

**CITY OF NEWARK
LICKING COUNTY
SINGLE AUDIT
JANUARY 1, 2024 – DECEMBER 31, 2024**





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Columbus, Ohio 43215
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800-282-0370

City Council
City of Newark
40 West Main Street
Newark, Ohio 43055

We have reviewed the *Independent Auditor's Report* of the City of Newark, Licking County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2024 through December 31, 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 City of Newark is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

A handwritten signature in black ink that reads "Tiffany L. Ridenbaugh".

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

December 23, 2025

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**CITY OF NEWARK
LICKING COUNTY**

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City of Newark
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal ALN	Passed Through to Subrecipients	Disbursements
U.S. Department of Housing and Urban Development				
<i>Direct from the Federal Government:</i>				
Community Development Block Grants/Entitlements Grants				
Community Development Block Grant	B-20-MC-39-0024	14.218	\$ -	\$ 24,952
Community Development Block Grant	B-21-MC-39-0024	14.218	-	53
Community Development Block Grant	B-22-MC-39-0024	14.218	-	29,092
Community Development Block Grant	B-23-MC-39-0024	14.218	204,422	549,128
Total Community Development Block Grants			<u>204,422</u>	<u>603,225</u>
<i>Passed through the Ohio Department of Development Services Agency:</i>				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				
COVID-19 - Community Development Block Grant - CARES ACT	B-20-MW-39-0024	14.228	-	117,779
Total U.S. Department of Housing and Urban Development			204,422	721,004
U.S. Department of Transportation				
<i>Federal Highway Administration</i>				
<i>Passed through the Ohio Department of Transportation:</i>				
Highway Planning and Construction	PID 104786	20.205	-	80,336
Highway Planning and Construction	PID 104789	20.205	-	134,399
Highway Planning and Construction	PID 109931	20.205	-	8,247
Highway Planning and Construction	PID 87642	20.205	-	79,864
Total Highway Planning and Construction			<u>-</u>	<u>302,846</u>
<i>Passed through the Ohio Department of Public Safety:</i>				
State and Community Highway Safety Grant	IDEP/STEP-2023-00038	20.600	-	5,210
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	IDEP/STEP-2023-00038	20.608	-	6,469
Total U.S. Department of Transportation			-	314,525
U.S. Department of Treasury				
<i>Passed through the Ohio Department of Public Safety:</i>				
COVID-19 - ARPA Responder First Responder Incentive	N/A	21.027	-	260,999
<i>Direct Assistance:</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	N/A	21.027	-	2,130,797
<i>Passed Through Ohio Department of Development:</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	DEV-2021-181449	21.027	-	3,323,264
Total Coronavirus State and Local Fiscal Recovery Funds			<u>-</u>	<u>5,715,060</u>
Total U.S. Department of Treasury			-	5,715,060
U.S. Department of Criminal Justice				
<i>Passed through the Ohio Department of Public Safety:</i>				
Edward Byrne Memorial Justice Assistance Grant	2018-JG-LLE-5958	16.738	-	15,142
Total U.S. Department of Criminal Justice			-	15,142
United States Environmental Protection Agency				
<i>Direct from the Federal Government:</i>				
Brownfields Assessment and Cleanup Cooperative Agreements	N/A	66.818	-	152,849
Total United States Environmental Protection Agency			-	152,849
Total Federal Expenditures			\$ 204,422	\$ 6,918,580

See accompanying notes to the schedule of federal awards expenditures.

**CITY OF NEWARK
LICKING COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Newark, Licking County (the City) under programs of the federal government for the year ended December 31, 2024. 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 City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent (or 15-percent, if applicable) de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE E – SUBRECIPIENTS

The City passes certain federal awards received directly from the Federal Government to other governments or not-for-profit agencies (subrecipients). As Note B describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a pass-through entity, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS**

City of Newark
Licking County
40 West Main Street
Newark, Ohio 43055

To the City Council:

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Newark, Licking County, (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 25, 2025. We noted the City adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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.

City of Newark
Licking County
Independent Auditor's Report on Internal Control Over Financial
Reporting and On Compliance and Other
Matters Required By *Government Auditing Standards*
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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilson, Shumaker & Snow, Inc.

Newark, Ohio
June 25, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED
BY UNIFORM GUIDANCE**

City of Newark
Licking County
40 West Main Street
Newark, Ohio 43055

To the City Council:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Newark's (the City) 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 the City's major federal program for the year ended December 31, 2024. The City's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the City of Newark complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 City 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 its major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The City's 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 City's federal programs.

City of Newark
Licking County

Independent Auditor's Report on Compliance With Requirements
Applicable to the Major Federal Program and On Internal Control
Over Compliance And the Schedule of Expenditures of
Federal Awards Required by Uniform Guidance

Page 2

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 City'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 GAAS, *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 City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *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 City'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 City'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 City'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 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.

City of Newark
Licking County

Independent Auditor's Report on Compliance With Requirements
Applicable to the Major Federal Program and On Internal Control
Over Compliance And the Schedule of Expenditures of
Federal Awards Required by Uniform Guidance

Page 3

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.

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 this 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, the business-type activities, each major fund and the aggregate remaining fund information of the City of Newark (the City) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 25, 2025, which contained unmodified opinions on those financial statements, wherein we noted the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's 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. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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.

Wilson, Shannon & Snow, Inc.

Newark, Ohio
June 25, 2025

**CITY OF NEWARK
LICKING COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515**

DECEMBER 31, 2024

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	COVID-19 Coronavirus State and Local Fiscal Recovery Funds/ALN 21.027
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

City of Newark, Ohio

Licking County



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2024

CITY OF NEWARK, OHIO



CITY OF NEWARK, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2024**

Prepared by the Auditor's Office

Ryan T. Bubb
City Auditor

CITY OF NEWARK, OHIO



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LICKING COUNTY, OHIO**

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INTRODUCTORY SECTION





CITY OF NEWARK

40 West Main Street • Newark, Ohio 43055
Ryan T. Bubb, City Auditor

Phone: (740) 670-7560 Email: Rbubb@newarkohio.net

June 25, 2025

To The Members of City Council and
All Citizens of the City of Newark, Ohio

We are pleased to submit for your review the Annual Comprehensive Financial Report of the City of Newark, Ohio for the year ended December 31, 2024. This report has been prepared in accordance with accounting principles generally accepted in the United States of America, established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Newark (the "City") to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects; is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and presents all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

Accounting principles generally accepted in the United States of America (GAAP) require 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). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Newark's MD&A can be found immediately following the report of the independent auditor.

The Reporting Entity:

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 14, *"The Financial Reporting Entity,"* in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the reporting entity of the City has no component units but includes the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system, and a storm water collection system, each of which is reported as an enterprise fund.

CITY OF NEWARK, OHIO

Letter of Transmittal For the Year Ended December 31, 2024

Form of Government:

Statutory

Along with being the County Seat, Newark is a charter Mayor-Council form of government as prescribed by the Newark City Charter and Title Seven of the Ohio Revised Code. Newark's government was incorporated in 1826. The City is divided into seven wards with 47 election precincts. The City Council consists of one council person from each ward, plus three council persons at-large and a council president elected at-large. All serve four year terms. Elected officials serving four year terms are the Mayor, Law Director, Auditor and Treasurer. The Safety, Service and Economic Development Directors are appointed by the Mayor and serve at the pleasure of the Mayor. The Human Resources Director is appointed by the Mayor and is a classified employee.

City Charter

The Newark City Charter was approved by the voters in November of 1997 and became effective January 1, 1998. The Charter was amended in November 2002, 2007, 2012 and again in 2017. Some highlights of the Charter are as follows:

- ❖ Department of Economic Development established.
- ❖ Certain bidding requirements were altered.
- ❖ City council's term of office adjusted from two year to four year term.
- ❖ Residence requirements for safety forces.
- ❖ Auditor and Law Director added to Board of Control.
- ❖ Standards for open meetings and information access.
- ❖ Police Chief and Fire Chief recruitment outside departments is now allowed.
- ❖ Human Resources Director is a classified employee.

Location:

Newark is located in the central part of the state, approximately 33 miles east of Columbus, the state capital. Its 22.30 square mile area serves a residential population of 62,590. The City's elevation is approximately 830 feet above sea level. Its median temperatures are 75 degrees in summer and 30.2 degrees in winter. State highways 79, 13 and 16 serve as the City's major transportation arteries. The City is also served by the east-west interstate highway I-70 which lies approximately 9 miles to the south.

CITY OF NEWARK, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

As part of the Columbus metropolitan area, in particular, its closeness to John Glenn Columbus International Airport (located on Columbus' far east side), offers flights to all points and places making the City of Newark in a very favorable position. Newark is close to a region of rapidly expanding business and industry, close to excellent transportation facilities and the governmental center of Ohio.

Newark is the home of the Historic Moundbuilders State Memorial Park, known for its prehistoric Indian lore and featuring an Ohio Indian art museum. The historic Midland Theatre also calls Newark home offering many concerts and events throughout the year.

The Licking County Courthouse is located in the public square in downtown Newark. A variety of outdoor events are centered around the historic courthouse each year. At Christmas, the courthouse is a magnificent display of holiday splendor which has been featured on several magazine covers. The Canal Market District provides a setting for various functions including a twice weekly farmers market running from May through October. The new renovated Arcade has 14 new businesses with an 75 new employees by this fall.

Our public high school is Newark High School. Students also have the ability to attend C-TEC which offers Technical training. Adult education is also offered at C-TEC. As an alternative to public education, Newark has two parochial elementary schools and one high school.

The Newark Branch of Ohio State University is the largest remote branch location offering Associate and Bachelor Degrees.

Municipal Services:

The City of Newark provides a variety of services including police and fire protection, emergency medical service, planning and engineering, zoning, code enforcement, street maintenance, traffic control, parks and recreation, property maintenance, cemetery and community development and general administrative services. The City does not operate hospitals or schools, nor is it responsible for public assistance programs.

The City also operates three enterprise activities: water treatment and distribution, wastewater collection and treatment, and storm water collection. Funds from these enterprises are set up in accounts for the operation of these facilities. The facilities are operated in a manner similar to a private business. It is the mission of the City that the costs of providing these services to business, industry and the general public on a permanent basis be financed or recovered primarily through user fees.

The enterprise activities are not subject to rate review or determination by the Public Utilities Commission of Ohio or any similar regulatory body. The City Council has the necessary authority to establish and amend appropriate user rates as required. The rates are reviewed on an on-going basis to insure their adequacy. The City Council exercises sole authority regarding the frequency and amount of rate change for these services.

CITY OF NEWARK, OHIO

Letter of Transmittal* *For the Year Ended December 31, 2024

ECONOMIC OUTLOOK

Local Economy:

The Newark-Licking County area continues to benefit from a stable economy. Several industrial parks in close proximity to Newark provide employment opportunities for residents in and around Newark and neighboring communities within the borders of Licking County. The Licking County region is close to post bulk mail centers and package delivery air hubs.

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. Newark and Licking County have been noted for their diversity of industry and business. During both strong and slow economic periods the area has not experienced wide variations in its economic indicators. The community has been fortunate to have experienced a steady economy along with a lower unemployment rate.

Very positive impacts occurring at The Central Ohio Aerospace and Technology Center:

- 14 Employers had employment level increases and nine companies experienced double-digit increases in employment.
- A combined \$137 million payroll, for a \$75,000+ annual average.
- At least one in six jobs are engineering-related or STEM fields.
- 11 Spec buildings in 11 years. A new 30,000 sq ft is industrial building is under construction.

Intel Announcement: Newark hosted the nationally-historic announcement on January 21, 2022 of Intel's \$20 billion manufacturing investment slated to open in Licking County in 2025. The Intel news is the most significant announcement of a business development project in Ohio's history and is slated to be just 20 miles east of Newark. It could grow to \$100 billion in 10 years. The original two fabs are expected to add 3,000 direct jobs and could grow to 10,000 jobs. Economists have predicted that Intel could bring a five-fold multiplier effect meaning the initial investment could yield another 15,000 jobs to the area.

Newark's Arcade building is currently undergoing a multimillion dollar renovation. This is bringing the unique Arcade building back to life as a multi-house housing, retail, and entertainment complex in downtown Newark.

New housing is occurring in the following areas: Conor's Path Edition on Horns Hill Rd, Arbor Ct, along with Newark's west side near Thornwood Drive.

Redevelopment of the former Westinghouse now known as The Newark Station.

CITY OF NEWARK, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

Licking Memorial Hospital is Newark's largest employer and offers a wide array of medical services.

Manufacturing continues to be a dominant part of Newark's economic base with Anomatic, Owens Corning, and Universal Veneer standing out. Anomatic, a large manufacturer employer in Newark, produces anodized aluminum products. Owens Corning has retained employment and invested in a new 750,000 square foot. distribution center in nearby Heath. PCA acquired 75+ acres in Newark with plans to expand its Newark plant by 6X. PCA's plant has been in Newark for 70+ years. Newark is at the northern end of the largest manufacturing corridor in Central Ohio.

Unemployment Rates:

The Ohio Bureau of Employment Services does not maintain statistics for the City of Newark, but unemployment within the City was estimated to be 3.6%.

Employee Relations:

The City of Newark negotiates contracts with three employee bargaining units. These groups consist of Local 109 of the International Association of Firefighters, Lodge 12 of the Licking County Fraternal Order of Police, and the American Federation of State, County and Municipal Employees (AFSCME) Local 2963 Ohio Council 8, AFL-CIO, Non Union consists of the following: Non Bargaining, Management and Supervisory, Administrative/Technical, and Police/Fire Chiefs. Current contracts with AFSCME and Fire Unions cover the years 2023 through 2025. The FOP covers years 2024 – September 2027.

MAJOR INITIATIVES

During 2024, continuing efforts were made to upgrade services and improve the quality of life for the citizens of Newark through the following projects:

Infrastructure Improvements:

Newark continues to modernize as a new bridge at Thornwood Crossing will begin construction by the City in 2023 that connects the four-lane 161/16 Corridor to the Thornwood Corridor.

Part of S. 2nd Street is undergoing complete rebuild, changing the traffic flows. Additionally, improved streetscapes are being constructed along with Biosales greatly assisting with storm water runoff. This project will eliminate combined sanitary and storm sewers. The project is continuing to include other downtown streets.

A roundabout was finished at Waterworks and Horns Hill Roads. This has vastly improved traffic flow to the numerous businesses, schools, and residences.

Various improvements continue at the water and waste water plants, including the Licking River Interceptor project that will prevent overflow at the waste water facility.

CITY OF NEWARK, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

Parks and Recreation

Throughout 2024, Parks and Recreations throughout the City continued to evolve. Over 1,200 baseball games were played at Don Edwards Park bringing many overnight stays to our City. Trout and Catfish Derby Tournaments were held at TJ Evans. Northpoint Dive Quarry at TJ Evans continues to be a major attraction for diving and law enforcement instruction. Also, at TJ Evans, 5 shelter houses continued to be offered to the public. Everett Park hosted 2 skateboard tournaments and is used on an almost daily basis. A disc golf course at TJ Evans attracts numerous guests during the year. Also, at Everett Park, you will find The Civil Air Patrol headquarters and a dog park. Canal Market hosts Farmers Markets and Private Events throughout the Spring, Summer, and Fall. A winter Farmers market occurs at the Historic New Arcade. The Historic Licking County Jail brings many visitors to our City during the Fall for its haunted house..

Long-Term Financial Planning

During fiscal year 2007 the City began charging for EMS transport services. Legislation has been passed and amended mandating that 8% of the proceeds be set aside in reserve to provide stability to the City's General Fund with an additional 20% of the proceeds being earmarked and credited to the City's Capital Improvement Fund, 9% for EMS vehicles, and 37% allocated to acquisition of real property and construction along with maintenance of facilities and stations. As a result of these fees, the City has been able to increase the number of firefighters and medics and has been able to increase the replacement of EMS transport vehicles.

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CITY OF NEWARK, OHIO

Letter of Transmittal
For the Year Ended December 31, 2024

FINANCIAL INFORMATION

Internal Control, Budgetary Control and the Accounting System:

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and members of the finance office.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions. The City Auditor's Office is responsible for the auditing and analysis of all purchase orders and vouchers of the City. The Auditor's Office personnel review the purchase orders and vouchers very carefully to ensure the availability of monies in the proper funds and accounts prior to certification and payment of approved invoices. The City utilizes a fully automated accounting system, as well as an automated system of controls for capital asset accounting and payroll. These systems coupled with the review and examination performed by the City Auditor's Office ensures that the financial information generated is both accurate and reliable.

Budgetary control is maintained at the classification level for each function within each fund by legislation approved by City Council. The various objects are:

* Personnel services * All others

CITY OF NEWARK, OHIO

Letter of Transmittal ***For the Year Ended December 31, 2024***

Lower levels within each object are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations at year end return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year which coincides with the calendar year.

OTHER INFORMATION

Independent Audit:

The basic financial statements of the City of Newark were audited by Wilson, Shannon and Snow Inc. The independent Auditor's unmodified opinion has been included in this report.

Awards:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Newark, Ohio for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents satisfy all program standards. The report must satisfy both accounting principles generally accepted in the United States of America (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. The City of Newark has received a certificate of Achievement for thirty-three consecutive years (1991 - 2023). We believe this current report continues to conform to the Certificate of Achievement for Excellence in Financial Reporting program requirements and are submitting it to the GFOA.

Public Disclosure:

The publication of this Annual Comprehensive Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Newark, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

CITY OF NEWARK, OHIO

Letter of Transmittal
For the Year Ended December 31, 2024

Acknowledgments:

This report is a culmination of many hours of concentrated work on the part of the City Auditor's Office staff and a number of dedicated city employees and associates.

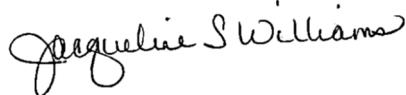
We also express our sincere appreciation to Donald J. Schonhardt and Associates, Inc. for their professional manner, expertise and countless hours of consultation in completing this annual financial report for the citizens of this community.

Finally, special thanks to the members of City Council and the City Administration, whose support is necessary for the City of Newark to conform to reporting requirements established for municipal governments. By doing so, the City has been able to maintain the sound financial position it has enjoyed for many years.

Respectfully,



Ryan T. Bubb
City Auditor



Jacqueline S. Williams
Accounting Manager



James A. Weisent
Deputy City Auditor

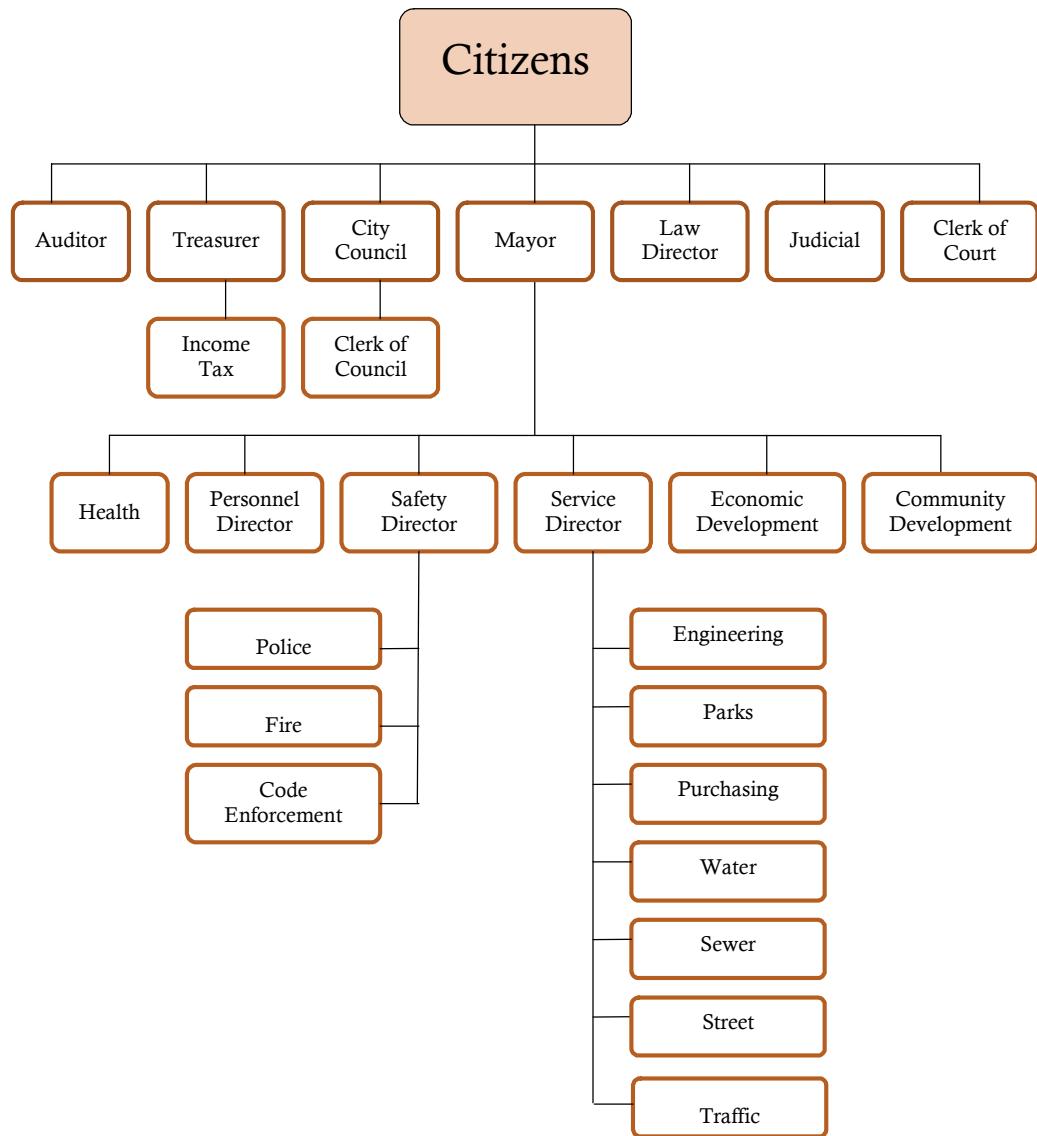
CITY OF NEWARK, OHIO

List of Principal Officials
For the Year Ended December 31, 2024

NAME	TITLE	TERM OF OFFICE
Jeff Hall	Mayor	01/01/23 to 12/31/27
Ryan T. Bubb	Auditor	01/01/23 to 12/31/27
Matt George	Judge	01/01/20 to 12/31/25
David Stansbury	Judge	01/01/24 to 12/31/29
Tricia Moore	Law Director	01/01/23 to 12/31/27
Bradley Feightner	Treasurer	01/01/22 to 12/31/25
Jeff Harris	President of Council	01/01/24 to 12/31/27
Bradley Chute	Council-at-Large	01/01/24 to 12/31/27
Dustin Neeley	Council-at-Large	01/01/24 to 12/31/27
Bill Cost Jr.	Council-at-Large	01/01/24 to 12/31/27
Michael Houser	Council 1st Ward	01/01/22 to 12/31/25
Beth Bline	Council 2nd Ward	01/01/22 to 12/31/25
Jeff Rath	Council 3rd Ward	01/01/22 to 12/31/25
Mark Labutis	Council 4th Ward	01/01/22 to 12/31/25
Spencer Barker	Council 5th Ward	01/01/22 to 12/31/25
Douglas Marmie	Council 6th Ward	01/01/22 to 12/31/25
Colton Rine	Council 7th Ward	01/01/22 to 12/31/25
Marcia Phelps	Clerk of Court	01/01/20 to 12/31/26

CITY OF NEWARK, OHIO

City Organizational Chart For the Year Ended December 31, 2024



CITY OF NEWARK, OHIO

Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting



Government Finance Officers Association

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

Presented to

**City of Newark
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

City of Newark
Licking County
40 West Main Street
Newark, Ohio 43055

To the City Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Newark, Licking County, Ohio (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Newark, Licking County, Ohio as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and American Rescue Plan Act funds for the year then ended in accordance with the 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 (GAAS) 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 City, 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.

Emphasis of Matter

As discussed in Note 2 to the basic financial statements, during 2024, the City adopted new accounting guidance in the Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

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.

City of Newark
Licking County
Independent Auditor's Report

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 City'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 GAAS 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 GAAS 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 City'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 City'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, and schedules of net pension and other post-employment benefit liabilities/assets and pension and other post-employment benefit contributions 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

City of Newark
Licking County
Independent Auditor's Report

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 City's basic financial statements. The 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 financial 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 June 25, 2025, on our consideration of the City's internal control over financial reporting and 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 City'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 City's internal control over financial reporting and compliance.

Wilson, Shumma & Snow, Inc.

Newark, Ohio
June 25, 2025



CITY OF NEWARK, OHIO

***Management's Discussion and Analysis* For the Year Ended December 31, 2024**

Unaudited

This discussion and analysis of the City of Newark's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2024. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2024 are as follows:

- In total, net position increased \$15,490,280. Net position of governmental activities increased \$5,438,802, or 10% from 2023. Net position of business-type activities increased \$10,051,478 or 17% from 2023.
- General revenues accounted for \$42,217,313 in revenue or 46% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$49,551,467, or 54% of total revenues of \$91,768,780.
- The City had \$57,035,211 in expenses related to governmental activities; only \$20,234,004 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$42,140,009 were adequate to provide for these programs.
- Among major funds, the general fund had \$46,181,858 in revenues and other financing sources and \$46,450,554 in expenditures and other financing uses. The general fund's fund balance decreased from \$12,838,523 to \$12,569,827.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplemental information*, and an optional section that presents *combining and individual statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

CITY OF NEWARK, OHIO

Management's Discussion and Analysis ***For the Year Ended December 31, 2024***

Unaudited

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred outflows/inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position is one way to measure the City's financial health.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- Governmental Activities – Most of the City's program's and services are reported here including security of persons and property, leisure time activities, public health and welfare services, community environment, transportation and general government.
- Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water, sewer, and storm water services are reported as business-type activities.

Fund Financial Statements

Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole.

Governmental Funds – Most of the City'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 statements provide a detailed short-term view of the City'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 programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. The proprietary fund financial statements provide separate information for the Water, Sewer, and Storm Water funds, each of which are considered major funds.

CITY OF NEWARK, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The following table provides a summary of the City's net position for 2024 compared to 2023.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$70,737,375	\$53,934,023	\$21,420,165	\$20,630,605	\$92,157,540	\$74,564,628
Net OPEB Asset	437,584	0	199,892	0	637,476	0
Capital Assets, Net	103,795,820	97,528,475	163,585,918	150,558,831	267,381,738	248,087,306
Total Assets	174,970,779	151,462,498	185,205,975	171,189,436	360,176,754	322,651,934
Deferred Outflows of Resources	20,379,685	23,073,438	2,067,149	3,287,040	22,446,834	26,360,478
Net Pension Liability	56,877,203	55,690,138	5,731,367	6,756,184	62,608,570	62,446,322
Net OPEB Liability	3,350,147	3,421,503	0	146,570	3,350,147	3,568,073
Other Long-term Liabilities	44,383,029	30,414,777	109,595,517	99,508,252	153,978,546	129,923,029
Other Liabilities	17,853,284	14,635,794	3,028,505	8,929,182	20,881,789	23,564,976
Total Liabilities	122,463,663	104,162,212	118,355,389	115,340,188	240,819,052	219,502,400
Deferred Inflows of Resources	10,629,927	11,712,951	147,444	48,342	10,777,371	11,761,293
Net Position						
Net Investment in Capital Assets	69,468,655	70,344,843	57,875,408	48,699,388	127,344,063	119,044,231
Restricted	19,092,498	14,477,202	199,892	0	19,292,390	14,477,202
Unrestricted	(26,304,279)	(26,161,272)	10,694,991	10,388,558	(15,609,288)	(15,772,714)
Total Net Position	\$62,256,874	\$58,660,773	\$68,770,291	\$59,087,946	\$131,027,165	\$117,748,719

The net pension liability (NPL) is reported by the City pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net OPEB liability (NOL) is reported by the City pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City'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.

Governmental Accounting Standards Board 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*.

CITY OF NEWARK, OHIO

***Management's Discussion and Analysis* For the Year Ended December 31, 2024**

Unaudited

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 City'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 City 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 City'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.

