



OHIO AUDITOR OF STATE  
**KEITH FABER**





**NORTHWEST LOCAL SCHOOL DISTRICT  
HAMILTON COUNTY  
JUNE 30, 2022**

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**NORTHWEST LOCAL SCHOOL DISTRICT  
HAMILTON COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2022**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Assistance Listing Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	3L60	\$353,745
Cash Assistance:			
School Breakfast Program	10.553	3L70	1,289,733
COVID - 19 National School Lunch Program	10.555	3L60	173,101
National School Lunch Program	10.555	3L60	<u>2,751,374</u>
Total - National School Lunch Program			2,924,475
Total Child Nutrition Cluster			<u>4,567,953</u>
COVID-19 State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grant	10.649	3HF0	5,814
Total U.S. Department of Agriculture			<u>4,573,767</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
Special Education Cluster:			
Special Education-Grants to States	84.027	3M20	2,773,418
COVID-19 Special Education-Grants to States	84.027X	3IA0	277,167
Special Education-Preschool Grants	84.173	3C50	41,793
COVID-19 Special Education-Preschool Grants	84.173X	3IA0	<u>2,221</u>
Total Special Education Cluster			<u>3,094,599</u>
Title I Grants to Local Educational Agencies	84.010	3M00	3,650,744
English Language Acquisition State Grants	84.365	3Y70	26,314
Supporting Effective Instruction State Grants	84.367	3Y60	472,847
Student Support and Academic Enrichment Program	84.424	3HI0	282,791
COVID - 19 Elementary and Secondary School Emergency Relief Fund	84.425D	3HS0	3,174,413
COVID - 19 Elementary and Secondary School Emergency Relief Fund	84.425U	3HS0	9,087,193
COVID - 19 ARP Homeless Children and Youth	84.425U	3HZ0	80,432
Total Elementary and Secondary School Emergency Relief Fund			<u>12,342,038</u>
Total U.S. Department of Education			<u>19,869,333</u>
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
COVID-19 Coronavirus Relief Fund	21.019	5CV1	18,797
Total U.S. Department of the Treasury			<u>18,797</u>
Total Expenditures of Federal Awards			<u><u>\$24,461,897</u></u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**NORTHWEST LOCAL SCHOOL DISTRICT  
HAMILTON COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Northwest Local School District (the School District) under programs of the federal government for the fiscal year ended June 30, 2022. 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 School District, it is not intended to and does not present the financial position or changes in net position of the School District.

**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 Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The School District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D - CHILD NUTRITION CLUSTER**

The School District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the School District assumes it expends federal monies first.

**NOTE E – FOOD DONATION PROGRAM**

The School District reports commodities consumed on the Schedule at the fair value.

# OHIO AUDITOR OF STATE KEITH FABER



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

Northwest Local School District  
Hamilton County  
3240 Banning Road  
Cincinnati, Ohio 45239

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northwest Local School District, Hamilton County, Ohio (the School District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 16, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the School District.

### ***Report on Internal Control Over Financial Reporting***

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***School District's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the School District's response to the finding identified in our audit and described in the accompanying schedule of findings. The School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

***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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio  
December 16, 2022



# OHIO AUDITOR OF STATE KEITH FABER



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

Northwest Local School District  
Hamilton County  
3240 Banning Road  
Cincinnati, Ohio 45239

To the Board of Education:

### Report on Compliance with Each Major Federal Program

#### *Opinion on Each Major Federal Program*

We have audited Northwest Local School District, Hamilton County, Ohio (the School District's), compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2022. The School District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the Northwest Local School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

#### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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 School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

The School District'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 School District's federal programs.

### ***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 School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 School District's compliance with the requirements of each 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 School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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, each major fund and the aggregate remaining fund information of Northwest Local School District, Hamilton County, Ohio (the School District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements. We issued our unmodified report thereon dated December 16, 2022. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District'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.



Keith Faber  
Auditor of State  
Columbus, Ohio  
December 16, 2022

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**NORTHWEST LOCAL SCHOOL DISTRICT  
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
June 30, 2022**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	AL #84.027/84.173 Special Education Cluster AL #84.425 Elementary and Secondary School Emergency Relief Fund (ESSER)
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR § 200.520?</b>	Yes

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

**FINDING NUMBER 2022-001**

**Material Weakness - Financial Reporting**

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

**FINDING NUMBER 2022-001  
(Continued)**

Due to deficiencies in the School District's internal controls over financial reporting, the following conditions related to the School District's financial statements were identified:

- In the government-wide financial statements, Accrued Wages and Benefits Payable and Regular Instruction expenses were overstated by \$2,679,099. The financial statements were adjusted for these errors.
- In the fund level financial statements, Accrued Wages and Benefits Payable and Regular Instruction expenditures were overstated by \$2,075,996 in the General Fund and \$603,103 in the Other Remaining funds. The financial statements were not adjusted for these errors.

The School District did not have procedures in place for effective monitoring of the School District's financial reporting process. Failure to monitor the financial statements increases the risk that errors could occur and not be detected in a timely manner.

Due care should be exercised when posting entries to the financial records and financial statement preparation. The School District officials should update control procedures for review of financial activity so that errors can be detected and corrected in a timely manner.

**Officials' Response:**

The District is aware that an error occurred when the system generated report double counted some accrued wages, resulting in inaccurate calculating and reporting our accrued wages liabilities. This overstatement, while immaterial at the fund level, produces a material misstatement on cash when taken into account with all other asset and liability calculations. We feel that while this corrected misstatement occurred, as a District we have controls in place for processing financial activity and that this misstatement does not increase the risk that theft and fraud could occur since this is on our annual GAAP financial statements and not in our daily processing procedures.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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None



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[www.nwlsd.org](http://www.nwlsd.org)

Mark Gilbert, President  
Matt Tietsort, Vice President  
Jim Detzel, Member  
Christopher Heather, Member  
Nicole Taulbee, Member

BOARD

Darrell Yater, Superintendent  
Amy M. Wells *CPA, CBM*, CFO/Treasurer

## CORRECTIVE ACTION PLAN

2 CFR § 200.511(c)

June 30, 2022

**Finding Number:** 2022-001

**Planned Corrective Action:** Material and immaterial entries affecting expenses/expenditures for Regular Instruction and Accrued Wages and Benefits Payable were noted. The financial statements were adjusted for material errors.

**Anticipated Completion Date:** 12/16/2022

**Responsible Contact Person:** Amy Wells, Treasurer





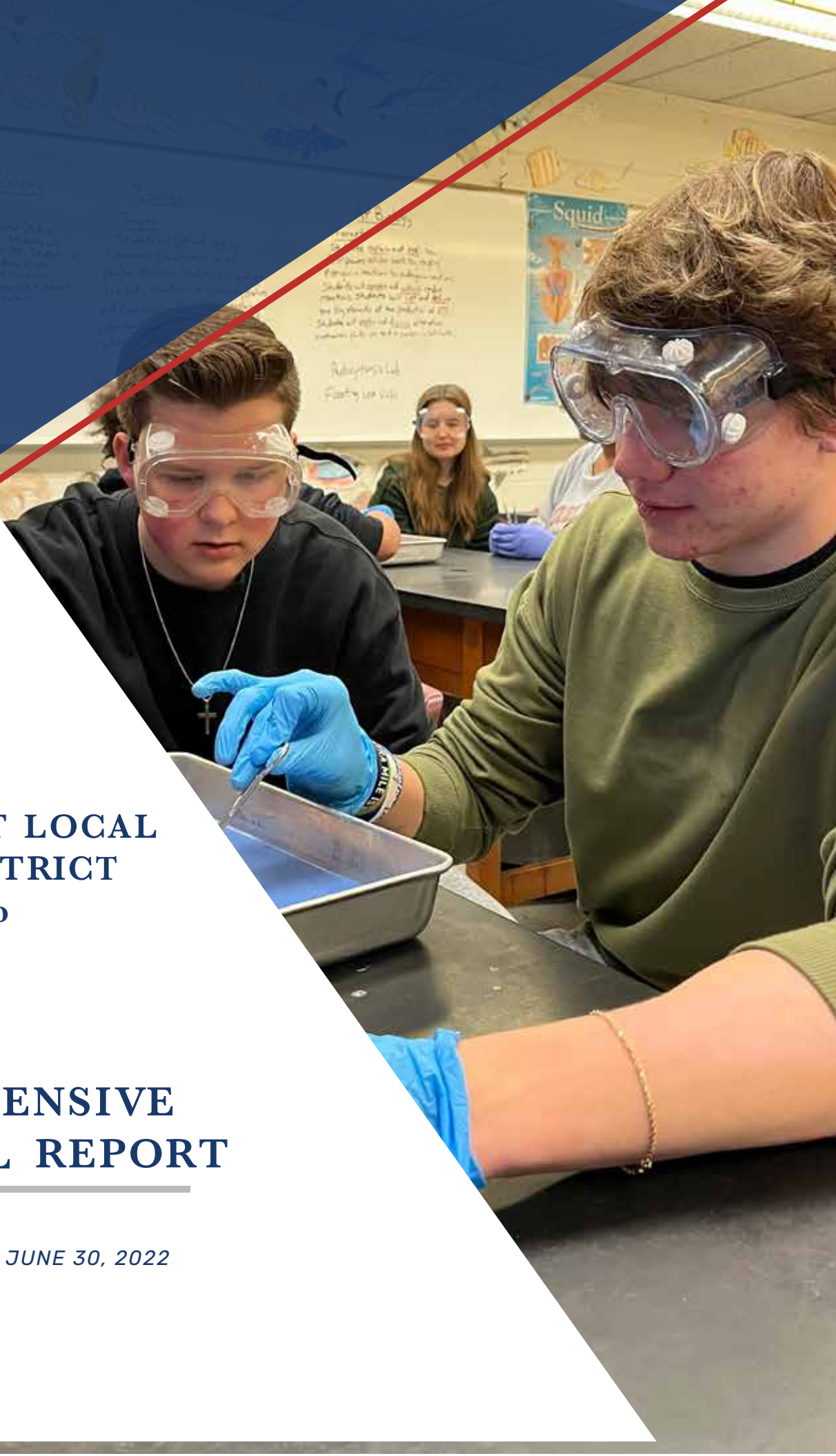


**NORTHWEST LOCAL  
SCHOOL DISTRICT**  
Cincinnati, Ohio

**ANNUAL  
COMPREHENSIVE  
FINANCIAL REPORT**

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*FOR THE YEAR ENDED JUNE 30, 2022*



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Northwest Local School District  
Cincinnati, Ohio

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Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2022

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Prepared by the  
Office of the Treasurer  
Amy M. Wells, CFO/Treasurer

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# ***INTRODUCTORY SECTION***

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## NORTHWEST LOCAL SCHOOL DISTRICT

3240 Banning Rd. Cincinnati, OH 45239  
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513-923-1000



### **BOARD:**

**Mark Gilbert, President**

**Matt Tietsort, Vice President**

**Jim Detzel, Member**

**Nicole Taulbee, Member**

**Christopher Heather, Member**

**Darrell Yater, Superintendent**

**Amy M. Wells, CFO/Treasurer**

**December 16, 2022**

### **To The Citizens and Board of Education of the Northwest Local School District:**

The Annual Comprehensive Financial Report of the Northwest Local School District (School District) for the fiscal year ended June 30, 2022 is hereby submitted. This report, prepared by the Treasurer's office, includes an opinion from the Auditor of the State of Ohio and conforms to generally accepted accounting principles as applicable to governmental entities. The responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, is with the School District. This report will provide the taxpayers of the Northwest Local School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be available upon request to taxpayers, financial rating services, banking institutions, and other interested parties. The Annual Comprehensive Financial Report is also available on the Treasurer's page on the Northwest Local School District website (<http://www.nwlsd.org>).

The School District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory, and career technical levels; a broad range of co curricular and extracurricular activities; adult and community education offerings; special education programs and facilities; and community recreational facilities.

The School District receives pass through grants from the State and distributes these grants to parochial/private schools located within the School District. This activity is included within the School District's financial records as the Auxiliary Services Special Revenue Fund because of the School District's administrative involvement in the program. The parochial/private schools served are Our Lady of Grace, St. Bernard, St. Ignatius, St. James, St. Joseph Villa, and St. John Elementary Schools, LaSalle High School, Heaven's Treasures Academy, and Beautiful Savior Lutheran School. While these organizations share operations and services similar to the School District, each is a legally separate and distinct entity. Because of their independent nature, none of these organizations are included in this report.

### **ECONOMIC CONDITION AND OUTLOOK**

The School District is located in southwestern Ohio, in a suburb of Cincinnati, in the northwest part of Hamilton County. Our School District is comprised of three Townships – Colerain, Green, and Springfield – as the backbone of most of our schools. Approximately 71 percent of the School District's tax base is residential properties with very little agriculture; the remainder is composed of a wide range of manufacturing, commercial, and other business properties. The overall economic outlook for the area is stagnant under the current economic conditions. Unemployment rates are consistent with national averages. Real estate values are lower than anticipated while optimism for recovery is growing.

With the School District located in a large metropolitan area, many of the residents are employed in or near the School District. With many large employers such as Kroger, Proctor & Gamble Co., Children’s Hospital, and many more, employment opportunities exist in many job fields. On average our residents have above average household incomes, thus giving us opportunities for additional financial support. This support was proven by the passage of an operating levy renewal in May 2017, and a new levy in November 2019.

Although we have realized declining enrollment over the years, this decline has slowed with the potential of increasing once again. Many of our residents are life-long and their children may follow the same tradition of staying in the community. Some of our population data is showing an upward trend in our public education student population. We share our School District boundaries with nine non-public schools with many more within a thirty minute commute thus allowing for a transient school population.

The School District is continually challenged by the responsibility bestowed upon it by the community at large. We are always striving to provide the very best opportunities to every student, while carefully guarding the School District’s resources.

***THE SCHOOL DISTRICT AND ITS FACILITIES***

The School District is located in Hamilton County, approximately 12 miles from downtown Cincinnati, Ohio, and covers an area of 56 square miles. It serves pupils from Colerain, Green, and Springfield Townships, with Colerain Township serving as its nucleus. Since 1960, the growth pattern in the School District has been steady.

The School District now houses 8,479 students in two high schools, three middle schools, five elementary schools, one preschool, two career centers and an online school. Each high school has an on-campus career center offering such programs as word processing, accounting and computing, data processing, diesel mechanics, machine tool technology, facilities management, and electronics offered by Butler Tech. Students also can attend off-site career technical programs offered by Butler Tech.

<b><i>Constructed</i></b>	<b><i>School/Address</i></b>	<b><i>June 2022 Enrollment</i></b>
1923	Colerain Elementary 4850 Poole Road	570
1932	Colerain Middle School 4700 Poole Road	545
2018	Struble Elementary 2760 Jonrose Avenue	842
2018	Taylor Elementary 3173 Springdale Road	803
1961	White Oak Middle School 3130 Jessup Road	713
2018	Pleasant Run Elementary 11765 Hamilton Avenue	898
1964	Colerain High School 8801 Cheviot Road	1,847
1969	Pleasant Run Middle 11770 Pippin Road	723
1972	Northwest High School 10761 Pippin Road	873

<b>Constructed</b>	<b>School/Address</b>	<b>June 2022 Enrollment</b>
2000	Monfort Heights Elementary 3711 West Fork Road	503
2022	Northwest Online School	162

Houston Elementary School is closed. It is now the Houston Early Learning Center and Conference Center.

With the new approved bond levy, Welch and Taylor were combined, as well as Weigel and Struble, to bring all elementary buildings to K through 5 buildings. Welch and Weigel were closed for school starting August 2018.

### **ORGANIZATION OF THE SCHOOL DISTRICT**

The Board of Education is a 5 member body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code. The Board serves as the taxing authority, contracting body, and policy maker, and ensures that all the general laws of the State of Ohio are followed in the expenditures of the School District's tax dollars and approves the annual appropriation resolution and tax budget.

The Board members represent a cross section of professions in the community. The board members on June 30, 2022 were as follows:

<b>Board Member</b>	<b>Began Service</b>	<b>Term Expires</b>
Mark Gilbert	January 2018	December 2026
Matt Tietsort	January 2020	December 2024
Jim Detzel	January 2008	December 2024
Nicole Taulbee	January 2022	December 2026
Christopher Heather	January 2022	December 2026

The Superintendent is the Chief Executive Officer of the School District, responsible directly to the Board for all educational and support operations. Mr. Darrell Yater was appointed as Superintendent effective July 1, 2021. Mr. Yater began teaching in the district in 2000 at White Oak Middle School. During his tenure with the district, he served as a teacher, curriculum specialist, building administrator, and district administrator in Curriculum, Special Education, and Human Resources. Mr. Yater obtained his Bachelor and Master degrees from Miami University, continued education and licensures from Xavier University, and served as an adjunct professor at Xavier University. The Treasurer is the Chief Financial Officer of the School District, responsible directly to the Board of Education for maintaining all financial records, issuing all payments, maintaining custody of all School District funds and assets, and investing idle funds as specified by Ohio Law. Ms. Amy M. Wells was appointed the CFO/Treasurer of the School District in January 2015. Prior to becoming the School District's Treasurer, Ms. Wells was the CFO/Treasurer for Bethel-Tate Local School District from 2004 to 2014. Additionally, Ms. Wells was an auditor for the Auditor of the State of Ohio from 1996 to 2003. Ms. Wells holds a Bachelor's degree in Accounting and Management from the University of Cincinnati and is a Certified Public Accountant and Certified Business Manager.

### **EMPLOYEE RELATIONS**

The School District currently has approximately 1,146 employees. During the 2022 fiscal year, the School District paid \$55,101,027 in salaries and wages and \$18,694,631 in fringe benefits, such as retirement contributions, Medicare taxes, workers' compensation, and life, dental and health benefits, from its General Fund.

The School District's teachers are represented for collective bargaining purposes by the Northwest Association of Educators (NAE). The School District has a three year collective bargaining agreement with NAE which expires June

30, 2024. The School District's transportation employees are represented for collective bargaining purposes by the Ohio Association of Public School Employees (OAPSE). The School District has a three year collective bargaining agreement with OAPSE which expires June 30, 2024.

### ***SERVICES PROVIDED***

The School District provides a wide variety of educational and support services, as mandated by the Ohio Revised Code or board directives.

Transportation is provided for approximately 2,251 students each day. The School District fleet of 88 buses travels over 5,597 miles each day transporting 66 school bus routes to 27 different sites. In addition to making more than 388 daily runs, the department transported both public and non-public students on over 1,000 extracurricular trips during the year.

The food service department served approximately 872,265 plate lunches. This is accomplished through the full operation of 10 kitchens. Beginning in the school year 2015, a reimbursable breakfast program became available in all of the School District's schools.

In addition to transportation and school lunch support services, students in the School District also receive guidance, psychological, and limited health services free of charge. The guidance services are designed to help students match their natural skills with vocational and/or academic programs to help them achieve their full potential in life. Psychological services include the testing and identification of students for special education programs.

Limited health services are provided by health assistants at each of the school sites under the supervision of a licensed school nurse.

The School District offers regular instructional programs daily to students in grades K through 12. There are 709 full-time equivalency students in the specific trades through career technical education. Over 1,617 students receive special services due to physical or mental handicapping conditions. In grades 4 through 8, approximately 328 students participated in the gifted program. The School District presented 690 high school diplomas in 2022.

### ***MAJOR CURRENT AND FUTURE INITIATIVES***

The following is the Mission Statement of the Board that is the guiding force for all initiatives acted upon by the Board:

#### **Mission**

The Northwest Local School District will create a responsive learning community where all students are valued, challenged, and guided along a pathway to success.

#### **Beliefs**

- We believe students and staff excel best when they feel welcomed in the building, safe in their classrooms and trustful of each other
- We believe all students and staff can learn and deserve opportunities to show and achieve success
- We believe valuing diversity and working to understand one another is vital and important
- We believe a high priority should be placed on providing holistic support to ensure success for all
- We believe building and maintaining collaborative relationships with community members is foundational to teaching and learning in NWLSD

#### **Vision**

Teaching and learning in the Northwest Local Schools will:

- Provide learning experiences that empower students to contribute to a future not yet imagined
- Inspire learners to adapt, be resilient, collaborate and problem solve
- Create a supportive social emotional culture
- Provide a foundation to cultivate healthy relationships

<p><b><u>Goal 1: Academic Achievement/Graduation</u></b></p> <p>By the end of the 2023-24 school year, 95% of Northwest Local School District students will graduate on time as measured by the four year graduation rate on the Local Report Card. Students in the Northwest Local School District will demonstrate growth as evidenced by improvement on the District's Local Report Card. By the end of this three-year period, the Northwest Local School District expects that 70% or more of our students will score proficient or higher on Ohio State Tests and demonstrate above expected growth on the Overall Progress Measure, as indicated by a four star rating or higher.</p>	<p><b><u>Goal 2: Culture and Climate</u></b></p> <p>By the end of the 2023-24 school year, the Northwest Local School District will have tools and processes in place to proactively identify students with social emotional needs PK-12, as well as staff and/or community partners available in every building who are knowledgeable and skilled to meet their social emotional needs as evidenced by a 15% reduction in out of school discipline occurrences and the reduction of the students with disabilities discipline rate to below 2.0 risk ratio according to the Ohio Special Education Profile.</p>
<p>Performance will improve when we implement strategies to predict potential dropouts accurately, monitor credit attainment, and intervene early to help at-risk students by changing factors within our control.</p>	<p>Climate and culture will improve when we support the development of PBIS frameworks in all buildings.</p>
<p>Performance will improve when we provide core instruction that is rigorous and engaging for all students and deeper learning experiences that provide authentic real-world opportunities to develop core skills and competencies beyond school walls.</p>	<p>Climate and culture will improve when we empower individuals to identify social emotional needs and safely navigate their environments by developing a comprehensive District response to the social and emotional needs of our school community.</p>
<p>Performance will improve when we collaborate with families and the community to assist students in preparing for college and career and to provide authentic real-world deeper learning experiences beyond the classroom.</p>	<p>Climate and culture will improve when we identify families in need of individualized support and provide targeted programs that build family school partnerships in support of social emotional learning.</p>
<p>Performance will improve when building and district leadership work collaboratively to align resources to continuous improvement goals in order to ensure that funds are directed to district identified priorities and that Return On Investment (ROI) is being monitored and addressed.</p>	<p>Climate and culture will improve when building and district leadership will work collaboratively to align resources to continuous improvement goals in order to ensure that funds are directed to district identified priorities and that Return On Investment (ROI) is being monitored and addressed.</p>
<p>Performance will improve when we maintain a relentless focus on literacy with all teachers. By understanding the "why" behind science and evidence-based research, all NWLSD teachers will effectively know how to aid students in learning to read, resulting in systemic literacy improvement.</p>	
<p>Performance will improve when we provide on-going job-embedded coaching to support teachers in improving core instruction and embedding effective literacy strategies across all content areas.</p>	

## **CURRICULUM AND INSTRUCTION**

The Northwest Local School District offers rigorous academic programs and relevant educational experiences to ensure that our students are future ready. Our goal is to empower students to achieve success and exceed their ambitious expectations. A variety of educational opportunities are available for students including: Advanced Placement (AP) courses, dual enrollment through College Credit Plus (CCP), gifted programs, special education services, intervention services, career technical programs offered on and off-campus in partnership with Butler Tech, and after school and summer programming. Our primary objectives around student achievement are to create a learning experience that is rigorous and engaging for all students, raise academic achievement across State and District measures of success through a relentless focus on literacy (reading, writing, listening, speaking, thinking and viewing) across all subject areas, and to facilitate student ownership of learning through personalized and differentiated instruction. The Curriculum Department is also striving to improve professional learning experiences for teachers by increasing opportunities for personalized professional learning and focusing on strategies that can immediately be implemented in the classroom.

The District has adopted the Ohio Learning Standards and is working to increase the overall rigor of curriculum, instruction and assessment. New courses continue to be added to the high school Program of Study in an effort to offer coursework that is more relevant and engaging to our students. Academic Teaming is the primary strategy being used in the District to increase engagement, academic rigor, equity and student agency. There has been a significant increase of technology being used to improve teaching and learning in the District as a result of the pandemic, allowing for expanded access to learning resources and further personalizing learning and assessment for students. The District has achieved one-to-one technology status at grades K-12. STEM opportunities are being expanded for staff and students through the Title IV grant. Teachers throughout the district are using engaging language arts materials designed to promote mastery of the Ohio Learning Standards. All teachers in grades K-3, as well as our elementary intervention specialists, are engaged in graduate level study of the science of teaching reading (LETRS). Teachers at all levels, with the support of math consultants from Hamilton County Educational Service Center (HCESC), are refining instructional practices to increase student engagement and problem solving skills. A new math program was adopted by the District for the 2022-23 school year and is being implemented in grades 2-5. A new math resource was also adopted for grades 6-9 and implementation began in the 2020-21 school year. A number of intervention programs are being implemented to assist students in their learning of the academic content standards, particularly in the areas of reading and mathematics. Title I Reading and Math Specialists work in collaboration with classroom teachers in using data to plan programming for at-risk learners. Our three middle schools utilize Title I instructional coaches to provide job embedded professional development to teachers. Using Title 2A funding, a district literacy coach, assessment coach, and data coach were hired to assist teachers with implementing data-driven instruction and maintaining a relentless focus on literacy across grade levels.

As a district, we work to ensure that all decisions are data-driven. Student academic progress is monitored regularly using a combination of formative and summative assessments. Common reading and math assessments (NWEA-MAP) are administered three times per year in grades K-10. Members of the district's Curriculum Department continue to work with teachers to develop high-quality common assessments to guide instruction and monitor progress toward mastery of state standards. The data from these assessments are used to refine teaching and provide intervention and enrichment for students. The Northwest Local School District remains focused on its goal of driving student achievement upward and continues to critically evaluate programming to ensure that the needs of all students are met.

### ***BUSINESS-SCHOOL PARTNERSHIP PROGRAM***

Partners in Education is a program that brings together businesses and schools in order to address specific educational needs. The business-school partnerships are formal, voluntary relationships between one school and one business. Partnerships match available resources with identified needs to meet mutually agreed upon goals and objectives.

Partnerships provide opportunities for students to understand how the basic skills they learn in school are applied in the business world. However, it is not just the schools that benefit from partnerships. Businesses and their



employees also gain from this special relationship, as many schools reciprocate with their own projects which help their corporate or industrial partners. Partnerships also give those in the business community insight into the workings of the school and a better understanding of the needs of the educational system.

### **LONG-RANGE BUILDING AND MAINTENANCE PLANS**

The School District maintains a five year building maintenance program. This program is generated through input provided by each building administrator in an annual preventive maintenance checklist. This five-year plan provides the School District direction for implementing maintenance and renovation projects and contributes to the financial planning and projection of costs for these projects.

In 2014 the district created an \$86 million Master Facility Plan that determined what schools need renovation versus complete replacement based upon needs and costs. In November, 2015, the community approved a combined bond/operating levy for \$76 million towards the completion of the \$86 million project. \$10 million of Unreserved General Fund monies will be used to complete the project. Also in 2015, the District began the Master Facility projects process by securing legal counsel and criteria architect in order to create the necessary Program of Requirements (POR) which would guide the District throughout the selection process and in ultimately securing Skanska/Megen and SHP as the design/builder. Design proceeded through much of 2016 with groundbreaking occurring in October of the same year. The first projects completed in 2016 were the electrical upgrades and installation of commercial window air conditioners in all classrooms at Colerain Elementary and Middle Schools. In 2017, chilled water piping, coil installation as well as a new chiller plant was completed providing air conditioning to the entire building at White Oak Middle School. Also completed was the electrical service upgrade at Colerain High School which allowed for the installation of a chilled water system in the summer of 2018. Also completed the summer of 2018 was the installation of a chilled water system and a hot water heating system replacing the all-electric heating system at Pleasant Run Middle School. Various sidewalks and pavement improvements were also made throughout the District, but especially at Pleasant Run Middle School and Colerain High School. The three new Elementary Schools opened on time in August of 2018. In the spring of 2019, air conditioning was added to the band and science rooms and repair of a landslide near the baseball field at Colerain High School was completed. Upon completion of the final projects of the Master Facility Plan, classrooms in all buildings are now air conditioned.

Also completed in 2019, was the repaving, sealing and restriping at the Northwest High school after an extensive traffic study was performed in order to correct existing traffic flow issues. Various other maintenance issues were undertaken such as boiler repair projects, roofing repairs, etc.

In 2020 our focus was on several safety issues which included sidewalk repairs/replacements at Colerain High School, Houston Early Learning Center, White Oak Middle School, Monfort Heights Elementary School and a newly added sidewalk leading to the Taylor Elementary School. Parking lot repairs, sealing and striping was also completed at the White Oak Middle School. Also completed was a drainage project at the Weigel facility in order to prevent property damage to the adjacent property. Future plans are to focus on roofing repairs/replacement throughout the District.

In 2021, the District completed re-roofing sections of Pleasant Run Middle School and the Houston Early Learning Center. This work consumes roughly two-thirds of the annual permanent improvement budget. Additionally, the District completed the repair of the pedestrian bridge at Struble Elementary School, Intercom system replacements at Houston Early Learning Center and Pleasant Run Middle School. Also completed was the renovation of the media center/library at the Monfort Heights Elementary School to allow for six additional learning spaces for student intervention, etc.

