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## **NORTHWEST LOCAL SCHOOL DISTRICT**

Single Audit Reports

Year Ended June 30, 2014



**CLARK SCHAEFER HACKETT**  
STRENGTH IN NUMBERS





# Dave Yost • Auditor of State

Board of Education  
Northwest Local School District  
3240 Banning Rd  
Cincinnati, OH 45239

We have reviewed the *Independent Auditors' Report* of the Northwest Local School District, Hamilton County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2013 through June 30, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Northwest Local School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

February 27, 2015

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**NORTHWEST LOCAL SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards  
 Year Ended June 30, 2014

<u>Federal Grantor/Program Title</u>	<u>Pass-Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Federal Revenues</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>				
<i>(Passed through Ohio Department of Education)</i>				
Nutrition Cluster:				
<i>Non-Cash Assistance (Food Distribution)</i>				
National School Lunch Program	n/a	10.555	\$ 231,050	231,050
<i>Cash Assistance</i>				
School Breakfast Program	006-000	10.553	206,972	206,972
National School Lunch Program	006-000	10.555	<u>1,444,593</u>	<u>1,444,593</u>
<i>Cash Assistance Subtotal</i>			<u>1,651,565</u>	<u>1,651,565</u>
Nutrition Cluster Total			<u>1,882,615</u>	<u>1,882,615</u>
State Administrative Expenses for Child Nutrition	006-000	10.560	49,690	-
Total U.S. Department of Agriculture			<u>1,932,305</u>	<u>1,882,615</u>
<u>U.S. Department of Education:</u>				
<i>(Passed through Ohio Department of Education)</i>				
Title I, Part A Cluster:				
Title I Grants to Local Educational Agencies	572-9301	84.010	336,433	48,602
Title I Grants to Local Educational Agencies	572-9401	84.010	2,234,361	2,220,500
Title I Grants to Local Educational Agencies (Title I Neglected)	572-9302	84.010	1,121	-
Title I Grants to Local Educational Agencies (Title I Neglected)	572-9402	84.010	3,325	4,400
Title I School Improvement Grant	536-9301	84.010	4,891	3,290
Title I School Improvement Grant	536-9401	84.010	<u>224,837</u>	<u>232,546</u>
Title I, Part A Cluster Total			<u>2,804,968</u>	<u>2,509,338</u>
Special Education Cluster:				
Special Education - Grants to States	516-9401	84.027	1,957,038	2,247,446
Special Education - Grants to States	516-9402	84.027	12,553	12,553
Special Education - Grants to States	516-9301	84.027	276,899	219,806
Special Education - Grants to States	516-9302	84.027	11,328	3,130
Special Education - Preschool Grants	587-9401	84.173	34,048	39,422
Special Education - Preschool Grants	587-9301	84.173	<u>5,708</u>	-
Special Education Cluster Total			<u>2,297,574</u>	<u>2,522,357</u>
ARRA - Race to the Top	506-9301	84.395	64,741	10,206
ARRA - Race to the Top	506-9401	84.395	155,846	167,511
ARRA - Race to the Top	506-9403	84.395	9,129	9,129
ARRA - Race to the Top	506-9404	84.395	<u>9,129</u>	<u>9,129</u>
			<u>238,845</u>	<u>195,975</u>
English Language Acquisition Grants	551-9301	84.365	5,277	-
English Language Acquisition Grants	551-9401	84.365	<u>47,617</u>	<u>50,537</u>
			<u>52,894</u>	<u>50,537</u>
Improving Teacher Quality State Grants	590-9201	84.367	213,665	214,635
Improving Teacher Quality State Grants	590-9301	84.367	<u>57,102</u>	<u>46,978</u>
			<u>270,767</u>	<u>261,613</u>
Total U.S. Department of Education			<u>5,665,048</u>	<u>5,539,820</u>
Total Federal Awards			<u>\$ 7,597,353</u>	<u>7,422,435</u>

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The schedule of expenditures of federal awards is a summary of the activity of the School District's federal award programs. The schedule has been prepared on the cash basis of accounting.

**NOTE B - FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

**NOTE C - NUTRITION CLUSTER**

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITORS' REPORT**

To the Board of Education  
Northwest Local School District:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northwest Local School District (the "School District") as of and for the year ended June 30, 2014, 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 18, 2014.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

one east fourth street, ste. 1200  
cincinnati, oh 45202

www.cshco.com  
p. 513.241.3111  
f. 513.241.1212

## **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 grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*Clark, Schaefer, Hackett & Co.*

Cincinnati, Ohio  
December 18, 2014



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

**INDEPENDENT AUDITORS' REPORT**

To the Board of Education  
Northwest Local School District:

**Report on Compliance for Each Major Federal Program**

We have audited Northwest Local School District's ("School District") compliance with the types of compliance requirements described in the OMB *Circular A-133 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, 2014. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School District's compliance.

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

In our opinion, the School District complied, in all material respects, with the types of 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, 2014.

one east fourth street, ste. 1200  
cincinnati, oh 45202

www.cshco.com  
p. 513.241.3111  
f. 513.241.1212

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

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the School District as of and for the year ended June 30, 2014, and have issued our report thereon dated December 18, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to

prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Clark, Schaefer, Hackett & Co.*

Cincinnati, Ohio  
December 18, 2014

**NORTHWEST LOCAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2014

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditors’ report issued:	unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none
Noncompliance material to the financial statements noted?	none

**Federal Awards**

Internal control over major programs:	
• Material weakness(es) identified?	none
• Significant deficiency(ies) identified not considered to be material weaknesses?	none
Type of auditors’ report issued on compliance for major programs:	unmodified
Any audit findings that are required to be reported in accordance with 510(a) of Circular A-133?	no
Identification of major programs:	
CFDA 84.010 – <i>Title I, Part A Cluster- Grants to Local Educational Agencies</i>	
Dollar threshold to distinguish between Type A and Type B Programs:	\$300,000
Auditee qualified as low-risk auditee?	yes

**Section II – Financial Statement Findings**

None Noted

**Section III – Federal Award Findings and Questioned Costs**

None Noted

**NORTHWEST LOCAL SCHOOL DISTRICT**  
Schedule of Prior Audit Findings  
Year Ended June 30, 2014

**Finding 2013-1 – Audit Adjustment**

*Prior Year Condition:* Throughout the year, the School District maintains its books and records on the cash-basis of accounting and converts its financial statements at year-end to generally accepted accounting principles. During the course of our audit, we identified a misstatement in the financial statements that was not initially identified by the School District's internal control over financial reporting. The audit adjustment was necessary to properly record debt premiums in the Permanent Improvement Fund.

*Status:* Corrected.

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2014



NORTHWEST LOCAL SCHOOL DISTRICT

CINCINNATI, OHIO

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NORTHWEST LOCAL SCHOOL DISTRICT  
CINCINNATI, OHIO

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COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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PREPARED BY:  
OFFICE OF THE TREASURER  
RANDALL R. BERTRAM, TREASURER/CFO  
LARRY MCDONAUGH, INTERIM TREASURER

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*Northwest Local School District  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2014*

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# INTRODUCTORY SECTION









# **NORTHWEST LOCAL SCHOOL DISTRICT**

3240 Banning Road Cincinnati, OH 45239 513-923-1000 Fax: 513-923-3644

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**BOARD:**

*Dan Unger, President*  
*Chris Heather, Vice President*  
*Jim Detzel, Member*  
*Michael Harlow, Member*  
*Pamela Detzel, Member*

*Dr. Andrew Jackson, Superintendent*  
*Randall R. Bertram, Treasurer/CFO*  
*Larry McDonough, Interim Treasurer/CFO*

***December 18, 2014***

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

The Comprehensive Annual Financial Report (CAFR) of the Northwest Local School District (School District) for the fiscal year ended June 30, 2014, is hereby submitted. This report, prepared by the Treasurer's office, includes an opinion from the Clark, Schaefer, Hackett & Co. 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 CAFR 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 cocurricular 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 in the entity 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, St. John Elementary Schools, LaSalle High School, Heaven's Treasures Academy, and Beautiful Savior Lutheran School. While these organizations share operational and services similar with 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, Green, Springfield, and Colerain as the backbone of most of our schools. Approximately 80 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 recent passage of a new levy November 6, 2012.

Although we have realized declining enrollment over the years, the School District has seen an increase in enrollment in fiscal year 2014. 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 52 square miles. It serves pupils from Green, Springfield Townships, and Colerain, with Colerain Township serving as its nucleus. Since 1960, the growth pattern in the School District has been steady.

