11.6%
History	41.5%

Students in grades 9-12 must earn a "competence" score of 684 on both the state Algebra 1 and English Language Arts II tests. Students who do not pass the test will be offered appropriate remediation and support and will retake the test at least once. In lieu of attaining competency scores on the state tests, students can demonstrate competency by one (1) of the following:

A. **College Credit Plus** - Earn college credit for one math and one English Class

B. **Industry Credential** - Complete two of the following:

**Foundational**

- Proficiency WebXams scores
- Earn 12 point industry credential
- Pre-apprenticeship programs or acceptance into apprenticeship program

**Supporting**

- Work-based learning
  - Proficient WorkKeys scores
  - Earn OhioMeansJobs Readiness Seal
- (At least one actively must be Foundational)

Newark High School and Newark Digital instituted an alternative pathway to graduation pilot option incorporating industry-recognized credentials and OhioMeansJobs-Readiness Seal in the 2021-2022 school year.

Students who completed the Rise Up Program:

- 2021 - 2022 School Year - 5 NHS students and 10 NCS Digital students
- 2022 - 2023 School Year - 37 NHS students and 10 NCS Digital students
- 2023 - 2024 School Year - 41 NHS students and 15 NCS Digital students

C. **Military Readiness** - Signed contract to enter a branch of the US Armed Forces upon graduation

## INITIATIVES FOR 2025

### Financial

To receive the Certificate of Excellence in Financial Reporting from the GFOA for the District's fiscal year 2024 ACFR.

To receive the Award for Outstanding Achievement in Popular Annual Financial Reporting from the GFOA for the fiscal year 2024 Popular Annual Financial Report.

To invest and enhance the District's social emotional needs programs to best serve our students, parents, staff, and community. To this end a consultant from BHP, Behavioral Health Partners, will support students and staff in each Newark City Schools building through a combination of grant and general funds.

### Instruction

- To continue to improve the classroom technology by establishing a technology task force to assess all technology needs.
- To improve, continuously, the District's Graduation Rate.
- To achieve Annual Measurable Objectives as measured by the District's report card by improving the scores of students who are social economical disadvantaged with disabilities in reading and math.
- Continue to implement the Ohio Improvement Process as we transition to MTSS, Multi-Tiered.
- To continue to implement and monitor the Response to Intervention (RtI) process.
- To evaluate high school textbook and instructional materials adoptions and purchase instructional materials as necessary.
- To continue to support staff and students for on-line assessments.
- To continue to implement curriculum content changes and teacher instruction which serves to improve reading and English Language Arts through structured literacy instruction and science based reading. This will be facilitated by a K-12 Coordinator of Structured Literacy, curriculum materials that reflect the science of reading, and professional development to assist teachers in implementing structured literacy instruction.

## AWARDS AND ACKNOWLEDGEMENTS

### *GFOA Certificate of Achievement*

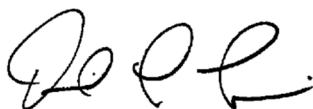
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Newark City School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for their review.

### *Acknowledgements*

Preparation of this report could not have been accomplished without the support and efforts of the staff in the Treasurer's office and many other dedicated employees of the District. Further appreciation is extended to the Licking County Auditor's office and the Newark City Auditor's office for their valuable research of records.

Respectfully submitted,



David Lewis  
Superintendent



Julio Valladares  
Treasurer/CFO

## **NEWARK CITY SCHOOL DISTRICT**

### **PRINCIPAL OFFICERS**

#### **Board of Education**

Tim Carr	Board Member, President
Tom Bline	Board Member, Vice President
Cindy Neely	Board Member
Mark Christenberry	Board Member
Dave Warner	Board Member

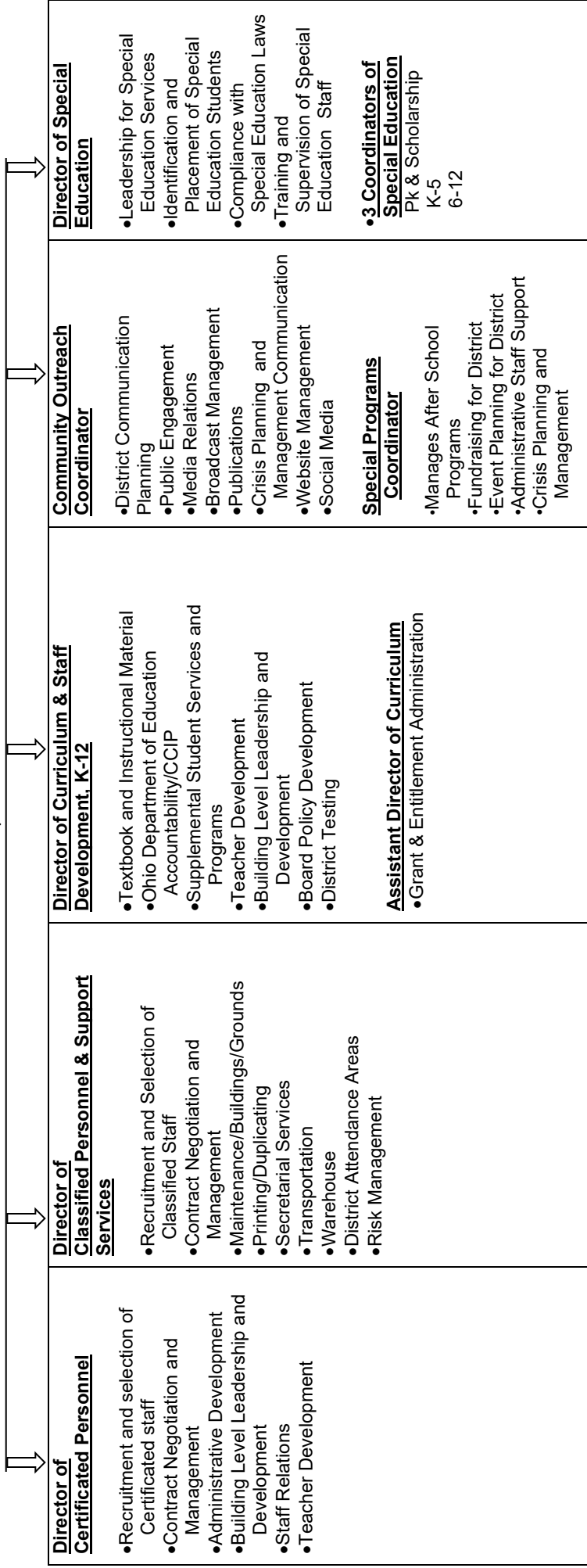
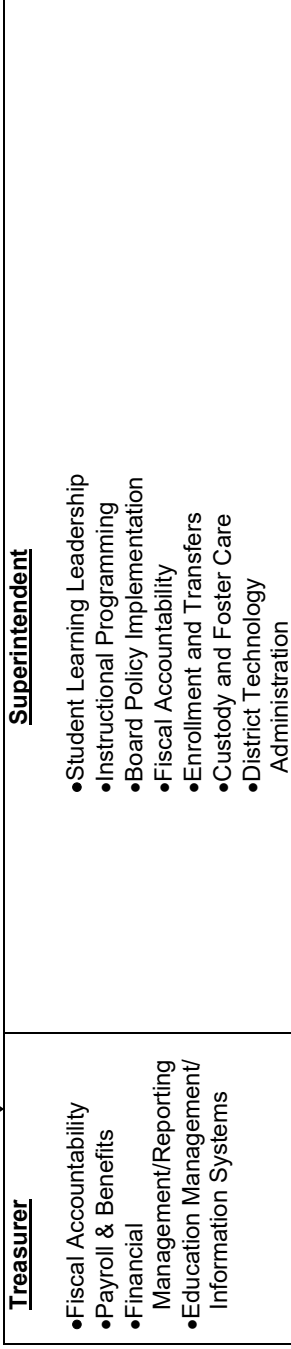
#### **Administration**

David Lewis	Superintendent
Julio Valladares	Treasurer
Mark Shively	Director of Classified Personnel & Business Manager
Barbara Quackenbush	Director of Certificated Personnel
Maura Horgan	Director of Curriculum & Staff Development
Melinda Vaughn	Director of Special Education



# ADMINISTRATIVE STRUCTURE NEWARK CITY SCHOOLS

## BOARD OF EDUCATION





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Newark City School District  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

## **Independent Auditor's Report**

Newark City School District  
Licking County  
621 Mount Vernon Road  
Newark, Ohio 43055

To the Members of the Board of Education:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Newark City School District, Licking County, Ohio, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Newark City School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Newark City School District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Newark City School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Newark City School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Newark City School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Newark City School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of net pension and other postemployment benefit assets and liabilities and pension and other postemployment benefit contributions, and budgetary comparison information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Newark City School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are 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 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.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024 on our consideration of the Newark City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Newark City School District's 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 Newark City School District's internal control over financial reporting and compliance.



Julian & Grube, Inc.  
December 20, 2024

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**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The management's discussion and analysis of the Newark City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the transmittal letter, notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2024 are as follows:

- The District's net position of governmental activities increased \$8,862,265 which represents a 9.59% increase from 2023's net position.
- For governmental activities general revenues accounted for \$82,419,866 in revenue or 72.92% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$30,605,918 or 27.08% of total revenues of \$113,025,784.
- The District had \$104,163,519 in expenses related to governmental activities; only \$30,605,918 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$82,419,866 were adequate to provide for these programs.
- The District's major governmental fund is the general fund. The general fund had \$88,367,100 in revenues and other financing sources and \$90,006,523 in expenditures and other financing uses. During fiscal year 2024, the general fund's fund balance decreased \$1,639,423 from a balance of \$55,744,424 to \$54,104,001.

**Using the Annual Comprehensive Financial Report**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the whole District presenting both an aggregate view of the District's finances and a longer-term view of those finances. 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 remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the major fund is the general fund.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Reporting the District as a Whole**

***Statement of Net Position and the Statement of Activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2024?" The statement of net position and statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. The accrual basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and statement of activities, the governmental activities include the District's programs and services, including instruction, support services, extracurricular activities, and operation of non-instructional services.

**Reporting the District's Most Significant Funds**

***Fund Financial Statements***

Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major fund is the general fund.

***Governmental Funds***

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund financial statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and statement of activities) and governmental funds is reconciled in the basic financial statements.

***Proprietary Funds***

The District maintains only one type of proprietary fund. The internal service fund is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District has an internal service fund to account for a self-insurance program which provides health and dental benefits to employees.



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

***Fiduciary Funds***

The District acts in a trustee capacity as an agent for individuals. These activities are reported in a custodial fund. All of the District's fiduciary activities are reported in separate statements of changes in fiduciary net position. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***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.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary comparison schedule, net pension liability and net OPEB liability/asset.

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**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for June 30, 2024 and June 30, 2023.

	<b>Net Position</b>	
	Governmental Activities 2024	Governmental Activities 2023
<b><u>Assets</u></b>		
Current and other assets	\$ 114,697,548	\$ 106,860,182
Net OPEB asset	5,600,347	7,402,458
Capital assets, net	143,287,196	139,000,727
Total assets	<u>263,585,091</u>	<u>253,263,367</u>
<b><u>Deferred Outflows of Resources</u></b>		
Unamortized deferred charges on debt refunding	400,378	541,423
Pensions	17,078,993	21,006,874
OPEB	3,083,913	2,023,145
Total deferred outflows of resources	<u>20,563,284</u>	<u>23,571,442</u>
<b><u>Liabilities</u></b>		
Current liabilities	14,152,003	16,832,889
Long-term liabilities:		
Due within one year	3,557,702	3,185,070
Due in more than one year:		
Net pension liability	78,021,980	79,744,982
Net OPEB liability	4,897,636	4,292,829
Other amounts	33,786,844	37,230,067
Total liabilities	<u>134,416,165</u>	<u>141,285,837</u>
<b><u>Deferred Inflows of Resources</u></b>		
Property taxes levied for next fiscal year	33,768,953	22,839,802
Lease	1,481	612,269
Pensions	5,761,628	8,436,946
OPEB	8,949,623	11,271,695
Total deferred inflows of resources	<u>48,481,685</u>	<u>43,160,712</u>
<b><u>Net Position</u></b>		
Net investment in capital assets	110,389,598	100,637,950
Restricted	12,788,658	9,659,768
Unrestricted (deficit)	(21,927,731)	(17,909,458)
Total net position	<u>\$ 101,250,525</u>	<u>\$ 92,388,260</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District'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 the net OPEB asset.

GASB 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/asset to equal the District'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 District 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.

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 District'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/asset, respectively, not accounted for as deferred inflows/outflows.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Current and other assets increased primarily due to an increase in equity in pooled cash and cash equivalents due to current year activity. Capital assets, net, increased as the District completed several projects including the State Farm building remodel and the District wide HVAC replacement project.

Deferred outflows related to pension decreased primarily due to changes in assumptions by the State Teachers Retirement System (STRS). See Note 14 for more detail.

Total assets include a net OPEB asset reported by STRS. See Note 15 for more detail.

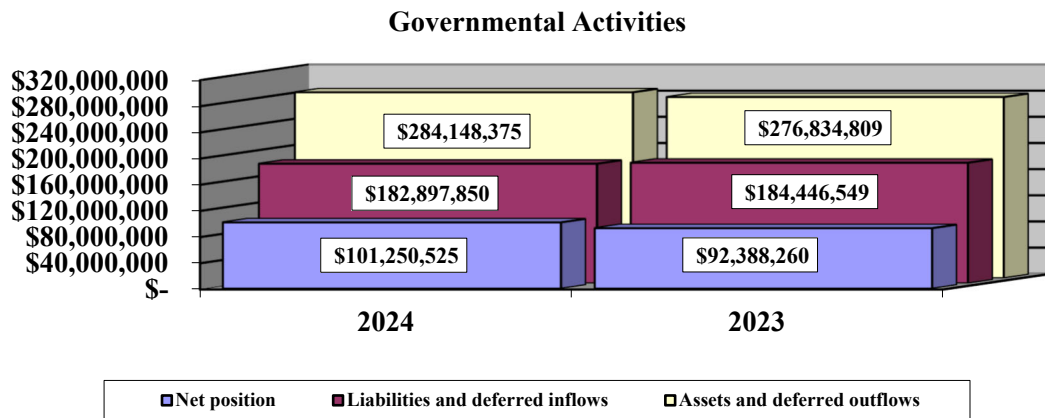
At year-end, capital assets represented 54.36% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, and intangible right use assets. The net investment in capital assets at June 30, 2024, was \$110,389,598. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

Current liabilities decreased primarily due to decreased contracts payable as the District completed several construction during the fiscal year.

Long-term liabilities decreased primarily due to the District making its required debt payments. Additionally, the District's net pension liability decreased. This liability is outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions and OPEB to District employees, not the District.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2024, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$101,250,525.

A portion of the District's net position, \$12,788,658, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position was a deficit of \$21,927,731. The deficit balance in unrestricted net position was the result of reporting the net pension liability and net OPEB liability required by GASB 68 and GASB 75, respectively. The graph below illustrates the District's governmental activities assets plus deferred outflows, liabilities plus deferred inflows and net position at June 30, 2024 and 2023.



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The table below shows the changes in net position for governmental activities between 2024 and 2023.

	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
<b><u>Revenues</u></b>		
Program revenues:		
Charges for services and sales	\$ 2,170,265	\$ 1,939,361
Operating grants and contributions	28,080,112	28,456,973
Capital grants and contributions	355,541	506,056
General revenues:		
Property taxes	28,507,338	31,664,253
School district income taxes	13,135,075	12,727,964
Payment in lieu of taxes	232,493	191,755
Grants and entitlements	37,720,282	34,517,041
Investment earnings	2,411,792	1,488,507
Increase (decrease) in fair value on investments	140,220	(34,032)
Other	<u>272,666</u>	<u>262,475</u>
Total revenues	<u>113,025,784</u>	<u>111,720,353</u>
<b><u>Expenses</u></b>		
Program expenses:		
Instruction:		
Regular	41,321,871	37,671,115
Special	17,509,107	16,604,476
Vocational	524,276	329,588
Other	246,033	232,131
Support services:		
Pupil	7,750,694	6,504,765
Instructional staff	5,501,161	5,212,618
Board of Education	223,016	133,495
Administration	5,655,625	5,420,935
Fiscal	2,244,882	1,841,043
Business	702,768	623,778
Operations and maintenance	10,182,112	9,340,876
Pupil transportation	4,478,179	3,128,801
Central	1,059,022	663,262
Operation of non-instructional services:		
Food service operations	3,616,287	3,308,990
Other non-instructional services	862,618	964,770
Extracurricular activities	1,747,556	1,801,336
Interest and fiscal charges	<u>538,312</u>	<u>1,024,416</u>
Total expenses	<u>104,163,519</u>	<u>94,806,395</u>
Changes in net position	8,862,265	16,913,958
Net position at beginning of year	<u>92,388,260</u>	<u>75,474,302</u>
Net position at end of year	<u><u>\$ 101,250,525</u></u>	<u><u>\$ 92,388,260</u></u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

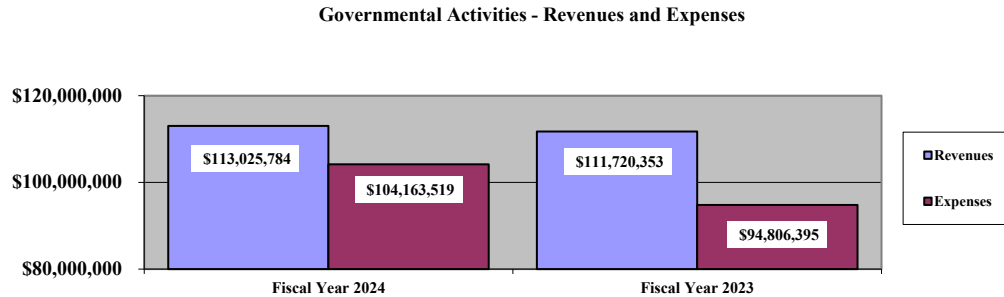
**Governmental Activities**

Net position of the District's governmental activities increased \$8,862,265. Total governmental expenses of \$104,163,519 were partially offset by program revenues of \$30,605,918 and general revenues of \$82,419,866. Program revenues supported 29.38% of the total governmental expenses.

Overall, expenses of the governmental activities increased \$9,357,124. Instruction expenses increased mainly due to normal salary and benefit increases for the District's staff and the purchase of new smart boards for classrooms in each of the District's buildings. Support services expenses increased due to increased repair and upkeep costs associated with routine maintenance projects. Additionally, fuel costs rose to operate the District's school buses and equipment. Interest and fiscal charges decreased as the District paid down its debt obligations.

The primary sources of revenue for governmental activities are derived from general revenues such as property taxes, school district income taxes, and grants and entitlements. These three sources of revenue total \$79,362,695 and represent 70.22% of total governmental revenue. Property tax revenue decreased \$3,156,915 due to decreases in the amount available for advance at June 30. This amount is recorded as revenue and can vary based on when property tax bills are sent out by the County Auditor. Grants and entitlements revenue increased due to the District receiving more funding from the State of Ohio in the form of foundation revenue. Interest earnings increased due to high interest rates on the District's investments.

The graph below presents the governmental activities revenues and expenses for fiscal years 2024 and 2023.



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2024 compared to 2023. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As stated earlier, fluctuations in pension expense reported under GASB 68 make it difficult to compare financial information between years.

	<b>Governmental Activities</b>			
	<b>Total Cost of Services 2024</b>	<b>Net Cost of Services 2024</b>	<b>Total Cost of Services 2023</b>	<b>Net Cost of Services 2023</b>
Program expenses:				
Instruction:				
Regular	\$ 41,321,871	\$ 40,044,516	\$ 37,671,115	\$ 30,258,888
Special	17,509,107	5,106,728	16,604,476	7,985,418
Vocational	524,276	457,931	329,588	276,010
Other	246,033	246,033	232,131	232,131
Support services:				
Pupil	7,750,694	5,274,024	6,504,765	4,744,950
Instructional staff	5,501,161	(895,301)	5,212,618	1,601,045
Board of Education	223,016	223,016	133,495	133,495
Administration	5,655,625	5,255,364	5,420,935	5,049,743
Fiscal	2,244,882	2,244,882	1,841,043	1,841,043
Business	702,768	702,768	623,778	623,778
Operations and maintenance	10,182,112	8,333,673	9,340,876	6,097,983
Pupil transportation	4,478,179	3,637,488	3,128,801	1,497,628
Central	1,059,022	1,059,022	663,262	663,262
Operation of non-instructional services:				
Food service operations	3,616,287	130,880	3,308,990	220,422
Other non-instructional services	862,618	(5,889)	964,770	205,138
Extracurricular activities	1,747,556	1,204,154	1,801,336	1,448,655
Interest and fiscal charges	538,312	538,312	1,024,416	1,024,416
Total expenses	<u>\$ 104,163,519</u>	<u>\$ 73,557,601</u>	<u>\$ 94,806,395</u>	<u>\$ 63,904,005</u>

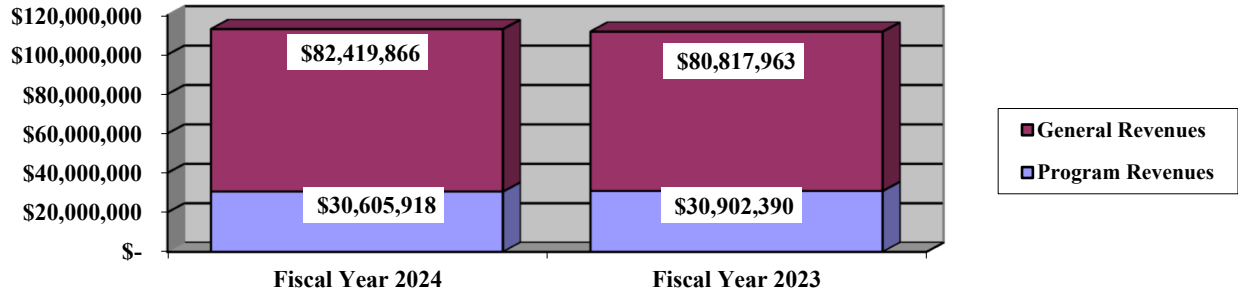
The dependence upon tax and other general revenues for governmental activities is apparent, 76.94% of instruction activities, totaling \$45,855,208 are supported through taxes and other general revenues. For all governmental activities, general revenue support is 70.62%.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The graph below presents the District's general and program revenues for fiscal years 2024 and 2023.

**Governmental Activities - General and Program Revenues**



**The District's Funds**

The District's governmental funds reported a combined fund balance of \$62,530,690 which is more than last year's total of \$59,442,477. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2024 and 2023.

	Fund Balance June 30, 2024	Fund Balance June 30, 2023	Change
General	\$ 54,105,001	\$ 55,744,424	\$ (1,639,423)
Other Governmental	8,425,689	3,698,053	4,727,636
Total	<u>\$ 62,530,690</u>	<u>\$ 59,442,477</u>	<u>\$ 3,088,213</u>



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

***General Fund***

The District's general fund balance decreased \$1,639,423. The table below summarizes the revenues and expenditures for fiscal year 2024 and 2023:

	<u>2024 Amount</u>	<u>2023 Amount</u>	<u>Percentage Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 36,815,255	\$ 38,795,550	(5.10) %
Tuition	775,466	683,677	13.43 %
Earnings on investments	2,550,440	1,420,129	79.59 %
Intergovernmental	46,249,103	42,101,537	9.85 %
Other revenues	<u>1,631,345</u>	<u>1,282,699</u>	27.18 %
Total	<u>\$ 88,021,609</u>	<u>\$ 84,283,592</u>	4.44 %
<b><u>Expenditures</u></b>			
Instruction	\$ 51,664,793	\$ 48,013,049	7.61 %
Support services	32,009,773	28,379,034	12.79 %
Operation of non-instructional services	82,606	65,715	25.70 %
Extracurricular activities	1,186,913	1,092,330	8.66 %
Facilities acquisition and construction	339,794	68,469	396.27 %
Debt service	<u>125,960</u>	<u>95,667</u>	31.67 %
Total	<u>\$ 85,409,839</u>	<u>\$ 77,714,264</u>	9.90 %

Taxes revenue decreased due to the amount of property taxes available for advance at June 30, which is recorded as revenue on a GAAP basis. This amount can vary based on when property tax bills are sent by the County Auditor. Earnings on investments increased due to high interest rates on the District's investments. Intergovernmental revenue increased due to the District receiving more money from the State of Ohio in the form of foundation payments. Other revenues increased due the District receiving donations so students could go on the Washington DC trip. The largest expenditure line item, instruction, increased over fiscal year 2023 due to normal salary and benefit increases. Support services increased due to increased service and supply costs. Additionally, fuel expenditures increased due to the price of diesel fuel increasing. Facilities acquisition and construction expenditures increased due to the District entering into a software (SBITA) agreement. All other expenditures remained comparable to the prior fiscal year or changed an insignificant amount.