In May of 2021, the District engaged with Energy Optimizers USA in a State term pricing agreement using ESSER funds to repair, replace and install various pieces of HVAC equipment for throughout the District in order to control and monitor our indoor air quality (IAQ) as well as other mechanical systems to aid in building sanitation to decrease the spread of viruses and germs. Some of these items were as follows: Districtwide building automation system (BAS), Districtwide Plasma PURE Bi-Polar ionization devices, humidification at the three new Elementary Schools, Green Team Energy Education and Awareness Program, Kitchen Enhancements, chiller replacement at Monfort Heights Elementary School and hot water heating (hydronic) boilers at Monfort Heights Elementary School, Houston

Early Learning Center as well as domestic hot water boilers at Colerain High School. Pleasant Run Middle School. Monfort Heights Elementary School and Houston Early Learning Center.

In the summer of 2022, the District completed the partial demolition of the formerly Anne Weigel Elementary School due to extensive roof damage and the high cost of repair. This portion of the building was slated for demolition at the end of the new building construction in 2018, however, the decision was made to retain this space for use by a couple of the District's alternative programs. These alternative programs were relocated to the Houston Early Learning Center.

In the winter of 2021, the floor of the weight lifting room at Colerain High School sustained damage from the dropping of weights. It was decided to relocate this activity to a former storage area by the stadium. Once the floor was repaired, the District determined that the space would be better utilized as a media center which can also be a flexible space used for other purposes. The current media center will then be made into two new classrooms. This work is scheduled to bid in late October of 2022 and begin construction in November.

In May of 2021, the District began the updating of the 2014 Master Facility Plan with a student survey followed by the first of two community forums in August. In June and July, two teams were formed consisting of students, parents, staff, administrator and community members. These two teams were the Educational Visioning Team (EVT) and the Community Advisory Team (CAT). While the EVT's focus was on the instructional needs for space, the CAT's focus was on the more physical needs and financial responsibility aspects of the planning process. The teams met in alternating weeks from August through September. In October, the District held the second community forum, followed by another survey which resulted in almost 3,500 responses. The CAT met for the last time in late October to review all previous information collected, plus the results of the survey. With all of the information gathered, the CAT presented the recommended plan to the Board of Education on November 3rd. The Board of Education then approved the recommendation to move forward with a bond issue in November of 2022 as the previous 1997 bonds for the construction of the Monfort Heights Elementary School and other renovations roll off in December of 2022. If passed, this bond issue will provide for the renovation of Monfort Heights Elementary School, replacement of the Houston Early Learning Center and the Colerain Elementary School with a new PK-5 facility as well as the replacement of the Pleasant Run, Colerain and Whit Oak Middle Schools with two larger 6-8 facilities. This would leave only the two High Schools to be replaced in a third phase in order to bring ALL district facilities up to date and would provide equity across the District for ALL students.

#### ***INTERNAL ACCOUNTING AND BUDGETARY CONTROL***

In developing the School District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from implementation.

The School District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

All funds, other than the custodial funds, are legally required to be budgeted and appropriated. At the beginning of each fiscal year, the Board adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted within three months.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are managed at the object account level within a function and fund. All purchase order requests must be approved by the individual program managers and certified by the Treasurer and Business Manager. Necessary funds are then encumbered and purchase orders are released to vendors.

The accounting system used by the School District provides interim financial reports which detail fiscal year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each program manager is furnished monthly reports showing the status of the budget accounts for which he or she is responsible. Each program manager may request additional financial reports during the month when necessary.

As an additional safeguard, all employees involved with receiving and depositing funds are covered by a blanket bond and certain individuals in policy-making roles are covered by a separate, higher bond.

The basis of accounting and the various funds utilized by the School District are fully described in the notes to the basic financial statements. Additional information on the School District's budgetary accounts can also be found in the notes to the basic financial statements.

### **FINANCIAL INFORMATION**

The School District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Budgetary basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

*Government-wide financial statements* – These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses.

*Fund financial statements* – These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Fiduciary and proprietary funds use the accrual basis of accounting.

*Statements of budgetary comparisons* – These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this report, management is responsible for preparing a Management's Discussion and Analysis of the School District. This discussion follows this letter of transmittal, providing an assessment of the School District's finances for 2022 and the outlook for the future.

### **INDEPENDENT AUDIT**

Provisions of State statute require that the School District's financial statements be subjected to an annual examination by an independent auditor. The Auditor of the State of Ohio's unmodified opinion rendered on the School District's basic financial statements, combining statements, and individual fund schedules, is included in the financial section of this Annual Comprehensive Financial Report. Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The School District adopted and has been in conformance with that system effective with its annual financial report since the 1979 calendar year.

## **AWARDS**

### GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement to the School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. The School District has received this award annually since fiscal year 1991.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

### ASBO Certificate of Excellence

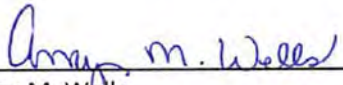
The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Annual Comprehensive Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials.

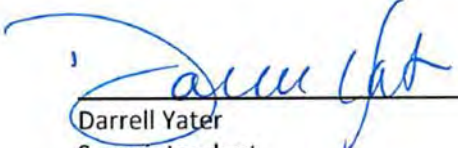
The School District received the Certificate of Excellence in Financial Reporting for the fiscal year June 30, 2021. The School District has received this award annually since fiscal year 1991. The School District believes that the Annual Comprehensive Financial Report for fiscal year June 30, 2022, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

## **ACKNOWLEDGEMENTS**

The preparation of the 2022 Annual Comprehensive Financial Report of the Northwest Local School District was made possible by the combined efforts of the School District's Treasurer's Office and Plattenburg, Certified Public Accountants. The publication of this Annual Comprehensive Financial Report for the School District is a major step in reinforcing the accountability of the School District to the taxpayers of the community.

Respectfully submitted,

  
\_\_\_\_\_  
Amy M. Wells  
CFO/Treasurer

  
\_\_\_\_\_  
Darrell Yater  
Superintendent

## **Principal Officials as of June 30, 2022**

### **Elected Officials**

Mark Gilbert	President, Board of Education
Matt Tietsort	Vice President, Board of Education
Jim Detzel	Board Member
Christopher Heather	Board Member
Nicole Taulbee	Board Member

### **Central Office Supports Administrators**

Darrell Yater	Superintendent
Amy M. Wells	CFO/Treasurer
Elizabeth Whitt	Assistant Treasurer
Chris McKee	Director of Business Operations
Brenda Miller	Director of Curriculum
Lori Riehle	Asst. Director of Curriculum
Emily Doblinger	Asst. Director of Curriculum
Dustin Gehring	Director of Student Services
Sally Demmler	Director of Special Education

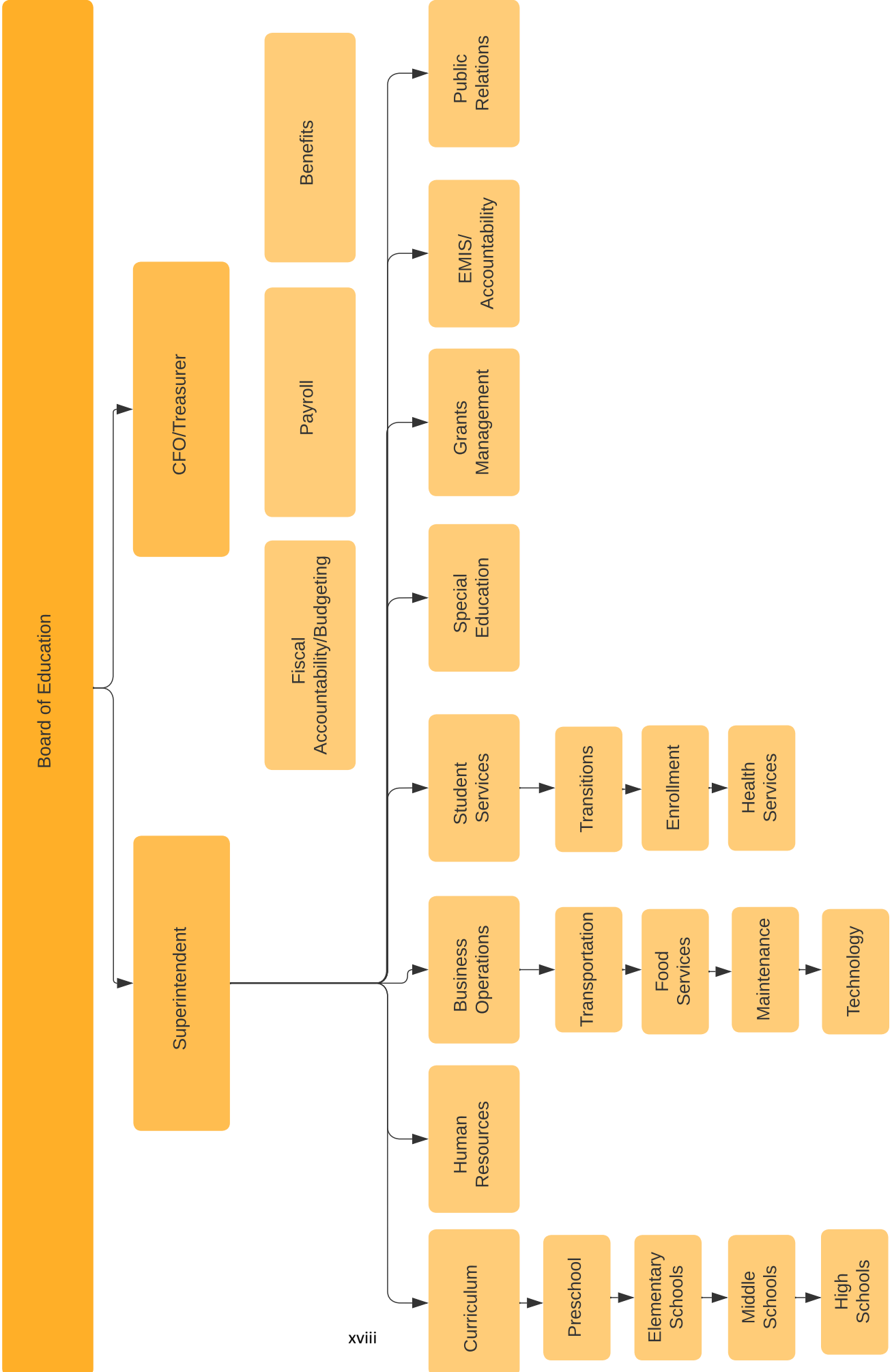
### **District Supervisors and Coordinators**

Mary Barnaclo	Special Education	Allison McWilliams	Human Resources
Chuck Bostic	Maintenance	Chevonne Neal	Special Education
Jenny Blust	Federal Programs	Yolanda Palmer	Transportation
Keva Brice	District Nurse	Andy Phelps	Curriculum
Jennifer Campbell	Payroll	Matt Piening	Enrollment & Attendance Svcs
Korinne Conder	EMIS/Accountability	Brian Redden	Transportation
Lyndsey Creecy	Public Relations	Lisa Robison	Food Services
Matt Fischer	Technology	Austin Smith	Benefits and Finance
Lindsey Giesting	Special Education		

### **Building Administration**

Amy Bertram	Chad Kaltenbach	Matt Stoinoff
David Berry	Erin Kinney-Levin	Gina Sansone
Colin Climer	David Meadows	Casey Scherz
Andrea Childress	Andrew Meyer	Jemel Weathers
Erin Davis	Ali Moore	
Allison Driesbach	Aimee Murray	
Kevin Glae	Joe Pollitt	
Karen Grayson	Kaitlyn Randall	
Matthew Hawes	Try Rischmann	
Karen Helms	Sean Ryan	

# NORTHWEST LOCAL SCHOOL DISTRICT ADMINISTRATIVE OFFICE FLOW CHART





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Northwest Local School District  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**Northwest Local School District**

**for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2021.**

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'William A. Sutter'.

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**William A. Sutter**  
**President**

A handwritten signature in black ink, reading 'David J. Lewis'.

---

**David J. Lewis**  
**Executive Director**



# ***FINANCIAL SECTION***

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# OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
(800) 282-0370

## INDEPENDENT AUDITOR'S REPORT

Northwest Local School District  
Hamilton County  
3240 Banning Road  
Cincinnati, Ohio 45239

To the Board of Education:

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northwest Local School District, Hamilton County, Ohio (the School District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District'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, each major fund, and the aggregate remaining fund information of the Northwest Local School District, Hamilton County, Ohio as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof 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 School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matter**

As discussed in Note 23, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the School District. 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.

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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 School District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, required budgetary comparison schedule* and schedules of net pension and other post-employment benefit liabilities 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 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 School District'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 December 16, 2022, on our consideration of the School District'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 School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio  
December 16, 2022

**Northwest Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

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The discussion and analysis of Northwest Local School District's (the School District's) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the School District'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 School District's performance.

**Financial Highlights**

Key financial highlights for fiscal year 2022 are as follows:

- General revenues accounted for \$101,364,768, or 72%, of total revenues. Program specific revenues in the form of charges for services, grants and contributions, accounted for \$39,097,388, or 28%, of total revenues of \$140,462,156.
- The School District had \$118,986,798 in expenses related to governmental activities; \$39,097,388 of these expenses was offset by program specific charges for services, grants and contributions. General revenues of \$101,364,768 were also used to provide for these programs.

**Overview of the Financial Statements**

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

The statement of net position and statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. The general fund is the major fund of the School District.

**Governmental-wide Financial Statements**

One of the most important questions asked about the School District is "How did we do financially during fiscal year 2022?" The government-wide financial statements answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader whether the financial position, for the School District as a whole, has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

**Northwest Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

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In the government-wide financial statements, the School District presents:

- **Government Activities** – The School District's programs and services are reported here and include instruction, support services, operation of non-instructional services, extracurricular activities and interest and fiscal charges.

**Fund Financial Statements**

Information about the School District's major funds is presented in the fund financial statements (see table of contents). Fund financial statements provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds.

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

**Proprietary Funds** – The School District maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District's internal service fund accounts for self-insured workers compensation. The proprietary fund uses the accrual basis of accounting.

**Fiduciary Funds** – The School District does not have fiduciary funds.

**The School District as a Whole**

As stated previously, the statement of net position looks at the School District as a whole. Table I provides a summary of the School District's net position for fiscal year 2022 compared to fiscal year 2021:

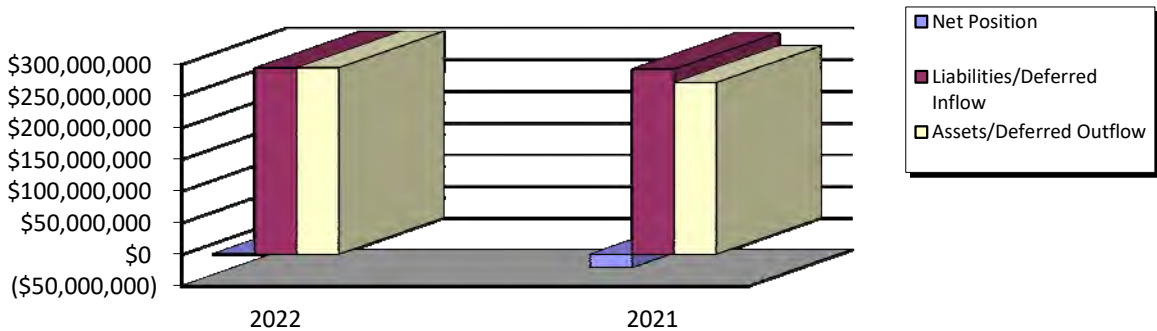
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**Northwest Local School District, Ohio  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2022  
(Unaudited)**

**Table 1  
Net Position**

	Governmental Activities	
	2022	2021
Assets:		
Current and Other Assets	\$147,696,592	\$126,771,696
Net OPEB Asset	8,204,818	6,768,815
Capital Assets, Net	107,062,280	109,399,584
Total Assets	262,963,690	242,940,095
Deferred Outflows of Resources:		
OPEB	2,882,784	3,418,085
Pension	28,213,357	24,478,190
Total Deferred Outflows of Resources	31,096,141	27,896,275
Liabilities:		
Other Liabilities	14,939,955	14,192,510
Long-Term Liabilities	163,390,178	224,492,763
Total Liabilities	178,330,133	238,685,273
Deferred Inflows of Resources:		
Property Taxes	42,257,596	33,073,831
Grants and Other Taxes	4,586,122	4,375,665
Deferred Gain on Refunding	751,836	783,162
OPEB	14,971,720	13,855,072
Pension	52,670,485	1,046,786
Total Deferred Inflows of Resources	115,237,759	53,134,516
Net Position:		
Net Investment in Capital Assets	22,439,785	21,195,358
Restricted	19,967,062	16,728,729
Unrestricted	(41,914,908)	(58,907,506)
Total Net Position	\$491,939	(\$20,983,419)



**Northwest Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

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Current and other assets increased due to an increase in property tax receivable amounts due to the District passing a levy. Decreases in capital assets are the result of depreciation expense and disposals exceeding current year additions. Deferred outflows of resources increased as a result of changes related to the net pension and net other post employment benefits liabilities.

Other liabilities increased as a result of increases in contracts payable amounts. Long-term liabilities decreased from the prior year, due to the changes related to the net pension liability. Deferred inflows of resources increased due to an increase in amounts related to property taxes and pension.

At year-end, capital assets represented 41% of total assets. Capital assets include land, buildings and improvements, furniture, equipment, and vehicles. Net investment in capital assets at June 30, 2022 was \$22,439,785. These capital assets are used to provide services to the students and are not available for future spending. Although the School District's net investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$19,967,062, represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use. Continued budget reductions contributed to the increase in the School District's net position.

Table 2 shows the changes in net position for fiscal years 2022 and 2021.

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**Northwest Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
(Unaudited)

**Table 2**  
**Changes in Net Position**

	Governmental Activities	
	2022	2021
Revenues:		
Program Revenues		
Charges for Services	\$4,148,725	\$3,318,376
Operating Grants, Contributions	34,948,663	28,156,595
General Revenues:		
Property Taxes	64,659,612	85,780,182
Grants and Entitlements	30,211,386	33,377,182
Other	6,493,770	6,408,963
Total Revenues	<u>140,462,156</u>	<u>157,041,298</u>
Program Expenses:		
Instruction	62,445,980	74,033,042
Support Services:		
Pupil and Instructional Staff	19,644,082	16,653,435
School Administration, General		
Administration, Fiscal and Business	9,971,045	9,402,598
Operations and Maintenance	7,143,962	8,517,653
Pupil Transportation	6,995,047	6,583,926
Central	768,222	1,290,273
Operation of Non-Instructional Services	6,917,575	8,936,217
Extracurricular Activities	2,420,276	2,129,448
Interest and Fiscal Charges	2,680,609	2,835,736
Total Program Expenses	<u>118,986,798</u>	<u>130,382,328</u>
Change in Net Position	21,475,358	26,658,970
Net Position - Beginning of Year	<u>(20,983,419)</u>	<u>(47,642,389)</u>
Net Position - End of Year	<u>\$491,939</u>	<u>(\$20,983,419)</u>

The School District revenues are mainly from two sources. Property taxes levied for general, capital outlay, and debt service purposes and grants and entitlements comprised 68% of the School District's revenues for governmental activities.

The School District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and the inflationary increase in value is comparable to other property owners) the effective tax rate would become 0.5 mills and the owner would still pay \$35.00.

**Northwest Local School District, Ohio  
 Management’s Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2022  
 (Unaudited)**

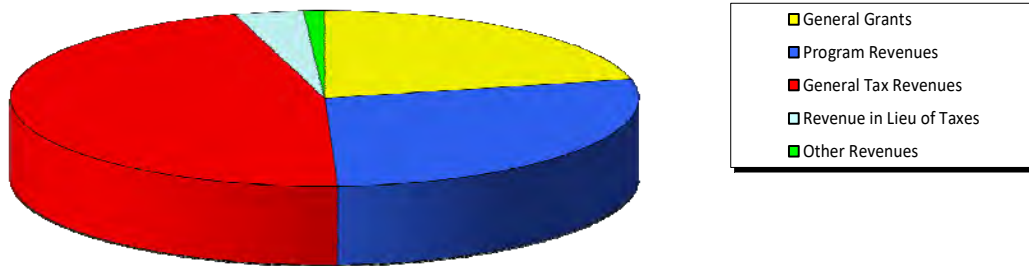
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Thus Ohio school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up about 46% of revenue for governmental activities for the School District in fiscal year 2022. The School District’s reliance upon tax revenues is demonstrated by the following graph:

**Governmental Activities  
 Revenue Sources**

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Revenues	2022	Percentage
General Grants	\$30,211,386	21.5%
Program Revenues	39,097,388	27.8%
General Tax Revenues	64,659,612	46.0%
Revenue in Lieu of Taxes	5,004,803	3.6%
Other Revenues	1,488,967	1.1%
<b>Total Revenue Sources</b>	<b>\$140,462,156</b>	<b>100.0%</b>



Revenues decreased mainly due to a decrease in property tax revenues and grants and entitlements.

Instruction comprises 53% of governmental program expenses. Support services expenses were 37% of governmental program expenses. Interest and all other expenses were 10%. Interest expense was attributable to the outstanding borrowings for capital projects. The overall expenses for the District decreased primarily due to changes related to the net pension and other post employment benefits liabilities.

**Governmental Activities**

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services for government activities. That is, it identifies the cost of these services supported by tax revenue and unrestricted state entitlements.

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**Northwest Local School District, Ohio  
Management’s Discussion and Analysis  
For the Fiscal Year Ended June 30, 2022  
(Unaudited)**

**Table 3  
Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Instruction	\$62,445,980	\$74,033,042	(\$46,224,530)	(\$59,292,901)
Support Services:				
Pupil and Instructional Staff	19,644,082	16,653,435	(11,760,573)	(12,512,773)
School Administrative, General				
Administration, Fiscal and Business	9,971,045	9,402,598	(8,721,295)	(8,196,096)
Operations and Maintenance	7,143,962	8,517,653	(5,472,630)	(6,151,583)
Pupil Transportation	6,995,047	6,583,926	(5,695,894)	(5,995,959)
Central	768,222	1,290,273	(768,222)	(1,155,634)
Operation of Non-Instructional Services	6,917,575	8,936,217	3,271,201	(944,640)
Extracurricular Activities	2,420,276	2,129,448	(1,836,858)	(1,822,035)
Interest and Fiscal Charges	2,680,609	2,835,736	(2,680,609)	(2,835,736)
Total Expenses	<u>\$118,986,798</u>	<u>\$130,382,328</u>	<u>(\$79,889,410)</u>	<u>(\$98,907,357)</u>

**The School District’s Funds**

The School District has one major governmental fund: the general fund. Assets of this fund comprised \$111,246,611 (76%) of the \$146,373,383 total governmental fund assets.

**General Fund** – The School District’s fund balance at June 30, 2022 was \$51,514,367, including \$48,437,366 of unassigned balance. The primary reason for the \$2,661,906 increase in fund balance was due to revenues exceeding expenditures for the year.

**General Fund Budgeting Highlights**

The School District’s budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. During the course of the year, the School District revised the budget in an attempt to deal with changes in revenues and expenditures.

For the general fund, final budgeted revenue was \$105,897,370, compared to original budget estimates of \$93,245,173. Of the \$12,652,179 increase, most was due to increases in estimates of property tax collections throughout the year as well as tuition and fees expected to be received from the state.

For the general fund, the final appropriations were \$93,523,274 and the original appropriations were \$91,484,421. This represents a \$2,038,853 difference in appropriations. The variance in appropriations versus expenditures was expected, giving authority to a greater range of appropriations, knowing that

**Northwest Local School District, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
(Unaudited)

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other internal controls will only allow those expenditures, when entirely necessary, coupled with legislative authority by consent of the Board of Education. The Administration and Board of Education have made additional dollars available in many categories in order to facilitate the educational needs of the School District as they arise. With the School District’s tight internal controls, additional monies are appropriated in order to allow those individuals in charge to be creative in meeting their students’ educational needs. The School District believes that appropriations should be prepared to operate in the best manner to meet the needs of those being educated. It is the School District’s goal to allow funds to fully supplement the educational structure doing so in an effective and efficient manner. Judgment is used to value, educationally, the cash outlay for the benefit given. Both the Superintendent and the Treasurer of the School District have hands-on oversight of all School District purchases prior to approval.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal year 2022, the School District had \$107,062,280 invested in land, buildings and improvements, furniture and equipment, and leased assets, net of accumulated depreciation. Table 4 shows fiscal year 2022 balances compared to fiscal year 2021.

**Table 4**  
**Capital Assets at Year End**  
**(Net of Depreciation)**

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	Governmental Activities	
	2022	2021-Reclassified
Land	\$3,677,217	\$3,677,217
Construction in Progress	98,362	2,470,630
Buildings and Improvements	96,221,465	96,789,286
Furniture and Equipment	6,604,172	6,349,058
Leased Assets	461,064	113,393
Total Net Capital Assets	<u>\$107,062,280</u>	<u>\$109,399,584</u>

See note 7 to the basic financial statements for more details on the School District’s capital assets.

***Debt***

At June 30, 2022 the School District had \$83,641,789 in bonds outstanding, \$3,790,000 due within one year.

**Northwest Local School District, Ohio  
Management’s Discussion and Analysis  
For the Fiscal Year Ended June 30, 2022  
(Unaudited)**

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**Table 5  
Outstanding Debt at Year End**

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	Governmental Activities	
	2022	2021-Reclassified
General Obligation Bonds:		
2013 QZAB Bonds	\$1,590,000	\$1,855,000
2013 Tax-Exempt Bonds	605,000	700,000
2013 Certificates of Participation	3,440,000	3,815,000
2015 School Improvement Refunding	1,950,000	3,830,000
2015/2016 School Improvement bonds	43,665,000	44,370,000
2020 Refunding Bonds - Current Interest	27,420,000	27,755,000
2020 Capital Appreciation Bonds - Principal	625,000	625,000
2020 Capital Appreciation Bonds - Interest	254,143	143,810
Premium on Bonds	4,092,646	4,331,686
Leased Liability	483,013	139,378
Total Outstanding Debt at Year End	<u>\$84,124,802</u>	<u>\$87,564,874</u>

See note 12 to the basic financial statements for further details on the School District’s debt.

**For the Future**

The School District has committed itself to financial excellence for many years. We have received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials (ASBO) Certificate of Excellence on Financial Reporting since 1993.

All of the School District’s financial abilities and expertise is needed to meet the challenges of the future. With careful planning and monitoring of the School District’s finances, as well as continued support of the community to increase revenue, the School District’s management team is confident that the School District will continue to provide a quality education for our students while providing a secure financial future.

**Contacting the School District’s Financial Management**

This report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District’s finances and to show the School District’s accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Treasurer’s Office at Northwest Local School District, 3240 Banning Road, Cincinnati, Ohio 45239.

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Northwest Local School District, Ohio  
Statement of Net Position  
June 30, 2022

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$65,020,346
Restricted Cash and Investments	1,896
Receivables (Net):	
Taxes	74,227,503
Accounts	62,280
Interest	57,501
Intergovernmental	8,264,729
Inventory	62,337
Net OPEB Asset	8,204,818
Nondepreciable Capital Assets	3,775,579
Depreciable Capital Assets, Net	103,286,701
Total Assets	<u>262,963,690</u>
Deferred Outflows of Resources:	
Pension	28,213,357
OPEB	2,882,784
Total Deferred Outflows of Resources	<u>31,096,141</u>
Liabilities:	
Accounts Payable	548,038
Accrued Wages and Benefits	12,868,244
Contracts Payable	1,104,286
Retainage Payable	1,896
Accrued Interest Payable	240,410
Claims Payable	177,081
Long-Term Liabilities:	
Due Within One Year	4,782,311
Due In More Than One Year	
Net Pension Liability	66,047,920
Net OPEB Liability	8,453,965
Other Amounts	84,105,982
Total Liabilities	<u>178,330,133</u>
Deferred Inflows of Resources:	
Property Taxes	42,257,596
Grants and Other Taxes	4,586,122
Deferred Gain on Refunding	751,836
Pension	52,670,485
OPEB	14,971,720
Total Deferred Inflows of Resources	<u>115,237,759</u>
Net Position:	
Net Investment in Capital Assets	22,439,785
Restricted for:	
Debt Service	9,844,473
Capital Outlay	3,057,777
Food Service	3,997,210
Special Trust	173,518
Student Activities	670,649
Auxiliary Services	380,782
State Funded Programs	1,618,635
Federally Funded Programs	45,807
Other Purposes	4,606
Endowment:	
Expendable	94,605
NonExpendable	79,000
Unrestricted	(41,914,908)
Total Net Position	<u>\$491,939</u>

See accompanying notes to the basic financial statements.