CITY OF NEWARK, OHIO

Management's Discussion and Analysis
For the Year Ended December 31, 2024

Unaudited

Change in Net Position – The following table shows the change in net position for 2024 compared with 2023:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues:						
Charges for Services and Sales	\$6,994,652	\$5,688,403	\$23,643,359	\$21,947,541	\$30,638,011	\$27,635,944
Operating Grants and Contributions	7,149,811	10,953,213	0	37,500	7,149,811	10,990,713
Capital Grants and Contributions	6,089,541	2,701,172	5,674,104	6,034,860	11,763,645	8,736,032
Total Program Revenues	20,234,004	19,342,788	29,317,463	28,019,901	49,551,467	47,362,689
General Revenues:						
Property Taxes	5,350,548	3,964,695	0	0	5,350,548	3,964,695
Income Taxes	30,687,811	29,588,501	0	0	30,687,811	29,588,501
Other Local Taxes	607,053	626,148	0	0	607,053	626,148
Intergovernmental, Unrestricted	2,360,677	2,132,603	0	0	2,360,677	2,132,603
Investment Earnings	2,487,818	2,978,659	77,304	42,529	2,565,122	3,021,188
Miscellaneous	646,102	696,974	0	0	646,102	696,974
Total General Revenues	42,140,009	39,987,580	77,304	42,529	42,217,313	40,030,109
Total Revenues	62,374,013	59,330,368	29,394,767	28,062,430	91,768,780	87,392,798
Program Expenses						
Security of Persons and Property	27,911,503	26,817,842	0	0	27,911,503	26,817,842
Leisure Time Activities	1,148,724	1,220,988	0	0	1,148,724	1,220,988
Community Environment	1,675,503	1,898,035	0	0	1,675,503	1,898,035
Public Health and Welfare Services	320,685	217,016	0	0	320,685	217,016
Transportation	5,807,042	5,692,765	0	0	5,807,042	5,692,765
General Government	18,569,859	17,857,924	0	0	18,569,859	17,857,924
Interest on Long Term Debt	1,601,895	1,051,589	0	0	1,601,895	1,051,589
Water	0	0	7,955,857	8,114,720	7,955,857	8,114,720
Sewer	0	0	8,399,504	8,936,187	8,399,504	8,936,187
Storm Water	0	0	2,887,928	3,053,630	2,887,928	3,053,630
Total Expenses	57,035,211	54,756,159	19,243,289	20,104,537	76,278,500	74,860,696
Change in Net Position Before Transfers	5,338,802	4,574,209	10,151,478	7,957,893	15,490,280	12,532,102
Transfers	100,000	0	(100,000)	0	0	0
Total Change in Net Position	5,438,802	4,574,209	10,051,478	7,957,893	15,490,280	12,532,102
Beginning Net Position - Restated	56,818,072	54,086,564	58,718,813	51,130,053	115,536,885	105,216,617
Ending Net Position	\$62,256,874	\$58,660,773	\$68,770,291	\$59,087,946	\$131,027,165	\$117,748,719

Governmental Activities

Governmental activities net position increased \$5,438,802, or 10%. A decrease in operating grants can be attributed to a decrease in State and Local Fiscal Recovery funding received as part of the American Rescue Plan Act. An increase in capital grants was the result of contributions received for construction of a parking garage and other various infrastructure improvements. An increase in property tax revenue can be attributed to an increase in the assessed value of property.

An increase in expenses can be attributed to an overall increase in the cost of goods and services.

CITY OF NEWARK, OHIO

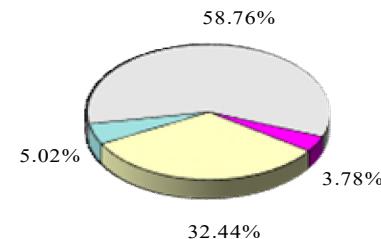
Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

The City receives an income tax, which is based on 1.75% of all salaries, wages, commissions and other compensation and on net profits earned from residents living within the City.

Income taxes and property taxes made up 49% and 9% respectively of revenues for governmental activities in 2024. The City's reliance upon tax revenues is demonstrated by the following graph indicating 59% of total revenues from general tax revenues:

Revenue Sources	2024	Percent of Total
General Tax Revenues	\$36,645,412	58.76%
Intergovernmental, Unrestricted	2,360,677	3.78%
Program Revenues	20,234,004	32.44%
General Other	3,133,920	5.02%
Total Revenue	<u><u>\$62,374,013</u></u>	<u><u>100.00%</u></u>



Business-Type Activities

Net position of business-type activities increased \$10,051,478. This represents a 17% change from the previous year. An increase in charges for services can mostly be attributed to rate increases in water and sewer. Capital grants and contributions included State funding for water and sewer line improvements. Expenses were consistent with the prior year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City's governmental funds reported a combined fund balance of \$40,839,712, which is an increase from last year's balance of \$27,349,426. The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2024 and 2023:

	Fund Balance December 31, 2024	Fund Balance December 31, 2023	Increase (Decrease)
General	\$12,569,827	\$12,838,523	(\$268,696)
American Rescue Plan Act	0	0	0
Capital Improvement	10,692,815	643,303	10,049,512
Other Governmental	17,577,070	13,867,600	3,709,470
Total	<u><u>\$40,839,712</u></u>	<u><u>\$27,349,426</u></u>	<u><u>\$13,490,286</u></u>

General Fund – The City's General Fund balance change is due to several factors. The tables that follow assist in illustrating the financial activities of the General Fund:

CITY OF NEWARK, OHIO

**Management's Discussion and Analysis
For the Year Ended December 31, 2024**

Unaudited

	2024 Revenues	2023 Revenues	Increase (Decrease)
Taxes	\$35,105,376	\$32,672,932	\$2,432,444
Intergovernmental Revenues	2,430,543	2,309,307	121,236
Charges for Services	4,430,932	3,931,784	499,148
Licenses, Permits and Fees	69,695	58,446	11,249
Investment Earnings	2,203,003	2,796,894	(593,891)
Fines and Forfeitures	1,287,310	1,191,637	95,673
All Other Revenue	252,855	393,233	(140,378)
Total	<u><u>\$45,779,714</u></u>	<u><u>\$43,354,233</u></u>	<u><u>\$2,425,481</u></u>

General Fund revenues increased \$2,425,481, or 6% when compared with the previous year. An increase in taxes was the result of an increase in both income taxes and property taxes. The increase in property tax was due to an increase in the assessed value of property while the increase in income taxes can be attributed to improving economic conditions. An increase in charges for services was the result of EMS service charges. A decrease in investment earnings was the result of changes in the fair value of investments.

	2024 Expenditures	2023 Expenditures	Increase (Decrease)
Security of Persons and Property	\$23,274,801	\$21,529,467	\$1,745,334
Leisure Time Activities	1,057,920	1,137,532	(79,612)
Community Environment	612,052	648,157	(36,105)
Transportation	29,903	5,269	24,634
General Government	13,935,164	13,436,544	498,620
Debt Service:			
Principal Retirement	80,674	77,118	3,556
Interest and Fiscal Charges	7,647	11,203	(3,556)
Total	<u><u>\$38,998,161</u></u>	<u><u>\$36,845,290</u></u>	<u><u>\$2,152,871</u></u>

General Fund expenditures increased \$2,152,871, or approximately 6%. Increases in both security of persons and property and general government can be attributed to higher salaries and benefits following new collective bargaining agreements as well as an overall increase in the cost of goods and services.

American Rescue Plant Act Fund – The City reported the expenditure of \$2,081,017 in State and Local Fiscal Recovery funds, as part of the American Rescue Plan Act for various capital improvements. The remaining \$4,883,856 of unspent funds are reflected on the balance sheet as unearned revenue.

Capital Improvement Fund – The City's Capital Improvement Fund balance increased substantially during 2024. This increase can be attributed to contributions received for various public improvement projects as well as proceeds received from the issuance of various purpose bonds.

The City'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. During the course of 2024 the City amended its General Fund budget several times. For the General Fund, original and final budgeted receipts were not materially different. Actual budget basis receipts were 11% higher than final estimates due mostly to an increase in income taxes, property taxes, and charges for services. The difference between original and final budgeted expenditures was insignificant. Actual expenditures were 7% less than final estimates due mostly to public safety costs being under budget.

CITY OF NEWARK, OHIO**Management's Discussion and Analysis**
For the Year Ended December 31, 2024**Unaudited****CAPITAL ASSETS AND DEBT ADMINISTRATION*****Capital Assets***

At the end of 2024 the City had \$267,381,738 net of accumulated depreciation invested in land, construction in progress, buildings, improvements, infrastructure, equipment and vehicles. Of this total, \$103,795,820 was related to governmental activities and \$163,585,918 to the business-type activities. The following tables show 2024 and 2023 balances:

	Governmental Activities		Increase (Decrease)
	2024	2023	
Land	\$22,058,073	\$21,889,838	\$168,235
Construction In Progress	11,773,972	8,552,527	3,221,445
Buildings	29,629,099	28,246,490	1,382,609
Improvements Other than Buildings	5,513,324	5,450,934	62,390
Infrastructure	101,685,215	97,630,264	4,054,951
SBITA	71,730	71,730	0
Machinery and Equipment	19,024,502	17,357,247	1,667,255
Less: Accumulated Depreciation	(85,960,095)	(81,670,555)	(4,289,540)
Totals	\$103,795,820	\$97,528,475	\$6,267,345

Infrastructure additions included roundabout construction at 4th Street and West Main Street, Jefferson Road bridge replacement, and routine street improvements. Construction in progress included construction of a parking garage and Cherry Valley Road Bridge replacement. Machinery and equipment additions included police cruisers, street department vehicles, and other various public safety equipment purchases. Building additions include improvements to the City administration building. Additions to land included various parcels purchased to allow for infrastructure related improvements.

	Business-Type Activities		Increase (Decrease)
	2024	2023	
Land	\$201,800	\$161,800	\$40,000
Construction in Progress	59,425,121	52,422,748	7,002,373
Buildings and Improvements	58,569,615	58,324,326	245,289
Infrastructure	78,375,373	69,671,273	8,704,100
SBITA	106,625	106,625	0
Machinery and Equipment	43,167,382	42,871,811	295,571
Less: Accumulated Depreciation	(76,259,998)	(72,999,752)	(3,260,246)
Totals	\$163,585,918	\$150,558,831	\$13,027,087

Significant additions to business-type activities capital assets consisted of multiple sewer separation projects, lead water service line replacements, and Thornwood booster station project. Additional information on the City's capital assets can be found in Note 8.

CITY OF NEWARK, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

Debt and Other Long-Term Obligations

The following table summarizes the City's debt and other long-term obligations outstanding as of December 31, 2024 and 2023:

	2024	2023
Governmental Activities:		
General Obligation Bonds	\$29,514,716	\$17,687,200
ODOT State Infrastructure Bank Loan	2,800,948	3,162,248
OPWC Loans	904,815	592,596
Long Term Note Payable	1,135,000	1,130,000
Installment Loans	2,571,882	2,602,558
SBITA	25,431	49,309
Accrued Pension Liability	1,046,314	1,124,350
Compensated Absences	<u>6,383,923</u>	<u>4,066,516</u>
Total Governmental Activities	44,383,029	30,414,777
Business-Type Activities:		
General Obligation Bonds	11,197,632	5,963,788
Revenue Bonds	16,381,436	16,800,294
OWDA Loans	78,020,452	72,882,698
OPWC Loans	514,112	619,341
ODOT State Infrastructure Bank Loan	2,208,002	2,375,146
SBITA	37,803	73,298
Compensated Absences	<u>1,236,080</u>	<u>793,687</u>
Total Business-Type Activities	109,595,517	99,508,252
Totals	<u>\$153,978,546</u>	<u>\$129,923,029</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2024, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 12.

CITY OF NEWARK, OHIO

Management's Discussion and Analysis For the Year Ended December 31, 2024

Unaudited

ECONOMIC FACTORS

The economy of the City of Newark has historically had a manufacturing base. Over the past few years, the City has seen an increase in commercial and retail development that has provided a positive impact to the tax base.

While the City has experienced a general decline in manufacturing jobs over the past decade, two major industrial parks are located just outside the City limits and are responsible for a growth in manufacturing jobs. An Amazon distribution complex is located in nearby Etna Township along with two joint economic development zones (JEDZ) have also been created with Etna Township. The former Chase building, now called the Trade Tower has been re-developed. A real estate firm, insurance company, an educational company, and an accounting company now call the Trade Tower home. This has brought around 70 employees to our downtown. A multi-million-dollar private renovation was completed at the historic Arcade for business space and residential living. This will end up totaling around 75 new jobs. Around 700 new rental units are being constructed on Newark's west side. This will increase the City's income tax collection. The unemployment in the City remains near the national average.

Income tax collections showed a 4.5% increase in 2024. The City's budgetary forecasts project that growth trend will continue. The City has focused on increasing its cash position by establishing a Budget Stabilization Fund with a dedicated revenue source provided by legislation.

REQUESTS FOR INFORMATION

The purpose of this financial report is to provide a clear picture to citizens, taxpayers, investors and creditors and any interested party of the City's accountability of the funds it receives. Please direct any questions you may have or request for additional information to: Ryan T. Bubb, City Auditor, 40 West Main Street, Newark, Ohio 43055.

CITY OF NEWARK, OHIO



CITY OF NEWARK, OHIO

Statement of Net Position
December 31, 2024

	Governmental Activities	Business-Type Activities	Total
Assets:			
Pooled Cash and Investments	\$ 49,138,392	\$ 16,521,520	\$ 65,659,912
Cash and Cash Equivalents in Segregated Accounts	119,203	0	119,203
Cash and Cash Equivalents with Fiscal Agent	0	38,901	38,901
Investments	286,489	0	286,489
Receivables:			
Taxes	10,965,163	0	10,965,163
Accounts	1,106,062	2,744,170	3,850,232
Intergovernmental	3,146,011	0	3,146,011
Interest	214,597	0	214,597
Settlement	331,048	0	331,048
Loans	2,366,268	0	2,366,268
Internal Balance	2,978	(2,978)	0
Inventory of Supplies at Cost	853,604	1,007,775	1,861,379
Prepaid Items	93,055	41,330	134,385
Restricted Assets:			
Cash and Cash Equivalents	1,005,720	0	1,005,720
Cash and Cash Equivalents with Fiscal Agent	98,509	1,069,447	1,167,956
Investments	258,720	0	258,720
Investments with Fiscal Agent	751,556	0	751,556
Net OPEB Asset	437,584	199,892	637,476
Non-Depreciable Capital Assets	33,832,045	59,626,921	93,458,966
Depreciable Capital Assets, Net	69,963,775	103,958,997	173,922,772
Total Assets	174,970,779	185,205,975	360,176,754
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	91,438	99,455	190,893
Pension	18,009,308	1,796,190	19,805,498
OPEB	2,278,939	171,504	2,450,443
Total Deferred Outflows of Resources	20,379,685	2,067,149	22,446,834

(Continued)

CITY OF NEWARK, OHIO

	Governmental Activities	Business-Type Activities	Total
Liabilities:			
Accounts Payable	5,255,467	1,341,179	6,596,646
Accrued Wages and Benefits	1,967,966	338,310	2,306,276
Intergovernmental Payable	33,958	3,320	37,278
Claims Payable	343,596	0	343,596
Matured Bonds and Interest Payable	0	13,728	13,728
Unearned Revenue	4,883,856	0	4,883,856
Accrued Interest Payable	293,441	466,968	760,409
General Obligation Notes Payable	5,075,000	865,000	5,940,000
Noncurrent Liabilities:			
Due Within One Year	7,041,504	4,877,351	11,918,855
Due in More Than One Year:			
Net Pension Liability	56,877,203	5,731,367	62,608,570
Net OPEB Liability	3,350,147	0	3,350,147
Other Amounts Due in More Than One Year	37,341,525	104,718,166	142,059,691
Total Liabilities	122,463,663	118,355,389	240,819,052
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	5,535,640	0	5,535,640
Pension	1,825,767	33,066	1,858,833
OPEB	3,268,520	114,378	3,382,898
Total Deferred Inflows of Resources	10,629,927	147,444	10,777,371
Net Position:			
Net Investment in Capital Assets	69,468,655	57,875,408	127,344,063
Restricted For:			
OPEB	437,584	199,892	637,476
Capital Projects	1,096,604	0	1,096,604
Debt Service	4,681,845	0	4,681,845
Security of Persons	1,805,989	0	1,805,989
Street Improvement	5,051,501	0	5,051,501
Community Environment	2,897,743	0	2,897,743
Judiciary	1,660,874	0	1,660,874
Cemetery Maintenance	1,460,358	0	1,460,358
Unrestricted (Deficit)	(26,304,279)	10,694,991	(15,609,288)
Total Net Position	\$ 62,256,874	\$ 68,770,291	\$ 131,027,165

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

Statement of Activities
For the Year Ended December 31, 2024

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
Security of Persons and Property	\$ 27,911,503	\$ 4,612,240	\$ 610,553	\$ 0
Leisure Time Activities	1,148,724	0	0	0
Community Environment	1,675,503	656,677	722,002	0
Public Health and Welfare Services	320,685	631,355	68,445	0
Transportation	5,807,042	0	3,928,793	6,089,541
General Government	18,569,859	1,094,380	1,820,018	0
Interest on Long Term Debt	1,601,895	0	0	0
Total Governmental Activities	57,035,211	6,994,652	7,149,811	6,089,541
Business-Type Activities:				
Water	7,955,857	8,741,475	0	4,916,288
Sewer	8,399,504	11,384,424	0	757,816
Storm Water	2,887,928	3,517,460	0	0
Total Business-Type Activities	19,243,289	23,643,359	0	5,674,104
Totals	\$ 76,278,500	\$ 30,638,011	\$ 7,149,811	\$ 11,763,645

General Revenues and Transfers

Property Taxes Levied for:

General Purposes

Special Purposes

Capital Purposes

Income Tax

Other Local Taxes

Intergovernmental, Unrestricted

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position as Previously Reported

Change in Accounting Principle (GASB Statement 101)

Net Position Beginning of Year as Restated

Net Position End of Year

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (22,688,710)	\$ 0	\$ (22,688,710)
(1,148,724)	0	(1,148,724)
(296,824)	0	(296,824)
379,115	0	379,115
4,211,292	0	4,211,292
(15,655,461)	0	(15,655,461)
(1,601,895)	0	(1,601,895)
<hr/>	<hr/>	<hr/>
<hr/>	0	(36,801,207)

0	5,701,906	5,701,906
0	3,742,736	3,742,736
0	629,532	629,532
<hr/>	<hr/>	<hr/>
0	10,074,174	10,074,174
<hr/>	<hr/>	<hr/>
\$ (36,801,207)	\$ 10,074,174	\$ (26,727,033)

3,700,841	0	3,700,841
737,190	0	737,190
912,517	0	912,517
30,687,811	0	30,687,811
607,053	0	607,053
2,360,677	0	2,360,677
2,487,818	77,304	2,565,122
646,102	0	646,102
100,000	(100,000)	0
<hr/>	<hr/>	<hr/>
42,240,009	(22,696)	42,217,313
<hr/>	<hr/>	<hr/>
5,438,802	10,051,478	15,490,280
58,660,773	59,087,946	117,748,719
(1,842,701)	(369,133)	(2,211,834)
56,818,072	58,718,813	115,536,885
<hr/>	<hr/>	<hr/>
\$ 62,256,874	\$ 68,770,291	\$ 131,027,165

CITY OF NEWARK, OHIO

Balance Sheet
Governmental Funds
December 31, 2024

	General	American Rescue Plan Act	Capital Improvement
Assets:			
Pooled Cash and Investments	\$ 11,213,209	\$ 4,957,601	\$ 19,142,736
Cash and Cash Equivalents in Segregated Accounts	90,099	0	0
Investments	0	0	211,466
Receivables:			
Taxes	9,260,876	0	0
Accounts	1,102,175	0	0
Intergovernmental	1,092,762	0	0
Interest	179,863	0	30,998
Settlement	0	0	0
Loans	0	0	0
Interfund Loans Receivable	38,449	0	0
Inventory of Supplies, at Cost	287,073	0	0
Prepaid Items	93,055	0	0
Restricted Assets:			
Cash and Cash Equivalents	0	0	0
Investments	0	0	0
Investments with Fiscal Agent	0	0	0
Total Assets	<u>\$ 23,357,561</u>	<u>\$ 4,957,601</u>	<u>\$ 19,385,200</u>
Liabilities:			
Accounts Payable	\$ 618,272	\$ 73,745	\$ 3,584,038
Accrued Wages and Benefits Payable	1,805,103	0	0
Intergovernmental Payable	691	0	0
Unearned Revenue	0	4,883,856	0
Interfund Loans Payable	0	0	0
Accrued Interest Payable	0	0	33,347
General Obligation Notes Payable	0	0	5,075,000
Total Liabilities	<u>2,424,066</u>	<u>4,957,601</u>	<u>8,692,385</u>
Deferred Inflows of Resources:			
Unavailable Amounts	4,511,801	0	0
Property Tax Levy for Next Fiscal Year	3,851,867	0	0
Total Deferred Inflows of Resources	<u>8,363,668</u>	<u>0</u>	<u>0</u>
Fund Balance:			
Nonspendable	380,128	0	0
Restricted	0	0	9,206,483
Committed	0	0	1,486,332
Assigned	9,227,260	0	0
Unassigned	2,962,439	0	0
Total Fund Balance	<u>12,569,827</u>	<u>0</u>	<u>10,692,815</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 23,357,561</u>	<u>\$ 4,957,601</u>	<u>\$ 19,385,200</u>

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 13,675,709	\$ 48,989,255
29,104	119,203
75,023	286,489
1,704,287	10,965,163
3,887	1,106,062
2,053,249	3,146,011
1,503	212,364
331,048	331,048
2,366,268	2,366,268
0	38,449
566,531	853,604
0	93,055
1,005,720	1,005,720
258,720	258,720
751,556	751,556
<hr/> \$ 22,822,605	<hr/> \$ 70,522,967
\$ 979,412	\$ 5,255,467
162,863	1,967,966
33,267	33,958
0	4,883,856
38,449	38,449
0	33,347
0	5,075,000
<hr/> 1,213,991	<hr/> 17,288,043
2,347,771	6,859,572
1,683,773	5,535,640
<hr/> 4,031,544	<hr/> 12,395,212
566,531	946,659
15,054,129	24,260,612
0	1,486,332
1,972,178	11,199,438
(15,768)	2,946,671
<hr/> 17,577,070	<hr/> 40,839,712
<hr/> \$ 22,822,605	<hr/> \$ 70,522,967

CITY OF NEWARK, OHIO

**Reconciliation Of Total Governmental Fund Balances
To Net Position Of Governmental Activities
December 31, 2024**

Total Governmental Fund Balances	\$ 40,839,712
<i>Amounts reported for governmental activities in the statement of net position are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	103,795,820
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	6,859,572
The net pension and OPEB liabilities are not due and payable in the current period, therefore, the liabilities and related deferred inflows/outflows are not reported in the governmental funds.	
Deferred Outflows - Pension	18,009,308
Deferred Inflows - Pension	(1,825,767)
Net Pension Liability	(56,877,203)
Deferred Outflows - OPEB	2,278,939
Deferred Inflows - OPEB	(3,268,520)
Net OPEB Asset	437,584
Net OPEB Liability	<u>(3,350,147)</u> (44,595,806)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(90,739)
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 Payable	(29,514,716)
Deferred Charge on Debt Refunding	91,438
ODOT State Infrastructure Bank Loan	(2,800,948)
Long Term Note Payable	(1,135,000)
Ohio Public Works Commission Loan	(904,815)
Installment Loans Payable	(2,571,882)
SBITA Payable	(25,431)
Accrued Pension Liability	(1,046,314)
Compensated Absences Payable	(6,383,923)
Accrued Interest Payable	<u>(260,094)</u> (44,551,685)
Net Position of Governmental Activities	<u>\$ 62,256,874</u>

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO



CITY OF NEWARK, OHIO

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General	American Rescue Plan Act	Capital Improvement
Revenues:			
Taxes	\$ 35,105,376	\$ 0	\$ 0
Intergovernmental Revenues	2,430,543	2,081,017	802,846
Charges for Services	4,430,932	0	0
Licenses, Permits and Fees	69,695	0	0
Investment Earnings	2,203,003	0	144,897
Special Assessments	0	0	0
Fines and Forfeitures	1,287,310	0	0
Donations	0	0	2,808,270
All Other Revenue	252,855	0	100,000
Total Revenues	45,779,714	2,081,017	3,856,013
Expenditures:			
Current:			
Security of Persons and Property	23,274,801	260,999	0
Public Health and Welfare Services	0	0	0
Leisure Time Activities	1,057,920	0	0
Community Environment	612,052	0	0
Transportation	29,903	0	0
General Government	13,935,164	1,820,018	0
Capital Outlay	0	0	10,123,485
Debt Service:			
Principal Retirement	80,674	0	1,934,343
Interest and Fiscal Charges	7,647	0	829,562
Total Expenditures	38,998,161	2,081,017	12,887,390
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,781,553	0	(9,031,377)
Other Financing Sources (Uses):			
Sale of Capital Assets	43,253	0	119,000
Loan Issuance	358,891	0	858,773
Long Term Note Issuance	0	0	1,135,000
Bond Issuance	0	0	12,785,000
Premium on Bond Issuance	0	0	175,000
Discount on Bond Issuance	0	0	0
Transfers In	0	0	4,185,614
Transfers Out	(7,452,393)	0	(177,498)
Total Other Financing Sources (Uses)	(7,050,249)	0	19,080,889
Net Change in Fund Balance	(268,696)	0	10,049,512
Fund Balance at Beginning of Year	12,838,523	0	643,303
Fund Balance End of Year	\$ 12,569,827	\$ 0	\$ 10,692,815

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

Other Governmental Funds	Total Governmental Funds
\$ 1,642,807	\$ 36,748,183
5,293,855	10,608,261
9,298	4,440,230
0	69,695
118,682	2,466,582
134,625	134,625
438,350	1,725,660
2,045,730	4,854,000
435,651	788,506
<hr/> 10,118,998	<hr/> 61,835,742
1,235,995	24,771,795
320,685	320,685
0	1,057,920
990,161	1,602,213
3,702,420	3,732,323
1,051,670	16,806,852
59,970	10,183,455
1,911,282	3,926,299
<hr/> 709,869	<hr/> 1,547,078
<hr/> 9,982,052	<hr/> 63,948,620
136,946	(2,112,878)
0	162,253
0	1,217,664
0	1,135,000
0	12,785,000
450,974	625,974
(52,727)	(52,727)
3,174,277	7,359,891
0	(7,629,891)
<hr/> 3,572,524	<hr/> 15,603,164
3,709,470	13,490,286
13,867,600	27,349,426
<hr/> \$ 17,577,070	<hr/> \$ 40,839,712

CITY OF NEWARK, OHIO

**Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For the Year Ended December 31, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ 13,490,286

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	10,977,533	
Depreciation Expense	(4,727,614)	6,249,919

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. 432,695

The statement of activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets. (415,269)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 84,340

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:

Pension	4,036,708	
OPEB	66,042	4,102,750

Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities are reported as pension/OPEB expense in the statement of activities:

Pension	(6,197,697)	
OPEB	72,372	(6,125,325)

The issuance of long-term debt provides current financial resources to governmental funds, however, has no effect on net position.

Bond Issuance	(12,785,000)	
Premium on Debt Issuance	(625,974)	
Discount on Debt Issuance	52,727	
Long Term Note Issuance	(1,135,000)	
Installment Loan Issuance	(830,463)	
Ohio Public Works Commission Loan Issuance	(377,201)	
ODOT State Infrastructure Bank Loan Issuance	(10,000)	
		(15,710,911)

(Continued)

CITY OF NEWARK, OHIO

Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Deferred Charge on Debt Refunding Amortization	(14,450)
Bond Premium/Discount Amortization	55,731
General Obligation Bond Principal Payment	1,475,000
OPWC Loan Principal Payment	64,982
ODOT State Infrastructure Bank Loan Retirement	371,300
Long Term Note Retirement	1,130,000
Installment Loan Principal Retirement	861,139
SBITA Retirement	23,878
Pension Liability Principal Payment	78,036
	<hr/>
	4,045,616

In the statement of activities, interest is accrued on outstanding bonds, whereas governmental funds, an interest expenditure is reported when due.

(96,098)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated Absences (492,663)

Internal Service Funds are used by management to charge the costs of insurance to individual funds and are not reported in the statement of activities.

Governmental fund expenditures and related internal service revenues are eliminated. The net revenue (expense) of the internal service funds is allocated among the governmental activities.