***General Fund Budgeting Highlights***

The District'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.

The original and final budgeted revenues and other financing sources were \$81,679,100. Actual revenues and other financing sources for fiscal year 2024 were \$91,564,360. Actual revenues and other financing sources were \$9,885,260 more than final budgeted revenues due to increases in investment earnings and intergovernmental receipts from the State of Ohio.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$89,141,274 were less than final budgeted appropriations of \$91,510,087. The actual budget basis expenditures and other financing uses for fiscal year 2024 totaled \$91,523,063 which was \$12,976 higher than the final budget appropriations due to increased costs.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal 2024, the District had \$143,287,196 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, and intangible right to use assets. This entire amount is reported in governmental activities. The following table shows fiscal 2024 balances compared to 2023.

	<b>Capital Assets at June 30 (Net of Depreciation)</b>	
	<u>Governmental Activities</u>	
	<u>2024</u>	<u>2023</u>
Land	\$ 2,305,317	\$ 2,305,317
Land improvements	1,241,547	864,400
Building and improvements	129,173,846	119,693,612
Furniture and equipment	8,425,628	669,528
Vehicles	1,449,323	1,873,934
Intangible right to use:		
Leased equipment	131,365	189,750
SBITAs	318,705	40,625
Construction in progress	<u>241,465</u>	<u>13,363,561</u>
Total	<u>\$ 143,287,196</u>	<u>\$ 139,000,727</u>

Total additions to capital assets for 2024 were \$9,462,532. Depreciation/amortization recorded for the fiscal year totaled \$5,176,063.

The overall increase in capital assets, net of accumulated depreciation, of \$4,286,469 is primarily due to the District completing several construction projects during the fiscal year, including the State Farm building renovations.

See Note 10 to the basic financial statements for further details on the District's capital assets.

***Debt Administration***

At June 30, 2024, the District had \$31,424,803 in general obligation bonds, \$122,257 in lease payables, and \$319,482 in SBITA payables. Of this total, \$3,069,197 is due within one year and \$28,797,345 is due in greater than one year. The District also reports \$78,021,980 as a net pension liability due to the application of GASB 68 and 4,897,636 as a net OPEB liability due to the implementation of GASB 75.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

The following table summarizes the bonds (excluding unamortized premiums and accreted interest on capital appreciation bonds), lease payables, and SBITA payables outstanding at June 30, 2024 and 2023.

**Outstanding Debt, at Year End**

	Governmental Activities 2024	Governmental Activities 2023
General obligation bonds:		
Refunding	\$ 31,424,803	\$ 33,878,502
SBITA payable	319,482	35,416
Lease payable	122,257	179,967
Total	<u>\$ 31,866,542</u>	<u>\$ 34,093,885</u>

See Note 11 to the basic financial statements for further detail on the District's long-term obligations.

**Economic Conditions and Outlook**

As the preceding information shows, the District relies heavily upon grants and entitlements, property taxes and school district income taxes. The current tax revenue, along with the District's cash balance, is projected (based on the November 2024 five-year forecast that can be found on the Ohio Department of Education's website) to provide the District with the necessary funds to meet its operating expenses through fiscal year 2028, and estimating a cash balance deficit of over \$1 million in fiscal year 2029. The future financial stability is not without challenges.

The first issue facing the District is the instability of the local economy. The second issue is the uncertainty of the state budget allocations. The third issue is the uncertainty of the Federal Grant programs. During fiscal year 2021 through fiscal year 2024, the District's enrollment decreased by 642 students or 10%. These decreases was primarily due to the COVID-19 pandemic followed by enrollment out to nearby districts.

In conclusion, the District must begin reviewing all programs "Cost versus Benefit" to address the potential cash balance deficit in fiscal year 2029. We must think outside of our normal paradigms. We can no longer continue to operate "... Well that is how we have always done it." The District's 1% income tax renewal levy was successful in March 2022, and was changed from a 5 year renewal to permanent. The taxpayers passed a 7.5 mill renewal emergency property tax levy on May 8, 2018 that was originally passed on May 5, 2009. The 7.5 mill emergency levy expires on December 31, 2029. The continuing support of the community for the passage of the income tax Levy and emergency Levy helps the District maintain a healthy financial condition during the period of the 5-year forecast. The District will continue to look at ways to increase revenues or contain expenditures.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Julio Valladares, Treasurer/CFO at Newark City School District, 621 Mount Vernon Road, Newark, Ohio 43055.

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**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

STATEMENT OF NET POSITION  
JUNE 30, 2024

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in pooled cash and investments	\$ 69,755,610
Cash in segregated accounts	264,000
Receivables:	
Property taxes	36,773,300
Income taxes	5,687,444
Accounts	630,770
Accrued interest	46,124
Intergovernmental	1,233,504
Prepayments	260,938
Materials and supplies inventory	10,963
Inventory held for resale	33,364
Net OPEB asset	5,600,347
Lease receivable	1,531
Capital assets:	
Nondepreciable capital assets	2,546,782
Depreciable capital assets, net	140,740,414
Capital assets, net	<u>143,287,196</u>
Total assets	<u>263,585,091</u>
<b>Deferred outflows of resources:</b>	
Unamortized deferred charges on debt refunding	400,378
Pension	17,078,993
OPEB	3,083,913
Total deferred outflows of resources	<u>20,563,284</u>
<b>Liabilities:</b>	
Accounts payable	1,470,540
Contracts payable	362,124
Accrued wages and benefits payable	7,589,345
Intergovernmental payable	848,079
Pension and postemployment benefits payable	1,428,711
Accrued interest payable	87,801
Unearned revenue	1,213,403
Claims payable	1,152,000
Long-term liabilities:	
Due within one year	3,557,702
Due in more than one year:	
Net pension liability	78,021,980
Net OPEB liability	4,897,636
Other amounts due in more than one year	33,786,844
Total liabilities	<u>134,416,165</u>
<b>Deferred inflows of resources:</b>	
Property taxes levied for the next fiscal year	33,768,953
Lease	1,481
Pension	5,761,628
OPEB	8,949,623
Total deferred inflows of resources	<u>48,481,685</u>
<b>Net position:</b>	
Net investment in capital assets	110,389,598
Restricted for:	
Capital projects	296,971
OPEB	5,600,347
Classroom facilities maintenance	190,583
Debt service	1,923,990
State funded programs	103,638
Federally funded programs	111,298
Food service operations	4,021,222
Student activities	461,790
Other purposes	78,819
Unrestricted (deficit)	<u>(21,927,731)</u>
Total net position	<u>\$ 101,250,525</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

						<b>Net (Expense) Revenue and Changes in Net Position</b>
	<b>Expenses</b>	<b>Charges for Services and Sales</b>	<b>Program Revenues Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>		<b>Governmental Activities</b>
<b>Governmental activities:</b>						
Instruction:						
Regular	\$ 41,321,871	\$ 535,661	\$ 741,694	\$ -	\$	(40,044,516)
Special	17,509,107	226,584	12,175,795	-		(5,106,728)
Vocational	524,276	-	66,345	-		(457,931)
Other	246,033	-	-	-		(246,033)
Support services:						
Pupil	7,750,694	-	2,476,670	-		(5,274,024)
Instructional staff	5,501,161	-	6,396,462	-		895,301
Board of education	223,016	-	-	-		(223,016)
Administration	5,655,625	-	400,261	-		(5,255,364)
Fiscal	2,244,882	-	-	-		(2,244,882)
Business	702,768	-	-	-		(702,768)
Operations and maintenance	10,182,112	916,689	576,209	355,541		(8,333,673)
Pupil transportation	4,478,179	12,023	828,668	-		(3,637,488)
Central	1,059,022	-	-	-		(1,059,022)
Operation of non-instructional services:						
Food service operations	3,616,287	258,207	3,227,200	-		(130,880)
Other non-instructional services	862,618	82,301	786,206	-		5,889
Extracurricular activities	1,747,556	138,800	404,602	-		(1,204,154)
Interest and fiscal charges	538,312	-	-	-		(538,312)
<b>Totals</b>	<b>\$ 104,163,519</b>	<b>\$ 2,170,265</b>	<b>\$ 28,080,112</b>	<b>\$ 355,541</b>		<b>(73,557,601)</b>
<b>General revenues:</b>						
Property taxes levied for:						
						24,299,734
						3,010,111
						784,612
						412,881
						232,493
Payments in lieu of taxes						
Income taxes levied for:						
						13,135,075
Grants and entitlements not restricted						
to specific programs						37,720,282
Investment earnings						2,411,792
Increase in fair value of investments						140,220
Miscellaneous						272,666
Total general revenues						82,419,866
Change in net position						8,862,265
<b>Net position at beginning of year</b>						92,388,260
<b>Net position at end of year</b>						<b>\$ 101,250,525</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024

	<b>General</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash investments	\$ 56,165,927	\$ 10,805,236	\$ 66,971,163
Receivables:			
Property taxes	31,875,857	4,897,443	36,773,300
Income taxes	5,687,444	-	5,687,444
Accounts	111,293	376,021	487,314
Accrued interest	46,124	-	46,124
Interfund loans	558,717	-	558,717
Intergovernmental	144,618	1,088,886	1,233,504
Prepayments	257,029	3,909	260,938
Materials and supplies inventory	-	10,963	10,963
Inventory held for resale	-	33,364	33,364
Advances to other funds	646,500	-	646,500
Lease receivable	1,531	-	1,531
Total assets	<u>\$ 95,495,040</u>	<u>\$ 17,215,822</u>	<u>\$ 112,710,862</u>
<b>Liabilities:</b>			
Accounts payable	\$ 879,442	\$ 585,382	\$ 1,464,824
Contracts payable	-	362,124	362,124
Accrued wages and benefits payable	7,049,331	540,014	7,589,345
Intergovernmental payable	841,150	6,929	848,079
Pension and postemployment benefits payable	1,327,842	100,869	1,428,711
Interfund loans payable	-	558,717	558,717
Advance from other funds	-	646,500	646,500
Total liabilities	<u>10,097,765</u>	<u>2,800,535</u>	<u>12,898,300</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year	29,196,625	4,572,328	33,768,953
Delinquent property tax revenue not available	1,123,362	136,316	1,259,678
Income tax revenue not available	930,188	-	930,188
Intergovernmental revenue not available	500	919,740	920,240
Accrued interest not available	40,051	-	40,051
Miscellaneous revenue not available	67	361,214	361,281
Lease	1,481	-	1,481
Total deferred inflows of resources	<u>31,292,274</u>	<u>5,989,598</u>	<u>37,281,872</u>
<b>Fund balances:</b>			
Nonspendable:			
Materials and supplies inventory	-	10,963	10,963
Prepays	257,029	3,909	260,938
Long-term loans	646,500	-	646,500
Restricted:			
Debt service	-	2,053,580	2,053,580
Capital improvements	-	296,914	296,914
Classroom facilities maintenance	-	190,583	190,583
Food service operations	-	3,978,402	3,978,402
Non-public schools	-	48,013	48,013
State funded programs	-	21,384	21,384
Federally funded programs	-	13,047	13,047
Extracurricular	-	102,860	102,860
Other purposes	-	78,819	78,819
Assigned:			
Student instruction	814,872	-	814,872
Student and staff support	1,383,863	-	1,383,863
Extracurricular activities	1,110	-	1,110
Subsequent year's appropriations	11,386,685	-	11,386,685
Capital improvements	-	2,551,201	2,551,201
Other purposes	133,001	-	133,001
Unassigned (deficit)	<u>39,481,941</u>	<u>(923,986)</u>	<u>38,557,955</u>
Total fund balances	<u>54,105,001</u>	<u>8,425,689</u>	<u>62,530,690</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 95,495,040</u>	<u>\$ 17,215,822</u>	<u>\$ 112,710,862</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2024

<b>Total governmental fund balances</b>		\$ 62,530,690
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		143,287,196
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 1,259,678	
Income taxes receivable	930,188	
Accounts receivable	361,281	
Accrued interest receivable	40,051	
Intergovernmental receivable	920,240	
Total		3,511,438
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		820,784
Unamortized premiums on bonds issued are not recognized in the funds.		(1,173,230)
Unamortized amounts on refundings are not recognized in the funds.		400,378
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(87,801)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred outflows - pension	17,078,993	
Deferred inflows - pension	(5,761,628)	
Net pension liability	(78,021,980)	
Deferred outflows - OPEB	3,083,913	
Deferred inflows - OPEB	(8,949,623)	
Net OPEB asset	5,600,347	
Net OPEB liability	(4,897,636)	
Total		(71,867,614)
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	(31,508,575)	
Lease payable	(122,257)	
SBITA payable	(319,482)	
Compensated absences	(4,221,002)	
Total		(36,171,316)
<b>Net position of governmental activities</b>		<u><u>\$ 101,250,525</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General	(Formerly Major) ESSER	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 23,770,502		\$ 4,191,411	\$ 27,961,913
Income taxes	13,044,753		-	13,044,753
Intergovernmental	46,249,103		20,430,527	66,679,630
Investment earnings	2,410,220		122,267	2,532,487
Tuition and fees	775,466		-	775,466
Extracurricular	69,103		264,714	333,817
Rental income	751,819		-	751,819
Charges for services	-		258,413	258,413
Contributions and donations	253,316		321,522	574,838
Payment in lieu of taxes	232,493		-	232,493
Miscellaneous	324,614		61,226	385,840
Increase in fair value of investments	140,220		-	140,220
Total revenues	<u>88,021,609</u>		<u>25,650,080</u>	<u>113,671,689</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	36,723,333		1,652,584	38,375,917
Special	14,344,277		3,179,354	17,523,631
Vocational	355,346		-	355,346
Other	241,837		-	241,837
Support services:				
Pupil	6,295,061		1,306,461	7,601,522
Instructional staff	4,261,013		1,085,132	5,346,145
Board of education	223,462		-	223,462
Administration	4,995,277		400,252	5,395,529
Fiscal	2,101,646		72,391	2,174,037
Business	641,246		-	641,246
Operations and maintenance	8,498,382		1,188,659	9,687,041
Pupil transportation	3,929,857		-	3,929,857
Central	1,063,829		-	1,063,829
Operation of non-instructional services:				
Food service operations	-		3,377,691	3,377,691
Other non-instructional services	82,606		778,381	860,987
Extracurricular activities	1,186,913		238,975	1,425,888
Facilities acquisition and construction	339,794		9,339,571	9,679,365
Debt service:				
Principal retirement	119,135		2,453,699	2,572,834
Interest and fiscal charges	6,825		970,333	977,158
Accretion on capital appreciation bonds	-		516,301	516,301
Total expenditures	<u>85,409,839</u>		<u>26,559,784</u>	<u>111,969,623</u>
Excess of revenues over (under) expenditures	<u>2,611,770</u>		<u>(909,704)</u>	<u>1,702,066</u>
<b>Other financing sources:</b>				
Insurance recoveries	-		1,019,044	1,019,044
Transfers in	-		4,596,684	4,596,684
Transfers (out)	(4,596,684)		-	(4,596,684)
SBITA transaction	345,491		-	345,491
Total other financing sources	<u>(4,251,193)</u>		<u>5,615,728</u>	<u>1,364,535</u>
Net change in fund balances	(1,639,423)		4,706,024	3,066,601
Fund balances (deficit) as previously reported	55,744,424	(1,942,011)	5,640,064	59,442,477
Adjustment - changes in major fund to nonmajor fund	<u>-</u>	<u>1,942,011</u>	<u>(1,942,011)</u>	<u>-</u>
<b>Fund balances at beginning of year, as adjusted</b>	55,744,424		3,698,053	59,442,477
<b>Change in reserve for inventory</b>	<u>-</u>		<u>21,612</u>	<u>21,612</u>
<b>Fund balances at end of year</b>	<u>\$ 54,105,001</u>		<u>\$ 8,425,689</u>	<u>\$ 62,530,690</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<b>Net change in fund balances - total governmental funds</b>	<b>\$</b>	<b>3,066,601</b>
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 9,462,532	
Current year depreciation/amortization	<u>(5,176,063)</u>	
Total		4,286,469
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		
		21,612
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	545,425	
Income taxes	90,322	
Earnings on investments	1,572	
Insurance proceeds	(863,503)	
Contributions and donations	361,000	
Other local revenue	(984)	
Intergovernmental	<u>(1,798,781)</u>	
Total		(1,664,949)
Repayment of bond and lease principal is an expenditure in the funds, but the repayment reduces long-term liabilities on the statement of net position.		
Bonds	2,330,000	
Capital appreciation bonds	123,699	
Accretion on capital appreciation bonds	516,301	
Lease payable	57,710	
SBITA payable	<u>61,425</u>	
Total		3,089,135
Issuance of SBITA payable are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as revenues as they increase liabilities on the statement of net position.		
		(345,491)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable	20,682	
Accreted interest on capital appreciation bonds	(173,444)	
Amortization of bond premiums	732,653	
Amortization of deferred charges	<u>(141,045)</u>	
Total		438,846
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	7,439,288	
OPEB	<u>203,335</u>	
Total		7,642,623
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	(6,968,849)	
OPEB	<u>772,587</u>	
Total		(6,196,262)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(234,043)
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		(1,242,276)
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b>8,862,265</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2024

	<b>Governmental Activities - Internal Service Fund</b>
<b>Assets:</b>	
Current assets:	
Equity in pooled cash and investments	\$ 2,784,447
Cash in segregated accounts	264,000
Receivables:	
Accounts	143,456
Total assets	<u>3,191,903</u>
<b>Liabilities:</b>	
Current liabilities:	
Accounts payable	5,716
Claims payable	1,152,000
Unearned revenue	1,213,403
Total liabilities	<u>2,371,119</u>
<b>Net position:</b>	
Unrestricted	<u>820,784</u>
Total net position	<u><u>\$ 820,784</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Governmental Activities - Internal Service Fund</b>
<b>Operating revenues:</b>	
Charges for services	\$ 14,376,802
Total operating revenues	<u>14,376,802</u>
<b>Operating expenses:</b>	
Purchased services	2,269,415
Claims	<u>13,349,663</u>
Total operating expenses	<u>15,619,078</u>
Operating loss / change in net position	(1,242,276)
<b>Net position at beginning of year</b>	<u>2,063,060</u>
<b>Net position at end of year</b>	<u><u>\$ 820,784</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<b>Governmental Activities - Internal Service Fund</b>
<b>Cash flows from operating activities:</b>	
Cash received from sales/charges for services	\$ 14,296,188
Cash payments for purchased services	(2,265,836)
Cash payments for claims	<u>(13,083,663)</u>
Net cash used in operating activities	<u>(1,053,311)</u>
Net decrease in cash and cash investments	(1,053,311)
<b>Cash and investments at beginning of year</b>	<u>4,101,758</u>
<b>Cash and investments at end of year</b>	<u><u>\$ 3,048,447</u></u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss	\$ (1,242,276)
Changes in assets and liabilities:	
(Increase) in accounts receivable	(143,456)
Increase in accounts payable	3,579
Increase in unearned revenue	62,842
Increase in claims payable	<u>266,000</u>
Net cash used in operating activities	<u><u>\$ (1,053,311)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u><b>Custodial</b></u>
<b>Additions:</b>	
Extracurricular collections for OHSAA	17,472
Total additions	<u>17,472</u>
<b>Deductions:</b>	
Extracurricular distributions to OHSAA	17,472
Total deductions	<u>17,472</u>
Change in net position	-
<b>Net position at beginning of year</b>	<u>-</u>
<b>Net position at end of year</b>	<u><u>\$ -</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

The Newark City School District (the “District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District operates under a locally elected five-member Board form of government and provides educational services as mandated by State and/or federal agencies. The Board controls the District’s one administrative building, 13 instructional facilities, and one transportation/maintenance/warehouse building compound all staffed by 258 non-certified employees, 541 certified employees to provide services to approximately 5,938 students in grades K through 12.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (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 District’s significant accounting policies are described below.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units.

The following organizations are described due to their relationship to the District:

***JOINTLY GOVERNED ORGANIZATIONS***

**Licking Area Computer Association (LACA)**

LACA is the computer service organization or Data Acquisition Site (DAS) used by the District. LACA is an association of public school districts in a geographic area determined by the Ohio Department of Education. The Licking County Educational Service Center acts as the fiscal agent for the association. The purpose of the association is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All Districts in the association are required to pay fees, charges and assessments as charged. A Board made up of superintendents from all of the participating districts governs LACA. An elected Executive Board consisting of five members of the Governing Board is the managerial body of the association and meets on a monthly basis. The District does not maintain an ongoing financial interest or an ongoing financial responsibility. Payments in the amount of \$56,750 were made to LACA during the current fiscal year.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Licking County Career and Technology Educational Center (C-TEC)

The C-TEC is a distinct political subdivision of the State of Ohio, which provides vocational education for students. The C-TEC is operated under the direction of a Board consisting of three representatives from the Licking County Educational Service Center, two representatives from Newark City Schools, one representative from the Heath City Schools, and one representative from the Granville Exempted Village Schools elected boards. The C-TEC possesses its own budgeting and taxing authority. Financial information can be obtained from Ben Streby, who serves as the Chief Fiscal Officer, at 150 Price Road, Newark, Ohio 43055.

*PUBLIC ENTITY RISK POOL*

Workers' Compensation Group Rating Program

The District participates in the Sheakley UniServe Workers' Compensation Group Retrospective Rating Program (GRP). The GRP is administered by Sheakley UniServe, Inc. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The District pays a fee to the GRP to cover the costs of administering the program.

*RELATED ORGANIZATIONS*

Licking County Library (the "Library")

The Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. A Board of Trustees appointed by the District's Board of Education governs the Library. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District serves as the taxing authority and may issue tax-related debt on behalf of the Library, its role is limited to a ministerial function. The District has issued bonds on behalf of the Library (See Note 11). The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. The Library is not considered part of the District, and its operations are not included within the accompanying basic financial statements.

**B. Fund Accounting**

The District 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 liabilities is reported as fund balance. The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Other governmental funds of the District are used to account for:

***Nonmajor special revenue funds*** - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

***Nonmajor capital projects funds*** - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

***Nonmajor debt service funds*** - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

***PROPRIETARY FUNDS***

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District has no enterprise funds. The following is a description of the District's internal service fund:

*Internal service fund* - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis. The internal service fund of the District accounts for a self-insurance program which provides medical and dental benefits to employees.

***FIDUCIARY FUNDS***

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension 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 District's only custodial fund accounts for monies held and remitted to the Ohio High School Athletic Association (OHSAA).

**C. Basis of Presentation and Measurement Focus**

*Government-Wide Financial Statements* - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. 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 amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the District are included on the statement of net position.

*Fund Financial Statements* - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's health and dental self-insurance internal service fund are charges for services (premiums). Operating expenses for the internal service fund include claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

**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. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

*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 fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within thirty-one days of fiscal year end.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Nonexchange transactions, in which the District receives value without directly giving equal value in return, includes property taxes, income taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from income taxes is recognized in the fiscal year in which the underlying exchange transaction occurred (See Note 8). Revenue from grants, entitlements and donations is recognized in the fiscal 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 fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a 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 fiscal year-end: property taxes available as an advance, income taxes, interest, tuition, grants, student fees and rentals.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 14 and 15 for deferred outflows of resources related to net pension liability and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance fiscal year 2025 operations. These amounts have been recorded as a deferred inflow of resources 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. Unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The deferred inflow of resources for leases is related to the lease receivable and is being amortized to lease revenue in a systematic and rational manner over the term of the lease.

See Notes 14 and 15 for deferred inflows of resources related to net pension liability and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

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.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Unpaid contractually required pension and OPEB obligations due at year end (See Notes 14 and 15) are recorded as liabilities and expenses/expenditures in both the government-wide and fund financial statements.

**E. Budgets**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than custodial funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established at the fund level for all funds. Any budgetary modifications at the legal level of budgetary control may only be made by resolution of the Board of Education.

*Tax Budget:* Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the Licking County Budget Commission for rate determination. The Licking County Budget Commissioners waived this requirement for fiscal year 2024.

*Estimated Resources:* By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts in the original and final amended certificate of estimated resources issued during the fiscal year.

*Appropriations:* Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying a new amended certificate is not necessary, the annual appropriation resolution is enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures may not exceed the appropriation totals at the legal level of control. Any revisions that alter the legal level of budgetary control must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, all supplemental appropriations were legally enacted.

In the budgetary statement, the amounts reported as the original budgeted amounts represent the first appropriations passed by the Board during the fiscal year including amounts automatically carried over from prior years and the amounts reported as the final budgeted amounts represent the final appropriations passed by the Board during the fiscal year; including all amendments.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**F. Cash and Investments**

To improve cash management, cash received by the District is pooled. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During fiscal year 2024, investments were limited to Federal National Mortgage Association (FNMA) securities, Federal Home Loan Bank (FHLB) securities, U.S. Treasury Bonds, U.S. Treasury Bills, negotiable certificates of deposit (negotiable CDs), a U.S. government money market mutual fund, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio and nonnegotiable CDs, investments are reported at fair value, which is based on quoted market prices.