Northwest Local School District, Ohio  
Statement of Activities  
For the Fiscal Year Ended June 30, 2022

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>				
Instruction:				
Regular	\$39,229,768	\$1,121,872	\$5,474,562	(\$32,633,334)
Special	20,333,890	1,019,953	7,207,375	(12,106,562)
Vocational	8,222	0	0	(8,222)
Other	2,874,100	236,809	1,160,879	(1,476,412)
Support Services:				
Pupil	13,120,487	0	2,350,774	(10,769,713)
Instructional Staff	6,523,595	0	5,532,735	(990,860)
General Administration	40,428	0	0	(40,428)
School Administration	6,955,101	215,162	1,033,131	(5,706,808)
Fiscal	2,632,063	0	1,457	(2,630,606)
Business	343,453	0	0	(343,453)
Operations and Maintenance	7,143,962	642,233	1,029,099	(5,472,630)
Pupil Transportation	6,995,047	78,330	1,220,823	(5,695,894)
Central	768,222	0	0	(768,222)
Operation of Non-Instructional Services	6,917,575	250,948	9,937,828	3,271,201
Extracurricular Activities	2,420,276	583,418	0	(1,836,858)
Interest and Fiscal Charges	2,680,609	0	0	(2,680,609)
<b>Total Governmental Activities</b>	<b>\$118,986,798</b>	<b>\$4,148,725</b>	<b>\$34,948,663</b>	<b>(79,889,410)</b>
<b>General Revenues:</b>				
Property Taxes Levied for:				
General				56,222,786
Debt Service				5,365,236
Capital Outlay				3,071,590
Grants and Entitlements, Not Restricted				30,211,386
Revenue in Lieu of Taxes				5,004,803
Unrestricted Contributions				163,103
Investment Earnings				(913,738)
Other Revenues				2,239,602
<b>Total General Revenues</b>				<b>101,364,768</b>
<b>Change in Net Position</b>				<b>21,475,358</b>
<b>Net Position - Beginning of Year</b>				<b>(20,983,419)</b>
<b>Net Position - End of Year</b>				<b>\$491,939</b>

See accompanying notes to the basic financial statements.

Northwest Local School District, Ohio  
Balance Sheet  
Governmental Funds  
June 30, 2022

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$39,615,135	\$23,662,761	\$63,277,896
Restricted Cash and Investments	0	1,896	1,896
<b>Receivables (Net):</b>			
Taxes	66,513,589	7,713,914	74,227,503
Accounts	56,374	5,906	62,280
Interest	56,150	1,351	57,501
Intergovernmental	4,586,122	3,678,607	8,264,729
Interfund	419,241	0	419,241
Inventory	0	62,337	62,337
<b>Total Assets</b>	<b>111,246,611</b>	<b>35,126,772</b>	<b>146,373,383</b>
<b>Liabilities:</b>			
Accounts Payable	227,409	320,629	548,038
Accrued Wages and Benefits	12,907,073	2,640,270	15,547,343
Compensated Absences	249,724	30,826	280,550
Contracts Payable	0	1,104,286	1,104,286
Retainage Payable	0	1,896	1,896
Interfund Payable	0	419,241	419,241
<b>Total Liabilities</b>	<b>13,384,206</b>	<b>4,517,148</b>	<b>17,901,354</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	41,713,589	4,013,914	45,727,503
Investments	48,327	1,163	49,490
Grants and Other Taxes	4,586,122	2,215,658	6,801,780
<b>Total Deferred Inflows of Resources</b>	<b>46,348,038</b>	<b>6,230,735</b>	<b>52,578,773</b>
<b>Fund Balances:</b>			
Nonspendable	0	79,000	79,000
Restricted	0	19,874,058	19,874,058
Committed	0	6,932,366	6,932,366
Assigned	3,077,001	0	3,077,001
Unassigned	48,437,366	(2,506,535)	45,930,831
<b>Total Fund Balances</b>	<b>51,514,367</b>	<b>24,378,889</b>	<b>75,893,256</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$111,246,611</b>	<b>\$35,126,772</b>	<b>\$146,373,383</b>

See accompanying notes to the basic financial statements.

Northwest Local School District, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 June 30, 2022

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Total Governmental Fund Balance \$75,893,256

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

Capital assets used in governmental activities are not financial  
 resources and, therefore, are not reported in the funds.

Capital assets used in the operation of Governmental Funds 107,062,280

Other long-term assets are not available to pay for current-  
 period expenditures and, therefore, are deferred in the funds.

Delinquent Property Taxes	3,469,907	
Interest	49,490	
Intergovernmental	2,215,658	
		5,735,055

An internal service fund is used by management to charge  
 back costs to individual funds. The assets and liabilities  
 of the internal service fund are included in governmental  
 activities in the statement of net position.

Internal Service Net Position 1,565,369

In the statement of net position interest payable is accrued when  
 incurred; whereas, in the governmental funds interest is  
 reported as a liability only when it will require the use of  
 current financial resources. (240,410)

Some liabilities reported in the statement of net position do not  
 require the use of current financial resources and, therefore,  
 are not reported as liabilities in governmental funds.

Compensated Absences	(4,482,941)	
Other	2,679,099	
		(1,803,842)

Deferred gain on refunding associated with long-term liabilities  
 that are not reported in the funds. (751,836)

Deferred outflows and inflows of resources related to pensions  
 and OPEB are applicable to future periods and, therefore, are  
 not reported in the funds.

Deferred outflows of resources related to pensions	28,213,357	
Deferred inflows of resources related to pensions	(52,670,485)	
Deferred outflows of resources related to OPEB	2,882,784	
Deferred inflows of resources related to OPEB	(14,971,720)	
		(36,546,064)

Long-term liabilities and net OPEB assets are not available to pay for  
 current period expenditures and are not due and payable in the  
 current period and, therefore, are not reported in the funds.

Net OPEB Asset	8,204,818	
Net Pension Liability	(66,047,920)	
Net OPEB Liability	(8,453,965)	
Other Amounts	(84,124,802)	
		(150,421,869)

Net Position of Governmental Activities \$491,939

See accompanying notes to the basic financial statements.

Northwest Local School District, Ohio  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2022

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Property and Other Taxes	\$55,920,102	\$8,399,207	\$64,319,309
Tuition and Fees	2,353,825	0	2,353,825
Investment Earnings	(866,320)	(55,194)	(921,514)
Intergovernmental	33,031,013	30,458,455	63,489,468
Extracurricular Activities	0	661,851	661,851
Charges for Services	0	250,261	250,261
Revenue in Lieu of Taxes	4,953,170	0	4,953,170
Other Revenues	2,678,798	689,929	3,368,727
<b>Total Revenues</b>	<b>98,070,588</b>	<b>40,404,509</b>	<b>138,475,097</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	37,030,842	5,570,929	42,601,771
Special	18,484,547	3,893,567	22,378,114
Vocational	6,357	0	6,357
Other	2,232,550	1,025,049	3,257,599
<b>Support Services:</b>			
Pupil	12,051,899	2,004,755	14,056,654
Instructional Staff	2,218,800	4,623,908	6,842,708
General Administration	46,048	116	46,164
School Administration	5,667,916	1,575,889	7,243,805
Fiscal	2,220,671	120,325	2,340,996
Business	357,908	0	357,908
Operations and Maintenance	6,974,821	447,020	7,421,841
Pupil Transportation	5,024,007	1,029,213	6,053,220
Central	922,328	0	922,328
Operation of Non-Instructional Services	85,201	6,889,296	6,974,497
Extracurricular Activities	1,895,496	595,121	2,490,617
Capital Outlay	525,609	3,745,495	4,271,104
<b>Debt Service:</b>			
Principal Retirement	178,324	3,655,000	3,833,324
Interest and Fiscal Charges	6,235	2,842,933	2,849,168
<b>Total Expenditures</b>	<b>95,929,559</b>	<b>38,018,616</b>	<b>133,948,175</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>2,141,029</b>	<b>2,385,893</b>	<b>4,526,922</b>
<b>Other Financing Sources (Uses):</b>			
Proceeds of Leases	521,959	0	521,959
Proceeds from Sale of Capital Assets	58,918	0	58,918
Transfers In	0	60,000	60,000
Transfers (Out)	(60,000)	0	(60,000)
<b>Total Other Financing Sources (Uses)</b>	<b>520,877</b>	<b>60,000</b>	<b>580,877</b>
<b>Net Change in Fund Balance</b>	<b>2,661,906</b>	<b>2,445,893</b>	<b>5,107,799</b>
Fund Balance - Beginning of Year	48,852,461	21,932,996	70,785,457
Fund Balance - End of Year	\$51,514,367	\$24,378,889	\$75,893,256

See accompanying notes to the basic financial statements.

Northwest Local School District, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2022

Net Change in Fund Balance - Total Governmental Funds \$5,107,799

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

Governmental funds report capital asset additions 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 of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	3,543,491	
Depreciation Expense	(5,872,321)	
		(2,328,830)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss.

(8,475)

Governmental funds report district pension and OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension and OPEB benefits earned net of employer contributions are reported as pension and OPEB expense.

Pension Contributions	9,281,012	
Pension Expense	203,341	
OPEB Contributions	278,823	
OPEB Expense	838,927	
		10,602,103

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

Delinquent Property Taxes	338,849	
Interest	6,775	
Intergovernmental	1,590,992	
		1,936,616

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

3,833,324

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due.

8,526

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 governmental funds.

Compensated Absences	(1,061,174)	
Amortization of Bond Premium	239,040	
Amortization of Deferred Gain on Refunding	31,326	
Bond Accretion	(110,333)	
Other	2,679,099	
		1,777,958

The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

Change in Net Position - Internal Service Funds		1,068,296
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Proceeds from debt and lease issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position.

(521,959)

Change in Net Position of Governmental Activities

\$21,475,358

See accompanying notes to the basic financial statements.

Northwest Local School District, Ohio  
Statement of Net Position  
Internal Service Fund  
June 30, 2022

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	Workers' Compensation Fund
Current Assets:	
Equity in Pooled Cash and Investments	<u>\$1,742,450</u>
Total Assets	<u>1,742,450</u>
Liabilities:	
Current Liabilities:	
Claims Payable	<u>177,081</u>
Total Liabilities	<u>177,081</u>
Net Position:	
Unrestricted	<u>1,565,369</u>
Total Net Position	<u><u>\$1,565,369</u></u>

See accompanying notes to the basic financial statements.

Northwest Local School District, Ohio  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Internal Service Fund  
For the Fiscal Year Ended June 30, 2022

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	Workers' Compensation Fund
Operating Revenues:	
Charges for Services	<u>\$1,270,387</u>
Total Operating Revenues	<u>1,270,387</u>
Operating Expenses:	
Fringe Benefits	43,378
Purchased Services	62,467
Materials and Supplies	15,000
Claims	<u>81,246</u>
Total Operating Expenses	<u>202,091</u>
Change in Net Position	1,068,296
Net Position - Beginning of Year	<u>497,073</u>
Net Position - End of Year	<u>\$1,565,369</u>

See accompanying notes to the basic financial statements.

Northwest Local School District, Ohio  
Statement of Cash Flows  
Internal Service Fund  
For the Fiscal Year Ended June 30, 2022

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	Workers' Compensation Fund
Cash Flows from Operating Activities:	
Interfund Services Provided	\$1,270,387
Cash Payments to Suppliers for Goods and Services	(120,845)
Cash Payments for Claims	<u>(141,166)</u>
Net Cash Provided (Used) by Operating Activities	<u>1,008,376</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,008,376
Cash and Cash Equivalents - Beginning of Year	<u>734,074</u>
Cash and Cash Equivalents - End of Year	<u><u>1,742,450</u></u>
Reconciliation of Operating Income (Loss) to	
Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	1,068,296
Changes in Assets and Liabilities:	
Increase (Decrease) in Claims Payables	<u>(59,920)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$1,008,376</u></u>

See accompanying notes to the basic financial statements.



**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 1 – Description of the School District**

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The Northwest Local School District (School District) operates under current standards as prescribed by the Ohio State Board of Education as provided in Division (d) of Section 3301.07 and Section 119.01 of the Ohio Revised Code. Presently, the School District operates under a locally elected 5 member Board of Education (Board) as defined by Section 3313.02 of the Ohio Revised Code.

The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditures of the School District's tax dollars. The Board also approves the annual appropriation resolution and tax budget.

The School District services an area of 56 square miles, including all of Colerain Township, and portions of the City of Forest Park, City of North College Hill, Green Township and Springfield Township. The School District is 99 percent in Hamilton County, and a small area is in Ross Township, Butler County, on its northern boundary line.

The School District currently has approximately 8,479 students enrolled in seven elementary schools, three middle schools, and two senior high schools. The School District has two career centers serving junior and senior students. There are 1,074 full time and part-time employees to provide services to the students. The School District is the 2nd largest public school district in Hamilton County and the 21<sup>st</sup> largest of all school districts in Ohio.

**Reporting Entity**

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service, and student related activities of the School District.

*Parochial/Private Schools* – Within the School District, Our Lady of Grace, St. Bernard, St. Ignatius, St. James, St. Joseph Villa, and St. John Elementary Schools, and LaSalle High School are operated through the Cincinnati Catholic Diocese; Heaven's Treasures Academy and Beautiful Savior Lutheran are operated as a private school. Current State legislation provides funding to these schools. The monies are received and disbursed on behalf of the schools by the School District Treasurer, as directed by the School District's administration. The activities of these State monies by the School District are reflected in a special revenue fund for financial reporting purposes because the School District has administrative responsibility.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the School District. The School District has no component units.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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The School District participates in three jointly governed organizations. These organizations are presented in note 15 to the basic financial statements. These organizations are Southwest Ohio Computer Association, Butler Technology and Career Development School, and Southwest Ohio Organization of School Health.

**Note 2 – Summary of Significant Accounting Policies**

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The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the School District’s accounting policies are described below.

**Basis of Presentation**

The School District’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements which provide a more detailed level of financial information.

**Government-wide Financial Statements**

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the School District. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. The government-wide financial statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

The statement of net position presents the financial condition of the governmental activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

**Fund Financial Statements**

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented on the face of the proprietary fund statements.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Fund Accounting**

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into two categories; governmental and proprietary.

**Governmental Funds**

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities and deferred inflows of resources is reported as fund balance. The following is the School District's major governmental fund:

*General Fund* – The general fund is the operating fund of the School District and is used to account for and report all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

The nonmajor governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

**Proprietary Funds**

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no enterprise funds. The School District created an internal service fund for the operation of its self-insured workers' compensation activities which began in fiscal year 2012.

**Fiduciary Funds**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. The School District does not have any fiduciary funds.

**Measurement Focus**

**Government-wide Financial Statements**

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the School District are included on the statement of net position. The statement of activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Fund Financial Statements**

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

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

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the financial statements of the proprietary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual bases of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows of resources, and in the presentation of expenses versus expenditures.

**Revenues – Exchange and Non-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined and “available” means that the resources are collectible within the current fiscal year, or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, included property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see note 5). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: property taxes available for advance, tuition and fees, rental, miscellaneous, charges for services, donations, extracurricular, grants and interest revenue.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The School District has deferred outflows of resources that are reported on the government-wide statement of net position for pension and other post-employment benefits (OPEB). The deferred outflows of resources related to pension and OPEB are explained in notes 9 and 10.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, grants and other taxes, deferred gain on refunding, investments, pension and OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2022, but which were levied to finance fiscal year 2023 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental funds balance sheet. Grants and other taxes have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Investment earnings have been recorded as deferred inflows on the governmental fund financial statements. Deferred gains on refunding have been recorded as deferred inflows on the government-wide statement of net position. The School District has deferred inflows of resources that are reported on the government-wide statement of net position for pension and OPEB. The deferred inflows of resources related to pension and OPEB are explained in notes 9 and 10.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**Cash and Cash Equivalents**

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in the pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

During fiscal year 2022, the School District invested in money market funds, municipal bonds, negotiable certificates of deposit, commercial paper, the State Treasury Asset Reserve of Ohio (STAR Ohio), and federal government agency securities. Investments are reported at fair value, which is based on quoted market prices, except for mutual funds, which are based on current share price, and STAR Ohio.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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

There were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transaction to \$250 million per day, 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.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2022 amounted to (\$866,320). The School District also credited interest to nonmajor governmental funds in the amount of (\$55,194).

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

**Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the building fund are amounts held for retainage.

**Interfund Balances**

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivable/payable”. Interfund balances are eliminated on the statement of net position.

**Inventory**

Inventories are presented at the lower of cost or market on a first-in, first-out basis and are expended/expensed when used. Inventories consist of purchased food held for resale.

**Leased Assets**

A leased asset is a lessee’s right to use an asset over the life of a lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received. The amortization period of the leased asset is from the lease commencement date to the earlier of the end of the lease term or the

**Northwest Local School District, Ohio**  
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end of the useful life of the asset. At the termination of the lease, the leased asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a gain or loss at that time.

**Capital Assets**

All capital assets of the School District are those general capital assets related to governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the year. Donated capital assets are recorded at acquisition value as of the date received. The School District maintains a capitalization threshold of two thousand five hundred dollars (\$2,500) and a useful life of five years or more. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	10-50 years
Furniture, Equipment and Vehicles	5-10 years

**Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year-end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees after 20 years of current service with the School District. The entire compensated absences liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees will be paid.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Pension/OPEB**

For purposes of measuring the net pension/OPEB liability, 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 plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds. However, compensated absences and net pension/OPEB liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds that will be paid from governmental funds are recognized as an expenditure and liability in the governmental fund financial statements when due.

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

*Nonspendable* – The nonspendable fund balance category includes amounts that cannot be spent because they are not in a spendable form, or are legally or contractually required to be maintained intact. The “not in a spendable form” criterion includes items that are not expected to be converted to cash.

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

*Committed* – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education. Those committed amounts cannot be used for any other purpose unless the School District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned* – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount



**Northwest Local School District, Ohio**  
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that is not restricted or committed. These amounts are assigned by the School District Board of Education. In the general fund, assigned amounts represent intended uses established by the School District Board of Education, delegated that authority by state statute. State statute authorizes the Treasurer to assign fund balance purchases on order provided such amounts have been lawfully appropriated.

*Unassigned* – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

The School District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**Net Position**

Net position represents the difference between all other elements on the statement of net position. 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 its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for the special trust, career consultant grant, athletics, an endowment, and state and federal grants.

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

**Internal Activity**

Transfers within governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

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 and are eliminated from the statement of activities. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**Budgetary Process**

All funds, other than the custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, all of which are prepared on the budgetary basis of accounting. The tax budget

**Northwest Local School District, Ohio**  
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a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the certificate that was in effect at the time the final appropriations were passed by the Board of Education.

Since the statement of revenues, expenditures, and changes in fund balance presented in the basic financial statements for the general fund presents budgetary comparisons at a greater level of detail than the legal level of control established by the Board of Education, no additional schedules are necessary to demonstrate budgetary compliance.

**Bond Premiums and Compounded Interest on Capital Appreciation Bonds**

For governmental activities, bond premiums are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Capital appreciation bonds are accreted each fiscal year for the compounded interest accrued during the fiscal year. Bond premiums and the compounded interest on the capital appreciation bonds are presented as an addition to the face amount of the bonds payable.

On the governmental fund financial statements, bond premiums are recognized in the period in which the bonds were issued. Accretion on the capital appreciation bonds is not reported. Interest on the capital appreciation bonds is recorded as an expenditure when the debt becomes due.

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are interfund charges for services for workers' compensation self-insurance. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 3 – Accountability**

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At June 30, 2022, the following funds had a deficit fund balance:

<u>Funds</u>	<u>Amounts</u>
IDEA-B Special Education	\$541,182
Title III	129
Title I	469,189
Title II-A	45,271
American Rescue Plan Act/ESSER	1,417,296
Public School Preschool	20,546
Early Childhood Special Education	2,296
Drug Free Schools/Title IV Part A	10,626

The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**Note 4 – Deposits and Investments**

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Monies held by the School District are classified by state statute into three categories.

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

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

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States.
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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3. Written repurchase agreements in the securities listed above provided 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 market daily, and the term of the agreement must not exceed thirty days.
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met.
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts.
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
7. The State Treasurer's investment pool (STAR Ohio).
8. Certain bankers' acceptances for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

**Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2022, \$2,380,159 of the School District's bank balance of \$2,630,194 was exposed to custodial credit risk because it was uninsured and collateralized.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the School District and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured; or

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.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Investments**

As of June 30, 2022, the School District had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Fair Value Hierarchy</u>	<u>Weighted Average Maturity (Years)</u>
Money Market Funds	\$285,258	N/A	0.00
US Government Agency Notes	11,616,136	Level 2	2.47
US Treasury Notes	3,725,685	Level 2	1.97
Negotiable CDs	6,849,705	Level 2	1.53
Commercial Paper	20,463,719	Level 2	0.14
Municipal Bonds	4,024,183	N/A	3.97
STAR Ohio	16,340,854	Amortized Cost	0.10
Total Fair Value	<u>\$63,305,540</u>		
Portfolio Weighted Average Maturity			1.16

The School District categorizes its fair value measurements with 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. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the District’s recurring fair value measurements as of June 30, 2022. STAR Ohio is reported at its share price (net asset value per share).

*Interest Rate Risk* – In accordance with the investment policy, to the extent possible, the Treasurer attempts to match the School District’s investments with anticipated cash flow requirements. Unless matched to a specific cash flow requirement, the Treasurer will not directly invest in securities maturing more than five years from the date of purchase.

*Credit Risk* – It is the School District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The School District’s negotiable certificates of deposit are not rated but are insured by the FDIC as disclosed in the deposits section above.

*Concentration of Credit Risk* – The School District’s investment policy places no limit on the amount it may invest in any one issuer.

*Custodial Credit Risk* – The risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the School District’s securities are either insured and registered in the name of the School District or at least registered in the name of the School District.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 5 – Property Taxes**

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2022 represents collections of calendar year 2021 taxes. Real property taxes received in calendar year 2022 were levied after April 1, 2021, on the assessed value listed as of January 1, 2021, the lien date. Assessed values for real property taxes are established by state statute at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, state statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2022 represents collections of calendar year 2021 taxes. Public utility real and tangible personal property taxes received in calendar year 2022 became a lien December 31, 2020, were levied after April 1, 2021 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Hamilton County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2022, are available to finance fiscal year 2023 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes that are measurable as of June 30, 2022 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows-property taxes.

The amount available as an advance at June 30, 2022 was \$24,800,000 in the general fund and \$3,700,000 in the nonmajor governmental funds. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows-unavailable revenue.

The assessed values upon which the fiscal year 2022 taxes were collected are:

	2021 Second Half Collections		2022 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/residential and other real estate	\$1,676,605,620	96.24%	\$1,675,904,760	96.02%
Public utility personal	65,502,930	3.76%	69,474,360	3.98%
<b>Total</b>	<b>\$1,742,108,550</b>	<b>100%</b>	<b>\$1,745,379,120</b>	<b>100%</b>

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 6 – Receivables**

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Receivables at June 30, 2022 consisted of taxes, intergovernmental, accounts, interest and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables, except for delinquent property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. A summary of the principal items of intergovernmental receivables follows:

Fund	Intergovernmental Receivables
Major Fund:	
General	\$4,586,122
Non-Major Governmental Funds	
Public School Preschool	61,461
IDEA-B special Education	320,468
Title III	70,828
Title I	850,021
Early Childhood Special Education	16,706
Title II-A	131,408
Title I Supplemental School	180
American Rescue Plan Act	2,205,832
Drug Free Schools	21,703
Total Nonmajor Funds	3,678,607
Total	\$8,264,729

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**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

**Note 7 – Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Reclassified Beginning Balance	Additions	Deductions	Ending Balance
Capital assets, not being depreciated:				
Land	\$3,677,217	\$0	\$0	\$3,677,217
Construction in progress	2,470,630	98,362	2,470,630	98,362
Total capital assets, not being depreciated	<u>6,147,847</u>	<u>98,362</u>	<u>2,470,630</u>	<u>3,775,579</u>
Capital assets, being depreciated:				
Buildings and improvements	143,805,289	4,120,308	0	147,925,597
Equipment	16,002,771	1,273,492	388,364	16,887,899
Total capital assets, being depreciated	<u>159,808,060</u>	<u>5,393,800</u>	<u>388,364</u>	<u>164,813,496</u>
Less: accumulated depreciation				
Buildings and improvements	47,016,003	4,688,129	0	51,704,132
Equipment	9,653,713	1,009,903	379,889	10,283,727
Total accumulated depreciation	<u>56,669,716</u>	<u>5,698,032</u>	<u>379,889</u>	<u>61,987,859</u>
Governmental activities capital assets, net	<u>\$109,286,191</u>	<u>(\$205,870)</u>	<u>\$2,479,105</u>	<u>\$106,601,216</u>
Leased Assets:				
Equipment	\$566,962	\$521,959	\$0	\$1,088,921
Total Leased Asset, being depreciated	<u>566,962</u>	<u>521,959</u>	<u>0</u>	<u>1,088,921</u>
Less: Accumulated Amortization	<u>453,569</u>	<u>174,288</u>	<u>0</u>	<u>627,857</u>
Total Leased Asset, net	<u>113,393</u>	<u>347,671</u>	<u>0</u>	<u>461,064</u>
Total Capital Assets, net	<u>\$109,399,584</u>	<u>\$141,801</u>	<u>\$2,479,105</u>	<u>\$107,062,280</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$3,699,002
Special	41,836
Vocational	1,685
Support services:	
Pupil	6,036
Instructional Staff	8,810
Administration	10,482
Fiscal	41,207
Business	11,443
Operations and Maintenance	194,920
Pupil Transportation	1,378,749
Central	11,316
Operation of Non-Instructional Services	296,677
Extracurricular Activities	<u>170,157</u>
Total Depreciation Expense	<u>\$5,872,320</u>



**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 8 – Risk Management**

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**Property and Liability**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2022, the School District contracted with Liberty Mutual Insurance Company for property and general liability insurance.

All liability insurance is protected by Liberty Mutual with \$1,000,000 each occurrence with a \$3,000,000 excess/umbrella limit. Vehicles are covered by Liberty Mutual with a deductible for comprehensive collision of actual cash value or cost of repair, whichever is less. Public officials’ insurance is provided by Liberty Mutual. The Treasurer is covered by the District insurance policy in the amount of \$500,000.

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There was no significant change in insurance coverage from last fiscal year except for the addition of cyber liability coverage through World Risk Management on a Master Cyber Liability Policy.

**Workers’ Compensation**

Beginning in July 2011, the School District began to self-insure its workers’ compensation costs. Expenses for claims are recorded on the current cash basis. The School District accounts for the activities of this program in an internal service fund in accordance with GASB No. 10. The School District utilizes the services of Hunter Consulting, the third party administrator, to review, process, and pay employee claims. The School District also maintains excess insurance coverage which would pay the portion of claims that exceeds \$400,000 per occurrence for all employees.

Incurred but not reported claims and premium of \$177,081 have been accrued as a liability at June 30, 2022, based on an estimate by Hunter Consulting. The claims liability reported in the workers’ compensation internal service fund at June 30, 2022 is based on the requirement of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claims adjustment expenses.

Changes in self-insurance workers’ compensation claims liability for 2021 and 2022 were:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Ending Balance</u>
2021	\$280,351	\$67,990	\$111,340	\$237,001
2022	237,001	81,246	141,166	177,081

**Note 9 - Defined Benefit Pension Plans**

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

**Net Pension Liability/Net OPEB Liability (Asset)**

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
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The net pension/OPEB liability (asset) represent the School District’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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

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

The remainder of this note includes the required pension disclosures. See Note 10 for the required OPEB disclosures.

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

**Plan Description**

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

Age and service requirements for retirement are as follows:

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

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

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Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.20% for the first thirty years of service and 2.50% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.50% and with a floor of 0.00%. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 0.50% COLA for calendar year 2021 and 2.50% for 2022.

**Funding Policy**

Plan members are required to contribute 10.00% of their annual covered salary and the School District is required to contribute 14.00% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10.00% for plan members and 14.00% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2022, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2022, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$2,153,710 for fiscal year 2022. Of this amount \$176,076 is reported as accrued wages and benefits.

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

**Plan Description**

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0.00% to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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

The DC Plan allows members to place all their member contributions and 9.53% of the 14.00% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47% of the 14.00% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12.00% of the 14.00% member rate is deposited into the member's DC account and the remaining 2.00% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

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

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

**Funding Policy**

Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2022 employer and employee contribution rate of 14.00% was equal to the statutory maximum rates. For fiscal year 2022, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was \$7,127,302 for fiscal year 2022. Of this amount \$1,300,600 is reported as accrued wages and benefits.

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

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension

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plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$16,292,151	\$49,755,769	\$66,047,920
Proportion of the Net Pension Liability:			
Current Measurement Date	0.44155640%	0.38914565%	
Prior Measurement Date	<u>0.45705950%</u>	<u>0.38513897%</u>	
Change in Proportionate Share	-0.01550310%	0.00400668%	
Pension Expense	(\$825,861)	\$622,520	(\$203,341)

At June 30 2022, reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$1,572	\$1,537,214	\$1,538,786
Changes of assumptions	343,065	13,803,142	14,146,207
Changes in employer proportionate share of net pension liability	0	3,247,352	3,247,352
Contributions subsequent to the measurement date	<u>2,153,710</u>	<u>7,127,302</u>	<u>9,281,012</u>
Total Deferred Outflows of Resources	<u>\$2,498,347</u>	<u>\$25,715,010</u>	<u>\$28,213,357</u>
<u>Deferred Inflows of Resources</u>			
Differences between expected and actual experience	\$422,522	\$311,867	\$734,389
Net difference between projected and actual earnings on pension plan investments	8,390,933	42,879,950	51,270,883
Changes in employer proportionate share of net pension liability	<u>665,213</u>	<u>0</u>	<u>665,213</u>
Total Deferred Inflows of Resources	<u>\$9,478,668</u>	<u>\$43,191,817</u>	<u>\$52,670,485</u>

\$9,281,012 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year			
Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2023	(\$2,512,937)	(\$5,551,700)	(\$8,064,637)
2024	(2,050,527)	(4,824,104)	(6,874,631)
2025	(1,995,061)	(5,903,217)	(7,898,278)
2026	<u>(2,575,506)</u>	<u>(8,325,088)</u>	<u>(10,900,594)</u>
Total	<u>(\$9,134,031)</u>	<u>(\$24,604,109)</u>	<u>(\$33,738,140)</u>

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**Actuarial Assumptions - SERS**

SERS’ total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). 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 calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2021, compared with June 30, 2020, are presented below:

	June 30, 2021	June 30, 2020
Inflation	2.40%	3.00%
Future Salary Increases, including inflation	3.25% to 13.58%	3.50% to 18.20%
COLA or Ad Hoc COLA	2.00%, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement	2.50%
Investment Rate of Return	7.00% net of system expenses	7.50% net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)	Entry Age Normal (Level Percent of Payroll)

Mortality rates for 2021 were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.30% for males and set forward 3 years and adjusted 106.80% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Mortality rates for 2020 were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120.00% of male rates, and 110.00% of female rates. Mortality among disabled members were

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based upon the RP-2000 Disabled Mortality Table, 90.00% for male rates and 100.00% for female rates, set back five years is used for the period after disability retirement.