(126,538)

Change in Net Position of Governmental Activities

\$ 5,438,802

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 31,296,830	\$ 31,296,830	\$ 35,030,113	\$ 3,733,283
Intergovernmental Revenue	2,226,984	2,468,392	2,396,178	(72,214)
Charges for Services	3,358,417	3,785,397	4,423,096	637,699
Licenses, Permits and Fees	65,200	65,200	69,720	4,520
Investment Earnings	1,785,950	1,785,950	1,826,334	40,384
Fines and Forfeitures	1,151,510	1,151,510	1,283,226	131,716
All Other Revenue	124,350	124,350	251,632	127,282
Total Revenues	40,009,241	40,677,629	45,280,299	4,602,670
Expenditures:				
Current:				
Security of Persons and Property	25,453,374	25,718,863	23,463,494	2,255,369
Leisure Time Activities	1,360,794	1,264,294	1,139,372	124,922
Community Environment	1,055,520	884,927	852,637	32,290
Transportation	0	35,198	35,172	26
General Government	16,463,900	16,033,997	15,362,671	671,326
Total Expenditures	44,333,588	43,937,279	40,853,346	3,083,933
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,324,347)	(3,259,650)	4,426,953	7,686,603
Other Financing Sources (Uses):				
Sale of Capital Assets	53,000	53,000	43,253	(9,747)
Transfers In	1,346,380	2,266,380	2,537,170	270,790
Transfers Out	(5,920,014)	(9,384,789)	(9,384,563)	226
Advances In	0	0	3,126	3,126
Advances Out	0	(44,601)	(38,449)	6,152
Total Other Financing Sources (Uses):	(4,520,634)	(7,110,010)	(6,839,463)	270,547
Net Change in Fund Balance	(8,844,981)	(10,369,660)	(2,412,510)	7,957,150
Fund Balance at Beginning of Year	10,436,480	10,436,480	10,436,480	0
Prior Year Encumbrances	1,521,469	1,521,469	1,521,469	0
Fund Balance at End of Year	\$ 3,112,968	\$ 1,588,289	\$ 9,545,439	\$ 7,957,150

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

***Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
American Rescue Plan Act Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 267,821	\$ 267,821	\$ 0
Total Revenues	0	267,821	267,821	0
Expenditures:				
Current:				
General Government	6,765,545	6,595,223	6,595,223	0
Security of Persons and Property	0	260,999	260,999	0
Total Expenditures	6,765,545	6,856,222	6,856,222	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,765,545)	(6,588,401)	(6,588,401)	0
Other Financing Sources (Uses):				
Transfers Out	0	(500,000)	(500,000)	0
Total Other Financing Sources (Uses)	0	(500,000)	(500,000)	0
Net Change in Fund Balance	(6,765,545)	(7,088,401)	(7,088,401)	0
Fund Balance at Beginning of Year	322,854	322,854	322,854	0
Prior Year Encumbrances	6,765,545	6,765,545	6,765,545	0
Fund Balance at End of Year	\$ 322,854	\$ (2)	\$ (2)	\$ 0

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water
Assets:			
Current Assets:			
Pooled Cash and Investments	\$ 6,060,061	\$ 8,415,717	\$ 2,045,742
Cash and Cash Equivalents with Fiscal Agent	38,901	0	0
Receivables:			
Accounts	1,179,993	1,179,993	384,184
Interest	0	0	0
Inventory of Supplies at Cost	488,243	367,786	151,746
Prepaid Items	20,611	20,394	325
Total Current Assets	7,787,809	9,983,890	2,581,997
Noncurrent Assets:			
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	1,055,742	13,705	0
Net OPEB Asset	93,951	93,947	11,994
Non Depreciable Capital Assets	16,921,172	42,059,995	645,754
Depreciable Capital Assets, Net	25,649,241	61,495,640	16,814,116
Total Noncurrent Assets	43,720,106	103,663,287	17,471,864
Total Assets	51,507,915	113,647,177	20,053,861
Deferred Outflows of Resources:			
Deferred Charge on Debt Refunding	0	0	99,455
Pension	844,209	844,209	107,772
OPEB	80,607	80,607	10,290
Total Deferred Outflows of Resources	924,816	924,816	217,517

CITY OF NEWARK, OHIO

	Governmental Activities - Internal Service Funds
Total	

\$ 16,521,520	\$ 149,137
38,901	0
2,744,170	0
0	2,233
1,007,775	0
41,330	0
<hr/> 20,353,696	<hr/> 151,370

1,069,447	98,509
199,892	0
59,626,921	0
103,958,997	0
<hr/> 164,855,257	<hr/> 98,509
<hr/> 185,208,953	<hr/> 249,879

99,455	0
1,796,190	0
171,504	0
<hr/> 2,067,149	<hr/> 0

(Continued)

CITY OF NEWARK, OHIO

Statement of Net Position
Proprietary Funds
December 31, 2024

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water
Liabilities:			
Current Liabilities:			
Accounts Payable	499,191	795,924	46,064
Accrued Wages and Benefits	213,328	107,129	17,853
Intergovernmental Payable	0	0	3,320
Claims Payable	0	0	0
Compensated Absences Payable - Current	594,675	176,573	44,872
Accrued Interest Payable	123,051	286,501	57,416
General Obligation Notes Payable	0	665,000	200,000
General Obligation Bonds Payable - Current	155,250	61,250	378,500
Revenue Bonds Payable - Current	390,000	0	0
OWDA Loans Payable - Current	172,529	2,338,960	251,140
OPWC Loans Payable - Current	0	103,604	0
SBITA Payable - Current	12,097	18,901	6,805
State Infrastructure Bank Loan - Current	52,950	52,950	66,295
Total Current Liabilities	2,213,071	4,606,792	1,072,265
Noncurrent Liabilities:			
Matured Bonds and Interest Payable	23	13,705	0
General Obligation Bonds Payable	3,984,332	512,500	6,105,800
Revenue Bonds Payable	15,991,436	0	0
OWDA Loans Payable	3,394,862	70,168,045	1,694,916
OPWC Loans Payable	0	410,508	0
State Infrastructure Bank Loans Payable	626,011	626,010	783,786
Compensated Absences Payable	264,812	142,179	12,969
Net Pension Liability	2,693,740	2,693,742	343,885
Total Noncurrent Liabilities	26,955,216	74,566,689	8,941,356
Total Liabilities	29,168,287	79,173,481	10,013,621
Deferred Inflows of Resources:			
Pension	15,541	15,541	1,984
OPEB	53,759	53,755	6,864
Total Deferred Inflows of Resources	69,300	69,296	8,848
Net Position:			
Net Investment in Capital Assets	20,800,882	28,597,907	8,476,619
Restricted for OPEB	93,951	93,947	11,994
Unrestricted	2,300,311	6,637,362	1,760,296
Total Net Position	\$ 23,195,144	\$ 35,329,216	\$ 10,248,909

Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.

Net Position of Business-type Activities

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

Governmental
Activities -
Internal Service
Funds

Total	
1,341,179	0
338,310	0
3,320	0
0	343,596
816,120	0
466,968	0
865,000	0
595,000	0
390,000	0
2,762,629	0
103,604	0
37,803	0
172,195	0
<hr/>	
7,892,128	343,596

13,728	0
10,602,632	0
15,991,436	0
75,257,823	0
410,508	0
2,035,807	0
419,960	0
5,731,367	0
<hr/>	
110,463,261	0
<hr/>	
118,355,389	343,596

33,066	0
114,378	0
<hr/>	
147,444	0

57,875,408	0
199,892	0
10,697,969	(93,717)
<hr/>	
\$ 68,773,269	\$ (93,717)

<hr/>	(2,978)
\$ 68,770,291	<hr/>

CITY OF NEWARK, OHIO

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2024**

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water
Operating Revenues:			
Charges for Services	\$ 8,557,340	\$ 10,826,300	\$ 3,448,012
Other Operating Revenues	184,135	558,124	69,448
Total Operating Revenues	8,741,475	11,384,424	3,517,460
Operating Expenses:			
Personal Services	2,506,888	3,345,254	313,734
Contractual Services	2,000,208	1,264,696	1,496,423
Materials and Supplies	1,571,554	503,143	174,412
Depreciation	897,147	2,189,900	331,258
Total Operating Expenses	6,975,797	7,302,993	2,315,827
Operating Income (Loss)	1,765,678	4,081,431	1,201,633
Non-Operating Revenues (Expenses):			
Interest Income	52,548	24,756	0
Interest and Fiscal Charges	(955,602)	(1,058,228)	(375,161)
Loss on Disposal of Capital Assets	0	(28,103)	(77,453)
Other Nonoperating Expense	(24,458)	(10,180)	(8,108)
Total Non-Operating Revenues (Expenses)	(927,512)	(1,071,755)	(460,722)
Income (Loss) Before Transfers and Contributions	838,166	3,009,676	740,911
Transfers and Contributions:			
Transfers In	0	203,063	200,000
Transfers Out	(20,068)	(300,000)	(182,995)
Capital Contributions	4,916,288	757,816	0
Total Transfers and Contributions	4,896,220	660,879	17,005
Change in Net Position	5,734,386	3,670,555	757,916
Net Position as Previously Reported	17,696,941	31,789,998	9,492,606
Change in Accounting Principle (GASB Statement 101)	(236,183)	(131,337)	(1,613)
Net Position Beginning of Year as Restated	17,460,758	31,658,661	9,490,993
Net Position End of Year	\$ 23,195,144	\$ 35,329,216	\$ 10,248,909

Change in Net Position - Total Enterprise Funds

Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.

Change in Net Position - Business-type Activities

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

	Governmental
	Activities -
	Internal Service
Total	Funds

\$ 22,831,652	\$ 7,384,852
811,707	28,583
<hr/>	<hr/>
23,643,359	7,413,435

6,165,876	8,042,588
4,761,327	0
2,249,109	0
3,418,305	0
<hr/>	<hr/>
16,594,617	8,042,588

7,048,742	(629,153)
-----------	-----------

77,304	21,236
(2,388,991)	0
(105,556)	0
(42,746)	0
<hr/>	<hr/>
(2,459,989)	21,236

4,588,753	(607,917)
-----------	-----------

403,063	370,000
(503,063)	0
5,674,104	0
<hr/>	<hr/>
5,574,104	370,000

10,162,857	(237,917)
58,979,545	144,200
(369,133)	0
<hr/>	<hr/>
58,610,412	144,200
<hr/>	<hr/>
\$ 68,773,269	\$ (93,717)

\$ 10,162,857

(111,379)
<hr/>
\$ 10,051,478
<hr/>

CITY OF NEWARK, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities		
	Enterprise Funds		
	Water	Sewer	Storm Water
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$8,530,827	\$11,173,776	\$3,448,877
Cash Received for Interfund Services	0	0	0
Cash Payments for Goods and Services	(3,657,762)	(1,359,473)	(1,727,232)
Cash Payments to Employees	(2,377,234)	(3,411,240)	(322,669)
Net Cash Provided (Used) by Operating Activities	<u>2,495,831</u>	<u>6,403,063</u>	<u>1,398,976</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	0	203,063	200,000
Transfers Out to Other Funds	(20,068)	(300,000)	(182,995)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(20,068)</u>	<u>(96,937)</u>	<u>17,005</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(7,482,938)	(9,295,141)	(376,255)
Capital Grants	4,916,288	757,816	0
General Obligation Bonds Issued	3,025,000	0	2,410,000
Premium on Debt Issued	141,832	0	161,153
General Obligation Notes Issued	0	665,000	200,000
General Obligation Note Retirement	(3,085,000)	(560,000)	(2,915,000)
Principal Paid on General Obligation Bonds	(108,000)	(60,000)	(322,000)
Principal Paid on Revenue Bonds	(380,000)	0	0
Ohio Water Development Authority Loans Issued	1,327,403	8,458,260	0
Principal Paid on State Infrastructure Bank Loans	(51,397)	(51,397)	(64,350)
Principal Paid on Ohio Water Development Authority Loans	(166,343)	(4,232,920)	(248,646)
Principal Paid on Ohio Public Works Commission Loans	0	(105,229)	0
SBITA Principal Retirement	(11,358)	(17,748)	(6,389)
Interest Paid on All Debt	(999,189)	(1,087,942)	(382,955)
Net Cash Used by			
Capital and Related Financing Activities	<u>(2,873,702)</u>	<u>(5,529,301)</u>	<u>(1,544,442)</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	52,548	29,998	0
Net Cash Provided by Investing Activities	<u>52,548</u>	<u>29,998</u>	<u>0</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(345,391)	806,823	(128,461)
Cash and Cash Equivalents at Beginning of Year	<u>7,500,095</u>	<u>7,622,599</u>	<u>2,174,203</u>
Cash and Cash Equivalents at End of Year	<u>\$7,154,704</u>	<u>\$8,429,422</u>	<u>\$2,045,742</u>

CITY OF NEWARK, OHIO

Governmental- Activities	
Total	Internal Service
\$23,153,480	\$0
0	7,413,435
(6,744,467)	0
<u>(6,111,143)</u>	<u>(8,190,002)</u>
<u>10,297,870</u>	<u>(776,567)</u>
403,063	370,000
<u>(503,063)</u>	<u>0</u>
<u>(100,000)</u>	<u>370,000</u>
(17,154,334)	0
5,674,104	0
5,435,000	0
302,985	0
865,000	0
(6,560,000)	0
(490,000)	0
(380,000)	0
9,785,663	0
(167,144)	0
(4,647,909)	0
(105,229)	0
(35,495)	0
<u>(2,470,086)</u>	<u>0</u>
<u>(9,947,445)</u>	<u>0</u>
82,546	21,639
<u>82,546</u>	<u>21,639</u>
332,971	(384,928)
<u>17,296,897</u>	<u>632,574</u>
<u>\$17,629,868</u>	<u>\$247,646</u>

(Continued)

CITY OF NEWARK, OHIO

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Storm Water
Reconciliation of Cash and			
Cash Equivalents per the Statement of Net Position:			
Cash and Cash Equivalents	\$6,060,061	\$8,415,717	\$2,045,742
Cash with Fiscal Agent	38,901	0	0
Restricted Cash with Fiscal Agent	1,055,742	13,705	0
Cash and Cash Equivalents at End of Year	\$7,154,704	\$8,429,422	\$2,045,742
Reconciliation of Operating Income (Loss) to Net Cash			
Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$1,765,678	\$4,081,431	\$1,201,633
Adjustments to Reconcile Operating Income (Loss) to			
Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	897,147	2,189,900	331,258
Nonoperating Expense	(24,458)	(10,180)	(8,108)
Changes in Assets, Liabilities, and Deferred Outflows/Inflows:			
Increase in Accounts Receivable	(210,648)	(210,648)	(68,583)
(Decrease) Increase in Inventory	(87,352)	26,320	(11,415)
Increase in Prepaid Items	(2,814)	(2,784)	(44)
Increase in Net OPEB Asset	(93,951)	(93,947)	(11,994)
Decrease in Deferred Outflows of Resources	566,672	566,672	72,339
Increase (Decrease) in Accounts Payable	28,624	395,010	(40,150)
Increase in Intergovernmental Payable	0	0	3,320
Increase in Accrued Wages and Benefits	36,019	8,003	3,945
Decrease in Claims Payable	0	0	0
Increase (Decrease) in Compensated Absences	124,888	(42,736)	(8,892)
Decrease in Net Pension Liability	(481,666)	(481,666)	(61,485)
Decrease in Net OPEB Liability	(68,886)	(68,890)	(8,794)
Increase in Deferred Inflows of Resources	46,578	46,578	5,946
Total Adjustments	730,153	2,321,632	197,343
Net Cash Provided (Used) by Operating Activities	\$2,495,831	\$6,403,063	\$1,398,976

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

	Governmental- Activities
Total	Internal Service
\$16,521,520	\$149,137
38,901	0
1,069,447	98,509
\$17,629,868	\$247,646
\$7,048,742	(\$629,153)
3,418,305	0
(42,746)	0
(489,879)	0
(72,447)	0
(5,642)	0
(199,892)	0
1,205,683	0
383,484	0
3,320	0
47,967	0
0	(147,414)
73,260	0
(1,024,817)	0
(146,570)	0
99,102	0
3,249,128	(147,414)
\$10,297,870	(\$776,567)

CITY OF NEWARK, OHIO

Statement of Net Position
Fiduciary Funds
December 31, 2024

	Custodial
Assets:	
Cash and Cash Equivalents	\$ 1,902,589
Receivables:	
Taxes	491,376
Accounts	<u>3,786</u>
Total Assets	<u>2,397,751</u>
Liabilities:	
Intergovernmental Payable	2,040,659
Due to Others	<u>4,619</u>
Total Liabilities	<u>2,045,278</u>
Net Position:	
Restricted For:	
Court Bonds	<u>352,473</u>
Total Net Position	<u><u>\$ 352,473</u></u>

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended December 31, 2024

	Custodial
Additions:	
Fines and Forfeiture Collections for other Governments	\$ 3,358,451
Income Tax Collections for other Governments	<u>4,087,558</u>
Total Additions	<u>7,446,009</u>
Deductions:	
Distribution of Fines and Forfeitures to other Governments	3,329,175
Distribution of Income Taxes to other Governments	<u>4,087,558</u>
Total Deductions	<u>7,416,733</u>
Change in Net Position	29,276
Net Position at Beginning of Year	323,197
Net Position End of Year	<u>\$ 352,473</u>

See accompanying notes to the basic financial statements

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Newark, Ohio (the "City") was incorporated in 1826 under the laws of the State of Ohio. The City operates under a Council-Mayor form of government.

The financial statements are presented as of December 31, 2024 and for the year then ended and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

A. Reporting Entity

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "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"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system, and a storm water collection system, which are reported as enterprise funds.

B. Basis of Presentation - Fund Accounting

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of its significant accounting policies:

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund equity, revenues and expenditures (expenses). The following fund types are used by the City:

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

American Rescue Plan Act Fund – This fund is used to account for Coronavirus State and Local Fiscal Recovery funds received as part of the American Rescue Plan Act. The funds are to be used to support the response and recovery from the COVID-19 public health emergency.

Capital Improvement Fund – This fund is used to account for financial resources used for the major capital projects undertaken by the City.

Proprietary Funds

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the statement of net position. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Water Fund – To account for the operation of the City's water service.

Sewer Fund – To account for the operation of the City's sanitary sewer service.

Storm Water Fund – To account for the operation of the City's storm water drainage system.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Internal Service Fund - To account for the accumulation and allocation of costs associated with the City's health and dental self-insurance program.

Fiduciary Funds

Fiduciary funds are used to account for assets the City holds in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds. Fiduciary activities are accounted for on an "economic resources" measurement focus.

Custodial Funds -The custodial funds account for municipal court monies, fines for the Licking County law library and Joint Economic Development District income tax collections.

C. Basis of Presentation – Financial Statements

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

Interfund receivables and payables between governmental and business-type activities have been eliminated in the government-wide statement of net position.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. 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 charges paid by the recipient of the 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 which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

Fund Financial Statements – Fund financial statements report detailed information about the City. 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. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, current liabilities, and deferred outflows/inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary and custodial funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, liabilities, and deferred outflows/inflows of resources associated with the operation of these funds are included on the statement of 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 City finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from property taxes is recognized in the period for which the taxes are levied and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Revenue considered susceptible to accrual at year end includes income taxes, property taxes, interest on investments and state levied locally shared taxes (including motor vehicle license fees and local government assistance). Licenses, permits, charges for service and other miscellaneous revenues are recorded as revenue when received in cash because generally this revenue is not measurable until received.

Special assessment installments including related accrued interest, which are measurable but not available at December 31 are recorded as deferred inflows of resources. Property taxes which are measurable at December 31, 2024 but are not intended to finance 2024 operations, and delinquent property taxes whose availability is indeterminate, are recorded as deferred inflows of resources. Property taxes are further described in Note 5.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds, and custodial funds. Revenues are recognized when they are earned and expenses recognized when incurred.

E. Budgetary Process

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 ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

All funds other than custodial funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The Mary E. Barnes Trust Fund (special revenue fund) was not budgeted and only exists on a GAAP basis. The primary level of budgetary control is at the department level by object code. Budgetary modifications may be made only by ordinance of the City Council.

1. Tax Budget

The Mayor submits an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2024.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the department and object code level. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified by the County Budget Commission. During the year, several supplemental appropriations were necessary to budget contingency funds, intergovernmental grants and proceeds of debt issues.

CITY OF NEWARK, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Appropriations (Continued)

The allocation of appropriations among departments and objects within a fund may be modified during the year only by an ordinance of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual for the General Fund and Major Special Revenue Fund" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

4. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

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CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Budgetary Basis of Accounting

The City's budgetary process accounts for the City's transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on the cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary cash basis statements for the General Fund and Major Special Revenue Fund:

	Net Change in Fund Balance	
	General Fund	American Rescue Plan Act Fund
GAAP Basis (as reported)	(\$268,696)	\$0
Increase (Decrease):		
Accrued Revenues at December 31, 2024 received during 2025	(3,321,553)	0
Accrued Revenues at December 31, 2023 received during 2024	2,786,815	0
Accrued Expenditures at December 31, 2024 paid during 2025	2,424,066	73,745
Accrued Expenditures at December 31, 2023 paid during 2024	(2,167,719)	(170,052)
Change in Unearned Revenue	0	(2,034,491)
Change in Inventory	(103,339)	0
2023 Prepaids for 2024	77,744	0
2024 Prepaids for 2025	(93,055)	0
Outstanding Encumbrances	(1,746,773)	(4,957,603)
Budget Basis	<u>(\$2,412,510)</u>	<u>(\$7,088,401)</u>

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, the State Treasury Asset Reserve (STAR Ohio), and short-term certificates of deposit with original maturities of three months or less. The Star Ohio and certificates of deposit are considered cash equivalents because they are highly liquid investments. See Note 4, "Cash, Cash Equivalents and Investments."

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, *“Accounting and Financial Reporting for Certain Investments and for External Investment Pools”* and GASB Statement No. 72, *“Fair Value Measurement and Application,”* the City records all its investments at fair value except for nonparticipating investment contracts which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements.

The City 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. See Note 4, “Cash, Cash Equivalents and Investments.”

The City’s investment in the State Treasury Asset Reserve of Ohio (STAR 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 and is recognized as an external investment pool by the City. The City 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 a 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, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

H. Inventory

On the government-wide financial statements and in the proprietary funds, inventories are presented at cost on a first-in, first-out basis and are expensed when used. Inventories of governmental funds are stated at cost. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation

Capital assets are defined by the City as assets with an initial, individual cost of more than \$15,000.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Contributed capital assets are recorded at acquisition value at the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Property, Plant and Equipment – Business Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at acquisition value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Governmental and Business-Type Activities Estimated Lives (in years)
Buildings	45
Improvements other than Buildings	60
Machinery, Equipment, Furniture and Fixtures	3 - 10
Infrastructure	15 - 75

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	Water Fund, Sewer Fund, Storm Water Fund Tax Increment Financing Fund Debt Service Fund
OWDA Loans	Water Fund, Sewer Fund, Storm Water Fund
OPWC Loans	Permissive License Tax Fund, Sewer Fund
Installment Loans	General Fund, Capital Improvement Fund
SBITA	General Fund, Water Fund, Sewer Fund, Storm Water Fund
Net Pension/ OPEB Liability	General Fund Street Department Fund Community Development Fund, Safety Grants Fund, Court Computerization Fund, Probation Grant Fund, Judicial Fund Water Fund Sewer Fund Storm Water Fund
Accrued Pension Liability	General Fund
Worker's Compensation	General Fund
Retrospective Liability	General Fund
ODOT SIB Loan	Tax Increment Financing Fund, Permissive License Tax Fund, Water Fund, Sewer Fund, Storm Water Fund
Long Term Notes	Capital Improvement Fund

L. Compensated Absences

GASB Statement No. 101, “*Compensated Absences*”, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. In addition, certain salary related payments that are directly and incrementally associated with the payments for leave should be included in the measurement of the liability. Accrued vacation and sick leave are accumulated to City employees at varying amounts and are attributable to services already rendered. At the time of the employee’s termination, such accruals are paid to the employee at varying rates from the fund to which the employee’s payroll is charged.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences (Continued)

For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. For governmental funds, the portion of unpaid compensated absences expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net position, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

Compensated absences are expensed in the water, sewer, and storm water enterprise funds when earned. The related liability is reported within the fund.

M. Net Position

Net position represents the difference between assets, liabilities, and deferred outflows/inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

N. 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 proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. In order to avoid distorting the measurement of the cost of individual functional activities, entries are made to eliminate the activity provided by the internal service funds to those funds considered governmental and those considered business-type. The elimination of the internal service funds is based on the activity of each fund to which it provides service. Interfund services provided and used are not eliminated through the process of consolidation.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Pension/OPEB

The provision for pension/OPEB cost is recorded when the related payroll is accrued and the obligation is incurred. For purposes of measuring the net pension and OPEB liability/asset, deferred outflows of resources and deferred inflows of resources related to 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 systems. 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 systems report investments at fair value.

P. Fund Balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

Restricted – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision making authority. For the City, these constraints consist of ordinances passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

Assigned – Assigned fund balance consists of amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

Unassigned – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed. 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.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Restricted Assets

Restricted cash and investments are amounts restricted in use for a bond reserve account, matured bonds and interest payable, cemetery care and maintenance, fire department operations, and permissive tax monies held and secured by Licking County.

R. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, and storm water collection. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

S. 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 City and that are either unusual in nature or infrequent in occurrence. The City had no special or extraordinary items to report during 2024.

T. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows for the deferred charge on debt refunding and for deferred pension/OPEB amounts. The deferred charge on debt refunding is reported in the government-wide statement of net position and proprietary funds statement of net position. 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. Deferred outflows of resources are reported for pension/OPEB amounts on the government-wide and proprietary funds statement of net position. See Notes 9 and 10.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Deferred Outflows/Inflows of Resources (Continued)

In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, *unavailable amounts*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension/OPEB are reported on the government-wide and proprietary funds statement of net position. See Notes 9 and 10.

U. Estimates

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

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For 2024 the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, “Accounting Changes and Error Corrections” and Statement No. 101, “Compensated Absences.”

GASB Statement No. 100 addresses accounting and financial reporting requirements for accounting changes and error corrections.

GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences.

The implementation of GASB Statement 101 had the following effect on net position as reported December 31, 2023:

	Governmental Activities	Business-Type Activities	Water Fund	Sewer Fund	Storm Water Fund
Net Position at December 31, 2023, as Reported	\$58,660,773	\$59,087,946	\$17,696,941	\$31,789,998	\$9,492,606
Adjustments:					
Increase in Compensated Absences	(1,842,701)	(369,133)	(236,183)	(131,337)	(1,613)
Net Position at December 31, 2023, as Restated	<u>\$56,818,072</u>	<u>\$58,718,813</u>	<u>\$17,460,758</u>	<u>\$31,658,661</u>	<u>\$9,490,993</u>

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 3 – FUND BALANCE CLASSIFICATION

Fund balance is classified as nonspendable, restricted, assigned, and unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	American Rescue Plan Act Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Supplies Inventory	\$287,073	\$0	\$0	\$566,531	\$853,604
Prepaid Items	93,055	0	0	0	93,055
Total Nonspendable	380,128	0	0	566,531	946,659
Restricted:					
Community Development	0	0	0	2,810,774	2,810,774
Capital Acquisition and Improvement	0	0	9,206,483	410,121	9,616,604
Cemetery Maintenance	0	0	0	1,460,358	1,460,358
Memorial Sidewalk Program	0	0	0	80,827	80,827
Street Maintenance	0	0	0	2,749,125	2,749,125
Fire Damage Deposits	0	0	0	181,202	181,202
Court Improvements	0	0	0	1,660,874	1,660,874
Law Enforcement	0	0	0	1,014,195	1,014,195
Pollution Remediation	0	0	0	4,808	4,808
Debt Retirement	0	0	0	4,681,845	4,681,845
Total Restricted	0	0	9,206,483	15,054,129	24,260,612
Committed:					
Capital Acquisition and Improvement	0	0	1,486,332	0	1,486,332
Total Committed	0	0	1,486,332	0	1,486,332
Assigned:					
Budget Resource	7,988,330	0	0	0	7,988,330
Supplies and Services	1,127,808	0	0	0	1,127,808
Debt Retirement	0	0	0	1,972,178	1,972,178
Compensated Absences	111,122	0	0	0	111,122
Total Assigned	9,227,260	0	0	1,972,178	11,199,438
Unassigned (Deficits):	2,962,439	0	0	(15,768)	2,946,671
Total Fund Balances	\$12,569,827	\$0	\$10,692,815	\$17,577,070	\$40,839,712

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 4 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash and investments. In addition, investments are separately held by a number of individual funds.

Statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- 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 or interest by the United States;
- 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, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the fair 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 fair value daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;

CITY OF NEWARK, OHIO

***Notes to the Basic Financial Statements
For the Year Ended December 31, 2024***

NOTE 4 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute.

Ohio law requires that deposits be either insured or be protected by eligible securities pledged to the City 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 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.

A. Deposits

At year end the carrying amount of the City's deposits was \$42,434,641 and the bank balance was \$43,324,762. Federal depository insurance covered \$39,563,826 of the bank balance and \$3,760,936 was uninsured and collateralized with securities held in the Ohio Pooled Collateral System.

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CITY OF NEWARK, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 4 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

B. Investments

The City's investments at December 31, 2024 are summarized below:

	Fair Value	Credit Rating	Fair Value Hierarchy	Concentration of Credit Risk	Investment Maturities (in Years)		
					less than 1	1-3	3-5
STAR Ohio ⁴	\$8,358,844	AAAm ¹	NA	29.07%	\$8,358,844	\$0	\$0
Government Agency MM ⁴	975,303	AA+ ¹	NA	3.39%	975,303	0	0
Corporate Equities*	347,954	N/A	Level 2	1.21%	0	0	347,954
Mutual Funds ⁴	379,900	Aaa-Baa ²	NA	1.32%	0	0	379,900
Negotiable CD's	8,716,716	AAA ³	Level 2	30.32%	0	6,451,642	2,265,074
US Treasuries	2,459,838	N/A	Level 1	8.55%	1,055,719	1,007,113	397,006
FHLMC	2,377,316	AA+ ¹	Level 2	8.27%	0	388,236	1,989,080
FFCB	2,393,089	AA+ ¹	Level 2	8.32%	0	1,214,320	1,178,769
FHLB	1,978,900	AA+ ¹	Level 2	6.88%	0	745,827	1,233,073
FAMC	768,545	AA+ ¹	Level 2	2.67%	0	768,545	0
Total Investments	<u>\$28,756,405</u>			<u>100.00%</u>	<u>\$10,389,866</u>	<u>\$10,575,683</u>	<u>\$7,790,856</u>

* Corporate Equities do not have a maturity

¹ Standard & Poor's

² Moody's Investor Service

³ All are fully FDIC insured and therefore have an implied AAA credit rating

⁴ Reported at amortized cost

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The City's investment policy is consistent with the Ohio Revised Code concerning interest rate risk.

Investment Credit Risk – The City's investment policy does not limit its investment choices other than the limitation of State statute for "interim" funds described previously.

Concentration of Credit Risk – The City places no limit on the amount it may invest in any one issuer. The allocation of investments is detailed above.

Custodial Credit Risk – The City's balance of investments are held by the trust department of its banking institution in the City's name. The City has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

The City 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. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 2 inputs are significant other observable inputs. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 inputs are significant unobservable inputs.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property located in the City. Real property taxes (other than public utility) collected during 2024 were levied after October 1, 2023 on assessed values as of January 1, 2023, the lien date. Assessed values are established by the county auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments are made in the third year following reappraisal. The last reappraisal was completed in 2023. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Newark. The County Auditor periodically remits to the City its portion of the taxes collected.

The full tax rate for the City's operations for the year ended December 31, 2024 was \$3.70 per \$1,000 of assessed value. The assessed value upon which the 2024 collections was based was \$1,372,064,650. This amount constitutes \$1,321,006,070 in real property assessed value and \$51,058,580 in public utility assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .37% (3.70 mills) of assessed value.

B. Income Tax

The City levies a tax of 1.75% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of 1.00% of taxable salaries, wages, commissions and other compensation.