The District invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of 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, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours notice in advance of all deposits and withdrawals exceeding \$100 million is appreciated. STAR Ohio reserves the right to limit the transaction to \$250 million per day. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2024 amounted to \$2,410,220 which includes \$346,235 assigned from other District funds.

For presentation on the basic financial statements and for the purposes of the statement of cash flows, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an original maturity of more than three months that are not made from the cash management pool are reported as investments.

An analysis of the District's investment account at year-end is provided in Note 4.

**G. Inventory**

On government-wide and fund financial statements, inventories of supplies are reported at cost, inventories held for resale are reported at the lower of cost or market, and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed/expended when used. Inventories are accounted for using the purchase method on the fund statements and using the consumption method on the government-wide statements.

On the fund financial statements, reported material and supplies inventory is equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventory consists of expendable supplies held for consumption, donated food and purchased food.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**H. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in the governmental funds. These 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.

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 values as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. 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.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land improvements	20 years
Buildings and improvements	25 - 50 years
Furniture and equipment	5 - 20 years
Vehicles	6 - 10 years
Intangible assets	5 years

The District is reporting intangible right to use assets related to leased equipment and Subscription Based Information Technology Arrangements (SBITAs). The intangible assets are being amortized in a systematic and rational manner of the shorter of the lease/SBITA term or the useful life of the underlying asset.

**I. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column on the statement of net position.

**J. Compensated Absences**

The District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the District's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**K. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the internal service fund are reported on the proprietary fund 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. However, compensated absences, the net pension liability, the net OPEB liability, leases, and SBITAs 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 year. Bonds are recognized as a liability on the fund financial statements when due. 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. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District 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 required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

*Committed* - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) 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 District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education or a District official delegated that authority by State statute. State statute authorizes the District Treasurer to assign fund balance for purchase on order provided such amounts have been lawfully appropriated.

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

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**M. Estimates**

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

**N. Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component “net investment in capital assets,” 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. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**O. Prepayments**

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the financial statements using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

On the fund financial statements, reported prepayments is equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

**P. Interfund Activity**

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 nonoperating revenues/expenses in the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the basic financial statements.

Interfund activities between governmental funds are eliminated for reporting in the statement of activities.

**Q. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding**

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.



**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 11.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

**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 Board of Education and that are either unusual in nature or infrequent in occurrence. The District had neither type of transaction during fiscal year 2024.

**S. Nonpublic Schools**

Within the boundaries of the District, Saint Francis Elementary, Blessed Sacrament Elementary and Newark Catholic High School are operated through the Columbus Catholic Diocese; and Montessori is operated as a private school. State Legislation provides funding to these parochial and private schools. The District receives the money and then disburses the money as directed by the parochial and private schools. These transactions are reported in a nonmajor governmental fund of the District.

**T. Budget Stabilization Arrangement**

The District has established a budget stabilization reserve. Additions to the budget stabilization reserve can only be made by formal resolution of the Board of Education. Expenditures out of the budget stabilization reserve can only be made to offset future budget deficits. At June 30, 2024, the balance in the budget stabilization reserve was \$934,406. This amount is included in unassigned fund balance of the general fund and in unrestricted net position on the statement of net position.

**U. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, net OPEB asset, deferred outflows of resources and deferred inflows of resources related pensions/OPEB, and pension/OPEB expense, 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.

**V. Fair Value Measurements**

The District 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.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For fiscal year 2024, the District has implemented certain paragraphs from GASB Implementation Guide No. 2021-1, certain paragraphs of GASB Statement No. 99, "Omnibus 2022", GASB Statement No. 100, "Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62" and Implementation Guide No. 2023-1.

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on balances previously report by the District.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the District.

GASB Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The implementation of GASB Statement No. 100 did not have an effect on the financial statements of the District.

GASB Implementation Guide 2023-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2023-1 did not have an effect on the financial statements of the District.

**B. Deficit Fund Balances**

Fund balances at June 30, 2024 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
District managed student activity	\$ 2,070
ESSER	113,008
21st century	89,424
Title VI-B	142,489
Title I	441,679
EHA preschool grant	14,493
Title II-A	61,784
Title IV-A	56,874

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts. Interim monies may be deposited or invested in the following securities:

1. 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 and interest by the United States;
2. 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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. 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;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and,
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

Protection of the deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions 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.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited.

Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**A. Cash on Hand**

At fiscal year end, the District had \$4,545 in undeposited cash on hand which is included on the financial statements of the District as part of “equity in pooled cash and investments”.

**B. Cash in Segregated Accounts**

At fiscal year end, the District had \$264,000 of cash and cash equivalents deposited with the District’s health insurance agent to cover unpaid claims. This amount is included in the amount of “Deposits with Financial Institutions” below.

**C. Deposits with Financial Institutions**

At June 30, 2024, the carrying amount of all District deposits was \$45,082,059 and the bank balance of all District deposits was \$45,098,509. Of the bank balance, \$44,713,509 was covered by the FDIC and \$385,000 was potentially exposed to custodial credit risk discussed below because those deposits were uninsured and could be uncollateralized.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) 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 fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2024, the District’s financial institutions was approved for a collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**D. Investments**

As of June 30, 2024, the District had the following investments and maturity:

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Fair Value:						
Negotiable CD's	\$ 4,751,232	\$ 942,768	\$ 488,374	\$ 235,131	\$ 434,341	\$ 2,650,618
FNMA	186,926	-	-	-	186,926	-
FHLB	1,731,491	245,314	497,593	-	499,019	489,565
US Treasury bills	493,244	493,244	-	-	-	-
US Treasury bond	2,623,590	498,623	-	988,848	-	1,136,119
U.S. Government money market mutual fund	931,545	931,545	-	-	-	-
Amortized cost:						
STAR Ohio	14,214,978	14,214,978	-	-	-	-
Total	<u>\$ 24,933,006</u>	<u>\$ 17,326,472</u>	<u>\$ 985,967</u>	<u>\$ 1,223,979</u>	<u>\$ 1,120,286</u>	<u>\$ 4,276,302</u>

The weighted average maturity of investments is 0.71 years.

The District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities (FNMA and FHLB), U.S. Treasury bonds, U.S. Treasury bills, and negotiable CD's are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

*Interest Rate Risk:* Interest rate risk arises as potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to three years or less.

*Credit Risk:* The federal agency securities and US Treasury bonds and bills were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The negotiable CDs are not rated but are fully covered by the FDIC. Standard & Poor's has assigned the U.S. Government money market mutual fund a AAAM money market rating. Ohio Law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities and U.S. Treasury Bonds and bills are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. The District 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.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The District's investment policy does not place specific limits on the percentage of the District's portfolio that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2024:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
Fair Value:		
Negotiable CD's	\$ 4,751,232	19.06
FNMA	186,926	0.75
FHLB	1,731,491	6.94
US Treasury bills	493,244	1.98
US Treasury bonds	2,623,590	10.52
U.S Government money market mutual fund	931,545	3.74
Amortized Cost:		
STAR Ohio	14,214,978	57.01
Total	<u>\$ 24,933,006</u>	<u>100.00</u>

**E. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2024:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 45,082,059
Investments	24,933,006
Cash on hand	<u>4,545</u>
Total	<u>\$ 70,019,610</u>
<u>Cash and cash equivalents per statement of net position</u>	
Governmental activities	\$ 69,755,610
<u>Cash in segregated accounts per statement of net position</u>	
Governmental activities	<u>264,000</u>
Total	<u>\$ 70,019,610</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

**A. Interfund loans**

Interfund loans receivable/payable consisted of the following at June 30, 2024, as reported on the fund statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	<u>\$ 558,717</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

**B. Advance to/from other funds**

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	<u>\$ 646,500</u>

Advances are long-term interfund loans that will not be repaid within one year. The long-term advance from general fund to the permanent improvement fund (a nonmajor governmental fund) is expected to be repaid in fiscal year 2027. The long-term advance from general fund to the District managed student activities fund (a nonmajor governmental fund) is expected to be repaid in fiscal year 2033. Advances to/from other funds between governmental funds are eliminated on the government-wide financial statements.

**C. Transfers**

Interfund transfers for the fiscal year ended June 30, 2024, consisted of the following, as reported on the fund statements:

<u>Transfers from general fund to:</u>	<u>Amount</u>
Nonmajor governmental funds	<u>\$ 4,596,684</u>

Interfund transfers represent the use of unrestricted revenues collected in the general fund that are used to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers between governmental funds are eliminated for reporting on the statement of activities. All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

**NOTE 6 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2024 represent the collection of calendar year 2023 taxes. Real property taxes received in calendar year 2024 were levied after April 1, 2023, on the assessed values as of January 1, 2023, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2024 represent the collection of calendar year 2023 taxes. Public utility real and personal property taxes received in calendar year 2024 became a lien on December 31, 2022, were levied after April 1, 2023, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 6 - PROPERTY TAXES - (Continued)**

The District receives property taxes from Licking County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2024, are available to finance fiscal year 2024 operations. The amount available as an advance at June 30, 2024 and 2023 were:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Major governmental funds:		
General fund	\$ 1,555,870	\$ 4,700,829
Nonmajor governmental funds:		
Debt service fund	188,720	658,401
Permanent improvement fund	79	274,241

The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2024 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow.

The assessed values upon which the fiscal year 2024 taxes were collected are:

	2023 Second Half Collections		2024 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 945,035,941	94.45	\$ 1,298,511,065	95.48
Public utility personal	<u>55,519,550</u>	<u>5.55</u>	<u>61,426,950</u>	<u>4.52</u>
Total	<u>\$ 1,000,555,491</u>	<u>100.00</u>	<u>\$ 1,359,938,015</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 40.03		\$ 37.80	

**NOTE 7 - RECEIVABLES**

**A. Receivables**

Receivables at June 30, 2024 consisted of property taxes, income taxes, accounts (billings for user charged services and student fees), intergovernmental grants and entitlements and accrued interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs and the current year guarantee of federal funds.



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 7 – RECEIVABLES - (Continued)**

A summary of the principal items of receivables reported on the statement of net position follows:

**Governmental activities:**

Property taxes	\$ 36,773,300
School district income tax	5,687,444
Accounts	630,770
Accrued interest	46,124
Intergovernmental	<u>1,233,504</u>
Total	<u>\$ 44,371,142</u>

Receivables have been disaggregated on the face of the financial statements. All receivables are expected to be collected in the subsequent year.

**B. Leases Receivable**

The District is reporting leases receivable of \$1,531 in the general fund. For fiscal year 2024, the District recognized lease revenue of \$622,338, which is reported in rental income, and interest revenue of \$9,107.

The District has entered into lease agreements for building space rental with multiple companies at varying years and terms as follows:

<u>Purpose</u>	<u>Lease Commencement Date</u>	<u>Years</u>	<u>Lease End Date</u>	<u>Payment Method</u>
Building	2022	2	2024	Monthly
Building	2022	2	2024	Monthly

Lease payments will be paid into the general fund. The following is a schedule of future lease payments under the lease agreements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	<u>\$ 1,531</u>	<u>\$ 5</u>	<u>\$ 1,536</u>

**NOTE 8 - INCOME TAXES**

The District levies a voted tax of one percent for general operation on the income of resident and of estate. The tax was effective on January 1, 1998 and was renewed in 2011 for another five year period and was renewed again for an additional five years beginning in January 2017. The current income tax levy was continued in 2022. Employers of the residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the general fund and totaled \$13,044,753 on the governmental fund financial statements during fiscal year 2024.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 9 - OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds (excluding those already included in payables) were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 2,054,924
Other governmental	<u>1,677,493</u>
Total	<u>\$ 3,732,417</u>

**NOTE 10 - CAPITAL ASSETS**

The change in governmental activities capital assets for fiscal year 2024 is as follows:

	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2024</u>
<i>Capital assets, not being depreciated/amortized:</i>				
Land	\$ 2,305,317	\$ -	\$ -	\$ 2,305,317
Construction-in-progress	<u>13,363,561</u>	<u>8,225,070</u>	<u>(21,347,166)</u>	<u>241,465</u>
Total capital assets, not being depreciated/amortized	<u>15,668,878</u>	<u>8,225,070</u>	<u>(21,347,166)</u>	<u>2,546,782</u>
<i>Capital assets, being depreciated/amortized:</i>				
Land improvements	1,820,528	516,937	-	2,337,465
Building/improvements	169,183,955	13,252,275	-	182,436,230
Furniture/equipment	4,616,597	8,362,711	-	12,979,308
Vehicles	6,848,414	107,214	-	6,955,628
Intangible right to use:				
Leased equipment	291,922	-	-	291,922
SBITAs	<u>54,166</u>	<u>345,491</u>	<u>-</u>	<u>399,657</u>
Total capital asset, being depreciated/amortized	<u>182,815,582</u>	<u>22,584,628</u>	<u>-</u>	<u>205,400,210</u>
<i>Less: accumulated depreciation/amortization:</i>				
Land improvements	(956,128)	(139,790)	-	(1,095,918)
Building/improvements	(49,490,343)	(3,772,041)	-	(53,262,384)
Furniture/equipment	(3,947,069)	(606,611)	-	(4,553,680)
Vehicles	(4,974,480)	(531,825)	-	(5,506,305)
Intangible right to use:				
Leased equipment	(102,172)	(58,385)	-	(160,557)
SBITAs	<u>(13,541)</u>	<u>(67,411)</u>	<u>-</u>	<u>(80,952)</u>
Total accumulated depreciation/amortization	<u>(59,483,733)</u>	<u>(5,176,063)</u>	<u>-</u>	<u>(64,659,796)</u>
Governmental activities capital assets, net	<u>\$ 139,000,727</u>	<u>\$ 25,633,635</u>	<u>\$ (21,347,166)</u>	<u>\$ 143,287,196</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 10 - CAPITAL ASSETS - (Continued)**

Depreciation/amortization expense was charged to governmental functions as follows:

Instruction:

Regular	\$ 2,984,349
Special	2,000
Vocational	171,124

Support services:

Pupil	101,663
Instructional staff	164,626
Administration	243,359
Fiscal	67,411
Business	59,664
Operations and maintenance	245,869
Pupil transportation	560,175

Operation of non-instructional services:

Food service operations	238,571
Extracurricular activities	<u>337,252</u>
Total depreciation/amortization expense	<u>\$ 5,176,063</u>

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**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 11 - LONG-TERM OBLIGATIONS**

The District's long-term obligations during the year consist of the following.

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due in One Year
<b>Governmental activities:</b>					
<b>General Obligation Bonds:</b>					
Refunding bonds - Series 2012					
Current interest bonds	\$ 3,985,000	\$ -	\$ (1,955,000)	\$ 2,030,000	\$ 2,030,000
Unamortized premium	163,581	-	(115,468)	48,113	-
Refunding bonds - Series 2016					
Current interest bonds	16,900,000	-	-	16,900,000	-
Unamortized premium	1,142,529	-	(121,332)	1,021,197	-
Refunding bonds - Series 2020					
Current interest bonds	12,855,000	-	(375,000)	12,480,000	895,000
Unamortized premium	599,773	-	(495,853)	103,920	-
Capital appreciation bonds	138,502	-	(123,699)	14,803	14,803
Accreted interest	426,629	173,444	(516,301)	83,772	83,772
Total general obligation bonds payable	36,211,014	173,444	(3,702,653)	32,681,805	3,023,575
<b>Other Long-Term Obligations:</b>					
Lease payable	179,967	-	(57,710)	122,257	\$ 59,960
SBITA payable	35,416	345,491	(61,425)	319,482	69,434
Net pension liability:					
STRS	63,552,129	-	(1,540,975)	62,011,154	-
SERS	16,192,853	-	(182,027)	16,010,826	-
Total net pension liability	79,744,982	-	(1,723,002)	78,021,980	-
Net OPEB liability:					
SERS	4,292,829	604,807	-	4,897,636	-
Total net OPEB liability	4,292,829	604,807	-	4,897,636	-
Compensated absences	3,988,740	761,404	(529,142)	4,221,002	404,733
Total other long-term obligations	88,241,934	1,711,702	(2,371,279)	87,582,357	534,127
Total long-term obligations	\$ 124,452,948	\$ 1,885,146	\$ (6,073,932)	\$ 120,264,162	\$ 3,557,702

**Series 2012 Refunding General Obligation Bonds**

On May 8, 2012, the District issued general obligation bonds (Series 2012 Refunding Bonds) to advance refund the callable of the Series 2005 school improvement current interest bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of Net Position. The refunding bond proceeds were received in the debt service fund and disbursed to the bond escrow agent for payment of future debt service requirements on the refunded Series 2005 bonds. The balance of the refunded bonds at June 30, 2024, is \$2,085,000.

The refunding issue is comprised of current interest bonds, par value \$8,545,000. The interest rates on the current interest bonds range from 4.0% - 5.00%. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2024.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

The reacquisition price exceeded the net carrying amount of the old debt by \$1,301,981. This amount is amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The unamortized balance is reported as a deferred outflow of resources on the statement of net position.

*Series 2016 Refunding General Obligation Bonds*

On March 15, 2016, the District issued general obligation bonds (Series 2016 Refunding Bonds) to advance refund the callable portion of the Series 2006 library refunding bonds (\$3,170,000), the Series 2005 school improvement bonds (\$21,630,000), and the Series 2005A school improvement bonds (\$3,390,000). This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds at June 30, 2024, is \$18,235,000.

The refunding issue is comprised of current interest bonds, par value \$8,985,000. The interest rates on the current interest bonds range from 1.5 to 4.0 percent. Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2032.

The net carrying amount of the old debt (including unamortized premiums and deferred charges) exceeded the reacquisition price by \$57,147. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The unamortized balance is reported as a component of deferred outflow on the statement of net position.

*Series 2020 Refunding General Obligation Bonds*

On July 23, 2020, the District issued general obligation bonds (Series 2020 Refunding Bonds) to advance refund the callable portion of the Series 2013 Refunding General Obligation Bonds (\$4,910,000) and the callable portion of the Series 2014 Refunding General Obligation Bonds (\$8,460,000). This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds at June 30, 2024, is \$12,480,000.

The refunding issue is comprised of both current interest bonds, par value \$12,855,000, and capital appreciation bonds par value \$510,491. The interest rates on the current interest bonds range from 0.75 to 2.16 percent. The capital appreciation bonds mature on December 1, 2020 (effective interest rate 55.50 percent), on December 1, 2021 (effective interest rate 55.50 percent), on December 1, 2022 (effective interest rate 55.50 percent), on December 1, 2023 (effective interest rate 55.50 percent), and on December 1, 2024 (effective interest rate 55.50 percent) at a redemption price equal to 100 percent of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond maturing December 1, 2020 is \$160,000, December 1, 2021 is \$270,000, December 1, 2022 is \$315,000, December 1, 2023 is \$640,000, and December 1, 2024 is \$125,000. Total accreted interest of \$83,772 has been included in the statement of net position at June 30, 2024.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2033.

The reacquisition price exceeded the net carrying amount of the old debt by \$546,731. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The unamortized balance is reported as deferred outflow on the statement of net position. The refunding was undertaken to reduce future debt service payments by \$1,540,353 resulting in a current economic gain of \$1,358,762.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2024, which will be paid from the debt service fund, are as follows:

Fiscal Year Ended	Refunding Bonds Current Interest			Refunding Bonds Capital Appreciation		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 2,925,000	\$ 885,039	\$ 3,810,039	\$ 14,803	\$ 110,197	\$ 125,000
2026	3,075,000	823,550	3,898,550	-	-	-
2027	3,175,000	766,354	3,941,354	-	-	-
2028	3,250,000	674,045	3,924,045	-	-	-
2029	3,345,000	567,766	3,912,766	-	-	-
2030 - 2034	15,640,000	1,114,565	16,754,565	-	-	-
Total	<u>\$ 31,410,000</u>	<u>\$ 4,831,319</u>	<u>\$ 36,241,319</u>	<u>\$ 14,803</u>	<u>\$ 110,197</u>	<u>\$ 125,000</u>

*Lease Payable*

The District has entered into lease agreements for the use of right to use equipment. Due to the implementation of GASB Statement No. 87, the District will report an intangible capital asset and corresponding liability for the future scheduled payments under the leases. The lease payments will be paid from the general fund.

The District has entered into lease agreements for copier equipment:

Purpose	Lease Commencement Date	Years	Lease End Date	Payment Method
Copiers	2021	5	2026	Semi-Annual

The following is a schedule of future lease payments under the lease agreements:

Fiscal Year	Principal	Interest	Total
2025	\$ 59,960	\$ 3,840	\$ 63,800
2026	<u>62,297</u>	<u>1,503</u>	<u>63,800</u>
Total	<u>\$ 122,257</u>	<u>\$ 5,343</u>	<u>\$ 127,600</u>

*SBITA Payable*

The District has entered into an agreement for the right to use subscription to software. Due to the implementation of GASB Statement No. 96, the District will report an intangible capital asset and corresponding liability for the future scheduled payments under the subscription. The subscription payments will be paid from the general fund.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

The District has entered into agreements for subscriptions at varying years and terms as follows:

<u>SBITA</u>	<u>Commencement Date</u>	<u>Years</u>	<u>End Date</u>	<u>Payment Method</u>
Time Clocks	2022	3	2025	Annual
Accounting software	2023	6	2029	Annual

The following is a schedule of future payments under the agreements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 69,434	\$ 9,473	\$ 78,907
2026	53,718	9,747	63,465
2027	59,303	8,653	67,956
2028	65,298	5,341	70,639
2029	<u>71,729</u>	<u>2,796</u>	<u>74,525</u>
Total	<u>\$ 319,482</u>	<u>\$ 36,010</u>	<u>\$ 355,492</u>

*Net Pension Liability*

See Note 14 for information on the District's net pension liability. The District pays obligations related to employee compensation from the general fund.

*Net OPEB Liability/Asset*

See Note 15 for information on the District's net OPEB liability/asset. The District pays obligations related to employee compensation from the general fund.

*Compensated Absences*

Compensated absences will be paid from the fund from which the employees' salaries are paid. Compensated absences will primarily be paid from the general fund.

*Legal Debt Margin*

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The effects of these debt limitations at June 30, 2024, are a voted debt margin of \$93,023,198 (including available funds of \$2,053,580) and an unvoted debt margin of \$1,359,938.

**NOTE 12 - OTHER EMPLOYEE BENEFITS**

**A. Compensated Absences**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-two days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - OTHER EMPLOYEE BENEFITS - (Continued)**

Each employee earns sick leave at the rate of one and one-fourth days per month. Upon retirement, payment is made for twenty-five percent of the total sick leave accumulation, up to a maximum accumulation of seventy days for certificated employees and sixty-five days for classified employees. An employee receiving such payment must meet the retirement provisions set by the State Teachers Retirement System of Ohio and School Employees Retirement System.

**B. Insurance Benefits**

The District provides life insurance and accidental death and dismemberment insurance in the amount of \$50,000 to certified employees. For classified employees, group term life insurance is provided in the amount of \$50,000 for employees under contract for thirty hours or more per week, \$20,000 for classified employees under contract for twenty to twenty-nine hours per week, and \$10,000 for employees working less than twenty hours per week.

**NOTE 13 - RISK MANAGEMENT**

**A. Property and Liability**

The District 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. During fiscal year 2024, the District maintained comprehensive insurance coverage for liability, real property, building contents and vehicles. The District obtains insurance coverage through Southwestern Ohio Educational Purchasing Council. Vehicle policies include liability coverage for bodily injury and property damage.

The following is a description of the District's insurance coverage:

Building and contents - replacement cost	\$ 441,639,558
Equipment breakdown	251,325,669
General Liability:	
Per occurrence	1,000,000
Annual aggregate	3,000,000
Data compromise coverage	1,000,000
Vehicle - combined single limit	1,000,000
Educators legal liability	1,000,000
Educators excess liability	4,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no reduction in coverage from the prior year.

**B. Group Health and Dental Insurance**

Health, life, dental and other group insurance is offered to employees as a fringe benefit. The District provides medical and dental insurance for its employees on a self-insurance basis. Employer and employee contributions to premium are determined by negotiated agreements with employee labor unions. Classified, certified, administrative and exempt employees receive health insurance that is 80% Board-paid and 20% employee paid and dental insurance that is 75% Board-paid and 25% employee paid. All life insurance is 100% Board-paid for all full-time staff.

Postemployment health care is provided to plan participants or their beneficiaries through the respective retirement systems discussed in Note 15. As such, no funding provisions are required by the District.



**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 13 - RISK MANAGEMENT - (Continued)**

All funds of the District participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay claims and actual amounts needed to pay fixed costs (premiums for stop-loss coverage and medical conversion and administrative fees and services). The claims liability of \$1,152,000 reported in the basic financial statements at June 30, 2024, is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claim.