The School District now houses 9,279 students in two high schools, three middle schools, seven elementary schools, one preschool and two career centers. 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>October, 2013 Enrollment</i></b>
1923	Colerain Elementary 4850 Poole Road	899
1932	Colerain Middle School 4700 Poole Road	595
1959	Struble Elementary 2760 Jonrose Avenue	444
1960	Taylor Elementary 3173 Springdale Road	631

<i>Constructed</i>	<i>School/Address</i>	<i>October, 2013 Enrollment</i>
1961	White Oak Middle School 3130 Jessup Road	763
1961	Pleasant Run Elementary 11765 Hamilton Avenue	552
1964	Colerain High School 8801 Cheviot Road	1,998
1965	Weigel Elementary 3242 Banning Road	455
1969	Pleasant Run Middle 11770 Pippin Road	752
1972	Northwest High School 10761 Pippin Road	1,003
1977	Welch Elementary 12084 Deerhorn Drive	520
2000	Monfort Heights Elementary 3711 West Fork Road	667

Houston Elementary School is closed. It is now the Houston Early Learning Center and Conference Center. Welch, Struble and Taylor are primary schools with grades K through 2.

Pleasant Run Elementary and Weigel Elementary are intermediate schools with grades 3 through 5. Bevis Elementary closed in fiscal year 2014.

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

The Board of Education is a five 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, 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, 2014, were as follows:

<i>Board Member</i>	<i>Began Service</i>	<i>Term Expires</i>	<i>Profession</i>
Dan Unger	January, 2008	December, 2015	Business Executive
Chris Heather	January, 2014	December, 2017	Entrepreneur
Jim Detzel	January, 2008	December, 2015	Business Owner
Michael Harlow	January, 2014	December, 2017	Consultant
Pamela Detzel	January, 1998	December, 2017	Business Owner

The Superintendent is the Chief Executive Officer of the School District, responsible directly to the Board for all educational and support operations. Dr. Andrew Jackson was appointed as Superintendent April 1, 2013. Dr. Jackson joined the Northwest family in 2008 where he began as Director of Business Services. Prior to that, he was the Superintendent at Milan Community School Corporation. In 2010, he moved to Director of Curriculum Services. Andrew then went on to become Assistant Superintendent of Business Services and Accountability in 2012. In April 2013, he moved to Superintendent of the Northwest Local School District. Andrew received his Bachelor's Degree in Elementary Education from Indiana University. He also has a Master's, Specialist, and Doctorate degree in Educational Administration from Ball State University.

The Treasurer is the Chief Financial Officer of the School District, responsible directly to the Board 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. Mr. Randall R. Bertram was appointed Treasurer of the School District in August, 2008. Mr. Bertram holds an A.A.S. Finance Degree from Sinclair Community College and a B.S. in Business Administration from Urbana University. Mr. Bertram has been in school finance since 2001. Mr. Bertram resigned his position of Treasurer as of July 31, 2014.

***EMPLOYEE RELATIONS***

The School District currently has approximately 1,046 full-time and 10 part-time employees. The number of employees has decreased over the past year due to budget reductions approved by the Board of Education. During the 2014 fiscal year, the School District paid, from its General Fund \$42,925,119 in salaries and wages, and \$17,165,780 in fringe benefits, such as retirement contributions, Medicare taxes, workers' compensation, and life, dental and health benefits.

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 29, 2017. 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 four year collective bargaining agreement with OAPSE which expires June 30, 2015.

## ***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 5,603 students each day. The School District fleet of 96 buses travels over 5,440 miles each day transporting 73 school bus routes to 23 different sites. In addition to making more than 406 daily runs, the department transported both public and non-public students on 1,663 extra-curricular trips during the year.

The food service department served 790,289 plate lunches and 141,395 breakfasts through the School District's 13 kitchens. This is accomplished through the full operation of 11 kitchens and 2 satellite sites. Beginning in the school year 2014-2015, a reimbursable breakfast program will be available in all 13 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 13 school sites under the supervision of a licensed school nurse.

The School District offers regular instructional programs daily to students in grades K-12. There are 554.33 full-time equivalency students in the specific trades through career technical education. Over 1,526 students receive special services due to physical or mental handicapping conditions. In grades 4-8, approximately 199 students participated in the gifted program. The School District presented 667 high school diplomas in fiscal year 2014.

## ***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***

***We champion life-long learning, affording all students the knowledge and skills necessary to realize their full potential in life.***

### ***Vision***

***We provide quality and innovation in educational programming and instruction, enabling all students to successfully confront the challenges of the future.***

## Beliefs

- *We believe all students are the focus of our endeavors.*
- *We are committed to quality education that challenges students.*
- *We are committed to safe schools that are an integral part of our community.*
- *We are committed to caring, knowledgeable professionals who engage students in innovative learning.*
- *We are committed to the essential involvement of parents in their children's education.*
- *We are committed to partnerships that enhance students' ability to connect their education with the world of work and life-long learning.*
- *We encourage students to value others, to be responsive to civic obligations that strengthen our diverse student body and community.*

## CHALLENGES FOR 2014-2015 AND BEYOND

- Continue to provide a quality education for each student in the School District
- Continue to align School District curriculum to the new state Academic Content Standards and Common Core Curriculum
- Achieve School District and State targets for student achievement
- Continue to prepare for the PARCC students assessments
- Increase our letter grades on the new state report card
- Recruit and retain quality staff
- Provide time and resources for high quality professional development at the School District and building levels
- Continue to utilize technology to support student learning
- Increase enrichment and intervention opportunities for students K-12

## SCHOOL DISTRICT GOALS AND STRATEGIES FOR 2014-2015

### Goal 1: Academic Achievement

*By the end of School Year 2015-16, students in the Northwest Local School District will meet or exceed State goals in all measured categories (Achievement, Gap Closing, Graduation Rate, Progress, K-3 Literacy, and College and Career Readiness).*

#### Strategy 1.A (Curriculum/Instruction Alignment)

Align, implement and monitor scientifically research-based, curriculum, instruction and assessment with the state's challenging academic content standards.

#### Action Steps

- 1.A.1 Utilize a Building Leadership Team (BLT) to analyze data and recommend changes in instruction.
- 1.A.2 Monitor teacher utilization of the new essential understanding documents (K-12) that align with New State Standards. (RtT- B)
- 1.A.3 Utilize instructional coaches, specialists and/or BLT members to assist teachers in implementing research-based strategies aligned with the Marzano Framework.
- 1.A.4 Review and align School District assessment practices with New State Standards and evaluate readiness for the next generation of assessments. (RtT-B)

- 1.A.5 Require grade/subject based Teacher Based Teams (TBTs) that utilize common protocols (K-12).
- 1.A.6 Utilize formative instructional practices including appropriate grade, content and building-level assessments that inform TBT/BLT discussions and instruction. (RttT-B)
- 1.A.7 Provide access to 21<sup>st</sup> century technology.

**Strategy 1.B (RTI)**

Monitor the continuous use of a Response to Intervention (RTI) Framework throughout the School District.

**Action Steps**

- 1.B.1 Utilize, monitor and respond to data from research based assessment instruments including systems for progress monitoring (i.e.: MAP, DIBELS, AIMS, DMA).
- 1.B.2 Provide targeted intervention programs (tutoring and other supports).
- 1.B.3 Continue implementation of RTI.
- 1.B.4 Utilize research-based intervention materials.
- 1.B.5 Maintain a School District-wide intervention library.
- 1.B.6 Provide instructional coaching on components of RTI through BLTs.
- 1.B.7 Provide transition programs (PreK-K, 2-3, 5-6, 8-9).

**Strategy 1.C (Professional Development)**

Implement a system of professional development that ensures that all teachers are teaching an aligned curriculum that promotes higher level thinking skills, using data to inform instruction and meeting Highly Qualified Teacher Requirements.

**Action Steps**

- 1.C.1 Provide structures for professional development and collaboration (i.e.: early release, release time, summer pay, utilization of waiver days)
- 1.C.2 Support administrators on how embed effective instructional practices aligned to the Marzano Framework in their improvement planning. (RttT-D)
- 1.C.3 Implement components of the new teacher and principal evaluation system in order to improve instruction. (RttT-D)
- 1.C.4 Monitor and evaluate the impact of the new evaluation system requirements on individual buildings in relation to amount of administrative support available to complete teacher/principal evaluations and plan accordingly. (RttT-D)
- 1.C.5 Provide professional development to teachers and administrators on the Ohio Instructional Improvement Systems (IIS), using data to inform instruction, and overall assessment literacy. (RttT-C)
- 1.C.6 Provide continuous professional development to administrators and teachers on formative instructional practices (FIP). (RttT-B)
- 1.C.7 Provide mentors and support to entry-level teachers through a resident educator program.