Employers within the City are required to withhold income tax on employees' compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2024 consisted of taxes, interest, settlements, accounts, loans, and intergovernmental receivables arising from shared revenues. All receivables are considered fully collectible.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 7 – INTERFUND ACTIVITY

A. Transfers

Following is a summary of transfers in and out for all funds for 2024:

Fund	Transfer In	Transfer Out
Governmental Funds:		
General Fund	\$0	\$7,452,393
Capital Improvement Fund	4,185,614	177,498
Other Governmental Funds	3,174,277	0
Total Governmental Funds	7,359,891	7,629,891
Proprietary Funds:		
Water Fund	0	20,068
Sewer Fund	203,063	300,000
Storm Water Fund	200,000	182,995
Total Enterprise Funds	403,063	503,063
Internal Service Fund	370,000	0
Total Proprietary Funds	773,063	503,063
Total Transfers	\$8,132,954	\$8,132,954

Transfers for the year ended December 31, 2024 included \$2,821,714 transferred from the General Fund to Capital Improvement Fund which were EMS receipts dedicated to capital improvements as well as the General Fund's share of capital projects. In addition, the General Fund transferred \$2,796,779 to the Debt Service Funds for debt payments and \$200,000 to the Street Department Fund for street improvements. Transfers between the Water, Sewer, and Storm Water Funds were for debt retirement reclassification. All transfers were made in accordance with Ohio Revised Code.

B. Interfund Balances

Individual interfund balances at December 31, 2024 are as follows:

Fund	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$38,449	\$0
Other Governmental Funds	0	38,449
Totals	\$38,449	\$38,449

Interfund balances at December 31, 2024, consisted of general fund advances to nonmajor special revenue funds due to deficit cash balances and the timing of reimbursement of expenditures.

CITY OF NEWARK, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 8 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at December 31, 2024:

Historical Cost:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
<i>Capital assets not being depreciated:</i>				
Land	\$21,889,838	\$168,235	\$0	\$22,058,073
Construction in Progress	8,552,527	6,957,071	(3,735,626)	11,773,972
Sub-Total	30,442,365	7,125,306	(3,735,626)	33,832,045
<i>Capital assets being depreciated:</i>				
Buildings	28,246,490	1,382,609	0	29,629,099
Improvements Other than Buildings	5,450,934	62,390	0	5,513,324
Infrastructure	97,630,264	4,414,801	(359,850)	101,685,215
SBITA	71,730	0	0	71,730
Machinery and Equipment	17,357,247	2,160,748	(493,493)	19,024,502
Total Cost	<u>\$179,199,030</u>	<u>\$15,145,854</u>	<u>(\$4,588,969)</u>	<u>\$189,755,915</u>

Accumulated Depreciation:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Buildings	(\$11,210,259)	(\$548,062)	\$0	(\$11,758,321)
Improvements Other than Buildings	(4,330,287)	(112,320)	0	(4,442,607)
Infrastructure	(53,040,701)	(2,695,114)	248,600	(55,487,215)
SBITA	(23,910)	(23,910)	0	(47,820)
Machinery and Equipment	(13,065,398)	(1,348,208)	189,474	(14,224,132)
Total Depreciation	<u>(\$81,670,555)</u>	<u>(\$4,727,614) *</u>	<u>\$438,074</u>	<u>(\$85,960,095)</u>
Net Value:	<u>\$97,528,475</u>			<u>\$103,795,820</u>

* Depreciation was charged to governmental functions as follows:

Security of Persons and Property	\$761,131
Leisure Time Activities	57,024
Community Environment	44,167
Transportation	2,774,722
General Government	1,090,570
Total Depreciation Expense	<u>\$4,727,614</u>

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 8 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at December 31, 2024:

Historical Cost:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
<i>Capital assets not being depreciated:</i>				
Land	\$161,800	\$40,000	\$0	\$201,800
Construction in Progress	52,422,748	15,902,348	(8,899,975)	59,425,121
Sub-Total	52,584,548	15,942,348	(8,899,975)	59,626,921
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	58,324,326	245,289	0	58,569,615
Infrastructure	69,671,273	8,704,100	0	78,375,373
SBITA	106,625	0	0	106,625
Machinery and Equipment	42,871,811	559,186	(263,615)	43,167,382
Total Cost	<u>\$223,558,583</u>	<u>\$25,450,923</u>	<u>(\$9,163,590)</u>	<u>\$239,845,916</u>

Accumulated Depreciation:

Class	December 31, 2023	Additions	Deletions	December 31, 2024
Buildings and Improvements	(\$30,805,426)	(\$1,458,741)	\$0	(\$32,264,167)
Infrastructure	(9,476,706)	(1,129,182)	0	(10,605,888)
SBITA	(35,542)	(35,542)	0	(71,084)
Machinery and Equipment	(32,682,078)	(794,840)	158,059	(33,318,859)
Total Depreciation	<u>(\$72,999,752)</u>	<u>(\$3,418,305)</u>	<u>\$158,059</u>	<u>(\$76,259,998)</u>
<i>Net Value:</i>	<u>\$150,558,831</u>			<u>\$163,585,918</u>

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions 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. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability 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 this estimate annually.

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Traditional plan state and local members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement. Law enforcement and public safety members who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. Combined plan members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local
2024 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
2024 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	<u>0.0</u>
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$1,740,240 for 2024.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OPF)

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit. (see OP&F Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, surviving beneficiaries under optional plans, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

CITY OF NEWARK, OHIO**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024****NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>Police</u>	<u>Firefighters</u>
2024 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25
2024 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF was \$2,842,145 for 2024.

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

The net pension liability for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2023, and was determined by rolling forward the total pension liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$18,278,110	\$44,330,460	\$62,608,570
Proportion of the Net Pension Liability-2024	0.069816%	0.458842%	
Proportion of the Net Pension Liability-2023	<u>0.070708%</u>	<u>0.437509%</u>	
Percentage Change	<u>(0.000892%)</u>	<u>0.021333%</u>	
Pension Expense	\$1,946,205	\$4,748,350	\$6,694,555

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes in assumptions	\$0	\$2,801,637	\$2,801,637
Differences between expected and actual experience	298,742	1,423,140	1,721,882
Net difference between projected and actual earnings on pension plan investments	3,689,307	5,023,571	8,712,878
Change in proportionate share	0	1,986,716	1,986,716
City contributions subsequent to the measurement date	1,740,240	2,842,145	4,582,385
Total Deferred Outflows of Resources	\$5,728,289	\$14,077,209	\$19,805,498
Deferred Inflows of Resources			
Changes in assumptions	\$0	\$673,210	\$673,210
Differences between expected and actual experience	0	495,784	495,784
Change in proportionate share	131,333	558,506	689,839
Total Deferred Inflows of Resources	\$131,333	\$1,727,500	\$1,858,833

\$4,582,385 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 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:

Year Ending December 31:	OPERS	OP&F	Total
2025	\$824,614	\$2,496,327	\$3,320,941
2026	1,203,132	2,725,534	3,928,666
2027	2,354,307	3,796,527	6,150,834
2028	(525,337)	8,275	(517,062)
2029	0	466,897	466,897
2030	0	14,004	14,004
Total	\$3,856,716	\$9,507,564	\$13,364,280

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification 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.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

The total pension liability in the December 31, 2023 and December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	December 31, 2023
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees	2.3 percent, simple through 2024, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age
	December 31, 2022
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA (Pre 1/7/13 retirees)	3.0 percent simple
COLA or Ad Hoc COLA (Post 1/7/13 retirees)	3 percent simple through 2023. 2.05 percent simple, thereafter
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 11.2 percent for 2023.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00%	

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent. The discount rate for the prior year was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability	\$28,774,664	\$18,278,110	\$9,548,036

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions – OPF

OPF's total pension liability as of December 31, 2023 is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and 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. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2023, compared with January 1, 2022, are presented below.

	<u>January 1, 2023</u>	<u>January 1, 2022</u>
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent	3.25 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	2.00	3.50
 Total	 <u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2.0x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate For 2023, the total pension liability was calculated using the discount rate of 7.50 percent. The discount rate used for 2022 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50 percent. 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, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City'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 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$58,718,996	\$44,330,460	\$32,364,993

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CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability (Asset)

The net OPEB liability (asset) reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability (asset) represents the City's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net 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.

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined and Member-Directed plans. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan or Combined Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Age 65 or older Retirees Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees Based on the following age-and-service criteria:

Group A 30 years of total service with at least 20 years of qualified health care service credit;

Group B 31 years of total service credit with at least 20 years of qualified health care service credit; or

Group C 32 years of total service cred with at least 20 years of qualified health care service credit.

Age 59 or younger Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

Group B 32 years of qualified health care service credit at any age or 31 years of qualified heath care service credit and at least age 52; or

Group C 32 years of qualified health care service credit and at least page 55.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Retirees who do not meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

Members with a retirement date prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

Group A	Group B	Group C
Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>	<i>January 1, 2015 through December 31, 2021</i>
Age 60 with 20 years of service credit or Any Age with 30 years of service credit	Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

The base allowance is determined by OPERS and is currently \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance for both non-Medicare and Medicare retirees.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Participants in the Member-Directed Plan have access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10 percent each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20 percent per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2024, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2024 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$0 for 2024.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2024, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

The City's contractually required contribution to OP&F was \$66,042 for 2024.

OPEB Liabilities (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2023, and was determined by rolling forward the total OPEB liability as of January 1, 2023, to December 31, 2023. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	OPERS	OP&F	Total
Proportionate Share of the Net OPEB Liability (Asset)	(\$637,476)	\$3,350,147	
Proportion of the Net OPEB Liability (Asset) - 2024	0.070632%	0.458842%	
Proportion of the Net OPEB Liability (Asset) - 2023	0.071867%	0.437509%	
Percentage Change	(0.001235%)	0.021333%	
OPEB Expense	(\$79,719)	(\$10,328)	(\$90,047)

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CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes in assumptions	\$164,116	\$1,152,820	\$1,316,936
Differences between expected and actual experience	0	161,100	161,100
Net difference between projected and actual earnings on OPEB plan investments	382,836	247,385	630,221
Change in proportionate share	0	276,144	276,144
City contributions subsequent to the measurement date	0	66,042	66,042
Total Deferred Outflows of Resources	<u>\$546,952</u>	<u>\$1,903,491</u>	<u>\$2,450,443</u>
Deferred Inflows of Resources			
Changes in assumptions	\$274,030	\$2,157,416	\$2,431,446
Differences between expected and actual experience	90,731	615,659	706,390
Change in proportionate share	0	245,062	245,062
Total Deferred Inflows of Resources	<u>\$364,761</u>	<u>\$3,018,137</u>	<u>\$3,382,898</u>

\$66,042 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2025. 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>Year Ending December 31:</u>	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2025	(\$16,176)	(\$171,801)	(\$187,977)
2026	29,636	(118,877)	(89,241)
2027	298,005	(53,379)	244,626
2028	(129,274)	(252,199)	(381,473)
2029	0	(274,607)	(274,607)
2030	0	(328,726)	(328,726)
2031	0	10,515	10,515
2032	0	8,386	8,386
Total	<u>\$182,191</u>	<u>(\$1,180,688)</u>	<u>(\$998,497)</u>

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification 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 and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	5.70 percent
Prior measurement date	5.22 percent
Investment Rate of Return:	
Current measurement date	6.00 percent
Prior measurement date	6.00 percent
Municipal Bond Rate:	
Current measurement date	3.77 percent
Prior measurement date	4.05 percent
Health Care Cost Trend Rate:	
Current measurement date	5.5 percent initial, 3.5 percent ultimate in 2038
Prior measurement date	5.5 percent initial, 3.5 percent ultimate in 2036
Actuarial Cost Method	Individual Entry Age Normal

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 percent of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five year period ended December 31, 2020.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

During 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.0 percent for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00%	2.82%
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other investments	5.00	2.43
Total	<u>100.00%</u>	

Discount Rate A single discount rate of 5.70 percent was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 percent. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent (Fidelity Index's "20-Year Municipal GO AA Index").

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.70 percent, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (4.70 percent) or one-percentage-point higher (6.70 percent) than the current rate:

	1% Decrease (4.70%)	Current Discount Rate (5.70%)	1% Increase (6.70%)
City's proportionate share of the net OPEB liability (asset)	\$350,335	(\$637,476)	(\$1,455,726)

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability or asset. The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability (asset)	(\$663,941)	(\$637,476)	(\$607,435)

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2023, is based on the results of an actuarial valuation date of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and 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.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

	January 1, 2023	January 1, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.5 percent	7.5 percent
Projected Salary Increases	3.50 percent to 10.5 percent	3.25 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5	Inflation rate of 2.75 percent plus productivity increase rate of 0.5
Single discount rate	4.07 percent	4.27 percent
Cost of Living Adjustments	2.2 percent simple	2.2 percent simple
Projected Depletion Year of OPEB Assets	2038	2036

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP- 2021 Improvement Scale.

The most recent experience study was completed for the five-year period ended December 31, 2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in OP&F's Statement of Investment Policy. A forecasted rate of inflation serves as a baseline for the return expected. 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.

Best estimates of the long-term expected real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2023, are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	18.60 %	4.10 %
Non-US Equity	12.40	4.90
Private Markets	10.00	7.30
Core Fixed Income *	25.00	2.40
High Yield Fixed Income	7.00	4.10
Private Credit	5.00	6.80
U.S. Inflation Linked Bonds*	15.00	2.10
Midstream Energy Infrastructure	5.00	5.80
Real Assets	8.00	6.00
Gold	5.00	3.50
Private Real Estate	12.00	5.40
Commodities	2.00	3.50
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

* levered 2.0x

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 10 - DEFINED BENEFIT OPEB PLANS (Continued)

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate For 2023, the total OPEB liability was calculated using the discount rate of 4.07 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.5 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payment of current plan members. Therefore, the long-term assumed rate of return on investments of 7.5 percent was applied to periods before December 31, 2037, and the Municipal Bond Index Rate of 3.38 percent was applied to periods on and after December 31, 2037, resulting in a discount rate of 4.07 percent.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.07 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.07 percent), or one percentage point higher (5.07 percent) than the current rate.

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
City's proportionate share of the net OPEB liability	\$4,126,450	\$3,350,147	\$2,696,345

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

CITY OF NEWARK, OHIO**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024****NOTE 11 - NOTES PAYABLE**

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of twenty years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to and payable no later than those principal maturities required if the bonds had been issued at the expiration of the initial five year period. Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the notes, or from available funds of the City or a combination of these sources.

	Balance January 1, 2024	Balance Issued	Balance (Retired)	Balance December 31, 2024
Capital Projects Fund Notes Payable:				
4.625% Various Purpose	\$3,940,000	\$0	(\$3,940,000)	\$0
4.000% Parking Garage	0	2,530,000	0	2,530,000
4.600% Parking Garage	0	2,545,000	0	2,545,000
Total Capital Projects Fund Notes Payable	3,940,000	5,075,000	(3,940,000)	5,075,000
Enterprise Fund Notes Payable:				
4.500% Horns Hill Sanitary Sewer	455,000	0	(455,000)	0
4.500% Horns Hill Sanitary Sewer	0	355,000	0	355,000
4.500% Stream Bank Protection	505,000	0	(505,000)	0
4.500% Stream Bank Protection	0	510,000	0	510,000
4.625% Water System Improvements	3,085,000	0	(3,085,000)	0
4.625% Tamarack 40 St. Stormwater	2,515,000	0	(2,515,000)	0
Total Enterprise Fund Notes Payable	6,560,000	865,000	(6,560,000)	865,000
Total Notes Payable	\$10,500,000	\$5,940,000	(\$10,500,000)	\$5,940,000

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS

Long-term debt and other long-term obligations of the City at December 31, 2024 were as follows:

			Restated Balance December 31, 2023	Additions	Deductions	Balance December 31, 2024	Amount Due Within One Year
Governmental Activities Debt:							
General Obligation Bonds:							
East Main Street							
Improvement Refunding (TIF)	1.5%-3.00%	2028	\$775,000	\$0	(\$145,000)	\$630,000	\$150,000
Police and Fire Facilities Refunding	2.0%-4.00%	2031	5,095,000	0	(565,000)	4,530,000	580,000
Downtown Fire Station	2.0%-4.00%	2036	3,730,000	0	(235,000)	3,495,000	245,000
Various Purpose Refunding	2.0%-4.00%	2031	465,000	0	(65,000)	400,000	65,000
Deo Drive Improvement (TIF)	3.75%-4.38%	2027	210,000	0	(85,000)	125,000	40,000
Landfill Reclamation Refunding	2.0%-4.00%	2031	590,000	0	(70,000)	520,000	65,000
Various Purpose	2.0%-3.25%	2037	1,175,000	0	(70,000)	1,105,000	75,000
Sidewalk and Parking Lot Improvement	2.0%-3.0%	2028	605,000	0	(115,000)	490,000	120,000
Sharon Valley Road Fire Station No. 5	4.25%-5.0%	2047	2,900,000	0	(70,000)	2,830,000	70,000
Horns Hill Waterworks Road Improvement	4.25%-5.0%	2042	1,560,000	0	(55,000)	1,505,000	55,000
Parking Garage	5.0%	2054	0	8,520,000	0	8,520,000	10,000
Various Purpose	4.0%-5.0%	2049	0	4,265,000	0	4,265,000	190,000
			<u>17,105,000</u>	<u>12,785,000</u>	<u>(1,475,000)</u>	<u>28,415,000</u>	<u>1,665,000</u>
Bond Premium (Discount)			<u>582,200</u>	<u>573,247</u>	<u>(55,731)</u>	<u>1,099,716</u>	<u>0</u>
Total General Obligation Bonds			<u>17,687,200</u>	<u>13,358,247</u>	<u>(1,530,731)</u>	<u>29,514,716</u>	<u>1,665,000</u>
ODOT State Infrastructure Bank Loans:							
Newark-Mount Vernon Road	3.00%	2035	2,106,262	0	(148,222)	1,958,040	152,702
Ohio and Manning Street Bridges and Bike Trail	3.00%	2028	1,055,986	0	(222,590)	833,396	229,318
Newark Thornwood Crossing	3.00%	2033	0	10,000	(488)	9,512	998
Total ODOT State Infrastructure Bank Loans			<u>3,162,248</u>	<u>10,000</u>	<u>(371,300)</u>	<u>2,800,948</u>	<u>383,018</u>
Ohio Public Works							
Commission Loans (OPWC):							
West Church Street Bridge	0.00%	2034	360,000	0	(30,000)	330,000	30,000
Sharon Valley Road/Evans Boulevard	0.00%	2028	92,500	0	(18,500)	74,000	18,500
Country Club Dr/Sharon Valley Road	0.00%	2032	140,096	0	(16,482)	123,614	16,482
West Church Street Bridge Replacement	0.00%	2044	0	377,201	0	377,201	0
Total OPWC Loans			<u>592,596</u>	<u>377,201</u>	<u>(64,982)</u>	<u>904,815</u>	<u>64,982</u>
Long Term Note Payable:							
Church Street Area Improvements	4.50%	2024	1,130,000	0	(1,130,000)	0	0
Church Street Area Improvements	4.50%	2025	0	1,135,000	0	1,135,000	0
Total Long Term Notes Payable			<u>1,130,000</u>	<u>1,135,000</u>	<u>(1,130,000)</u>	<u>1,135,000</u>	<u>0</u>
Installment Loans:							
LED Street Lights	3.89%	2025	116,366	0	(56,855)	59,511	59,511
2018 Pierce Ladder Fire Truck	4.06%	2025	201,449	0	(98,305)	103,144	103,144
Scoreboard and Equipment	3.83%	2026	108,196	0	(34,472)	73,724	36,036
EMS Vehicle	4.37%	2025	115,764	0	(56,796)	58,968	58,968
6 Police Cars	4.25%	2024	72,035	0	(72,035)	0	0
2 2020 Ford Explorers	2.95%	2024	31,061	0	(31,061)	0	0
2021 Pierce Fire Truck	4.17%	2031	1,148,412	0	(123,782)	1,024,630	129,074
Various 2021 Vehicles	3.12%	2025	172,596	0	(84,977)	87,619	87,619
2023 Parks Equipment	4.29-5.81%	2025	151,527	0	(79,628)	71,899	71,899
2023 Street Equipment	5.21-6.31%	2026	319,245	0	(100,396)	218,849	106,316
2023 City Hall Vehicle	6.40%	2025	28,032	0	(13,579)	14,453	14,453
2023 Police Vehicles	5.82%	2026	137,875	0	(43,370)	94,505	45,916
2024 Police Vehicles	6.07-6.55%	2029	0	569,854	(65,883)	503,971	132,474
2024 Street Vehicles/Equipment	5.37-6.11%	2028	0	260,609	0	260,609	74,346
Total Installment Loans			<u>2,602,558</u>	<u>830,463</u>	<u>(861,139)</u>	<u>2,571,882</u>	<u>919,756</u>
Governmental Activities Other Long-Term Obligations:							
Subscription Based Information Technology Arrangements (SBITA)			49,309	0	(23,878)	25,431	25,431
Accrued Pension Liability			1,124,350	0	(78,036)	1,046,314	81,388
Compensated Absences Payable			5,909,217	474,706	0	6,383,923	3,901,929
Total Governmental Activities			<u>\$32,257,478</u>	<u>\$16,185,617</u>	<u>(\$4,060,066)</u>	<u>\$44,383,029</u>	<u>\$7,041,504</u>

CITY OF NEWARK, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

			Restated Balance December 31, 2023			Balance December 31, 2024	Amount Due Within One Year
Business-Type Activities Debt:							
General Obligation Bonds:							
Storm Water Improvement Refunding	2.00%-4.00%	2034	\$1,725,000	\$0	(\$170,000)	\$1,555,000	\$170,000
Storm Water Improvement	2.0%-4.0%	2039	1,695,000	0	(80,000)	1,615,000	80,000
Various Purpose	1.00%-3.00%	2032	2,385,000	0	(240,000)	2,145,000	245,000
Water System Improvements	4.125%-5%	2049	0	3,025,000	0	3,025,000	45,000
Tamarack/40th Street Stormwater Improvements	4.00%-5.00%	2044	0	2,410,000	0	2,410,000	55,000
			5,805,000	5,435,000	(490,000)	10,750,000	595,000
Bond Premium			158,788	302,985	(14,141)	447,632	0
Total General Obligation Bonds			5,963,788	5,737,985	(504,141)	11,197,632	595,000
Revenue Bonds:							
Water System Improvement	2.0%-5.0%	2049	15,790,000	0	(380,000)	15,410,000	390,000
Bond Premium			1,010,294	0	(38,858)	971,436	0
Total Revenue Bonds			16,800,294	0	(418,858)	16,381,436	390,000
Ohio Water Development							
Authority Loans (OWDA):							
Licking River Interceptor Construction	3.25%	2026	509,791	0	(164,482)	345,309	169,871
Wastewater Electrical Improvements	0.61%	2027	597,676	0	(148,057)	449,619	148,961
Wastewater High Rate Treatment System	4.67%	2031	6,996,302	0	(813,378)	6,182,924	847,400
CSO Sewer Separation	3.36%	2028	533,969	0	(99,798)	434,171	103,179
Water Plant Generator	3.53%	2030	461,286	0	(59,186)	402,100	61,294
CSO Sewer Separation	3.25%	2031	975,576	0	(108,638)	866,938	112,198
Automated Meter Reading	3.53%	2031	1,199,313	0	(107,157)	1,092,156	111,235
CSO Sewer Separation 1030	2.45%	2033	1,326,567	0	(125,633)	1,200,934	128,730
Raccoon Creek Interceptor	2.64%	2033	4,134,714	0	(366,401)	3,768,313	376,138
Aeration System Modifications	2.48%	2034	1,252,369	0	(105,802)	1,146,567	108,443
Downtown Sewer Separation	2.01%	2037	12,644,482	0	(801,790)	11,842,692	0
Alternative Storm Water	1.00%	2032	2,194,702	0	(248,646)	1,946,056	251,140
Anaerobic Digester Improvements	2.01%	2044	8,713,256	0	(337,228)	8,376,028	344,040
Wastewater UV Disinfection and SCADA Upgrade	0.00%	2042	4,410,955	345,793	(244,804)	4,511,944	0
Interceptor Siphon	0.00%	2046	2,159,871	43,551	(126,880)	2,076,542	0
Fourth Street Sewer Separation	0.00%	2053	22,745,953	1,634,216	(790,029)	23,590,140	0
Lead Service Line Replacement	0.00%	2043	745,732	160,442	0	906,174	0
South Second Street Interceptor	0.00%	2047	1,280,184	4,699,544	0	5,979,728	0
Route 16 North Sewer Separation Project	0.00%	2029	0	1,735,156	0	1,735,156	0
Lead Service Line Replacement	0.00%	2044	0	697,554	0	697,554	0
Lead Service Line Replacement	0.00%	2045	0	469,407	0	469,407	0
Total OWDA Loans			72,882,698	9,785,663	(4,647,909)	78,020,452	2,762,629
Ohio Public Works							
Commission Loans (OPWC):							
Licking River Interceptor Construction	0.00%	2027	113,729	0	(28,433)	85,296	28,433
Idlewilde Park Sewer Phase I	0.00%	2022	1,631	0	(1,631)	0	0
Idlewilde Park Sewer Phase II	0.00%	2024	67,128	0	(33,561)	33,567	33,567
Channel Street/Postal Avenue Sewer	0.00%	2033	436,853	0	(41,604)	395,249	41,604
Total OPWC Loans			619,341	0	(105,229)	514,112	103,604
ODOT State Infrastructure Bank Loan:							
Newark-Mount Vernon Road	3.00%		2,375,146	0	(167,144)	2,208,002	172,195
Business-Type Activities Other Long-Term Obligations:							
Subscription Based Information Technology Arrangements (SBITA)			73,298	0	(35,495)	37,803	37,803
Compensated Absences			1,162,820	73,260	0	1,236,080	816,120
Total Business-Type Activities			\$99,877,385	\$15,596,908	(\$5,878,776)	\$109,595,517	\$4,877,351

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

December 31, 2023 compensated absences balances were restated due to implementation of GASB Statement 101. See note 2.

The City's liability for past service costs relating to the Police and Firemen's Pension Fund at December 31, 2024 was \$1,306,874 in principal and interest payments through the year 2035. Only the principal amount of \$1,046,314 is included in the Government-wide Statement of Net Position.

The City reports Ohio Department of Transportation State Infrastructure Bank Loans for improvements to Waterworks Road, Newark-Mount Vernon Road, Ohio and Manning Street Bridges, and bike trails. These loans carry an interest rate of 3%.

In 2024 the City issued \$8,520,000 of general obligation bonds for the construction of a parking garage. The bonds carry an interest rate of 5% and mature in 2054. In 2024 the City issued \$4,265,000 of general obligation bonds for various permanent improvement projects. The bonds carry an interest rate of 4% to 5% and mature in 2044. The City issued \$3,025,000 of general obligation bonds in 2024 for water system improvements. The bonds carry an interest rate of 4% to 5% and mature in 2049. In 2024 the City issued \$2,410,000 of general obligation bonds for stormwater improvements. The bonds carry an interest rate of 4% to 5% and mature in 2044.

The City received \$377,201 in Ohio Public Works Commission loan proceeds in 2024 for replacement of the West Church Street Bridge. The loan carries a 0% interest rate and matures in 2044.

In 2024 the City received \$830,463 in installment loans for the purchase of various police and street equipment. The interest rate varies between 5% and 7% and total years to maturity is between three and five years.

In 2024 the City issued a \$1,135,000 long-term note for improvements in the Church Street area. The note carries an interest rate of 4.5%. In March 2025 these notes were paid off with proceeds from a new note issuance; therefore, these notes payable are recorded as long-term obligations.

The Water System Improvement revenue bonds are payable from the net revenue derived from operations of the water utility and are secured by a pledge of and lien on such net revenues until the bond maturity date of 2049. In 2024 the Water Fund reported \$2,715,373 of net pledged revenues for coverage of a principal and interest debt service requirement of \$1,052,806.

Downtown Sewer Separation - In 2015 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan for a combined sewer overflow separation project. The total amount is subject to change and has not been finalized. The interest rate on the loan is 2.01%, per annum. This loan is payable from wastewater collection and treatment charges and is received by the City in increments as the project is completed. As of December 31, 2024, the City had received \$16,415,074 from OWDA. Subsequent amounts will be received in future years. As of December 31, 2024, the loan has not been finalized and there is no amortization schedule for the loan.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

Wastewater UV Disinfection and SCADA Upgrade - In 2021 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan for a wastewater UV disinfection and SCADA upgrade project. The total amount is subject to change and has not been finalized. The interest rate on the loan is 0%, per annum. This loan is payable from wastewater collection and treatment charges and is received by the City in increments as the project is completed. As of December 31, 2024, the City had received \$4,756,748 from OWDA. Subsequent amounts will be received in future years. As of December 31, 2024, the loan has not been finalized and there is no amortization schedule for the loan.

Fourth Street Sewer Separation - In 2019 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan for a combined sewer overflow separation project at Fourth Street. The total amount is subject to change and has not been finalized. The interest rate on the loan is 0%, per annum. This loan is payable from wastewater collection and treatment charges and is received by the City in increments as the project is completed. As of December 31, 2024, the City had received \$24,380,169 from OWDA. Subsequent amounts will be received in future years. As of December 31, 2024, the loan has not been finalized and there is no amortization schedule for the loan.

Interceptor Siphon - In 2020 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan for an interceptor siphon project. The total amount is subject to change and has not been finalized. The interest rate on the loan is 0%, per annum. This loan is payable from wastewater collection and treatment charges and is received by the City in increments as the project is completed. As of December 31, 2024, the City had received \$2,457,182 from OWDA. Subsequent amounts will be received in future years. As of December 31, 2024, the loan has not been finalized and there is no amortization schedule for the loan.

