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# PAFR

POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

**ncs** NEWARK  
CITY SCHOOLS

NEWARK, OHIO



## NEWARK CITY SCHOOL DISTRICT

621 Mount Vernon Rd. Newark, OH, 43055  
p. 740.670.7000

[newarkcityschools.org](http://newarkcityschools.org)



## A Letter From Our Treasurer/ CFO



## Newark City School District Board of Education

(Left to right): Tom Blaine (Vice-president), Cindy Neely,  
Tim Carr (President), Dave Warner, and Mark Christenberry

### Dear Community Members,

As Treasurer/CFO of Newark City Schools, I am pleased to present the 2024 Popular Annual Financial Report (PAFR) to our community. The purpose of this report is to provide a brief summary of the District's revenues and expenditures, as well as other relevant financial trends. This report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and readers should refer to the District's Annual Comprehensive Financial Report (ACFR) for an in-depth look at the District's finances in accordance with GAAP. The 2023–2024 ACFR can be found on the Treasurer's page of the District's website at [www.newarkcityschools.org/district/treasurers-office](http://www.newarkcityschools.org/district/treasurers-office).

As a means of increasing public awareness, this report provides a clear and thorough overview of the District's finances through an easy-to-read, user-friendly format. The reader should obtain a better understanding of the financial operations for the District and how the District performed financially during the 2023–2024 fiscal year.

The District has prepared this report because we believe our taxpayers have the right to know how their tax dollars are being spent. Through this PAFR, the District's taxpayers are offered yet another means of gaining a clear and accurate picture of the District's finances. We appreciate your continued support of the District and trust that you find this report very informative.

Any comments or questions regarding this report are welcome. Please call **740.670.7010** or email [jvalladares@newarkcityschools.org](mailto:jvalladares@newarkcityschools.org) with any questions or comments you may have.

Respectfully submitted,

Julio Valladares | Treasurer/CFO



Government Finance Officers Association

### Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**Newark City School District  
Ohio**

For its Annual Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

## SUMMARIZED FINANCIAL REPORTS

Numbers in the Financial Position Statement and Financial Activity Statement are taken from the District's Annual Comprehensive Financial Report (ACFR), and are presented in a GAAP format. In addition, this PAFR focuses on the District's General Fund, the operating fund of the District. The ACFR can be obtained from the Treasurer's Office or at [www.newarkcityschools.org](http://www.newarkcityschools.org).

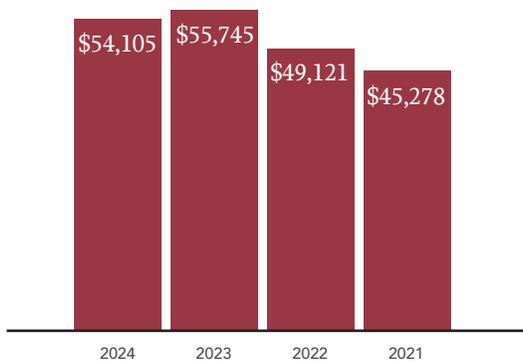
### ASSETS OVER LIABILITIES AND DEFERRED INFLOWS

The Financial Position Statement, known in accounting terms as the balance sheet, reports the assets available to provide services along with the liabilities (amounts for which the District is obligated to pay in the future) and deferred inflows (primarily assets that do not finance the current fiscal year). The excess of assets over liabilities and deferred inflows provides the net position, or net worth, of the District. The amounts reported below are for the District's General Fund.

<b>ASSETS</b> <i>(shown in thousands)</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Cash and Investments	\$56,166	\$52,562	\$50,002	\$44,017
Receivables	\$38,425	\$30,966	\$30,099	\$22,575
Other Assets	\$904	\$1,414	\$2,140	\$933
<b>Total Assets</b>	<b>\$95,495</b>	<b>\$84,942</b>	<b>\$82,241</b>	<b>\$67,525</b>

<b>LIABILITIES AND DEFERRED INFLOWS</b> <i>(shown in thousands)</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Amount owed to Employees and Vendors	\$10,098	\$8,048	\$8,344	\$8,094
Deferred Inflows	\$31,292	\$21,149	\$24,776	\$14,153
<b>Total Liabilities and Deferred Inflows</b>	<b>\$41,390</b>	<b>\$29,197</b>	<b>\$33,120</b>	<b>\$22,247</b>
<b>Assets Over Liabilities and Deferred Inflows</b>	<b>\$54,105</b>	<b>\$55,745</b>	<b>\$49,121</b>	<b>\$45,278</b>

Cash and investments of the General Fund increased from fiscal year 2023 due to a conservative approach on spending by the District in order to stretch resources along with an increase in State Foundation revenue. The amounts owed to employees and vendors increased compared to the prior year due primarily to an increase in invoices outstanding at June 30, 2024. The District is expecting tax revenues to increase in the next fiscal year due to new businesses and homes coming to the District leading to increased property values. This expected increase lead to the increase in deferred inflows at June 30, 2024.