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

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic 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.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00%	-0.33%
US Equity	24.75%	5.72%
Non-US Equity Developed	13.50%	6.55%
Non-US Equity Emerging	6.75%	8.54%
Fixed Income/Global Bonds	19.00%	1.14%
Private Equity	11.00%	10.03%
Real Estate/Real Assets	16.00%	5.41%
Multi-Asset Strategy	4.00%	3.47%
Private Debt/Private Credit	3.00%	5.28%
Total	100.00%	

**Discount Rate**

The total pension liability for 2021 was calculated using the discount rate of 7.00%. The discount rate for 2020 was 7.50%. 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 earnings were calculated using the long-term assumed investment rate of return (7.00%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%), or one percentage point higher (8.00%) than the current rate.

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	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability	\$27,106,137	\$16,292,151	\$7,172,243

**Actuarial Assumptions - STRS**

Key methods and assumptions used in the June 30, 2021, actuarial valuation compared to those used in the June 30, 2020, actuarial valuation are presented below:

Inflation	2.50%	2.50%
Projected Salary Increases	12.50% at age 20 to 2.50% at age 65	12.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.00% net of investments expense, including inflation	7.45% net of investments expense, including inflation
Discount Rate of Return	7.00%	7.45%
Payroll Increases	3.00%	3.00%
Cost-of-Living Adjustments (COLA)	0.00%	0.00%

Post-retirement mortality rates are based on the RP-2014 Annuitant Mortality Table with 50.00% of rates through age 69, 70.00% of rates between ages 70 and 79, 90.00% of rates between ages 80 and 84, and 100.00% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90.00% of rates for males and 100.00% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return *</u>
Domestic Equity	28.00%	7.35%
International Equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed Income	21.00%	3.00%
Real Estate	10.00%	6.00%
Liquidity Reserves	1.00%	2.25%
Total	<u>100.00%</u>	



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

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021, and was 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS’ fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2021.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00%) or one-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Proportionate share of the net pension liability	\$93,173,934	\$49,755,769	\$13,067,513

**Changes Between the Measurement Date and the Reporting date**

In February 2022, the Board approved changes to demographic measures that will impact the June 30, 2022, actuarial valuation. These demographic measures include retirement, salary increase, disability/termination and mortality assumptions. In March 2022, the STRS Board approved benefit plan changes to take effect on July 1, 2022. These changes include a one-time three percent cost-of-living increase (COLA) to be paid to eligible benefit recipients and the elimination of the age 60 requirement for retirement age and service eligibility that was set to take effect in 2026. The effect on the net pension liability is unknown.

**Note 10 - Defined Benefit OPEB Plans**

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See Note 9 for a description of the net OPEB liability (asset).

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

**Health Care Plan Description**

The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS’ Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS’ health care coverage. The following types of credit purchased after January 29,

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1981 do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

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

**Funding Policy**

State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14.00% of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2022, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2022, this amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2.00% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.50% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2022, the District's surcharge obligation was \$278,823.

The surcharge, added to the allocated portion of the 14.00% employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$278,823 for fiscal year 2022.

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

**Plan Description**

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

**Funding Policy**

Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health

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care may be deducted from employer contributions, currently 14.00% of covered payroll. For the fiscal year ended June 30, 2022, STRS did not allocate any employer contributions to post-employment health care.

**Net OPEB Liabilities (Assets), OPEB Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The net OPEB liability (asset) was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$8,453,965	\$0	\$8,453,965
Proportionate Share of the Net OPEB (Asset)	0	(8,204,818)	(8,204,818)
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.44668950%	0.38914565%	
Prior Measurement Date	<u>0.45035370%</u>	<u>0.38513897%</u>	
Change in Proportionate Share	-0.00366420%	0.00400668%	
OPEB Expense	(\$307,691)	(\$531,235)	(\$838,926)

At June 30 2022, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b><u>Deferred Outflows of Resources</u></b>			
Differences between expected and actual experience	\$90,113	\$292,152	\$382,265
Changes of assumptions	1,326,227	524,087	1,850,314
Changes in employer proportionate share of net OPEB liability	119,317	252,065	371,382
Contributions subsequent to the measurement date	<u>278,823</u>	<u>0</u>	<u>278,823</u>
Total Deferred Outflows of Resources	<u>\$1,814,480</u>	<u>\$1,068,304</u>	<u>\$2,882,784</u>
<b><u>Deferred Inflows of Resources</u></b>			
Differences between expected and actual experience	\$4,210,456	\$1,503,276	\$5,713,732
Changes of assumptions	1,157,700	4,894,783	6,052,483
Net difference between projected and actual earnings on OPEB plan investments	183,665	2,274,230	2,457,895
Changes in employer proportionate share of net OPEB liability	<u>684,164</u>	<u>63,446</u>	<u>747,610</u>
Total Deferred Inflows of Resources	<u>\$6,235,985</u>	<u>\$8,735,735</u>	<u>\$14,971,720</u>

\$278,823 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (adjustment to net OPEB asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Fiscal Year Ending June 30:	SERS	STRS	Total
2023	(\$1,091,642)	(\$2,199,236)	(\$3,290,878)
2024	(1,092,930)	(2,142,323)	(3,235,252)
2025	(1,041,306)	(2,075,440)	(3,116,746)
2026	(881,555)	(937,498)	(1,819,053)
2027	(463,290)	(320,739)	(784,029)
Thereafter	(129,604)	7,804	(121,800)
<b>Total</b>	<b>(\$4,700,328)</b>	<b>(\$7,667,431)</b>	<b>(\$12,367,759)</b>

**Actuarial Assumptions - SERS**

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2021, compared with June 30, 2020, are presented below:

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	June 30, 2021	June 30, 2020
Inflation	2.40%	3.00%
Future Salary Increases, Including Inflation		
Wage Increases	3.25% to 13.58%	3.50% to 18.20%
Investment Rate of Return	7.00% net of investment expense, including inflation	7.50% net of investment expense, including inflation
Municipal Bond Index Rate:		
Measurement Date	1.92%	2.45%
Prior Measurement Date	2.45%	3.13%
Single Equivalent Interest Rate (SEIR), net of plan investment expense, including price inflation:		
Measurement Date	2.27%	2.63%
Prior Measurement Date	2.63%	3.22%
Medical Trend Assumption:		
Medicare	5.125% to 4.40%	5.25% to 4.75%
Pre-Medicare	6.75% to 4.40%	7.00% to 4.75%

For 2021, mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.30% for males and set forward 3 years and adjusted 106.80% for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.50% for males and adjusted 122.50% for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table.

For 2020, mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120.00% of male rates and 110.00% of female rates. RP-2000 Disabled Mortality Table with 90.00% for male rates and 100.00% for female rates set back five years.

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2015 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

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The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00%	-0.33%
US Equity	24.75%	5.72%
Non-US Equity Developed	13.50%	6.55%
Non-US Equity Emerging	6.75%	8.54%
Fixed Income/Global Bonds	19.00%	1.14%
Private Equity	11.00%	10.03%
Real Estate/Real Assets	16.00%	5.41%
Multi-Asset Strategy	4.00%	3.47%
Private Debt/Private Credit	3.00%	5.28%
Total	100.00%	

**Discount Rate**

The discount rate used to measure the total OPEB liability at June 30, 2021 was 2.27%. The discount rate used to measure total OPEB liability prior to June 30, 2021, was 2.63%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2020 and the June 30, 2021 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 1.92% at June 30, 2021 and 2.45% at June 30, 2020.

**Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates**

The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.27%) and higher (3.27%) than the current discount rate (2.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate.

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	1% Decrease (1.27%)	Current Discount Rate (2.27%)	1% Increase (3.27%)
Proportionate share of the net OPEB liability	\$10,475,486	\$8,453,965	\$6,839,030
	1% Decrease (5.75% decreasing to 3.40%)	Current Trend Rate (6.75% decreasing to 4.40%)	1% Increase (7.75% decreasing to 5.40%)
Proportionate share of the net OPEB liability	\$6,508,860	\$8,453,965	\$11,052,028

**Actuarial Assumptions - STRS**

Key methods and assumptions used in the June 30, 2021, actuarial valuation and the June 30, 2020 actuarial valuation are presented below:

	June 30, 2021	June 30, 2020
Projected salary increases	12.50% at age 20 to 2.50% at age 65	12.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.00%, net of investment expenses, including inflation	7.45%, net of investment expenses, including inflation
Payroll Increases	3.00%	3.00%
Discount Rate of Return	7.00%	7.45%
Health Care Cost Trends:		
Medical		
Pre-Medicare	5.00% initial, 4.00% ultimate	5.00% initial, 4.00% ultimate
Medicare	-16.18% initial, 4.00% ultimate	-6.69% initial, 4.00% ultimate
Prescription Drug		
Pre-Medicare	6.50% initial, 4.00% ultimate	6.50% initial, 4.00% ultimate
Medicare	29.98% initial, 4.00% ultimate	11.87% initial, 4.00% ultimate

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

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50.00% of rates through age 69, 70.00% of rates between ages 70 and 79, 90.00% of rates between ages 80 and 84, and 100.00% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90.00% of rates for males and 100.00% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.10% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The

**Northwest Local School District, Ohio**  
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Medicare Part D Subsidy was updated to reflect it is expected to be negative in CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return*
Domestic Equity	28.00%	7.35%
International Equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed Income	21.00%	3.00%
Real Estate	10.00%	6.00%
Liquidity Reserves	1.00%	2.25%
Total	100.00%	

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

**Discount Rate**

The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2021, and was 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on health care plan investments of 7.00% was used to measure the total OPEB liability as of June 30, 2021.

**Sensitivity of the Proportionate Share of the Net OPEB (Asset) to Changes in the Discount and Health Care Cost Trend Rate**

The following table represents the net OPEB asset as of June 30, 2021, calculated using the current period discount rate assumption of 7.00%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.



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	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net OPEB (asset)	(\$6,923,598)	(\$8,204,818)	(\$9,275,084)

	1% Decrease	Current Trend Rate	1% Increase
Proportionate share of the net OPEB (asset)	(\$9,231,718)	(\$8,204,818)	(\$6,934,961)

**Changes Between the Measurement Date and the Reporting date**

In February 2022, the Board approved changes to demographic measures that will impact the June 30, 2022, actuarial valuation. The effect on the net OPEB liability (asset) is unknown.

**Note 11 – Employee Benefits**

**Compensated Absences**

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences.” Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.

Employees earn sick leave at the rate of one and one-fourth days per month of employment (up to 15 days per year). Sick leave may be accumulated up to a maximum of 250 days for certified employees, 262 days for administrators and up to 272 days for non-certified employees according to their job classification.

The School District’s policies regarding compensated absences are determined by state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How Earned	Not Eligible	15-20 days per service year depending on contract year	10-20 days for each length of service
Maximum Accumulation	Not Applicable	60 to 80 days	40 to 80 days
Termination Entitlement	Not Applicable	As earned	As earned
<u>Sick Leave</u>			
How Earned	1.25 days per month of employment (15 days per year)	1.25 days per month of employment (15 days per year)	1.25 days per month of employment (15 days per year)

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Maximum Accumulation	250 days	262 days	250 to 272 days According to job classification
Vested	As Earned	As Earned	As Earned
Termination Entitlement	Per contract	Per contract/policy	Per contract/policy

**Insurance**

The School District has elected to provide employee medical/surgical benefits through Anthem. The employees share the cost of the monthly premium with the Board. The premium varies with each employee depending on the terms of the union contract.

The School District provides dental insurance to eligible employees through Dental Care Plus. The School District provides voluntary life and vision insurance at employee's expense. The School District provides life insurance and accidental death and dismemberment insurance to most employees through VOYA.

**Note 12 – Long-Term Liabilities**

The change in the School District's long-term obligations during fiscal year 2022 consists of the following:

	Reclassified Beginning Principal Balance	Additions	Deductions	Ending Principal Balance	Due In One Year
<b>Governmental Activities:</b>					
2020 Refunding Bonds:					
Current Interest Bonds	\$27,755,000	\$0	\$335,000	\$27,420,000	\$345,000
Capital Appreciation Bonds - Principal Only	625,000	0	0	625,000	0
Capital Appreciation Bonds - Interest Only	143,810	110,333	0	254,143	0
General Obligation Bonds:					
2013 QZAB Bonds	1,855,000	0	265,000	1,590,000	265,000
2013 Tax-Exempt Bonds	700,000	0	95,000	605,000	95,000
2013 Certificates of Participation	3,815,000	0	375,000	3,440,000	385,000
2015 School Improvement Refunding Bonds	3,830,000	0	1,880,000	1,950,000	1,950,000
2015 School Improvement Bonds	35,170,000	0	705,000	34,465,000	750,000
2016 School Improvement Bonds	9,200,000	0	0	9,200,000	0
Premium on Bonds:					
2013 Tax-Exempt Bonds	13,074	0	2,064	11,010	0
2013 Certificates of Participation	47,874	0	5,862	42,012	0
2015 School Improvement Refunding Bonds	60,009	0	55,392	4,617	0
2016 School Improvement Bonds	353,917	0	21,450	332,467	0
2020 Refunding Bonds	3,856,812	0	154,272	3,702,540	0
Subtotal Bonds	87,425,496	110,333	3,894,040	83,641,789	3,790,000
Compensated Absences	3,719,424	1,752,144	708,077	4,763,491	869,668
Lease Liability	139,378	521,959	178,324	483,013	122,643
Subtotal Bonds, Notes, and Lease Liability	91,284,298	2,384,436	4,780,441	88,888,293	4,782,311
Net Pension Liability	123,420,805	0	57,372,885	66,047,920	0
Net OPEB Liability	9,787,660	0	1,333,695	8,453,965	0
Total Long-Term Obligations	<u>\$224,492,763</u>	<u>\$2,384,436</u>	<u>\$63,487,021</u>	<u>\$163,390,178</u>	<u>\$4,782,311</u>

**Northwest Local School District, Ohio**  
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**Refunding**

On November 1, 2019 the District issued \$28,040,000 in Serial/Term Bonds and \$625,000 in Capital Appreciation Bonds with an interest rate between 2.742% and 3.523%, which was used to partially refund \$28,665,000 of the outstanding 2015 School Improvements Bonds with an interest rate of 5.00%. The net proceeds of \$33,074,276 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the three bond issues. As a result, \$28,665,000 of the 2015 School Improvements Bonds are considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position. The 2015 School Improvements Bonds were defeased by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the School District's financial statements. The escrow requirements will be paid off on December 1, 2023.

The School District refunded 2015 School Improvements Bonds to reduce its total debt service payments by \$3,765,663 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,520,304.

On November 1, 2005, the School District advance refunded \$15,380,000 in 1998 School Improvement Bonds that were originally for the purpose of new construction, improvements, renovating, and additions to school facilities. In retiring the bonds, \$590,000 in principal payments were made on the refunding bonds before sending the refunding agent the \$15,380,000 to retire the original debt. The \$584,485 premium on the issuance of the refunding bonds is included on this new debt and will be amortized over the life of the new debt with a final maturity date of December 1, 2022. The refunding bonds are not subject to optional redemption prior to maturity. Of the \$15,380,000 issued, \$14,660,000 represents serial bonds and \$720,000 is capital appreciation bonds. The capital appreciation bonds matured in fiscal year 2016.

The bond issues are general obligations of the School District for which the full faith and credit of the School District is pledged for repayment. Payment of principal and interest relating to this liability is recorded as expenditures in the debt service fund.

The School District defeased the 1998 School Improvement Bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the School District's financial statements. On June 30, 2021, \$15,380,000 of the defeased bonds are still outstanding.

On October 29, 2012, the School District issued \$4,000,000 Energy Conservation Limited Tax General Obligation Bonds which are Qualified Zone Academy Bonds (QZAB), in accordance with Section 226 of the Taxpayer Relief Act of 1997 (Public Law 105-34). The bonds are being issued for the purpose of financing the energy conservation measures. The bonds were issued at the rate of 3.75 percent, with a maturity at December 1, 2027, with the entire principal balance coming due at maturity. With respect to the payment of the principal amount of the QZAB bonds, the School District has covenanted to set aside amount required to maintain the required sinking fund balance, on December 1 of each year, commencing on December 1, 2013, into the sinking fund account, to be applied to the payment of the principal amount of the QZAB bonds at maturity along with the investment earnings within the sinking fund account. The School District is required to place \$270,000 annually through fiscal year 2018 and \$265,000 annually from fiscal year 2019 through fiscal year 2028. A sinking fund has been established with a \$1,880,000

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deposit as of June 30, 2021.

On October 29, 2012, the School District issued \$1,390,000 Energy Conservation Limited Tax General Obligation Bonds which are Bank Qualified. The bonds are being issued for the purpose of financing the energy conservation measures. The bonds were issued at a rate of 2 percent, with a maturity at December 1, 2027. Payment of principal and interest relating to this liability is recorded as expenditures in the permanent improvement fund.

On September 1, 2012, the School District issued \$6,500,000 Certificates of Participation (COPs) to finance the renovation of Colerain High School and Northwest High School to facilitate a Geophysics STEM program at each location. The COPs issuance included a premium of \$99,655, which will be amortized over the life of the COPs. The COPs were issued through a series of lease agreements and trust indentures in accordance with Section 3313.375 of the Ohio Revised Code. The COPs have been designated to be "qualified tax exempt obligations" within the meaning of 265(b)(3) of the Ohio Revised Code. In accordance with the lease terms, the project assets are leased from the PS&W Holding Company. The COPs were issued through a series of annual leases with an initial lease term of 18 years which includes the right to renew for 17 successive one-year terms through December 1, 2029 with a termination date of December 1, 2029 subject to annual appropriations. To satisfy the trustee requirements, the School District is required to make annual base rent payments, subject to the lease terms and appropriations, annually. The base rent includes an interest component that begins at 2 percent. The School District has the option to purchase the renovations in whole or in part, on or after December 1, 2022, at a redemption price equal to 100 percent of the principal amount redeemed plus accrued interest to the date fixed for redemption.

On August 5, 2015, the School District issued \$8,655,000 School Improvement General Obligation Refunding Bonds which are Bank Qualified. The bonds are being issued for the purpose of currently refunding a portion of the School District's 2005 Refunding Bonds. The bonds were issued at rates ranging from 1 to 3 percent, with a maturity of December 1, 2022. These serial bonds are not subject to mandatory redemption prior to maturity. Payment of principal and interest relating to this liability is recorded as expenditures in the debt service fund.

On December 10, 2015, the School District issued \$66,800,000 School Improvement Unlimited Tax General Obligation Bonds which are Non-Bank Qualified. The bonds are being issued for the purpose of paying the costs of new construction, improvements, renovations, and additions to school facilities and providing equipment furnishings, and site improvements therefore. The bonds were issued at rates ranging from 1.5 to 5 percent, with a maturity of December 1, 2050. This issuance is comprised of \$17,640,000 in serial bonds and \$49,160,000 in term bonds. The term bonds are subject to mandatory redemption prior to maturity.

The term bonds maturing on December 1, 2040 are subject to mandatory sinking fund redemption prior to maturity from funds plus accrued interest to the date of redemption in the following principal amounts and in each of the following years:

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Fiscal Year Ending June 30	Principal Amount to be Redeemed
2035	\$5,000
2036	30,000
2037	240,000
2038	340,000
2039	2,450,000
2040	2,705,000
2041	2,850,000
Total	<u>\$8,620,000</u>

The term bonds maturing on December 1, 2045 are subject to mandatory sinking fund redemption prior to maturity from funds plus accrued interest to the date of redemption in the following principal amounts and in each of the following years:

Fiscal Year Ending June 30	Principal Amount to be Redeemed
2042	\$3,000,000
2043	3,290,000
2044	3,465,000
2045	3,645,000
2046	3,970,000
Total	<u>\$17,370,000</u>

The term bonds maturing on December 1, 2050 are subject to mandatory sinking fund redemption prior to maturity from funds plus accrued interest to the date of redemption in the following principal amounts and in each of the following years:

Fiscal Year Ending June 30	Principal Amount to be Redeemed
2047	\$4,180,000
2048	4,355,000
2049	4,680,000
2050	4,875,000
2051	5,080,000
Total	<u>\$23,170,000</u>

Payment of principal and interest relating to this liability is recorded as expenditures in the bond retirement fund.

On January 14, 2016, the School District issued \$9,200,000 School Improvement Unlimited Tax General Obligation Bonds which are Bank Qualified. The bonds are being issued for the purpose of paying the costs of new construction, improvements, renovations, and additions to school facilities and

**Northwest Local School District, Ohio**  
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providing equipment furnishings, and site improvements therefor. The bonds were issued at rates ranging from 3 to 4 percent, with a maturity of December 1, 2037. These serial bonds are not subject to mandatory redemption prior to maturity. Payment of principal and interest relating to this liability is recorded as expenditures in the debt service fund.

Leased liability will be retired from the general fund. Compensated absences liabilities will be paid from the general, food services, auxiliary service, IDEA-B special education, title I school improvement stimulus A, and title I funds for governmental activities. Net pension liability and net OPEB liability represent the long-term portion of the accrued liability associated with STRS and SERS pension liabilities. These items will be repaid from the funds from which the employees work to whom the liability is associated with or the General Fund if no such funds are available.

Annual base rent requirements to retire the certificates of participation outstanding at June 30, 2022 are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2023	\$385,000	\$97,141	\$482,141
2024	400,000	85,366	485,366
2025	410,000	73,216	483,216
2026	425,000	60,691	485,691
2027	435,000	48,118	483,118
2028-2032	1,385,000	64,447	1,449,447
<b>Total</b>	<b>\$3,440,000</b>	<b>\$428,979</b>	<b>\$3,868,979</b>

The following is a summary of the School District's future annual debt service requirements for general obligations:

Fiscal Year Ending June 30	2013 QZAB Bonds		
	Principal	Interest	Total
2023	\$265,000	\$150,000	\$415,000
2024	265,000	150,000	415,000
2025	265,000	150,000	415,000
2026	265,000	150,000	415,000
2027	265,000	150,000	415,000
2028	265,000	75,000	340,000
<b>Total</b>	<b>\$1,590,000</b>	<b>\$825,000</b>	<b>\$2,415,000</b>

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Fiscal Year Ending June 30	2013 Tax-Exempt Bonds			2015 School Improvement Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$95,000	\$12,700	\$107,700	\$1,950,000	\$29,250	\$1,979,250
2024	100,000	10,750	110,750	0	0	0
2025	100,000	8,750	108,750	0	0	0
2026	100,000	6,500	106,500	0	0	0
2027	105,000	3,938	108,938	0	0	0
2028	105,000	1,312	106,312	0	0	0
<b>Total</b>	<b>\$605,000</b>	<b>\$43,950</b>	<b>\$648,950</b>	<b>\$1,950,000</b>	<b>\$29,250</b>	<b>\$1,979,250</b>

Fiscal Year Ending June 30	2015 School Improvement			2016 School Improvement		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$750,000	\$1,384,038	\$2,134,038	\$0	\$335,650	\$335,650
2024	795,000	1,345,413	2,140,413	0	335,650	335,650
2025	950,000	1,301,788	2,251,788	0	335,650	335,650
2026	1,005,000	1,252,913	2,257,913	0	335,650	335,650
2027	1,060,000	1,201,288	2,261,288	0	335,650	335,650
2028-2032	4,430,000	5,477,741	9,907,741	0	1,678,250	1,678,250
2033-2037	2,305,000	4,690,222	6,995,222	7,200,000	1,238,125	8,438,125
2038-2042	0	4,634,000	4,634,000	2,000,000	40,000	2,040,000
2043-2047	4,180,000	4,550,400	8,730,400	0	0	0
2048-2051	18,990,000	1,566,600	20,556,600	0	0	0
<b>Total</b>	<b>\$34,465,000</b>	<b>\$27,404,400</b>	<b>\$61,869,400</b>	<b>\$9,200,000</b>	<b>\$4,634,625</b>	<b>\$13,834,625</b>

Fiscal Year Ending June 30	2020 Refunding Bonds			2020 Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$345,000	\$936,992	\$1,281,992	\$0	\$0	\$0
2024	360,000	925,535	1,285,535	0	0	0
2025	370,000	913,673	1,283,673	0	0	0
2026	380,000	901,485	1,281,485	0	0	0
2027	395,000	888,891	1,283,891	0	0	0
2028-2032	4,720,000	3,989,023	8,709,023	0	0	0
2033-2037	2,550,000	3,457,905	6,007,905	0	0	0
2038-2042	3,950,000	11,560,089	15,510,089	625,000	7,900,000	8,525,000
2043-2046	14,350,000	1,041,047	15,391,047	0	0	0
<b>Total</b>	<b>\$27,420,000</b>	<b>\$24,614,640</b>	<b>\$52,034,640</b>	<b>\$625,000</b>	<b>\$7,900,000</b>	<b>\$8,525,000</b>

**Note 13 - Lease Liability – Leased Assets**

The School District has entered into contracts that convey the control of the right to use their nonfinancial assets (the underlying assets) for copiers (both in 2018 and 2022) as specified in the contracts for a period of time. The basis and terms of the each contract is 5 years.

During the period, there were no outflows of resources recognized for variable payments not previously included in the measurement of the lease liability. Also, there were no outflows of resources recognized for other payments, such as residual value guarantees or termination penalties, not previously included in the

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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measurement of the lease liability during the period. There were no commitments under leases before the commencement of the lease term.

Principal and interest amounts for the next five years and thereafter are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$122,643	\$5,497	\$128,140
2024	103,803	4,117	107,920
2025	105,177	2,743	107,920
2026	106,569	1,351	107,920
2027	44,821	146	44,967
	<u>\$483,013</u>	<u>\$13,854</u>	<u>\$496,867</u>

**Note 14 – Interfund Activity**

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As of June 30, 2022, receivable and payables that resulted from various interfund transactions were as follows:

	Interfund	
	Receivable	Payable
General Fund	\$419,241	\$0
Other Governmental Funds	0	419,241
Total All Funds	<u>\$419,241</u>	<u>\$419,241</u>

Interfund balances at June 30, 2022 consisted of the above amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records and (3) payments between funds are made. All advances are expected to be paid within one year.

Transfers made during the fiscal year ended June 30, 2022 were as follows:

	Transfers	
	In	Out
General Fund	\$0	\$60,000
Other Governmental Funds	60,000	0
Total All Funds	<u>\$60,000</u>	<u>\$60,000</u>

Transfers are made to move unrestricted balances to support programs and projects accounted for in other funds.



**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 15 – Jointly Governed Organizations**

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**Southwest Ohio Computer Association**

The School District is a participant in the Southwest Ohio Computer Association (SWOCA), a computer consortium. SWOCA is a jointly governed organization among a seven county consortium of 43 Ohio school districts. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to the administrative and instructional functions of the member school districts. Each member of the consortium supports SWOCA based upon a per pupil charge dependent upon the software package utilized. SWOCA is governed by a Board of Directors consisting of the superintendents and treasurers of member school districts. The Board exercises total control over the operations of SWOCA including budgeting, appropriating, contracting, and designating management. The Board consists of one representative from each of the participating 43 school districts. The School District paid SWOCA \$239,689 for services provided during the fiscal year. The financial statements for SWOCA are available at 3603 Hamilton-Middletown Road, Hamilton, Ohio 45011.

**Butler Technology and Career Development School**

The Butler Technology and Career Development School is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from each participating school district's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Butler Technology and Career Development School is not part of the School District and its operations are not included as part of the reporting entity. The Board exercises total control over the operations of the Butler Technology and Career Development School including budgeting, appropriating, contracting, and designating management. To obtain financial information, write to Butler Technology and Career Development at 3603 Hamilton-Middletown Road, Hamilton, Ohio 45011.

**Southwest Ohio Organization of School Health**

The School District is a participant in the Southwest Ohio Organization of School Health (SWOOSH) Council of Government. This cooperative's purpose is to maximize benefits and/or reduce cost of medical, prescription drug, vision, dental, life and/or other group insurance coverage. The initial members were Forest Hills Local School District, Indian Hill Exempted Village School District, Lebanon City School District, Milford Exempted Village School District, Northwest Local School District, West Clermont Local School District, and Winton Woods City School District. Each member district has one representative and districts exceeding 500 members will receive an additional representative. The Board exercises total control over the operations of SWOOSH including budgeting, appropriating, contracting, and designating management. Each School District's degree of control is limited to its representation on the Board.