**Goal 2: Culture and Climate**

*The Northwest Local School District will provide an environment in which all students are educated in learning environments that are safe, drug-free and conducive to learning. The School District will provide resources and strategies that are designed to reduce suspension and expulsion rates and engage the entire school community in the educational process.*

**Strategy 2.A (Support Programs)**

Implement and monitor a system of academic and behavior supports for all students.

### **Action Steps**

- 2.A.1 Implement research-based strategies designed to ensure positive school climates that promote learning for all students as outlined in the Marzano Framework (Rules/Procedures, Student Engagement, High Expectations, Effective Relationships)
- 2.A.2 Continue elementary alternative programs.
- 2.A.3 Continue utilizing a School District Student Support Team.
- 2.A.4 Continue Middle School Transition Teams, Eagles' Gate and Northwest Passage to reduce suspension and expulsion rates; and provide supports for students and families in transition.
- 2.A.5 Provide services and assistance to homeless students.
- 2.A.6 Monitor and respond to gaps in suspension/expulsion rates between identified sub-groups.
- 2.A.7 Provide resources, information and training to parents that will contribute to the academic, emotional and social success of their child.
- 2.A.8 Continue to seek input from the community on critical School District issues through surveys, focus groups, community members on all study teams and continuation of financial advisory and budget teams.
- 2.A.9 Continue implementation of building level anti-bully programs.
- 2.A.10 Meet regularly with a School District-wide crisis team that represents the entire school community and make recommended changes that will ensure a safe school environment.

### **Goal 3: Career and Technical Education**

*Students will be prepared with the academic and technical skills needed to be successful in postsecondary education and the workplace; all students will be provided the career knowledge needed to make informed career-decisions. The School District will work to close the achievement gaps and raise student achievement to meet School District, state, High Schools that Work, Making Middle Grades Work, and federal targets by 2014.*

#### **Strategy 3.A (Student Supports)**

Implement and monitor a system of academic and behavior supports for all students.

### **Action Steps**

- 3.A.1 Utilize a building leadership team to analyze building needs, coordinate action steps aligned to the School District improvement plan and monitor the implementation and effectiveness of the building improvement plan.
- 3.A.2 Provide targeted academic and behavioral interventions to middle school students.

## **CURRICULUM AND INSTRUCTION**

Curriculum work centers on student attainment of state academic content standards in mathematics, English language arts, social studies and science. Current work is centered on implementation of the new standards. School District teachers and administrators have collaborated to develop detailed curriculum documents for all grades and subjects that identify key learning goals as well as scales to evaluate attainment of these goals.

All staff participates in job-embedded professional development centered on Formative Instructional Practices. Common reading and math assessments are administered in grades K-10. The data from these assessments is used to refine teaching and provide intervention and enrichment for students. The performance of students in various AYP subgroups is particularly studied.



A number of programs have been implemented to assist students in their learning of the academic content standards, particularly in the areas of reading and mathematics. Intervention and Title I tutors work in collaboration with classroom teachers in using data to plan programming for at-risk learners. Title I served schools utilize instructional coaches who work collaboratively with administrators and teachers to improve instruction.

The middle schools utilize a 6-bell schedule to provide increased time in the core subject areas of English language arts, math, science and social studies as well as collaborative planning time for teachers.

The high schools utilize a 7-bell schedule with collaborative planning time for teachers. This provides students the opportunity to accomplish the challenging standards necessary for passage of the Ohio Graduation Test as well as the new end of course exams. A variety of educational and career pathways are in place to provide support for all students.

The School District is focused on its goal of improving student achievement. It continues to evaluate the programming needs of its diverse population with the goal of becoming a high performing district and meeting the needs of ALL students.

### ***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 check list. 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. The School District finalized a renovation program during the summer of 2012 and 2013. The School District renovated the majority of the top floors of each high school to accommodate Blended Learning Labs for a new instructional initiative. The School District also underwent a School District-wide HB264 Energy Conservation measure during fiscal year 2013 that is now concluded. The School District did major renovations of each high school's Auditorium and Gymnasiums during the summer of 2014. Additional work was done on our elementary buildings that involved roofing and heating issues. We are currently participating in a Master Facility Planning process that will look at what buildings need renovation versus complete replacement based upon needs and costs.

### ***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).

## ***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.

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 CONDITION***

The School District prepares financial statements following GASB Statement 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." GASB 34 has basic financial statements for reporting on the School District's financial activities as follows:

***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.

***Statement 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 fiscal year 2014 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 Clark, Schaefer, Hackett & Co.'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 Comprehensive Annual 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. The School District is contracted with an IPA through fiscal year 2015 for the annual audit.

## ***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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. 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 annual since fiscal year 1991.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual 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***

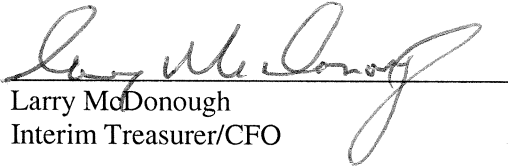
The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted 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.

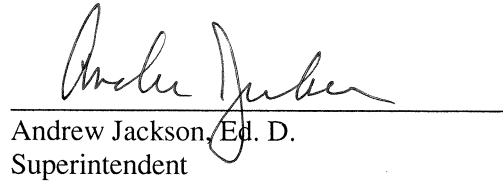
The School District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2013. The School District has received this award annual since fiscal year 1991. The School District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2014, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

**ACKNOWLEDGEMENTS**

The preparation of the 2014 Comprehensive Annual Financial Report of the Northwest Local School District was made possible by the combined efforts of the School District's Treasurer's Department and the Ohio Auditor of State's Local Government Services Section. The publication of this Comprehensive Annual 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,

  
Larry McDonough  
Interim Treasurer/CFO

  
Andrew Jackson, Ed. D.  
Superintendent

**Northwest Local School District  
Principal Officials  
June 30, 2014**

**Elected Officials**

Dan Unger	President, Board of Education
Chris Heather	Vice President, Board of Education
Jim Detzel	Board Member
Michael Harlow	Board Member
Pamela Detzel	Board Member

**Administrative Office Administrators**

Dr. Andrew Jackson	Superintendent
Traci Rae	Asst. Superintendent of Human Resources
Jennifer Blust	Director of Curriculum Services
Todd Bowling	Director of Business Services
Pauletta Crowley	Asst. Director Community & Student Services
Darrell Yater	Asst. Director of Curriculum & Special Education
Mike Holbrook	Asst. Director of Sec. Curriculum & Intervention Services
Randall R. Bertram	Treasurer/CFO (resigned 07/31/14)
Larry McDonaugh	Interim Treasurer
Kris Lankford	Assistant Treasurer

