



NEW PHILADELPHIA CITY SCHOOLS

FINANCIAL PROSPECTUS 2024





A Message From the Treasurer

Welcome to New Philadelphia's first-ever Financial Prospectus. The foundation for a solid and well-rounded education is good fiscal stewardship, so this publication is designed to share with residents what our financial picture looks like here at New Philadelphia City Schools.

The past few years have brought much uncertainty to school budgets, from the pandemic to record-high inflation to changes to state funding. No matter what comes our way, we strive to use our resources wisely; to employ dedicated teachers and staff, maintain our facilities, and provide up-to-date technology and curriculum so that we can meet our mission to give every student a diverse, quality education within a safe and secure environment. Throughout the next few pages, you will find a snapshot of our:

- Annual revenue and expenses
- Recent challenges and achievements
- How we compare to similar districts in Ohio

Our goal remains the same as it always has: to provide all students the opportunity to achieve their highest potential. Thank you to our community for your continued support of our schools, and please don't hesitate to reach out to me at 330-364-0607 with any questions you may have about our district's finances.

Julie Erwin, CPA
Treasurer



A Message From the Superintendent

Curriculum. Technology. Furniture. Staff. Safe and secure buildings.

Each of these contribute to the Quaker experience and ultimately dictate a student's next step in life and with their education. Another thing they all have in common is that they require funding.

We recognize the importance of being transparent about our finances with our taxpayers, and as a result, we are happy to share this Financial Prospectus with you. I hope this gives you greater insight into the world of school finance and confirms our commitment to always striving to do what's best for our students and staff.

Amy Wentworth
Superintendent

Maintaining a Balanced Budget

Ohio's school boards must adopt a 5-year forecast twice each year - November and May. These forecasts are a tool to help the district review past revenue and expenditures, look at current realities, and project the district's financial future, ensuring transparency with stakeholders.

New Philadelphia City Schools financial forecasts can be accessed at npschools.org.

There are three key challenges that have recently impacted — and will continue to affect — our budget and forecasting.



3 Challenges

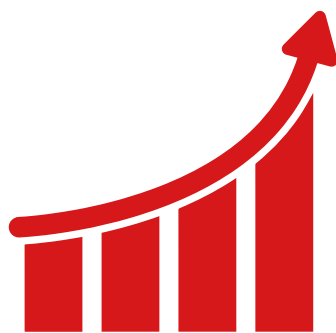
1



ESSER FUNDING:

The district received three rounds of ESSER, or federal relief dollars, to help address challenges presented by the pandemic. The last of these funds must be spent by September 2024. Any ongoing expenses will have to be absorbed into the general operating budget.

2



INFLATION

Inflation reached a 40-year high in 2023.

Like residents, this has impacted our school's fuel, food, utility and healthcare costs, as well as our ability to maintain aging buildings.

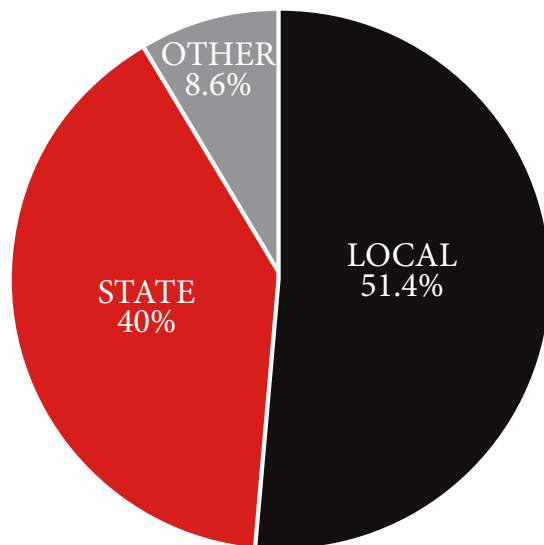
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PROPERTY VALUES

House Bill 920 is a law passed in the 1970s that limits the amount of money school districts can collect from property taxes, even as home values have skyrocketed in recent years.

REVENUE



Local: \$16,894,709

State: \$13,153,178

Other: \$2,799,682

Total: \$32,847,569

The district's annual operating budget is nearly \$33 million.

Local

Local revenue is made up of real estate, tangible personal property and property taxes, and represents a little more than half of our budget.