#### What is a deferred inflow?

Deferred inflows represent resources (revenue) that does not finance the current fiscal year's (2024) operations. They will finance operations of the District in fiscal year 2025.



## OUR DISBURSEMENTS AND SERVICES DEFINITIONS

**INSTRUCTION** are those activities directly dealing with the teaching of pupils or the interaction between teacher and pupil. This includes aides or classroom assistants of any type, who assist in the instructional process. Technology used by the students is also included here.

**PUPIL SUPPORT** are those activities designed to assess and improve the well-being of pupils and to supplement the teaching process. This includes guidance services, health services, psychological services and support services for students with disabilities.

**INSTRUCTIONAL STAFF SUPPORT** are those activities associated with assisting the instructional staff with the content and process of providing learning experiences for pupils.

**BOARD/ADMINISTRATION/FISCAL** are those activities concerned with establishing and administrating policy in connection with operating the school district and activities associated with the district and building leadership. This function includes budgeting, receiving and disbursing, financial accounting, payroll, inventory control, auditing and fiscal services rendered by persons in the Treasurer's Office.

**BUSINESS SUPPORT** are those activities concerned with purchasing, receiving, transporting, exchanging and maintaining goods and services for the school district.

**OPERATIONS AND MAINTENANCE** are those activities concerned with keeping the physical plant open, comfortable and safe for use and keeping the grounds, buildings, and equipment in an effective working condition and state of repair. This includes activities of maintaining safety in buildings and on the grounds of the schools.

**TRANSPORTATION** are those activities concerned with the conveyance of individuals to and from school, as provided by state law. It includes transportation to school activities and between home and school.

**CENTRAL SUPPORT** are those activities, other than general administration, that support each of the other instructional and supporting services programs including planning, research, development, evaluation, information staff, statistical, and data processing services.

**NON-INSTRUCTIONAL SERVICES** are those activities concerned with providing non-instructional services to students, staff or the community. This also includes providing certain services to other school districts.

**EXTRACURRICULAR** are those activities under the guidance or supervision of qualified adults that are designed to provide opportunities for pupils to participate in such experiences on an individual basis at school events or public events.

**FACILITIES ACQUISITION AND CONSTRUCTION** are those activities concerned with acquiring land and buildings, remodeling, constructing or additions to buildings, initially installing or extending service systems, and other built-up equipment and improving sites.

**CAPITAL OUTLAY** are those expenditures for the acquisition of, or additions to, capital assets. This includes expenditures for land or existing buildings, improvement of grounds, construction, addition or remodeling of buildings and initial and additional equipment furnishings and vehicles.

**DEBT SERVICE** are those transactions primarily for the purpose of discharging the District's commitment for interest and principal on debt.

**DEFERRED INFLOWS** (as presented on page 3 for the District's General Fund) represent resources (revenue) that does not finance the current fiscal year's (2024) operations. They will finance operations of the District in fiscal year 2025.



## RECEIPTS AND RESOURCES OVER DISBURSEMENTS AND SERVICES

The Financial Activity Statement, known in accounting terms as the income statement, provides a summary of the revenues and resources received by the District compared to the expenditures and services provided by the District. The amounts reported below are for the District's General Fund, on a GAAP basis.

<b>REVENUES &amp; RESOURCES</b> <i>(shown in thousands)</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Taxes	\$36,815	\$38,796	\$35,728	\$32,478
State and Federal Revenue	\$46,249	\$42,102	\$41,713	\$43,011
Investment Income	\$2,550	\$1,420	(\$58)	\$176
Tuition	\$776	\$684	\$1,286	\$2,045
Extracurricular	\$69	\$6	\$18	\$10
Miscellaneous	\$1,563	\$1,277	\$664	\$667
<b>Total Revenues &amp; Resources</b>	<b>\$88,022</b>	<b>\$84,285</b>	<b>\$79,351</b>	<b>\$78,387</b>