**District Supervisors**

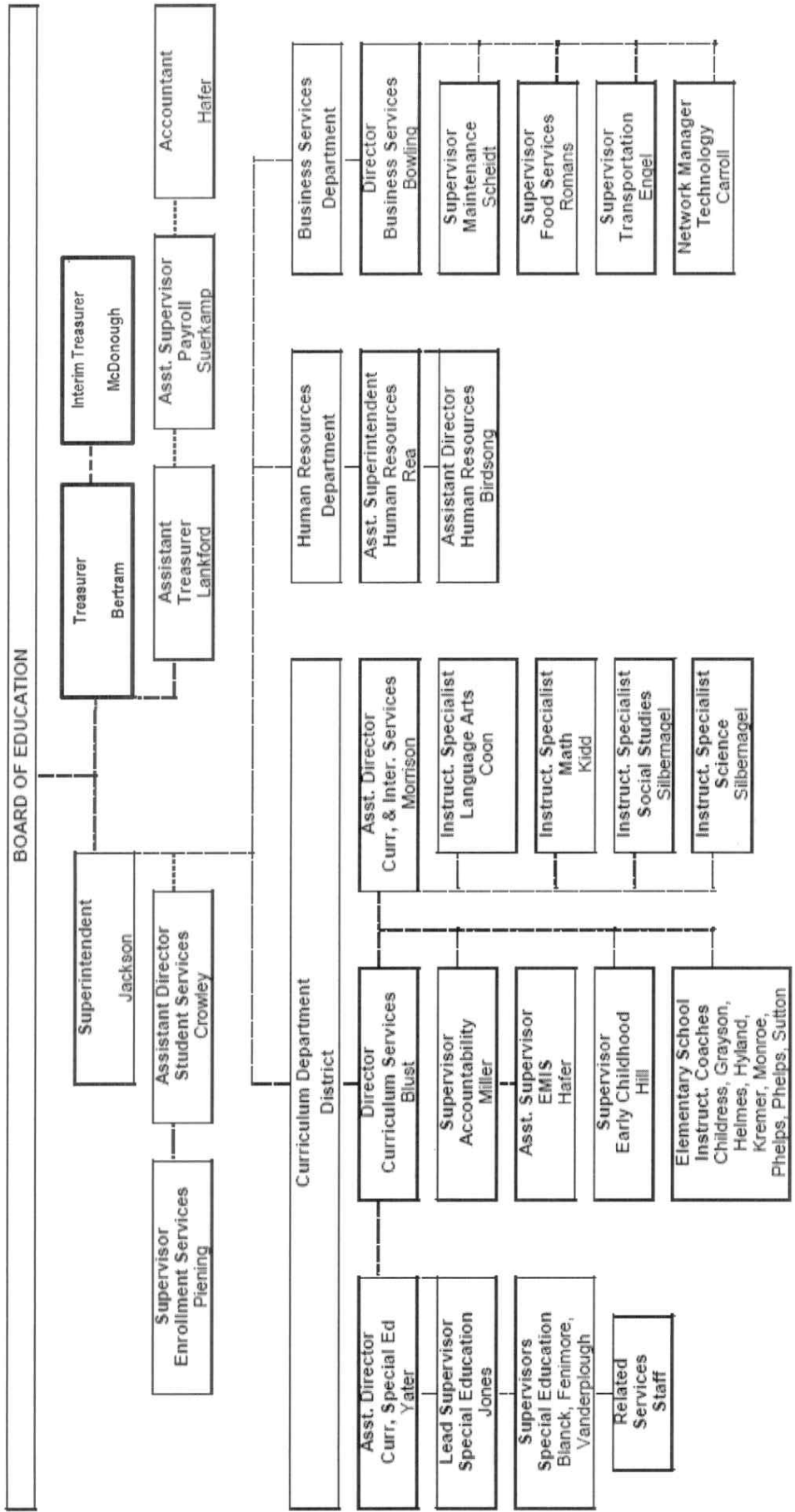
Andreas Scheidt	Maintenance
Robert Engel	Transportation
Elizabeth Fenimore	Special Education
Sandy Blanck	Special Education
Kimberly Jones	Special Education
Jan Vanderplough	Special Education
Cheryl Romans	Food Services
Daniel Hudson	Instructional Accountability Services
Grace Seurkamp	Payroll/Compliance
Matt Piening	Enrollment & Attendance Services

**Northwest Local School District  
Principal Officials  
June 30, 2014  
(Continued)**

**Curriculum Instructional Specialists and Coordinators**

Karen Helmes	Elementary
Cheryl Kramer	Elementary
Patricia Coon- Knochelmann	Secondary
Shonda Moore	Health Services
Barbara Hill	Early Childhood
Leslie Silbernagel	Secondary
Heather Kidd	Secondary
Chris Rabold	Elementary Library

# Northwest Local School District Administrative Center Flow Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Northwest Local School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO



# Association of School Business Officials International



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

## **Northwest Local School District**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, reading 'Terrie S. Simmons', is written over a horizontal line.

Terrie S. Simmons, RSBA, CSBO  
President

A handwritten signature in black ink, reading 'John D. Musso', is written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director

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## FINANCIAL SECTION





## **INDEPENDENT AUDITORS' REPORT**

To the Board of Education  
Northwest Local School District:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Northwest Local School District (the School District), as of and for the year ended June 30, 2014, 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.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards general 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

one east fourth street, ste. 1200  
cincinnati, oh 45202

www.cshco.com  
p. 513.241.3111  
f. 513.241.1212

## **Opinions**

In our opinion, the financial statements referred to previously 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 as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13, be presented to supplement the basic financial statements. Such information, 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.

### *Other 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, introductory section, and statistical section are presented for purposes of additional analysis are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2014, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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.

*Clark, Schaefer, Hackett & Co.*

Cincinnati, Ohio  
December 18, 2014

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**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**

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The discussion and analysis of Northwest Local School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. 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 2014 are as follows:

- Net position of governmental activities increased \$12,477,398 from fiscal year 2013.
- General revenues accounted for \$88,449,891 in revenue or 83 percent of all revenues. Program specific revenues in the form of charges for services, grants or contributions accounted for \$18,391,903 or 17 percent of total revenues of \$106,841,794.
- The School District had \$94,364,396 in expenses related to governmental activities; \$18,391,903 of these expenses was offset by program specific charges for services and operating grants or contributions. General revenues of \$88,449,891 were available 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 School District has two major funds: the General Fund and the Permanent Improvement Fund.

**Governmental-wide Financial Statements**

One of the most important questions asked about the School District is "How did we do financially during fiscal year 2014?" The government-wide financial statements answer this question. These statements include all assets 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.

**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**

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These 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 that, for the School District as a whole, the financial position 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.

In the government-wide financial statements, the School District consists of governmental activities, which are reported here including 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 tables of contents). Fund financial reports 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 funds 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's only fiduciary funds are agency funds. The School District's fiduciary activities are reported in separate statements of fiduciary net position. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

### **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 2014 compared to fiscal year 2013:

**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**



Table 1  
Net Position  
Governmental Activities

	2014	2013	Change
<b>Assets:</b>			
Current and Other Assets	\$103,715,498	\$90,634,216	\$13,081,282
Capital Assets	31,107,548	28,633,023	2,474,525
<b>Total Assets</b>	<b>134,823,046</b>	<b>119,267,239</b>	<b>15,555,807</b>
<b>Liabilities:</b>			
Other Liabilities	11,002,141	9,914,554	1,087,587
Long-Term Liabilities	30,646,884	31,889,294	(1,242,410)
<b>Total Liabilities</b>	<b>41,649,025</b>	<b>41,803,848</b>	<b>(154,823)</b>
<b>Deferred Inflows of Resources:</b>			
Property Taxes	30,572,078	27,691,556	2,880,522
Payment in Lieu of Taxes	3,752,272	3,399,562	352,710
<b>Total Deferred Inflows of Resources</b>	<b>34,324,350</b>	<b>31,091,118</b>	<b>3,233,232</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	5,508,604	4,508,984	999,620
Restricted	4,587,670	4,053,067	534,603
Unrestricted	48,753,397	37,810,222	10,943,175
<b>Total Net Position</b>	<b>\$58,849,671</b>	<b>\$46,372,273</b>	<b>\$12,477,398</b>

At year-end, capital assets represented 23 percent of total assets. Capital assets include land, buildings and improvements, and equipment. Increases in capital assets are the result of building and educational improvements to all buildings for energy efficiencies and expansions to the blended learning labs at both high schools. Current and other assets increased due to additional taxes being collected from the passage of the emergency levy.

**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**

The School District did not issue any debt during fiscal year 2014 and therefore decreased long-term liabilities while property taxes deferred inflows of resources increased due to the passage of the new levy in November, 2012.

A portion of the School District's net position, \$4,587,670, 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 and the passage of an emergency levy in November 2012 contributed to the increase in the School District's net position. Net investment in capital assets at June 30, 2014 was \$5,508,604. 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.

Table 2 shows the changes in net position for fiscal years 2014 and 2013.

Table 2  
Changes in Net Position  
Governmental Activities

	2014	2013	Change
Revenues			
Program Revenues:			
Charges for Services	\$4,243,718	\$4,924,213	(\$680,495)
Operating Grants, Contributions	14,148,185	10,694,778	3,453,407
General Revenues:			
Property Taxes	50,545,823	48,191,036	2,354,787
Grants and Entitlements	33,547,912	32,831,800	716,112
Other	4,356,156	4,649,424	(293,268)
Total Revenues	<u>106,841,794</u>	<u>101,291,251</u>	<u>5,550,543</u>
Program Expenses			
Instruction	54,525,320	50,043,505	4,481,815
Support Services:			
Pupil and Instructional Staff	7,609,355	11,538,555	(3,929,200)
Board of Education, Administrative			
Fiscal, and Business	8,303,864	8,459,167	(155,303)
Operations and Maintenance	6,901,372	7,467,985	(566,613)
Pupil Transportation	6,156,186	5,020,887	1,135,299
Central	1,301,675	1,651,136	(349,461)
Operation of Non-Instructional Services	6,588,168	7,467,942	(879,774)
Extracurricular Activities	1,932,463	1,900,451	32,012
Interest and Fiscal Charges	1,045,993	1,237,982	(191,989)
Total Program Expenses	<u>\$94,364,396</u>	<u>\$94,787,610</u>	<u>(\$423,214)</u>

(continued)