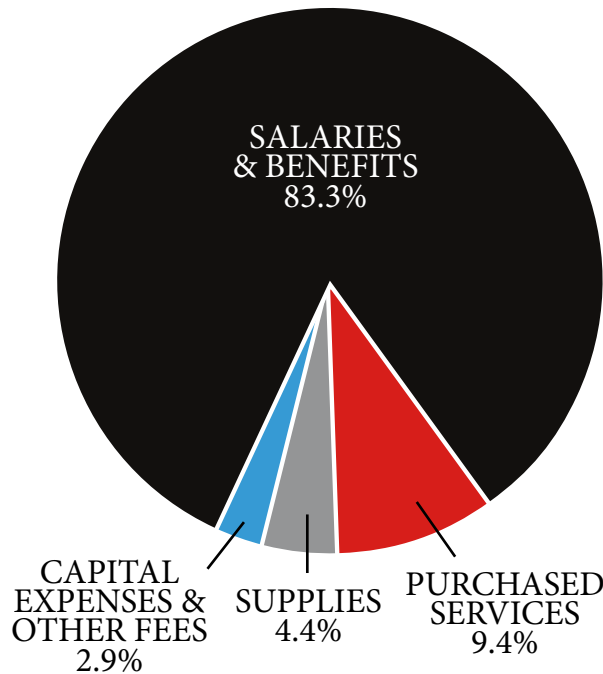
State

State funding is based on the Fair School Funding Plan, which looks at a community's ability to pay for its local education. It has slowly been phased in over the last two state budget cycles. This makes up about 40% of our operating budget.

Other

Other sources of income include things like interest income and refunds from previous fiscal years. They contribute almost 9% to our overall revenue.

EXPENSES



Salaries & Benefits:
\$27,613,909

Purchased Services:
\$3,105,160

Supplies:
\$1,469,652

Capital Expenses and Other Fees:
\$961,491 (2.9%)

Total: \$33,150,212

New Philadelphia City Schools expenses are just over \$33 million. This means our expenses are currently outpacing our revenue.

Salaries and Benefits

Our teachers and staff are our most important asset when it comes to educating our children. As such, salaries and benefits are our largest expenditure at 83% or \$27 million.

Purchased Services

\$3 million is spent on purchased services each year. These services include:

- Programming, such as College Credit Plus
- Special education services
- Technology data services
- Building utilities
- Insurance
- Staff professional development
- Transportation services

Supplies

Supplies include curriculum, paper, fuel for buses, and maintenance and custodial materials.

Capital Expenses and Other Fees

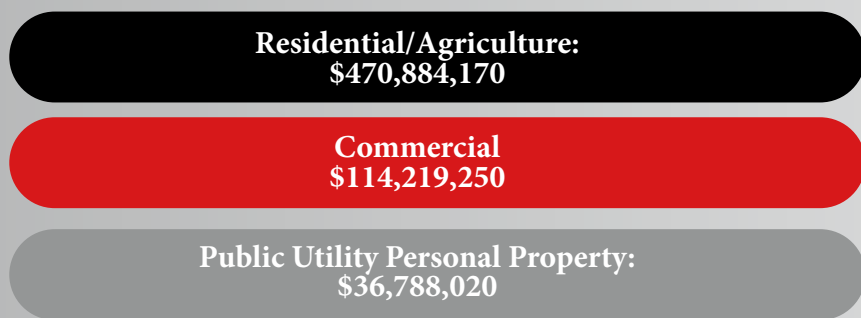
Capital expenses make up about 3% of our outgoing funds. These expenses are related to our physical assets such as buses, which are often purchased on a rotating schedule due to their cost and life expectancy. As often as possible, we use financing tools like lease-purchase agreements to help with our daily cash flow. Other fees include county auditor processing fees, which is a standard cost of doing business for all entities that receive tax dollars.