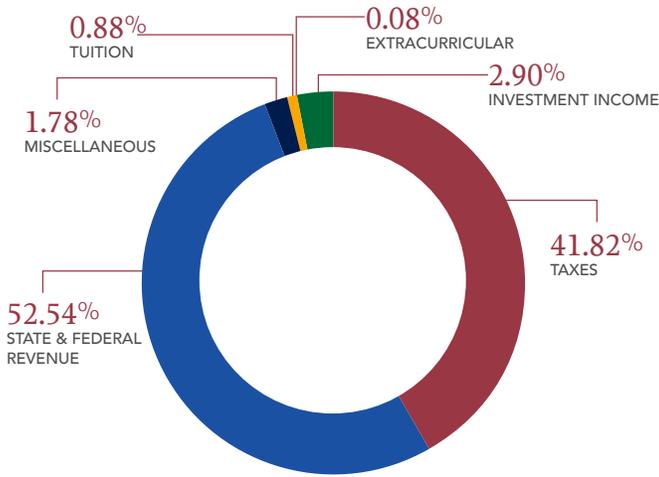
<b>EXPENDITURES &amp; SERVICES PROVIDED</b> <i>(shown in thousands)</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Instruction	\$51,665	\$48,013	\$48,190	\$51,263
Pupil Support	\$6,295	\$5,594	\$4,708	\$3,118
Instructional Staff Support	\$4,261	\$3,759	\$3,168	\$3,236
Board/Administration/Fiscal	\$7,320	\$6,543	\$6,109	\$6,013
Business Support	\$641	\$566	\$615	\$635
Operations and Maintenance	\$8,498	\$7,759	\$7,291	\$6,510
Transportation	\$3,930	\$3,496	\$3,398	\$3,029
Central Support	\$1,064	\$662	\$898	\$1,005
Operation of Non-Instructional	\$83	\$66	\$61	\$49
Extracurricular	\$1,187	\$1,092	\$1,040	\$905
Facilities Acquisition and Construction	\$340	\$68	–	\$13
Capital Outlay	–	–	\$276	–
Debt Service	\$126	\$96	\$31	\$161
<b>Total Expenditures &amp; Services</b>	<b>\$85,410</b>	<b>\$77,714</b>	<b>\$75,785</b>	<b>\$75,937</b>
<b>Revenues &amp; Resources Over Expenditures &amp; Services</b>	<b>\$2,612</b>	<b>\$6,571</b>	<b>\$3,566</b>	<b>\$2,450</b>

Taxes revenue decreased from the prior year due to a decrease in property taxes due to the amount available for advance (see page 7 for more information). State and federal revenues increased from the prior year due to increased foundation funding received from the State as the State released its new budget. Interest revenues increased from 2023 due to increased rates on the District's investments. Tuition revenues saw an increase due to an increase in open enrollment for the fiscal year. Extracurricular revenue increased due to increased student participation in programs and miscellaneous revenues increased due to increased contributions and donations received by the District to fund new projects.

Expenditure had a net increase of approximately \$7,696 as inflation impacted the District. Instruction expenditures increased due to normal salary and benefit increases. Pupil support services increased due to increased cost of supporting students. Instruction staff support expenditures increased as supply costs rose. Board/administration/fiscal expenditures rose due to normal salary and benefit increases for administrative and fiscal offices employees as well as increases in supplies for the District's administrative offices. Operations and maintenance increased due to increased routine maintenance projects done by the District. Facilities acquisition and construction expenditures increased as a result of the District upgrading several buildings' HVAC units.

## OUR REVENUES AND RESOURCES FY24

Where the General Fund money comes from.