**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**

Table 2  
Changes in Net Position (continued)  
Governmental Activities

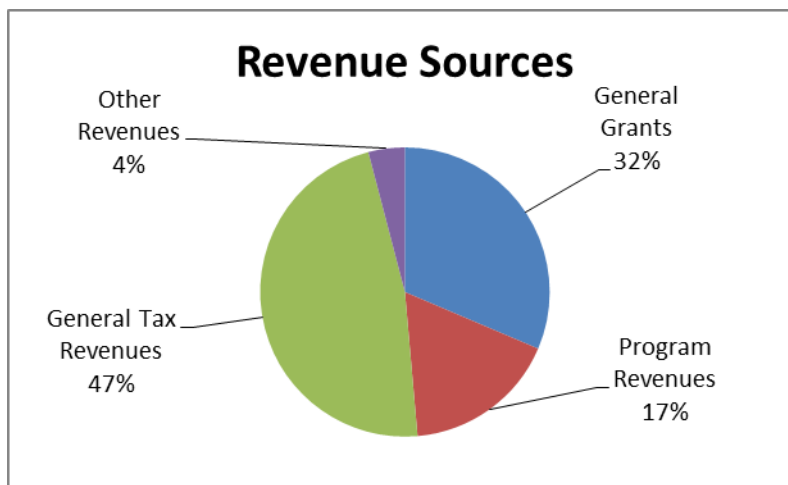
	2014	2013	Change
Change in Net Position	\$12,477,398	\$6,503,641	\$5,973,757
Net Position Beginning of Year	46,372,273	39,868,632	6,503,641
Net Position End of Year	<u>\$58,849,671</u>	<u>\$46,372,273</u>	<u>\$12,477,398</u>

**Governmental Activities**

The School District revenues are mainly from two sources. Property taxes levied for general, capital projects and debt service purposes and grants and entitlements not restricted to specific programs comprised 79 percent 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.

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 47 percent of revenue for governmental activities for the School District in fiscal year 2014. The School District's reliance upon tax revenues is demonstrated by the following graph:



General revenues increased mainly due to an increase in property taxes of \$2,354,787. The School District passed an emergency levy November 6, 2012 with half year collections starting in January 2013 and full year collections starting July 1, 2013. Operating Grants and contributions increased by \$3,453,407 primarily due to an increase in special education funding by the State.

**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**

Instruction comprises 58 percent of governmental program expenses. Support services expenses were 32 percent of governmental program expenses. Interest and all other expenses were 10 percent. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Instruction increased and Support Services, Pupil and Instructional Staff decreased as a result of a State mandated change in expenditure coding that moved the cost of approximately 165 staff members to Instruction. Operations for Non-Instructional Services decreased because services provided by flow-through State and federal grants to non-public students decreased by about \$600,000. Administrative costs decreased primarily due to a reduction of legal fees in the amount of \$66,000 and software licensing in the amount of \$20,000.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows 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.

Table 3  
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2014	2013	2014	2013
Instruction	\$54,525,320	\$50,043,505	(\$47,101,110)	(\$43,559,684)
Support Services:				
Pupil and Instructional Staff	7,609,355	11,538,555	(5,335,372)	(9,831,392)
Administrative, Board of Education, Fiscal and Business	8,303,864	8,459,167	(7,603,327)	(7,578,547)
Operations and Maintenance	6,901,372	7,467,985	(5,999,779)	(6,611,785)
Pupil Transportation	6,156,186	5,020,887	(5,765,239)	(4,607,678)
Central	1,301,675	1,651,136	(1,301,675)	(1,651,136)
Operation of Non-Instructional Services	6,588,168	7,467,942	(299,111)	(2,794,668)
Extracurricular Activities	1,932,463	1,900,451	(1,520,887)	(1,295,747)
Interest and Fiscal Charges	1,045,993	1,237,982	(1,045,993)	(1,237,982)
Total Expense	\$94,364,396	\$94,787,610	(\$75,972,493)	(\$79,168,619)

**The School District's Funds**

The School District has two major governmental funds: the General Fund and the Permanent Improvement Fund. Assets of the General Fund comprised \$85,424,269 (82 percent) of the total \$103,756,910 governmental fund assets. Assets of the Permanent Improvement Fund comprised \$10,389,251 (10 percent).

**General Fund:** The School District's fund balance at June 30, 2014 was \$42,739,282, including \$42,201,249 of unassigned balance. The primary reason for the \$10,913,450 increase in fund balance was due to continued budget reductions, the passing of the emergency operating levy and salaries decreased due to increased retirements from the previous fiscal year.

**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**

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***Permanent Improvement:*** The School District's fund balance at June 30, 2014 was \$7,947,551, which was all committed. The primary reason for the \$486,525 increase in fund balance was due to the School District continuously keeping expenditures well below revenues received for the purpose of increasing this fund balance for future construction projects.

**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 budget basis revenue was \$86,584,633, compared to original budget estimates of \$82,129,825. Of the \$4,454,808 difference, most was due to the first full year of property tax collections from the passage of the emergency operating levy in November 2012. The remainder was due to an increase in State funding of approximately \$1,800,000.

The variance in appropriations versus expenditures was expected, giving authority to a greater range of appropriations, knowing that 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. In times where there is difficulty in maintaining cash balances for two to four months of operation, it is incumbent upon the School District to make necessary resources available so education is not sacrificed. 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 being approved.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal year 2014, the School District had \$31,107,548 invested in land, buildings and improvements, and equipment. Table 4 shows fiscal year 2014 balances compared to fiscal year 2013.

**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**

Table 4  
Capital Assets at June 30  
(Net of Depreciation)

	Governmental Activities	
	2014	2013
Land	\$3,668,199	\$3,668,199
Buildings and Improvements	25,078,707	22,833,627
Equipment	2,360,642	2,131,197
Total Net Capital Asset	\$31,107,548	\$28,633,023

See Note 8 to the basic financial statements for more details on the School District's capital assets.

***Debt***

At June 30, 2014, the School District had \$26,217,376 in bonds outstanding, \$1,970,000 due within one year. Table 5 summarizes bonds outstanding.

Table 5  
Outstanding Debt, at Year End

	Governmental Activities	
	2014	2013
1998 School Improvement	\$0	\$1,030,000
2005 Refunded Bonds		
Current Interest Bonds	13,305,000	13,520,000
Capital Appreciation Bonds	720,000	720,000
Accretion of Interest	541,966	459,753
2013 QZAB Bonds	3,730,000	4,000,000
2013 Tax-Exempt Bonds	1,310,000	1,390,000
2013 Certificates of Participation	6,220,000	6,500,000
Premium on Debt	390,410	434,866
Total Debt	\$26,217,376	\$28,054,619

See Note 13 to the basic financial statements for further details on the School District's debt.



**Northwest Local School District  
Management's Discussion and Analysis  
For the Fiscal Year ended June 30, 2014**

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**For the Future**

The State's biennium budget bill for fiscal years 2014 and 2015 offered our School District some increased revenue. The increased revenue amounted to \$1,800,000 in fiscal year 2014 and approximately \$690,000 in fiscal year 2015. With the realization of the increased revenue from the emergency levy passed in November 2012 and the new revenue in the current budget bill, the School District feels confident that it can maintain a strong financial future while entertaining curriculum improvements that may require additional financial obligations.

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, 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, and 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 at Northwest Local School District, 3240 Banning Road, Cincinnati, Ohio 45239.

**Northwest Local School District**  
**Statement of Net Position**  
**June 30, 2014**

	Governmental Activities
<b>Assets:</b>	
Equity in Pooled Cash and Cash Equivalents	\$45,187,013
Accounts Receivable	57,113
Accrued Interest Receivable	40,250
Inventory Held for Resale	67,336
Intergovernmental Receivable	1,943,160
Payment in Lieu of Taxes Receivable	3,752,272
Property Taxes Receivable	52,668,354
Capital Assets:	
Land	3,668,199
Depreciable Capital Assets, Net	27,439,349
Total Assets	134,823,046
<b>Liabilities:</b>	
Accounts Payable	769,948
Accrued Wages and Benefits Payable	7,382,074
Contracts Payable	456,056
Retainage Payable	37,531
Claims Payable	28,265
Matured Compensated Absences Payable	551,179
Intergovernmental Payable	1,683,540
Accrued Interest Payable	93,548
Long-Term Liabilities:	
Due Within One Year	2,771,214
Due Within More Than One Year	27,875,670
Total Liabilities	41,649,025
<b>Deferred Inflows of Resources:</b>	
Property Taxes	30,572,078
Payment in Lieu of Taxes	3,752,272
Total Deferred Inflows of Resources	34,324,350
<b>Net Position:</b>	
Net Investment in Capital Assets	5,508,604
Restricted for:	
Debt Service	1,821,582
Capital Projects	855,437
Special Trust	367,752
Career Consultant Grant	7,529
Athletics	204,795
State Grants	319,459
Federal Grants	925,615
Endowment:	
Expendable	6,501
Nonexpendable	79,000
Unrestricted	48,753,397
Total Net Position	\$58,849,671