S. EXPENSES

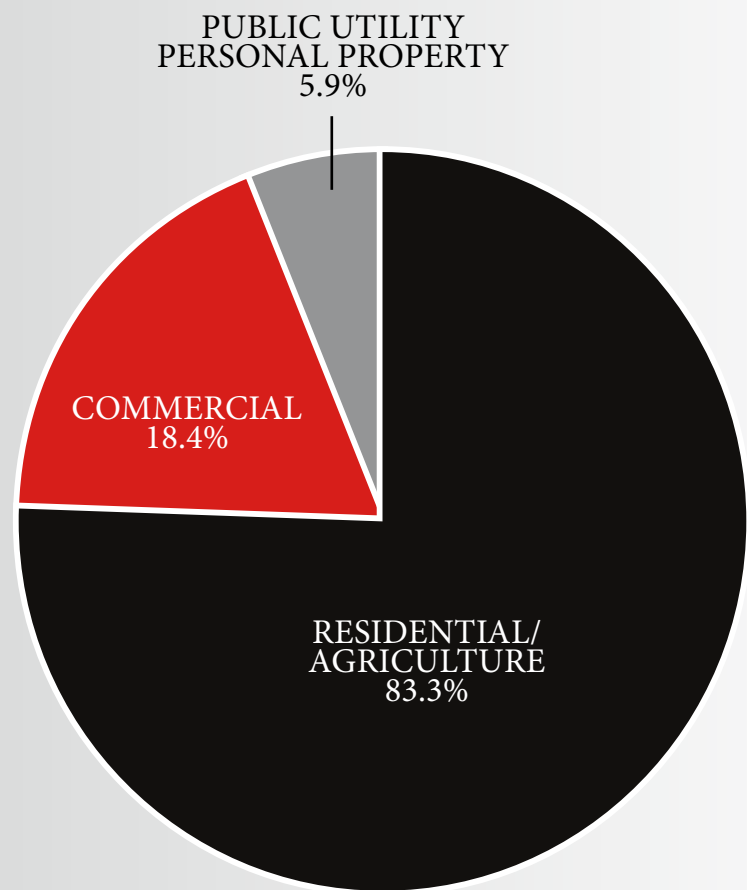
2023 data

PROPERTY TAX BREAKDOWN

All residents and businesses in New Philadelphia City Schools boundaries pay taxes to the district. Here is a closer look at the breakdown.

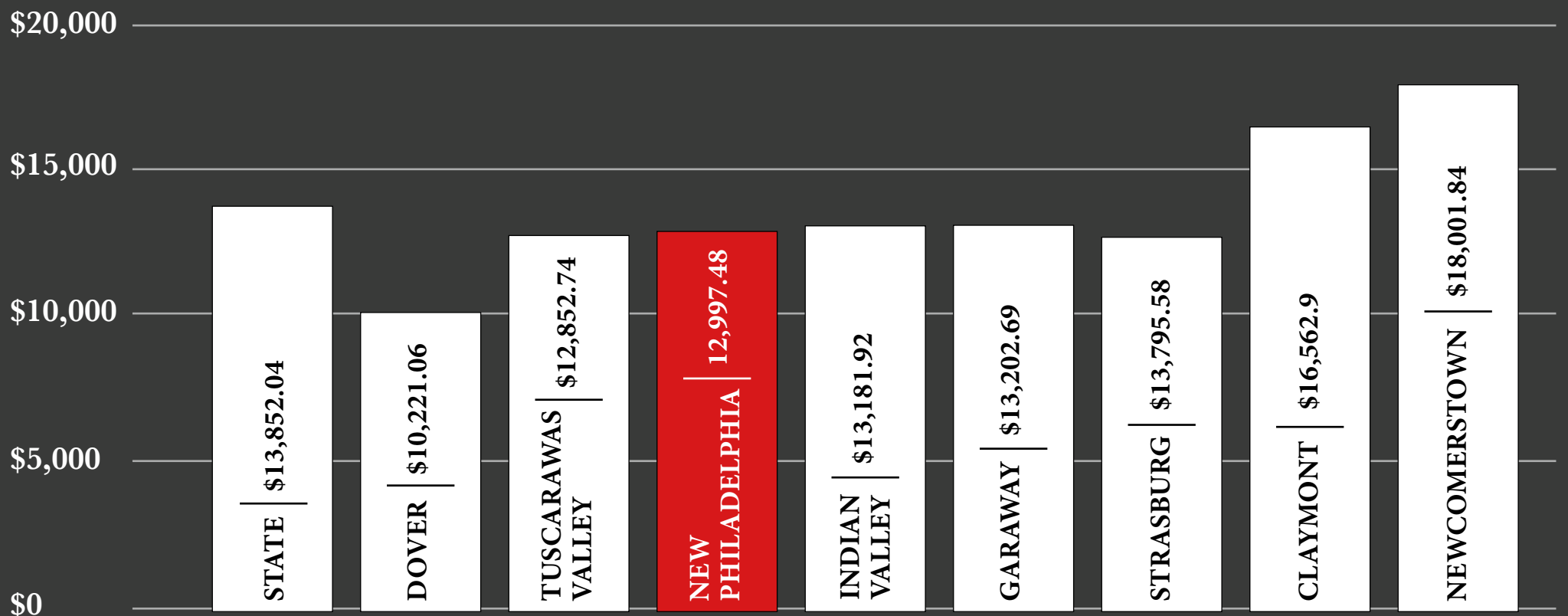


Total Valuations = \$621,891,440



PER PUPIL SPENDING

New Philadelphia City Schools spent \$12,997 per student in fiscal year 2023, slightly below the state average of \$13,852. This shows our commitment to providing a quality education while simultaneously making effective use of our taxpayer dollars.



Maximizing Our Resources

New Philadelphia Schools routinely looks for grants and other alternative revenue sources so that we can preserve our taxpayer dollars and provide the best education possible to our students. In fiscal year 2023, our budget was infused with more than \$3 million to help further the Quaker experience for our staff and students.