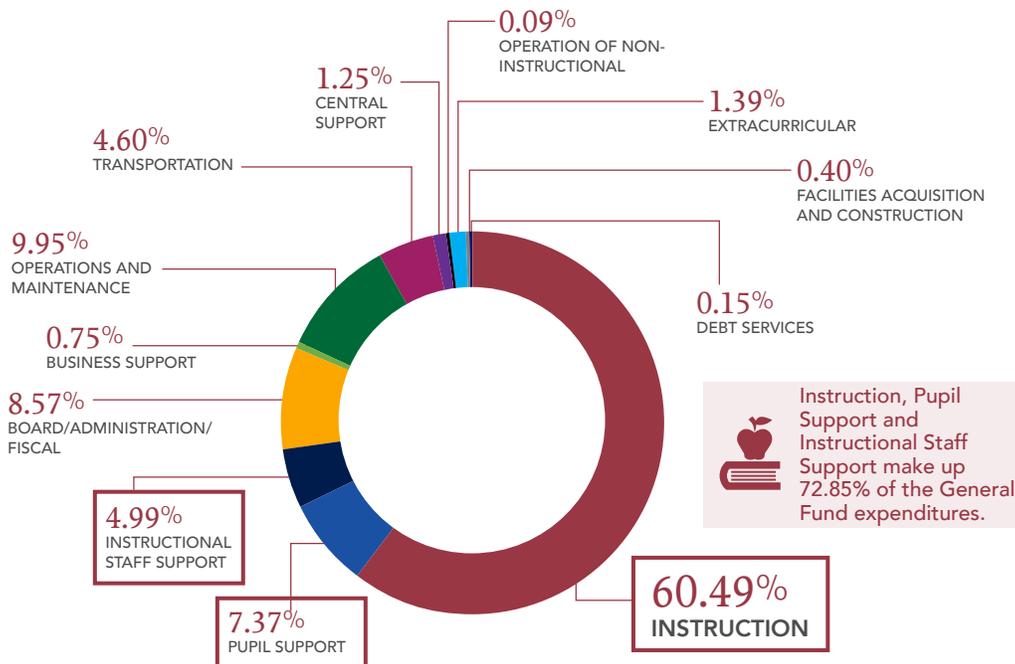
**\$88,022 TOTAL**

REVENUES & RESOURCES (shown in thousands)



## OUR EXPENDITURES AND SERVICES FY24

Where the General Fund Money goes.



 Instruction, Pupil Support and Instructional Staff Support make up 72.85% of the General Fund expenditures.

**\$85,410 TOTAL**

EXPENDITURES & SERVICES (shown in thousands)

### REVENUES & RESOURCES OVER EXPENDITURES & SERVICES

2024  
\$2,612

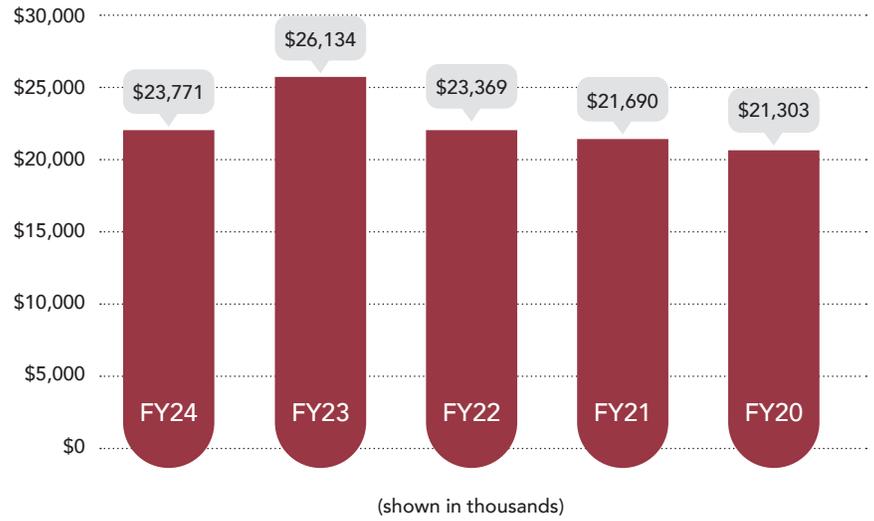
2023  
\$6,571

2022  
\$3,566

2021  
\$2,450

## PROPERTY TAXES

The graph to the right depicts the amount of revenues received by the District's General Fund from real and personal property taxes. Property taxes provide a majority of the local revenue to operate and maintain our schools. The district receives property taxes from Licking County. Property taxes on a GAAP-basis fluctuate based on the amount available for advance from the County Auditor at June 30. This amount can vary based on when property tax bills are sent to residents and businesses. The amount available for advance from the County Auditor is for amounts collected for the second half property tax bill due in July that are received before the end of the fiscal year. The amounts available for advance received by the District in FY24, FY23, and FY22 were (in thousands) \$1,556, \$4,701, and \$1,719, respectively.



## STATE FUNDING

The graph to the right depicts the revenues for the District's General Fund from the State of Ohio. Monies received from the state are critical in running a fiscally solvent school district. The two primary components of State revenues are (1) State Foundation payments, which is calculated based on a formula using student enrollment (the District continues to be underfunded from the formula by the State) and (2) property tax allocations which include Homestead and Rollback payments which represent the portion of the tax bill paid by the State instead of the taxpayer. For FY24, the State released the new State budget which significantly reduced foundation funding to School District's.