See accompanying notes to the basic financial statements

**Northwest Local School District  
Statement of Activities  
For the Fiscal Year Ended June 30, 2014**

	Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions
<b>Governmental Activities:</b>			<b>Governmental Activities</b>
Instruction:			
Regular	\$39,518,039	\$1,055,233	\$320,030
Special	14,422,857	229,910	5,696,651
Vocational	43,102	547	7,174
Student Intervention Services	541,322	8,391	106,274
Support Services:			
Pupils	5,317,452	360,622	697,840
Instructional Staff	2,291,903	0	1,215,521
Board of Education	62,669	0	0
Administration	5,819,121	0	700,537
Fiscal	1,905,673	0	0
Business	516,401	0	0
Operation and Maintenance of Plant	6,901,372	901,593	0
Pupil Transportation	6,156,186	53,118	337,829
Central	1,301,675	0	0
Operation of Non-Instructional Services	6,588,168	1,222,728	5,066,329
Extracurricular Activities	1,932,463	411,576	0
Interest and Fiscal Charges	1,045,993	0	0
<b>Total Governmental Activities</b>	<b>\$94,364,396</b>	<b>\$4,243,718</b>	<b>\$14,148,185</b>
<b>General Revenues:</b>			
Property Taxes Levied for:			
General Purposes			46,152,421
Capital Outlay			2,615,606
Debt Service			1,777,796
Payment in Lieu of Taxes			3,710,151
Investment Earnings			312,279
Grants and Entitlements not Restricted to Specific Programs			33,547,912
Gifts and Donations not Restricted to Specific Programs			155,139
Miscellaneous			178,587
<b>Total General Revenues</b>			<b>88,449,891</b>
<b>Change in Net Position</b>			<b>12,477,398</b>
<b>Net Position at Beginning of Year</b>			<b>46,372,273</b>
<b>Net Position at End of Year</b>			<b>\$58,849,671</b>

See accompanying notes to the basic financial statements

**Northwest Local School District**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2014**

	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$33,707,455	\$7,129,278	\$3,880,347	\$44,717,080
Receivables:				
Property Taxes	47,452,534	3,129,356	2,086,464	52,668,354
Payment in Lieu of Taxes	3,752,272	0	0	3,752,272
Intergovernmental	44,880	0	1,898,280	1,943,160
Accounts	46,150	0	10,963	57,113
Accrued Interest	40,250	0	0	40,250
Interfund	380,728	130,617	0	511,345
Inventory Held for Resale	0	0	67,336	67,336
<b>Total Assets</b>	<b>\$85,424,269</b>	<b>\$10,389,251</b>	<b>\$7,943,390</b>	<b>\$103,756,910</b>
<b>Liabilities:</b>				
Accounts Payable	\$654,491	\$21,105	\$91,202	\$766,798
Accrued Wages and Benefits Payable	6,795,777	0	586,297	7,382,074
Contracts Payable	0	295,073	160,983	456,056
Retainage Payable	0	24,166	13,365	37,531
Interfund Payable	0	0	511,345	511,345
Intergovernmental Payable	1,538,182	0	145,358	1,683,540
Matured Compensated Absences Payable	551,179	0	0	551,179
<b>Total Liabilities</b>	<b>9,539,629</b>	<b>340,344</b>	<b>1,508,550</b>	<b>11,388,523</b>
<b>Deferred Inflows of Resources:</b>				
Property Taxes	27,271,504	1,989,300	1,311,274	30,572,078
Payment in Lieu of Taxes	3,752,272	0	0	3,752,272
Unavailable Revenue	2,121,582	112,056	1,361,435	3,595,073
<b>Total Deferred Inflows of Resources</b>	<b>33,145,358</b>	<b>2,101,356</b>	<b>2,672,709</b>	<b>37,919,423</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	79,000	79,000
Restricted	0	0	3,806,387	3,806,387
Committed	11,000	7,947,551	0	7,958,551
Assigned	527,033	0	0	527,033
Unassigned (Deficit)	42,201,249	0	(123,256)	42,077,993
<b>Total Fund Balances</b>	<b>42,739,282</b>	<b>7,947,551</b>	<b>3,762,131</b>	<b>54,448,964</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$85,424,269</b>	<b>\$10,389,251</b>	<b>\$7,943,390</b>	<b>\$103,756,910</b>

See accompanying notes to the basic financial statements

**Northwest Local School District  
Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
June 30, 2014**

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<b>Total Governmental Fund Balances</b>	\$54,448,964
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**Amounts reported for governmental activities in the  
statement of net position is different because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	3,668,199	
Depreciable Capital assets	76,702,867	
Accumulated depreciation	<u>(49,263,518)</u>	
Net capital assets		31,107,548

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as unavailable revenue in the funds.

Delinquent Property Taxes	2,298,276	
Intergovernmental	1,285,245	
Interest	<u>11,552</u>	
Total		3,595,073

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

438,518

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

(93,548)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds payable	(14,025,000)	
QZAB payable	(3,730,000)	
Tax-Exempt bonds payable	(1,310,000)	
COPS bonds payable	(6,220,000)	
Premium on debt issue	(390,410)	
Accretion on capital appreciation bonds	<u>(541,966)</u>	
Total		(26,217,376)

Compensated absences are not due and payable in the current period and therefore, are not reported in the funds.

(4,429,508)

Net Position of Governmental Activities

\$58,849,671

See accompanying notes to the basic financial statements

**Northwest Local School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2014**

	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$45,980,543	\$2,614,756	\$1,777,225	\$50,372,524
Payment in Lieu of Taxes	3,710,151	0	0	3,710,151
Intergovernmental	36,127,438	591,391	10,955,544	47,674,373
Investment Earnings	299,789	0	11,464	311,253
Tuition and Fees	1,294,081	0	0	1,294,081
Extracurricular Activities	261,590	0	464,694	726,284
Rent	640,003	0	0	640,003
Gifts and Donations	10,000	0	155,139	165,139
Charges for Services	360,622	0	1,222,728	1,583,350
Miscellaneous	103,650	628	74,309	178,587
<b>Total Revenues</b>	<b>88,787,867</b>	<b>3,206,775</b>	<b>14,661,103</b>	<b>106,655,745</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	37,999,186	92,844	1,149,023	39,241,053
Special	11,845,786	0	2,481,983	14,327,769
Vocational	28,342	0	14,547	42,889
Student Intervention Services	434,597	0	106,725	541,322
<b>Support Services:</b>				
Pupils	4,702,374	8,241	712,026	5,422,641
Instructional Staff	1,322,456	0	1,002,147	2,324,603
Board of Education	62,676	0	0	62,676
Administration	5,033,644	0	640,073	5,673,717
Fiscal	1,798,028	38,219	25,989	1,862,236
Business	435,194	0	0	435,194
Operation and Maintenance of Plant	6,382,807	410,299	99,463	6,892,569
Pupil Transportation	4,960,264	520,327	78,608	5,559,199
Central	1,335,845	0	0	1,335,845
Operation of Non-Instructional Services	152,604	0	6,360,505	6,513,109
Extracurricular Activities	1,320,614	0	567,392	1,888,006
Capital Outlay	0	671,279	2,425,496	3,096,775
<b>Debt Service:</b>				
Principal Retirement	0	630,000	1,245,000	1,875,000
Interest and Fiscal Charges	0	349,041	652,328	1,001,369
<b>Total Expenditures</b>	<b>77,814,417</b>	<b>2,720,250</b>	<b>17,561,305</b>	<b>98,095,972</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>10,973,450</b>	<b>486,525</b>	<b>(2,900,202)</b>	<b>8,559,773</b>
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	60,000	60,000
Transfers Out	(60,000)	0	0	(60,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(60,000)</b>	<b>0</b>	<b>60,000</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>10,913,450</b>	<b>486,525</b>	<b>(2,840,202)</b>	<b>8,559,773</b>
<b>Fund Balances at Beginning of Year</b>	<b>31,825,832</b>	<b>7,461,026</b>	<b>6,602,333</b>	<b>45,889,191</b>
<b>Fund Balances at End of Year</b>	<b>\$42,739,282</b>	<b>\$7,947,551</b>	<b>\$3,762,131</b>	<b>\$54,448,964</b>

See accompanying notes to the basic financial statements

**Northwest Local School District  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Fiscal Year Ended June 30, 2014**

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**Net Change in Fund Balances - Total Governmental Funds** \$8,559,773

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital assets additions	3,849,882	
Depreciation expense	<u>(1,375,357)</u>	
Excess of capital outlay expense over depreciation		2,474,525