South Second Street Interceptor - In 2022 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan for the South Second Street interceptor project. The total amount is subject to change and has not been finalized. The interest rate on the loan is 0%, per annum. This loan is payable from wastewater collection and treatment charges and is received by the City in increments as the project is completed. As of December 31, 2024, the City had received \$5,979,728 from OWDA. Subsequent amounts will be received in future years. As of December 31, 2024, the loan has not been finalized and there is no amortization schedule for the loan.

CITY OF NEWARK, OHIO

**Notes to the Basic Financial Statements
For the Year Ended December 31, 2024**

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

Lead Service Line Replacement - In 2023 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan for a water line replacement project. The total amount is subject to change and has not been finalized. The interest rate on the loan is 0%, per annum. This loan is payable from water distribution charges and is received by the City in increments as the project is completed. As of December 31, 2024, the City had received \$906,174 from OWDA. Subsequent amounts will be received in future years. As of December 31, 2024, the loan has not been finalized and there is no amortization schedule for the loan.

Route 16 North Sewer Separation Project - In 2024 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan for a sewer separation project at Route 16. The total amount is subject to change and has not been finalized. The interest rate on the loan is 0%, per annum. This loan is payable from wastewater collection and treatment charges and is received by the City in increments as the project is completed. As of December 31, 2024, the City had received \$1,735,156 from OWDA. Subsequent amounts will be received in future years. As of December 31, 2024, the loan has not been finalized and there is no amortization schedule for the loan.

Lead Service Line Replacement - In 2024 the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive two loans for water line replacement projects. The total amount is subject to change and has not been finalized. The interest rate on the loans is 0%, per annum. The loans are payable from water distribution charges and are received by the City in increments as the project is completed. As of December 31, 2024, the City had received \$1,166,961 from OWDA. Subsequent amounts will be received in future years. As of December 31, 2024, the loans have not been finalized and there is no amortization schedule for the loan.

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CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2024 follows:

Years	Governmental Activities			
	General Obligation Bonds		Accrued Pension Liability	
	Principal	Interest	Principal	Interest
2025	\$1,665,000	\$1,256,542	\$81,388	\$43,612
2026	1,885,000	1,153,825	84,882	40,118
2027	1,960,000	1,082,478	88,528	36,472
2028	1,960,000	1,013,219	92,332	32,668
2029	1,740,000	944,544	96,298	28,702
2030-2034	6,930,000	3,774,330	547,196	77,804
2035-2039	3,785,000	2,610,264	55,690	1,184
2040-2044	3,295,000	1,801,439	0	0
2045-2048	2,230,000	882,260	0	0
Thereafter	2,965,000	530,672	0	0
Totals	\$28,415,000	\$14,518,901	\$1,046,314	\$260,560

Years	Governmental Activities			
	ODOT SIB Loans		OPWC Loans	
	Principal	Interest	Principal	Interest
2025	\$383,018	\$81,178	\$64,982	\$0
2026	394,592	69,601	64,982	0
2027	406,522	57,673	64,982	0
2028	292,503	45,386	64,982	0
2029	173,141	38,441	46,482	0
2030-2034	945,500	110,496	191,204	0
2035-2039	205,672	4,639	30,000	0
Totals	\$2,800,948	\$407,414	\$527,614	\$0

Years	Installment Loans	
	Principal	Interest
2025	\$919,756	\$127,443
2026	554,583	82,241
2027	295,288	51,847
2028	246,195	36,834
2029	232,829	24,721
2030-2032	323,231	20,350
Totals	\$2,571,882	\$343,436

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements
For the Year Ended December 31, 2024

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

Years	Business-Type Activities				
	General Obligation Bonds		Revenue Bonds		Interest
	Principal	Interest	Principal	Interest	
2025	\$595,000	\$469,558	\$390,000	\$664,256	
2026	665,000	402,306	400,000	652,069	
2027	675,000	382,531	410,000	642,569	
2028	700,000	358,756	425,000	626,169	
2029	735,000	333,006	440,000	609,169	
2030-2034	3,010,000	1,264,480	2,490,000	2,764,245	
2035-2039	1,900,000	773,580	3,140,000	2,120,845	
2040-2044	1,565,000	376,155	3,440,000	1,307,095	
2045-2049	905,000	104,819	4,275,000	475,781	
Totals	\$10,750,000	\$4,465,191	\$15,410,000	\$9,862,198	

Years	Business-Type Activities					
	OWDA Loans		OPWC Loans		ODOT SIB Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$2,762,629	\$618,879	\$103,604	\$0	\$172,195	\$64,958
2026	2,843,482	549,200	70,037	0	177,402	59,753
2027	2,745,873	478,603	70,036	0	182,762	54,391
2028	2,674,626	410,013	41,604	0	188,286	48,868
2029	2,639,009	340,750	41,604	0	193,977	43,176
2030-2034	7,940,078	851,099	187,227	0	1,061,457	124,312
2035-2039	2,187,672	365,721	0	0	231,923	5,231
2040-2044	2,417,746	135,645	0	0	0	0
Totals	\$26,211,115	\$3,749,910	\$514,112	\$0	\$2,208,002	\$400,689

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CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

In October 2014, the City defeased \$7,780,000 of General Obligation Bonds for Police and Fire Facilities dated September 1, 2003 through the issuance of \$7,930,000 of Police and Fire Facilities Refunding Bonds. The net proceeds of the 2014 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$4,295,000 at December 31, 2024 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

In October 2017 the City refunded \$1,305,000 of Storm Water Improvement Bonds dated 2009, \$1,005,000 of Storm Water Improvement Bonds dated 2011, \$985,000 of Various Purpose Street Bonds dated 2010, and \$885,000 of Landfill Reclamation Bonds dated 2011 through the issuance of \$4,365,000 of General Obligation Bonds. The net proceeds of the 2017 Bonds were used to currently refund the 2010 Various Purpose Bonds. The remaining net proceeds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$2,100,000 at December 31, 2024 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

NOTE 13 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The City has entered into multiple Subscription Based Information Technology Arrangements (SBITAs) for the right to use various software platforms. Cost and accumulated depreciation reported in Governmental Activities for SBITA assets is \$71,730 and \$47,820, respectively. Cost and accumulated depreciation reported in Business-Type Activities for SBITA assets is \$106,625 and \$71,084, respectively.

The related liability is included in the Governmental Activities and Business-Type Activities Long-Term Liabilities.

The following is a schedule of future SBITA payments as of December 31, 2024:

Years	Governmental Activities		Business-Type Activities	
	SBITA		SBITA	
	Principal	Interest	Principal	Interest
2025	\$25,431	\$1,653	\$37,803	\$2,457
Totals	\$25,431	\$1,653	\$37,803	\$2,457

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 14 - INSURANCE AND RISK MANAGEMENT

The City 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.

A. Shared Risk Pool

The City is a participant in the Public Entities Pool of Ohio (“PEP Pool”). The PEP Pool was established in 1987 and is administered under contract by the York Risk Pooling Services, Inc. to provide Ohio municipalities with the most cost-effective, comprehensive coverage in the state.

The Pool’s general objectives are to provide for a joint or cooperative action by Members relative to their financial and administrative resources for the purpose of providing risk management services and risk-sharing facilities to the Members and to the Members’ employees, and to defend and protect any Member of the Pool against liability.

Members of the Pool may withdraw coverage upon 60 days written notice. Each participant makes an annual “contribution” to the Pool for the coverage they are provided based on their exposures and rates established by the Pool using anticipated and actual results of operation for the various coverage’s provided.

The City of Newark obtained insurance coverage from the Pool for losses relating to General liability, Law Enforcement liability, Public Officials liability, Auto liability/Physical Damage, and Property coverage.

Adequate and appropriate reinsurance is essential to protect the financial integrity of a group self-insurance program. PEP is a Member of a unique reinsurance pool known as American Public Entity Excess Pool (APEEP).

The City of Newark carries commercial insurance coverage for all other risks, including but not limited to Property, Boiler and Machinery, Crime, and Auto. There have been no reductions in insurance coverage’s from the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. Self Insurance

The City established a Self-Insurance Fund (internal service fund) to account for and finance its health and dental uninsured risks of loss. Under this program, the Self-Insurance Fund provides coverage for up to a maximum of \$100,000 for health insurance claims per individual and \$1,000 for dental claims per individual. The plan is administered by a third party administrator, MedBen which monitors all claim payments. The City purchases insurance for claims in excess of health insurance coverage provided by the Self-Insurance Fund. All departments of the City participate in the program and make payments to the Self-Insurance Fund based on participation of employees and their dependents. Employees that are members of the AFSCME Union obtain dental coverage through the AFSCME organization.

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 14 - INSURANCE AND RISK MANAGEMENT (Continued)

B. Self Insurance (Continued)

A liability for unpaid claims cost of \$343,596 is based on the requirements of GASB 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Interfund premiums are based primarily upon the insured funds' claims experience. Claim payments are reported as a component of personal services.

Changes in the fund's claims liability in 2023 and 2024 were as follows:

Fiscal Year	Current Year			Balance at Fiscal Year End
	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claims Payments	
2023	\$360,437	\$6,987,573	(\$6,857,000)	\$491,010
2024	491,010	8,542,588	(8,690,002)	343,596

C. BWC Individual Retrospective Rating Program

In prior years the City was enrolled in the Ohio BWC's Individual Retrospective Rating Program. The Individual Retrospective Rating provided the City with an up-front premium discount in exchange for assuming dollar-for-dollar claims liability for any claim filed during the Retrospective Rating policy year. Each retrospective rated policy year carries a 10 year liability period. 2023 was the last year of liability for the City under the Individual Retrospective Rating Program.

GASB Statement No. 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability amount are as follows:

Year	Current Year			End of Year Liability
	Beginning of Year Liability	Claims and Changes in Estimates	Claims Payments	
2023	\$48,087	\$71,065	(\$48,087)	\$71,065
2024	71,065	0	(71,065)	0

CITY OF NEWARK, OHIO

Notes to the Basic Financial Statements For the Year Ended December 31, 2024

NOTE 15 - SIGNIFICANT COMMITMENTS

A. Contractual Commitments

The City had the following significant contractual commitments at December 31, 2024:

Project	Remaining Contractual Commitment	Expected Date of Completion
Street Maintenance	\$4,272,205	2025
Downtown Parking Garage and Utility Burial	11,248,583	2026
Raccoon Creek and Cherry Bend Slope Repair	790,850	2025
Faye Drive Booster Station	829,515	2025
River Road Sewer	4,083,189	2025
South Second Street Sewer Separation	9,004,508	2025
16 North Sewer Separation	3,369,363	2025
Lead Service Line Replacement	1,280,736	2025
	<u><u>\$34,878,949</u></u>	

B. Encumbrance Commitments

At December 31, 2024 the City had encumbrance commitments in the Governmental Funds as follows:

Fund	Encumbrances
General Fund	\$1,746,773
American Rescue Plan Act Fund	4,957,603
Capital Improvement Fund	17,428,742
Other Governmental Funds	2,020,787
Total Governmental Funds	<u><u>\$26,153,905</u></u>

NOTE 16 - CONTINGENCIES

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

NOTE 17 – DEFICIT FUND BALANCE

The fund deficit of \$15,768 in the Safety Grants nonmajor governmental fund resulted from accrued liabilities reported in the fund. A deficit does not exist on a cash basis. The General Fund provides transfers when cash is required, not when accruals occur.

NOTE 18 – SUBSEQUENT EVENT

In March 2025 the City issued \$1,900,000 of various purpose bond anticipation notes. The notes have an interest rate of 5.0% and mature March 18, 2026.

***R*EQ*U*IRE*D* *S*UPPL*E*MENTARY *I*NFORMATION**

CITY OF NEWARK, OHIO

Schedule of City's Proportionate Share of the Net Pension Liability Last Ten Years

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.076378%	0.074871%	0.073004%	0.069175%
City's proportionate share of the net pension liability (asset)	\$9,212,040	\$12,968,643	\$16,578,043	\$10,852,146
City's covered payroll	\$9,381,292	\$9,344,933	\$9,126,483	\$9,207,600
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	98.20%	138.78%	181.65%	117.86%
Plan fiduciary net position as a percentage of the total pension liability	86.45%	81.08%	77.25%	84.66%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
City's proportion of the net pension liability (asset)	0.478326%	0.467618%	0.467510%	0.441969%
City's proportionate share of the net pension liability (asset)	\$24,779,302	\$30,082,169	\$29,611,621	\$27,125,647
City's covered payroll	\$9,387,938	\$9,451,954	\$9,644,293	\$9,540,968
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	263.95%	318.26%	307.04%	284.31%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	66.77%	68.36%	70.91%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

The schedule is reported as of the measurement date of the Net Pension Liability, which is the prior year end.

See notes to the required supplementary information

CITY OF NEWARK, OHIO

2019	2020	2021	2022	2023	2024
0.069409%	0.068045%	0.070820%	0.071830%	0.070708%	0.069816%
\$19,009,713	\$13,449,551	\$10,486,897	\$6,249,496	\$20,887,170	\$18,278,110
\$9,376,750	\$9,594,221	\$9,938,957	\$10,397,186	\$10,888,693	\$11,430,086
202.73%	140.18%	105.51%	60.11%	191.82%	159.91%
74.70%	82.17%	86.88%	92.62%	75.74%	79.01%
2019	2020	2021	2022	2023	2024
0.438010%	0.427888%	0.431171%	0.448827%	0.437509%	0.458842%
\$35,753,191	\$28,824,823	\$29,393,302	\$28,040,115	\$41,559,152	\$44,330,460
\$9,807,613	\$10,155,025	\$10,391,184	\$11,291,020	\$11,660,725	\$12,946,966
364.55%	283.85%	282.87%	248.34%	356.40%	342.40%
63.07%	69.89%	70.65%	75.03%	62.90%	63.63%

CITY OF NEWARK, OHIO

Schedule of City Pension Contributions Last Ten Years

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
Contractually required contribution	\$1,121,392	\$1,095,178	\$1,196,988	\$1,312,745
Contributions in relation to the contractually required contribution	<u>1,121,392</u>	<u>1,095,178</u>	<u>1,196,988</u>	<u>1,312,745</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$9,344,933	\$9,126,483	\$9,207,600	\$9,376,750
Contributions as a percentage of covered payroll	12.00%	12.00%	13.00%	14.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
Contractually required contribution	\$2,012,953	\$2,058,255	\$2,041,586	\$2,095,532
Contributions in relation to the contractually required contribution	<u>2,012,953</u>	<u>2,058,255</u>	<u>2,041,586</u>	<u>2,095,532</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$9,451,954	\$9,644,293	\$9,540,968	\$9,807,613
Contributions as a percentage of covered payroll	21.30%	21.34%	21.40%	21.37%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

See notes to the required supplementary information

CITY OF NEWARK, OHIO

2019	2020	2021	2022	2023	2024
\$1,343,191	\$1,391,454	\$1,455,606	\$1,524,417	\$1,600,212	\$1,740,240
<u>1,343,191</u>	<u>1,391,454</u>	<u>1,455,606</u>	<u>1,524,417</u>	<u>1,600,212</u>	<u>1,740,240</u>
<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
\$9,594,221	\$9,938,957	\$10,397,186	\$10,888,693	\$11,430,086	\$12,430,286
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

2019	2020	2021	2022	2023	2024
\$2,170,355	\$2,220,792	\$2,421,917	\$2,501,298	\$2,783,768	\$2,842,145
<u>2,170,355</u>	<u>2,220,792</u>	<u>2,421,917</u>	<u>2,501,298</u>	<u>2,783,768</u>	<u>2,842,145</u>
<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
\$10,155,025	\$10,391,184	\$11,291,020	\$11,660,725	\$12,946,966	\$13,208,466
21.37%	21.37%	21.45%	21.45%	21.50%	21.52%

CITY OF NEWARK, OHIO

Schedule of City's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability (Asset) Last Eight Years

Ohio Public Employees Retirement System

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.073607%	0.070172%	0.070356%
City's proportionate share of the net OPEB liability (asset)	\$7,434,554	\$7,620,198	\$9,172,760
City's covered payroll	\$9,126,483	\$9,207,600	\$9,376,750
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	81.46%	82.76%	97.82%
Plan fiduciary net position as a percentage of the total OPEB liability	54.50%	54.14%	46.33%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.467510%	0.441969%	0.438010%
City's proportionate share of the net OPEB liability (asset)	\$22,191,654	\$25,041,358	\$3,988,755
City's covered payroll	\$9,644,293	\$9,540,968	\$9,807,613
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	230.10%	262.46%	40.67%
Plan fiduciary net position as a percentage of the total OPEB liability	15.96%	14.13%	46.57%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability, which is the prior year end.

See notes to the required supplementary information

CITY OF NEWARK, OHIO

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.068992%	0.071656%	0.072940%	0.071867%	0.070632%
\$9,529,586	(\$1,276,613)	(\$2,284,595)	\$453,132	(\$637,476)
\$9,594,221	\$9,938,957	\$10,397,186	\$10,888,693	\$11,430,086
99.33%	(12.84%)	(21.97%)	4.16%	(5.58%)
47.80%	115.57%	128.23%	94.79%	107.76%
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
0.427888%	0.431171%	0.448827%	0.437509%	0.458842%
\$4,226,564	\$4,568,326	\$4,919,531	\$3,114,941	\$3,350,147
\$10,155,025	\$10,391,184	\$11,291,020	\$11,660,725	\$12,946,966
41.62%	43.96%	43.57%	26.71%	25.88%
47.08%	45.42%	46.86%	52.59%	51.89%

CITY OF NEWARK, OHIO

Schedule of City's Other Postemployment Benefit (OPEB) Contributions Last Ten Years

Ohio Public Employees Retirement System

Year	2015	2016	2017	2018
Contractually required contribution	\$186,899	\$182,530	\$92,076	\$0
Contributions in relation to the contractually required contribution	<u>186,899</u>	<u>182,530</u>	<u>92,076</u>	<u>0</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$9,344,933	\$9,126,483	\$9,207,600	\$9,376,750
Contributions as a percentage of covered payroll	2.00%	2.00%	1.00%	0.00%

Source: Finance Director's Office and the Ohio Public Employees Retirement System

Ohio Police and Fire Pension Fund

Year	2015	2016	2017	2018
Contractually required contribution	\$47,260	\$48,221	\$47,704	\$49,038
Contributions in relation to the contractually required contribution	<u>47,260</u>	<u>48,221</u>	<u>47,704</u>	<u>49,038</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City's covered payroll	\$9,451,954	\$9,644,293	\$9,540,968	\$9,807,613
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%

Source: Finance Director's Office and the Ohio Police and Fire Pension Fund

Notes: The City implemented GASB Statement 75 in 2018.

See notes to the required supplementary information

CITY OF NEWARK, OHIO

2019	2020	2021	2022	2023	2024
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$9,594,221	\$9,938,957	\$10,397,186	\$10,888,693	\$11,430,086	\$12,430,286
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

2019	2020	2021	2022	2023	2024
\$50,775	\$51,956	\$56,455	\$58,304	\$64,735	\$66,042
<u>50,775</u>	<u>51,956</u>	<u>56,455</u>	<u>58,304</u>	<u>64,735</u>	<u>66,042</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$10,155,025	\$10,391,184	\$11,291,020	\$11,660,725	\$12,946,966	\$13,208,466
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

CITY OF NEWARK, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

NET PENSION LIABILITY

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%
- Decrease in wage inflation from 3.75% to 3.25%
- Change in future salary increases from a range of 4.25%-10.02% to 3.25%-10.75%
- Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table.

2018: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2019: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 7.50% to 7.20%

2020: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 3.00% to 1.4% for post 1/7/13 retirees.

2021: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 1.4% to 0.5% for post 1/7/13 retirees.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Change in COLA from 0.5% to 3.00% for post 1/7/13 retirees.
- Reduction in actuarial assumed rate of return from 7.20% to 6.90%.
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

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

CITY OF NEWARK, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

NET PENSION LIABILITY (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms: There were no changes in benefit terms for the period 2015-2024.

Changes in assumptions:

2015-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.25% to 8.00%
- Decrease salary increases from 3.75% to 3.25%
- Change in payroll growth from 3.75% to 3.25%
- Reduce DROP interest rate from 4.5% to 4.0%
- Reduce CPI-based COLA from 2.6% to 2.2%
- Inflation component reduced from 3.25% to 2.75%
- For the January 1, 2017, valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006
- For the January 1, 2017, valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Reduction in actuarial assumed rate of return from 8.00% to 7.50%

2023: The following were the most significant changes of assumptions that affected the total pension liability since the prior measurement date:

- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table.

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

CITY OF NEWARK, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

NET OPEB LIABILITY (ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Changes in benefit terms: There were no changes in benefit terms for the periods 2018-2021, and 2023-2024.

2022: Group plans for non-Medicare retirees and re-employed retirees replaced with individual medical plans. OPERS will provide a subsidy or allowance via an HRA.

Changes in assumptions:

For 2018, the single discount rate changed from 4.23% to 3.85%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.85% to 3.96%.
- Reduction in actuarial assumed rate of return from 6.50% to 6.00%
- Change in health care cost trend rate from 7.5% to 10%
- The Municipal Bond Rate changed from 3.31% to 3.71%

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.96% to 3.16%.
- Change in health care cost trend rate from 10.0% to 10.5%
- The Municipal Bond Rate changed from 3.71% to 2.75%

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.16% to 6.00%.
- Change in health care cost trend rate from 10.5% to 8.5%
- The Municipal Bond Rate changed from 2.75% to 2.00%

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- Change in health care cost trend rate from 8.5% to 5.5%
- The Municipal Bond Rate changed from 2.00% to 1.84%
- Pre-retirement mortality rates are based on Pub-2010 General Employee/Safety Employee mortality tables.
- Post-retirement mortality rates are based on PubG-2010 Retiree mortality tables.
- Post-retirement mortality rates for disabled retirees are based on PubNS-2010 Disabled Retiree mortality tables for all divisions.

CITY OF NEWARK, OHIO

Notes to the Required Supplementary Information For the Year Ended December 31, 2024

NET OPEB LIABILITY (ASSET) (Continued)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS) (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 1.84% to 4.05%
- The single discount rate changed from 6.00% to 5.22%.

2024: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The Municipal Bond Rate changed from 4.05% to 3.77%
- The single discount rate changed from 5.22% to 5.70%.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Changes in benefit terms:

2018: There were no changes in benefit terms.

2019: The retiree health care model and the current self-insured health care plan were replaced with a stipend-based health care model.

2020 - 2024: There were no changes in benefit terms.

Changes in assumptions:

2018: The single discount rate changed from 3.79% to 3.24%.

2019: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.24% to 4.66%.

2020: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.66% to 3.56%.

2021: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 3.56% to 2.96%.
- The payroll growth rate changed from 2.75% to 3.25%.

2022: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.96% to 2.84%.
- The investment rate of return changed from 8.0% to 7.5%.

CITY OF NEWARK, OHIO

***Notes to the Required Supplementary Information
For the Year Ended December 31, 2024***

NET OPEB LIABILITY (ASSET) (Continued)

OHIO POLICE AND FIRE (OP&F) PENSION FUND (Continued)

2023: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 2.84% to 4.27%.
- Mortality for non-disabled participants is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table
- Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table
- Mortality for contingent annuitants is based on the Pub- 2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table
- Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table

2024: The following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate changed from 4.27% to 4.07%.

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*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS AND FIDUCIARY
FUNDS.*

CITY OF NEWARK, OHIO

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted or committed to expenditures for specified purposes.

Street Department Fund

To account for revenues derived from the regular motor vehicle license fee and 92.55% of the fuel taxes. Expenditures are used for City street construction, maintenance and repair.

Cemetery Fund

To account for monies received from the sale of lots and performance of any other service in or about the cemeteries operated by the City.

Community Development Fund

To account for Federal grants administered through the State, which are designated for community and environmental improvements.

Special Improvement District Fund

To account for assessments which are designated for community improvements. (The Balance Sheet is not presented because there are no assets or liabilities at year end).

Veterans Memorial Sidewalk Fund

To account for funds collected for the construction of the Veteran's Sidewalk. The public purchases a brick, has it engraved with the veteran's name and the war in which they served. These bricks are then ceremoniously placed in the Veterans Memorial Sidewalk.

Police/Fire Pension Fund

To account for taxes levied toward partial payment of the current and accrued liability for police and fire disability and pension.

Safety Grants Fund

To account for expenses of various Block Grant funds designated for the safety and security of City residents.

One Ohio Opioid Settlement Fund

To account for funds collected from drug manufacturers and distributors designated for resources to assist with community recovery, prevention and treatment.

State Highway Fund

To account for the portion of the state gasoline tax designated for construction, maintenance and repair of State highways located within the City.

Law Enforcement Fund

To account for funds received by the police department for contraband, per state statute.

(Continued)

CITY OF NEWARK, OHIO

Nonmajor Governmental Funds (continued)

Special Revenue Funds (continued)

Landfill Reclamation Fund

To account for costs associated with remediation activities due to violation of an Ohio EPA National Pollutant Discharge Elimination System permit.

Court Computerization Fund

To account for revenues from fines to be used for computers and upgrading court computer functions.

Fire Damage Fund

To account for funds for insurance payments received and disbursed relative to fire damages incurred by City property owners.

Permissive License Tax Fund

To account for the permissive auto license taxes levied for street construction, maintenance and repairs.

Probation Grant Fund

To account for funds from State Justice Grants used to operate the Adult Probation Department. The Probation Department is an instrument whose purpose is to aid in the elimination of overcrowding problems in the county jail.

Ohio Department of Natural Resources (ODNR) Grants Fund

This fund accounts for grants used for bike path improvements as well as improvements to City parks. (The Balance Sheet is not presented because there are no assets or liabilities at year end).

Mary E. Barnes Trust Fund

To account for the funds and investment earnings as stipulated in the bequest. Monies must be used for the Fire Department. (This fund is not part of the City's appropriated budget; therefore no budgetary schedule is presented.)

Brownfield Cleanup Fund

To account for monies from the Environmental Protection Agency to be used for brownfield assessment and cleanup planning.

Judicial Fund

To account for court costs to be set aside and used for judicial purposes.

(Continued)

CITY OF NEWARK, OHIO

Nonmajor Governmental Funds (continued)

Debt Service Funds

The Debt Service Funds are used to account for retirement of the City's general obligation and special assessment bonds.

Debt Service Fund

To account for the accumulation of resources for the payments of general obligation debt of the City including self-supporting obligations not otherwise paid from proprietary funds.

Tax Increment Financing Fund

To account for payments received in lieu of taxes to be used for the retirement of debt issued to finance projects in designated tax increment financing districts.

Capital Projects Funds

The Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Court Capital Improvement Fund

To account for the revenues and expenditures designated for the capital improvements made to Municipal Court facilities.