**Note 16 – Set-Asides**

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The School District is required by state statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the fiscal year must be held in cash at year-end and carried forward to be used for the same purposes in future fiscal years. The following cash basis information describes the change in the year-end set-aside amounts for capital acquisition. Disclosure of this information is required by state statute.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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	Capital Acquisition
Set-aside balance June 30, 2021	\$0
Current year set-aside requirement	1,535,777
Current year qualifying expenditures	(1,462,542)
Current year offsets	(73,235)
Total	<u>0</u>
Balance carried forward to fiscal year 2023	<u>0</u>
Set-aside balance June 30, 2022	<u><u>\$0</u></u>

The School District had offsets and qualifying disbursements during the fiscal year that reduced the capital acquisitions set-aside amount below zero. The extra amount for capital acquisitions may not be used to reduce the set-aside requirement of future fiscal years. The negative amount is therefore not presented as being carried forward to the next fiscal year.

**Note 17 – Donor-Restricted Endowments**

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The School District’s Endowment includes donor-restricted endowments. The restricted net position amount of \$94,605 represents the expendable portion of the endowment. The \$79,000 represents the nonexpendable amount. State law permits the Board of Education to appropriate, for purposes consistent with the endowment’s intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise.

**Note 18 – Fund Balances**

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Fund balance is classified as nonspendable, restricted, committed, assigned, and/or unassigned based primarily on the extent to which the School District 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 nonmajor governmental funds are presented below:

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**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

Fund Balances	General	Other Governmental Funds	Total
Nonspendable:			
Endowment	\$0	\$79,000	\$79,000
Total Nonspendable	0	79,000	79,000
Restricted for:			
Food Service	0	4,102,968	4,102,968
Special Trust	0	173,518	173,518
Career Consultant Grant	0	4,606	4,606
Athletic	0	554,308	554,308
Auxiliary Service	0	384,465	384,465
Entry Year Teacher Grant	0	43,868	43,868
Student Wellness and Success	0	1,571,022	1,571,022
Student Activity	0	116,341	116,341
Endowment	0	94,605	94,605
Debt Service	0	9,771,743	9,771,743
Building	0	3,056,614	3,056,614
Total Restricted	0	19,874,058	19,874,058
Committed to:			
Permanent Improvement	0	6,932,366	6,932,366
Total Committed	0	6,932,366	6,932,366
Assigned to:			
Purchases on Order	917,325	0	917,325
Budgetary Resource	2,028,357	0	2,028,357
Public Schools	131,319	0	131,319
Total Assigned	3,077,001	0	3,077,001
Unassigned (Deficit)	48,437,366	(2,506,535)	45,930,831
Total Fund Balance	\$51,514,367	\$24,378,889	\$75,893,256

Purchases on order (assigned) for the District will be used for \$426,203 for instruction, \$446,413 for support services, \$10,308 for operation of non-instructional services and \$34,401 for capital improvements.

**Note 19 – Construction and Other Commitments**

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

Fund	Remaining Commitment
General Fund	\$1,144,734
Non-Major Governmental Funds	4,010,420
Total	\$5,155,154

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 20 – Contingent Liabilities**

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**Grants**

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2022, if applicable, cannot be determined at this time.

**School Foundation**

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2022 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2022 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the School District.

**Litigation**

The School District's attorney estimates that all other potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the School District.

**Note 21 – Tax Abatements**

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As of June 30, 2022, the School District provides tax abatements through three programs – Enterprise Zone Agreements, Tax Increment Financing Agreements, and Community Reinvestment Area (CRA) Agreements.

**Enterprise Zone Agreements**

Enterprise Zones, as defined in the Ohio Revised Code Section 5709.61-.69, are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investments. The amount and term of the tax exemption are negotiated between local officials and the company, and the agreement is then approved by the Board of Education in the form of legislation. The Enterprise Zone law permits local governments to offer incentives of exemption of real and/or personal property assessed values of up to 75% for up to ten years, or an average of 60% over the term of the agreement on new investment in buildings, machinery/equipment, and inventory and improvements to existing land and buildings for a specific project. Maximum exemption levels may be exceeded and may be up to 100% exemption for up to fifteen years with approval by the affect Board of Education. Tax incentive review councils shall annually submit a copy of the written recommendations required by division (C) (1) of section 5709.85 of the Revised Code to the director of the development services agency. There were no improvements to be abated under the Enterprise Agreement program in 2022.

**Tax Increment Financing Agreements**

Section 5709.73 of the Ohio Revised Code authorizes townships to grant tax increment financing real

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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property tax exemptions for improvements declared to be for a public purpose, which exemptions exempt from taxation the increase in the value of the parcel of property after the effective date of the resolution granting such exemption (the "Increased Value"). Section 5709.74 of the Ohio Revised Code further authorizes a township to require owners of improvements subject to a tax increment financing tax exemption to make semi-annual payments to the township in lieu of taxes ("Service Payments in Lieu of Taxes"), which payments are approximately equivalent to the amount of real property tax which would be payable on the increase in the value of the parcel of property but for the exemption from Taxation. Section 5709.75 of the Ohio Revised Code further requires a township receiving payments in lieu of taxes to create a public improvement tax increment equivalent fund (the "Tax Increment Equivalent Fund") for deposit of the entire amount of such payments, to be used to pay the costs of public infrastructure improvements benefiting the parcels subject to the tax increment financing tax exemption and, if provided, to make payments to school districts impacted by such exemption from taxation.

On January 16, 2015 Colerain Township notified the School District of its intent to grant an exemption (the "TIF Exemption"), as authorized by Section 5709.73 of the Ohio Revised Code, for improvements to certain real property located within the boundaries of the Township and the School District, which parcels of real property by using the Service Payments in Lieu of Taxes to pay for or finance the acquisition and/or construction of public improvements that are necessary for or as a result of the development of the Exempted Property (the "Public Improvements") in order to induce the owners of a fee interest in all or any portion of the Exempted Property (the "Property Owners") to re-develop the Exempted Property.

On January 20, 2015, the Board of Education of the School District passed a resolution approving the TIF Exemption on the condition that the parties hereto enter into this Agreement and authorized the execution of this Agreement. The exemption allows for the following provisions:

- (a) As provided in the School District Resolution, the School District approves the TIF Exemption for up to one hundred percent (100%) of the Increased Value to the Exempted Property for a period of up to twenty (20) years, commencing with the 2017 tax year and ending no later than the tax year ending December 31, 2035.
- (b) During any year, or any portion thereof, in which this Agreement is in effect, the Company, its successors, transferees, and assigns, shall pay to the School District and Butler Technology and Career Development Schools ("Butler Tech") an amount equal to the respective amount of real property taxes the School District and Butler Tech should receive from the property set forth in designated properties during collection year 2015 minus the amount of real estate taxes the School District and Butler Tech respectively receive from the Hamilton County Auditor for the designated properties. The parties anticipate that few, if any, payments will be required.
- (c) Upon termination of the TIF Exemption, any funds remaining in the Tax Increment Equivalent Fund ("Increment Fund Balance") shall be paid to or retained by the School District, the Township and Butler Tech on a proportionate basis according to the following formula:
  - (i) School District: an amount equal to the Increment Fund Balance multiplied by the quotient of the School District's effective millage rate divided by the sum of the effective millage rates of the School District, the Township, and Butler Tech (the "Combined Millage"); and
  - (ii) Township: an amount equal to the Increment Fund Balance multiplied by the quotient of the Township's effective millage rate divided by the Combined Millage; and

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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- (iii) Butler Tech: an amount equal to the Increment Fund Balance multiplied by the quotient of the Butler Tech's effective millage rate divided by the Combined Millage.
- (d) In determining the amount of the Service Payments in Lieu of Taxes required by the Township pursuant to Section 5709.74 of the Ohio Revised Code, it is expressly agreed and relied upon that the value of the Exempted Property which shall be exempt under Sections 5709.73 through 5709.75 of the Ohio Revised Code shall be the increase in value of the parcels from and after the date that the Township Resolution granting the TIF Exemption was adopted by the Township, regardless of the date on which the exemption from real property taxation is certified to the Hamilton County Auditor by the Tax Commissioner of the State of Ohio and regardless of the years for which such exemption is claimed.

**Community Reinvestment Area Agreements**

Ohio's Community Reinvestment Area Program was created in 1977 and revised in 1994 in sections 3735.65-70 of the Ohio Revised Code, to promote revitalization in depressed areas by offering property tax exemptions for any increased property valuation that would result from renovation of existing structures or new construction activities within the area. The program can be used to encourage historic preservation, residential rehabilitation, or new residential construction and/or as an economic development tool to encourage commercial and industrial renovation or expansion and new construction. The local government determines the need for a CRA based on the number and extent of properties in disrepair. Once they make the decision to establish as CRA, they will then decide the size, number of areas, and the term and extend of the real property exemptions. Below are four steps that must be followed per the Ohio Department of Development (ODOD) for approval of a CRA area:

1. Conduct a Housing Survey of the structures within the proposed area. The results must support the finding that the area is in need of renovation. The survey is conducted by driving around the targeted CRA area, taking pictures of the affected properties, and documenting the addresses of the affected properties in disrepair. The results of the survey should show that a significant number, or at least 20%, of the properties in the targeted area are in need of rehabilitation.
2. Adopted local legislation must contain the statement that the area is one in which "housing facilities or structures of historical significance are located, and new housing construction and repair of existing facilities or structures are discouraged." The legislation also defines the proposed area and includes the incentive rate and term for both residential and business projects.
3. The entire legislation must then be published in a local publication once a week for two consecutive weeks for public comment.
4. Prepare the Ohio CRA Petition for Area Certification and submit the petition to the ODOD with a copy of the legislation, the survey, and a map of the proposed area.

There were no improvements to be abated under the Enterprise Zone Agreement program in 2022. The School District abated property taxes to companies providing retail space, a large grocery retailer, corporate headquarters, utility company and housing development totaling approximately \$588,480 under the Tax Increment Financing Agreement and approximately \$136,207 to companies providing retail space and recreation under the Community Reinvestment Area (CRA) abatement agreements during 2022.

**Northwest Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2022**

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**Note 22 – Implementation of New Accounting Principles**

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For fiscal year 2022, the School District implemented GASB Statement No. 87, Leases and related guidance from (GASB) Implementation Guide No. 2019-3, and GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period.

GASB Statement No. 87 sets out to improve the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of GASB Statement No. 87 did not have an effect on the financial statements of the School District.

GASB Statement No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The implementation of GASB Statement No. 89 did not have an effect on the financial statements of the School District.

**Note 23 – COVID-19**

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The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June of 2021 while the national state of emergency continues. During fiscal year 2022, the School District received COVID-19 funding. The financial impact of COVID-19 and the continuing recovery measures may impact subsequent periods of the School District. The impact on the School District's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

***REQUIRED SUPPLEMENTARY INFORMATION***



Northwest Local School District  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 School Employees Retirement System of Ohio  
 Last Nine Fiscal Years (1) (2)

Year	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.44155640%	\$16,292,151	\$15,241,393	106.89%	82.86%
2021	0.45705950%	30,230,878	16,023,500	188.67%	68.55%
2020	0.46277310%	27,688,526	15,875,733	174.41%	70.85%
2019	0.45581640%	26,105,449	15,373,978	169.80%	71.36%
2018	0.47106630%	28,145,171	15,353,314	183.32%	69.50%
2017	0.43729230%	32,005,761	12,863,536	248.81%	62.98%
2016	0.42730910%	24,382,671	12,638,012	192.93%	69.16%
2015	0.41802100%	21,155,805	12,404,292	170.55%	71.70%
2014	0.41802100%	24,858,367	11,413,588	217.80%	65.52%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

(2) Amounts presented as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Northwest Local School District  
 Required Supplementary Information  
 Schedule of the School District's Contributions for Net Pension Liability  
 School Employees Retirement System of Ohio  
 Last Ten Fiscal Years

Year	School District's Contractually Required Contribution	School District's Contributions in Relation to the Contractually Required Contributions	School District's Contribution Deficiency (Excess)	School District's Covered Payroll	School District's Contributions as a Percentage of Covered Payroll
2022	\$2,153,710	(\$2,153,710)	\$0	\$15,383,643	14.00%
2021	2,133,795	(2,133,795)	0	15,241,393	14.00%
2020	2,243,290	(2,243,290)	0	16,023,500	14.00%
2019	2,143,224	(2,143,224)	0	15,875,733	13.50%
2018	2,075,487	(2,075,487)	0	15,373,978	13.50%
2017	2,149,464	(2,149,464)	0	15,353,314	14.00%
2016	1,800,895	(1,800,895)	0	12,863,536	14.00%
2015	1,665,690	(1,665,690)	0	12,638,012	13.18%
2014	1,719,235	(1,719,235)	0	12,404,293	13.86%
2013	1,579,641	(1,579,641)	0	11,413,591	13.84%

See accompanying notes to the required supplementary information.

Northwest Local School District  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 State Teachers Retirement System of Ohio  
 Last Nine Fiscal Years (1) (2)

Year	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.38914565%	\$49,755,769	\$47,906,057	103.86%	87.78%
2021	0.38513897%	93,189,927	48,371,314	192.66%	75.48%
2020	0.37679142%	83,325,158	42,751,629	194.91%	77.40%
2019	0.36186449%	79,565,877	41,618,114	191.18%	77.30%
2018	0.35159368%	83,521,832	40,401,207	206.73%	75.30%
2017	0.35574589%	119,078,873	39,060,100	304.86%	66.80%
2016	0.35493970%	98,094,962	37,246,864	263.36%	72.10%
2015	0.34836811%	84,735,181	35,770,629	236.88%	74.70%
2014	0.34836811%	100,935,993	36,699,831	275.03%	69.30%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

(2) Amounts presented as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Northwest Local School District  
 Required Supplementary Information  
 Schedule of the School District's Contributions for Net Pension Liability  
 State Teachers Retirement System of Ohio  
 Last Ten Fiscal Years

Year	School District's Contractually Required Contribution	School District's Contributions in Relation to the Contractually Required Contributions	School District's Contribution Deficiency (Excess)	School District's Covered Payroll	School District's Contributions as a Percentage of Covered Payroll
2022	\$7,127,302	(\$7,127,302)	\$0	\$50,909,300	14.00%
2021	6,706,848	(6,706,848)	0	47,906,057	14.00%
2020	6,771,984	(6,771,984)	0	48,371,314	14.00%
2019	5,985,228	(5,985,228)	0	42,751,629	14.00%
2018	5,823,536	(5,823,536)	0	41,596,686	14.00%
2017	5,656,169	(5,656,169)	0	40,401,207	14.00%
2016	5,468,414	(5,468,414)	0	39,060,100	14.00%
2015	5,214,561	(5,214,561)	0	37,246,864	14.00%
2014	4,650,182	(4,650,182)	0	35,770,631	13.00%
2013	4,770,978	(4,770,978)	0	36,699,831	13.00%

See accompanying notes to the required supplementary information.

Northwest Local School District  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net OPEB Liability  
 School Employees Retirement System of Ohio  
 Last Six Fiscal Years (1) (2)

Year	School District's Proportion of the Net OPEB Liability	School District's Proportionate Share of the Net OPEB Liability	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2022	0.44668950%	\$8,453,965	\$15,241,393	55.47%	24.08%
2021	0.45035370%	9,787,660	16,023,500	61.08%	18.17%
2020	0.47098780%	11,844,353	15,875,733	74.61%	15.57%
2019	0.46353820%	12,859,802	15,373,978	83.65%	13.57%
2018	0.47870150%	12,847,091	15,353,314	83.68%	12.46%
2017	0.43729230%	13,644,764	12,863,536	106.07%	11.49%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

(2) Amounts presented as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Northwest Local School District  
 Required Supplementary Information  
 Schedule of the School District's Contributions for Net OPEB Liability  
 School Employees Retirement System of Ohio  
 Last Seven Fiscal Years (1) (2)

Year	School District's Contractually Required Contribution (2)	School District's Contributions in Relation to the Contractually Required Contributions	School District's Contribution Deficiency (Excess)	School District's Covered Payroll	School District's Contributions as a Percentage of Covered Payroll
2022	\$278,823	(\$278,823)	\$0	\$15,383,643	1.87%
2021	247,190	(176,105)	0	15,241,393	1.62%
2020	176,105	(176,105)	0	16,023,500	1.10%
2019	351,560	(351,560)	0	15,875,733	2.21%
2018	332,234	(332,234)	0	15,373,978	2.16%
2017	264,040	(264,040)	0	15,353,314	1.72%
2016	224,987	(224,987)	0	12,863,536	1.75%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

(2) Includes surcharge.

See accompanying notes to the required supplementary information.

Northwest Local School District  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net OPEB (Asset)/Liability  
 State Teachers Retirement System of Ohio  
 Last Six Fiscal Years (1) (2)

Year	School District's Proportion of the Net OPEB (Asset)/Liability	School District's Proportionate Share of the Net OPEB (Asset)/Liability	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB (Asset)/Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB (Asset)/Liability
2022	0.38914565%	(\$8,204,818)	\$47,906,057	(17.13%)	174.73%
2021	0.38513897%	(6,768,815)	48,371,314	(13.99%)	182.13%
2020	0.37679142%	(6,240,569)	42,751,629	(14.60%)	174.74%
2019	0.36186449%	(5,814,792)	41,618,114	(13.97%)	176.00%
2018	0.35159368%	13,717,888	40,401,207	33.95%	47.10%
2017	0.35574589%	18,803,321	39,060,100	48.14%	37.30%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

(2) Amounts presented as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Northwest Local School District  
 Required Supplementary Information  
 Schedule of the School District's Contributions for Net OPEB (Asset)/Liability  
 State Teachers Retirement System of Ohio  
 Last Seven Fiscal Years (1)

Year	School District's Contractually Required Contribution	School District's Contributions in Relation to the Contractually Required Contributions	School District's Contribution Deficiency (Excess)	School District's Covered Payroll	School District's Contributions as a Percentage of Covered Payroll
2022	\$0	\$0	\$0	\$50,909,300	0.00%
2021	0	0	0	47,906,057	0.00%
2020	0	0	0	48,371,314	0.00%
2019	0	0	0	42,751,629	0.00%
2018	0	0	0	41,596,686	0.00%
2017	0	0	0	40,401,207	0.00%
2016	0	0	0	39,060,100	0.00%

(1) The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.



Northwest Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2022

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$52,903,523	\$60,081,866	\$56,270,104	(\$3,811,762)
Tuition and Fees	2,021,511	2,295,804	2,150,152	(145,652)
Investment Earnings	309,250	351,212	328,930	(22,282)
Intergovernmental	31,054,802	35,268,548	33,031,013	(2,237,535)
Other Revenues	6,956,087	7,899,940	7,398,746	(501,194)
<b>Total Revenues</b>	<b>93,245,173</b>	<b>105,897,370</b>	<b>99,178,945</b>	<b>(6,718,425)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	35,601,206	36,394,627	35,610,477	784,150
Special	17,055,748	17,435,858	17,060,189	375,669
Vocational	6,355	6,497	6,357	140
Other	2,225,471	2,275,069	2,226,051	49,018
<b>Support Services:</b>				
Pupil	11,708,907	11,969,856	11,711,956	257,900
Instructional Staff	2,112,227	2,159,301	2,112,777	46,524
General Administration	46,035	47,061	46,047	1,014
School Administration	5,247,098	5,364,036	5,248,464	115,572
Fiscal	2,220,969	2,270,466	2,221,547	48,919
Business	381,580	390,084	381,679	8,405
Operations and Maintenance	7,154,126	7,313,565	7,155,989	157,576
Pupil Transportation	5,194,897	5,310,673	5,196,250	114,423
Central	983,990	1,005,919	984,246	21,673
Operation of Non-Instructional Services	39,952	40,842	39,962	880
Extracurricular Activities	1,467,819	1,500,531	1,468,201	32,330
Capital Outlay	38,041	38,889	38,051	838
<b>Total Expenditures</b>	<b>91,484,421</b>	<b>93,523,274</b>	<b>91,508,243</b>	<b>2,015,031</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>1,760,752</b>	<b>12,374,096</b>	<b>7,670,702</b>	<b>(4,703,394)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	56,329	63,973	59,914	(4,059)
Advances In	93,951	106,699	99,930	(6,769)
Advances (Out)	(385,270)	(393,856)	(385,370)	8,486
Transfers In	18,803	21,355	20,000	(1,355)
Transfers (Out)	(2,109,365)	(2,156,375)	(2,109,914)	46,461
<b>Total Other Financing Sources (Uses)</b>	<b>(2,325,552)</b>	<b>(2,358,204)</b>	<b>(2,315,440)</b>	<b>42,764</b>
<b>Net Change in Fund Balance</b>	<b>(564,800)</b>	<b>10,015,892</b>	<b>5,355,262</b>	<b>(4,660,630)</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>32,922,609</b>	<b>32,922,609</b>	<b>32,922,609</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$32,357,809</b>	<b>\$42,938,501</b>	<b>\$38,277,871</b>	<b>(\$4,660,630)</b>

See accompanying notes to the required supplementary information.

**Northwest Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2022**

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**Note 1 – Budgetary Process**

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While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures, and changes in fund balance-budget (non-GAAP basis) and actual for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed, or assigned fund balance (GAAP basis).
4. The change in fair value of investments is not included on the budget basis operating statement. This amount is included on the GAAP basis operating statement.
5. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
6. Budgetary revenues and expenditures of the uniform school supplies and public school support special revenue funds are reported within the general fund for GAAP presentation purposes.

The following table summarizes the adjustments necessary to reconcile the GAAP basis to the budgetary basis for the general fund.

**Net Change in Fund Balance**

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	<u>General</u>
GAAP Basis	\$2,661,906
Revenue Accruals	1,108,357
Expenditure Accruals	5,565,118
Issuance of Leases	(521,959)
Proceeds from the Sale of Capital Assets	996
Transfers (In)	20,000
Transfers (Out)	(2,049,914)
Advances (In)	99,930
Advances (Out)	(385,370)
Encumbrances	<u>(1,143,802)</u>
Budget Basis	<u><u>\$5,355,262</u></u>

**Northwest Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2022**

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**Note 2 - Net Pension Liability**

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**School Employees Retirement System (SERS)**

**Changes in Benefit Terms:**

2022: Cost of Living Adjustments (COLA) increased from 0.50% to 2.50%.

2020-2021: There were no changes in benefit terms from the amounts reported for this fiscal year.

2019: With the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

2018: SERS changed from a fixed 3.00% annual increase to a Cost of Living Adjustments (COLA) based on the changed in the Consumer Price Index Index (CPI-W), with a cap of 2.50% and a floor of 0.00%.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Changes in Assumptions:**

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

- (1) The assumed rate of inflation was reduced from 3.00% to 2.40%,
- (2) Payroll growth assumption was reduced from 3.50% to 1.75%,
- (3) Assumed real wage growth was increased from 0.50% to 0.85%,
- (4) Cost of Living Adjustments (COLA) was reduced from 2.50% to 2.00%,
- (5) The discount rate was reduced from 7.50% to 7.00%,
- (6) Rates of withdrawal, compensation, participation, spouse coverage assumption, retirement, and disability were updated to reflect recent experience, and,
- (7) Mortality among active members, service retirees and beneficiaries, and disabled members were updated.

2018-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

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

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- (1) The assumed rate of inflation was reduced from 3.25% to 3.00%,
- (2) Payroll growth assumption was reduced from 4.00% to 3.50%,
- (3) Assumed real wage growth was reduced from 0.75% to 0.50%,
- (4) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
- (5) Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females,
- (6) Mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates,
- (7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, and
- (8) The discount rate was reduced from 7.75% to 7.50%.

**Northwest Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2022**

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2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

**State Teachers Retirement System (STRS)**

**Changes in Benefit Terms:**

2019-2022: There were no changes in benefit terms from the amounts reported for these fiscal years.

2018: STRS decreased the Cost of Living Adjustment (COLA) to zero.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Changes in Assumptions:**

2022: There were changes in assumptions since the prior measurement date, which the discount rate was adjusted to 7.00% from 7.45%.

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

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

- (1) The long term expected rate of return was reduced from 7.75% to 7.45%,
- (2) The inflation assumption was lowered from 2.75% to 2.50%,
- (3) The payroll growth assumption was lowered to 3.00%,
- (4) Total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation,
- (5) The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016, and
- (6) Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

**Note 3 - Net OPEB (Asset)/Liability**

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**School Employees Retirement System (SERS)**

**Changes in Benefit Terms:**

2017-2022: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Changes in Assumptions:**

2022: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:

Prior Measurement Date	2.63%
Measurement Date	2.27%

**Northwest Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2022**

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- (2) Investment Rate of Return:
  - Prior Measurement Date 7.50%
  - Measurement Date 7.00%
- (3) Assumed Rate of Inflation:
  - Prior Measurement Date 3.00%
  - Measurement Date 2.40%
- (4) Payroll Growth Assumption:
  - Prior Measurement Date 3.50%
  - Measurement Date 1.75%
- (5) Assumed Real Wage Growth:
  - Prior Measurement Date 0.50%
  - Measurement Date 0.85%
- (6) Municipal Bond Index Rate:
  - Prior Measurement Date 2.45%
  - Measurement Date 1.92%
- (7) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  - Prior Measurement Date 2.63%
  - Measurement Date 2.27%
- (8) Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- (9) Rate of health care participation for future retirees and spouses was updated to reflect recent.
- (10) Mortality among active members was updated to the following:
  - a. PUB-2010 General Amount Weighted Below Median Employee mortality table.
- (11) Mortality among service retired members was updated to the following:
  - a. PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females.
- (12) Mortality among beneficiaries was updated to the following:
  - a. PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females.
- (13) Mortality among disabled member was updated to the following:
  - a. PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.
- (14) Mortality rates are projected using a fully generational projection with Scale MP-2020.

2021: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:
  - Prior Measurement Date 3.22%
  - Measurement Date 2.63%
- (2) Municipal Bond Index Rate:
  - Prior Measurement Date 3.13%
  - Measurement Date 2.45%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  - Prior Measurement Date 3.22%
  - Measurement Date 2.63%

**Northwest Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2022**

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2020: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:
  - Prior Measurement Date 3.70%
  - Measurement Date 3.22%
- (2) Municipal Bond Index Rate:
  - Prior Measurement Date 3.62%
  - Measurement Date 3.13%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  - Prior Measurement Date 3.70%
  - Measurement Date 3.22%

2019: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:
  - Prior Measurement Date 3.63%
  - Measurement Date 3.70%
- (2) Municipal Bond Index Rate:
  - Prior Measurement Date 3.56%
  - Measurement Date 3.62%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  - Prior Measurement Date 3.63%
  - Measurement Date 3.70%

2018: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

- (1) Discount Rate:
  - Fiscal Year 2018 3.63%
  - Fiscal Year 2017 2.98%
- (2) Municipal Bond Index Rate:
  - Fiscal Year 2018 3.56%
  - Fiscal Year 2017 2.92%
- (3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  - Fiscal Year 2018 3.63%
  - Fiscal Year 2017 2.98%

2017: The following changes of assumptions affected the total OPEB liability since the prior measurement date:

- (1) The assumed rate of inflation was reduced from 3.25% to 3.00%,
- (2) Payroll growth assumption was reduced from 4.00% to 3.50%,
- (3) Assumed real wage growth was reduced from 0.75% to 0.50%,
- (4) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
- (5) Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females,

**Northwest Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2022**

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- (6) Mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, and
- (7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

**State Teachers Retirement System (STRS)**

**Changes in Benefit Terms:**

2022: The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

2021: There was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

2020: There was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

2019: The subsidy multiplier for non-Medicare benefit recipients was increased from 1.900% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. The Board is extending the current Medicare Part B partial reimbursement program for one year. Under this program, benefit recipients currently enrolled in the STRS Ohio Health Care Program and Medicare Part B receive \$29.90 per month to reimburse a portion of the Medicare Part B premium. The reimbursement was set to be reduced to \$0 beginning January 1, 2020. This impacts about 85,000 benefit recipients.

2018: The subsidy multiplier for non-Medicare benefit recipients was reduced from 2.10% to 1.90% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2019.

2017: There were no changes in benefit terms from the amounts reported for this fiscal year.

**Changes in Assumptions:**

2022: There were changes in assumptions since the prior measurement date, which the discount rate was adjusted to 7.00% from 7.45%.

**Northwest Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2022**

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2021: There were changes in assumptions during the measurement year, which decreased the total OPEB liability by approximately \$0.26 billion. The assumption changes included changes in healthcare costs and trends.

2020: There were changes in assumptions during the measurement year, which increased the total OPEB liability by approximately \$0.04 billion. The assumption changes included changes in healthcare costs and trends.

2019: The discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB). Valuation year per capita health care costs were updated.

2018: The discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this fiscal year.

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***COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES***

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

### **Debt Service Fund**

The Debt Service Fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the School District is obligated in some manner for the payment.

### **Capital Projects Fund**

The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects fund exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

### **Permanent Fund**

The Permanent Fund accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the School District's programs, that is, for the benefit of the School District, or its citizenry.