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are therefore recorded as deferred inflows of resources in the governmental funds. Deferred inflows of resources changed by these amounts this fiscal year:

Delinquent property taxes	173,299	
Intergovernmental	11,724	
Interest	<u>1,026</u>	
Total		186,049

The internal service fund is used by management to charge the costs of workers compensation claims to individual funds. The net income of the internal service fund is reported with governmental activities. 22,401

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current fiscal year, these amounts consist of:

Bond principal retirement	1,875,000
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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. The difference in the amount of interest on the statement of activities is the result of the following:

Increase in accrued interest	(6,867)	
Amortization of bond premium	44,456	
Accretion on capital appreciation bonds	<u>(82,213)</u>	
Total		(44,624)

Some items 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. These activities consist of:

Grants Cancelled	(893)	
Increase in compensated absences	<u>(594,833)</u>	
Total		<u>(595,726)</u>

**Change in Net Position of Governmental Activities** \$12,477,398

See accompanying notes to the basic financial statements

**Northwest Local School District**  
**Statement of Revenues, Expenditures and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual**  
**For the Fiscal Year Ended June 30, 2014**

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$43,620,981	\$45,620,981	\$45,629,543	\$8,562
Payment in Lieu of Taxes	3,482,368	3,513,600	3,710,151	196,551
Intergovernmental	32,210,018	35,656,826	36,100,747	443,921
Investment Earnings	120,000	120,000	142,179	22,179
Tuition and Fees	1,388,826	353,826	933,773	579,947
Extracurricular Activities	185,000	185,000	261,590	76,590
Rent	650,000	650,000	637,714	(12,286)
Gifts and Donations	0	10,000	10,000	0
Charges for Services	382,000	383,000	362,584	(20,416)
Miscellaneous	90,632	91,400	96,876	5,476
Total Revenues	<u>82,129,825</u>	<u>86,584,633</u>	<u>87,885,157</u>	<u>1,300,524</u>
<b>Expenditures:</b>				
Current				
Instruction:				
Regular	38,891,444	37,916,349	37,336,904	579,445
Special	10,350,012	11,458,603	11,458,603	0
Vocational	1,457	33,457	30,342	3,115
Student Intervention Services	471,650	423,054	395,479	27,575
Support Services:				
Pupils	5,085,427	5,136,518	4,725,942	410,576
Instructional Staff	1,981,347	2,032,952	1,903,263	129,689
Board of Education	128,337	199,040	62,615	136,425
Administration	5,043,627	4,899,698	4,757,274	142,424
Fiscal	2,133,945	1,770,016	1,770,016	0
Business	465,634	492,434	416,974	75,460
Operation and Maintenance of Plant	7,010,585	6,960,562	6,541,197	419,365
Pupil Transportation	4,730,141	4,850,458	4,850,458	0
Central	859,839	1,381,575	1,250,109	131,466
Operation of Non-Instructional Services	156,330	153,802	153,802	0
Extracurricular Activities	1,300,586	1,303,553	1,272,652	30,901
Total Expenditures	<u>78,610,361</u>	<u>79,012,071</u>	<u>76,925,630</u>	<u>2,086,441</u>
Excess of Revenues Over Expenditures	<u>3,519,464</u>	<u>7,572,562</u>	<u>10,959,527</u>	<u>3,386,965</u>
<b>Other Financing Sources (Uses):</b>				
Advances In	400,000	400,000	634,764	234,764
Advances Out	(400,000)	(498,449)	(346,856)	151,593
Transfers Out	(150,000)	(150,000)	(150,000)	0
Refund of Prior Year Expenditures	10,000	10,000	3,030	(6,970)
Total Other Financing Sources (Uses)	<u>(140,000)</u>	<u>(238,449)</u>	<u>140,938</u>	<u>379,387</u>
Net Change in Fund Balance	3,379,464	7,334,113	11,100,465	3,766,352
Fund Balance at Beginning of Year	20,283,414	20,283,414	20,283,414	0
Prior Year Encumbrances Appropriated	908,505	908,505	908,505	0
Fund Balance at End of Year	<u>\$24,571,383</u>	<u>\$28,526,032</u>	<u>\$32,292,384</u>	<u>\$3,766,352</u>

See accompanying notes to the basic financial statements



**Northwest Local School District  
Statement of Fund Net Position  
Internal Service Fund  
June 30, 2014**

	<u>Workers' Compensation Fund</u>
<b>Assets:</b>	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	<u>\$469,933</u>
<b>Liabilities:</b>	
Current Liabilities:	
Accounts Payable	3,150
Claims Payable	<u>28,265</u>
<i>Total Current Liabilities</i>	<u>31,415</u>
<b>Net Position:</b>	
Unrestricted	<u>\$438,518</u>

See accompanying notes to the basic financial statements

**Northwest Local School District  
Statement of Revenues,  
Expenses and Changes in Fund Net Position  
Internal Service Fund  
For the Fiscal Year Ended June 30, 2014**

	Workers' Compensation Fund
<b>Operating Revenues:</b>	
Charges for Services	\$241,212
<b>Operating Expenses:</b>	
Fringe Benefits	10,247
Purchased Services	53,088
Materials and Supplies	14,000
Claims	80,327
Other	61,149
Total Operating Expenses	218,811
Operating Income	22,401
Net Position at Beginning of Year	416,117
Net Position at End of Year	\$438,518

See accompanying notes to the basic financial statements

**Northwest Local School District  
Statement of Cash Flows  
Internal Service Fund  
For the Fiscal Year Ended June 30, 2014**

	Workers' Compensation Fund
<b>Increase in Cash and Cash Equivalents:</b>	
<b>Cash Flows from Operating Activities:</b>	
Interfund Services Provided	\$241,212
Cash Payments for Employee Benefits	(10,247)
Cash Payments to Suppliers for Goods and Services	(63,938)
Cash Payments for Claims	(81,234)
Cash Payments to Others	(61,149)
	24,644
<i>Net Increase in Cash and Cash Equivalents</i>	24,644
<i>Cash and Cash Equivalents at Beginning of Year</i>	445,289
<i>Cash and Cash Equivalents at End of Year</i>	\$469,933
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating Income	\$22,401
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>	
Increase (Decrease) in Liabilities:	
Accounts Payable	3,150
Claims Payable	(907)
	2,243
Total Adjustments	2,243
<i>Net Cash Provided by Operating Activities</i>	\$24,644

See accompanying notes to the basic financial statements

**Northwest Local School District**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Fund**  
**June 30, 2014**

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**Assets:**

Equity in Pooled Cash and Cash Equivalents	<u><u>\$112,614</u></u>
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**Liabilities:**

Due to Students	<u><u>\$112,614</u></u>
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See accompanying notes to the basic financial statements

**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

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

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 52 square miles, including all of Colerain Township, and portions of Green and Springfield Townships. The School District is 99 percent in Hamilton County, and a small area is in Butler County, Ross Township, on its northern boundary line.

The School District currently has approximately 9,279 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 1,046 full time and 10 part-time employees to provide services to the students. The School District is the 2nd largest public school district in Hamilton County and the 19th 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 the Special Revenue Funds 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  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

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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:

Jointly Governed Organizations:

Southwest Ohio Computer Association  
Butler Technology and Career Development School  
Southwest Ohio Organization of School Health

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

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, except for fiduciary funds. The activity of the Internal Service Fund is eliminated to avoid "doubling up" revenues and expenses. 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

**Northwest Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

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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. Fiduciary funds are reported by type.

**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 three categories; governmental, proprietary and fiduciary.

**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 are the School District's major governmental funds:

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.

Permanent Improvement – The Permanent Improvement is used to account for and report all transactions related to the acquisition, construction or improvement of the infrastructure of buildings and grounds through permanent improvements.

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 agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary fund is an Agency Fund. The School District's Agency Fund accounts for assets and liabilities generated by student managed activities.

**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

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**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.

**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 net total 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 and fiduciary 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 basis 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.



**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

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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 6). 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.

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 Inflows of Resources**

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 position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and revenue in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2014, but which were levied to finance fiscal year 2015 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District unavailable revenue includes delinquent property taxes, interest and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**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 2014, the School District invested in money market mutual funds, commercial paper, the State Treasury Asset Reserve of Ohio (STAROhio), federal securities, certificates of deposit and treasury notes. Investments are reported at fair value, which is based on quoted market prices, except for mutual funds, which are based on current share price.

**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

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STAROhio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's net asset value per share, which is the price the investment could be sold for on June 30, 2014.

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 2014 amounted to \$299,789, which includes \$76,724 assigned from other School District funds.

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.

**Interfund Balances**

On 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 cost on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies purchased food held for resale.

**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 their fair market values 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, 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
Equipment	5 - 10 years

**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

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**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 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.