Claims activities for the current and prior year are as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2024	\$ 886,000	\$ 13,349,663	\$ (13,083,663)	\$ 1,152,000
2023	369,000	11,589,482	(11,072,482)	886,000

**C. Workers' Compensation Rating Program**

For fiscal year 2024, the District participated in the Sheakley UniServe Workers' Compensation Group Retrospective Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. Under the GRP, the participating districts continues to pay their own individual premiums and have the opportunity to receive retrospective premium adjustments based upon the combined performance of the group. Depending upon that performance, the participating districts receive either a premium refund or an assessment. The participating districts pay an experience- or base-rated premium under the same terms as if they were not in a retrospective group. The group-retrospective premiums are recalculated twelve months after the end of the policy year and the recalculated premium is compared to the standard premium. If the retrospective premium is lower than the standard premium, the participating districts receive a refund. If the retrospective premium is higher than the standard premium, the participating districts are charged an assessment. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley UniServe provides administrative, cost control and actuarial services to the GRP.

**NOTE 14 - DEFINED BENEFIT PENSION PLANS**

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

***Net Pension Liability/Net OPEB Liability/Asset***

The net pension liability and the net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for pensions and OPEB, respectively.

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/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.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The net pension/OPEB liability (asset) represent the District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB 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 these estimates annually.

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

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

***Plan Description - School Employees Retirement System (SERS)***

Plan Description - The District's non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit; or Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

\* Members with 25 years of service credit as of August 1, 2017 will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2% for the first thirty years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost-of-living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0%. In 2023, the Board of Trustees approved a 2.5% cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2024.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary and the District is required to contribute 14.00% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10.00% for plan members and 14.00% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2024, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2024, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The District's contractually required contribution to SERS was \$1,774,970 for fiscal year 2024. Of this amount, \$238,783 is reported as pension and postemployment benefits payable.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description - Licensed teachers participate in STRS, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined (CO) Plan. Benefits are established by Ohio Revised Code Chapter 3307.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0% upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of-living increases are not affected by this change. Effective July 1, 2022, a one-time ad-hoc COLA of 3% of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a one-time ad-hoc COLA of 1% of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019. Pursuant to Ohio Revised Code 3307.67(E) the STRS Ohio Retirement Board may adjust the COLA upon a determination by the board's actuary that a change will not materially impair the fiscal integrity of the system or is necessary to preserve the fiscal integrity of the system. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit regardless of age.

The DC Plan allows members to place all of their member contributions and 11.09% of the 14% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 2.91% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 and after termination of employment.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service, who is determined to be disabled, may qualify for a disability benefit. New members, on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2024 employer and employee contribution rate of 14% was equal to the statutory maximum rates. For fiscal year 2024, the full employer contribution was allocated to pension.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The District's contractually required contribution to STRS was \$5,664,318 for fiscal year 2024. Of this amount, \$986,206 is reported as pension and postemployment benefits payable.

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

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District'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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.299381000%	0.285882900%	
Proportion of the net pension liability current measurement date	<u>0.289761700%</u>	<u>0.287956040%</u>	
Change in proportionate share	<u>-0.009619300%</u>	<u>0.002073140%</u>	
Proportionate share of the net pension liability	\$ 16,010,826	\$ 62,011,154	\$ 78,021,980
Pension expense	\$ 1,268,190	\$ 5,700,659	\$ 6,968,849

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 688,181	\$ 2,260,797	\$ 2,948,978
Changes of assumptions	113,414	5,106,955	5,220,369
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	147,750	1,322,608	1,470,358
Contributions subsequent to the measurement date	<u>1,774,970</u>	<u>5,664,318</u>	<u>7,439,288</u>
Total deferred outflows of resources	<u>\$ 2,724,315</u>	<u>\$ 14,354,678</u>	<u>\$ 17,078,993</u>

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 137,605	\$ 137,605
Net difference between projected and actual earnings on pension plan investments	225,045	185,845	410,890
Changes of assumptions	-	3,844,069	3,844,069
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>377,694</u>	<u>991,370</u>	<u>1,369,064</u>
Total deferred inflows of resources	<u>\$ 602,739</u>	<u>\$ 5,158,889</u>	<u>\$ 5,761,628</u>

\$7,439,288 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2025	\$ 135,152	\$ (471,267)	\$ (336,115)
2026	(741,057)	(1,905,391)	(2,646,448)
2027	940,582	6,200,041	7,140,623
2028	<u>11,929</u>	<u>(291,912)</u>	<u>(279,983)</u>
Total	<u>\$ 346,606</u>	<u>\$ 3,531,471</u>	<u>\$ 3,878,077</u>

***Actuarial Assumptions - SERS***

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, 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. Future benefits for all current plan members were projected through 2137.

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.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2023 and June 30, 2022, are presented below:

Wage inflation:	
Current measurement date	2.40%
Prior measurement date	2.40%
Future salary increases, including inflation:	
Current measurement date	3.25% to 13.58%
Prior measurement date	3.25% to 13.58%
COLA or ad hoc COLA:	
Current measurement date	2.00%
Prior measurement date	2.00%
Investment rate of return:	
Current measurement date	7.00% net of system expenses
Prior measurement date	7.00% net of system expenses
Discount rate:	
Current measurement date	7.00%
Prior measurement date	7.00%
Actuarial cost method	Entry age normal (level percent of payroll)

In 2023, mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

In the prior measurement date, mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five-year period ended June 30, 2020.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. Ohio Revised Code Section 3309.15 and the Board-adopted Investment Policy govern investment activity at SERS. 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 average 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.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64
Total	100.00 %	

**Discount Rate** - Total pension liability for 2023 was calculated using the discount rate of 7.00%. The discount rate determination did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 21-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate of fiscal year 2023 was 14%. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return, 7.00%. 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, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2023 was 6.90%.

**Sensitivity of the District'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 7.00%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%), or one percentage point higher (8.00%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 23,631,162	\$ 16,010,826	\$ 9,592,145



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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***Actuarial Assumptions - STRS***

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023 and June 30, 2022, actuarial valuation are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	Varies by service from 2.50% to 8.50%
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%	7.00%
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%

For the June 30, 2023 actuarial valuation, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	<u>100.00 %</u>	

\* Final target weights reflected at October 1, 2022.

**NEWARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)**

\*\*10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates described previously. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following table represents the net pension liability as of June 30, 2023, calculated using the current period discount rate assumption of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 95,359,430	\$ 62,011,154	\$ 33,807,638

**Assumption and Benefit Changes Since the Prior Measurement Date** - The discount rate remained at 7.00% for June 30, 2023 valuation. Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

**NOTE 15 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability/Asset***

See Note 14 for a description of the net OPEB liability (asset).

***Plan Description - School Employees Retirement System (SERS)***

**Health Care Plan Description** - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The Health Care program is financed through a combination of employer contributions, recipient premiums, investment returns, and any funds received on behalf of SERS' participation in Medicare programs. The System's goal is to maintain a health care reserve account with a 20-year solvency period in order to ensure that fluctuations in the cost of health care do not cause an interruption in the program. However, during any period in which the 20-year solvency period is not achieved, the System shall manage the Health Care Fund on a pay-as-you-go basis.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2024, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2024, the District's surcharge obligation was \$203,335.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$203,335 for fiscal year 2024. Of this amount, \$203,335 is reported as pension and postemployment benefits payable.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description - The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2024, STRS did not allocate any employer contributions to post-employment health care.

***Net OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability/asset was measured as of June 30, 2023, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.305754800%	0.285882900%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.297286700%</u>	<u>0.287956040%</u>	
Change in proportionate share	<u>-0.008468100%</u>	<u>0.002073140%</u>	
Proportionate share of the net OPEB liability	\$ 4,897,636	\$ -	\$ 4,897,636
Proportionate share of the net OPEB asset	\$ -	\$ (5,600,347)	\$ (5,600,347)
OPEB expense	\$ (513,882)	\$ (258,705)	\$ (772,587)

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 10,204	\$ 8,731	\$ 18,935
Net difference between projected and actual earnings on OPEB plan investments	37,959	9,997	47,956
Changes of assumptions	1,656,033	825,012	2,481,045
Difference between employer contributions and proportionate share of contributions/change in proportionate share	297,567	35,075	332,642
Contributions subsequent to the measurement date	<u>203,335</u>	<u>-</u>	<u>203,335</u>
Total deferred outflows of resources	<u>\$ 2,205,098</u>	<u>\$ 878,815</u>	<u>\$ 3,083,913</u>
	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 2,525,894	\$ 854,202	\$ 3,380,096
Changes of assumptions	1,390,973	3,695,027	5,086,000
Difference between employer contributions and proportionate share of contributions/change in proportionate share	<u>475,516</u>	<u>8,011</u>	<u>483,527</u>
Total deferred inflows of resources	<u>\$ 4,392,383</u>	<u>\$ 4,557,240</u>	<u>\$ 8,949,623</u>

\$203,335 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2025.

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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2025	\$ (725,370)	\$ (1,627,238)	\$ (2,352,608)
2026	(656,461)	(742,414)	(1,398,875)
2027	(458,873)	(286,986)	(745,859)
2028	(303,588)	(389,327)	(692,915)
2029	(181,142)	(357,640)	(538,782)
Thereafter	<u>(65,186)</u>	<u>(274,820)</u>	<u>(340,006)</u>
Total	<u>\$ (2,390,620)</u>	<u>\$ (3,678,425)</u>	<u>\$ (6,069,045)</u>

***Actuarial Assumptions - SERS***

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, 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.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2023 and June 30, 2022 are presented below:

Wage inflation:	
Current measurement date	2.40%
Prior measurement date	2.40%
Future salary increases, including inflation:	
Current measurement date	3.25% to 13.58%
Prior measurement date	3.25% to 13.58%
Investment rate of return:	
Current measurement date	7.00% net of investment expense, including inflation
Prior measurement date	7.00% net of investment expense, including inflation
Municipal bond index rate:	
Current measurement date	3.86%
Prior measurement date	3.69%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Current measurement date	4.27%
Prior measurement date	4.08%
Medical trend assumption:	
Current measurement date	6.75 to 4.40%
Prior measurement date	7.00 to 4.40%

In 2023, the following mortality assumptions were used:

**Healthy Retirees** - PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females.

**Disabled Retirees** - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.

**Contingent Survivors** - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.

**Actives** - PUB-2010 General Amount Weighted Below Median Employee mortality table.

**Mortality Projection** - Mortality rates are projected using a fully generational projection with Scale MP-2020.

In the prior measurement date, mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five-year period ended June 30, 2020.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The long-term expected rate of return is reviewed as part of the regular experience studies prepared every five years for SERS. The most recent five-year experience study was performed for the period covering fiscal years 2016 through 2020, and was adopted by the Board on April 15, 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The long-term expected nominal rate of return has been determined by calculating a weighted average 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.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64
Total	<u>100.00 %</u>	

**Discount Rate** - The discount rate used to measure the total OPEB liability at June 30, 2023, was 4.27%. The discount rate used to measure total OPEB liability prior to June 30, 2023, was 4.08%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position is projected to be depleted in 2048 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2022 and the June 30, 2023 total OPEB liability. The Municipal Bond Index Rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate was 3.86% at June 30, 2023 and 3.69% at June 30, 2022.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates*** - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability, what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27%) and higher (5.27%) than the current discount rate (4.27%). Also shown is what the net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate (6.75% decreasing to 4.40%).

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 6,260,579	\$ 4,897,636	\$ 3,822,899

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 3,598,123	\$ 4,897,636	\$ 6,619,665

***Actuarial Assumptions - STRS***

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023 actuarial valuation, compared with June 30, 2022 actuarial valuation, are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.50%	2.50%
Projected salary increases	Varies by service from 2.50% to 8.50%	Varies by service from 2.50% to 8.50%
Investment rate of return	7.00%, net of investment expenses, including inflation	7.00%, net of investment expenses, including inflation
Payroll increases	3.00%	3.00%
Cost-of-living adjustments (COLA)	0.00%	0.00%
Discount rate of return	7.00%	7.00%
Blended discount rate of return	N/A	N/A
Health care cost trends		
	Initial	Ultimate
Medical		
Pre-Medicare	7.50%	4.14%
Medicare	-10.94%	4.14%
Prescription Drug		
Pre-Medicare	-11.95%	4.14%
Medicare	1.33%	4.14%

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.



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LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

For the June 30, 2023 actuarial valuation, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For the prior measurement date, for healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

**Assumption Changes Since the Prior Measurement Date** - The discount rate remained unchanged at 7.00% for the June 30, 2023 valuation.

**Benefit Term Changes Since the Prior Measurement Date** - Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	<u>100.00 %</u>	

\* Final target weights reflected at October 1, 2022.

\*\*10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** - The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on health care fund investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2023.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate*** - The following table represents the net OPEB asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB asset	\$ 4,739,961	\$ 5,600,347	\$ 6,349,652
	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB asset	\$ 6,384,423	\$ 5,600,347	\$ 4,655,941

**NOTE 16 - CONTINGENCIES**

**A. Grants**

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

**B. Litigation**

The District is involved in no material litigation as either plaintiff or defendant.

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**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 17 - SET-ASIDES**

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year. The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-aside balance June 30, 2023	\$ -
Current year set-aside requirement	1,248,202
Current year offsets	<u>(1,248,202)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2025	<u>\$ -</u>
Set-aside balance June 30, 2024	<u>\$ -</u>

**NOTE 18 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS**

The City of Newark has entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area ("CRA") program within taxing districts of the District. The CRA program is a direct incentive tax exemption program benefiting property owners who renovate existing buildings or construct new buildings. Under this program, the City of Newark has designated areas to encourage revitalization of the existing structures and the development of new structures.

The District has incurred a reduction in property tax receipts due to agreements entered into by the City of Newark. During fiscal year 2024, the District's property tax receipts were reduced under agreements entered into by the City of Newark as follows:

<u>Government Entering Into Agreement</u>	<u>Tax Abatement Program CRA</u>
City of Newark	<u>\$ 858,385</u>

The District is not receiving any amounts from the City of Newark in association with the forgone property tax receipts.

**NOTE 19 - COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During fiscal year 2024, the District received COVID-19 funding. The District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

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## REQUIRED SUPPLEMENTARY INFORMATION

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>		<b>Actual Amounts Budgetary Basis</b>	<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>		
Budgetary revenues and other financing sources	\$ 81,679,100	\$ 81,679,100	\$ 91,564,360	\$ 9,885,260
Budgetary expenditures and other financing uses	89,141,274	91,510,087	91,523,063	12,976
Net change in fund balance	(7,462,174)	(9,830,987)	41,297	9,872,284
<b>Budgetary fund balance at beginning of year</b>	50,430,936	50,430,936	50,430,936	-
<b>Prior year encumbrances appropriated</b>	2,731,078	2,731,078	2,731,078	-
<b>Budgetary fund balance at end of year</b>	<u>\$ 45,699,840</u>	<u>\$ 43,331,027</u>	<u>\$ 53,203,311</u>	<u>\$ 9,872,284</u>

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY AND  
DISTRICT PENSION CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

<b>Fiscal Year (1)</b>	<b>District's Proportion of the Net Pension Liability</b>	<b>District's Proportionate Share of the Net Pension Liability</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2024	0.289761700%	\$ 16,010,826	\$ 11,507,586	139.13%	76.06%
2023	0.299381000%	16,192,853	11,614,579	139.42%	75.82%
2022	0.292316200%	10,785,620	10,409,579	103.61%	82.86%
2021	0.311372500%	20,594,833	10,634,229	193.67%	68.55%
2020	0.294655000%	17,629,725	10,178,867	173.20%	70.85%
2019	0.288528900%	16,524,585	9,415,074	175.51%	71.36%
2018	0.280533600%	16,761,263	9,025,736	185.71%	69.50%
2017	0.289694100%	21,202,935	7,829,386	270.81%	62.98%
2016	0.285616100%	16,297,532	8,598,536	189.54%	69.16%
2015	0.283058000%	14,325,404	8,225,115	174.17%	71.70%

<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2024	\$ 1,774,970	\$ (1,774,970)	\$ -	\$ 12,678,357	14.00%
2023	1,611,062	(1,611,062)	-	11,507,586	14.00%
2022	1,626,041	(1,626,041)	-	11,614,579	14.00%
2021	1,457,341	(1,457,341)	-	10,409,579	14.00%
2020	1,488,792	(1,488,792)	-	10,634,229	14.00%
2019	1,374,147	(1,374,147)	-	10,178,867	13.50%
2018	1,271,035	(1,271,035)	-	9,415,074	13.50%
2017	1,263,603	(1,263,603)	-	9,025,736	14.00%
2016	1,096,114	(1,096,114)	-	7,829,386	14.00%
2015	1,133,287	(1,133,287)	-	8,598,536	13.18%

(1) Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY AND  
DISTRICT PENSION CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

<b>Fiscal Year (1)</b>	<b>District's Proportion of the Net Pension Liability</b>	<b>District's Proportionate Share of the Net Pension Liability</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2024	0.287956040%	\$ 62,011,154	\$ 39,128,464	158.48%	80.02%
2023	0.285882900%	63,552,129	37,198,143	170.85%	78.88%
2022	0.293188849%	37,486,830	36,717,500	102.10%	87.78%
2021	0.279227720%	67,563,173	34,023,021	198.58%	75.48%
2020	0.281226680%	62,191,590	33,213,071	187.25%	77.40%
2019	0.269182850%	59,187,265	31,039,436	190.68%	77.31%
2018	0.268786680%	63,850,852	29,973,514	213.02%	75.30%
2017	0.266046620%	89,053,823	27,686,014	321.66%	66.80%
2016	0.261301520%	72,216,097	27,573,121	261.91%	72.10%
2015	0.265057680%	64,471,201	27,081,569	238.06%	74.70%

<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2024	\$ 5,664,318	\$ (5,664,318)	\$ -	\$ 40,459,414	14.00%
2023	5,477,985	(5,477,985)	-	39,128,464	14.00%
2022	5,207,740	(5,207,740)	-	37,198,143	14.00%
2021	5,140,450	(5,140,450)	-	36,717,500	14.00%
2020	4,763,223	(4,763,223)	-	34,023,021	14.00%
2019	4,649,830	(4,649,830)	-	33,213,071	14.00%
2018	4,345,521	(4,345,521)	-	31,039,436	14.00%
2017	4,196,292	(4,196,292)	-	29,973,514	14.00%
2016	3,876,042	(3,876,042)	-	27,686,014	14.00%
2015	3,860,237	(3,860,237)	-	29,694,131	13.00%

(1) Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY AND  
DISTRICT OPEB CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST EIGHT AND TEN FISCAL YEARS

<b>Fiscal Year (1) (2)</b>	<b>District's Proportion of the Net OPEB Liability</b>	<b>District's Proportionate Share of the Net OPEB Liability</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>
2024	0.297286700%	\$ 4,897,636	\$ 11,507,586	42.56%	30.02%
2023	0.305754800%	4,292,829	11,614,579	36.96%	30.34%
2022	0.302032700%	5,716,216	10,409,579	54.91%	24.08%
2021	0.321001900%	6,976,422	10,634,229	65.60%	18.17%
2020	0.301161100%	7,573,568	10,178,867	74.40%	15.57%
2019	0.291790200%	8,095,048	9,415,074	85.98%	13.57%
2018	0.283858700%	7,618,022	9,025,736	84.40%	12.46%
2017	0.293091300%	8,354,186	7,829,386	106.70%	11.49%

<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2024	\$ 203,335	\$ (203,335)	\$ -	\$ 12,678,357	1.60%
2023	212,580	(212,580)	-	11,507,586	1.85%
2022	197,808	(197,808)	-	11,614,579	1.70%
2021	196,875	(196,875)	-	10,409,579	1.89%
2020	196,245	(196,245)	-	10,634,229	1.85%
2019	230,953	(230,953)	-	10,178,867	2.27%
2018	200,616	(200,616)	-	9,415,074	2.13%
2017	150,926	(150,926)	-	9,025,736	1.67%
2016	146,238	(146,238)	-	7,829,386	1.87%
2015	213,230	(213,230)	-	8,598,536	2.48%

(1) Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULES OF THE REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY/(ASSET) AND  
DISTRICT OPEB CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST EIGHT AND TEN FISCAL YEARS

<b>Fiscal Year (1) (2)</b>	<b>District's Proportion of the Net OPEB Liability/(Asset)</b>	<b>District's Proportionate Share of the Net OPEB Liability/(Asset)</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset)</b>
2024	0.287956040%	\$ (5,600,347)	\$ 39,128,464	14.31%	168.52%
2023	0.285882900%	(7,402,458)	37,198,143	19.90%	230.73%
2022	0.293188849%	(6,181,647)	36,717,500	16.84%	174.73%
2021	0.279227720%	(4,907,425)	34,023,021	14.42%	182.10%
2020	0.281226680%	(4,657,788)	33,213,071	14.02%	174.74%
2019	0.269182850%	(4,325,493)	31,039,436	13.94%	176.00%
2018	0.268786680%	10,487,064	29,973,514	34.99%	47.10%
2017	0.266046620%	14,228,242	27,686,014	51.39%	37.30%

<b>Fiscal Year</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2024	\$ -	\$ -	\$ -	\$ 40,459,414	0.00%
2023	-	-	-	39,128,464	0.00%
2022	-	-	-	37,198,143	0.00%
2021	-	-	-	36,717,500	0.00%
2020	-	-	-	34,023,021	0.00%
2019	-	-	-	33,213,071	0.00%
2018	-	-	-	31,039,436	0.00%
2017	-	-	-	29,973,514	0.00%
2016	-	-	-	27,686,014	0.00%
2015	-	-	-	29,694,131	0.00%

(1) Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

(2) Information prior to 2017 is not available. Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 - BUDGETARY PROCESS**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is 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 that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis is as follows:

**Net Change in Fund Balance**

	<u>General fund</u>
Budget basis	\$ 41,297
Net adjustment for revenue accruals	(2,426,419)
Net adjustment for expenditure accruals	(1,759,196)
Net adjustment for other sources/uses	(462,159)
Funds budgeted elsewhere	45,183
Adjustments for encumbrances	<u>2,921,871</u>
GAAP Basis	<u>\$ (1,639,423)</u>

As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund. This includes the public school support fund, the school activity trusts fund, the staff trusts fund, the rotary-special services fund, and the rotary fund.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**PENSION**

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%.
- For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2021.
- For fiscal year 2022, SERS changed from a Cost of Living Adjustment (COLA) of 2.5% to 2.0%.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.

*Change in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2023.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for fiscal year 2015.
- There were no changes in benefit terms from the amounts reported for fiscal year 2016.
- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2019.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2020.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2021.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2022.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2023.
- There were no changes in benefit terms from amounts previously reported for fiscal year 2024.

*Changes in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2015.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2016.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2021.
- For fiscal year 2022, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00% and (b) the discount rate of return was reduced from 7.45% to 7.00%.
- For fiscal year 2023, the following changes of assumption affected the total pension liability since the prior measurement date: the projected salary increases went from 12.50% at age 20 to 2.50% at age 65 to varies by service from 2.50% to 8.50%.
- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2024.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

**OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts reported for fiscal year 2017.
- There were no changes in benefit terms from the amounts reported for fiscal year 2018.
- There were no changes in benefit terms from the amounts reported for fiscal year 2019.
- There were no changes in benefit terms from the amounts reported for fiscal year 2020.
- There were no changes in benefit terms from the amounts reported for fiscal year 2021.
- There were no changes in benefit terms from the amounts reported for fiscal year 2022.
- There were no changes in benefit terms from the amounts reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts reported for fiscal year 2024.

*Change in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.
- For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.
- For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%, and (c) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.22% to 2.63%.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

- For fiscal year 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) wage inflation decreased from 3.00% to 2.40%, (b) future salary increases changed from 3.50%-18.20% to 3.25%-13.58%, (c) investment rate of return decreased from 7.50% to 7.00%, (d) discount rate decreased from 7.50% to 7.00% and (e) mortality tables changed from the RP-2014 Blue Collar mortality table to the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table.
- For fiscal year 2023, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 1.92% to 3.69%, (b) single equivalent interest rate when from 2.27% to 4.08% and (c) medical trend assumptions went from 5.125% to 4.40% Medicare and 6.75% to 4.40% Pre-Medicare to 7.00% to 4.40%.
- For fiscal year 2024, the following changes of assumptions affect the total OPEB liability since the prior measurement date: (a) municipal bond index rate went from 3.69% to 3.86%, (b) single equivalent interest rate when from 4.08% to 4.27% and (c) medical trend assumptions went from 7.00% to 4.40% to 6.75% to 4.40%.

**STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO**

*Change in benefit terms:*

- There were no changes in benefit terms from the amounts previously reported for fiscal year 2017.
- For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.
- For fiscal year 2020, STRS increased the subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.
- For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.
- For fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2023.
- There were no changes in benefit terms from the amounts previously reported for fiscal year 2024.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 - PENSIONS & OTHER POSTEMPLOYMENT BENEFITS (OPEB) - (Continued)**

*Change in assumptions:*

- There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.
- For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.
- For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.
- For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.
- For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to -6.69% initial - 4.00% ultimate; prescription drug pre-Medicare from 7.73% initial - 4.00% ultimate down to 6.50% initial - 4.00% ultimate; prescription drug Medicare from 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.
- For fiscal year 2022, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.45% to 7.00%, (b) the discount rate of return was reduced from 7.45% to 7.00% and (c) health care cost trend rates were changed to the following: medical Medicare from -6.69% initial - 4.00% ultimate down to -16.18% initial - 4.00% ultimate; prescription drug Medicare from 11.87% initial - 4.00% ultimate up to 29.98% initial - 4.00% ultimate.
- For fiscal year 2023, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) projected salary increase went from 12.50% at age 20 to 2.50% at age 65 to varies by services from 2.50% to 8.50% and (b) health care cost trend rates were changed to the following: Pre-Medicare from 5.00% initial - 4.00% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from -16.18% initial - 4.00% ultimate to -68.78% initial - 3.94% ultimate; prescription drug Pre-Medicare from 6.50% initial - 4.00% ultimate to 9.00% initial - 3.94% ultimate; Medicare from 29.98% initial - 4.00% ultimate to -5.47% initial - 3.94% ultimate.
- For fiscal year 2024, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: Pre-Medicare from 7.50% initial - 3.94% ultimate to 7.50% initial - 4.14% ultimate; medical Medicare from -68.78% initial - 3.94% ultimate to -10.94% initial - 4.14% ultimate; prescription drug Pre-Medicare from 9.00% initial - 3.94% ultimate to -11.95% initial - 4.14% ultimate; Medicare from -5.47% initial - 3.94% ultimate to 1.33% initial - 4.14% ultimate.



COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

SUPPLEMENTAL INFORMATION

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**FUND DESCRIPTION - MAJOR FUNDS**

**General Fund**

The general fund is used to account for resources traditionally associated with a school district which are not required legally or by sound financial management to be accounted for in another fund. These activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration.

Since the legal level of budgetary control is not greater than that presented in the basic financial statements, no additional financial statements are presented for the general fund.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2024

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 5,286,520	\$ 1,864,860	\$ 3,653,856	\$ 10,805,236
Receivables:				
Property taxes	-	3,763,140	1,134,303	4,897,443
Accounts	376,021	-	-	376,021
Intergovernmental	1,088,886	-	-	1,088,886
Prepayments	3,909	-	-	3,909
Materials and supplies inventory	10,963	-	-	10,963
Inventory held for resale	33,364	-	-	33,364
Total assets	<u>\$ 6,799,663</u>	<u>\$ 5,628,000</u>	<u>\$ 4,788,159</u>	<u>\$ 17,215,822</u>
<b>Liabilities:</b>				
Accounts payable	\$ 328,278	\$ -	\$ 257,104	\$ 585,382
Contracts payable	263,408	-	98,716	362,124
Accrued wages and benefits	540,014	-	-	540,014
Intergovernmental payable	6,929	-	-	6,929
Pension and postemployment benefits payable	100,869	-	-	100,869
Interfund loan payable	408,717	-	150,000	558,717
Advances from other funds	346,500	-	300,000	646,500
Total liabilities	<u>1,994,715</u>	<u>-</u>	<u>805,820</u>	<u>2,800,535</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year	-	3,438,161	1,134,167	4,572,328
Delinquent property tax revenue not available	-	136,259	57	136,316
Miscellaneous revenue not available	361,214	-	-	361,214
Intergovernmental revenue not available	919,740	-	-	919,740
Total deferred inflows of resources	<u>1,280,954</u>	<u>3,574,420</u>	<u>1,134,224</u>	<u>5,989,598</u>
<b>Fund balances:</b>				
Nonspendable:				
Materials and supplies inventory	10,963	-	-	10,963
Prepays	3,909	-	-	3,909
Restricted:				
Debt service	-	2,053,580	-	2,053,580
Capital improvements	-	-	296,914	296,914
Classroom facilities maintenance	190,583	-	-	190,583
Food service operations	3,978,402	-	-	3,978,402
Non-public schools	48,013	-	-	48,013
State funded programs	21,384	-	-	21,384
Federally funded programs	13,047	-	-	13,047
Extracurricular	102,860	-	-	102,860
Other purposes	78,819	-	-	78,819
Assigned:				
Capital improvements	-	-	2,551,201	2,551,201
Unassigned (deficit)	(923,986)	-	-	(923,986)
Total fund balances	<u>3,523,994</u>	<u>2,053,580</u>	<u>2,848,115</u>	<u>8,425,689</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 6,799,663</u>	<u>\$ 2,053,580</u>	<u>\$ 4,788,159</u>	<u>\$ 17,215,822</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 412,881	\$ 2,956,634	\$ 821,896	\$ 4,191,411
Intergovernmental	19,781,674	488,618	160,235	20,430,527
Investment earnings	122,267	-	-	122,267
Extracurricular	264,714	-	-	264,714
Charges for services	258,413	-	-	258,413
Contributions and donations	321,522	-	-	321,522
Miscellaneous	61,226	-	-	61,226
Total revenues	<u>21,222,697</u>	<u>3,445,252</u>	<u>982,131</u>	<u>25,650,080</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	495,250	-	1,157,334	1,652,584
Special	3,179,354	-	-	3,179,354
Support services:				
Pupil	1,306,461	-	-	1,306,461
Instructional staff	1,085,132	-	-	1,085,132
Administration	400,252	-	-	400,252
Fiscal	-	50,411	21,980	72,391
Operations and maintenance	569,032	-	619,627	1,188,659
Operation of non-instructional services:				
Food service operations	3,377,691	-	-	3,377,691
Other non-instructional services	778,381	-	-	778,381
Extracurricular activities	238,975	-	-	238,975
Facilities acquisition and construction	8,102,003	-	1,237,568	9,339,571
Debt service:				
Principal retirement	-	2,453,699	-	2,453,699
Interest and fiscal charges	-	970,333	-	970,333
Accretion on capital appreciation bonds	-	516,301	-	516,301
Total expenditures	<u>19,532,531</u>	<u>3,990,744</u>	<u>3,036,509</u>	<u>26,559,784</u>
Excess of revenues over (under) expenditures	1,690,166	(545,492)	(2,054,378)	(909,704)
<b>Other financing sources:</b>				
Transfers in	-	-	4,596,684	4,596,684
Insurance proceeds	-	-	1,019,044	1,019,044
Total other financing sources	<u>-</u>	<u>-</u>	<u>5,615,728</u>	<u>5,615,728</u>
Net change in fund balances	1,690,166	(545,492)	3,561,350	4,706,024
<b>Fund balances (deficit) at beginning of year</b>	1,812,216	2,599,072	(713,235)	3,698,053
<b>Change in reserve for inventory</b>	21,612	-	-	21,612
<b>Fund balances at end of year</b>	<u><u>\$ 3,523,994</u></u>	<u><u>\$ 2,053,580</u></u>	<u><u>\$ 2,848,115</u></u>	<u><u>\$ 8,425,689</u></u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds**

The special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The title of each special revenue fund is descriptive of the activities accounted for therein. The nonmajor special revenue funds are:

**Miscellaneous Grants**

To account for a number of small local grants that are restricted for specific expenditures.

**District Managed Student Activity**

To account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund includes athletic programs as well as band, cheerleaders, drama clubs, and other similar types of activities.

**Auxiliary Services**

To account for State funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by State law.

**Student Managed Activity**

To account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund includes activities which consist of a student body, student president, student treasurer, and faculty advisor.

**Data Communications**

To account for revenues received from the State to be used to install and provide support costs for data communication links to connect any school to the local A-site.

**Special Trust**

To account for scholarship programs, not administered through a trust agreement, where the District has administrative involvement in the selection of the scholarship recipient.

**Endowment Fund**

To account for scholarship programs, not administered through a trust agreement, where money was endowed to the District and where the District has administrative involvement in the selection of the scholarship recipient.

**Miscellaneous State Grants**

To account for monies received from State agencies which are not classified elsewhere.

**Title VI-B**

To account for Federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

**Limited English Proficiency**

To account for Federal funds to meet the educational needs of children of limited English proficiency at the preschool, elementary and secondary levels.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds (Continued)**

**Title I**

To account for Federal funds for services provided to meet special educational needs of educationally deprived children.

**EHA Preschool Grant**

To account for Federal funds used for the improvement and expansion of services for handicapped children ages three through five years.

**Title II-A**

To account for a Federal grant aimed at reducing class sizes through out the District.

**Miscellaneous Federal Grants**

To account for Federal revenues received through State agencies from the Federal government or directly from the Federal government which are not classified elsewhere.

**Food Service**

To account for all revenues and expenditures related to the provision of food services, including breakfast and lunch, for the District students and staff.

**Classroom Facilities Maintenance**

To account for revenues earmarked for the maintenance of facilities.

**Non-Competitive Supplemental**

A fund provided to account for revenues received from the federal government to help schools improve teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards.

**21st Century**

To account for a Federal grant for the District's after school programs.

**Title IV-A**

To account for a Federal grant received by the District to provide student support and academic enrichment programs.

**ESSER**

A fund used to account for a Federal grant received by the District to combat the coronavirus pandemic.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds (Continued)**

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

**School Activity Trusts**

To account for trust agreements in which the principal and income are used to support District programs.

**Staff Trusts**

To account for revenues and expenditures related to vending and donations from employees to support District programs.

**Rotary Fund - Special Services**

To account for operations made in connection with goods and services provided by the District.

**Rotary Fund**

To account for operations that provide goods or services to other governmental units on a cost-reimbursement basis.

**Public School Support**

To account for specific local revenue sources (other than taxes) generated by individual school buildings (e.g. sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

**NEWARK CITY SCHOOL DISTRICT**  
**LICKING COUNTY, OHIO**  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2024

	<b>Miscellaneous Grants</b>	<b>District Managed Student Activity</b>	<b>Auxiliary Services</b>	<b>Student Managed Activity</b>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 45,024	\$ 426,395	\$ 89,418	\$ 102,860
Receivables:				
Accounts	-	375,807	-	-
Intergovernmental	-	-	-	-
Prepayments	-	-	117	-
Materials and supplies inventory	-	-	-	-
Inventory held for resale	-	-	-	-
Total assets	<u>\$ 45,024</u>	<u>\$ 802,202</u>	<u>\$ 89,535</u>	<u>\$ 102,860</u>
<b>Liabilities:</b>				
Accounts payable	\$ 2,992	\$ 5,772	\$ 26,480	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	-	-	13,152	-
Intergovernmental payable	-	-	156	-
Pension and postemployment benefits payable	-	-	1,617	-
Interfund loan payable	-	91,000	-	-
Advances from other funds	-	346,500	-	-
Total liabilities	<u>2,992</u>	<u>443,272</u>	<u>41,405</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Miscellaneous revenue not available	-	361,000	-	-
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>361,000</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Nonspendable:				
Materials and supplies inventory	-	-	-	-
Prepays	-	-	117	-
Restricted:				
Classroom facilities maintenance	-	-	-	-
Food service operations	-	-	-	-
Non-public schools	-	-	48,013	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	-
Extracurricular	-	-	-	102,860
Other purposes	42,032	-	-	-
Unassigned (deficit)	<u>-</u>	<u>(2,070)</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>42,032</u>	<u>(2,070)</u>	<u>48,130</u>	<u>102,860</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 45,024</u>	<u>\$ 802,202</u>	<u>\$ 89,535</u>	<u>\$ 102,860</u>



<b>Special Trust</b>	<b>Endowment Fund</b>	<b>Miscellaneous State Grants</b>	<b>Title VI-B</b>	<b>Limited English Proficiency</b>
\$ 26,004	\$ 10,783	\$ 64,384	\$ -	\$ 7,650
-	-	-	-	-
-	-	3,636	142,966	-
-	-	-	477	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 26,004</u>	<u>\$ 10,783</u>	<u>\$ 68,020</u>	<u>\$ 143,443</u>	<u>\$ 7,650</u>
\$ -	\$ -	\$ -	\$ 21,158	\$ -
-	-	43,000	-	-
-	-	-	32,910	-
-	-	-	477	-
-	-	-	6,143	-
-	-	-	82,278	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>43,000</u>	<u>142,966</u>	<u>-</u>
-	-	-	-	-
-	-	3,636	142,966	-
<u>-</u>	<u>-</u>	<u>3,636</u>	<u>142,966</u>	<u>-</u>
-	-	-	-	-
-	-	-	477	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	21,384	-	-
-	-	-	-	7,650
-	-	-	-	-
26,004	10,783	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(142,966)</u>	<u>-</u>
<u>26,004</u>	<u>10,783</u>	<u>21,384</u>	<u>(142,489)</u>	<u>7,650</u>
<u>\$ 26,004</u>	<u>\$ 10,783</u>	<u>\$ 68,020</u>	<u>\$ 143,443</u>	<u>\$ 7,650</u>

- Continued

**NEWARK CITY SCHOOL DISTRICT**  
**LICKING COUNTY, OHIO**  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2024

	<u>Title I</u>	<u>EHA Preschool Grant</u>	<u>Title II-A</u>	<u>Miscellaneous Federal Grants</u>
<b>Assets:</b>				
Equity in pooled cash and investments	\$ -	\$ 1,214	\$ -	\$ 5,397
Receivables:				
Accounts	-	-	-	-
Intergovernmental	443,013	14,493	95,707	-
Prepayments	1,334	-	-	-
Materials and supplies inventory	-	-	-	-
Inventory held for resale	-	-	-	-
Total assets	<u>\$ 444,347</u>	<u>\$ 15,707</u>	<u>\$ 95,707</u>	<u>\$ 5,397</u>
<b>Liabilities:</b>				
Accounts payable	\$ 73,835	\$ 15,707	\$ 14,000	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits	263,338	-	39,558	-
Intergovernmental payable	3,416	-	489	-
Pension and postemployment benefits payable	32,429	-	4,724	-
Interfund loan payable	69,995	-	42,747	-
Advances from other funds	-	-	-	-
Total liabilities	<u>443,013</u>	<u>15,707</u>	<u>101,518</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Miscellaneous revenue not available	-	-	-	-
Intergovernmental revenue not available	443,013	14,493	55,973	-
Total deferred inflows of resources	<u>443,013</u>	<u>14,493</u>	<u>55,973</u>	<u>-</u>
<b>Fund balances:</b>				
Nonspendable:				
Materials and supplies inventory	-	-	-	-
Prepays	1,334	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	-
Food service operations	-	-	-	-
Non-public schools	-	-	-	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	5,397
Extracurricular	-	-	-	-
Other purposes	-	-	-	-
Unassigned (deficit)	<u>(443,013)</u>	<u>(14,493)</u>	<u>(61,784)</u>	<u>-</u>
Total fund balances (deficit)	<u>(441,679)</u>	<u>(14,493)</u>	<u>(61,784)</u>	<u>5,397</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 444,347</u>	<u>\$ 15,707</u>	<u>\$ 95,707</u>	<u>\$ 5,397</u>

<b>Food Service</b>	<b>Classroom Facilities Maintenance</b>	<b>Non-Competitive Supplemental</b>	<b>21st Century</b>	<b>Title IV-A</b>	<b>ESSER</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 4,315,958	\$ 191,433	\$ -	\$ -	\$ -	\$ -	5,286,520
214	-	-	-	-	-	376,021
-	-	1,548	164,641	56,911	165,971	1,088,886
1,616	-	11	317	37	-	3,909
10,963	-	-	-	-	-	10,963
33,364	-	-	-	-	-	33,364
<u>\$ 4,362,115</u>	<u>\$ 191,433</u>	<u>\$ 1,559</u>	<u>\$ 164,958</u>	<u>\$ 56,948</u>	<u>\$ 165,971</u>	<u>\$ 6,799,663</u>
\$ 24,062	\$ 850	\$ -	\$ 44,456	\$ 45,616	\$ 53,350	\$ 328,278
122,485	-	-	-	-	97,923	263,408
174,395	-	-	5,610	829	10,222	540,014
2,161	-	-	81	-	149	6,929
47,817	-	-	7,131	1,008	-	100,869
-	-	1,548	107,363	9,458	4,328	408,717
-	-	-	-	-	-	346,500
<u>370,920</u>	<u>850</u>	<u>1,548</u>	<u>164,641</u>	<u>56,911</u>	<u>165,972</u>	<u>1,994,715</u>
214	-	-	-	-	-	361,214
-	-	-	89,741	56,911	113,007	919,740
<u>214</u>	<u>-</u>	<u>-</u>	<u>89,741</u>	<u>56,911</u>	<u>113,007</u>	<u>1,280,954</u>
10,963	-	-	-	-	-	10,963
1,616	-	11	317	37	-	3,909
-	190,583	-	-	-	-	190,583
3,978,402	-	-	-	-	-	3,978,402
-	-	-	-	-	-	48,013
-	-	-	-	-	-	21,384
-	-	-	-	-	-	13,047
-	-	-	-	-	-	102,860
-	-	-	-	-	-	78,819
-	-	-	(89,741)	(56,911)	(113,008)	(923,986)
<u>3,990,981</u>	<u>190,583</u>	<u>11</u>	<u>(89,424)</u>	<u>(56,874)</u>	<u>(113,008)</u>	<u>3,523,994</u>
<u>\$ 4,362,115</u>	<u>\$ 191,433</u>	<u>\$ 1,559</u>	<u>\$ 164,958</u>	<u>\$ 56,948</u>	<u>\$ 165,971</u>	<u>\$ 6,799,663</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Miscellaneous Grants</b>	<b>District Managed Student Activity</b>	<b>Auxiliary Services</b>	<b>Student Managed Activity</b>
<b>Revenues:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	577,667	-
Investments earnings	-	-	3,559	-
Extracurricular	-	226,859	-	37,855
Charges for services	-	-	-	-
Contributions and donations	36,573	283,760	-	1,000
Miscellaneous	5,000	51,839	-	472
Total revenues	<u>41,573</u>	<u>562,458</u>	<u>581,226</u>	<u>39,327</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	39,473	-	-	-
Special	-	-	-	-
Support services:				
Pupil	229	-	-	-
Instructional staff	-	-	-	-
Administration	-	-	-	-
Operations and maintenance	-	566,332	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services	11,936	-	579,337	724
Extracurricular activities	-	213,910	-	25,065
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>51,638</u>	<u>780,242</u>	<u>579,337</u>	<u>25,789</u>
Net change in fund balances	(10,065)	(217,784)	1,889	13,538
<b>Fund balances (deficit)</b>				
<b>at beginning of year</b>	52,097	215,714	46,241	89,322
<b>Change in reserve for inventory</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficit) at end of year</b>	<u>\$ 42,032</u>	<u>\$ (2,070)</u>	<u>\$ 48,130</u>	<u>\$ 102,860</u>

<b>Data Communications</b>	<b>Special Trust</b>	<b>Endowment Fund</b>	<b>Miscellaneous State Grants</b>	<b>Title VI-B</b>	<b>Limited English Proficiency</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,998	-	-	51,204	2,023,722	1,869
-	396	227	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,998	396	227	51,204	2,023,722	1,869
3,798	-	-	-	-	1,774
-	-	-	-	810,184	-
-	-	-	-	862,229	-
-	-	-	21,411	-	-
-	-	-	-	400,252	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,950	-	-	18	-
-	-	-	-	-	-
-	-	-	86,000	-	-
3,798	1,950	-	107,411	2,072,683	1,774
(1,800)	(1,554)	227	(56,207)	(48,961)	95
1,800	27,558	10,556	77,591	(93,528)	7,555
-	-	-	-	-	-
\$ -	\$ 26,004	\$ 10,783	\$ 21,384	\$ (142,489)	\$ 7,650

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**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Title I</b>	<b>EHA Preschool Grant</b>	<b>Title II-A</b>	<b>Miscellaneous Federal Grants</b>
<b>Revenues:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,910,056	6,248	335,822	200,000
Investments earnings	-	-	-	-
Extracurricular	-	-	-	-
Charges for services	-	-	-	-
Contributions and donations	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>2,910,056</u>	<u>6,248</u>	<u>335,822</u>	<u>200,000</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	-	-	-	-
Special	2,263,945	18,064	-	-
Support services:				
Pupil	6,142	-	-	-
Instructional staff	431,962	-	314,651	-
Administration	-	-	-	-
Operations and maintenance	-	-	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services	117,966	-	30,305	-
Extracurricular activities	-	-	-	-
Facilities acquisition and construction	-	-	-	365,482
Total expenditures	<u>2,820,015</u>	<u>18,064</u>	<u>344,956</u>	<u>365,482</u>
Net change in fund balances	90,041	(11,816)	(9,134)	(165,482)
<b>Fund balances (deficit) at beginning of year</b>	(531,720)	(2,677)	(52,650)	170,879
<b>Change in reserve for inventory</b>	-	-	-	-
<b>Fund balances (deficit) at end of year</b>	<u>\$ (441,679)</u>	<u>\$ (14,493)</u>	<u>\$ (61,784)</u>	<u>\$ 5,397</u>

<b>Food Service</b>	<b>Classroom Facilities Maintenance</b>	<b>Non-Competitive Supplemental</b>	<b>21st Century</b>	<b>Title IV-A</b>	<b>ESSER</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ 412,881	\$ -	\$ -	\$ -	\$ -	\$ 412,881
3,107,377	69,931	66,020	659,847	342,564	9,427,349	19,781,674
118,085	-	-	-	-	-	122,267
-	-	-	-	-	-	264,714
258,413	-	-	-	-	-	258,413
189	-	-	-	-	-	321,522
3,915	-	-	-	-	-	61,226
<u>3,487,979</u>	<u>482,812</u>	<u>66,020</u>	<u>659,847</u>	<u>342,564</u>	<u>9,427,349</u>	<u>21,222,697</u>
-	-	-	443,979	-	6,226	495,250
-	-	28,131	-	5,680	53,350	3,179,354
-	-	-	291,952	145,909	-	1,306,461
-	-	19,986	6,976	140,283	149,863	1,085,132
-	-	-	-	-	-	400,252
2,700	-	-	-	-	-	569,032
3,377,691	-	-	-	-	-	3,377,691
-	-	-	-	36,145	-	778,381
-	-	-	-	-	-	238,975
<u>128,974</u>	<u>132,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,388,907</u>	<u>8,102,003</u>
<u>3,509,365</u>	<u>132,640</u>	<u>48,117</u>	<u>742,907</u>	<u>328,017</u>	<u>7,598,346</u>	<u>19,532,531</u>
(21,386)	350,172	17,903	(83,060)	14,547	1,829,003	1,690,166
3,990,755	(159,589)	(17,892)	(6,364)	(71,421)	(1,942,011)	1,812,216
<u>21,612</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,612</u>
<u>\$ 3,990,981</u>	<u>\$ 190,583</u>	<u>\$ 11</u>	<u>\$ (89,424)</u>	<u>\$ (56,874)</u>	<u>\$ (113,008)</u>	<u>\$ 3,523,994</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Miscellaneous Grants</b>				
Total Revenues and Other Sources	\$ 50,000	\$ 50,000	\$ 41,573	\$ (8,427)
Total Expenditures and Other Uses	55,386	62,747	62,747	-
Net Change in Fund Balance	(5,386)	(12,747)	(21,174)	(8,427)
Fund balance at beginning of year	46,737	46,737	46,737	-
Prior year encumbrances appropriated	5,386	5,386	5,386	-
Fund balance at end of year	<u>\$ 46,737</u>	<u>\$ 39,376</u>	<u>\$ 30,949</u>	<u>\$ (8,427)</u>
<b>District Managed Student Activity</b>				
Total Revenues and Other Sources	\$ 344,760	\$ 344,760	\$ 830,062	\$ 485,302
Total Expenditures and Other Uses	610,702	860,223	860,223	-
Net Change in Fund Balance	(265,942)	(515,463)	(30,161)	485,302
Fund balance at beginning of year	344,500	344,500	344,500	-
Prior year encumbrances appropriated	38,942	38,942	38,942	-
Fund balance (deficit) at end of year	<u>\$ 117,500</u>	<u>\$ (132,021)</u>	<u>\$ 353,281</u>	<u>\$ 485,302</u>
<b>Auxiliary Services</b>				
Total Revenues and Other Sources	\$ 619,000	\$ 619,000	\$ 581,226	\$ (37,774)
Total Expenditures and Other Uses	713,007	713,007	621,471	(91,536)
Net Change in Fund Balance	(94,007)	(94,007)	(40,245)	53,762
Fund balance at beginning of year	28,597	28,597	28,597	-
Prior year encumbrances appropriated	66,202	66,202	66,202	-
Fund balance at end of year	<u>\$ 792</u>	<u>\$ 792</u>	<u>\$ 54,554</u>	<u>\$ 53,762</u>