CITY OF NEWARK, OHIO

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:				
Pooled Cash and Investments	\$ 6,613,054	\$ 6,654,023	\$ 408,632	\$ 13,675,709
Cash and Cash Equivalents in Segregated Accounts	27,615	0	1,489	29,104
Investments	75,023	0	0	75,023
Receivables:				
Taxes	789,787	914,500	0	1,704,287
Accounts	3,887	0	0	3,887
Intergovernmental	2,053,249	0	0	2,053,249
Interest	1,503	0	0	1,503
Settlement	331,048	0	0	331,048
Loans	2,366,268	0	0	2,366,268
Inventory of Supplies, at Cost	566,531	0	0	566,531
Restricted Assets:				
Cash and Cash Equivalents	1,005,720	0	0	1,005,720
Investments	258,720	0	0	258,720
Investments with Fiscal Agent	751,556	0	0	751,556
Total Assets	\$ 14,843,961	\$ 7,568,523	\$ 410,121	\$ 22,822,605
Liabilities:				
Accounts Payable	\$ 979,412	\$ 0	\$ 0	\$ 979,412
Accrued Wages and Benefits Payable	162,863	0	0	162,863
Intergovernmental Payable	33,267	0	0	33,267
Interfund Loans Payable	38,449	0	0	38,449
Total Liabilities	1,213,991	0	0	1,213,991
Deferred Inflows of Resources:				
Unavailable Amounts	2,347,771	0	0	2,347,771
Property Tax Levy for Next Fiscal Year	769,273	914,500	0	1,683,773
Total Deferred Inflows of Resources	3,117,044	914,500	0	4,031,544
Fund Balance:				
Nonspendable	566,531	0	0	566,531
Restricted	9,962,163	4,681,845	410,121	15,054,129
Assigned	0	1,972,178	0	1,972,178
Unassigned	(15,768)	0	0	(15,768)
Total Fund Balance	10,512,926	6,654,023	410,121	17,577,070
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 14,843,961	\$ 7,568,523	\$ 410,121	\$ 22,822,605

CITY OF NEWARK, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2024

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 730,290	\$ 912,517	\$ 0	\$ 1,642,807
Intergovernmental Revenues	5,293,855	0	0	5,293,855
Charges for Services	9,298	0	0	9,298
Investment Earnings	118,682	0	0	118,682
Special Assessments	134,625	0	0	134,625
Fines and Forfeitures	416,710	0	21,640	438,350
Donations	0	2,045,730	0	2,045,730
All Other Revenue	379,210	56,441	0	435,651
Total Revenues	7,082,670	3,014,688	21,640	10,118,998
Expenditures:				
Current:				
Security of Persons and Property	1,235,995	0	0	1,235,995
Public Health and Welfare Services	320,685	0	0	320,685
Community Environment	990,161	0	0	990,161
Transportation	3,702,420	0	0	3,702,420
General Government	547,633	504,037	0	1,051,670
Capital Outlay	0	0	59,970	59,970
Debt Service:				
Principal Retirement	64,982	1,846,300	0	1,911,282
Interest and Fiscal Charges	0	709,869	0	709,869
Total Expenditures	6,861,876	3,060,206	59,970	9,982,052
Excess (Deficiency) of Revenues Over (Under) Expenditures	220,794	(45,518)	(38,330)	136,946
Other Financing Sources (Uses):				
Premium on Bond Issuance	0	450,974	0	450,974
Discount on Bond Issuance	0	(52,727)	0	(52,727)
Transfers In	200,000	2,974,277	0	3,174,277
Total Other Financing Sources (Uses)	200,000	3,372,524	0	3,572,524
Net Change in Fund Balance	420,794	3,327,006	(38,330)	3,709,470
Fund Balance at Beginning of Year	10,092,132	3,327,017	448,451	13,867,600
Fund Balance End of Year	\$ 10,512,926	\$ 6,654,023	\$ 410,121	\$ 17,577,070

CITY OF NEWARK, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024**

	Street Department	Cemetery	Community Development	Veterans Memorial Sidewalk
Assets:				
Pooled Cash and Investments	\$ 1,663,768	\$ 150,503	\$ 512,197	\$ 5,476
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Investments	0	0	0	75,023
Receivables:				
Taxes	0	0	0	0
Accounts	3,527	360	0	0
Intergovernmental	1,331,015	0	0	0
Interest	0	513	662	328
Settlement	0	0	0	0
Loans	0	0	2,366,268	0
Inventory of Supplies, at Cost	566,531	0	0	0
Restricted Assets:				
Cash and Cash Equivalents	0	447,925	0	0
Investments	0	258,720	0	0
Investments with Fiscal Agent	0	602,337	0	0
Total Assets	\$ 3,564,841	\$ 1,460,358	\$ 2,879,127	\$ 80,827
Liabilities:				
Accounts Payable	\$ 833,250	\$ 0	\$ 44,573	\$ 0
Accrued Wages and Benefits Payable	98,904	0	23,780	0
Intergovernmental Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	932,154	0	68,353	0
Deferred Inflows of Resources:				
Unavailable Amounts	887,343	0	0	0
Property Tax Levy for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	887,343	0	0	0
Fund Balance:				
Nonspendable	566,531	0	0	0
Restricted	1,178,813	1,460,358	2,810,774	80,827
Unassigned	0	0	0	0
Total Fund Balance	1,745,344	1,460,358	2,810,774	80,827
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 3,564,841	\$ 1,460,358	\$ 2,879,127	\$ 80,827

(Continued)

CITY OF NEWARK, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024

	Police/Fire Pension	Safety Grants	One Ohio Opioid Settlement	State Highway
Assets:				
Pooled Cash and Investments	\$ 211,155	\$ 1,602	\$ 0	\$ 14,131
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Investments	0	0	0	0
Receivables:				
Taxes	789,787	0	0	0
Accounts	0	0	0	0
Intergovernmental	34,677	27,150	0	107,920
Interest	0	0	0	0
Settlement	0	0	331,048	0
Loans	0	0	0	0
Inventory of Supplies, at Cost	0	0	0	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Investments	0	0	0	0
Investments with Fiscal Agent	0	0	0	0
Total Assets	\$ 1,035,619	\$ 28,752	\$ 331,048	\$ 122,051
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	4,731	0	0
Intergovernmental Payable	0	0	0	0
Interfund Loans Payable	0	38,449	0	0
Total Liabilities	0	43,180	0	0
Deferred Inflows of Resources:				
Unavailable Amounts	55,191	1,340	331,048	71,947
Property Tax Levy for Next Fiscal Year	769,273	0	0	0
Total Deferred Inflows of Resources	824,464	1,340	331,048	71,947
Fund Balance:				
Nonspendable	0	0	0	0
Restricted	211,155	0	0	50,104
Unassigned	0	(15,768)	0	0
Total Fund Balance	211,155	(15,768)	0	50,104
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,035,619	\$ 28,752	\$ 331,048	\$ 122,051

CITY OF NEWARK, OHIO

Law Enforcement	Landfill Reclamation	Court Computerization	Fire Damage	Permissive License Tax	Probation Grant
\$ 618,542	\$ 4,808	\$ 462,067	\$ 250,635	\$ 1,467,214	\$ 56,188
4,319	0	12,877	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	328,140	223,013
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	557,795	0
0	0	0	0	0	0
0	0	0	0	0	0
\$ 622,861	\$ 4,808	\$ 474,944	\$ 250,635	\$ 2,353,149	\$ 279,201
\$ 7,105	\$ 0	\$ 0	\$ 69,433	\$ 23,895	\$ 1,156
0	0	5,061	0	0	16,191
0	0	0	0	32,491	776
0	0	0	0	0	0
7,105	0	5,061	69,433	56,386	18,123
0	0	0	0	776,555	223,013
0	0	0	0	0	0
0	0	0	0	776,555	223,013
0	0	0	0	0	0
615,756	4,808	469,883	181,202	1,520,208	38,065
0	0	0	0	0	0
615,756	4,808	469,883	181,202	1,520,208	38,065
\$ 622,861	\$ 4,808	\$ 474,944	\$ 250,635	\$ 2,353,149	\$ 279,201

(Continued)

CITY OF NEWARK, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2024

	Mary E. Barnes Trust	Brownfield Cleanup	Judicial	Total Nonmajor Special Revenue Funds
Assets:				
Pooled Cash and Investments	\$ 0	\$ 0	\$ 1,194,768	\$ 6,613,054
Cash and Cash Equivalents in Segregated Accounts	0	0	10,419	27,615
Investments	0	0	0	75,023
Receivables:				
Taxes	0	0	0	789,787
Accounts	0	0	0	3,887
Intergovernmental	0	1,334	0	2,053,249
Interest	0	0	0	1,503
Settlement	0	0	0	331,048
Loans	0	0	0	2,366,268
Inventory of Supplies, at Cost	0	0	0	566,531
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	1,005,720
Investments	0	0	0	258,720
Investments with Fiscal Agent	149,219	0	0	751,556
Total Assets	\$ 149,219	\$ 1,334	\$ 1,205,187	\$ 14,843,961
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 979,412
Accrued Wages and Benefits Payable	0	0	14,196	162,863
Intergovernmental Payable	0	0	0	33,267
Interfund Loans Payable	0	0	0	38,449
Total Liabilities	0	0	14,196	1,213,991
Deferred Inflows of Resources:				
Unavailable Amounts	0	1,334	0	2,347,771
Property Tax Levy for Next Fiscal Year	0	0	0	769,273
Total Deferred Inflows of Resources	0	1,334	0	3,117,044
Fund Balance:				
Nonspendable	0	0	0	566,531
Restricted	149,219	0	1,190,991	9,962,163
Unassigned	0	0	0	(15,768)
Total Fund Balance	149,219	0	1,190,991	10,512,926
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 149,219	\$ 1,334	\$ 1,205,187	\$ 14,843,961

CITY OF NEWARK, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

	Street Department	Cemetery	Community Development	Special Improvement District
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	2,760,665	0	721,002	0
Charges for Services	0	9,298	0	0
Investment Earnings	0	85,125	3,690	0
Special Assessments	0	0	0	134,625
Fines and Forfeitures	0	0	0	0
All Other Revenue	80,928	0	0	0
Total Revenues	2,841,593	94,423	724,692	134,625
Expenditures:				
Current:				
Security of Persons and Property	0	0	0	0
Public Health and Welfare Services	0	26,885	0	0
Community Environment	0	0	854,536	134,625
Transportation	2,967,822	0	0	0
General Government	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Total Expenditures	2,967,822	26,885	854,536	134,625
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(126,229)	67,538	(129,844)	0
Other Financing Sources (Uses):				
Transfers In	200,000	0	0	0
Total Other Financing Sources (Uses)	200,000	0	0	0
Net Change in Fund Balance	73,771	67,538	(129,844)	0
Fund Balance at Beginning of Year	1,671,573	1,392,820	2,940,618	0
Fund Balance End of Year	\$ 1,745,344	\$ 1,460,358	\$ 2,810,774	\$ 0

(Continued)

CITY OF NEWARK, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

	Veterans Memorial Sidewalk	Police/Fire Pension	Safety Grants	One Ohio Opioid Settlement
Revenues:				
Taxes	\$ 0	\$ 730,290	\$ 0	\$ 0
Intergovernmental Revenues	0	88,050	62,679	0
Charges for Services	0	0	0	0
Investment Earnings	2,623	0	0	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	275	0	0	142,404
Total Revenues	2,898	818,340	62,679	142,404
Expenditures:				
Current:				
Security of Persons and Property	0	607,185	77,361	0
Public Health and Welfare Services	0	0	0	226,689
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Total Expenditures	0	607,185	77,361	226,689
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	2,898	211,155	(14,682)	(84,285)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	2,898	211,155	(14,682)	(84,285)
Fund Balance at Beginning of Year	77,929	0	(1,086)	84,285
Fund Balance End of Year	\$ 80,827	\$ 211,155	\$ (15,768)	\$ 0

CITY OF NEWARK, OHIO

State Highway	Law Enforcement	Landfill Reclamation	Court Computerization	Fire Damage	Permissive License Tax
\$ 0 223,839	\$ 0 34,087	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 875,164
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	78,174	0	187,204	0	0
0	222	0	25	137,538	17,663
<hr/> 223,839	<hr/> 112,483	<hr/> 0	<hr/> 187,229	<hr/> 137,538	<hr/> 892,827
0 220,750	77,700 0 0 0 0	0 0 0 0 0	0 0 0 0 215,197	0 0 0 0 92,993	0 513,848 0
<hr/> 220,750	<hr/> 77,700	<hr/> 0	<hr/> 215,197	<hr/> 92,993	<hr/> 64,982 578,830
3,089	34,783	0	(27,968)	44,545	313,997
<hr/> 0 0	<hr/> 0 0	<hr/> 0 0	<hr/> 0 0	<hr/> 0 0	<hr/> 0 0
3,089	34,783	0	(27,968)	44,545	313,997
47,015	580,973	4,808	497,851	136,657	1,206,211
<hr/> \$ 50,104	<hr/> \$ 615,756	<hr/> \$ 4,808	<hr/> \$ 469,883	<hr/> \$ 181,202	<hr/> \$ 1,520,208

(Continued)

CITY OF NEWARK, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

	Probation Grant	ODNR Grants	Mary E. Barnes Trust	Brownfield Cleanup
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	460,258	1,000	0	67,111
Charges for Services	0	0	0	0
Investment Earnings	0	0	27,244	0
Special Assessments	0	0	0	0
Fines and Forfeitures	0	0	0	0
All Other Revenue	85	0	0	0
Total Revenues	460,343	1,000	27,244	67,111
Expenditures:				
Current:				
Security of Persons and Property	422,278	0	51,471	0
Public Health and Welfare Services	0	0	0	67,111
Community Environment	0	1,000	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Total Expenditures	422,278	1,000	51,471	67,111
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	38,065	0	(24,227)	0
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	38,065	0	(24,227)	0
Fund Balance at Beginning of Year	0	0	173,446	0
Fund Balance End of Year	\$ 38,065	\$ 0	\$ 149,219	\$ 0

CITY OF NEWARK, OHIO

Judicial	Total Nonmajor Special Revenue Funds
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\$ 0	\$ 730,290
0	5,293,855
0	9,298
0	118,682
0	134,625
151,332	416,710
70	379,210
<hr/> <u>151,402</u>	<hr/> <u>7,082,670</u>

0	1,235,995
0	320,685
0	990,161
0	3,702,420
239,443	547,633

<hr/> <u>0</u>	<hr/> <u>64,982</u>
<hr/> <u>239,443</u>	<hr/> <u>6,861,876</u>

(88,041)	220,794
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<hr/> <u>0</u>	<hr/> <u>200,000</u>
<hr/> <u>0</u>	<hr/> <u>200,000</u>
(88,041)	420,794

<hr/> <u>1,279,032</u>	<hr/> <u>10,092,132</u>
<hr/> <u>\$ 1,190,991</u>	<hr/> <u>\$ 10,512,926</u>

CITY OF NEWARK, OHIO

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2024

	Debt Service	Tax Increment Financing	Total Nonmajor Debt Service Funds
Assets:			
Pooled Cash and Investments	\$ 4,460,286	\$ 2,193,737	\$ 6,654,023
Receivables:			
Taxes	0	914,500	914,500
Total Assets	\$ 4,460,286	\$ 3,108,237	\$ 7,568,523
Liabilities:			
Total Liabilities	\$ 0	\$ 0	\$ 0
Deferred Inflows of Resources:			
Property Tax Levy for Next Fiscal Year	0	914,500	914,500
Total Deferred Inflows of Resources	0	914,500	914,500
Fund Balance:			
Restricted	2,488,108	2,193,737	4,681,845
Assigned	1,972,178	0	1,972,178
Total Fund Balance	4,460,286	2,193,737	6,654,023
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 4,460,286	\$ 3,108,237	\$ 7,568,523

CITY OF NEWARK, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
For the Year Ended December 31, 2024

	Debt Service	Tax Increment Financing	Total Nonmajor Debt Service Funds
Revenues:			
Taxes	\$ 0	\$ 912,517	\$ 912,517
Donations	2,045,730	0	2,045,730
All Other Revenue	56,441	0	56,441
Total Revenues	2,102,171	912,517	3,014,688
Expenditures:			
Current:			
General Government	3,250	500,787	504,037
Debt Service:			
Principal Retirement	1,561,300	285,000	1,846,300
Interest and Fiscal Charges	605,327	104,542	709,869
Total Expenditures	2,169,877	890,329	3,060,206
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(67,706)	22,188	(45,518)
Other Financing Sources (Uses):			
Premium on Bond Issuance	450,974	0	450,974
Discount on Bond Issuance	(52,727)	0	(52,727)
Transfers In	2,662,803	311,474	2,974,277
Total Other Financing Sources (Uses)	3,061,050	311,474	3,372,524
Net Change in Fund Balance	2,993,344	333,662	3,327,006
Fund Balance at Beginning of Year	1,466,942	1,860,075	3,327,017
Fund Balance End of Year	\$ 4,460,286	\$ 2,193,737	\$ 6,654,023

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 31,296,830	\$ 31,296,830	\$ 35,030,113	\$ 3,733,283
Intergovernmental Revenues	2,226,984	2,468,392	2,396,178	(72,214)
Charges for Services	3,358,417	3,785,397	4,423,096	637,699
Licenses, Permits and Fees	65,200	65,200	69,720	4,520
Investment Earnings	1,785,950	1,785,950	1,826,334	40,384
Fines and Forfeitures	1,151,510	1,151,510	1,283,226	131,716
All Other Revenue	124,350	124,350	251,632	127,282
Total Revenues	<u>40,009,241</u>	<u>40,677,629</u>	<u>45,280,299</u>	<u>4,602,670</u>
Expenditures:				
Security of Persons and Property:				
Impound Lot:				
Personal Services	84,129	94,183	93,412	771
Materials and Supplies	506	500	500	0
Contractual Services	82,442	71,706	58,561	13,145
Total Impound Lot	<u>167,077</u>	<u>166,389</u>	<u>152,473</u>	<u>13,916</u>
Police:				
Personal Services	10,045,233	10,154,280	9,242,719	911,561
Materials and Supplies	534,468	525,962	480,777	45,185
Contractual Services	1,169,559	1,206,664	1,013,924	192,740
Other Expenditures	300	1,102	1,102	0
Capital Outlay	211,734	200,715	192,668	8,047
Total Police	<u>11,961,294</u>	<u>12,088,723</u>	<u>10,931,190</u>	<u>1,157,533</u>
Fire:				
Personal Services	11,489,223	11,536,085	10,551,942	984,143
Materials and Supplies	984,391	783,708	747,354	36,354
Contractual Services	757,267	911,937	848,542	63,395
Other Expenditures	1,000	5,200	5,172	28
Capital Outlay	93,122	226,821	226,821	0
Total Fire	<u>13,325,003</u>	<u>13,463,751</u>	<u>12,379,831</u>	<u>1,083,920</u>
Total Security of Persons and Property	<u>25,453,374</u>	<u>25,718,863</u>	<u>23,463,494</u>	<u>2,255,369</u>

(Continued)

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Leisure Time Activities:				
Parks and Cemetery:				
Personal Services	767,641	735,366	633,575	101,791
Materials and Supplies	129,812	120,015	104,329	15,686
Contractual Services	303,756	298,322	293,684	4,638
Other Expenditures	2,200	1,150	200	950
Total Parks and Cemetery	1,203,409	1,154,853	1,031,788	123,065
Hollander Pool:				
Materials and Supplies	4,000	0	0	0
Contractual Services	59,067	15,890	14,202	1,688
Total Hollander Pool	63,067	15,890	14,202	1,688
Babe Ruth Baseball:				
Materials and Supplies	5,300	3,173	3,025	148
Contractual Services	69,738	73,428	73,407	21
Total Babe Ruth Baseball	75,038	76,601	76,432	169
Horns Hill Park:				
Contractual Services	19,280	16,950	16,950	0
Total Horns Hill Park	19,280	16,950	16,950	0
Total Leisure Time Activities	1,360,794	1,264,294	1,139,372	124,922
Community Environment:				
CDBG:				
Personal Services	50,000	51,800	41,146	10,654
Materials and Supplies	0	27,648	27,648	0
Other Expenditures	0	182,647	182,647	0
Total CDBG	50,000	262,095	251,441	10,654
Code Administration:				
Personal Services	381,043	399,250	394,795	4,455
Materials and Supplies	10,815	9,800	6,500	3,300
Contractual Services	599,362	200,882	188,726	12,156
Other Expenditures	500	600	300	300
Capital Outlay	13,800	12,300	10,875	1,425
Total Code Administration	1,005,520	622,832	601,196	21,636
Total Community Environment	1,055,520	884,927	852,637	32,290

(Continued)

CITY OF NEWARK, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Transportation:				
Street/Traffic:				
Personal Services	0	35,198	35,172	26
Total Transportation	0	35,198	35,172	26
General Government:				
City Council:				
Personal Services	122,311	123,782	123,763	19
Total City Council	122,311	123,782	123,763	19
Clerk of Council:				
Personal Services	71,937	83,622	82,388	1,234
Materials and Supplies	656	650	650	0
Contractual Services	20,290	27,709	27,709	0
Total Clerk of Council	92,883	111,981	110,747	1,234
Mayor:				
Personal Services	238,332	238,331	228,265	10,066
Materials and Supplies	912	1,093	443	650
Contractual Services	36,039	56,696	44,864	11,832
Capital Outlay	3,000	3,000	1,248	1,752
Total Mayor	278,283	299,120	274,820	24,300
Auditor:				
Personal Services	1,009,679	676,235	601,481	74,754
Materials and Supplies	6,523	4,877	4,877	0
Contractual Services	239,887	266,601	227,426	39,175
Other Expenditures	275,000	275,000	275,000	0
Capital Outlay	10,858	9,920	9,920	0
Total Auditor	1,541,947	1,232,633	1,118,704	113,929
Law Director:				
Personal Services	1,314,546	1,330,746	1,295,736	35,010
Materials and Supplies	11,317	11,045	8,044	3,001
Contractual Services	36,538	35,802	21,651	14,151
Total Law Director	1,362,401	1,377,593	1,325,431	52,162

(Continued)

CITY OF NEWARK, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Clerk of Courts:				
Personal Services	1,466,569	1,470,529	1,435,493	35,036
Materials and Supplies	28,096	26,403	22,527	3,876
Contractual Services	108,744	106,015	98,898	7,117
Other Expenditures	2,750	2,750	0	2,750
Total Clerk of Courts	1,606,159	1,605,697	1,556,918	48,779
Civil Service:				
Personal Services	1,538	3,699	3,699	0
Materials and Supplies	552	300	150	150
Contractual Services	125,834	123,623	112,445	11,178
Total Civil Service	127,924	127,622	116,294	11,328
Workers Compensation:				
Personal Services	98,360	95,000	86,065	8,935
Total Workers Compensation	98,360	95,000	86,065	8,935
Judiciary:				
Personal Services	924,610	934,543	906,690	27,853
Materials and Supplies	30,950	24,166	20,285	3,881
Contractual Services	216,557	213,201	212,298	903
Other Expenditures	1,000	0	0	0
Total Judiciary	1,173,117	1,171,910	1,139,273	32,637
Personnel:				
Personal Services	294,141	295,691	272,164	23,527
Materials and Supplies	3,134	2,642	2,142	500
Contractual Services	259,443	207,495	181,467	26,028
Capital Outlay	3,244	2,500	2,500	0
Total Personnel	559,962	508,328	458,273	50,055
Adult Probation:				
Personal Services	677,983	668,419	634,781	33,638
Materials and Supplies	18,584	13,896	13,690	206
Contractual Services	52,713	54,228	50,742	3,486
Capital Outlay	3,084	7,410	7,410	0
Total Adult Probation	752,364	743,953	706,623	37,330

(Continued)

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Service Department:				
Personal Services	243,168	247,481	242,752	4,729
Materials and Supplies	16,662	150,456	150,455	1
Contractual Services	3,298,385	3,616,042	3,612,639	3,403
Other Expenditures	0	7,486	7,486	0
Capital Outlay	838,501	427,584	427,584	0
Total Service Department	4,396,716	4,449,049	4,440,916	8,133
Engineer:				
Personal Services	863,327	862,602	749,306	113,296
Materials and Supplies	17,445	16,011	13,926	2,085
Contractual Services	147,256	134,571	132,560	2,011
Capital Outlay	13,273	10,500	10,500	0
Total Engineer	1,041,301	1,023,684	906,292	117,392
Custodial:				
Personal Services	255,868	272,226	248,896	23,330
Materials and Supplies	1,500	1,665	1,366	299
Contractual Services	210,841	189,403	189,228	175
Other Expenditures	150	150	0	150
Capital Outlay	419	7,349	7,349	0
Total Custodial	468,778	470,793	446,839	23,954
Income Tax:				
Personal Services	1,191,293	1,189,556	1,136,720	52,836
Materials and Supplies	14,584	12,624	9,324	3,300
Contractual Services	121,090	115,834	77,979	37,855
Other Expenditures	605,000	622,200	622,127	73
Capital Outlay	50,000	27,450	4,000	23,450
Total Income Tax	1,981,967	1,967,664	1,850,150	117,514

(Continued)

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Safety Director:				
Personal Services	203,700	203,512	202,153	1,359
Materials and Supplies	781	600	300	300
Contractual Services	647,946	505,371	487,949	17,422
Other Expenditures	5,000	14,205	11,161	3,044
Capital Outlay	2,000	1,500	0	1,500
Total Safety Director	859,427	725,188	701,563	23,625
Total General Government	16,463,900	16,033,997	15,362,671	671,326
Total Expenditures	44,333,588	43,937,279	40,853,346	3,083,933
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(4,324,347)	(3,259,650)	4,426,953	7,686,603
Other Financing Sources (Uses):				
Sale of Capital Assets	53,000	53,000	43,253	(9,747)
Transfers In	1,346,380	2,266,380	2,537,170	270,790
Transfers Out	(5,920,014)	(9,384,789)	(9,384,563)	226
Advances In	0	0	3,126	3,126
Advances Out	0	(44,601)	(38,449)	6,152
Total Other Financing Sources (Uses)	(4,520,634)	(7,110,010)	(6,839,463)	270,547
Net Change in Fund Balance	(8,844,981)	(10,369,660)	(2,412,510)	7,957,150
Fund Balance at Beginning of Year	10,436,480	10,436,480	10,436,480	0
Prior Year Encumbrances	1,521,469	1,521,469	1,521,469	0
Fund Balance at End of Year	\$ 3,112,968	\$ 1,588,289	\$ 9,545,439	\$ 7,957,150

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Special Revenue Fund – American Rescue Plan Act Fund
For the Year Ended December 31, 2024***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental Revenues	\$ 0	\$ 267,821	\$ 267,821	\$ 0
Total Revenues	<u>0</u>	<u>267,821</u>	<u>267,821</u>	<u>0</u>
Expenditures:				
General Government:				
Materials and Supplies	73,328	0	0	0
Contractual Services	908,429	1,357,755	1,357,755	0
Capital Outlay	5,783,788	5,237,468	5,237,468	0
Total General Government	<u>6,765,545</u>	<u>6,595,223</u>	<u>6,595,223</u>	<u>0</u>
Security of Persons and Property:				
Personal Services	0	260,999	260,999	0
Total Security of Persons and Property	<u>0</u>	<u>260,999</u>	<u>260,999</u>	<u>0</u>
Total Expenditures	<u>6,765,545</u>	<u>6,856,222</u>	<u>6,856,222</u>	<u>0</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(6,765,545)	(6,588,401)	(6,588,401)	0
Other Financing Sources (Uses):				
Transfers Out	0	(500,000)	(500,000)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>0</u>
Net Change in Fund Balance	(6,765,545)	(7,088,401)	(7,088,401)	0
Fund Balance at Beginning of Year	322,854	322,854	322,854	0
Prior Year Encumbrances	6,765,545	6,765,545	6,765,545	0
Fund Balance at End of Year	<u>\$ 322,854</u>	<u>\$ (2)</u>	<u>\$ (2)</u>	<u>\$ 0</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Funds – Capital Improvement Fund
For the Year Ended December 31, 2024***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 4,100,000	\$ 0	\$ (4,100,000)
Investment Earnings	23,800	116,939	93,139
Donations	2,000,000	2,808,270	808,270
All Other Revenue	0	100,000	100,000
Total Revenues	<u>6,123,800</u>	<u>3,025,209</u>	<u>(3,098,591)</u>
Expenditures:			
Capital Outlay	25,027,169	23,274,840	1,752,329
Debt Service:			
Principal Retirement	6,150,831	4,970,000	1,180,831
Interest and Fiscal Charges	812,392	812,392	0
Total Expenditures	<u>31,990,392</u>	<u>29,057,232</u>	<u>2,933,160</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(25,866,592)	(26,032,023)	(165,431)
Other Financing Sources (Uses):			
Note Issuance	11,200,000	6,210,000	(4,990,000)
Sale of Assets	55,500	119,000	63,500
Loan Issuance	17,010,000	0	(17,010,000)
Transfers In	3,789,109	4,085,614	296,505
Transfers Out	(231)	(231)	0
Bond Issuance	8,520,000	12,785,000	4,265,000
Premium on Debt Issuance	34,300	91,317	57,017
Total Other Financing Sources (Uses)	<u>40,608,678</u>	<u>23,290,700</u>	<u>(17,317,978)</u>
Net Change in Fund Balance	14,742,086	(2,741,323)	(17,483,409)
Fund Balance at Beginning of Year	(17,807,903)	(17,807,903)	0
Prior Year Encumbrances	22,474,685	22,474,685	0
Fund Balance at End of Year	<u>\$ 19,408,868</u>	<u>\$ 1,925,459</u>	<u>\$(17,483,409)</u>

CITY OF NEWARK, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)**
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024

STREET DEPARTMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 2,724,250	\$ 2,755,742	\$ 31,492
All Other Revenue	37,500	79,679	42,179
Total Revenues	<u>2,761,750</u>	<u>2,835,421</u>	<u>73,671</u>
Expenditures:			
Transportation:			
Personal Services	2,198,355	2,035,409	162,946
Materials and Supplies	655,903	655,760	143
Contractual Services	1,457,453	1,457,142	311
Other Expenditures	2,400	2,400	0
Capital Outlay	33,000	33,000	0
Total Expenditures	<u>4,347,111</u>	<u>4,183,711</u>	<u>163,400</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(1,585,361)	(1,348,290)	237,071
Other Financing Sources (Uses):			
Transfers In	820,750	820,750	0
Total Other Financing Sources (Uses)	<u>820,750</u>	<u>820,750</u>	<u>0</u>
Net Change in Fund Balance	(764,611)	(527,540)	237,071
Fund Balance at Beginning of Year	866,672	866,672	0
Prior Year Encumbrances	317,915	317,915	0
Fund Balance at End of Year	<u>\$ 419,976</u>	<u>\$ 657,047</u>	<u>\$ 237,071</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

CEMETERY FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 3,500	\$ 8,938	\$ 5,438
Investment Earnings	6,490	6,919	429
Total Revenues	<u>9,990</u>	<u>15,857</u>	<u>5,867</u>
Expenditures:			
Total Expenditures	0	0	0
Net Change in Fund Balance	9,990	15,857	5,867
Fund Balance at Beginning of Year	841,291	841,291	0
Fund Balance at End of Year	<u>\$ 851,281</u>	<u>\$ 857,148</u>	<u>\$ 5,867</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

COMMUNITY DEVELOPMENT FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 1,619,200	\$ 721,002	\$ (898,198)
Investment Earnings	2,700	3,028	328
All Other Revenue	30,003	120,309	90,306
Total Revenues	1,651,903	844,339	(807,564)
Expenditures:			
Community Environment:			
Personal Services	464,840	363,583	101,257
Materials and Supplies	2,350	1,000	1,350
Contractual Services	1,321,063	690,458	630,605
Other Expenditures	1,192	742	450
Total Expenditures	1,789,445	1,055,783	733,662
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(137,542)	(211,444)	(73,902)
Other Financing Sources (Uses):			
Advances In	6,000	0	(6,000)
Total Other Financing Sources (Uses)	6,000	0	(6,000)
Net Change in Fund Balance	(131,542)	(211,444)	(79,902)
Fund Balance at Beginning of Year	513,787	513,787	0
Prior Year Encumbrances	115,652	115,652	0
Fund Balance at End of Year	\$ 497,897	\$ 417,995	\$ (79,902)