Northwest Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Other (Nonmajor) Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$7,326,154	\$7,421,743	\$8,741,259	\$173,605	\$23,662,761
Restricted Cash and Investments	0	0	1,896	0	1,896
<b>Receivables (Net):</b>					
Taxes	0	4,564,365	3,149,549	0	7,713,914
Accounts	5,906	0	0	0	5,906
Interest	0	0	1,351	0	1,351
Intergovernmental	3,678,607	0	0	0	3,678,607
Inventory	62,337	0	0	0	62,337
<b>Total Assets</b>	<b>11,073,004</b>	<b>11,986,108</b>	<b>11,894,055</b>	<b>173,605</b>	<b>35,126,772</b>
<b>Liabilities:</b>					
Accounts Payable	320,629	0	0	0	320,629
Accrued Wages and Benefits	2,640,270	0	0	0	2,640,270
Compensated Absences	30,826	0	0	0	30,826
Contracts Payable	1,001,819	0	102,467	0	1,104,286
Retainage Payable	0	0	1,896	0	1,896
Interfund Payable	419,241	0	0	0	419,241
<b>Total Liabilities</b>	<b>4,412,785</b>	<b>0</b>	<b>104,363</b>	<b>0</b>	<b>4,517,148</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	0	2,214,365	1,799,549	0	4,013,914
Investments	0	0	1,163	0	1,163
Grants and Other Taxes	2,215,658	0	0	0	2,215,658
<b>Total Deferred Inflows of Resources</b>	<b>2,215,658</b>	<b>2,214,365</b>	<b>1,800,712</b>	<b>0</b>	<b>6,230,735</b>
<b>Fund Balances:</b>					
Nonspendable	0	0	0	79,000	79,000
Restricted	6,951,096	9,771,743	3,056,614	94,605	19,874,058
Committed	0	0	6,932,366	0	6,932,366
Unassigned	(2,506,535)	0	0	0	(2,506,535)
<b>Total Fund Balances</b>	<b>4,444,561</b>	<b>9,771,743</b>	<b>9,988,980</b>	<b>173,605</b>	<b>24,378,889</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$11,073,004</b>	<b>\$11,986,108</b>	<b>\$11,894,055</b>	<b>\$173,605</b>	<b>\$35,126,772</b>

Northwest Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2022

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Nonmajor Permanent Fund	Total Other (Nonmajor) Governmental Funds
<b>Revenues:</b>					
Property and Other Taxes	\$0	\$5,344,583	\$3,054,624	\$0	\$8,399,207
Investment Earnings	(34,103)	0	(22,138)	1,047	(55,194)
Intergovernmental	29,731,334	320,186	406,935	0	30,458,455
Extracurricular Activities	661,851	0	0	0	661,851
Charges for Services	250,261	0	0	0	250,261
Other Revenues	154,983	1,532	530,414	3,000	689,929
<b>Total Revenues</b>	<b>30,764,326</b>	<b>5,666,301</b>	<b>3,969,835</b>	<b>4,047</b>	<b>40,404,509</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	4,738,264	0	832,665	0	5,570,929
Special	3,893,567	0	0	0	3,893,567
Other	1,025,049	0	0	0	1,025,049
<b>Support Services:</b>					
Pupil	2,004,755	0	0	0	2,004,755
Instructional Staff	4,623,908	0	0	0	4,623,908
General Administration	116	0	0	0	116
School Administration	1,575,889	0	0	0	1,575,889
Fiscal	1,200	74,199	44,926	0	120,325
Operations and Maintenance	447,020	0	0	0	447,020
Pupil Transportation	554,605	0	474,608	0	1,029,213
Operation of Non-Instructional Services	6,868,296	0	0	21,000	6,889,296
Extracurricular Activities	595,121	0	0	0	595,121
Capital Outlay	2,381,780	0	1,363,715	0	3,745,495
<b>Debt Service:</b>					
Principal Retirement	0	2,920,000	735,000	0	3,655,000
Interest and Fiscal Charges	0	2,783,904	59,029	0	2,842,933
<b>Total Expenditures</b>	<b>28,709,570</b>	<b>5,778,103</b>	<b>3,509,943</b>	<b>21,000</b>	<b>38,018,616</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>2,054,756</b>	<b>(111,802)</b>	<b>459,892</b>	<b>(16,953)</b>	<b>2,385,893</b>
<b>Other Financing Sources (Uses):</b>					
Transfers In	60,000	0	0	0	60,000
<b>Total Other Financing Sources (Uses)</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,000</b>
<b>Net Change in Fund Balance</b>	<b>2,114,756</b>	<b>(111,802)</b>	<b>459,892</b>	<b>(16,953)</b>	<b>2,445,893</b>
<b>Fund Balance - Beginning of Year</b>	<b>2,329,805</b>	<b>9,883,545</b>	<b>9,529,088</b>	<b>190,558</b>	<b>21,932,996</b>
<b>Fund Balance - End of Year</b>	<b>\$4,444,561</b>	<b>\$9,771,743</b>	<b>\$9,988,980</b>	<b>\$173,605</b>	<b>\$24,378,889</b>

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**Food Service** - To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the School District students and staff.

**Special Trust** - To account for and report donations restricted for purposes that are beneficial to the overall operation of the School District.

**Career Consultant Grant** - To account and report career consultant restricted gifts and donations from Butler Technology and Career Development School restricted for payment of an employee position that coordinates between the two districts. The employee within this position coordinates the technology, professional development, transportation and other necessary expenses for career programs.

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

**Auxiliary Services** - To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the School District as provided by state law

**Public School Preschool** - This program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Entry Year Teacher Grant** - To account for state grants to be used to provide support training programs for first year teachers.

**IDEA-B Special Education** - To account for and report restricted federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels. Also, to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

**Title III** - Federal grant used to account for federal monies provided to support the District's ESL population.

**Title I** - To account for federal funds for services provided to meet the special educational needs of educationally deprived children.

**Early Childhood Special Education** - To account for and report federal funds restricted to provide programs to handicapped preschool children.

**Title II-A** - To account for and report federal funds restricted to assisting in the cost of personnel hired to reduce class size in kindergarten through third grade.

**Miscellaneous Federal** – To account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere.

**Data Communication** – To account for State funds appropriated for Ohio Educational Computer Network Connections.

**Vocational Education Enhancement** – To account for and report restricted state monies which support vocational education enhancements that expand the number of students enrolled in tech programs, and also enables students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student’s knowledge, skills and credentials to present to future employers, universities, and other training institutes. This fund is also used to replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

**Title I Supplemental School** - To help schools improve the teaching and learning of children failing, or most at risk of failing to meet challenging State achievement standards.

**Student Wellness and Success** - A fund used to account for student mental health services, mentoring programs, or child welfare involved youth, etc.

**ESSER** - A fund used to provide emergency relief grants to school districts related to the COVID-19 pandemic. Restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

**Coronavirus Relief** - A fund used to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19).

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

**Title IV, Part A** - This program is intended to improve students’ academic achievement by increasing the capacity of states, local education agencies (LEAs), schools, and local communities to (1) provide all students with access to a well-rounded education, (2) improve school conditions for student learning, and (3) improve the use of technology in order to improve the academic achievement and digital literacy of all students.

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Northwest Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2022

	Food Service	Special Trust	Career Consultant Grant	Athletic	Auxiliary Services
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$4,355,648	\$173,518	\$4,606	\$553,806	\$505,740
<b>Receivables (Net):</b>					
Accounts	5,334	0	0	502	0
Intergovernmental	0	0	0	0	0
Inventory	62,337	0	0	0	0
<b>Total Assets</b>	<b>4,423,319</b>	<b>173,518</b>	<b>4,606</b>	<b>554,308</b>	<b>505,740</b>
<b>Liabilities:</b>					
Accounts Payable	17,276	0	0	0	116,863
Accrued Wages and Benefits	296,858	0	0	0	3,968
Compensated Absences	6,217	0	0	0	444
Contracts Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	0
<b>Total Liabilities</b>	<b>320,351</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>121,275</b>
<b>Deferred Inflows of Resources:</b>					
Grants and Other Taxes	0	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Restricted	4,102,968	173,518	4,606	554,308	384,465
Unassigned	0	0	0	0	0
<b>Total Fund Balances</b>	<b>4,102,968</b>	<b>173,518</b>	<b>4,606</b>	<b>554,308</b>	<b>384,465</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$4,423,319</b>	<b>\$173,518</b>	<b>\$4,606</b>	<b>\$554,308</b>	<b>\$505,740</b>



Public School Preschool	Entry Year Teacher Grant	IDEA-B Special Education	Title III	Title I	Early Childhood Special Education	Title II-A
\$0	\$43,868	\$48	\$0	\$1,627	\$0	\$0
0	0	0	0	0	0	0
61,461	0	320,468	70,828	850,021	16,706	131,408
0	0	0	0	0	0	0
<u>61,461</u>	<u>43,868</u>	<u>320,516</u>	<u>70,828</u>	<u>851,648</u>	<u>16,706</u>	<u>131,408</u>
0	0	14,558	62,334	0	0	6,800
47,896	0	665,481	1,089	655,074	4,369	69,695
1,056	0	4,885	2	7,641	3	947
0	0	0	0	0	0	0
10	0	2,490	266	121,308	5	26,800
<u>48,962</u>	<u>0</u>	<u>687,414</u>	<u>63,691</u>	<u>784,023</u>	<u>4,377</u>	<u>104,242</u>
33,045	0	174,284	7,266	536,814	14,625	72,437
<u>33,045</u>	<u>0</u>	<u>174,284</u>	<u>7,266</u>	<u>536,814</u>	<u>14,625</u>	<u>72,437</u>
0	43,868	0	0	0	0	0
(20,546)	0	(541,182)	(129)	(469,189)	(2,296)	(45,271)
<u>(20,546)</u>	<u>43,868</u>	<u>(541,182)</u>	<u>(129)</u>	<u>(469,189)</u>	<u>(2,296)</u>	<u>(45,271)</u>
<u>\$61,461</u>	<u>\$43,868</u>	<u>\$320,516</u>	<u>\$70,828</u>	<u>\$851,648</u>	<u>\$16,706</u>	<u>\$131,408</u>

Continued

Northwest Local School District, Ohio  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 June 30, 2022

	Miscellaneous Federal	Data Communication	Vocational Education Enhancement	Title I Supplemental School	Student Wellness and Success
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$0	\$0	\$0	\$0	\$1,571,022
<b>Receivables (Net):</b>					
Accounts	0	0	0	0	0
Intergovernmental	0	0	0	180	0
Inventory	0	0	0	0	0
<b>Total Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>180</b>	<b>1,571,022</b>
<b>Liabilities:</b>					
Accounts Payable	0	0	0	180	0
Accrued Wages and Benefits	0	0	0	0	0
Compensated Absences	0	0	0	0	0
Contracts Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>180</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>					
Grants and Other Taxes	0	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Restricted	0	0	0	0	1,571,022
Unassigned	0	0	0	0	0
<b>Total Fund Balances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,571,022</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$180</b>	<b>\$1,571,022</b>

ESSER	Coronavirus Relief	Student Activity	Title IV Part A	Total Nonmajor Special Revenue Funds
\$0	\$0	\$116,271	\$0	\$7,326,154
0	0	70	0	5,906
2,205,832	0	0	21,703	3,678,607
0	0	0	0	62,337
<u>2,205,832</u>	<u>0</u>	<u>116,341</u>	<u>21,703</u>	<u>11,073,004</u>
100,150	0	0	2,468	320,629
879,423	0	0	16,417	2,640,270
9,631	0	0	0	30,826
1,001,819	0	0	0	1,001,819
268,362	0	0	0	419,241
<u>2,259,385</u>	<u>0</u>	<u>0</u>	<u>18,885</u>	<u>4,412,785</u>
<u>1,363,743</u>	<u>0</u>	<u>0</u>	<u>13,444</u>	<u>2,215,658</u>
<u>1,363,743</u>	<u>0</u>	<u>0</u>	<u>13,444</u>	<u>2,215,658</u>
0	0	116,341	0	6,951,096
<u>(1,417,296)</u>	<u>0</u>	<u>0</u>	<u>(10,626)</u>	<u>(2,506,535)</u>
<u>(1,417,296)</u>	<u>0</u>	<u>116,341</u>	<u>(10,626)</u>	<u>4,444,561</u>
<u>\$2,205,832</u>	<u>\$0</u>	<u>\$116,341</u>	<u>\$21,703</u>	<u>\$11,073,004</u>

Northwest Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2022

	Food Service	Special Trust	Career Consultant Grant	Athletic	Auxiliary Services
Revenues:					
Investment Earnings	(\$34,104)	\$1	\$0	\$0	\$0
Intergovernmental	7,136,213	0	0	0	1,885,506
Extracurricular Activities	0	0	0	597,078	0
Charges for Services	246,022	0	0	0	4,239
Other Revenues	46,183	44,242	13,135	24,653	0
<b>Total Revenues</b>	<b>7,394,314</b>	<b>44,243</b>	<b>13,135</b>	<b>621,731</b>	<b>1,889,745</b>
Expenditures:					
Current:					
Instruction:					
Regular	0	11,858	12,026	0	0
Special	0	0	1,463	0	0
Other	0	3,920	0	0	37,519
Support Services:					
Pupil	0	245	900	0	0
Instructional Staff	0	0	0	0	0
General Administration	0	116	0	0	0
School Administration	0	2,313	0	0	0
Fiscal	0	0	0	0	0
Operations and Maintenance	0	0	0	0	0
Pupil Transportation	0	0	0	83,338	0
Operation of Non-Instructional Services	4,622,494	15,642	0	0	1,504,695
Extracurricular Activities	0	7,000	0	512,967	0
Capital Outlay	0	0	0	0	0
<b>Total Expenditures</b>	<b>4,622,494</b>	<b>41,094</b>	<b>14,389</b>	<b>596,305</b>	<b>1,542,214</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>2,771,820</b>	<b>3,149</b>	<b>(1,254)</b>	<b>25,426</b>	<b>347,531</b>
Other Financing Sources (Uses):					
Transfers In	0	0	0	60,000	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,000</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>2,771,820</b>	<b>3,149</b>	<b>(1,254)</b>	<b>85,426</b>	<b>347,531</b>
<b>Fund Balance - Beginning of Year</b>	<b>1,331,148</b>	<b>170,369</b>	<b>5,860</b>	<b>468,882</b>	<b>36,934</b>
<b>Fund Balance - End of Year</b>	<b>\$4,102,968</b>	<b>\$173,518</b>	<b>\$4,606</b>	<b>\$554,308</b>	<b>\$384,465</b>

Public School Preschool	Entry Year Teacher Grant	IDEA-B Special Education	Title III	Title I	Early Childhood Special Education	Title II-A
\$0	\$0	\$0	\$0	\$0	\$0	\$0
326,034	43,868	3,046,173	89,524	3,488,559	46,089	429,455
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>326,034</u>	<u>43,868</u>	<u>3,046,173</u>	<u>89,524</u>	<u>3,488,559</u>	<u>46,089</u>	<u>429,455</u>
318,869	0	0	0	61,504	0	0
0	0	1,045,893	8,892	2,109,602	42,434	0
0	0	0	0	0	0	0
452	0	778,554	4,350	97,985	2,221	0
0	0	5,751	62,891	906,654	0	334,545
0	0	0	0	0	0	0
1,110	0	1,275,055	2,173	196,027	0	10,291
0	0	0	0	0	0	0
6,423	26,543	0	0	0	0	0
0	0	71,954	0	35,747	0	0
0	0	356,134	11,320	167,482	0	98,647
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>326,854</u>	<u>26,543</u>	<u>3,533,341</u>	<u>89,626</u>	<u>3,575,001</u>	<u>44,655</u>	<u>443,483</u>
<u>(820)</u>	<u>17,325</u>	<u>(487,168)</u>	<u>(102)</u>	<u>(86,442)</u>	<u>1,434</u>	<u>(14,028)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(820)</u>	<u>17,325</u>	<u>(487,168)</u>	<u>(102)</u>	<u>(86,442)</u>	<u>1,434</u>	<u>(14,028)</u>
<u>(19,726)</u>	<u>26,543</u>	<u>(54,014)</u>	<u>(27)</u>	<u>(382,747)</u>	<u>(3,730)</u>	<u>(31,243)</u>
<u>(\$20,546)</u>	<u>\$43,868</u>	<u>(\$541,182)</u>	<u>(\$129)</u>	<u>(\$469,189)</u>	<u>(\$2,296)</u>	<u>(\$45,271)</u>

Continued

Northwest Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2022

	Miscellaneous Federal	Data Communication	Vocational Education Enhancement	Title I Supplemental School	Student Wellness and Success
Revenues:					
Investment Earnings	\$0	\$0	\$0	\$0	\$0
Intergovernmental	18,526	18,000	19,000	20,025	0
Extracurricular Activities	0	0	0	0	0
Charges for Services	0	0	0	0	0
Other Revenues	0	0	0	0	0
<b>Total Revenues</b>	<b>18,526</b>	<b>18,000</b>	<b>19,000</b>	<b>20,025</b>	<b>0</b>
Expenditures:					
Current:					
Instruction:					
Regular	1,560	18,000	7,725	0	0
Special	0	0	0	0	0
Other	0	0	0	0	20,069
Support Services:					
Pupil	0	0	2,250	0	4,671
Instructional Staff	2,638	0	9,025	20,025	9,073
General Administration	0	0	0	0	0
School Administration	382	0	0	0	0
Fiscal	0	0	0	0	0
Operations and Maintenance	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
<b>Total Expenditures</b>	<b>4,580</b>	<b>18,000</b>	<b>19,000</b>	<b>20,025</b>	<b>33,813</b>
Excess of Revenues Over (Under) Expenditures	13,946	0	0	0	(33,813)
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balance	13,946	0	0	0	(33,813)
Fund Balance - Beginning of Year	(13,946)	0	0	0	1,604,835
<b>Fund Balance - End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,571,022</b>

ESSER	Coronavirus Relief	Student Activity	Title IV Part A	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	(\$34,103)
12,881,587	16,442	0	266,333	29,731,334
0	0	64,773	0	661,851
0	0	0	0	250,261
0	0	26,770	0	154,983
12,881,587	16,442	91,543	266,333	30,764,326
4,150,687	0	0	156,035	4,738,264
685,162	0	121	0	3,893,567
963,541	0	0	0	1,025,049
1,080,979	0	0	32,148	2,004,755
3,240,119	16,442	0	16,745	4,623,908
0	0	0	0	116
88,538	0	0	0	1,575,889
1,200	0	0	0	1,200
414,054	0	0	0	447,020
363,566	0	0	0	554,605
19,851	0	0	72,031	6,868,296
0	0	75,154	0	595,121
2,381,780	0	0	0	2,381,780
13,389,477	16,442	75,275	276,959	28,709,570
(507,890)	0	16,268	(10,626)	2,054,756
0	0	0	0	60,000
0	0	0	0	60,000
(507,890)	0	16,268	(10,626)	2,114,756
(909,406)	0	100,073	0	2,329,805
(\$1,417,296)	\$0	\$116,341	(\$10,626)	\$4,444,561

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$13,927	\$13,830	(\$97)
Intergovernmental	6,767,189	6,720,091	(47,098)
Other Revenues	288,883	286,872	(2,011)
Total Revenues	<u>7,069,999</u>	<u>7,020,793</u>	<u>(49,206)</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	4,438,215	4,376,651	61,564
Total Expenditures	<u>4,438,215</u>	<u>4,376,651</u>	<u>61,564</u>
Net Change in Fund Balance	2,631,784	2,644,142	12,358
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>1,592,277</u>	<u>1,592,277</u>	<u>0</u>
Fund Balance End of Year	<u>\$4,224,061</u>	<u>\$4,236,419</u>	<u>\$12,358</u>



Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Special Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$0	\$1	\$1
Other Revenues	46,390	44,243	(2,147)
Total Revenues	46,390	44,244	(2,146)
Expenditures:			
Current:			
Instruction:			
Regular	27,293	15,782	11,511
Support Services:			
Pupil	424	245	179
General Administration	201	116	85
School Administration	4,000	2,313	1,687
Operation of Non-Instructional Services	27,537	15,923	11,614
Extracurricular Activities	12,106	7,000	5,106
Total Expenditures	71,561	41,379	30,182
Net Change in Fund Balance	(25,171)	2,865	28,036
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	170,599	170,599	0
Fund Balance End of Year	\$145,428	\$173,464	\$28,036

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Career Consultant Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$13,150	\$13,136	(\$14)
Total Revenues	13,150	13,136	(14)
Expenditures:			
Current:			
Instruction:			
Regular	12,676	12,028	648
Special	1,545	1,466	79
Support Services:			
Pupil	949	900	49
Total Expenditures	15,170	14,394	776
Net Change in Fund Balance	(2,020)	(1,258)	762
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,859	5,859	0
Fund Balance End of Year	\$3,839	\$4,601	\$762

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Athletic Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$732,682	\$596,576	(\$136,106)
Other Revenues	30,830	25,103	(5,727)
Total Revenues	<u>763,512</u>	<u>621,679</u>	<u>(141,833)</u>
Expenditures:			
Current:			
Support Services:			
Pupil Transportation	100,579	83,335	17,244
Extracurricular Activities	686,428	568,739	117,689
Total Expenditures	<u>787,007</u>	<u>652,074</u>	<u>134,933</u>
Excess of Revenues Over (Under) Expenditures	<u>(23,495)</u>	<u>(30,395)</u>	<u>(6,900)</u>
Other Financing Sources (Uses):			
Transfers In	73,689	60,000	(13,689)
Total Other Financing Sources (Uses)	<u>73,689</u>	<u>60,000</u>	<u>(13,689)</u>
Net Change in Fund Balance	50,194	29,605	(20,589)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>507,383</u>	<u>507,383</u>	<u>0</u>
Fund Balance End of Year	<u>\$557,577</u>	<u>\$536,988</u>	<u>(\$20,589)</u>

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$4,247	\$4,239	(\$8)
Intergovernmental	1,889,158	1,885,505	(3,653)
Total Revenues	1,893,405	1,889,744	(3,661)
Expenditures:			
Current:			
Operation of Non-Instructional Services	2,050,136	1,993,539	56,597
Total Expenditures	2,050,136	1,993,539	56,597
Net Change in Fund Balance	(156,731)	(103,795)	52,936
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	360,087	360,087	0
Fund Balance End of Year	\$203,356	\$256,292	\$52,936

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Public School Preschool Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$387,302	\$325,853	(\$61,449)
<b>Total Revenues</b>	<b>387,302</b>	<b>325,853</b>	<b>(61,449)</b>
Expenditures:			
Current:			
Instruction:			
Regular	368,431	309,976	58,455
Support Services:			
Pupil	2,744	2,309	435
School Administration	6,452	5,428	1,024
Operations and Maintenance	8,955	7,534	1,421
<b>Total Expenditures</b>	<b>386,582</b>	<b>325,247</b>	<b>61,335</b>
Excess of Revenues Over (Under) Expenditures	720	606	(114)
Other Financing Sources (Uses):			
Advances In	12	10	(2)
Advances (Out)	(732)	(616)	116
<b>Total Other Financing Sources (Uses)</b>	<b>(720)</b>	<b>(606)</b>	<b>114</b>
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Entry Year Teacher Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$45,000	\$43,868	(\$1,132)
Total Revenues	45,000	43,868	(1,132)
Expenditures:			
Support Services:			
Operations and Maintenance	26,543	26,543	0
Total Expenditures	26,543	26,543	0
Excess of Revenues Over (Under) Expenditures	18,457	17,325	(1,132)
Net Change in Fund Balance	18,457	17,325	(1,132)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	26,543	26,543	0
Fund Balance End of Year	\$45,000	\$43,868	(\$1,132)

Northwest Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2022

	IDEA-B Special Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$3,928,434	\$3,048,143	(\$880,291)
<b>Total Revenues</b>	<b>3,928,434</b>	<b>3,048,143</b>	<b>(880,291)</b>
Expenditures:			
Current:			
Instruction:			
Special	1,071,755	1,022,733	49,022
Support Services:			
Pupil	867,248	827,580	39,668
Instructional Staff	8,499	8,110	389
School Administration	822,342	784,728	37,614
Pupil Transportation	75,403	71,954	3,449
Operation of Non-Instructional Services	381,439	363,992	17,447
<b>Total Expenditures</b>	<b>3,226,686</b>	<b>3,079,097</b>	<b>147,589</b>
Excess of Revenues Over (Under) Expenditures	701,748	(30,954)	(732,702)
Other Financing Sources (Uses):			
Advances In	3,209	2,490	(719)
<b>Total Other Financing Sources (Uses)</b>	<b>3,209</b>	<b>2,490</b>	<b>(719)</b>
<b>Net Change in Fund Balance</b>	<b>704,957</b>	<b>(28,464)</b>	<b>(733,421)</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
<b>Fund Balance End of Year</b>	<b>\$704,957</b>	<b>(\$28,464)</b>	<b>(\$733,421)</b>

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$94,361	\$26,048	(\$68,313)
Total Revenues	94,361	26,048	(68,313)
Expenditures:			
Current:			
Instruction:			
Special	9,476	8,893	583
Support Services:			
Pupil	4,635	4,350	285
Instructional Staff	67,131	63,003	4,128
School Administration	1,153	1,082	71
Operation of Non-Instructional Services	12,062	11,320	742
Total Expenditures	94,457	88,648	5,809
Excess of Revenues Over (Under) Expenditures	(96)	(62,600)	(62,504)
Other Financing Sources (Uses):			
Advances In	964	266	(698)
Total Other Financing Sources (Uses)	964	266	(698)
Net Change in Fund Balance	868	(62,334)	(63,202)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$868	(\$62,334)	(\$63,202)



Northwest Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2022

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$4,458,551	\$3,513,811	(\$944,740)
<b>Total Revenues</b>	<b>4,458,551</b>	<b>3,513,811</b>	<b>(944,740)</b>
Expenditures:			
Current:			
Instruction:			
Regular	141,934	133,512	8,422
Special	2,288,966	2,153,137	135,829
Support Services:			
Pupil	176,052	165,605	10,447
Instructional Staff	907,814	853,944	53,870
School Administration	110,476	103,920	6,556
Pupil Transportation	38,002	35,747	2,255
Operation of Non-Instructional Services	237,622	223,521	14,101
<b>Total Expenditures</b>	<b>3,900,866</b>	<b>3,669,386</b>	<b>231,480</b>
Excess of Revenues Over (Under) Expenditures	557,685	(155,575)	(713,260)
Other Financing Sources (Uses):			
Advances In	110,946	87,437	(23,509)
Advances (Out)	(349)	(328)	21
<b>Total Other Financing Sources (Uses)</b>	<b>110,597</b>	<b>87,109</b>	<b>(23,488)</b>
Net Change in Fund Balance	668,282	(68,466)	(736,748)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
<b>Fund Balance End of Year</b>	<b>\$668,282</b>	<b>(\$68,466)</b>	<b>(\$736,748)</b>

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Early Childhood Special Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$104,622	\$44,009	(\$60,613)
Total Revenues	104,622	44,009	(60,613)
Expenditures:			
Current:			
Instruction:			
Special	44,345	41,793	2,552
Support Services:			
Pupil	2,357	2,221	136
Pupil Transportation	44,857	42,275	2,582
Total Expenditures	91,559	86,289	5,270
Excess of Revenues Over (Under) Expenditures	13,063	(42,280)	(55,343)
Other Financing Sources (Uses):			
Advances In	12	5	(7)
Total Other Financing Sources (Uses)	12	5	(7)
Net Change in Fund Balance	13,075	(42,275)	(55,350)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$13,075	(\$42,275)	(\$55,350)

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Title II-A Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$508,028	\$446,051	(\$61,977)
Total Revenues	508,028	446,051	(61,977)
Expenditures:			
Current:			
Support Services:			
Instructional Staff	339,295	324,232	15,063
School Administration	5,660	5,409	251
Operation of Non-Instructional Services	171,484	163,871	7,613
Total Expenditures	516,439	493,512	22,927
Excess of Revenues Over (Under) Expenditures	(8,411)	(47,461)	(39,050)
Other Financing Sources (Uses):			
Advances In	30,523	26,800	(3,723)
Advances (Out)	(3)	(3)	0
Total Other Financing Sources (Uses)	30,520	26,797	(3,723)
Net Change in Fund Balance	22,109	(20,664)	(42,773)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$22,109	(\$20,664)	(\$42,773)

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Miscellaneous Federal Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$30,925	\$30,925	\$0
Total Revenues	30,925	30,925	0
Expenditures:			
Current:			
Instruction:			
Regular	4,759	4,759	0
Support Services:			
Instructional Staff	2,637	2,637	0
School Administration	386	386	0
Operation of Non-Instructional Services	16,935	16,935	0
Total Expenditures	24,717	24,717	0
Excess of Revenues Over (Under) Expenditures	6,208	6,208	0
Other Financing Sources (Uses):			
Advances (Out)	(6,208)	(6,208)	0
Total Other Financing Sources (Uses)	(6,208)	(6,208)	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Data Communication Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$18,000	\$18,000	\$0
Total Revenues	18,000	18,000	0
Expenditures:			
Current:			
Instruction:			
Regular	18,000	18,000	0
Total Expenditures	18,000	18,000	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Vocational Education Enhancement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$24,000	\$19,000	(\$5,000)
Total Revenues	24,000	19,000	(5,000)
Expenditures:			
Current:			
Instruction:			
Regular	7,725	7,725	0
Support Services:			
Pupil	2,250	2,250	0
Instructional Staff	9,025	9,025	0
Total Expenditures	19,000	19,000	0
Net Change in Fund Balance	5,000	0	(5,000)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$5,000	\$0	(\$5,000)

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Title I Supplemental School Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$51,630	\$51,450	(\$180)
Total Revenues	51,630	51,450	(180)
Expenditures:			
Current:			
Support Services:			
Instructional Staff	51,630	51,630	0
Total Expenditures	51,630	51,630	0
Net Change in Fund Balance	0	(180)	(180)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	(\$180)	(\$180)