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Student Managed Activity</b>				
Total Revenues and Other Sources	\$ 67,000	\$ 67,000	\$ 39,327	\$ (27,673)
Total Expenditures and Other Uses	69,416	29,565	29,565	-
Net Change in Fund Balances	(2,416)	37,435	9,762	(27,673)
Fund balance at beginning of year	86,906	86,906	86,906	-
Prior Year Encumbrances Appropriated	2,416	2,416	2,416	-
Fund balance at end of year	<u>\$ 86,906</u>	<u>\$ 126,757</u>	<u>\$ 99,084</u>	<u>\$ (27,673)</u>
<b>Data Communications</b>				
Total Revenues and Other Sources	\$ 1,800	\$ 1,800	\$ 1,998	\$ 198
Total Expenditures and Other Uses	1,800	3,798	3,798	-
Net Change in Fund Balance	-	(1,998)	(1,800)	198
Fund balance at beginning of year	1,800	1,800	1,800	-
Fund balance (deficit) at end of year	<u>\$ 1,800</u>	<u>\$ (198)</u>	<u>\$ -</u>	<u>\$ 198</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - over (under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Special Trust</b>				
Total Revenues and Other Sources	\$ 1,093	\$ 1,093	\$ 396	\$ (697)
Total Expenditures and Other Uses	<u>11,002</u>	<u>1,666</u>	<u>1,950</u>	<u>284</u>
Net Change in Fund Balances	(9,909)	(573)	(1,554)	(981)
Fund balance at beginning of year	27,058	27,058	27,058	-
Prior Year Encumbrances Appropriated	<u>500</u>	<u>500</u>	<u>500</u>	<u>-</u>
Fund balance at end of year	<u>\$ 17,649</u>	<u>\$ 26,985</u>	<u>\$ 26,004</u>	<u>\$ (981)</u>
<b>Endowment Fund</b>				
Total Revenues and Other Sources	\$ 175	\$ 175	\$ 227	\$ 52
Total Expenditures and Other Uses	<u>175</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	175	227	52
Fund balance at beginning of year	<u>10,556</u>	<u>10,556</u>	<u>10,556</u>	<u>-</u>
Fund balance at end of year	<u>\$ 10,556</u>	<u>\$ 10,731</u>	<u>\$ 10,783</u>	<u>\$ 52</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Miscellaneous State Grants</b>				
Total Revenues and Other Sources	\$ 30,354	\$ 30,354	\$ 51,204	\$ 20,850
Total Expenditures and Other Uses	61,611	135,951	110,932	(25,019)
Net Change in Fund Balance	(31,257)	(105,597)	(59,728)	(4,169)
Fund balance at beginning of year	48,070	48,070	48,070	-
Prior year encumbrances appropriated	33,042	33,042	33,042	-
Fund balance (deficit) at end of year	<u>\$ 49,855</u>	<u>\$ (24,485)</u>	<u>\$ 21,384</u>	<u>\$ (4,169)</u>
<b>Title VI-B</b>				
Total Revenues and Other Sources	\$ 2,422,002	\$ 2,621,701	\$ 2,339,769	\$ (281,932)
Total Expenditures and Other Uses	2,341,119	2,333,002	2,176,063	(156,939)
Net Change in Fund Balance	80,883	288,699	163,706	(124,993)
Fund balance (deficit) at beginning of year	(507,983)	(507,983)	(507,983)	-
Prior year encumbrances appropriated	219,284	219,284	219,284	-
Fund balance (deficit) at end of year	<u>\$ (207,816)</u>	<u>\$ -</u>	<u>\$ (124,993)</u>	<u>\$ (124,993)</u>
<b>Limited English Proficiency</b>				
Total Revenues and Other Sources	\$ 3,500	\$ 1,869	\$ 1,869	\$ -
Total Expenditures and Other Uses	11,055	11,055	9,384	(1,671)
Net Change in Fund Balance	(7,555)	(9,186)	(7,515)	1,671
Fund balance at beginning of year	3,445	3,445	3,445	-
Prior year encumbrances appropriated	4,110	4,110	4,110	-
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (1,631)</u>	<u>\$ 40</u>	<u>\$ 1,671</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Title I</b>				
Total Revenues and Other Sources	\$ 4,185,932	\$ 3,925,931	\$ 3,122,620	\$ (803,311)
Total Expenditures and Other Uses	<u>3,781,244</u>	<u>3,803,243</u>	<u>3,219,877</u>	<u>(583,366)</u>
Net Change in Fund Balance	404,688	122,688	(97,257)	(219,945)
Fund balance (deficit) at beginning of year	(470,621)	(470,621)	(470,621)	-
Prior year encumbrances appropriated	<u>347,933</u>	<u>347,933</u>	<u>347,933</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ 282,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (219,945)</u></u>	<u><u>\$ (219,945)</u></u>
<b>EHA Preschool Grant</b>				
Total Revenues and Other Sources	\$ 60,822	\$ 56,989	\$ 6,959	\$ (50,030)
Total Expenditures and Other Uses	<u>58,058</u>	<u>57,124</u>	<u>56,717</u>	<u>(407)</u>
Net Change in Fund Balance	2,764	(135)	(49,758)	(49,623)
Fund balance at beginning of year	<u>135</u>	<u>135</u>	<u>135</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ 2,899</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (49,623)</u></u>	<u><u>\$ (49,623)</u></u>
<b>Title II-A</b>				
Total Revenues and Other Sources	\$ 467,469	\$ 455,544	\$ 308,569	\$ (146,975)
Total Expenditures and Other Uses	<u>423,289</u>	<u>479,116</u>	<u>416,069</u>	<u>(63,047)</u>
Net Change in Fund Balance	44,180	(23,572)	(107,500)	(83,928)
Fund balance (deficit) at beginning of year	(45,249)	(45,249)	(45,249)	-
Prior year encumbrances appropriated	<u>41,069</u>	<u>41,069</u>	<u>41,069</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ 40,000</u></u>	<u><u>\$ (27,752)</u></u>	<u><u>\$ (111,680)</u></u>	<u><u>\$ (83,928)</u></u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Miscellaneous Federal Grants</b>				
Total Revenues and Other Sources	\$ -	\$ 200,000	\$ 200,000	\$ -
Total Expenditures and Other Uses	350,000	350,000	370,878	20,878
Net Change in Fund Balance	(350,000)	(150,000)	(170,878)	(20,878)
Fund balance (deficit) at beginning of year	(179,121)	(179,121)	(179,121)	-
Prior year encumbrances appropriated	350,000	350,000	350,000	-
Fund balance (deficit) at end of year	<u>\$ (179,121)</u>	<u>\$ 20,879</u>	<u>\$ 1</u>	<u>\$ (20,878)</u>
<b>Food Service</b>				
Total Revenues and Other Sources	\$ 3,270,612	\$ 3,270,612	\$ 3,247,488	\$ (23,124)
Total Expenditures and Other Uses	4,135,778	4,240,876	4,240,876	-
Net Change in Fund Balance	(865,166)	(970,264)	(993,388)	(23,124)
Fund balance at beginning of year	3,883,604	3,883,604	3,883,604	-
Prior year encumbrances appropriated	257,766	257,766	257,766	-
Fund balance at end of year	<u>\$ 3,276,204</u>	<u>\$ 3,171,106</u>	<u>\$ 3,147,982</u>	<u>\$ (23,124)</u>
<b>Classroom Facilities Maintenance</b>				
Total Revenues and Other Sources	\$ 700,000	\$ 700,000	\$ 482,812	\$ (217,188)
Total Expenditures and Other Uses	356,053	827,397	827,397	-
Net Change in Fund Balance	343,947	(127,397)	(344,585)	(217,188)
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated	356,053	356,053	356,053	-
Fund balance at end of year	<u>\$ 700,000</u>	<u>\$ 228,656</u>	<u>\$ 11,468</u>	<u>\$ (217,188)</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Non-Competitive Supplemental</b>				
Total Revenues and Other Sources	\$ 323,170	\$ 155,186	\$ 72,446	\$ (82,740)
Total Expenditures and Other Uses	<u>315,196</u>	<u>147,212</u>	<u>78,645</u>	<u>(68,567)</u>
Net Change in Fund Balance	7,974	7,974	(6,199)	(14,173)
Fund balance (deficit) at beginning of year	(39,773)	(39,773)	(39,773)	-
Prior year encumbrances appropriated	<u>31,799</u>	<u>31,799</u>	<u>31,799</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,173)</u>	<u>\$ (14,173)</u>
<b>21st Century</b>				
Total Revenues and Other Sources	\$ 800,000	\$ 933,146	\$ 718,094	\$ (215,052)
Total Expenditures and Other Uses	<u>284,326</u>	<u>800,000</u>	<u>730,353</u>	<u>(69,647)</u>
Net Change in Fund Balance	515,674	133,146	(12,259)	(145,405)
Fund balance at beginning of year	<u>(139,560)</u>	<u>(139,560)</u>	<u>(139,560)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 376,114</u>	<u>\$ (6,414)</u>	<u>\$ (151,819)</u>	<u>\$ (145,405)</u>
<b>Title IV-A</b>				
Total Revenues and Other Sources	\$ 647,687	\$ 673,397	\$ 384,435	\$ (288,962)
Total Expenditures and Other Uses	<u>723,342</u>	<u>631,526</u>	<u>460,821</u>	<u>(170,705)</u>
Net Change in Fund Balance	(75,655)	41,871	(76,386)	(118,257)
Fund balance at beginning of year	(178,078)	(178,078)	(178,078)	-
Prior year encumbrances appropriated	<u>136,207</u>	<u>136,207</u>	<u>136,207</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (117,526)</u>	<u>\$ -</u>	<u>\$ (118,257)</u>	<u>\$ (118,257)</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>ESSER</b>				
Total Revenues and Other Sources	\$ 11,235,868	\$ 11,235,868	\$ 11,069,780	\$ (166,088)
Total Expenditures and Other Uses	11,202,727	11,202,727	11,193,727	(9,000)
Net Change in Fund Balance	33,141	33,141	(123,947)	(157,088)
Fund balance (deficit) at beginning of year	(10,951,543)	(10,951,543)	(10,951,543)	-
Prior year encumbrances appropriated	10,918,402	10,918,402	10,918,402	-
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (157,088)</u>	<u>\$ (157,088)</u>
<b>School Activity Trusts</b>				
Total Revenues and Other Sources	\$ 82,961	\$ 82,961	\$ 30,052	\$ (52,909)
Total Expenditures and Other Uses	55,364	8,785	10,280	1,495
Net Change in Fund Balance	27,597	74,176	19,772	(54,404)
Fund balance at beginning of year	67,068	67,068	67,068	-
Fund balance at end of year	<u>\$ 94,665</u>	<u>\$ 141,244</u>	<u>\$ 86,840</u>	<u>\$ (54,404)</u>
<b>Staff Trusts</b>				
Total Revenues and Other Sources	\$ 7,216	\$ 7,216	\$ 2,614	\$ (4,602)
Total Expenditures and Other Uses	27,370	5,997	4,717	(1,280)
Net Change in Fund Balance	(20,154)	1,219	(2,103)	(3,322)
Fund balance at beginning of year	15,343	15,343	15,343	-
Prior year encumbrances appropriated	1,966	1,966	1,966	-
Fund balance at end of year	<u>\$ (2,845)</u>	<u>\$ 18,528</u>	<u>\$ 15,206</u>	<u>\$ (3,322)</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Rotary Fund - Special Services</b>				
Total Revenues and Other Sources	\$ 9,000	\$ 9,000	\$ 964	\$ (8,036)
Total Expenditures and Other Uses	<u>9,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	9,000	964	(8,036)
Fund balance at beginning of year	<u>13,869</u>	<u>13,869</u>	<u>13,869</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 13,869</u></u>	<u><u>\$ 22,869</u></u>	<u><u>\$ 14,833</u></u>	<u><u>\$ (8,036)</u></u>
<b>Rotary Fund</b>				
Total Revenues and Other Sources	\$ 4,000	\$ 4,000	\$ 1,360	\$ (2,640)
Total Expenditures and Other Uses	<u>4,000</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Net Change in Fund Balance	-	2,500	(140)	(2,640)
Fund balance at beginning of year	<u>13,273</u>	<u>13,273</u>	<u>13,273</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 13,273</u></u>	<u><u>\$ 15,773</u></u>	<u><u>\$ 13,133</u></u>	<u><u>\$ (2,640)</u></u>
<b>Public School Support</b>				
Total Revenues and Other Sources	\$ 100,000	\$ 100,000	\$ 88,336	\$ (11,664)
Total Expenditures and Other Uses	<u>107,385</u>	<u>72,511</u>	<u>72,512</u>	<u>1</u>
Net Change in Fund Balance	(7,385)	27,489	15,824	(11,665)
Fund balance at beginning of year	<u>124,701</u>	<u>124,701</u>	<u>124,701</u>	<u>-</u>
Prior year encumbrances appropriated	<u>7,385</u>	<u>7,385</u>	<u>7,385</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 124,701</u></u>	<u><u>\$ 159,575</u></u>	<u><u>\$ 147,910</u></u>	<u><u>\$ (11,665)</u></u>



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**FUND DESCRIPTION**

**Nonmajor Debt Service Fund**

A fund used to account for and report financial resources that are restricted, committed, or assigned to expenditure for payment of general obligation bond principal and interest and certain long-term obligations from governmental resources when the government is obligated in some manner for payment. It is also used to account for the accumulation of resources and payment of general obligation bonds and library bonds payable, as required by Ohio Law.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - over (under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Debt Service</b>				
Total Revenues and Other Sources	\$ 4,065,933	\$ 4,065,933	\$ 3,914,933	\$ (151,000)
Total Expenditures and Other Uses	<u>4,065,933</u>	<u>3,990,744</u>	<u>3,990,744</u>	<u>-</u>
Net Change in Fund Balance	-	75,189	(75,811)	(151,000)
Fund balance at beginning of year	<u>1,940,671</u>	<u>1,940,671</u>	<u>1,940,671</u>	<u>(279,472)</u>
Fund balance at end of year	<u>\$ 1,940,671</u>	<u>\$ 2,015,860</u>	<u>\$ 1,864,860</u>	<u>\$ (430,472)</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**FUND DESCRIPTIONS**

**Nonmajor Capital Projects Fund**

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition and construction of capital facilities and other capital assets. The nonmajor capital projects funds are:

**Permanent Improvement**

To account for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.

**Capital Projects**

To account for transfers from the general fund to fund certain capital projects.

**NEWARK CITY SCHOOL DISTRICT**  
**LICKING COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2024

	<b>Permanent Improvement</b>	<b>Capital Projects</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents	\$ 828,462	\$ 2,825,394	\$ 3,653,856
Receivables:			
Property taxes	1,134,303	-	1,134,303
Total assets	<u>\$ 1,962,765</u>	<u>\$ 2,825,394</u>	<u>\$ 4,788,159</u>
<b>Liabilities:</b>			
Accounts payable	\$ 81,627	\$ 175,477	\$ 257,104
Contracts payable	-	98,716	98,716
Interfund loans payable	150,000	-	150,000
Advances from other funds	300,000	-	300,000
Total liabilities	<u>531,627</u>	<u>274,193</u>	<u>805,820</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year	1,134,167	-	1,134,167
Delinquent property tax revenue not available	57	-	57
Total deferred inflows of resources	<u>1,134,224</u>	<u>-</u>	<u>1,134,224</u>
<b>Fund balances:</b>			
Restricted:			
Capital improvements	296,914	-	296,914
Assigned:			
Capital improvements	-	2,551,201	2,551,201
Total fund balances	<u>296,914</u>	<u>2,551,201</u>	<u>2,848,115</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,962,765</u>	<u>\$ 2,825,394</u>	<u>\$ 4,788,159</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Permanent Improvement</b>	<b>Capital Projects</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues:</b>			
Property taxes	\$ 821,896	\$ -	\$ 821,896
Intergovernmental	160,235	-	160,235
Total revenues	<u>982,131</u>	<u>-</u>	<u>982,131</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	27,286	1,130,048	1,157,334
Support services:			
Fiscal	21,980	-	21,980
Operations and maintenance	587,757	31,870	619,627
Facilities acquisition and construction	<u>354,003</u>	<u>883,565</u>	<u>1,237,568</u>
Total expenditures	<u>991,026</u>	<u>2,045,483</u>	<u>3,036,509</u>
Excess of expenditures over revenues	(8,895)	(2,045,483)	(2,054,378)
<b>Other financing sources:</b>			
Transfers in	-	4,596,684	4,596,684
Insurance proceeds	<u>1,019,044</u>	<u>-</u>	<u>1,019,044</u>
Total other financing sources	<u>1,019,044</u>	<u>4,596,684</u>	<u>5,615,728</u>
Net change in fund balances	1,010,149	2,551,201	3,561,350
<b>Fund balances (deficit) at beginning of year</b>	<u>(713,235)</u>	<u>-</u>	<u>(713,235)</u>
<b>Fund balances at end of year</b>	<u><u>\$ 296,914</u></u>	<u><u>\$ 2,551,201</u></u>	<u><u>\$ 2,848,115</u></u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<b>Budgeted Amounts</b>			<b>Variance with Final Budget - over (under) Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Permanent Improvement</b>				
Total Revenues and Other Sources	\$ 1,412,881	\$ 2,741,396	\$ 3,673,896	\$ 932,500
Total Expenditures and Other Uses	<u>2,006,557</u>	<u>3,559,892</u>	<u>3,559,892</u>	<u>-</u>
Net Change in Fund Balance	(593,676)	(818,496)	114,004	932,500
Fund balance at beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>593,676</u>	<u>593,676</u>	<u>593,676</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ -</u></u>	<u><u>\$ (224,820)</u></u>	<u><u>\$ 707,680</u></u>	<u><u>\$ 932,500</u></u>
<b>Capital Projects</b>				
Total Revenues and Other Sources	\$ 2,596,684	\$ 2,596,684	\$ 4,596,684	\$ 2,000,000
Total Expenditures and Other Uses	<u>2,596,684</u>	<u>2,135,477</u>	<u>2,135,477</u>	<u>-</u>
Net Change in Fund Balance	-	461,207	2,461,207	2,000,000
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ 461,207</u></u>	<u><u>\$ 2,461,207</u></u>	<u><u>\$ 2,000,000</u></u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**FUND DESCRIPTION**

**Internal Service Fund**

A fund category used to account for the financing of goods or services provided by one department or agency of the District to other departments or agencies on a cost-reimbursement basis. Charges are intended only to recoup the total cost of such services.

**Employee Benefits Self-Insurance**

This fund is provided to account for monies received from other funds as payment for providing dental benefits. The Self-Insured Dental fund may make payments for services provided to employees, for reimbursement to employees who have paid providers, to third party administrators for claims payment or administration, for stop-loss coverage, or for any other reinsurance or other similar purposes.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - over (under) Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Employee Benefits Self-Insurance</b>				
Total Operating and Non-operating Revenues	\$ 15,915,000	\$ 15,915,000	\$ 14,296,188	\$ (1,618,812)
Total Operating and Non-operating Expenses	<u>15,956,403</u>	<u>15,351,018</u>	<u>15,351,018</u>	<u>-</u>
Net change in fund equity	(41,403)	563,982	(1,054,830)	(1,618,812)
Fund equity at beginning of year	4,060,355	4,060,355	4,060,355	-
Prior year encumbrances appropriated	<u>41,403</u>	<u>41,403</u>	<u>41,403</u>	<u>-</u>
Fund equity at end of year	<u>\$ 4,060,355</u>	<u>\$ 4,665,740</u>	<u>\$ 3,046,928</u>	<u>\$ (1,618,812)</u>



## STATISTICAL SECTION

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**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**STATISTICAL SECTION**

This part of the Newark City School District's annual comprehensive 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 District's overall financial health.

**Contents**

**Page**

**Financial Trends**

**132-145**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

**Revenue Capacity**

**146-151**

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

**Debt Capacity**

**152-155**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

**Demographic and Economic Information**

**156-157**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

**Operating Information**

**158-169**

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 110,389,598	\$ 100,637,950	\$ 91,233,273	\$ 91,722,835
Restricted	12,788,658	9,659,768	9,172,704	6,989,084
Unrestricted (deficit)	<u>(21,927,731)</u>	<u>(17,909,458)</u>	<u>(24,931,675)</u>	<u>(36,218,668)</u>
Total governmental activities net position	<u>\$ 101,250,525</u>	<u>\$ 92,388,260</u>	<u>\$ 75,474,302</u>	<u>\$ 62,493,251</u>

(1) The District implemented GASB Statement No. 75 in 2018.

Amounts for 2017 have been restated to reflect the implementation of this statement.

(2) The District implemented GASB Statement No. 68 in 2016.

Amounts for 2015 have been restated to reflect the implementation of this statement.

(3) The District implemented GASB Statement No. 84 in 2020.

Amounts for 2019 have been restated to reflect the implementation of this statement.

**Source:** School District financial records.

<b>2020</b>	<b>2019 (3)</b>	<b>2018</b>	<b>2017 (1)</b>	<b>2016</b>	<b>2015 (2)</b>
\$ 89,197,522	\$ 88,396,281	\$ 85,310,047	\$ 85,515,706	\$ 84,802,559	\$ 89,306,195
7,252,514	5,123,792	8,272,223	8,694,181	11,693,660	10,338,400
(33,227,437)	(29,259,526)	(43,209,142)	(82,678,310)	(61,813,654)	(70,450,227)
<u>\$ 63,222,599</u>	<u>\$ 64,260,547</u>	<u>\$ 50,373,128</u>	<u>\$ 11,531,577</u>	<u>\$ 34,682,565</u>	<u>\$ 29,194,368</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Expenses</b>				
Governmental activities:				
Instruction:				
Regular	\$ 41,321,871	\$ 37,671,115	\$ 38,508,917	\$ 46,084,811
Special	17,509,107	16,604,476	14,609,140	18,635,843
Vocational	524,276	329,588	369,793	380,910
Other instructional	246,033	232,131	209,401	280,310
Support services:				
Pupil	7,750,694	6,504,765	5,967,429	5,219,699
Instructional staff	5,501,161	5,212,618	4,333,654	5,262,866
Board of education	223,016	133,495	205,208	149,182
Administration	5,655,625	5,420,935	4,725,856	5,449,105
Fiscal	2,244,882	1,841,043	1,597,082	1,653,583
Business	702,768	623,778	599,897	676,147
Operations and maintenance	10,182,112	9,340,876	9,124,343	7,949,267
Pupil transportation	4,478,179	3,128,801	3,791,213	4,037,653
Central	1,059,022	663,262	870,281	1,029,248
Operation of non-instructional services:				
Food service operations	3,616,287	3,308,990	2,962,757	2,711,825
Other non-instructional services	862,618	964,770	607,372	799,413
Extracurricular activities	1,747,556	1,801,336	1,547,878	1,475,463
Interest and fiscal charges	538,312	1,024,416	1,334,402	1,788,748
Total governmental activities expenses	<u>104,163,519</u>	<u>94,806,395</u>	<u>91,364,623</u>	<u>103,584,073</u>

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 41,333,875	\$ 35,153,977	\$ 21,433,067	\$ 37,735,297	\$ 35,039,883	\$ 33,574,541
18,114,502	14,109,189	8,746,410	15,014,909	12,202,659	11,175,826
350,396	326,222	234,237	369,372	337,294	392,481
244,144	156,753	74,319	153,373	232,702	211,952
5,475,988	4,946,968	2,699,314	4,539,392	4,037,014	3,662,387
3,700,193	3,160,083	1,911,702	3,674,400	3,026,969	2,866,379
160,036	195,240	180,770	150,549	259,894	150,058
5,256,579	4,373,035	1,650,210	4,281,207	3,953,871	3,665,474
1,602,781	1,363,855	1,004,123	1,372,452	1,475,422	1,316,322
662,469	524,775	322,180	630,260	500,683	461,300
8,113,087	6,947,510	4,947,884	7,176,597	7,243,616	6,701,896
4,533,278	4,624,303	2,620,951	3,615,232	3,232,114	3,103,190
924,097	558,210	437,122	537,799	538,794	511,210
3,172,208	2,742,860	2,217,708	2,938,568	2,590,338	2,395,676
634,636	1,247,063	609,437	2,470,071	670,056	847,440
1,667,245	1,117,658	620,541	1,256,345	1,096,845	1,138,134
1,707,831	1,718,585	1,802,473	1,900,549	2,075,843	2,358,614
<u>97,653,345</u>	<u>83,266,286</u>	<u>51,512,448</u>	<u>87,816,372</u>	<u>78,513,997</u>	<u>74,532,880</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS - (Continued)  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 535,661	\$ 489,747	\$ 1,076,593	\$ 1,605,813
Special	226,584	188,353	200,273	440,172
Support services:				
Operations and maintenance	916,689	729,516	219,514	104,150
Pupil transportation	12,023	12,444	14,375	2,545
Operation of non-instructional services:				
Food service operations	258,207	212,910	53,909	23,013
Other non-instructional services	82,301	41,007	45,801	36,740
Extracurricular activities	138,800	265,384	240,480	125,961
Operating grants and contributions:				
Instruction:				
Regular	741,694	6,922,480	4,918,275	5,267,386
Special	12,175,795	8,430,705	9,114,744	10,397,603
Vocational	66,345	53,578	56,972	90,697
Support services:				
Pupil	2,476,670	1,759,815	1,938,653	1,795,905
Instructional staff	6,396,462	3,611,573	1,616,268	1,618,558
Administration	400,261	371,192	543,158	462,131
Fiscal	-	-	-	-
Operations and maintenance	576,209	2,163,377	891,492	127,863
Pupil transportation	828,668	1,462,673	1,055,049	1,298,423
Operation of non-instructional services:				
Food service operations	3,227,200	2,875,658	4,222,176	2,395,811
Other non-instructional services	786,206	718,625	714,796	709,322
Extracurricular activities	404,602	87,297	151,964	46,142
Capital grants and contributions:				
Support services:				
Operations and maintenance	355,541	350,000	-	-
Pupil transportation	-	156,056	-	52,019
Extracurricular activities	-	-	-	-
Total governmental program revenues	<u>30,605,918</u>	<u>30,902,390</u>	<u>27,074,492</u>	<u>26,600,254</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	<u>(73,557,601)</u>	<u>(63,904,005)</u>	<u>(64,290,131)</u>	<u>(76,983,819)</u>