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

SPECIAL IMPROVEMENT DISTRICT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	\$ 150,100	\$ 134,625	\$ (15,475)
Total Revenues	<u>150,100</u>	<u>134,625</u>	<u>(15,475)</u>
Expenditures:			
Community Environment:			
Contractual Services	5,100	4,305	795
Other Expenditures	<u>145,000</u>	<u>130,320</u>	<u>14,680</u>
Total Expenditures	<u>150,100</u>	<u>134,625</u>	<u>15,475</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

VETERANS MEMORIAL SIDEWALK FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$ 1,750	\$ 2,295	\$ 545
All Other Revenue	300	275	(25)
Total Revenues	<u>2,050</u>	<u>2,570</u>	<u>520</u>
Expenditures:			
General Government:			
Contractual Services	500	0	500
Total Expenditures	<u>500</u>	<u>0</u>	<u>500</u>
Net Change in Fund Balance	1,550	2,570	1,020
Fund Balance at Beginning of Year	77,929	77,929	0
Fund Balance at End of Year	<u>\$ 79,479</u>	<u>\$ 80,499</u>	<u>\$ 1,020</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

POLICE/FIRE PENSION FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 543,144	\$ 730,290	\$ 187,146
Intergovernmental Revenues	<u>64,042</u>	<u>88,050</u>	24,008
Total Revenues	<u>607,186</u>	<u>818,340</u>	211,154
Expenditures:			
Security of Persons and Property:			
Personal Services	596,534	596,534	0
Contractual Services	<u>10,651</u>	<u>10,651</u>	0
Total Expenditures	<u>607,185</u>	<u>607,185</u>	0
Net Change in Fund Balance	1	211,155	211,154
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 211,155</u>	<u>\$ 211,154</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

SAFETY GRANTS FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 146,387	\$ 38,908	\$ (107,479)
Total Revenues	<u>146,387</u>	<u>38,908</u>	<u>(107,479)</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	98,919	55,696	43,223
Materials and Supplies	10,963	10,963	0
Contractual Services	7,571	7,571	0
Total Expenditures	<u>117,453</u>	<u>74,230</u>	<u>43,223</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	28,934	(35,322)	(64,256)
Other Financing Sources (Uses):			
Advances In	0	38,449	38,449
Advances Out	(3,126)	(3,126)	0
Total Other Financing Sources (Uses)	<u>(3,126)</u>	<u>35,323</u>	<u>38,449</u>
Net Change in Fund Balance	25,808	1	(25,807)
Fund Balance at Beginning of Year	1	1	0
Fund Balance at End of Year	<u>\$ 25,809</u>	<u>\$ 2</u>	<u>\$ (25,807)</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

ONE OHIO OPIOID SETTLEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
All Other Revenue	\$ 142,404	\$ 142,404	\$ 0
Total Revenues	<u>142,404</u>	<u>142,404</u>	<u>0</u>
Expenditures:			
Public Health and Welfare Services:			
Contractual Services	<u>226,689</u>	<u>226,689</u>	<u>0</u>
Total Expenditures	<u>226,689</u>	<u>226,689</u>	<u>0</u>
Net Change in Fund Balance	(84,285)	(84,285)	0
Fund Balance at Beginning of Year	<u>84,285</u>	<u>84,285</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

STATE HIGHWAY FUND			
	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 220,750	\$ 223,439	\$ 2,689
Total Revenues	<u>220,750</u>	<u>223,439</u>	<u>2,689</u>
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	220,750	223,439	2,689
Other Financing Sources (Uses):			
Transfers Out	(220,750)	(220,750)	0
Total Other Financing Sources (Uses)	<u>(220,750)</u>	<u>(220,750)</u>	<u>0</u>
Net Change in Fund Balance	0	2,689	2,689
Fund Balance at Beginning of Year	11,442	11,442	0
Fund Balance at End of Year	<u>\$ 11,442</u>	<u>\$ 14,131</u>	<u>\$ 2,689</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

LAW ENFORCEMENT FUND			Variance with Final Budget Positive (Negative)	
	Final Budget	Actual		
Revenues:				
Intergovernmental Revenues	\$ 25,000	\$ 34,087	\$ 9,087	
Fines and Forfeitures	69,000	77,815	8,815	
All Other Revenue	0	222	222	
Total Revenues	<u>94,000</u>	<u>112,124</u>	<u>18,124</u>	
Expenditures:				
Security of Persons and Property:				
Contractual Services	146,171	89,170	57,001	
Total Expenditures	<u>146,171</u>	<u>89,170</u>	<u>57,001</u>	
Net Change in Fund Balance	(52,171)	22,954	75,125	
Fund Balance at Beginning of Year	561,930	561,930	0	
Prior Year Encumbrances	22,254	22,254	0	
Fund Balance at End of Year	<u>\$ 532,013</u>	<u>\$ 607,138</u>	<u>\$ 75,125</u>	

CITY OF NEWARK, OHIO

*Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024*

LANDFILL RECLAMATION FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Total Revenues	\$ 0	\$ 0	\$ 0
Expenditures:			
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	4,808	4,808	0
Fund Balance at End of Year	<u>\$ 4,808</u>	<u>\$ 4,808</u>	<u>\$ 0</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

COURT COMPUTERIZATION FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 171,000	\$ 186,730	\$ 15,730
All Other Revenue	0	25	25
Total Revenues	<u>171,000</u>	<u>186,755</u>	<u>15,755</u>
Expenditures:			
General Government:			
Personal Services	181,639	98,393	83,246
Materials and Supplies	10,000	1,968	8,032
Contractual Services	148,310	59,352	88,958
Capital Outlay	123,221	64,346	58,875
Total Expenditures	<u>463,170</u>	<u>224,059</u>	<u>239,111</u>
Net Change in Fund Balance	(292,170)	(37,304)	254,866
Fund Balance at Beginning of Year	464,463	464,463	0
Prior Year Encumbrances	25,458	25,458	0
Fund Balance at End of Year	<u>\$ 197,751</u>	<u>\$ 452,617</u>	<u>\$ 254,866</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

FIRE DAMAGE FUND

			Variance with Final Budget
	Final Budget	Actual	Positive (Negative)
Revenues:			
All Other Revenue	\$ 175,000	\$ 137,538	\$ (37,462)
Total Revenues	<u>175,000</u>	<u>137,538</u>	<u>(37,462)</u>
Expenditures:			
General Government:			
Other Expenditures	175,000	23,560	151,440
Total Expenditures	<u>175,000</u>	<u>23,560</u>	<u>151,440</u>
Net Change in Fund Balance	0	113,978	113,978
Fund Balance at Beginning of Year	136,657	136,657	0
Fund Balance at End of Year	<u>\$ 136,657</u>	<u>\$ 250,635</u>	<u>\$ 113,978</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

PERMISSIVE LICENSE TAX FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 850,000	\$ 875,750	\$ 25,750
All Other Revenue	0	17,663	17,663
Total Revenues	<u>850,000</u>	<u>893,413</u>	<u>43,413</u>
Expenditures:			
Transportation:			
Contractual Services	1,433,426	1,433,426	0
Debt Service:			
Principal Retirement	64,982	64,982	0
Total Expenditures	<u>1,498,408</u>	<u>1,498,408</u>	<u>0</u>
Net Change in Fund Balance	(648,408)	(604,995)	43,413
Fund Balance at Beginning of Year	655,978	655,978	0
Prior Year Encumbrances	548,408	548,408	0
Fund Balance at End of Year	<u>\$ 555,978</u>	<u>\$ 599,391</u>	<u>\$ 43,413</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

PROBATION GRANT FUND

			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental Revenues	\$ 474,562	\$ 474,562	\$ 0
All Other Revenue	0	85	85
Total Revenues	<u>474,562</u>	<u>474,647</u>	<u>85</u>
Expenditures:			
Security of Persons and Property:			
Personal Services	320,426	298,702	21,724
Materials and Supplies	62,101	46,701	15,400
Contractual Services	58,620	58,620	0
Capital Outlay	25,000	25,000	0
Total Expenditures	<u>466,147</u>	<u>429,023</u>	<u>37,124</u>
Net Change in Fund Balance	8,415	45,624	37,209
Fund Balance at Beginning of Year	(5,078)	(5,078)	0
Prior Year Encumbrances	8,363	8,363	0
Fund Balance at End of Year	<u>\$ 11,700</u>	<u>\$ 48,909</u>	<u>\$ 37,209</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

ODNR GRANTS FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 1,000	\$ 1,000	\$ 0
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Expenditures:			
Community Environment:			
Materials and Supplies	1,000	1,000	0
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

BROWNFIELD CLEANUP FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental Revenues	\$ 173,658	\$ 152,849	\$ (20,809)
Total Revenues	<u>173,658</u>	<u>152,849</u>	<u>(20,809)</u>
Expenditures:			
Public Health and Welfare Services:			
Contractual Services	168,586	168,586	0
Total Expenditures	<u>168,586</u>	<u>168,586</u>	<u>0</u>
Net Change in Fund Balance	5,072	(15,737)	(20,809)
Fund Balance at Beginning of Year	(168,586)	(168,586)	0
Prior Year Encumbrances	168,586	168,586	0
Fund Balance at End of Year	<u>\$ 5,072</u>	<u>\$ (15,737)</u>	<u>\$ (20,809)</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2024***

JUDICIAL FUND			
			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Fines and Forfeitures	\$ 138,000	\$ 162,995	\$ 24,995
All Other Revenue	0	70	70
Total Revenues	<u>138,000</u>	<u>163,065</u>	<u>25,065</u>
Expenditures:			
General Government:			
Personal Services	287,489	238,271	49,218
Materials and Supplies	19,000	3,550	15,450
Contractual Services	68,346	1,396	66,950
Capital Outlay	4,000	0	4,000
Total Expenditures	<u>378,835</u>	<u>243,217</u>	<u>135,618</u>
Net Change in Fund Balance	(240,835)	(80,152)	160,683
Fund Balance at Beginning of Year	1,261,594	1,261,594	0
Prior Year Encumbrances	6,758	6,758	0
Fund Balance at End of Year	<u>\$ 1,027,517</u>	<u>\$ 1,188,200</u>	<u>\$ 160,683</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2024***

DEBT SERVICE FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Donations	\$ 0	\$ 2,045,730	\$ 2,045,730
All Other Revenue	0	189,577	189,577
Total Revenues	0	2,235,307	2,235,307
Expenditures:			
General Government:			
Contractual Services	4,251	3,251	1,000
Debt Service:			
Principal Retirement	1,558,571	1,558,568	3
Interest and Fiscal Charges	608,065	608,059	6
Total Expenditures	2,170,887	2,169,878	1,009
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,170,887)	65,429	2,236,316
Other Financing Sources (Uses):			
Transfers In	2,235,791	2,485,536	249,745
Premium on Debt Issuance	0	442,378	442,378
Total Other Financing Sources (Uses)	2,235,791	2,927,914	692,123
Net Change in Fund Balance	64,904	2,993,343	2,928,439
Fund Balance at Beginning of Year	1,466,941	1,466,941	0
Prior Year Encumbrances	1	1	0
Fund Balance at End of Year	\$ 1,531,846	\$ 4,460,285	\$ 2,928,439

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Funds
For the Year Ended December 31, 2024***

TAX INCREMENT FINANCING FUND

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 738,000	\$ 912,517	\$ 174,517
Total Revenues	<u>738,000</u>	<u>912,517</u>	<u>174,517</u>
Expenditures:			
General Government:			
Contractual Services	18,338	13,722	4,616
Other Expenditures	498,376	487,065	11,311
Debt Service:			
Principal Retirement	285,000	285,000	0
Interest and Fiscal Charges	104,542	104,542	0
Total Expenditures	<u>906,256</u>	<u>890,329</u>	<u>15,927</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(168,256)	22,188	190,444
Other Financing Sources (Uses):			
Transfers In	311,474	311,474	0
Total Other Financing Sources (Uses)	<u>311,474</u>	<u>311,474</u>	<u>0</u>
Net Change in Fund Balance	143,218	333,662	190,444
Fund Balance at Beginning of Year	1,860,075	1,860,075	0
Fund Balance at End of Year	<u>\$ 2,003,293</u>	<u>\$ 2,193,737</u>	<u>\$ 190,444</u>

CITY OF NEWARK, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2024***

COURT CAPITAL IMPROVEMENT FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ 18,500	\$ 21,586	\$ 3,086
Total Revenues	<u>18,500</u>	<u>21,586</u>	<u>3,086</u>
Expenditures:			
Capital Outlay	60,000	59,970	30
Total Expenditures	<u>60,000</u>	<u>59,970</u>	<u>30</u>
Net Change in Fund Balance	(41,500)	(38,384)	3,116
Fund Balance at Beginning of Year	446,311	446,311	0
Prior Year Encumbrances	705	705	0
Fund Balance at End of Year	<u>\$ 405,516</u>	<u>\$ 408,632</u>	<u>\$ 3,116</u>

CITY OF NEWARK, OHIO

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Custodial Funds

Municipal Court Fund

To account for funds that flow through the municipal court office.

Law Library Fund

To account for funds collected for the remittance of fines and forfeitures to the County Law Library.

Joint Economic Development District Fund (JEDD)

To account for monies generated by the Etna Corporate Park Economic Development Zone and distributed to the appropriate local governments.

CITY OF NEWARK, OHIO

Combining Statement of Net Position
Custodial Funds
December 31, 2024

	Municipal Court	Law Library	JEDD	Total Custodial Funds
Assets:				
Cash and Cash Equivalents	\$ 352,473	\$ 833	\$ 1,549,283	\$ 1,902,589
Receivables:				
Taxes	0	0	491,376	491,376
Accounts	0	3,786	0	3,786
Total Assets	352,473	4,619	2,040,659	2,397,751
Liabilities:				
Intergovernmental Payable	0	0	2,040,659	2,040,659
Due to Others	0	4,619	0	4,619
Total Liabilities	0	4,619	2,040,659	2,045,278
Net Position:				
Restricted For:				
Court Bonds	352,473	0	0	352,473
Total Net Position	\$ 352,473	\$ 0	\$ 0	\$ 352,473

CITY OF NEWARK, OHIO

**Combining Statement of Changes in Net Position
Custodial Funds
For the Year Ended December 31, 2024**

	Municipal Court	Law Library	JEDD	Total Fiduciary Funds
Additions:				
Fines and Forfeiture Collections for other Governments	\$ 3,298,451	\$ 60,000	\$ 0	\$ 3,358,451
Income Tax Collections for other Governments	0	0	4,087,558	4,087,558
Total Additions	3,298,451	60,000	4,087,558	7,446,009
Deductions:				
Distribution of Fines and Forfeitures to other Governments	3,269,175	60,000	0	3,329,175
Distribution of Income Taxes to other Governments	0	0	4,087,558	4,087,558
Total Deductions	3,269,175	60,000	4,087,558	7,416,733
Change in Net Position	29,276	0	0	29,276
Net Position at Beginning of Year	323,197	0	0	323,197
Net Position End of Year	\$ 352,473	\$ 0	\$ 0	\$ 352,473

CITY OF NEWARK, OHIO



STATISTICAL SECTION



***S*tatistical *T*ables**

This part of the City'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 City's overall financial health.

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the City's financial position has changed over time.	
Revenue Capacity	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue sources, the income tax.	
Debt Capacity	S 18 – S 27
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Economic and Demographic Information	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 32 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Sources Note:	
Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	

City of Newark

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2015	2016	2017	2018
Governmental Activities:			*	*
Net Investment in Capital Assets	\$45,289,248	\$45,753,020	\$46,518,880	\$48,075,929
Restricted	11,989,270	13,304,726	14,563,247	14,502,647
Unrestricted	<u>(26,854,936)</u>	<u>(28,209,247)</u>	<u>(55,772,637)</u>	<u>(59,022,702)</u>
Total Governmental Activities Net Position	<u><u>\$30,423,582</u></u>	<u><u>\$30,848,499</u></u>	<u><u>\$5,309,490</u></u>	<u><u>\$3,555,874</u></u>
Business-type Activities:				
Net Investment in Capital Assets	\$23,666,267	\$25,890,917	\$27,363,677	\$30,027,197
Restricted	0	0	0	0
Unrestricted	5,201,729	6,246,617	5,817,214	5,377,583
Total Business-type Activities Net Position	<u><u>\$28,867,996</u></u>	<u><u>\$32,137,534</u></u>	<u><u>\$33,180,891</u></u>	<u><u>\$35,404,780</u></u>
Primary Government:				
Net Investment in Capital Assets	\$68,955,515	\$71,643,937	\$73,882,557	\$78,103,126
Restricted	11,989,270	13,304,726	14,563,247	14,502,647
Unrestricted	<u>(21,653,207)</u>	<u>(21,962,630)</u>	<u>(49,955,423)</u>	<u>(53,645,119)</u>
Total Primary Government Net Position	<u><u>\$59,291,578</u></u>	<u><u>\$62,986,033</u></u>	<u><u>\$38,490,381</u></u>	<u><u>\$38,960,654</u></u>

*Restated

Source: City Auditor's Office

City of Newark

*					
2019	2020	2021	2022	2023	2024
\$49,125,155	\$51,221,557	\$58,547,237	\$63,519,450	\$70,344,843	\$69,468,655
16,535,236	15,108,328	14,738,392	16,278,758	14,477,202	19,092,498
(41,692,001)	(39,973,254)	(29,413,085)	(25,711,644)	(26,161,272)	(26,304,279)
<u>\$23,968,390</u>	<u>\$26,356,631</u>	<u>\$43,872,544</u>	<u>\$54,086,564</u>	<u>\$58,660,773</u>	<u>\$62,256,874</u>
\$28,948,271	\$30,699,918	\$36,307,178	\$39,963,556	\$48,699,388	\$57,875,408
0	0	0	0	0	199,892
6,827,639	6,996,493	7,959,050	11,166,497	10,388,558	10,694,991
<u>\$35,775,910</u>	<u>\$37,696,411</u>	<u>\$44,266,228</u>	<u>\$51,130,053</u>	<u>\$59,087,946</u>	<u>\$68,770,291</u>
\$78,073,426	\$81,921,475	\$94,854,415	\$103,483,006	\$119,044,231	\$127,344,063
16,535,236	15,108,328	14,738,392	16,278,758	14,477,202	19,292,390
(34,864,362)	(32,976,761)	(21,454,035)	(14,545,147)	(15,772,714)	(15,609,288)
<u>\$59,744,300</u>	<u>\$64,053,042</u>	<u>\$88,138,772</u>	<u>\$105,216,617</u>	<u>\$117,748,719</u>	<u>\$131,027,165</u>

City of Newark

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2015	2016	2017
Expenses			
Governmental Activities:			
Security of Persons and Property	\$18,199,966	\$20,139,086	\$20,158,136
Leisure Time Activities	919,417	788,906	805,323
Community Environment	1,531,206	1,119,922	2,035,280
Public Health and Welfare Services	45,062	43,762	20,948
Transportation	4,351,212	3,836,428	3,848,797
General Government	10,609,273	10,559,036	11,740,626
Interest on Long Term Debt	735,303	961,639	813,720
<i>Total Governmental Activities Expenses</i>	<u>36,391,439</u>	<u>37,448,779</u>	<u>39,422,830</u>
Business-type Activities:			
Water	6,402,011	5,852,349	6,289,615
Sewer	6,158,986	6,491,673	6,573,165
Storm Water	2,693,249	2,542,355	2,275,143
<i>Total Business-type Activities Expenses</i>	<u>15,254,246</u>	<u>14,886,377</u>	<u>15,137,923</u>
<i>Total Primary Government Expenses</i>	<u><u>\$51,645,685</u></u>	<u><u>\$52,335,156</u></u>	<u><u>\$54,560,753</u></u>
Program Revenues			
Governmental Activities:			
Charges for Services			
Security of Persons and Property	\$3,120,520	\$3,149,170	\$3,316,630
Community Environment	163,450	121,929	284,510
Public Health and Welfare Services	144,829	162,113	154,577
General Government	711,005	709,967	858,659
Operating Grants and Contributions	4,307,895	4,752,661	5,667,002
Capital Grants and Contributions	414,045	995,426	1,274,404
<i>Total Governmental Activities Program Revenues</i>	<u>8,861,744</u>	<u>9,891,266</u>	<u>11,555,782</u>

City of Newark

2018	2019	2020	2021	2022	2023	2024
\$22,014,630	\$2,251,413	\$21,712,225	\$20,388,448	\$20,946,340	\$26,817,842	\$27,911,503
764,096	885,748	889,707	709,835	930,189	1,220,988	1,148,724
1,591,011	1,395,136	1,116,844	1,275,008	1,199,495	1,898,035	1,675,503
101,517	125,607	25,934	32,098	29,078	217,016	320,685
4,560,561	4,433,534	3,703,225	4,111,421	4,612,892	5,692,765	5,807,042
12,669,608	12,795,333	16,550,653	9,868,895	14,305,997	17,857,924	18,569,859
691,034	830,501	807,438	757,487	980,668	1,051,589	1,601,895
<u>42,392,457</u>	<u>22,717,272</u>	<u>44,806,026</u>	<u>37,143,192</u>	<u>43,004,659</u>	<u>54,756,159</u>	<u>57,035,211</u>
5,908,173	7,742,185	7,191,579	4,493,994	5,919,670	8,114,720	7,955,857
7,481,125	8,372,152	7,619,736	6,937,457	7,559,020	8,936,187	8,399,504
2,849,000	2,786,131	2,479,263	1,957,102	2,184,763	3,053,630	2,887,928
16,238,298	18,900,468	17,290,578	13,388,553	15,663,453	20,104,537	19,243,289
<u>\$58,630,755</u>	<u>\$41,617,740</u>	<u>\$62,096,604</u>	<u>\$50,531,745</u>	<u>\$58,668,112</u>	<u>\$74,860,696</u>	<u>\$76,278,500</u>
\$3,424,525	\$3,321,786	\$3,020,090	\$3,346,950	\$3,424,262	\$3,761,586	\$4,612,240
183,207	260,608	385,530	351,557	379,790	550,410	656,677
131,922	184,084	127,366	195,134	147,182	204,040	631,355
982,271	1,327,430	861,378	2,671,926	1,436,382	1,172,367	1,094,380
4,147,863	5,668,797	8,813,090	6,653,830	9,685,795	10,953,213	7,149,811
1,881,272	464,133	404,649	5,999,528	4,263,612	2,701,172	6,089,541
<u>10,751,060</u>	<u>11,226,838</u>	<u>13,612,103</u>	<u>19,218,925</u>	<u>19,337,023</u>	<u>19,342,788</u>	<u>20,234,004</u>

(Continued)

City of Newark

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2015	2016	2017
Business-type Activities:			
Charges for Services			
Water	6,294,557	6,656,234	6,797,182
Sewer	7,653,112	8,374,932	8,404,935
Storm Water	2,871,602	2,853,724	2,998,433
Operating Grants and Contributions	0	0	0
Capital Grants and Contributions	0	507,805	422,221
<i>Total Business-type Activities Program Revenues</i>	<u>16,819,271</u>	<u>18,392,695</u>	<u>18,622,771</u>
<i>Total Primary Government Program Revenues</i>	<u>25,681,015</u>	<u>28,283,961</u>	<u>30,178,553</u>
Net (Expense)/Revenue			
Governmental Activities	(27,529,695)	(27,557,513)	(27,867,048)
Business-type Activities	1,565,025	3,506,318	3,484,848
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$25,964,670)</u>	<u>(\$24,051,195)</u>	<u>(\$24,382,200)</u>
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes Levied for:			
General Purposes	\$2,040,628	\$2,055,097	\$2,053,021
Special Purposes	404,872	408,316	407,838
Capital Purposes	594,079	446,815	1,394,237
Income Taxes	20,454,357	22,318,619	22,471,820
Other Local Taxes	514,057	515,033	652,430
Intergovernmental, Unrestricted	1,566,000	1,482,292	1,515,622
Investment Earnings	67,376	169,378	224,875
Miscellaneous	499,272	349,426	653,133
Transfers	0	237,454	0
<i>Total Governmental Activities</i>	<u>26,140,641</u>	<u>27,982,430</u>	<u>29,372,976</u>
Business-type Activities:			
Investment Earnings	1,381	674	0
Transfers	0	(237,454)	0
<i>Total Business-type Activities</i>	<u>1,381</u>	<u>(236,780)</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$26,142,022</u>	<u>\$27,745,650</u>	<u>\$29,372,976</u>
Change in Net Position			
Governmental Activities	(\$1,389,054)	\$424,917	\$1,505,928
Business-type Activities	1,566,406	3,269,538	3,484,848
<i>Total Primary Government Change in Net Position</i>	<u>\$177,352</u>	<u>\$3,694,455</u>	<u>\$4,990,776</u>

Source: City Auditor's Office

City of Newark

2018	2019	2020	2021	2022	2023	2024
6,577,349	6,661,518	6,703,923	6,949,831	7,455,080	7,455,890	8,741,475
8,616,054	9,166,248	9,275,469	8,948,560	10,143,988	11,125,276	11,384,424
3,021,441	3,123,460	3,231,687	3,277,872	3,375,165	3,366,375	3,517,460
0	0	0	0	0	37,500	0
247,343	310,099	0	660,146	1,546,038	6,034,860	5,674,104
<u>18,462,187</u>	<u>19,261,325</u>	<u>19,211,079</u>	<u>19,836,409</u>	<u>22,520,271</u>	<u>28,019,901</u>	<u>29,317,463</u>
<u>29,213,247</u>	<u>30,488,163</u>	<u>32,823,182</u>	<u>39,055,334</u>	<u>41,857,294</u>	<u>47,362,689</u>	<u>49,551,467</u>
(31,641,397)	(11,490,434)	(31,193,923)	(17,924,267)	(23,667,636)	(35,413,371)	(36,801,207)
2,223,889	360,857	1,920,501	6,447,856	6,856,818	7,915,364	10,074,174
<u>(\$29,417,508)</u>	<u>(\$11,129,577)</u>	<u>(\$29,273,422)</u>	<u>(\$11,476,411)</u>	<u>(\$16,810,818)</u>	<u>(\$27,498,007)</u>	<u>(\$26,727,033)</u>
\$2,229,854	\$2,257,252	\$2,330,831	\$2,614,159	\$2,614,914	\$2,701,792	\$3,700,841
443,700	448,718	458,528	519,786	520,428	537,970	737,190
851,596	782,020	736,369	704,667	745,238	724,933	912,517
23,055,696	24,146,929	23,273,642	26,323,603	28,153,154	29,588,501	30,687,811
416,577	530,187	360,632	693,166	586,689	626,148	607,053
1,552,058	1,720,775	3,705,128	2,105,938	2,220,594	2,132,603	2,360,677
399,347	1,035,914	521,433	98,937	(123,713)	2,978,659	2,487,818
917,461	981,155	2,195,601	2,501,453	699,572	696,974	646,102
0	0	0	(121,529)	0	0	100,000
<u>29,866,289</u>	<u>31,902,950</u>	<u>33,582,164</u>	<u>35,440,180</u>	<u>35,416,876</u>	<u>39,987,580</u>	<u>42,240,009</u>
0	10,273	0	432	7,007	42,529	77,304
0	0	0	121,529	0	0	(100,000)
<u>0</u>	<u>10,273</u>	<u>0</u>	<u>121,961</u>	<u>7,007</u>	<u>42,529</u>	<u>(22,696)</u>
<u>\$29,866,289</u>	<u>\$31,913,223</u>	<u>\$33,582,164</u>	<u>\$35,562,141</u>	<u>\$35,423,883</u>	<u>\$40,030,109</u>	<u>\$42,217,313</u>
(\$1,775,108)	\$20,412,516	\$2,388,241	\$17,515,913	\$11,749,240	\$4,574,209	\$5,438,802
2,223,889	371,130	1,920,501	6,569,817	6,863,825	7,957,893	10,051,478
<u>\$448,781</u>	<u>\$20,783,646</u>	<u>\$4,308,742</u>	<u>\$24,085,730</u>	<u>\$18,613,065</u>	<u>\$12,532,102</u>	<u>\$15,490,280</u>

City of Newark

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2015	2016	2017	2018	*
General Fund					
Nonspendable	\$132,563	\$266,770	\$196,622	\$567,872	
Assigned	1,720,745	3,636,716	4,188,425	4,118,113	
Unassigned	1,840,280	998,691	2,080,002	2,061,352	
<i>Total General Fund</i>	<u>3,693,588</u>	<u>4,902,177</u>	<u>6,465,049</u>	<u>6,747,337</u>	
All Other Governmental Funds					
Nonspendable	\$346,364	\$388,325	\$493,257	\$419,950	
Restricted	10,932,039	11,083,187	10,997,736	12,286,132	
Committed	0	0	0	0	
Assigned	0	0	0	0	
Unassigned	(6,272,292)	(860,510)	(239,683)	(88,785)	
<i>Total All Other Governmental Funds</i>	<u>5,006,111</u>	<u>10,611,002</u>	<u>11,251,310</u>	<u>12,617,297</u>	
<i>Total Governmental Funds</i>	<u><u>\$8,699,699</u></u>	<u><u>\$15,513,179</u></u>	<u><u>\$17,716,359</u></u>	<u><u>\$19,364,634</u></u>	