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Student Wellness and Success Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Other	567,841	96,059	471,782
Support Services:			
Pupil	361,758	61,197	300,561
Instructional Staff	53,634	9,073	44,561
Total Expenditures	983,233	166,329	816,904
Net Change in Fund Balance	(983,233)	(166,329)	816,904
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,737,352	1,737,352	0
Fund Balance End of Year	\$754,119	\$1,571,023	\$816,904



Northwest Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2022

	ESSER Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$19,568,130	\$12,166,450	(\$7,401,680)
Total Revenues	19,568,130	12,166,450	(7,401,680)
Expenditures:			
Current:			
Instruction:			
Regular	4,397,909	3,634,652	763,257
Special	717,635	593,089	124,546
Other	1,034,112	854,642	179,470
Support Services:			
Pupil	1,200,000	991,740	208,260
Instructional Staff	3,965,347	3,277,161	688,186
School Administration	96,749	79,958	16,791
Fiscal	1,452	1,200	252
Operations and Maintenance	965,729	798,127	167,602
Pupil Transportation	662,184	547,262	114,922
Operation of Non-Instructional Services	24,020	19,851	4,169
Capital Outlay	4,807,497	3,973,156	834,341
Total Expenditures	17,872,634	14,770,838	3,101,796
Excess of Revenues Over (Under) Expenditures	1,695,496	(2,604,388)	(4,299,884)
Other Financing Sources (Uses):			
Advances In	431,625	268,362	(163,263)
Advances (Out)	(112,258)	(92,776)	19,482
Total Other Financing Sources (Uses)	319,367	175,586	(143,781)
Net Change in Fund Balance	2,014,863	(2,428,802)	(4,443,665)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$2,014,863	(\$2,428,802)	(\$4,443,665)

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Coronavirus Relief Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$18,797	\$18,797	\$0
Total Revenues	18,797	18,797	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	18,797	18,797	0
Total Expenditures	18,797	18,797	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Student Activity Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$113,312	\$64,703	(\$48,609)
Other Revenues	46,880	26,769	(20,111)
Total Revenues	<u>160,192</u>	<u>91,472</u>	<u>(68,720)</u>
Expenditures:			
Current:			
Instruction:			
Special	144	121	23
Support Services:			
Extracurricular Activities	101,712	85,551	16,161
Total Expenditures	<u>101,856</u>	<u>85,672</u>	<u>16,184</u>
Excess of Revenues Over (Under) Expenditures	<u>58,336</u>	<u>5,800</u>	<u>(52,536)</u>
Net Change in Fund Balance	58,336	5,800	(52,536)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>100,876</u>	<u>100,876</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$159,212</u></u>	<u><u>\$106,676</u></u>	<u><u>(\$52,536)</u></u>

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Title IV Part A Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$279,777	\$258,074	(\$21,703)
Total Revenues	<u>279,777</u>	<u>258,074</u>	<u>(21,703)</u>
Expenditures:			
Current:			
Instruction:			
Regular	150,054	144,165	5,889
Support Services:			
Pupil	33,461	32,148	1,313
Instructional Staff	12,696	12,198	498
Operation of Non-Instructional Services	<u>76,042</u>	<u>73,058</u>	<u>2,984</u>
Total Expenditures	<u>272,253</u>	<u>261,569</u>	<u>10,684</u>
Net Change in Fund Balance	7,524	(3,495)	(11,019)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$7,524</u>	<u>(\$3,495)</u>	<u>(\$11,019)</u>

## **NONMAJOR DEBT SERVICE FUND**

### **Fund Description**

**Debt Service Fund** - To account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The debt service fund should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in the debt service fund. The Balance Sheet and Statement of Revenues, Expenditure and Changes in Fund Balances are included in the Non Major Governmental Fund combining financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$279,021	\$5,479,583	\$5,200,562
Intergovernmental	16,304	320,184	303,880
Other Revenues	78	1,533	1,455
Total Revenues	<u>295,403</u>	<u>5,801,300</u>	<u>5,505,897</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	74,199	74,199	0
Debt Service:			
Principal Retirement	<u>5,703,904</u>	<u>5,703,904</u>	<u>0</u>
Total Expenditures	<u>5,778,103</u>	<u>5,778,103</u>	<u>0</u>
Net Change in Fund Balance	(5,482,700)	23,197	5,505,897
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>7,398,547</u>	<u>7,398,547</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,915,847</u>	<u>\$7,421,744</u>	<u>\$5,505,897</u>

## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Descriptions**

**Permanent Improvement** - To account for all transactions related to the acquiring, constructing, or improving of the infrastructure of buildings and grounds through permanent improvements.

**Building** - The Building Fund is used to account for all transactions related to all special bond funds in the School District. Proceeds from the issuance of bonds are paid into this fund.

Northwest Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2022

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$5,588,367	\$3,152,892	\$8,741,259
Restricted Cash and Investments	0	1,896	1,896
Receivables (Net):			
Taxes	3,149,549	0	3,149,549
Interest	0	1,351	1,351
<b>Total Assets</b>	<b>8,737,916</b>	<b>3,156,139</b>	<b>11,894,055</b>
Liabilities:			
Contracts Payable	6,001	96,466	102,467
Retainage Payable	0	1,896	1,896
<b>Total Liabilities</b>	<b>6,001</b>	<b>98,362</b>	<b>104,363</b>
Deferred Inflows of Resources:			
Property Taxes	1,799,549	0	1,799,549
Investments	0	1,163	1,163
<b>Total Deferred Inflows of Resources</b>	<b>1,799,549</b>	<b>1,163</b>	<b>1,800,712</b>
Fund Balances:			
Restricted	0	3,056,614	3,056,614
Committed	6,932,366	0	6,932,366
<b>Total Fund Balances</b>	<b>6,932,366</b>	<b>3,056,614</b>	<b>9,988,980</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$8,737,916</b>	<b>\$3,156,139</b>	<b>\$11,894,055</b>



Northwest Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2022

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Property and Other Taxes	\$3,054,624	\$0	\$3,054,624
Investment Earnings	0	(22,138)	(22,138)
Intergovernmental	406,935	0	406,935
Other Revenues	297,794	232,620	530,414
<b>Total Revenues</b>	<b>3,759,353</b>	<b>210,482</b>	<b>3,969,835</b>
Expenditures:			
Current:			
Instruction:			
Regular	832,665	0	832,665
Support Services:			
Fiscal	41,764	3,162	44,926
Pupil Transportation	474,608	0	474,608
Capital Outlay	1,265,353	98,362	1,363,715
Debt Service:			
Principal Retirement	735,000	0	735,000
Interest and Fiscal Charges	59,029	0	59,029
<b>Total Expenditures</b>	<b>3,408,419</b>	<b>101,524</b>	<b>3,509,943</b>
Net Change in Fund Balance	350,934	108,958	459,892
Fund Balance - Beginning of Year	6,581,432	2,947,656	9,529,088
Fund Balance - End of Year	\$6,932,366	\$3,056,614	\$9,988,980

Northwest Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2022

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$229,892	\$3,079,624	\$2,849,732
Intergovernmental	30,377	406,935	376,558
Other Revenues	11,154	149,423	138,269
<b>Total Revenues</b>	<b>271,423</b>	<b>3,635,982</b>	<b>3,364,559</b>
Expenditures:			
Current:			
Instruction:			
Regular	1,277,298	1,217,029	60,269
Support Services:			
Fiscal	43,833	41,765	2,068
Pupil Transportation	498,112	474,609	23,503
Capital Outlay	1,949,052	1,857,086	91,966
Debt Service:			
Principal Retirement	794,029	794,029	0
<b>Total Expenditures</b>	<b>4,601,646</b>	<b>4,384,518</b>	<b>217,128</b>
Excess of Revenues Over (Under) Expenditures	(4,330,223)	(748,536)	3,581,687
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	11,076	148,371	137,295
<b>Total Other Financing Sources (Uses)</b>	<b>11,076</b>	<b>148,371</b>	<b>137,295</b>
Net Change in Fund Balance	(4,319,147)	(600,165)	3,718,982
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,610,872	5,610,872	0
<b>Fund Balance End of Year</b>	<b>\$1,291,725</b>	<b>\$5,010,707</b>	<b>\$3,718,982</b>

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$906	\$8,259	\$7,353
Other Revenues	4,094	37,320	33,226
Total Revenues	5,000	45,579	40,579
Expenditures:			
Current:			
Support Services:			
Fiscal	3,341	3,162	179
Capital Outlay	459,169	434,517	24,652
Total Expenditures	462,510	437,679	24,831
Net Change in Fund Balance	(457,510)	(392,100)	65,410
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,247,256	3,247,256	0
Fund Balance End of Year	\$2,789,746	\$2,855,156	\$65,410

## **NONMAJOR PERMANENT FUND**

### **Fund Description**

**Endowment** - To account for and report the financial resources that are restricted. Only the income earned can be used for specific purposes.

The School District has only one nonmajor permanent fund for the current fiscal year. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Combining Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Endowment Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,034	\$1,046	\$12
Gifts and Donations	2,966	3,000	34
Total Revenues	4,000	4,046	46
Expenditures:			
Current:			
Extracurricular Activities	42,000	21,000	21,000
Total Expenditures	42,000	21,000	21,000
Net Change in Fund Balance	(38,000)	(16,954)	21,046
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	190,557	190,557	0
Fund Balance End of Year	\$152,557	\$173,603	\$21,046

## **OTHER GENERAL FUNDS**

With the implementation of GASB Statement No. 54, certain funds that the School District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The School District has only presented the budget schedules for these funds.

### **Fund Descriptions**

**Uniform School Supplies** - To account for and report the purchase and sale of school supplies, such as workbooks, adopted by the Board of Education.

**Public School Support** - To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs. This fund is only presented for budgetary purposes.

**Severance** - A fund in which cash may be accumulated for paying termination benefits or for paying salaries when the number of pay periods exceeds the usual and customary for a year

Northwest Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2022

	Uniform School Supplies Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$168,754	\$200,626	\$31,872
Other Revenues	84	100	16
Total Revenues	<u>168,838</u>	<u>200,726</u>	<u>31,888</u>
Expenditures:			
Current:			
Instruction:			
Regular	326,836	309,646	17,190
Special	7,416	7,026	390
Total Expenditures	<u>334,252</u>	<u>316,672</u>	<u>17,580</u>
Excess of Revenues Over (Under) Expenditures	<u>(165,414)</u>	<u>(115,946)</u>	<u>49,468</u>
Other Financing Sources (Uses):			
Transfers In	25,162	29,914	4,752
Total Other Financing Sources (Uses)	<u>25,162</u>	<u>29,914</u>	<u>4,752</u>
Net Change in Fund Balance	(140,252)	(86,032)	54,220
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>501,419</u>	<u>501,419</u>	<u>0</u>
Fund Balance End of Year	<u>\$361,167</u>	<u>\$415,387</u>	<u>\$54,220</u>

(1) - This fund is included in General Fund in GAAP Statements but not for Budgetary Statements

Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Public School Support Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$2,793	\$2,215	(\$578)
Other Revenues	61,616	48,860	(12,756)
Total Revenues	64,409	51,075	(13,334)
Expenditures:			
Current:			
Instruction:			
Regular	45,251	25,621	19,630
Special	8,290	4,694	3,596
Support Services:			
Pupil	6,044	3,422	2,622
Instructional Staff	16,475	9,328	7,147
School Administration	883	500	383
Business	463	262	201
Operations and Maintenance	1,160	657	503
Operation of Non-Instructional Services	12,881	7,293	5,588
Total Expenditures	91,447	51,777	39,670
Net Change in Fund Balance	(27,038)	(702)	26,336
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	131,665	131,665	0
Fund Balance End of Year	\$104,627	\$130,963	\$26,336

(1) - This fund is included in General Fund in GAAP Statements but not for Budgetary Statements



Northwest Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2022

	Severance Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$309,265	\$312,157	\$2,892
Total Revenues	309,265	312,157	2,892
Expenditures:			
Current:			
Instruction:			
Regular	315,702	289,436	26,266
Special	65,026	59,616	5,410
Support Services:			
Pupil	106,345	97,497	8,848
Instructional Staff	26,346	24,154	2,192
School Administration	130,143	119,315	10,828
Fiscal	32,166	29,490	2,676
Operation of Non-Instructional Services	52,635	48,256	4,379
Total Expenditures	728,363	667,764	60,599
Excess of Revenues Over (Under) Expenditures	(419,098)	(355,607)	63,491
Other Financing Sources (Uses):			
Transfers In	990,735	1,000,000	9,265
Total Other Financing Sources (Uses)	990,735	1,000,000	9,265
Net Change in Fund Balance	571,637	644,393	72,756
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$571,637	\$644,393	\$72,756

(1) - This fund is included in General Fund in GAAP Statements but not for Budgetary Statements

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# ***STATISTICAL SECTION***

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## STATISTICAL SECTION NARRATIVE

This part of the School District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

### Contents

**Financial Trends** - These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.

**Revenue Capacity** - These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax.

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

**Economic and Demographic Information** - These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

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

**Sources** - Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Northwest Local School District  
 Net Position by Component  
 Last Ten Fiscal Years  
 Schedule 1

	2013	2014 (1)	2015	2016
Governmental activities				
Invested in capital assets, Net of related debt	\$4,508,984	\$5,508,604	\$8,822,606	\$7,242,252
Restricted/Endowment	4,053,067	4,587,670	3,612,634	11,483,201
Unrestricted	37,810,222	(70,671,546)	(62,206,286)	(65,441,784)
Total Net Position	<u>\$46,372,273</u>	<u>(\$60,575,272)</u>	<u>(\$49,771,046)</u>	<u>(\$46,716,331)</u>

(1) Implemented GASB 68 in fiscal year 2015 and 2014 was restated.

(2) Implemented GASB 75 in fiscal year 2018 and 2017 was restated.

(3) Implemented GASB 84 in fiscal year 2021 and 2020 was restated.

Source: School District Records

2017 (2)	2018	2019	2020 (3)	2021	2022
\$10,789,591	\$12,179,024	\$18,776,515	\$17,888,547	\$21,195,358	\$22,439,785
22,153,651	24,156,927	19,755,504	16,555,691	16,728,729	19,967,062
<u>(109,469,400)</u>	<u>(65,390,143)</u>	<u>(65,676,966)</u>	<u>(82,086,627)</u>	<u>(58,907,506)</u>	<u>(41,914,908)</u>
<u>(\$76,526,158)</u>	<u>(\$29,054,192)</u>	<u>(\$27,144,947)</u>	<u>(\$47,642,389)</u>	<u>(\$20,983,419)</u>	<u>\$491,939</u>

Northwest Local School District  
Expenses, Program Revenues and Net (Expense)/Revenue  
Last Ten Fiscal Years  
Schedule 2

	2013	2014 (1)	2015	2016
<b>Expenses</b>				
<b>Governmental Activities:</b>				
Instruction	\$50,043,505	\$54,525,320	\$55,737,691	\$58,190,257
Pupil	5,409,943	5,317,452	5,570,842	5,527,800
Instructional Staff	6,128,612	2,291,903	3,286,238	2,977,984
General Administration	106,612	62,669	123,176	144,646
School Administration	5,879,145	5,819,121	5,504,484	6,366,536
Fiscal	2,059,500	1,905,673	1,849,298	1,900,112
Business	413,910	516,401	423,051	264,876
Operation and Maintenance	7,467,985	6,901,372	7,085,017	6,532,591
Pupil Transportation	5,020,887	6,156,186	5,805,654	5,175,348
Central	1,651,136	1,301,675	1,312,068	1,257,223
Operation of Non-instructional Services	7,467,942	6,588,168	7,822,810	7,252,128
Extracurricular Activities	1,900,451	1,932,463	1,730,914	1,677,146
Interest and Fiscal Charges	1,237,982	1,045,993	949,047	2,206,248
Issuance Costs	0	0	0	606,306
<b>Total Government Expenses</b>	<b>94,787,610</b>	<b>94,364,396</b>	<b>97,200,290</b>	<b>100,079,201</b>
<b>Program Revenues</b>				
<b>Governmental Activities:</b>				
<b>Charges for Services</b>				
Instruction	1,709,059	1,294,081	2,116,708	1,563,368
Pupil	387,550	360,622	378,621	130,373
Instructional Staff	0	0	0	65,553
General Administration	0	0	0	3,566
School Administration	0	0	0	138,386
Fiscal	0	0	0	42,824
Business	0	0	0	6,323
Operation and Maintenance	856,200	901,593	909,130	146,998
Pupil Transportation	28,494	53,118	34,032	230,065
Central	0	0	0	30,018
Operation of Non-instructional Services	1,338,206	1,222,728	1,192,773	1,304,822
Extracurricular Activities	604,704	411,576	379,183	393,410
Operating Grants and Contributions	10,694,778	14,148,185	15,624,474	15,675,545
Capital Grants and Contributions	0	0	0	686,733
<b>Total Government Revenues</b>	<b>15,618,991</b>	<b>18,391,903</b>	<b>20,634,921</b>	<b>20,417,984</b>
<b>Net (Expense)/Revenue</b>				
<b>Total Government Net Expense</b>	<b>(\$79,168,619)</b>	<b>(\$75,972,493)</b>	<b>(\$76,565,369)</b>	<b>(\$79,661,217)</b>

(1) Implemented GASB 68 in fiscal year 2015 and 2014 was restated.

(2) Implemented GASB 75 in fiscal year 2018 and 2017 was restated.

(3) Implemented GASB 84 in fiscal year 2021 and 2020 was restated.

Source: School District Records



2017 (2)	2018	2019	2020 (3)	2021	2022
\$64,489,519	\$33,527,375	\$62,456,841	\$75,933,264	\$74,033,042	\$62,445,980
6,302,836	4,570,172	9,052,837	10,858,140	12,954,945	13,120,487
2,959,011	1,159,708	2,454,682	3,097,669	3,698,490	6,523,595
151,755	61,322	34,029	85,711	38,983	40,428
7,653,534	2,788,600	4,634,854	6,761,185	6,694,213	6,955,101
2,105,865	1,427,896	1,773,162	2,232,053	2,268,937	2,632,063
330,482	143,576	344,648	413,548	400,465	343,453
7,330,410	5,084,771	7,465,266	7,141,418	8,517,653	7,143,962
6,147,488	4,175,383	7,455,495	7,005,998	6,583,926	6,995,047
1,506,627	708,518	1,161,064	1,486,259	1,290,273	768,222
8,054,834	5,331,880	8,242,009	8,185,400	8,936,217	6,917,575
2,013,256	1,810,283	2,016,145	2,342,008	2,129,448	2,420,276
3,593,583	3,592,491	3,537,551	3,509,356	2,835,736	2,680,609
0	0	0	0	0	0
<u>112,639,200</u>	<u>64,381,975</u>	<u>110,628,583</u>	<u>129,052,009</u>	<u>130,382,328</u>	<u>118,986,798</u>
4,649,028	2,749,983	1,642,983	1,978,109	1,986,054	2,378,634
195,652	253,120	0	0	0	0
81,982	84,753	0	0	0	0
5,073	3,198	0	0	0	0
230,318	256,973	114,930	89,439	189,584	215,162
64,208	78,115	0	0	0	0
10,976	12,681	0	0	0	0
235,858	272,563	652,154	677,593	640,460	642,233
289,135	341,133	105,840	67,599	46,162	78,330
50,207	61,673	0	0	0	0
1,254,152	1,243,517	1,050,007	637,982	148,703	250,948
669,947	670,206	588,706	486,534	307,413	583,418
16,676,393	16,380,808	17,206,958	20,648,425	28,156,595	34,948,663
827,195	700,924	0	0	0	0
<u>25,240,124</u>	<u>23,109,647</u>	<u>21,361,578</u>	<u>24,585,681</u>	<u>31,474,971</u>	<u>39,097,388</u>
<u>(\$87,399,076)</u>	<u>(\$41,272,328)</u>	<u>(\$89,267,005)</u>	<u>(\$104,466,328)</u>	<u>(\$98,907,357)</u>	<u>(\$79,889,410)</u>

Northwest Local School District  
 General Revenues and Total Change in Net Position  
 Last Ten Fiscal Years  
 Schedule 3

	2013	2014 (1)	2015	2016
Net (Expense)/Revenue				
Total Government Net Expense	(\$79,168,619)	(\$75,972,493)	(\$76,565,369)	(\$79,661,217)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied for				
General Purposes	43,920,672	46,152,421	44,020,483	37,571,044
Debt Service	1,725,996	1,777,796	1,668,331	5,112,378
Capital Projects	2,544,368	2,615,606	2,452,865	2,311,390
Grants and Entitlements not Restricted	32,831,800	33,547,912	34,089,574	32,581,232
Payment in Lieu of Taxes	3,464,114	3,710,151	3,881,320	3,635,600
Unrestricted Contributions	167,983	155,139	255,556	114,020
Gain on Sale of Assets	0	0	0	758
Investment Earnings	(20,926)	312,279	242,400	584,226
Other Revenues	1,038,253	178,587	759,066	805,284
Total Government Activities	<u>85,672,260</u>	<u>88,449,891</u>	<u>87,369,595</u>	<u>82,715,932</u>
Change in Net Position	<u>\$6,503,641</u>	<u>\$12,477,398</u>	<u>\$10,804,226</u>	<u>\$3,054,715</u>

(1) Implemented GASB 68 in fiscal year 2015 and 2014 was restated.

(2) Implemented GASB 75 in fiscal year 2018 and 2017 was restated.

(3) Implemented GASB 84 in fiscal year 2021 and 2020 was restated.

Source: School District Records

2017 (2)	2018	2019	2020 (3)	2021	2022
(\$87,399,076)	(\$41,272,328)	(\$89,267,005)	(\$104,466,328)	(\$98,907,357)	(\$79,889,410)
45,511,477	42,740,419	42,619,923	38,176,465	74,596,902	56,222,786
6,070,206	5,658,589	5,073,962	3,491,864	7,204,350	5,365,236
2,381,592	2,664,663	2,661,587	1,902,655	3,978,930	3,071,590
31,749,577	32,377,875	33,660,593	31,992,989	33,377,182	30,211,386
3,399,242	3,947,558	4,181,074	4,368,521	4,564,937	5,004,803
156	0	181,615	156,492	240,057	163,103
5,112	57,835	0	0	0	0
84,652	510,473	1,703,503	1,434,809	171,697	(913,738)
571,280	786,882	1,967,967	1,571,117	1,432,272	2,239,602
89,773,294	88,744,294	92,050,224	83,094,912	125,566,327	101,364,768
\$2,374,218	\$47,471,966	\$2,783,219	(\$21,371,416)	\$26,658,970	\$21,475,358

Northwest Local School District  
 Governmental Funds - Fund Balances  
 Last Ten Fiscal Years  
 Schedule 4

	2013	2014	2015	2016
<b>General Fund</b>				
Committed	\$11,000	\$11,000	\$11,000	\$400,062
Assigned	931,943	527,033	458,064	8,832,585
Unassigned	30,882,889	42,201,249	50,374,983	39,592,115
<b>Total General Fund</b>	<u>31,825,832</u>	<u>42,739,282</u>	<u>50,844,047</u>	<u>48,824,762</u>
<b>All Other Governmental Funds</b>				
Nonspendable	79,000	79,000	146,298	79,000
Restricted	7,014,383	3,806,387	3,046,376	86,994,707
Committed	7,461,026	7,947,551	5,706,281	3,445,759
Unassigned (Deficit)	(491,050)	(123,256)	(281,172)	(255,273)
<b>Total all Other Governmental Funds</b>	<u>\$14,063,359</u>	<u>\$11,709,682</u>	<u>\$8,617,783</u>	<u>\$90,264,193</u>

(1) Implemented GASB 84 in fiscal year 2021 and 2020 was restated.

Source: School District Records

2017	2018	2019	2020 (1)	2021	2022
\$194,149	\$240,030	\$0	\$0	\$0	\$0
7,799,073	5,849,671	5,200,927	279,335	735,074	3,077,001
33,985,931	34,986,166	29,299,244	21,454,425	48,117,387	48,437,366
<u>41,979,153</u>	<u>41,075,867</u>	<u>34,500,171</u>	<u>21,733,760</u>	<u>48,852,461</u>	<u>51,514,367</u>
79,000	79,000	79,000	79,000	79,000	79,000
84,013,301	29,376,031	15,510,112	14,423,617	6,803,858	19,874,058
4,076,403	4,580,642	4,911,262	4,350,582	6,581,432	6,932,366
(349,355)	(269,321)	(326,470)	(335,935)	(1,414,839)	(2,506,535)
<u>\$87,819,349</u>	<u>\$33,766,352</u>	<u>\$20,173,904</u>	<u>\$18,517,264</u>	<u>\$12,049,451</u>	<u>\$24,378,889</u>

Northwest Local School District  
 Governmental Funds - Expenditures and Debt Service Ratio  
 Last Ten Fiscal Years  
 Schedule 6

	2013	2014	2015	2016
Expenditures				
Instruction	\$49,540,643	\$54,153,033	\$57,710,898	\$56,737,953
Pupil	5,445,195	5,422,641	5,640,673	5,634,276
Instructional Staff	6,131,354	2,324,603	3,429,009	3,067,267
General Administration	106,610	62,676	123,828	144,657
School Administration	5,797,858	5,673,717	5,875,866	6,320,105
Fiscal	2,061,788	1,862,236	1,925,220	1,905,630
Business	430,116	435,194	421,010	310,861
Operation and Maintenance	7,260,093	6,892,569	7,087,307	6,604,914
Pupil Transportation	5,278,539	5,559,199	5,707,840	5,081,954
Central	1,602,071	1,335,845	1,345,689	1,301,175
Operation of Non-instructional Services	7,425,550	6,513,109	7,837,697	7,348,485
Extracurricular Activities	1,907,581	1,888,006	1,789,058	1,691,507
Capital Outlay	7,621,167	3,096,775	2,325,834	4,753,358
Debt Service				
Principal	1,155,000	1,875,000	1,890,000	2,190,307
Interest and Fiscal Charges	1,046,827	1,001,369	1,011,744	2,085,055
Issuance Costs	0	0	0	606,306
Total Expenditures	<u>\$102,810,392</u>	<u>\$98,095,972</u>	<u>\$104,121,673</u>	<u>\$105,783,810</u>
Debt Service as a Percentage of Noncapital Expenditures	2.34%	3.05%	2.88%	3.71%

(1) Implemented GASB 84 in fiscal year 2021 and 2020 was restated.