<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,758,790	\$ 1,840,113	\$ 1,355,447	\$ 1,047,952	\$ 765,956	\$ 759,762
156,378	116,150	140,532	67,249	123,414	166,875
108,117	110,351	105,752	109,750	114,297	111,221
12,873	17,728	18,876	24,623	117,754	105,598
376,860	460,367	462,168	542,784	573,261	437,690
79,620	63,513	64,700	62,319	44,163	48,670
185,461	176,716	172,378	166,301	150,993	148,999
726,349	596,369	640,572	404,649	510,119	203,894
10,356,604	8,460,689	8,623,850	8,832,513	7,903,952	7,928,058
90,697	90,697	75,659	75,377	65,170	27,992
1,720,343	770,592	280,356	280,315	208,408	127,199
1,520,192	1,056,598	1,024,943	1,209,845	1,138,034	1,263,858
543,841	302,777	258,784	269,129	314,439	104,156
-	-	7,364	7,639	7,500	6,100
67,981	180,724	123,259	112,259	134,569	92,510
532,367	429,377	467,131	388,981	415,828	353,892
2,489,008	2,721,304	2,791,046	2,414,080	2,138,339	1,943,880
663,283	757,714	724,136	723,077	715,556	654,718
37,817	51,899	53,844	49,606	35,173	32,526
-	-	-	-	-	-
-	-	-	-	-	-
35,000	-	-	-	-	-
<u>21,461,581</u>	<u>18,203,678</u>	<u>17,390,797</u>	<u>16,788,448</u>	<u>15,476,925</u>	<u>14,517,598</u>
<u>(76,191,764)</u>	<u>(65,062,608)</u>	<u>(34,121,651)</u>	<u>(71,027,924)</u>	<u>(63,037,072)</u>	<u>(60,015,282)</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS - (Continued)  
(ACCRUAL BASIS OF ACCOUNTING)

<b>General Revenues and Other Changes in Net Position</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 24,299,734	\$ 26,078,960	\$ 23,404,033	\$ 21,526,591
Debt service	3,010,111	3,952,029	4,642,499	4,646,688
Capital outlay	784,612	1,220,383	1,081,520	992,511
Facilities maintenance	412,881	412,881	412,881	412,881
School district income taxes	13,135,075	12,727,964	12,403,471	10,627,611
Payment in lieu of taxes	232,493	191,755	196,202	239,184
Grants and entitlements not restricted to specific programs	37,720,282	34,517,041	34,834,074	37,422,824
Investment earnings	2,411,792	1,488,507	130,015	135,660
Increase (decrease) in fair value of investments	140,220	(34,032)	(205,756)	-
Gain on sale of capital assets	-	-	189,019	-
Insurance proceeds	-	-	-	-
Miscellaneous	272,666	262,475	183,224	250,521
Special Item:				
Newark Digital Academy accounts transfer	-	-	-	-
Total governmental activities	<u>82,419,866</u>	<u>80,817,963</u>	<u>77,271,182</u>	<u>76,254,471</u>
Total primary government	<u>82,419,866</u>	<u>80,817,963</u>	<u>77,271,182</u>	<u>76,254,471</u>
<b>Change in Net Position</b>				
Governmental activities	<u>\$ 8,862,265</u>	<u>\$ 16,913,958</u>	<u>\$ 12,981,051</u>	<u>\$ (729,348)</u>

**Source:** School District financial records.

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 21,300,057	\$ 20,622,930	\$ 20,005,333	\$ 19,201,896	\$ 19,434,839	\$ 19,580,708
4,227,788	3,412,525	2,944,801	3,833,655	4,331,366	3,982,733
1,060,566	1,011,279	974,468	931,011	960,058	964,252
412,881	412,881	412,881	412,881	412,881	412,881
9,107,699	9,873,513	9,478,714	8,870,372	8,745,391	8,447,025
100,672	202,392	213,593	307,928	107,329	216,287
36,650,466	37,764,786	36,990,552	36,105,065	34,014,142	32,076,321
881,837	1,054,048	523,415	263,738	111,006	55,049
-	-	-	-	-	-
-	-	74,784	-	-	-
1,010,530	-	1,000,000	-	-	-
401,320	327,382	344,661	381,892	408,257	641,976
-	4,153,087	-	-	-	-
<u>75,153,816</u>	<u>78,834,823</u>	<u>72,963,202</u>	<u>70,308,438</u>	<u>68,525,269</u>	<u>66,377,232</u>
<u>75,153,816</u>	<u>78,834,823</u>	<u>72,963,202</u>	<u>70,308,438</u>	<u>68,525,269</u>	<u>66,377,232</u>
<u>\$ (1,037,948)</u>	<u>\$ 13,772,215</u>	<u>\$ 38,841,551</u>	<u>\$ (719,486)</u>	<u>\$ 5,488,197</u>	<u>\$ 6,361,950</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
General Fund:				
Nonspendable	\$ 903,529	\$ 789,504	\$ 776,500	\$ 932,780
Committed	-	-	-	-
Assigned	13,719,531	7,450,155	8,152,080	6,219,619
Unassigned	<u>39,481,941</u>	<u>47,504,765</u>	<u>40,192,350</u>	<u>38,125,793</u>
Total general fund	<u>\$ 54,105,001</u>	<u>\$ 55,744,424</u>	<u>\$ 49,120,930</u>	<u>\$ 45,278,192</u>
All Other Governmental Funds:				
Nonspendable	\$ 14,872	\$ 12,460	\$ 13,736	\$ 13,580
Restricted	6,783,602	7,279,759	7,735,021	6,900,643
Assigned	2,551,201	-	-	-
Unassigned (deficit)	<u>(923,986)</u>	<u>(3,594,166)</u>	<u>(2,680,369)</u>	<u>(2,360,246)</u>
Total all other governmental funds	<u>\$ 8,425,689</u>	<u>\$ 3,698,053</u>	<u>\$ 5,068,388</u>	<u>\$ 4,553,977</u>

(1) The District implemented GASB Statement No. 84 in 2020.  
Amounts for 2019 have been restated to reflect the implementation of this statement.

**Source:** School District financial records.

<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 211,935	\$ 216,196	\$ 219,705	\$ 200,754	\$ 79,861	\$ 78,073
-	-	-	889,729	889,729	889,729
6,034,450	1,658,385	2,552,697	967,189	2,054,393	4,937,642
<u>36,948,402</u>	<u>38,863,546</u>	<u>30,637,459</u>	<u>25,911,744</u>	<u>20,452,402</u>	<u>13,498,927</u>
<u>\$ 43,194,787</u>	<u>\$ 40,738,127</u>	<u>\$ 33,409,861</u>	<u>\$ 27,969,416</u>	<u>\$ 23,476,385</u>	<u>\$ 19,404,371</u>
\$ 14,258	\$ 14,542	\$ 16,819	\$ 14,551	\$ 5,546	\$ 9,274
5,946,172	5,446,515	7,929,056	8,601,863	10,788,025	9,511,461
-	-	-	-	-	-
<u>(1,634,924)</u>	<u>(976,796)</u>	<u>(799,287)</u>	<u>(211,761)</u>	<u>(188,342)</u>	<u>(496,512)</u>
<u>\$ 4,325,506</u>	<u>\$ 4,484,261</u>	<u>\$ 7,146,588</u>	<u>\$ 8,404,653</u>	<u>\$ 10,605,229</u>	<u>\$ 9,024,223</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>				
Taxes and payments in lieu of taxes	\$ 41,239,159	\$ 44,616,184	\$ 42,073,910	\$ 38,803,330
Intergovernmental	66,679,630	65,197,708	58,413,183	60,173,874
Tuition	775,466	683,677	1,286,218	2,045,122
Transportation fees	-	-	-	-
Charges for services	258,413	221,979	53,909	23,013
Investment earnings	2,532,487	1,536,721	154,778	191,828
Increase (decrease) in fair value of investments	140,220	(34,032)	(205,756)	-
Extracurricular	333,817	272,598	260,032	139,620
Classroom materials and fees	-	-	-	-
Rental income, contributions and donations, contract services and miscellaneous	1,712,497	1,223,101	597,974	613,931
Total revenues	<u>113,671,689</u>	<u>113,717,936</u>	<u>102,634,248</u>	<u>101,990,718</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	38,375,917	35,407,062	38,893,828	41,059,519
Special	17,523,631	16,599,846	15,671,951	17,630,311
Vocational	355,346	181,897	240,865	226,088
Other	241,837	233,059	227,893	258,731
Support services:				
Pupil	7,601,522	6,463,202	6,179,233	4,852,070
Instructional staff	5,346,145	5,150,817	4,541,987	4,710,934
Board of education	223,462	133,550	206,893	148,402
Administration	5,395,529	5,157,567	4,889,321	4,829,451
Fiscal	2,174,037	1,831,197	1,659,743	1,585,089
Business	641,246	566,203	615,335	634,913
Operations and maintenance	9,687,041	8,751,759	8,825,369	7,101,912
Pupil transportation	3,929,857	3,810,522	3,638,620	3,723,018
Central	1,063,829	662,236	898,178	1,005,181
Operation of non-instructional services:				
Food service operations	3,377,691	3,098,526	2,866,091	2,400,837
Other non-instructional services	860,987	967,126	608,734	785,415
Extracurricular activities	1,425,888	1,508,689	1,392,105	1,109,455
Facilities acquisitions and construction	9,679,365	13,527,018	2,666,886	2,970,000
Capital outlay	-	-	276,299	-
Debt service:				
Principal retirement	2,572,834	3,188,384	2,456,767	3,354,326
Interest and fiscal charges	977,158	1,267,573	2,033,814	1,302,102
Bond issue costs	516,301	-	-	231,177
Total expenditures	<u>111,969,623</u>	<u>108,506,233</u>	<u>98,789,912</u>	<u>99,918,931</u>
Excess (deficiency) of revenues over (under) expenditures	1,702,066	5,211,703	3,844,336	2,071,787

2020	2019	2018	2017	2016	2015
\$ 36,448,306	\$ 35,528,496	\$ 34,277,320	\$ 34,276,376	\$ 34,331,474	\$ 33,599,404
53,965,478	53,417,591	51,317,064	50,796,475	47,076,479	44,536,828
1,820,113	1,812,353	1,231,263	799,207	715,571	751,183
12,873	17,728	18,949	24,550	117,754	105,598
376,860	460,367	462,168	542,784	573,261	441,786
917,163	1,082,782	517,992	271,043	113,338	56,110
-	-	-	-	-	-
202,551	196,179	197,340	181,788	178,393	195,530
92,497	125,328	138,904	123,060	131,553	121,403
726,978	773,154	831,662	1,071,804	785,628	922,730
94,562,819	93,413,978	88,992,662	88,087,087	84,023,451	80,730,572
36,271,622	35,292,707	34,582,118	33,914,883	32,792,831	32,536,337
17,017,090	15,706,598	15,087,315	14,526,157	12,331,857	11,720,826
189,092	196,545	189,953	208,428	189,787	276,845
214,352	187,508	174,544	166,388	234,913	228,104
5,089,319	5,286,741	4,526,415	4,305,825	4,013,386	3,719,856
3,293,430	3,509,136	3,085,990	3,390,875	2,925,740	2,842,134
157,957	196,971	189,012	149,365	260,100	150,430
4,650,238	4,457,099	3,971,152	4,033,561	3,906,213	3,823,224
1,522,586	1,454,125	1,384,312	1,378,473	1,478,900	1,343,235
610,876	584,235	610,620	600,326	518,884	474,504
7,242,030	7,351,948	6,670,483	6,441,782	6,881,027	6,728,725
3,794,598	5,446,277	4,125,899	3,554,821	3,283,030	3,277,007
894,311	589,230	551,240	528,126	537,230	522,941
2,819,190	2,725,020	2,803,855	2,689,528	2,415,481	2,207,019
617,645	1,281,123	749,729	2,654,023	673,773	856,472
1,158,564	1,124,513	1,122,283	1,059,073	955,881	995,828
1,659,887	1,270,614	1,332,003	1,360,303	2,093,329	574,873
-	894,950	-	-	252,284	-
4,098,972	3,343,533	2,552,363	2,996,878	2,599,105	2,647,146
1,946,464	1,705,131	2,179,201	1,836,659	1,778,440	2,285,831
-	-	-	-	326,815	-
93,248,223	92,604,004	85,888,487	85,795,474	80,449,006	77,211,337
1,314,596	809,974	3,104,175	2,291,613	3,574,445	3,519,235

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS (Continued)  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	\$ 4,596,684	\$ -	\$ -	\$ 366,548
Transfers (out)	(4,596,684)	-	-	(366,548)
Sale of capital assets	-	-	238,214	-
Insurance proceeds	1,019,044	-	-	-
Inception of lease	-	-	276,299	-
SBITA transaction	345,491	54,166	-	-
Refunding bond issued	-	-	-	13,365,491
Premium on bonds issuance	-	-	-	962,706
Payment to refunded bond escrow agent	-	-	-	(14,097,020)
Issuance of notes/bonds	-	-	-	-
Total other financing sources (uses)	<u>1,364,535</u>	<u>54,166</u>	<u>514,513</u>	<u>231,177</u>
<b>Special Item:</b>				
Newark Digital Academy account transfer		-	-	-
Net change in fund balances	<u>\$ 3,066,601</u>	<u>\$ 5,265,869</u>	<u>\$ 4,358,849</u>	<u>\$ 2,302,964</u>
Debt service principal and interest as a percentage of noncapital expenditures	3.46%	4.69%	4.66%	4.80%

Source: School District financial records.



<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ -	\$ -	\$ -	\$ 155,163	\$ -	\$ -
-	-	-	(155,163)	-	-
-	-	74,784	-	-	4,278
1,010,530	42,500	1,000,000	-	-	-
-	894,950	-	-	252,284	-
-	-	-	-	-	-
-	-	-	-	26,935,000	-
-	-	-	-	2,022,194	-
-	-	-	-	(28,630,379)	-
-	-	-	-	1,500,000	-
<u>1,010,530</u>	<u>937,450</u>	<u>1,074,784</u>	<u>-</u>	<u>2,079,099</u>	<u>4,278</u>
-	2,768,670	-	-	-	-
<u>\$ 2,325,126</u>	<u>\$ 4,516,094</u>	<u>\$ 4,178,959</u>	<u>\$ 2,291,613</u>	<u>\$ 5,653,544</u>	<u>\$ 3,523,513</u>
6.56%	5.58%	5.60%	5.72%	5.61%	6.47%

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS**

<b>Collection Year</b>	<b>Real Property (a)</b>		<b>Public Utility (b)</b>	
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>
2024	\$ 1,298,511,065	\$ 3,710,031,614	\$ 61,426,950	\$ 175,505,571
2023	945,035,941	2,700,102,689	55,519,550	158,627,286
2022	941,527,742	2,690,079,263	51,500,490	147,144,257
2021	937,572,944	2,678,779,840	45,569,690	130,199,114
2020	811,503,418	2,318,581,194	42,993,230	122,837,800
2019	804,545,444	2,298,701,269	40,524,110	115,783,171
2018	806,049,778	2,302,999,366	39,031,530	111,518,657
2017	740,257,563	2,115,021,609	33,848,440	96,709,829
2016	735,178,590	2,100,510,257	34,608,820	98,882,343
2015	763,994,270	2,182,840,771	33,481,090	95,660,257

**Source:** Licking County Auditor's Office

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the State Tax Commissioner.

(b) Assumes public utilities are assessed at true value which is 35%.

		Total		
Total Direct Tax Rate		Assessed Value	Estimated Actual Value	%
\$	37.80	\$ 1,359,938,015	\$ 3,885,537,185	35.00%
	40.03	1,000,555,491	2,858,729,975	35.00%
	41.33	993,028,232	2,837,223,520	35.00%
	42.43	983,142,634	2,808,978,954	35.00%
	42.90	854,496,648	2,441,418,994	35.00%
	42.90	845,069,554	2,414,484,440	35.00%
	40.80	845,081,308	2,414,518,023	35.00%
	43.50	774,106,003	2,211,731,438	35.00%
	44.63	769,787,410	2,199,392,600	35.00%
	43.86	797,475,360	2,278,501,028	35.00%

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS

Tax Year/ Collection Year	Overlapping Rates		Direct Rates					Licking County Joint Vocational School
	County	City	Voted			Unvoted	Total	
			General	Bond	Permanent Improvement			
2023/2024	8.40	3.70	27.80	3.00	2.90	4.10	37.80	2.00
2022/2023	8.40	3.70	29.38	3.65	2.90	4.10	40.03	2.50
2021/2022	9.50	3.70	29.40	4.93	2.90	4.10	41.33	2.50
2020/2021	9.50	3.70	29.50	5.93	2.90	4.10	42.43	2.50
2019/2020	9.50	3.70	30.50	5.40	2.90	4.10	42.90	2.55
2018/2019	9.50	3.70	30.50	5.40	2.90	4.10	42.90	2.55
2017/2018	9.50	3.70	30.50	3.30	2.90	4.10	40.80	2.55
2016/2017	8.00	3.70	31.10	5.40	2.90	4.10	43.50	2.57
2015/2016	8.00	3.70	31.10	6.53	2.90	4.10	44.63	2.58
2014/2015	8.00	3.70	30.90	5.96	2.90	4.10	43.86	2.54

Source: Licking County Auditor's Office

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO**

<b>December 31, 2023</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Taxable Assessed Value</b>
Ohio Power	\$ 39,298,620	1	2.89%
MIMG XXIII McMillen Woods LLC	9,000,940	2	0.66%
Columbia Gas of Ohio	8,585,500	3	0.63%
AEP Ohio Transmission	7,068,600	4	0.52%
Kroger Co	5,859,020	5	0.43%
Cole DC Newark Ohio LLC	4,685,100	6	0.34%
Walmart Real Estate Business Trust	4,672,300	7	0.34%
HPG OH Newark LLC	4,051,290	8	0.30%
National Gas & Oil	3,919,550	9	0.29%
Park National Bank	3,465,700	10	0.25%
Total	<u>\$ 90,606,620</u>		<u>\$ 1,359,938,015</u>

<b>December 31, 2014</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Taxable Assessed Value</b>
Ohio Power	\$ 27,579,940	1	3.46%
MIMG XXIII	5,652,510	2	0.71%
Cole DC Newark Ohio LLC	4,165,000	3	0.52%
KROGER CO	3,413,730	4	0.43%
National Gas & Oil	2,799,580	5	0.35%
Southgate Company	2,755,290	6	0.35%
Sharonbrooke Inn Limited	2,739,170	7	0.34%
Owens Corning Insulating Systems	2,667,450	8	0.33%
LSREF2 Tractor REO	2,553,540	9	0.32%
Columbia Gas of Ohio	2,261,040	10	0.28%
Total	<u>\$ 56,587,250</u>		<u>\$ 797,475,360</u>

**Source:** Licking County Auditor's Office

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Tax Year/ Collection Year</b>	<b>Current Levy</b>	<b>Delinquent Levy</b>	<b>Total Levy</b>	<b>Current Collection</b>	<b>Percent of Current Levy Collected</b>
2023/2024	\$ 39,264,540	\$ 1,928,865	41,193,405	\$ 38,210,045	97.31%
2022/2023	31,715,667	1,413,269	33,128,936	31,074,073	97.98%
2021/2022	33,315,874	1,379,582	34,695,456	32,743,648	98.28%
2020/2021	29,682,936	1,861,837	31,544,773	29,028,365	97.79%
2019/2020	29,516,365	2,096,264	31,612,629	28,799,845	97.57%
2018/2019	28,157,966	1,523,064	29,681,030	27,494,119	97.64%
2017/2018	27,337,831	1,478,703	28,816,534	26,693,320	97.64%
2016/2017	27,978,452	2,933,117	30,911,569	27,204,739	97.23%
2015/2016	28,890,018	2,957,898	31,847,916	27,899,534	96.57%
2014/2015	28,365,346	3,226,488	31,591,834	27,131,371	95.65%

Note: "Delinquent Levy" indicates the portion collected that was delinquent.

**Source:** Licking County Auditor's Office

	<b>Delinquent Collection</b>	<b>Total Collection</b>	<b>Total Collection As a Percent of Total Levy</b>
\$	889,705	39,099,750	94.92%
	784,705	31,858,778	96.17%
	794,932	33,538,580	96.67%
	921,735	29,950,100	94.94%
	763,348	29,563,193	93.52%
	795,825	28,289,944	95.31%
	772,646	27,465,966	95.31%
	936,639	28,141,378	91.04%
	1,319,020	29,218,554	91.74%
	1,166,491	28,297,862	89.57%

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Governmental Activities</b>				<b>(a) Total Primary Government</b>	<b>(b) Per Capita</b>	<b>(b) Per ADM</b>	<b>(b) Percentage Personal Income</b>
	<b>General Obligation Bonds</b>	<b>Tax Anticipation Notes</b>	<b>Leases Payable</b>	<b>SBITA Payable</b>				
2024	\$ 32,681,805	\$ -	\$ 122,257	\$ 319,482	33,123,544	662	5,578	2.15%
2023	36,211,014	-	179,967	35,416	36,426,397	718	6,089	2.58%
2022	39,686,440	-	250,237	-	39,936,677	792	6,555	3.05%
2021	42,928,541	-	-	-	42,928,541	868	6,972	3.44%
2020	45,970,068	-	352,618	-	46,322,686	921	7,040	4.14%
2019	48,953,927	1,200,000	688,728	-	50,842,655	1,016	7,910	4.46%
2018	51,951,416	1,350,000	157,311	-	53,458,727	1,049	8,549	4.72%
2017	54,872,993	1,500,000	205,697	-	56,578,690	1,152	9,234	5.29%
2016	57,950,708	1,500,000	252,575	-	59,703,283	1,255	9,543	5.72%
2015	60,522,496	-	44,396	-	60,566,892	1,273	9,628	5.80%

**Source:** School District financial records

(a) See notes to the financial statements regarding the District's outstanding debt information. Includes unamortized premiums and accreted interest on capital appreciation bonds.

(b) See schedule " Demographic and Economic Statistic, Last Ten Years" for personal income, population and enrollment information.



**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Obligation Bonds (1)</b>	<b>Net Position Restricted for Debt Service (2)</b>	<b>Net General Bonded Debt Outstanding</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
2024	32,681,805	\$ 1,923,990	30,757,815	0.79%	614
2023	36,211,014	1,549,252	34,661,762	1.21%	683
2022	39,686,440	1,315,294	38,371,146	1.35%	761
2021	42,928,541	-	42,928,541	1.53%	868
2020	45,970,068	(258,252)	45,711,816	1.87%	909
2019	48,953,927	-	48,953,927	2.03%	979
2018	51,951,416	(658,336)	51,293,080	2.12%	1,006
2017	54,872,993	(1,539,363)	53,333,630	2.41%	1,085
2016	57,950,708	(2,101,564)	55,849,144	2.54%	1,174
2015	60,522,496	(1,770,261)	58,752,235	2.58%	1,235

(1) Details regarding the District's outstanding debt can be found in the notes to the financial statements. Total includes unamortized premiums and accreted interest on capital appreciation bonds.

(2) Amounts and calculations have been updated for 2018-2010 to reflect the net position restricted for debt service.