*Restated

Source: City Auditor's Office

City of Newark

2019	2020	2021	2022	2023	2024
\$196,397	\$214,474	\$268,945	\$272,594	\$261,478	\$380,128
4,245,375	5,672,814	7,935,929	7,229,732	8,613,297	9,227,260
<u>4,501,888</u>	<u>5,393,540</u>	<u>3,563,117</u>	<u>4,011,963</u>	<u>3,963,748</u>	<u>2,962,439</u>
<u><u>8,943,660</u></u>	<u><u>11,280,828</u></u>	<u><u>11,767,991</u></u>	<u><u>11,514,289</u></u>	<u><u>12,838,523</u></u>	<u><u>12,569,827</u></u>
*					
\$402,970	\$553,593	\$430,759	\$367,936	\$422,305	\$566,531
13,778,854	12,796,182	12,382,322	14,183,418	11,979,439	24,260,612
0	0	579,638	1,427,649	1,122,305	1,486,332
0	0	0	0	1,466,942	1,972,178
<u>(9,737)</u>	<u>(1,893,740)</u>	<u>0</u>	<u>(4,693)</u>	<u>(480,088)</u>	<u>(15,768)</u>
<u><u>14,172,087</u></u>	<u><u>11,456,035</u></u>	<u><u>13,392,719</u></u>	<u><u>15,974,310</u></u>	<u><u>14,510,903</u></u>	<u><u>28,269,885</u></u>
<u><u>\$23,115,747</u></u>	<u><u>\$22,736,863</u></u>	<u><u>\$25,160,710</u></u>	<u><u>\$27,488,599</u></u>	<u><u>\$27,349,426</u></u>	<u><u>\$40,839,712</u></u>

City of Newark

Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2015	2016	2017	2018
Revenues:				
Taxes	\$24,195,781	\$25,361,800	\$26,134,290	\$27,775,775
Intergovernmental Revenues	6,167,868	6,940,541	7,443,663	5,797,645
Charges for Services	2,150,036	2,053,101	2,190,529	2,399,404
Licenses, Permits and Fees	76,249	100,507	91,611	79,200
Investment Earnings	74,259	154,274	224,875	161,137
Special Assessments	50	2	0	0
Fines and Forfeitures	1,898,252	1,828,543	2,228,701	2,340,202
Donations	0	0	0	0
All Other Revenue	499,272	349,426	653,133	917,461
Total Revenue	<u>35,061,767</u>	<u>36,788,194</u>	<u>38,966,802</u>	<u>39,470,824</u>
Expenditures:				
Current:				
Security of Persons and Property	16,720,295	17,259,586	18,107,047	18,651,001
Public Health and Welfare Services	45,062	43,762	20,948	101,517
Leisure Time Activities	698,450	697,623	700,726	734,646
Community Environment	1,322,320	1,165,793	2,013,552	1,507,747
Transportation	2,876,635	2,928,693	2,829,130	2,801,536
General Government	9,846,419	10,125,574	10,750,798	11,015,426
Capital Outlay	5,843,235	1,684,548	2,712,621	3,907,035
Debt Service:				
Principal Retirement	1,099,074	2,917,820	2,321,987	1,450,940
Interest and Fiscal Charges	623,997	789,126	835,862	731,432
Total Expenditures	<u>39,075,487</u>	<u>37,612,525</u>	<u>40,292,671</u>	<u>40,901,280</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,013,720)	(824,331)	(1,325,869)	(1,430,456)

City of Newark

2019	2020	2021	2022	2023	2024
\$27,971,640	\$27,131,599	\$30,457,569	\$32,446,952	\$33,934,469	\$36,748,183
7,115,744	13,022,032	14,505,030	15,521,066	13,619,731	10,608,261
2,731,696	2,550,831	4,417,917	3,676,913	3,938,611	4,440,230
104,293	79,863	103,659	151,726	58,446	69,695
1,263,097	532,460	98,937	(131,973)	2,949,994	2,466,582
112,807	236,502	113,724	112,470	142,539	134,625
2,060,184	1,440,207	1,811,493	1,581,283	1,623,408	1,725,660
0	0	0	0	0	4,854,000
986,655	2,195,601	2,501,453	699,572	696,974	788,506
42,346,116	47,189,095	54,009,782	54,058,009	56,964,172	61,835,742
18,894,251	19,200,672	20,338,601	20,863,196	23,542,780	24,771,795
125,607	25,934	32,098	29,078	217,016	320,685
751,255	781,253	908,520	998,411	1,137,532	1,057,920
1,289,201	1,024,999	1,570,091	1,343,086	1,845,044	1,602,213
3,080,745	3,844,875	4,221,291	3,184,594	4,767,339	3,732,323
11,291,358	15,112,048	13,306,697	18,064,377	18,413,613	16,806,852
2,801,641	5,593,917	9,844,038	7,129,509	4,323,149	10,183,455
3,251,688	3,247,215	3,518,891	3,677,444	3,735,335	3,926,299
865,392	804,410	839,365	917,262	1,112,740	1,547,078
42,351,138	49,635,323	54,579,592	56,206,957	59,094,548	63,948,620
(5,022)	(2,446,228)	(569,810)	(2,148,948)	(2,130,376)	(2,112,878)

(Continued)

City of Newark

Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Other Financing Sources (Uses):				
Sale of Capital Assets	46,971	46,350	54,650	54,766
Other Financing Sources - Capital Leases	291,575	465,000	453,494	1,292,500
Other Financing Sources - SBITA	0	0	0	0
Installment Loan Issuance	0	0	0	0
State Infrastructure Bank Loan	0	0	0	1,084,411
Premium on Bond Issuance	0	554,488	97,015	0
Discount on Bond Issuance	0	0	0	0
General Obligation Bonds Issued	0	5,200,000	1,550,000	0
Refunding General Obligation Bonds Issued	0	1,710,000	1,895,000	0
Long Term Note Issuance	0	0	0	1,125,000
Payment to Refunded Bond Escrow Agent	0	0	(936,200)	0
OPWC Loan Issuance	0	3,277	381,723	0
Transfers In	2,377,818	2,269,546	2,560,274	3,221,094
Transfers Out	<u>(2,377,818)</u>	<u>(2,786,806)</u>	<u>(2,560,274)</u>	<u>(3,601,788)</u>
Total Other Financing Sources (Uses)	<u>338,546</u>	<u>7,461,855</u>	<u>3,495,682</u>	<u>3,175,983</u>
Net Change in Fund Balance	<u><u>(\$3,675,174)</u></u>	<u><u>\$6,637,524</u></u>	<u><u>\$2,169,813</u></u>	<u><u>\$1,745,527</u></u>
Debt Service as a Percentage of Noncapital Expenditures	5.10%	10.75%	8.75%	5.87%

Source: City Auditor's Office

City of Newark

2019	2020	2021	2022	2023	2024
72,573	46,704	85,986	63,876	4,263	162,253
903,695	389,596	1,716,480	0	0	0
0	0	0	0	71,730	0
0	0	0	0	785,210	1,217,664
821,527	335,770	269,983	0	0	0
16,544	0	0	118,362	0	625,974
0	0	0	0	0	(52,727)
1,040,000	0	0	4,540,000	0	12,785,000
0	0	0	0	0	0
1,125,000	1,125,000	1,125,000	1,125,000	1,130,000	1,135,000
0	0	0	0	0	0
0	0	0	164,819	0	0
3,300,021	3,485,846	7,088,965	4,482,164	5,478,964	7,359,891
(3,547,543)	(3,485,846)	(7,210,494)	(4,482,164)	(5,478,964)	(7,629,891)
<u>3,731,817</u>	<u>1,897,070</u>	<u>3,075,920</u>	<u>6,012,057</u>	<u>1,991,203</u>	<u>15,603,164</u>
<u>\$3,726,795</u>	<u>(\$549,158)</u>	<u>\$2,506,110</u>	<u>\$3,863,109</u>	<u>(\$139,173)</u>	<u>\$13,490,286</u>
10.86%	9.43%	10.06%	10.01%	9.62%	10.33%

City of Newark

Income Tax Revenues by Source, Governmental Funds Last Ten Years

Tax year	2015	2016	2017	2018	2019
Income Tax Rate	1.75%	1.75%	1.75%	1.75%	1.75%
Total Tax Collected	\$20,403,273	\$22,185,993	\$22,420,314	\$22,942,923	\$23,699,303
Income Tax Receipts					
Withholding	16,173,959	17,181,295	17,423,474	17,935,810	18,437,894
Percentage	79.28%	77.44%	77.71%	78.18%	77.80%
Corporate	1,484,316	1,827,124	2,084,361	2,106,287	2,026,222
Percentage	7.27%	8.24%	9.30%	9.18%	8.55%
Individuals	2,744,998	3,177,574	2,912,479	2,900,826	3,235,187
Percentage	13.45%	14.32%	12.99%	12.64%	13.65%

Source: City Income Tax Department

City of Newark

2020	2021	2022	2023	2024
1.75%	1.75%	1.75%	1.75%	1.75%
\$22,996,119	\$25,687,092	\$27,778,327	\$29,410,089	\$30,944,153
18,578,668	19,332,579	20,921,624	22,603,363	23,618,665
80.79%	75.26%	75.31%	76.86%	76.33%
1,442,647	3,282,028	3,505,112	3,262,774	3,548,160
6.27%	12.78%	12.62%	11.09%	11.47%
2,974,804	3,072,485	3,351,591	3,543,952	3,777,328
12.94%	11.96%	12.07%	12.05%	12.20%

City of Newark



City of Newark

Income Tax Statistics Current Year and Nine Years Ago

Calendar Year 2024

Income Tax Filers	Number of Filers	Percent of Total	Taxable Income	Percent of Income	Income Tax Collections	Percent of Income
Top Ten	10	0.07%	\$36,316,595	3.93%	\$635,540	3.93%
All Others	13,908	99.93%	886,759,769	96.07%	15,518,296	96.07%
Total	<u>13,918</u>	<u>100.00%</u>	<u>923,076,364</u>	<u>100.00%</u>	<u>\$16,153,836</u>	<u>100.00%</u>

Calendar Year 2015

Income Tax Filers	Number of Filers	Percent of Total	Taxable Income	Percent of Income	Income Tax Collections	Percent of Income
Top Ten	10	0.07%	\$18,970,573	2.94%	\$331,985	2.94%
All Others	14,548	99.93%	625,976,676	97.06%	10,954,592	97.06%
Total	<u>14,558</u>	<u>100.00%</u>	<u>\$644,947,249</u>	<u>100.00%</u>	<u>\$11,286,577</u>	<u>100.00%</u>

Source: City Income Tax Department

City of Newark

Ratios of Outstanding Debt By Type Last Ten Years

	2015	2016	2017	2018
Governmental Activities (1)				
General Obligation Bonds Payable	\$14,182,321	\$19,153,042	\$19,841,317	\$18,832,762
Ohio Public Works Commission Loan Payable	585,000	558,277	910,000	830,750
Installment Loans	802,766	835,963	1,018,577	2,088,567
ODOT State Infrastructure Bank Loans	1,082,314	784,505	2,556,436	3,229,157
Long Term Note Payable	0	0	0	1,125,000
SBITA	0	0	0	0
Business-type Activities (1)				
General Obligation Bonds Payable	\$10,796,376	\$9,244,510	\$7,902,115	\$6,194,630
Revenue Bonds Payable	0	0	0	0
Ohio Water Development Authority Loans Payable	37,218,169	39,331,720	47,169,828	49,099,957
Ohio Public Works Commission Loans Payable	1,450,991	1,339,816	1,228,641	1,117,466
ODOT State Infrastructure Bank Loans	0	0	2,344,115	2,776,277
SBITA	0	0	0	0
Total Primary Government	<u>\$66,117,937</u>	<u>\$71,247,833</u>	<u>\$82,971,029</u>	<u>\$85,294,566</u>
Population (2)				
City of Newark	47,537	47,537	47,537	47,537
Outstanding Debt Per Capita	\$1,391	\$1,499	\$1,745	\$1,794
Income (3)				
Personal (in thousands)	\$1,983,576	\$2,006,870	\$2,006,870	\$2,006,870
Percentage of Personal Income	3.33%	3.55%	4.13%	4.25%

Sources:

- (1) City Auditor's Office
- (2) U.S. Bureau of Census, Population Division
- (3) U.S. Department of Commerce, Bureau of Economic Analysis information is only available through 2023, for the presentation of 2024 statistics, the City is using the latest information available.
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Newark

2019	2020	2021	2022	2023	2024
\$18,595,751	\$17,175,357	\$15,794,963	\$19,127,931	\$17,687,200	\$29,514,716
742,250	698,000	609,500	677,578	592,596	904,815
2,474,647	2,297,278	3,406,678	2,575,347	2,602,558	2,571,882
3,775,111	3,969,881	3,871,553	3,522,181	3,162,248	2,800,948
1,125,000	1,125,000	1,125,000	1,125,000	1,130,000	1,135,000
0	0	0	0	49,309	25,431
\$7,820,352	\$7,406,211	\$6,937,070	\$6,457,929	\$5,963,788	\$11,197,632
18,045,726	17,991,868	17,603,010	17,204,152	16,800,294	16,381,436
54,911,784	57,337,035	61,365,474	70,106,626	72,882,698	78,020,452
1,006,291	950,704	839,529	728,354	619,341	514,112
2,716,778	2,922,466	2,694,866	2,537,386	2,375,146	2,208,002
0	0	0	0	73,298	37,803
<u>\$111,213,690</u>	<u>\$111,873,800</u>	<u>\$114,247,643</u>	<u>\$124,062,484</u>	<u>\$123,938,476</u>	<u>\$145,312,229</u>
47,537	50,943	51,257	50,943	50,763	62,590
\$2,340	\$2,196	\$2,229	\$2,435	\$2,442	\$2,322
\$2,006,870	\$2,006,870	\$1,549,757	\$1,418,508	\$1,563,044	\$3,674,659
5.54%	5.57%	7.37%	8.75%	7.93%	3.95%

City of Newark

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	2015	2016	2017	2018
Population (1)	47,537	47,537	47,537	47,537
Personal Income (2)	\$1,983,576,399	\$2,006,869,529	\$2,006,869,529	\$2,006,869,529
General Bonded Debt				
General Obligation Bonds	\$24,978,697	\$28,397,552	\$27,743,432	\$25,027,392
Resources Available to Pay Principal	\$1,368,476	\$1,207,458	\$1,118,394	\$1,017,064
Net General Bonded Debt	\$23,610,221	\$27,190,094	\$26,625,038	\$24,010,328
Ratio of Net Bonded Debt to Personal Income	1.19%	1.35%	1.33%	1.20%
Net Bonded Debt per Capita	\$496.67	\$571.98	\$560.09	\$505.09

Sources:

- (1) U.S. Bureau of Census of Population
- (2) U.S. Department of Commerce, Bureau of Economic Analysis information is only available through 2023, for the presentation of 2024 statistics, the City is using the latest information available.
- (a) Per Capita Income is only available by County, Total Personal Income is a calculation

City of Newark

2019	2020	2021	2022	2023	2024
47,537	50,943	51,257	50,943	50,763	62,590
\$2,006,869,529	\$2,006,870,000	\$1,549,755,395	\$1,418,507,835	\$1,563,043,533	\$3,674,658,900
\$26,416,103	\$24,581,568	\$22,732,033	\$25,585,860	\$23,650,988	\$40,712,348
\$1,073,881	\$1,350,793	\$966,465	\$995,686	\$1,466,942	\$4,460,286
\$25,342,222	\$23,230,775	\$21,765,568	\$24,590,174	\$22,184,046	\$36,252,062
1.26%	1.16%	1.40%	1.73%	1.42%	0.99%
\$533.11	\$456.02	\$424.64	\$482.70	\$437.01	\$579.20

City of Newark



City of Newark

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
December 31, 2024*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to the City of Newark (1)	Amount Applicable to the City of Newark
Direct:			
City of Newark	\$36,952,792	100.00%	\$36,952,792
Overlapping:			
Granville School District	12,460,000	9.45%	1,177,470
Licking Valley School District	940,000	3.30%	31,020
North Fork School District	996,000	5.16%	51,394
Newark City Schools	26,310,000	92.91%	24,444,621
Licking County	19,530,000	17.55%	3,427,515
		Subtotal	<u>29,132,020</u>
		Total	<u>\$66,084,812</u>

Source: Licking County Auditor

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the political subdivision.

City of Newark

Debt Limitations Last Ten Years

Collection Year	2015	2016	2017	2018
Total Debt				
Net Assessed Valuation	\$770,883,080	\$776,258,520	\$843,197,460	\$845,262,340
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$)(1)	80,942,723	81,507,145	88,535,733	88,752,546
City Debt Outstanding (2)	19,008,515	18,372,230	18,086,000	18,350,000
Less: Applicable Debt Service Fund Amounts	(1,368,476)	(1,207,458)	(1,118,394)	(1,017,064)
Net Indebtedness Subject to Limitation	17,640,039	17,164,772	16,967,606	17,332,936
Overall Legal Debt Margin	<u>\$63,302,684</u>	<u>\$64,342,373</u>	<u>\$71,568,127</u>	<u>\$71,419,610</u>
Debt Margin as a Percentage of Debt Limit	78.21%	78.94%	80.84%	80.47%
Unvoted Debt				
Net Assessed Valuation	\$770,883,080	\$776,258,520	\$843,197,460	\$845,262,340
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$)(1)	42,398,569	42,694,219	46,375,860	46,489,429
City Debt Outstanding (2)	19,008,515	18,372,230	18,086,000	18,350,000
Less: Applicable Debt Service Fund Amounts	(1,368,476)	(1,207,458)	(1,118,394)	(1,017,064)
Net Indebtedness Subject to Limitation	17,640,039	17,164,772	16,967,606	17,332,936
Overall Legal Debt Margin	<u>\$24,758,530</u>	<u>\$25,529,447</u>	<u>\$29,408,254</u>	<u>\$29,156,493</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.

The East Main Street Improvement and Deo Drive Bonds are TIF Bonds.

Enterprise Debt is not considered in the computation of the Legal Debt Margin.

Source: City Auditor's Office

City of Newark

2019	2020	2021	2022	2023	2024
\$854,318,216	\$984,634,740	\$995,719,300	\$1,007,972,690	\$1,372,064,650	\$1,397,710,400
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
89,703,413	103,386,648	104,550,527	105,837,132	144,066,788	146,759,592
20,120,000	18,950,000	21,330,000	21,950,000	21,190,000	33,870,000
(1,073,881)	(1,350,793)	(966,465)	(995,686)	(1,466,942)	(4,460,286)
19,046,119	17,599,207	20,363,535	20,954,314	19,723,058	29,409,714
<u>\$70,657,294</u>	<u>\$85,787,441</u>	<u>\$84,186,992</u>	<u>\$84,882,818</u>	<u>\$124,343,730</u>	<u>\$117,349,878</u>
78.77%	82.98%	80.52%	80.20%	86.31%	79.96%
\$854,318,216	\$984,634,740	\$995,719,300	\$1,007,972,690	\$1,372,064,650	\$1,397,710,400
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
46,987,502	54,154,911	54,764,562	55,438,498	75,463,556	76,874,072
20,120,000	18,950,000	21,330,000	21,950,000	21,190,000	33,870,000
(1,073,881)	(1,350,793)	(966,465)	(995,686)	(1,466,942)	(4,460,286)
19,046,119	17,599,207	20,363,535	20,954,314	19,723,058	29,409,714
<u>\$27,941,383</u>	<u>\$36,555,704</u>	<u>\$34,401,027</u>	<u>\$34,484,184</u>	<u>\$55,740,498</u>	<u>\$47,464,358</u>

City of Newark

Pledged Revenue Coverage Last Ten Years

	2015	2016	2017	2018	2019
Tax Increment Financing (TIF) (1)					
Payment in Lieu of Taxes	\$69,405	\$0	\$0	\$808,083	\$0
Debt Service					
Principal	105,000	120,000	125,000	125,000	130,000
Interest	80,932	87,640	46,550	44,050	41,550
Coverage	0.37	0.00	0.00	4.78	0.00
Tax Increment Financing (TIF) (2)					
Payment in Lieu of Taxes	\$112,753	\$114,903	\$102,364	\$157,075	\$0
Debt Service					
Principal	55,000	60,000	65,000	65,000	65,000
Interest	33,366	31,304	29,054	26,454	23,854
Coverage	1.28	1.26	1.09	1.72	0.00
Water System Revenue Bonds (3)					
Gross Revenues	\$0	\$0	\$0	\$0	\$0
Direct Operating Expenses	0	0	0	0	0
Net Revenue Available for Debt Service	0	0	0	0	0
Annual Debt Service Requirement	0	0	0	0	0
Coverage	0.00	0.00	0.00	0.00	0.00

(1) East Main Street Improvement, Governmental Activities

(2) Deo Drive Improvement, Governmental Activities

(3) Water System Improvement Revenue Bonds

Source: City Auditor's Office

City of Newark

2020	2021	2022	2023	2024
\$17,738	\$5,826	\$5,845	\$5,632	\$17,391
130,000	135,000	140,000	140,000	145,000
39,600	35,700	31,650	27,450	23,250
0.10	0.03	0.03	0.03	0.10
\$0	\$0	\$0	\$0	\$0
70,000	75,000	75,000	80,000	85,000
21,254	18,384	15,309	12,234	8,954
0.00	0.00	0.00	0.00	0.00
\$0	\$6,950,142	\$7,458,627	\$7,476,148	\$8,794,023
0	2,857,950	4,285,761	6,387,291	6,078,650
0	4,092,192	3,172,866	1,088,857	2,715,373
0	1,053,244	1,051,869	1,049,669	1,052,806
0.00	3.89	3.02	1.04	2.58

City of Newark

Demographic and Economic Statistics *Last Ten Years*

Calendar Year	2015	2016	2017	2018	2019
Population (1)					
City of Newark	47,537	47,537	47,537	47,537	47,537
Licking County	166,492	166,492	166,492	166,492	166,492
Income (2) (a)					
Total Personal (in thousands)	\$1,983,576	\$2,006,870	\$2,006,870	\$2,006,870	\$2,006,870
Per Capita	\$41,727	\$42,217	\$42,217	\$42,217	\$42,217
Unemployment Rate (3)					
Federal	5.3%	4.9%	4.1%	3.8%	3.5%
State	4.9%	4.9%	4.3%	4.5%	4.1%
Licking County	4.2%	4.3%	3.8%	3.9%	3.8%
Civilian Work Force Estimates (3)					
State	5,731,000	5,788,000	5,778,000	5,783,000	5,783,000
Licking County	88,400	87,900	90,300	90,600	90,600

Sources:

- (1) U.S. Bureau of Census of Population.
- (2) U.S. Department of Commerce, Bureau of Economic Analysis information is only available through 2023, for the presentation of 2024 statistics, the City is using the latest information available. As the most current information becomes available, prior year figures are updated.
- (a) Per Capita Income is only available by County, Total Personal Income is a calculation.
- (3) State Department of Labor Statistics.

City of Newark

2020	2021	2022	2023	2024
50,943	51,257	50,943	50,763	62,590
176,862	180,401	181,359	183,201	178,519
\$2,006,870	\$1,549,757	\$1,418,508	\$1,563,044	\$3,674,659
\$39,394	\$30,235	\$27,845	\$30,791	\$58,710
4.7%	5.3%	3.4%	3.6%	4.1%
4.6%	5.1%	4.2%	3.5%	4.3%
5.9%	4.0%	3.0%	3.1%	4.0%
5,783,000	5,737,546	5,741,277	5,787,000	5,898,600
90,600	90,142	92,216	92,600	92,600

City of Newark



City of Newark

Principal Employers *Current Year and Nine Years Ago*

		2024	
Employer	Nature of Business	Number of Employees	Rank
Licking Memorial Hospital	Hospital	2,399	1
Licking County Government	Government	1,200	2
Newark City Schools	Education	889	3
OSUN/COTC	Education	550	4
Owens Corning	Fiberglass Insulation	543	5
City of Newark	Government	379	6
Anomatic Corporation	Metal Finishers	355	7
PNB	Banking Headquarters	326	8
CTEC	Education	299	9
Universal Veneer	Wood Veneer Manufacturing	146	10
Total		<u>7,086</u>	
Total Employment within the City (1)		<u>N/A</u>	
		2015	
Employer	Nature of Business	Number of Employees	Rank
Licking Memorial Hospital	Health Care	1,950	1
State Farm	Insurance	1,050	2
Licking County Government	Government	1,050	3
Newark City Schools	Education	980	4
Anomatic	Metal Finishers	925	5
OSUN/COTC	Education	920	6
Walmart	Retail	710	7
Owens Corning	Fiberglass Insulation	550	8
Park National Bank	Banking	400	9
City of Newark	Government	352	10
Total		<u>8,887</u>	
Total Employment within the City (1)		<u>N/A</u>	

(1) - Total employment within the City is not available.

Source: City Auditor's Office

City of Newark

Full Time Equivalent Employees by Function Last Ten Years

	2015	2016	2017	2018	2019
Governmental Activities					
General Government					
Finance	18.00	18.00	16.00	16.00	16.00
Legal/Court	46.00	42.00	40.00	40.00	40.00
Administration	27.00	26.00	26.00	26.00	26.00
Maintenance	16.00	16.00	16.00	16.00	16.00
Security of Persons and Property					
Police	96.00	77.00	77.00	77.00	79.00
Fire	87.00	80.00	80.00	79.00	79.00
Transportation					
Street	25.00	25.00	24.00	23.00	23.00
Leisure Time Activities					
Recreation/Seniors	14.00	12.00	12.00	12.00	12.00
Community Environment					
Community Development	30.00	30.00	30.00	30.00	30.00
	4.00	4.00	3.00	3.00	3.00
Business-Type Activities					
Utilities					
Water	41.00	41.00	41.00	41.00	41.00
Sewer	26.00	26.00	26.00	26.00	26.00
Storm Water	3.00	3.00	3.00	3.00	3.00
<i>Total Employees</i>	<i>433.00</i>	<i>400.00</i>	<i>394.00</i>	<i>392.00</i>	<i>394.00</i>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: City Auditor's Office

City of Newark

2020	2021	2022	2023	2024
15.00	17.00	20.00	21.00	21.00
40.00	56.00	47.00	59.00	57.00
26.00	20.00	22.00	19.00	19.00
16.00	3.00	3.00	3.00	3.00
79.00	79.00	82.00	85.00	83.00
79.00	80.00	80.00	86.00	88.00
23.00	25.00	24.00	25.00	22.00
12.00	7.00	7.00	8.00	7.00
30.00	11.00	11.00	13.00	13.00
3.00	4.00	4.00	4.00	4.00
41.00	40.00	41.00	38.00	40.00
26.00	20.00	21.00	21.00	20.00
3.00	2.00	2.00	2.00	2.00
393.00	364.00	364.00	384.00	379.00

City of Newark

Operating Indicators by Function *Last Ten Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental Activities					
General Government					
Court					
Number of Traffic Cases	4,121	4,020	4,101	4,109	4,379
Licenses and Permits					
Number of Building Permits	370	401	486	384	401
Security of Persons and Property					
Police					
Number of Citations Issued	2,814	2,874	2,922	3,004	3,696
Number of Arrests	2,019	2,088	2,093	2,111	2,121
Fire					
Number of Fire Calls	5,466	5,461	5,516	5,501	4,870
Number of EMS Runs	7,618	7,701	7,814	7,995	8,225
Transportation					
Street					
Number of Streets Resurfaced	32	34	32	31	31
Business-Type Activities					
Water					
Number of Service Connections	20,911	20,901	20,920	20,923	20,923
Water Main Breaks	44	58	61	70	60
Daily Average Consumption (thousands of gallons)	9.4M	9.4M	9.4M	9.4M	9.4M
Sewer					
Number of Service Connections	19,122	19,119	19,206	19,214	19,214
Daily Average Sewage Treatment (thousands of gallons)	8.9M	8.9M	8.9M	8.9M	8.9M

Source: City Auditor's Office

City of Newark

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
8,246	10,920	12,274	10,443	10,519
239	519	2,762	138	563
3,701	988	1,050	799	633
2,129	1,287	1,497	1,278	1,127
4,819	2,224	2,515	2,544	2,856
8,345	10,150	10,070	9,938	10,500
31	57	65	93	46
20,923	18,896	18,916	18,969	19,336
71	35	40	31	39
9.4M	6.5M	7.4M	4.4M	4.7M
19,214	17,193	17,411	17,508	17,657
8.9M	7.6M	7.5M	7.1M	7.5M

City of Newark

Capital Asset Statistics by Function *Last Ten Years*

	2015	2016	2017	2018	2019
Governmental Activities					
General Government					
Public Land and Buildings					
Land (acres)	459	459	459	459	459
Buildings	29	29	29	29	29
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	24	24	25	26	26
Fire					
Stations	4	4	4	4	4
Vehicles	23	23	23	23	23
Transportation					
Street					
Streets (lane miles)	228	228	228	228	228
Traffic Signals	3,351	3,351	3,354	3,355	3,355
Vehicles	42	42	43	43	43
Leisure Time Activities					
Recreation/Seniors					
Buildings	16	16	16	16	16
Parks	39	39	39	39	39
Playgrounds	14	14	14	14	14
Swimming Pools	1	1	1	1	1
Baseball/Softball Diamonds	12	12	12	12	12
Business-Type Activities					
Utilities					
Water					
Waterlines (Miles)	205	205	205	205	205
Number of Hydrants	292	292	292	292	292
Sewer					
Sewer lines (Miles)	194	194	195	195	195
Lift Stations	10	10	10	10	10
Storm Water Drainage					
Storm Drains (Miles)	120	120	121	121	121
Number of Catch Basins	4,536	4,536	4,540	4,549	4,549

Source: City Auditor's Office

City of Newark

2020	2021	2022	2023	2024
459	903	903	903	903
29	35	35	35	35
1	1	1	1	1
26	36	54	56	54
5	5	4	4	4
23	23	15	11	12
228	502	502	515	516
3,355	1,802	69	69	69
43	48	43	48	44
16	42	42	24	24
39	23	23	21	21
14	14	14	17	14
1	1	1	1	1
12	12	12	6	11
205	265	265	248	248
292	2,083	2,149	2,143	2,128
195	224	209	209	230
10	23	19	20	20
121	141	146	152	152
4,549	9,348	6,180	6,419	6,279

City of Newark



OHIO AUDITOR OF STATE KEITH FABER



CITY OF NEWARK

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 1/6/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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www.ohioauditor.gov