Federal Grants

\$836,805 for special education services	\$734,670 toward enhancing English and Math for qualifying students	\$317,000 for safety
\$141,140 toward professional education for staff	\$75,147 for the Attention Center	\$54,294 for positive interventions for students
\$39,458 for preschool special education	TOTAL: \$2,198,514	

State Grants

\$285,421 toward state-funded preschool	\$47,055 for buses	\$9,279 from EPA for bottle filling stations throughout the district
TOTAL: \$517,813		

Local Grants

\$326,000 for Dome floor, donated by the Quaker Club	\$35,535 for Project Lead the Way*	\$20,691 to support teachers from the Quaker Foundation
\$17,480 for scoreboards at the Dome, donated by the Quaker Club	\$5,000 for maintenance of the Dome floor, donated by the Quaker Club	
TOTAL: \$404,706		

*Project Lead the Way, a program designed to give students the knowledge they need to excel in high-tech fields, is funded by Allied Machine and Engineering, the Rosenberry Foundation, and numerous other local organizations.

ESSER

*All funds must be spent by September of 2024

Phase 1

\$556,509

Phase 2

\$2,244,299

Phase 3

\$5,099,688

TOTAL: \$7,900,496

ESSER funding paid for the following:



Cleaning supplies



Remote learning curriculum and supplies



Chromebooks for students



Laptops for elementary teachers allowing remote access



Updated technology in all classrooms



Summer school to address learning loss

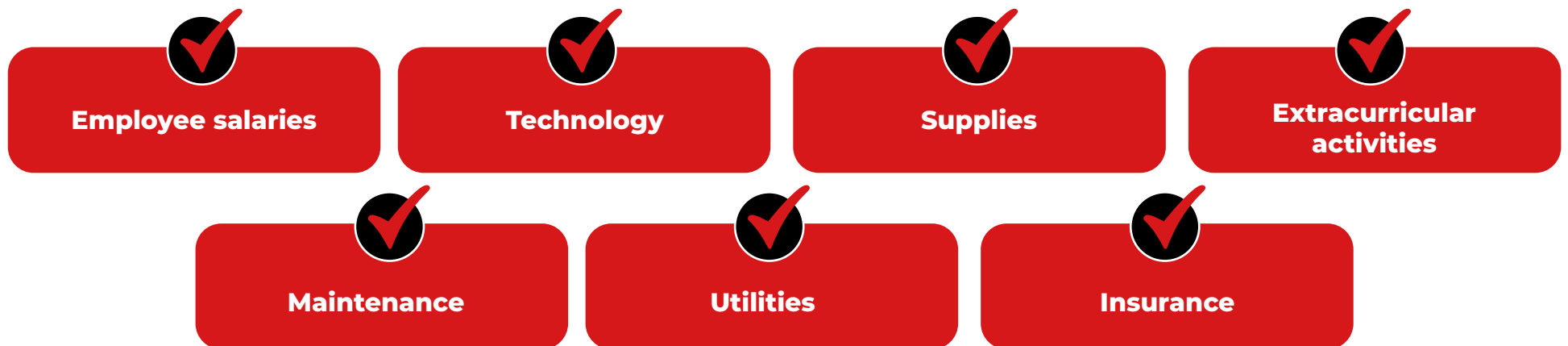


Building repairs (roofs, boiler and HVAC systems)

School Funding 101

Ohio's school districts can ask for three types of funding from their community, or a combination thereof. Here are allowable ways these different types of funds can be spent.

OPERATING



BOND



PERMANENT IMPROVEMENT



WHAT CAN SCHOOL DISTRICTS USE PI FUNDS ON?

YES

- ✓ Building repairs, acquisitions and updates (roofs, parking lots)
- ✓ Heating and cooling repairs (HVAC, electric)
- ✓ Major equipment purchases (technology, buses, etc.)
- ✓ District grounds and major upkeep (athletic fields)

NO

- ✗ Salaries or benefits for staff
- ✗ General supplies
- ✗ Other items that do not have an estimated life of five years or more

New Philadelphia City Schools currently has a **PERMANENT IMPROVEMENT LEVY** on the books for **\$484,977**



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Working Together For Our Community: Facilities Improvement Committee

The first goal outlined in New Philadelphia City Schools 2023-2025 strategic plan revolves around Facilities, Finance and Transportation. As a result, in 2023, the district launched the Quaker Spirit Facilities Improvement Committee. The committee is made up of longtime residents, district leaders and staff, and faith and civic leaders. Their assignment: to better understand our facility needs and develop a long-term master facilities plan.

In partnership with TDA Architects, the committee examined different building sizes, school site locations, locally funded initiatives, grade level configurations and funding sources to determine the best path forward. In collaboration with the community and through a series of small group exercises, presentations, live polling and surveys, the committee has arrived at a plan that is rooted in fiscal responsibility and reflects the unique characteristics of New Philadelphia Schools.