**Source:** School District financial records

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2024**

<u>Governmental Unit</u>	<u>Net General Tax Supported Debt</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Newark City School District	\$ 33,123,544		\$ 33,123,544
Overlapping debt:			
City of Newark	34,095,000	91.01%	31,031,158
Licking County	21,290,000	17.45%	3,715,123
Total overlapping debt	<u>55,385,000</u>		<u>34,746,281</u>
 Total direct and overlapping debt	 <u>\$ 88,508,544</u>		 <u>\$ 67,869,825</u>

**Note:** The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable assessed value that is within the subdivision's boundaries and dividing it by the District's total taxable assessed value. Net general tax supported debt includes accreted interest on capital appreciation bonds but excludes unamortized bond premiums, discounts and deferred losses on refundings.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Voted Debt Limit</b>	<b>Total Debt Applicable to Limit (1)</b>	<b>Debt Service Available Balance</b>	<b>Net Debt Applicable to Limit</b>	<b>Voted Legal Debt Margin</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2024	122,394,421	31,424,803	\$ 2,053,580	29,371,223	93,023,198	24.00%
2023	90,049,994	33,878,502	2,599,072	31,279,430	58,770,564	34.74%
2022	89,372,541	36,977,866	2,473,147	34,504,719	54,867,822	38.61%
2021	88,482,837	39,408,571	1,656,946	37,751,625	50,731,212	42.67%
2020	76,904,698	42,414,788	668,986	41,745,802	35,158,896	54.28%
2019	76,056,260	44,977,650	357,760	44,619,890	31,436,370	58.67%
2018	76,057,318	47,807,650	658,336	47,149,314	28,908,004	61.99%
2017	69,669,540	50,161,627	1,539,363	48,622,264	21,047,276	69.79%
2016	69,280,867	53,111,627	2,101,564	51,010,063	18,270,804	73.63%
2015	71,772,782	56,921,627	1,770,261	55,151,366	16,621,416	76.84%

**Source:** Licking County Auditor and School District financial records

(1) Total debt applicable to limit excludes unamortized premiums and accreted interest on capital appreciation bonds.

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

House Bill 530 became effective on March 30, 2006, which excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Personal Income (1)</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rates (3)</u>		
						<u>Licking County</u>	<u>Ohio</u>	<u>United States</u>
2024	50,062	\$ 30,791	1,541,459,042	38.5	5,938	3.8%	4.5%	4.1%
2023	50,763	27,845	1,413,495,735	38.3	5,982	3.1%	3.3%	3.5%
2022	50,406	25,977	1,309,396,662	40.0	6,093	3.7%	3.9%	3.6%
2021	49,470	25,259	1,249,562,730	37.4	6,157	10.3%	5.4%	5.2%
2020	50,315	22,226	1,118,301,190	38.0	6,580	7.4%	10.9%	8.4%
2019	50,029	22,764	1,138,860,156	37.2	6,428	4.2%	4.0%	3.7%
2018	50,965	22,226	1,132,748,090	37.0	6,253	4.2%	4.5%	3.9%
2017	49,134	21,770	1,069,647,180	38.5	6,127	4.4%	4.5%	5.3%
2016	47,573	21,941	1,043,799,193	38.5	6,256	4.1%	4.7%	5.0%
2015	47,573	21,941	1,043,799,193	38.5	6,291	3.8%	4.3%	5.2%

(1) U. S. Census Bureau information for the City of Newark  
2017-2019 information reflects estimates from Census Bureau.  
2011-2016 information from 2010 Census.  
2008-2010 information from 2005 Census.

(2) School District records.

(3) ODJFS Office of Workforce Development - Bureau of Labor Market Information.

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

		<b>December 31, 2023</b>	
<b>Employer</b>	<b>Nature of Business</b>	<b>Employees</b>	<b>Rank</b>
Licking Memorial Hospital	Health Care	1,900	1
Licking County Government	Government	1,065	2
Newark City Schools	Education	800	3
OSU-N/COTC	Education	550	4
Owens Corning, Inc.	Fiberglass Insulation	500	5
Anomatic Corp.	Metal Finishers	400	6
Newark City Government	Government	360	7
Ctec of Licking County	Education	312	8
Universal Veneer	Wood Veneer Manufacturing	210	9
Park National Bank Corporation	Banking/Finance	150	10
Total		6,247	
Total Employment within the City (1)		N/A	

		<b>December 31, 2014</b>	
<b>Employer</b>	<b>Nature of Business</b>	<b>Employees</b>	<b>Rank</b>
Licking County Memorial Hospital	Health Care	1,700	1
State Farm Insurance Company	Insurance	1,496	2
Licking County Government	Government	1,112	3
Anomatic Corp.	Metal Finishers	1,087	4
OSU-N/COTC	Education	1,080	5
Newark City Schools	Education	970	6
Walmart	Retail	960	7
Owens Corning, Inc.	Fiberglass Insulation	550	8
Newark City Government	Government	462	9
Longaberger Corporation	Decorative Baskets	300	10
Total		9,717	
Total Employment within the City (1)		N/A	

(1) - Total employment within the City is not available.

**Source:** City of Newark Auditor's Office

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**STAFFING STATISTICS  
FULL TIME EQUIVALENTS (FTE) BY TYPE AND FUNCTION  
LAST TEN FISCAL YEARS**

<b>Type</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Official - administrative	41.5	38.0	37.0	36.0	35.0
Professional - educational	490.8	472.2	489.0	496.0	485.4
Professional - other	20.0	26.4	13.4	13.4	20.0
Technical	39.9	37.9	36.6	41.2	48.2
Office - clerical	63.2	63.1	65.1	70.0	73.9
Craft & trade	9.6	9.6	8.0	9.0	9.0
Operative	32.5	25.9	35.6	36.7	43.3
Service worker/laborer	101.5	95.8	111.4	121.0	134.4
Total	<u>799.1</u>	<u>768.9</u>	<u>796.1</u>	<u>823.3</u>	<u>849.2</u>

<b>Function</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Instruction:					
Regular	347.1	350.7	356.8	361.0	339.0
Special	157.1	153.7	147.1	153.3	168.4
Vocational	1.0	2.0	2.0	1.0	2.0
Other	1.0	2.0	0.0	3.0	1.0
Support Services:					
Pupil	44.3	34.2	36.3	39.2	46.8
Instructional staff	39.5	34.2	40.7	34.6	41.3
Administration	49.4	49.4	48.3	52.6	53.0
Fiscal	7.0	7.0	7.0	7.0	8.0
Business	3.0	5.0	5.0	7.0	6.0
Operations and maintenance	60.7	63.0	68.4	71.0	87.0
Pupil transportation	51.2	42.5	46.1	52.7	53.6
Central	2.0	2.0	3.0	3.0	3.0
Other non-instructional services:					
Food service operations	24.5	20.8	20.3	21.7	29.6
Other non-instructional	11.3	2.4	15.1	16.2	10.5
Extracurricular activities	0.0	0.0	0.0	0.0	0.0
Total Governmental Activities	<u>799.1</u>	<u>768.9</u>	<u>796.1</u>	<u>823.3</u>	<u>849.2</u>

**Source:** School District records

- (1) For 2014, the Ohio Department of Education required new coding for special education aids.  
This new coding requirement moved FTE from instructional staff support to instruction special.

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
32.0	26.0	26.0	25.9	24.0
487.0	459.0	443.9	433.5	432.1
20.2	19.5	19.0	20.1	18.0
44.1	51.7	42.5	42.9	42.9
73.8	65.4	61.7	62.3	59.4
11.0	10.0	11.0	9.0	9.0
45.2	40.0	32.6	31.0	29.2
134.3	126.5	111.7	108.6	101.0
<b>847.6</b>	<b>798.1</b>	<b>748.4</b>	<b>733.3</b>	<b>715.6</b>

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
299.9	317.1	309.5	306.1	309.1
153.0	167.2	155.7	151.7	141.5
3.0	2.0	2.0	2.0	3.0
2.0	2.0	2.0	2.5	2.5
47.0	45.2	39.4	42.2	37.8
94.0	31.0	33.6	27.8	29.8
54.9	45.4	43.5	42.7	37.7
6.0	8.0	7.0	8.0	8.0
4.9	8.0	6.0	5.0	5.0
64.3	70.1	61.6	59.4	59.3
73.8	61.6	51.2	47.8	43.3
3.0	2.0	2.0	1.9	2.0
36.8	36.2	32.9	34.2	30.2
5.0	2.3	2.0	2.0	4.4
0.0	0.0	0.0	0.0	2.0
<b>847.6</b>	<b>798.1</b>	<b>748.4</b>	<b>733.3</b>	<b>715.6</b>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Instruction:					
Regular and Special					
Enrollment (students)	5,938	5,982	6,093	6,157	6,580
Graduates	399	366	391	440	428
Support services:					
Board of education					
Regular meetings per year	12	12	12	12	12
Special meetings per year	12	12	12	12	12
Administration					
Student attendance rate	90.50%	90.40%	89.70%	90.86%	93.27%
Fiscal					
Nonpayroll checks issued	2,881	2,751	2,857	2,306	2,713
Operations and maintenance					
Square footage maintained	1,333,416	1,333,416	1,333,416	1,003,383	1,003,383
Pupil transportation					
Avg. students transported daily	2,071	2,437	2,445	1,812	2,763
Food service operations					
Lunches served to students	474,935	440,305	542,265	375,642	468,472

(1) Information not currently available.

**Source:** School District records



2019	2018	2017	2016	2015
6,428 478	6,253 339	6,127 308	6,256 209	6,291 300
12 12	12 12	12 12	12 5	12 7
92.10%	93.20%	94.00%	94.50%	94.20%
2,896	2,635	2,601	2,617	2,479
1,003,383	993,282	993,282	993,282	993,282
2,937	2,215	2,412	2,222	2,235
610,371	572,210	569,849	585,710	586,399

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**CAPITAL ASSET STATISTICS  
LAST TEN FISCAL YEARS**

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Land	\$ 2,305,317	\$ 2,305,317	\$ 2,305,317	\$ 2,354,512	\$ 2,234,512
Land improvements	1,241,547	864,400	978,343	1,092,286	971,029
Buildings and improvements	129,173,846	119,693,612	122,976,769	124,396,469	128,053,547
Furniture, fixtures and equipment	8,425,628	669,528	353,804	379,694	559,683
Vehicles	1,449,323	1,873,934	1,183,326	1,591,015	1,630,472
Construction in progress	241,465	13,363,561	2,067,157	2,273,628	-
Intangible right to use:					
Leased equipment	131,365	189,750	248,134	-	-
SBITAs	318,705	40,625	-	-	-
Total Governmental Activities					
Capital Assets, net	<u>\$ 143,287,196</u>	<u>\$ 139,000,727</u>	<u>\$ 130,112,850</u>	<u>\$ 132,087,604</u>	<u>\$ 133,449,243</u>

**Source:** School District financial records.

**Note:** Amounts above are presented net of accumulated depreciation.

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 2,090,712	\$ 1,970,712	\$ 1,970,712	\$ 1,970,712	\$ 1,592,635
620,317	669,740	689,207	694,228	730,592
131,710,625	130,893,157	132,358,997	135,656,952	138,958,985
638,518	737,222	834,302	932,492	729,922
1,558,445	1,519,179	1,517,578	1,505,857	1,534,832
-	1,366,752	2,281,317	1,426,964	48,623
-	-	-	-	-
-	-	-	-	-
<u>\$ 136,618,617</u>	<u>\$ 137,156,762</u>	<u>\$ 139,652,113</u>	<u>\$ 142,187,205</u>	<u>\$ 143,595,589</u>

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	<b>Tickmark</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Ben Franklin Elementary (1954)						
Square feet		44,982	44,982	44,982	44,982	44,982
Capacity (students)		350	350	350	350	350
Enrollment		278	272	270	267	308
Carson Elementary (2008)	(5)					
Square feet		61,073	61,073	61,073	61,073	61,073
Capacity (students)		500	500	500	500	500
Enrollment		397	381	393	382	456
Cherry Valley Elementary (2008)	(1)					
Square feet		61,073	61,073	61,073	61,073	61,073
Capacity (students)		500	500	500	500	500
Enrollment		397	416	434	403	472
Hillview Elementary (2008)	(5)					
Square feet		61,073	61,073	61,073	61,073	61,073
Capacity (students)		500	500	500	500	500
Enrollment		491	492	462	427	474
John Clem Elementary (1958)	(7)					
Square feet		62,169	62,169	62,169	62,169	62,169
Capacity (students)		428	428	528	528	528
Enrollment		404	412	426	420	424
Legend Elementary (2007)	(2)					
Square feet		61,073	61,073	61,073	61,073	61,073
Capacity (students)		500	500	500	500	500
Enrollment		490	497	500	479	526
McGuffey Elementary (1958)	(6)					
Square feet		62,367	62,367	62,367	62,367	62,367
Capacity (students)		472	472	472	472	472
Enrollment		436	436	440	404	455
Heritage Middle School (2011)	(3),(8)					
Square feet		72,905	72,905	72,905	72,905	72,905
Capacity (students)		500	500	500	500	500
Enrollment		416	428	422	482	506
Liberty Middle School (2008)	(5)					
Square feet		69,922	69,922	69,922	69,922	69,922
Capacity (students)		450	450	450	450	450
Enrollment		433	455	464	492	521
Wilson Middle School (1929)						
Square feet		67,950	67,950	67,950	67,950	67,950
Capacity (students)		450	450	450	450	450
Enrollment		351	354	346	360	383
Newark Digital Academy	(4)					
Square feet		10,101	10,101	10,101	10,101	10,101
Capacity (students)		-	-	-	-	-
Enrollment		379	341	396	438	366
High School (1961)	(9)					
Square feet		302,094	302,094	302,094	302,094	302,094
Capacity (students)		1,523	1,523	1,523	1,523	1,523
Enrollment		1,466	1,498	1,331	1,411	1,402

2019	2018	2017	2016	2015
44,982	44,982	44,982	44,982	44,982
350	350	350	350	350
324	327	370	415	446
61,073	61,073	61,073	61,073	61,073
500	500	500	500	500
425	463	456	502	475
61,073	61,073	61,073	61,073	61,073
500	500	500	500	500
462	488	463	470	468
61,073	61,073	61,073	61,073	61,073
500	500	500	500	500
462	467	458	458	488
62,169	62,169	62,169	62,169	62,169
528	528	528	528	528
439	504	487	499	452
61,073	61,073	61,073	61,073	61,073
500	500	500	500	500
496	548	555	554	567
62,367	62,367	62,367	62,367	62,367
472	472	472	472	472
491	502	514	525	519
72,905	72,905	72,905	72,905	72,905
500	500	500	500	500
514	530	482	501	527
69,922	69,922	69,922	69,922	69,922
450	450	450	450	450
490	458	458	476	493
67,950	67,950	67,950	67,950	67,950
450	450	450	450	450
394	407	388	438	414
10,101	-	-	-	-
-	-	-	-	-
347	-	-	-	-
302,094	302,094	302,094	302,094	302,094
1,523	1,523	1,523	1,523	1,523
1,365	1,382	1,496	1,418	1,442

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS - (Continued)

	<u>Tickmark</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
State Farm Building						
Square feet	(11)	330,033	330,033	330,033	-	-
Administrative Service Center	(10)					
Square feet		45,201	45,201	45,201	45,201	45,201
Transportation and warehouse						
Square feet		25,628	25,628	25,628	25,628	25,628

**Source:** School District records

**Note:** Year of original construction is in parentheses

**Note:** For fiscal year 2017 - 2018, enrollment by building from District May enrollment. For fiscal years 2016-2009, enrollment by building from ODE Fall Headcount.

**Tickmarks**

- (1) Cherry Valley moved into a new building in January 2008. The old Cherry Valley building (1916) was demolished
- (2) North Elementary was renamed Legend and moved into a new building in January 2008. The old North building was demolished.
- (3) Lincoln was renamed Heritage beginning of 2007-2008 school year.
- (4) Newark Digital Academy building was acquired in fiscal year 2019.
- (5) Hillview, Liberty and Carson were opened in 2008.
- (6) McGuffey renovations were completed in 2012 increasing capacity and square footage.
- (7) John Clem renovations were completed in 2011 increasing capacity and square footage.
- (8) Heritage moved to a new building in January 2011. The former building was demolished.
- (9) High School renovations, demolition and additions started Summer 2010 and was a three year project.
- (10) Administrative Service Center moved August 2013 to former Roosevelt Building.  
     Third floor rented to Licking Area Computer Association (LACA) and Licking County ESC. Part of second floor also LACA.  
     Former Administrative Service Center on E. Main St. was sold in November 2013.
- (11) State Farm building acquired in fiscal year 2022.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
-	-	-	-	-
45,201	45,201	45,201	45,201	45,201
25,628	21,400	21,400	21,400	21,400

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

OPERATING STATISTICS  
LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Governmental Funds</b>		<b>Governmental Activities</b>		<b>Enrollment</b>	<b>Percent Change</b>
	<b>Expenditures (1)</b>	<b>Cost per pupil</b>	<b>Expenses (1)</b>	<b>Cost per pupil</b>		
2024	107,903,330	18,172	103,625,207	17,451	5,938	(0.74) %
2023	104,050,276	17,394	93,781,979	15,677	5,982	(1.82) %
2022	94,299,331	15,477	90,030,221	14,776	6,093	(1.04) %
2021	95,031,326	15,435	101,795,325	16,533	6,157	(6.43) %
2020	87,202,787	13,253	95,945,514	14,581	6,580	2.36 %
2019	87,555,340	13,621	81,547,701	12,686	6,428	2.80 %
2018	81,156,923	12,979	49,709,975	7,950	6,253	2.06 %
2017	80,961,937	13,214	85,915,823	14,022	6,127	(2.06) %
2016	75,744,646	12,108	76,438,154	12,218	6,256	(0.56) %
2015	72,278,360	11,489	72,174,266	11,473	6,291	(3.67) %

**Source:** School District financial records

(1) Debt Service totals have been excluded.



<b>Teaching Staff</b>	<b>Pupil/Teacher Ratio</b>	<b>Student Attendance Percentage</b>
491	12.10	90.50%
472	12.67	90.40%
489	12.46	89.70%
496	12.41	90.86%
485	13.56	93.27%
487	13.20	92.10%
459	13.62	93.20%
444	13.80	94.00%
434	14.43	94.50%
432	14.56	94.20%

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**NEWARK CITY SCHOOL DISTRICT**  
**LICKING COUNTY, OHIO**

**SINGLE AUDIT**

**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2024**

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

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**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<b>FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE</b>	<b>ASSISTANCE LISTING NUMBER</b>	<b>PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION</b>	<b>TOTAL FEDERAL EXPENDITURES</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through the Ohio Department of Education and Workforce</i>			
<b>Child Nutrition Cluster</b>			
School Breakfast Program	10.553	2024	\$ 1,045,981
National School Lunch Program	10.555	2024	1,744,230
COVID-19 - National School Lunch Program	10.555	COVID-19, 2024	282,689
National School Lunch Program - Food Donation	10.555	2024	240,491
<b>Total National School Lunch Program</b>			<b>2,267,410</b>
<b>Total U.S. Department of Agriculture and Child Nutrition Cluster</b>			<b>3,313,391</b>
<b>U.S. DEPARTMENT OF TREASURY</b>			
<i>Passed Through Ohio Office of Budget and Management</i>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds - School Safety Round #1	21.027	COVID-19, 2023	20,879
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds - School Safety Round #2	21.027	COVID-19, 2023	344,604
<b>Total U.S. Department of Treasury</b>			<b>365,483</b>
<b>U.S. FEDERAL COMMUNICATION COMMISSION</b>			
<i>Direct</i>			
COVID-19 - Emergency Connectivity Fund (ECF) Program	32.009	COVID-19, ECF2190030721	167,835
<b>Total U.S. Federal Communication Commission</b>			<b>167,835</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>Passed Through the Ohio Department of Education and Workforce</i>			
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2023	656,761
Title I Grants to Local Educational Agencies - Non-Competitive, Supplemental School Improvement Grant	84.010A	84.010A, 2023	17,895
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2024	2,383,672
Title I Grants to Local Educational Agencies - Non-Competitive, Supplemental School Improvement Grant	84.010A	84.010A, 2024	48,125
Title I Grants to Local Educational Agencies - Expanding Opportunities for Each Child Non-Competitive Grant	84.010A	84.010A, 2024	29,493
<b>Total Title I Grants to Local Educational Agencies</b>			<b>3,135,946</b>
<b>Special Education Cluster (IDEA)</b>			
Special Education-Grants to States (IDEA, Part B)	84.027A	84.027A, 2023	149,116
COVID-19 - Special Education-Grants to States (IDEA, Part B) - ARP	84.027X	COVID-19, 84.027X, 2023	12,908
Special Education-Grants to States (IDEA, Part B)	84.027A	84.027A, 2024	1,971,325
<b>Total Special Education-Grants to States (IDEA, Part B)</b>			<b>2,133,349</b>
Special Education-Preschool Grants (IDEA, Preschool)	84.173A	84.173A, 2023	3,543
Special Education-Preschool Grants (IDEA, Preschool)	84.173A	84.173A, 2024	2,337
<b>Total Special Education-Preschool Grants (IDEA, Preschool)</b>			<b>5,880</b>
<b>Total Special Education Cluster (IDEA)</b>			<b>2,139,229</b>
Twenty-First Century Community Learning Centers	84.287A	84.287A, 2024	692,311
<i>Consortium Amount Passed/Transferred to the Licking Regional Educational Service Center</i>			
English Language Acquisition State Grants - Title III - Language Instruction for English Learners	84.365A	84.365A, 2024	2,599
Supporting Effective Instruction State Grants	84.367A	84.367A, 2023	69,188
Supporting Effective Instruction State Grants	84.367A	84.367A, 2024	272,137
<b>Total Supporting Effective Instruction State Grants</b>			<b>341,325</b>
Student Support and Academic Enrichment Program	84.424A	84.424A, 2023	75,693
Student Support and Academic Enrichment Program	84.424A	84.424A, 2024	208,538
Student Support and Academic Enrichment Program - Stronger Connections Grant	84.424F	84.424F, 2024	67,791
<b>Total Student Support and Academic Enrichment Program</b>			<b>352,022</b>
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER II) Fund	84.425D	COVID-19, 84.425D, 2023	1,310,812
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	COVID-19, 84.425U, 2023	5,039,879
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	COVID-19, 84.425U, 2024	4,690,276
<b>Total Education Stabilization Fund (ESF)</b>			<b>11,040,967</b>
<b>Total U.S. Department of Education</b>			<b>17,704,399</b>
<b>Total Federal Expenditures</b>			<b>\$ 21,551,108</b>

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

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
*2 CFR 200.510(b)(6)*  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Newark City School District under programs of the federal government for the fiscal year ended June 30, 2024 and is prepared in accordance with the cash basis of accounting. 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 Newark City School District, it is not intended to and does not present the financial position, or changes in net position or cash flows of the Newark City School District. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

**NOTE 2 – DE MINIMIS COST RATE**

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The Newark City School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 - CHILD NUTRITION CLUSTER**

The Newark City School District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the Newark City School District assumes it expends federal monies first.

**NOTE 4 – FOOD DONATION PROGRAM**

The Newark City School District reports commodities consumed on the Schedule at the entitlement value. The Newark City School District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

**NOTE 5 – PASS THROUGH FUNDS**

The Newark City School District was awarded federal program allocations to be administered on their behalf by the Licking Regional Educational Service Center. For fiscal year 2024, the Newark City School District's allocations were as follows:

<b>Grant/Program Name</b>	<b>ALN</b>	<b>Passed/Transferred to</b>	<b>Award Amount</b>
Title III English Language Acquisition State Grants	84.365A	Licking Regional Educational Service Center	\$ 2,599

**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***

Newark City School District  
Licking County  
621 Mount Vernon Road  
Newark, Ohio 43055

To the Members of the Board of Education:

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, each major fund, and the aggregate remaining fund information of the Newark City School District, Licking County, Ohio, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Newark City School District's basic financial statements, and have issued our report thereon dated December 20, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Newark City School District'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 Newark City School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Newark City School District'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 Newark City School District'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 or significant deficiencies may exist that were not identified.

Newark City School District

Licking County

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*

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Newark City School District'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 Newark City School District'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 Newark City School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.

December 20, 2024



**Independent Auditor's Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance**

Newark City School District  
Licking County  
621 Mount Vernon Road  
Newark, Ohio 43055

To the Members of the Board of Education:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Newark City School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Newark City School District's major federal programs for the fiscal year ended June 30, 2024. The Newark City School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

In our opinion, the Newark City School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

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). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the Newark City School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Newark City School District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Newark City School District's federal programs.

Newark City School District  
Licking County  
Independent Auditor's Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Newark City School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Newark City School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Newark City School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Newark City School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Newark City School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on 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 a 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 "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Newark City School District  
Licking County  
Independent Auditor's Report on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards  
Required by the Uniform Guidance

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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, each major fund, and the aggregate remaining fund information of the Newark City School District, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Newark City School District's basic financial statements. We issued our report thereon dated December 20, 2024, which contained unmodified opinions on those financial statements. Our audit was performed 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.



Julian & Grube, Inc.  
December 20, 2024

**NEWARK CITY SCHOOL DISTRICT  
LICKING COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2024**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material weaknesses in internal control reporting at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	None reported
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material weaknesses in internal control reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	None reported
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Title I Grants to Local Educational Agencies (ALN 84.010), Special Education Cluster
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

**2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

# OHIO AUDITOR OF STATE KEITH FABER



**NEWARK CITY SCHOOL DISTRICT**

**LICKING 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 3/18/2025**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)