## UNBUNDLING THE TAX RATE

Tax rates for the District, except inside millage, are reduced as valuations increase (Bond rates are adjusted to match debt payments). In accordance with House Bill 920, as property valuations increase during the triennial update and reappraisal periods, the voted millage is reduced. The result is that voted millage generates the same amount of tax revenue for the District as was received when each levy was initially approved by the voters (small growth is realized for new construction). The chart below shows the difference in the District's "Gross" or voted tax rates, as compared to the "Effective" rates, which are what is being collected. The rates below are for the 2023 tax year, collected in 2024.

## TAX BURDEN ON HOMEOWNERS

TYPE	GROSS RATE	EFFECTIVE RATE	LENGTH APPROVED
Inside – Operating	4.1	4.1	Permanent
Voted – Operating	27.8	20.3	Permanent
Permanent Improvement	2.9	1.06	Permanent
Bond Retirement	3.00	3.00	Various
<b>Total Rates</b>	<b>37.80</b>	<b>28.46</b>	

## ASSESSED VALUE ON REAL PROPERTY

COLLECTION YEAR	AGRICULTURAL/RESIDENTIAL AND OTHER REAL ESTATE	PUBLIC UTILITY PERSONAL PROPERTY	TOTAL
2024	\$1,298,511,065	\$61,426,950	\$1,359,938,015
2023	\$945,035,941	\$55,519,550	\$1,000,555,491
2022	\$941,527,742	\$51,500,490	\$993,028,232
2021	\$937,572,944	\$45,569,690	\$983,142,634
2020	\$811,503,418	\$42,993,230	\$854,496,648

## OTHER DEMOGRAPHIC INFORMATION

Unemployment Rate	3.8%
Population	50,062
Per Capita Income	\$30,791



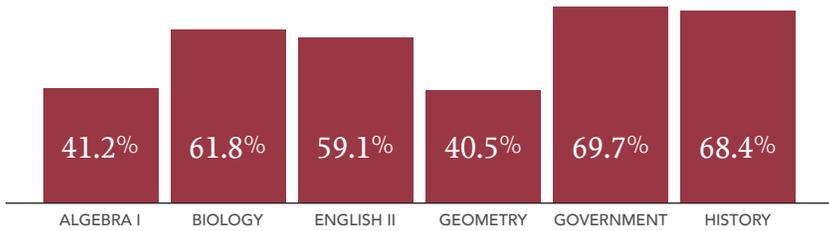
## OUTSTANDING DEBT AT YEAR END

The chart below captures the District's long-term bonds, notes, and leases outstanding. The bonds and notes were issued for construction and/or renovation of school buildings. The lease obligations were for the acquisition of copier equipment.

OUTSTANDING DEBT <i>(shown in thousands)</i>	2024	2023	2022	2021
General Obligation Bonds	\$32,682	\$36,211	\$39,686	\$42,929
SBITA Obligations	\$319	\$35	-	-
Lease Obligations	\$122	\$180	\$250	\$616
<b>Total Debt</b>	<b>\$33,123</b>	<b>\$36,426</b>	<b>\$39,936</b>	<b>\$42,929</b>

## STUDENT PERFORMANCE

2023-2024 percentage of High School students who passed End of Course Exams



# THE NUMBERS BEHIND NEWARK CITY SCHOOLS



### TEACHING STAFF

<b>256</b>	K-5
<b>105</b>	6-8
<b>145</b>	9-12



### ENROLLMENT

<b>254</b>	Pre-K
<b>2,740</b>	K-5
<b>1,227</b>	6-8
<b>1,557</b>	9-12
<b>160</b>	Other

### TOTAL ENROLLMENT



<b>5,938</b> FY24	<b>5,982</b> FY23	<b>6,093</b> FY22	<b>6,157</b> FY21	<b>6,580</b> FY20
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### SQUARE FOOTAGE MAINTAINED

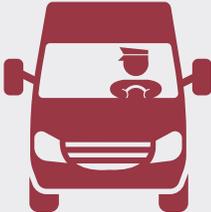
**1,337,644**

### BUS TRANSPORT

<b>55</b>	TOTAL ROUTES
<b>3,022</b>	TOTAL ASSIGNED RIDERS
<b>1,828</b>	TOTAL ACTUAL DAILY RIDERS
<b>1,965</b>	TOTAL DAILY MILES
<b>353,700</b>	TOTAL ANNUAL MILEAGE



### VAN TRANSPORT



<b>10</b>	TOTAL VAN ROUTES
<b>34</b>	TOTAL ASSIGNED RIDERS
<b>496</b>	MILES DRIVEN DAILY
<b>89,644</b>	MILES DRIVEN YEARLY