Source: School District Records

2017	2018	2019	2020 (1)	2021	2022
\$59,780,478	\$61,622,025	\$65,802,854	\$67,991,699	\$67,310,053	\$68,243,841
6,090,776	6,212,281	9,389,788	9,649,041	13,003,387	14,056,654
2,773,811	2,418,517	2,805,638	2,951,398	3,459,054	6,842,708
151,750	73,439	42,682	82,546	36,004	46,164
7,027,336	6,991,218	5,913,374	5,937,491	6,149,118	7,243,805
1,982,531	1,951,729	1,883,901	2,048,215	2,141,886	2,340,996
307,024	312,124	375,973	369,624	378,353	357,908
6,951,805	6,676,528	7,762,126	6,674,027	8,060,010	7,421,841
5,392,819	5,743,018	6,590,044	5,715,926	5,290,816	6,053,220
1,370,815	1,438,593	1,353,992	1,339,284	1,185,649	922,328
7,739,142	6,626,409	8,380,666	7,699,468	8,456,890	6,974,497
1,924,321	2,173,351	2,139,821	2,013,453	1,851,526	2,490,617
15,688,400	58,429,307	14,504,657	1,279,930	3,377,911	4,271,104
2,902,822	2,943,494	2,936,404	3,092,586	3,500,837	3,833,324
3,842,089	3,840,765	3,789,015	3,451,300	3,014,141	2,849,168
0	0	0	301,808	0	0
<u>\$123,925,919</u>	<u>\$167,452,798</u>	<u>\$133,670,935</u>	<u>\$120,597,796</u>	<u>\$127,215,635</u>	<u>\$133,948,175</u>
6.23%	6.22%	5.66%	5.50%	5.30%	5.12%

Northwest Local School District  
 Governmental Funds - Other Financing Sources and Uses and Net Change in Fund Balances  
 Last Ten Fiscal Years  
 Schedule 7

	2013	2014	2015	2016
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	\$2,850	\$0	\$0	\$758
Issuance Of Leases	0	0	0	178,866
Payments to Refunded Bonds Escrow Agent	0	0	0	(8,913,295)
Proceeds of Refunding Bonds	0	0	0	8,655,000
Bonds Issued	11,890,000	0	0	76,000,000
Premium on Bonds Issued	130,617	0	0	6,065,062
Transfers in	60,000	60,000	60,000	60,000
Transfers out	(60,000)	(60,000)	(60,000)	(60,000)
Total Other Financing Sources (Uses)	<u>12,023,467</u>	<u>0</u>	<u>0</u>	<u>81,986,391</u>
Net Change in Fund Balances	<u>\$10,982,575</u>	<u>\$8,559,773</u>	<u>\$5,012,866</u>	<u>\$79,627,125</u>

Source: School District Records



2017	2018	2019	2020	2021	2022
\$5,112	\$57,835	\$48,504	\$59,971	\$297,589	\$58,918
0	566,962	0	0	0	521,959
0	0	0	(32,374,276)	0	0
0	0	0	28,665,000	0	0
0	0	0	0	0	0
0	0	0	4,011,084	0	0
10,060,000	60,000	60,000	60,000	60,000	60,000
(10,060,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
5,112	624,797	48,504	361,779	297,589	580,877
(\$9,290,453)	(\$54,956,283)	(\$20,168,144)	(\$14,423,051)	\$30,534,433	\$5,107,799

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Northwest Local School District  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Calendar Years  
 Schedule 8

Collection Year	Assessed Value (1)		Assessed Value (a)	Total	
	Real Property	Public Utilities Personal		Estimated Actual Value	Direct Rate
2012	\$1,434,832,940	\$40,743,160	\$1,475,576,100	\$4,914,385,886	59.57
2013	1,434,689,580	44,188,630	1,478,878,210	4,982,885,686	59.57
2014	1,384,139,410	47,404,440	1,431,543,850	4,902,772,829	59.57
2015	1,387,706,210	49,276,380	1,436,982,590	4,950,402,486	58.87
2016	1,407,201,070	50,549,360	1,457,750,430	5,031,561,686	58.87
2017	1,454,214,410	53,811,960	1,508,026,370	5,231,137,514	58.48
2018	1,459,216,850	58,160,700	1,517,377,550	4,227,351,700	58.48
2019	1,460,147,060	60,909,390	1,521,056,450	4,232,758,133	65.35
2020	1,676,605,620	65,502,930	1,742,108,550	4,855,804,701	63.96
2021	1,675,904,760	69,474,360	1,745,379,120	4,857,773,674	63.96

(1) Assessed values shown in this schedule will not agree to amounts in the notes to the financial statements, since the schedules are shown on a calendar year basis, which is consistent with the method county auditors maintain this

Note:

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

Source: Hamilton County Auditor

Northwest Local School District  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 9

Calendar Year	District Direct Rates			Overlapping Rates				
	General Purpose	Debt	Total	Butler Tech	Cincinnati-Hamilton Library	Hamilton County Parks	Metro Parks of Butler Co	Hamilton County
2011	52.92	1.30	54.22	1.93	1.00	1.03	0.50	19.03
2012	58.21	1.36	59.57	1.93	1.00	1.03	0.50	19.03
2013	58.21	1.36	59.57	1.93	1.00	1.03	0.50	19.03
2014	58.21	1.36	59.57	1.93	1.00	1.03	0.50	18.85
2015	54.69	4.18	58.87	1.93	1.00	1.03	0.50	18.85
2016	54.80	4.07	58.87	1.93	1.00	1.03	0.50	18.85
2017	54.58	3.90	58.48	1.93	1.00	1.03	0.70	18.85
2018	54.58	3.90	58.48	1.93	1.00	1.03	0.70	19.16
2019	62.01	3.34	65.35	1.93	2.00	1.03	0.70	21.14
2020	60.62	3.34	63.96	1.93	2.00	1.03	0.70	21.14
2021	60.74	3.22	63.96	1.93	2.00	1.03	0.70	20.90

Note:

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Source: Hamilton County Auditor

Overlapping Rates

Butler County	City of Fairfield	City of Forest Park	City of North College Hill	Colerain Township	Green Township	Springfield Township
9.72	5.94	11.08	6.68	18.26	11.71	22.80
9.72	5.94	11.08	6.68	18.26	11.71	22.80
9.72	5.94	11.08	6.68	18.26	11.71	23.80
9.72	5.94	11.08	11.58	18.26	11.71	23.80
9.72	5.94	11.08	11.58	20.21	14.66	23.80
9.72	5.94	16.83	11.58	20.21	14.66	23.80
9.72	8.44	16.83	11.58	20.21	14.66	23.80
9.72	8.44	16.83	14.78	20.21	14.66	23.80
9.72	8.44	16.83	14.78	20.21	14.66	23.80
9.72	8.44	16.83	14.78	20.21	14.66	23.80
7.30	8.44	16.83	23.58	23.21	14.66	28.80

Northwest Local School District  
Principal Property Tax Payers - Hamilton County  
Current Year and Nine Years Ago  
Schedule 10

Taxpayer	2021 (1)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Duke Energy Ohio Inc.	\$66,613,420	3.82%
TKG Colerain Town Center LLC	10,391,530	0.60%
Inland Stone Creek LLC	10,095,810	0.58%
Rumpke Sanitary Landfill INC	8,985,220	0.51%
T Northgate Mall LLC	7,290,270	0.42%
Mercy Hospitals West	6,181,780	0.35%
8403 Colerain Avenue LLC	5,508,250	0.32%
Meijer Stores Limited Partnership	4,650,450	0.27%
Northwest Woods LLC	3,918,000	0.22%
Lees Crossing LLC	3,755,460	0.22%
<b>Total Principal Taxpayers</b>	<b>127,390,190</b>	<b>7.31%</b>
All Other Taxpayers	1,617,988,930	92.69%
<b>Total All Taxpayers</b>	<b>\$1,745,379,120</b>	<b>100.00%</b>

Taxpayer	2012 (1)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Duke Energy Ohio Inc.	\$37,059,050	2.51%
Northgate Partners LLC	7,525,010	0.51%
KIR Colerain LLC	10,619,960	0.72%
Rumpke Sanitary Landfill INC	6,819,610	0.46%
8403 Colerain Avenue LLC	5,480,250	0.37%
Prospect Square LLC	4,234,410	0.29%
Proctor & Gamble Co.	3,987,360	0.27%
Lees Crossing LLC	3,776,840	0.26%
Ashley Woods Limited Partnership	3,661,900	0.25%
Northwest Woods LLC	3,563,690	0.24%
<b>Total Principal Taxpayers</b>	<b>86,728,080</b>	<b>5.88%</b>
All Other Taxpayers	1,388,848,020	94.12%
<b>Total All Taxpayers</b>	<b>\$1,475,576,100</b>	<b>100.00%</b>

Source: Hamilton County Auditor

(1) - Denotes calendar year

Northwest Local School District  
Property Tax Levies and Collections  
Last Ten Calendar Years  
Schedule 11

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected within the Calendar Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$58,895,102	\$55,041,653	93.46%	\$1,711,628	\$56,753,281	96.36%
2013	58,788,930	55,204,307	93.90%	1,583,887	56,788,194	96.60%
2014	58,269,300	54,983,676	94.36%	1,471,776	56,455,452	96.89%
2015	56,768,245	54,449,775	95.92%	1,174,641	55,624,416	97.99%
2016	57,899,911	55,104,909	95.17%	1,170,527	56,275,436	97.19%
2017	58,668,729	55,669,254	94.89%	1,223,242	56,892,496	96.97%
2018	58,054,754	55,312,153	95.28%	1,105,875	56,418,028	97.18%
2019	67,984,729	66,783,094	98.23%	1,194,157	67,977,251	99.99%
2020	70,786,081	69,234,138	97.81%	1,233,102	70,467,240	99.55%
2021	70,721,188	69,208,952	97.86%	1,226,802	70,435,754	99.60%

(1) Current levied and current tax collections do not include rollback and homestead amounts.

(2) The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

Source: Hamilton County Auditor

Northwest Local School District  
 Outstanding Debt by Type  
 Last Ten Fiscal Years  
 Schedule 12

Fiscal Year	General Obligation Bonds (1)	Less:	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita
		Restricted for Debt Service (2)			
2013	\$16,040,263	\$1,711,491	\$14,328,772	0.29%	\$192
2014	14,840,946	1,821,582	13,019,364	0.26%	175
2015	13,589,646	1,855,259	11,734,387	0.24%	158
2016	93,810,959	9,413,394	84,397,565	1.70%	1,124
2017	91,394,352	9,991,857	81,402,495	1.62%	1,084
2018	89,137,745	10,314,758	78,822,987	1.51%	1,050
2019	86,761,138	9,702,211	77,058,927	1.82%	1,027
2020	83,789,177	7,994,332	75,794,845	1.79%	1,010
2021	80,994,548	9,928,700	71,065,848	1.46%	947
2022	77,953,767	9,844,473	68,109,294	1.40%	1,082

(1) Does not include 2013 QZAB Bonds, 2013 Tax-Exempt Bonds and 2013 Certificates of Participation

(2) Amount from Statement of Net Position

(3) Personal Income information provided by Bureau of Economic Analysis, Regional Economic Accounts for Warren County

n/a - Information not available

Source: School District Records



Other Debt Obligations					
QZAB and Tax-Exempt Bonds	Notes Payable	Certificates of Participation	Total Outstanding Debt Obligations	Percentage of Personal Income (3)	Per Capita
\$5,419,586	\$0	\$6,594,770	\$28,054,619	0.07%	\$377
5,067,522	0	6,308,908	26,217,376	0.06%	352
4,715,458	0	5,978,046	24,283,150	0.06%	326
4,358,394	148,559	5,642,184	103,960,096	0.24%	1,385
4,001,330	115,737	5,301,322	100,812,741	0.23%	1,343
3,644,266	459,205	4,950,460	98,191,676	0.21%	1,308
3,287,202	367,801	4,594,598	95,010,739	0.19%	1,266
2,930,138	255,215	4,233,736	91,208,266	0.17%	1,215
2,568,074	139,378	3,862,874	87,564,874	n/a	1,166
2,206,010	20,196	3,482,012	83,661,985	n/a	1,329

Northwest Local School District  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2022  
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Butler County	\$21,895,520	0.03%	\$6,569
Hamilton County	141,120,000	7.76%	10,950,912
City of Fairfield	7,705,000	0.00%	0
City of Forest Park	7,116,000	9.23%	656,807
City of North College Hill	446,000	1.98%	8,831
Fairfield Township	2,670,000	0.47%	12,549
Springfield Township	5,478,000	13.00%	712,140
Subtotal Overlapping Debt	186,430,520		12,347,807
District Direct Debt	83,661,985	100.00%	83,661,985
Total Direct and Overlapping Debt	\$270,092,505		\$96,009,792

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government.

Source: Ohio Municipal Advisory Council

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Northwest Local School District  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 Schedule 14

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	2013	2014	2015	2016
Debt Limit	\$132,801,849	\$133,099,039	\$128,838,947	\$129,328,433
Total Net Debt Applicable to Limit (1)	<u>25,313,091</u>	<u>23,329,630</u>	<u>21,418,138</u>	<u>82,912,467</u>
Legal Debt Margin (1)	<u>\$107,488,758</u>	<u>\$109,769,409</u>	<u>\$107,420,809</u>	<u>\$46,415,966</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.06%	17.53%	16.62%	64.11%

(1) Source of information, Ohio Municipal Advisory Council (OMAC)

Legal Debt Margin Calculation for Current Fiscal Year

Assessed Value (1)	\$1,745,379,120
Debt Limit (9% of Assessed Value)	157,084,121
Debt Applicable to Limit (1)	70,995,000
Legal Debt Margin (1)	<u>\$86,089,121</u>

2017	2018	2019	2020	2021	2022
\$131,197,539	\$135,722,373	\$135,722,373	\$136,895,081	\$157,084,121	\$157,084,121
<u>79,848,975</u>	<u>77,165,234</u>	<u>84,780,000</u>	<u>77,295,000</u>	<u>74,275,000</u>	<u>70,995,000</u>
<u>\$51,348,564</u>	<u>\$58,557,139</u>	<u>\$50,942,373</u>	<u>\$59,600,081</u>	<u>\$82,809,121</u>	<u>\$86,089,121</u>
60.86%	56.86%	62.47%	56.46%	47.28%	45.20%

Northwest Local School District  
Demographic and Economic Statistics  
Last Ten Calendar Years  
Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2012	74,442	\$39,631,501	\$49,413	6.8%
2013	74,442	40,415,100	50,235	7.3%
2014	74,442	41,322,507	51,229	7.1%
2015	74,442	42,060,595	52,081	4.4%
2016	75,068	42,669,035	52,081	4.4%
2017	75,068	43,251,503	53,456	4.7%
2018	75,068	46,331,959	56,931	4.5%
2019	75,068	50,464,493	61,732	4.0%
2020	75,068	53,197,441	65,035	7.8%
2021	75,068	56,049,565	67,845	3.8%
2022	75,068	n/a	n/a	3.9%

Sources:

(1) Population estimates provided by U.S. Census Bureau

(2) Bureau of Economic Analysis Data. Information for Hamilton County

(3) State of Ohio Bureau of Employment Services Annual averages. Information for Hamilton County

(4) Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average (Not Seasonally Adjusted)

n/a - Information not available

Northwest Local School District  
 Major Employers  
 Calendar Years 2021 and 2012  
 Schedule 16

2021			
Major Employers	Type	Number of Employees	Employer's Percentage of Total Employment
The Kroger Co	Trade	18,000	0.81%
Children's Hospital Medical Center	Medical	16,478	0.74%
Tri-Health Inc	Serv	12,000	0.54%
St. Elizabeth Healthcare	Medical	10,282	0.46%
University of Cincinnati	Education	10,196	0.46%
UC Health	Medical	10,112	0.45%
The Procter and Gamble Co	Mfg	10,000	0.45%
General Electric	Mfg	9,000	0.40%
Mercy Health	Medical	7,700	0.34%
Fifth Third Bancorp	Fin	7,521	0.34%
Total		111,289	4.98%
Total Metropolitan Statistical Area		2,232,907	

2012			
Major Employers	Type	Number of Employees	Employer's Percentage of Total Population
The Kroger Co	Trade	21,000	1.00%
Cincinnati Children's Hospital	Medical	12,600	0.60%
Tri-Health Inc	Serv	10,400	0.50%
St. Elizabeth Healthcare	Medical	7,250	0.35%
University of Cincinnati	Education	15,500	0.74%
UC Health	Medical	8,670	0.41%
Procter & Gamble	Mfg	12,000	0.57%
General Electric	Mfg	7,500	0.36%
Mercy Health	Medical	8,940	0.43%
Fift Third Bancorp	Fin	7,200	0.34%
Total		111,060	5.29%
Total Metropolitan Statistical Area		2,100,000	

Source: City of Cincinnati Annual Comprehensive Financial Report for 2012 and 2021

Northwest Local School District  
 Full-Time Equivalent District Employees by Type  
 Last Ten Fiscal Years  
 Schedule 17

	2013	2014	2015	2016
<b>Office/Administration:</b>				
Administrative Assistant	0.0	0.0	0.0	1.0
Assistant, Deputy/Associate Superintendent	2.0	0.0	1.0	0.0
Assistant Principal	9.0	10.0	11.0	13.0
Principal	13.0	12.0	10.0	14.0
Superintendent	1.0	1.0	1.0	2.0
Supervisor/Manager	7.0	8.0	8.0	7.0
Treasurer	1.0	1.0	1.5	1.0
Coordinator	0.3	0.3	0.0	1.3
Education Administrative Specialist	6.0	7.0	8.0	13.0
Director	2.0	2.0	2.0	2.0
Other Official/Administrative	0.0	0.0	0.0	1.0
<b>Total Office/Administration</b>	<b>41.3</b>	<b>41.3</b>	<b>42.5</b>	<b>55.3</b>
<b>Professional Education:</b>				
Curriculum Specialist	5.5	5.0	5.5	4.5
Counseling	16.0	14.0	12.0	15.0
Librarian/Media	4.0	4.2	3.0	6.0
Remedial Specialist	3.0	2.0	0.0	8.0
Tutor/Small Group Instructor	0.0	0.0	104.7	111.0
Special Education Supplemental Service Teacher	40.0	36.0	31.5	29.9
Teacher Mentor/Evaluator	0.0	0.0	0.0	1.0
Teacher	452.1	446.1	440.6	464.5
Other Professional - Educational	4.5	8.5	20.5	29.0
<b>Total Professional Education</b>	<b>525.1</b>	<b>515.8</b>	<b>617.8</b>	<b>668.9</b>
<b>Professional - Other</b>				
Accounting	2.0	2.0	3.0	4.0
Dietitian/Nutritionist	1.0	1.0	1.0	2.0
Phycologist	0.0	0.0	0.0	0.0
Registered Nursing	2.0	2.0	2.0	2.0
Social Work	1.0	1.0	1.0	1.0
Speech and Language Therapist	1.0	0.0	0.0	0.0
Other Professional - Other	0.0	0.0	1.0	0.0
<b>Total Professional - Other</b>	<b>7.0</b>	<b>6.0</b>	<b>8.0</b>	<b>9.0</b>
<b>Technical</b>				
Computer Operating	5.0	6.0	6.0	6.0
Practical Nursing	14.8	13.0	14.4	16.5
Library Aide	7.7	6.9	6.0	6.0
Instructional Paraprofessional	31.6	33.2	37.9	38.4
Other Technical	3.0	2.0	3.0	3.0
<b>Total Technical</b>	<b>62.1</b>	<b>61.1</b>	<b>67.3</b>	<b>69.9</b>
<b>Office/Clerical</b>				
Bookkeeping	0.0	0.0	0.0	0.0
Clerical	56.4	57.7	58.7	61.7
Messenger	0.0	0.0	0.0	0.0
Teaching Aide	15.5	11.5	20.7	18.9
Telephone Operator	0.0	0.0	0.0	0.0
Parent Mentor	0.9	2.5	2.6	2.6
Other Office/Clerical	2.2	2.1	4.6	3.4
<b>Total Office/Clerical</b>	<b>75.0</b>	<b>73.8</b>	<b>86.6</b>	<b>86.6</b>



2017	2018	2019	2020	2021	2022
0.0	0.0	1.0	1.0	1.0	0.9
0.0	1.0	1.0	1.0	1.0	0.0
16.0	16.0	14.5	13.0	13.0	14.1
0.0	13.0	13.5	13.0	13.0	12.0
12.0	1.0	1.0	1.0	1.0	1.0
1.0	20.1	18.5	18.0	19.0	23.9
9.0	1.0	1.0	1.0	1.0	1.0
1.0	3.0	3.3	1.0	1.0	0.4
0.3	0.0	0.0	0.0	0.0	0.0
10.0	8.0	7.3	5.0	5.0	6.0
2.0	0.0	1.0	0.0	0.0	0.0
51.3	63.1	62.1	54.0	55.0	59.3
3.5	5.5	8.0	6.0	7.0	9
16.0	14.0	19.0	23.0	23.0	32
7.0	5.0	4.0	2.0	2.0	2
7.0	17.0	13.0	16.0	2.0	22.8
111.5	99.4	49.8	41.0	40.0	20.7
41.6	67.8	67.3	69.0	76.0	89.7
0.0	0.0	0.0	0.0	0.0	0
459.5	435.4	459.5	441.0	451.0	471
25.5	24.5	8.3	14.0	14.0	23.7
671.6	668.5	628.8	612.0	615.0	670.8
4.0	9.0	8.5	9.0	9.0	9.1
1.0	0.0	0.0	0.0	0.0	0
1.0	1.0	0.0	0.0	0.0	0
1.0	1.7	12.7	11.7	11.8	10.7
3.0	2.0	1.0	1.0	1.0	1
0.0	0.0	0.0	0.0	0.0	0
0.0	0.0	0.0	0.0	0.0	0
10.0	13.7	22.2	21.7	21.8	20.7
6.0	4.0	5.0	5.0	5.0	5
15.5	13.3	3.0	8.0	6.2	7.3
6.0	6.0	6.7	7.0	7.0	6.7
56.9	177.1	153.5	121.1	125.8	138.6
2.0	20.3	20.2	19.0	20.0	19.9
86.4	220.8	188.4	160.1	164.0	177.4
0.0	27.0	27.6	26.0	25.0	25.6
59.9	25.2	20.5	17.0	17.0	16.8
0.0	0.6	0.6	0.6	0.6	0.6
22.8	6.9	0.0	0.0	0.0	0
0.0	1.0	2.0	0.0	0.0	0
2.6	1.0	1.0	1.0	0.0	0
2.9	5.9	4.9	0.0	0.0	0
88.2	67.6	56.6	44.6	42.6	43.1

(Continued)

Northwest Local School District  
 Full-Time Equivalent District Employees by Type  
 Last Ten Fiscal Years  
 Schedule 17 (continued)

	2013	2014	2015	2016
<b>Crafts and Trades</b>				
Electrician	0.0	1.0	1.0	0.0
General Maintenance	9.0	8.0	6.0	7.0
Mechanic	5.0	5.0	6.0	7.0
Plumbing	1.0	1.0	1.0	1.0
Foreman	4.0	4.0	5.0	5.0
Other Crafts and Trades	0.0	1.0	2.0	1.0
<b>Total Crafts and Trades</b>	<b>19.0</b>	<b>20.0</b>	<b>21.0</b>	<b>21.0</b>
<b>Transportation</b>				
Vehicle Operating (buses)	48.1	52.6	57.2	56.1
Vehicle Operating (other than buses)	2.0	1.4	1.4	3.0
<b>Total Transportation</b>	<b>50.1</b>	<b>54.0</b>	<b>58.6</b>	<b>59.1</b>
<b>Service Worker/Laborer</b>				
Attendance Officer	1.7	1.7	1.7	2.9
Custodian	43.5	43.0	47.0	49.0
Food Service	59.7	60.8	61.8	64.9
Guard/Watchman	0.0	0.0	0.0	0.0
Monitoring	12.6	8.5	11.2	11.9
Attendant	71.6	76.2	101.2	106.8
<b>Total Service Worker/Laborer</b>	<b>189.1</b>	<b>190.2</b>	<b>222.9</b>	<b>235.5</b>
<b>Total Employees</b>	<b>968.7</b>	<b>962.2</b>	<b>1,124.7</b>	<b>1,205.3</b>

Source: School District records

2017	2018	2019	2020	2021	2022
0.0	0.0	0.0	0.0	0.0	0
6.0	11.0	8.0	7.0	7.0	7
6.0	5.0	4.7	4.0	4.0	1.9
1.0	1.0	0.0	0.0	0.0	0
5.3	12.1	11.0	10.3	11.0	11.6
1.0	0.0	0.0	0.0	0.0	0
<u>19.3</u>	<u>29.1</u>	<u>23.7</u>	<u>21.3</u>	<u>22.0</u>	20.4
57.5	60.5	4.3	4.0	4.5	50.6
3.0	5.5	51.3	50.7	50.3	4.2
<u>60.5</u>	<u>66.1</u>	<u>55.6</u>	<u>54.7</u>	<u>54.8</u>	<u>54.8</u>
3.5	0.0	0.0	0.0	0.0	0
47.5	35.9	38.8	37.0	35.9	35.5
62.6	70.8	59.7	46.0	51.5	54.8
0.0	0.0	0.5	1.5	2.0	2
13.3	7.6	0.6	0.0	0.0	0
117.9	21.5	9.6	9.0	9.3	7.3
<u>244.8</u>	<u>135.7</u>	<u>109.1</u>	<u>93.5</u>	<u>98.7</u>	<u>99.5</u>
<u>1,232.1</u>	<u>1,264.5</u>	<u>1,146.6</u>	<u>1,061.9</u>	<u>1,073.9</u>	<u>1,146.1</u>

Northwest Local School District  
 Operating Statistics  
 Last Ten Fiscal Years  
 Schedule 18

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Fiscal Year	Enrollment	Operating Expenditure (1)	Cost Per Pupil (2)	Percentage Change	Expenses (3)
2013	9,252	\$92,987,398	\$10,051	1.97%	\$94,787,610
2014	9,279	92,122,828	9,928	-1.22%	94,364,396
2015	9,080	98,894,095	10,891	9.70%	97,200,290
2016	8,930	96,148,784	10,767	-1.14%	100,079,201
2017	8,723	101,492,608	11,635	8.06%	112,639,200
2018	8,805	102,239,232	11,611	-0.20%	64,381,975
2019	8,933	116,229,874	13,011	12.06%	111,502,557
2020	8,906	112,581,026	12,641	-2.85%	129,160,863
2021	8,251	117,322,746	14,219	12.48%	130,382,328
2022	8,479	122,994,579	14,506	2.02%	118,986,798

(1) Operating Expenditure is Total Expenditures minus Capital Outlay and Debt Service from Schedule 6

(2) Operating Expenditure by Enrollment

(3) Expenses are Total Expenses from Schedule 2

(4) Expenses by Enrollment

(5) Special Education Supplemental Service Teacher and Teacher Counts from Schedule 17

Source: School District records

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Cost Per Pupil (4)	Percentage Change	Teaching Staff (5)	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
\$10,245	1.38%	492.10	18.8	49.37%
10,170	-0.74%	482.10	19.2	49.00%
10,705	5.26%	472.10	19.2	45.00%
11,207	4.69%	495.40	18.0	52.00%
12,913	15.22%	501.10	17.4	54.00%
7,312	-43.37%	503.19	17.5	51.00%
12,482	70.71%	526.74	17.0	51.00%
14,503	16.19%	510.00	17.5	47.00%
15,802	8.96%	527.00	15.7	47.00%
14,033	-11.19%	560.70	15.1	40.55%

Northwest Local School District  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19

School	2013	2014	2015	2016
<b>Elementary</b>				
Colerain Elementary - 1923				
Square feet	84,934	84,934	84,934	84,934
Capacity (1)	850	850	850	850
Enrollment	861	899	942	944
Bevis Elementary - 1970				
Square feet	48,640	48,640	48,640	48,640
Capacity (1)	600	600	600	600
Enrollment	434	0	0	0
Houston Elementary - 1966				
Square feet	62,826	62,826	62,826	62,826
Capacity (1)	0	0	0	0
Enrollment	0	0	0	0
Monfort Heights Elementary - 2000				
Square feet	76,787	76,787	76,787	76,787
Capacity (1)	700	700	700	700
Enrollment	669	667	651	659
Pleasant Run Elementary - 1961				
Square feet	54,751	54,751	54,751	54,751
Capacity (1)	575	575	575	575
Enrollment	356	552	514	497
Struble Elementary - 1959				
Square feet	45,000	45,000	45,000	45,000
Capacity (1)	376	376	376	376
Enrollment	430	444	439	425
Taylor Elementary - 1960				
Square feet	56,262	56,262	56,262	56,262
Capacity (1)	525	525	525	525
Enrollment	463	631	575	571
Weigel Elementary - 1965				
Square feet	55,057	55,057	55,057	55,057
Capacity (1)	500	500	500	500
Enrollment	454	455	424	424
Welch Elementary - 1977				
Square feet	46,800	46,800	46,800	46,800
Capacity (1)	425	425	425	425
Enrollment	398	520	494	493

(1) Capacity considers many variables just as class size, federally required programs, and district-level programs thus may change accordingly

Source: School District records

2017	2018	2019	2020	2021	2022
84,934	84,934	84,934	84,934	84,934	84,934
850	850	850	850	850	850
904	945	616	618	577	570
48,640	48,640	48,640	48,640	48,640	48,640
600	600	600	600	600	600
0	0	0	0	0	0
62,826	62,826	62,826	62,826	62,826	62,826
0	0	0	0	0	0
0	0	0	0	0	0
76,787	76,787	76,787	76,787	76,787	76,787
700	700	700	700	700	700
671	699	639	586	538	503
54,751	54,751	102,423	102,423	102,423	102,423
575	575	1,180	1,180	1,180	1,180
462	500	879	852	836	898
45,000	45,000	102,423	102,423	102,423	102,423
376	376	1,180	1,180	1,180	1,180
429	420	957	937	870	842
56,262	56,262	102,423	102,423	102,423	102,423
525	525	1,180	1,180	1,180	1,180
562	564	890	891	826	803
55,057	55,057	55,057	55,057	55,057	55,057
500	500	500	500	500	500
450	453	0	0	0	0
46,800	46,800	0	0	0	0
425	425	0	0	0	0
425	366	0	0	0	0

(Continued)

Northwest Local School District  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19 (continued)

School	2013	2014	2015	2016
<b>Junior High School</b>				
Colerain Middle - 1932				
Square feet	77,591	77,591	77,591	77,591
Capacity (a)	675	675	675	675
Enrollment	593	595	595	568
Pleasant Run Middle - 1969				
Square feet	108,230	108,230	108,230	108,230
Capacity (a)	1,100	1,100	1,100	1,100
Enrollment	787	752	709	707
White Oak Middle - 1961				
Square feet	81,950	81,950	81,950	81,950
Capacity (a)	735	735	735	735
Enrollment	792	763	754	759
<b>High School</b>				
Colerain High - 1964				
Square feet	193,768	193,768	193,768	193,768
Capacity (a)	2,100	2,100	2,100	2,100
Enrollment	1,997	1,998	1,976	1,908
Northwest High - 1972				
Square feet	163,345	163,345	163,345	163,345
Capacity (a)	1,250	1,250	1,250	1,250
Enrollment	1,018	1,003	1,007	975

(a) Capacity considers many variables just as class size, federally required programs, and district-level programs thus may change accordingly

Source: School District records



2017	2018	2019	2020	2021	2022
77,591	77,591	77,591	77,591	77,591	77,591
675	675	675	675	675	675
573	583	630	624	580	545
108,230	108,230	108,230	108,230	108,230	108,230
1,100	1,100	1,100	1,100	1,100	1100
710	731	765	743	765	723
81,950	81,950	81,950	81,950	81,950	81,950
735	735	735	735	735	735
728	737	772	815	767	713
193,768	193,768	193,768	193,768	193,768	193,768
2,100	2,100	2,100	2,100	2,100	2100
1,912	1,929	1,897	1,937	1,683	1847
163,345	163,345	163,345	163,345	163,345	163,345
1,250	1,250	1,250	1,250	1,250	1250
897	878	888	903	809	873

# OHIO AUDITOR OF STATE KEITH FABER



**NORTHWEST LOCAL SCHOOL DISTRICT**

**HAMILTON 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 1/3/2023**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
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