**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 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 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.

**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

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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 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 special trust, career consultant grant, athletics, endowment, 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.

**Northwest Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

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**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 agency fund, 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 demonstrates 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.

**Northwest Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

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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.

**NOTE 3 – ACCOUNTABILITY**

At June 30, 2014, the following funds had a deficit fund balance:

<u>Funds</u>	<u>Amounts</u>
Title I	\$62,866
IDEA-B Special Education	38,277
Title II A	12,593
Race to the Top	6,222
Public School Preschool	3,298

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

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

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).

**Northwest Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

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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 Fund special revenue funds are classified to the General Fund for GAAP Reporting.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

Net Change in Fund Balance	
	General
GAAP Basis	\$10,913,450
Adjustments:	
Revenue Accruals	(444,072)
Expenditure Accruals	1,474,869
Encumbrances	(1,160,909)
Change in Fair Value of Investments - fiscal year 2014	4,671
Change in Fair Value of Investments - fiscal year 2013	(128,995)
Excess of revenues under expenditures for the Uniform School Supplies Fund	243,543
Advances	287,908
Transfers	(90,000)
Budget Basis	\$11,100,465

**NOTE 5 – DEPOSITS AND INVESTMENTS**

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

**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

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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, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio; or Ohio Local Governments;
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) above;
7. The State Treasurer's investment pool (STAROhio); and
8. Commercial paper and bankers acceptances 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. Investments may only be made through specified dealers and institutions.

**Investments**

As of June 30, 2014, the School District had the following investments:



**Northwest Local School District  
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<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Percent of Total Investments</u>
Money Market Mutual Fund	\$18,552,510	0.00	N/A
Commercial Paper Toyota Motor Credit	724,275	0.00	N/A
Commercial Paper US Bank Credit	200,000	0.00	N/A
STAROhio	35,149	0.14	N/A
Federal Home Loan Bank Bonds	6,759,081	3.27	17%
Federal Home Loan Mortgage Corporation	1,748,329	3.38	4%
Federal National Mortgage Association	9,539,439	2.93	24%
Negotiable Certificate of Deposits	1,251,824	2.68	3%
US Treasury Notes	790,679	1.34	N/A
	<u>\$39,601,286</u>		

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 investments in Money Market Mutual Fund, Federal Home Loan Mortgage, Federal National Mortgage and Federal Home Loan Bank Bonds were rated AA+ by Standard & Poor’s and Fitch Ratings, and Aaa by Moody’s Investor’s Service. Investments in STAR Ohio were rated AAAM by Standard & Poor’s. The Toyota Motor Credit Commercial Paper is rated A1+/P1 by Standard and Poor’s and Moody’s. The US Bank Credit Commercial Paper is rated A1/P1 by Standard and Poor’s and Moody’s.

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.

**NOTE 6 – PROPERTY TAXES**

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 2014 represents collections of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed value listed as of January 1, 2013, 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

**Northwest Local School District  
Notes to the Basic Financial Statements  
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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 2014 represents collections of calendar year 2013 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien December 31, 2012, were levied after April 1, 2013 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, 2014, are available to finance fiscal year 2014 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, 2014 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, 2014, was \$18,071,000 in the General Fund, \$1,028,000 in the Permanent Improvement Fund and \$699,000 in the Nonmajor Governmental Funds. The amount available as an advance at June 30, 2013, was \$17,720,000 in the General Fund, \$1,018,000 in the Permanent Improvement Fund and \$692,000 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 of resources-unavailable revenue.

The assessed values upon which the fiscal year 2014 taxes were collected are:

	<u>2013 Second- Half Collections</u>		<u>2014 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Real Estate	\$1,434,832,940	97.24%	\$1,434,689,580	97.01%
Public Utility Personal	40,743,160	2.76%	44,188,630	2.99%
Total Assessed Value	<u>\$1,475,576,100</u>	<u>100.00%</u>	<u>\$1,478,878,210</u>	<u>100.00%</u>
 Tax rate per \$1,000 of assessed valuation	 \$59.57		 \$59.57	

**NOTE 7 – RECEIVABLES**

Receivables at June 30, 2014, consisted of property taxes, payment in lieu of taxes, intergovernmental grants, accounts (rent and student fees), accrued 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

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property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

	Amounts
<u>Governmental Activities:</u>	
Title I	\$868,186
Idea-B Special Education	681,381
Race to the Top	209,857
Title II A	40,727
Title I School Improvement Stimulus A	40,257
School Employment Retirement System Refund	33,430
Public School Preschool	25,212
Early Childhood Special Education	19,765
Miscellaneous	18,189
Title III	6,296
Vocational Education Enhancement	78
Total	\$1,943,378

**NOTE 8 – CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2014, was as follows:

	Balance at 6/30/2013	Additions	Deletions	Balance at 6/30/2014
<u>Governmental Activities:</u>				
Capital Assets Not Being Depreciated:				
Land	\$3,668,199	\$0	\$0	\$3,668,199
Capital Assets Being Depreciated:				
Buildings and Improvements	59,536,898	3,148,187	0	62,685,085
Equipment	13,350,134	701,695	(34,047)	14,017,782
Total Capital Assets Being Depreciated	72,887,032	3,849,882	(34,047)	76,702,867
Total Capital Assets At Historical Cost	76,555,231	3,849,882	(34,047)	80,371,066
Less Accumulated Depreciation:				
Buildings and Improvements	(36,703,271)	(903,107)	0	(37,606,378)
Equipment	(11,218,937)	(472,250)	34,047	(11,657,140)
Total Accumulated Depreciation	(47,922,208)	(1,375,357)	34,047	(49,263,518)
Total Capital Assets Being Depreciated, Net	24,964,824	2,474,525	0	27,439,349
Governmental Activities Capital Assets, Net	\$28,633,023	\$2,474,525	\$0	\$31,107,548

**Northwest Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

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Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$981,095
Special	5,428
Vocational	213
Other	532
Support Services:	
Pupil	2,454
Instructional Staff	1,050
Administration	339
Business	2,070
Operations and Maintenance	40,959
Pupil Transportation	254,879
Central	10,539
Operation of Non-Instructional Services	61,103
Extracurricular Activities	14,676
Total Depreciation Expense	\$1,375,337

**NOTE 9 – RISK MANAGEMENT**

**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 2014, the School District contracted with Ohio Casualty Insurance Company for property and Argonaut for general liability insurance.

Professional liability is protected by Argonaut with \$3,000,000 each occurrence, \$3,000,000 aggregate limit. Vehicles are covered by Argonaut with \$250 deductible for comprehensive and \$500 deductible for collision.

Public official's bond insurance is provided by Cincinnati Insurance Company. The Treasurer is covered by a bond in the amount of \$20,000. The School District Plumber is covered by a bond in the amount of \$1,000.

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.

**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 to pay employee claims. The School District also maintains excess insurance coverage which would pay the portion of the claims that exceed \$350,000 per occurrence for all employees.

**Northwest Local School District  
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Incurred but not reported claims and premium of \$28,265 have been accrued as a liability at June 30, 2014, based on an estimate by Hunter Consulting. The claims liability report in the workers' compensation internal service fund at June 30, 2014, 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 report 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 2013 and 2014 were:

Fiscal Year	Beginning Balance	Current Year Claims	Claim Payments	Ending Balance June 30,
2013	\$0	\$175,599	\$146,427	\$29,172
2014	29,172	80,327	81,234	28,265

**NOTE 10 – DEFINED BENEFITS PENSION PLANS**

**School Employees Retirement System of Ohio**

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

Funding Policy – Plan members are required to contribute 10.0 percent of their annual covered salary and the School District is required to contribute 14.0 percent 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 10.0 percent for plan members and 14.0 percent 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, 2014, the allocation to pension and death benefits was 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2014, 2013, and 2012 were \$1,601,393, \$1,495,180 and \$1,943,017 respectively. For fiscal year 2014, 82.64 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2013 and 2012.

**State Teachers Retirement System of Ohio**

Plan Description – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that can be obtained by writing to STRS Ohio, 275 E. Broad

**Northwest Local School District**  
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St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio 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. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.50 percent of earned compensation into an investment account. Investment decisions are made by the member. 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, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50. Benefits are established by Ohio Revised Code Chapter 3307.

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. 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 - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 11.0 percent for members and 14.0 percent for employers. The statutory maximum employee contribution rate was increased one percent July 1, 2013, and will be increased one percent each year until it reaches 14.0 percent on July 1, 2016. For the fiscal year ended June 30, 2014, plan members were required to contribute 11.0 percent of their annual covered salary. The School District was required to contribute 14.0 percent; 13.0 percent was the portion used to fund pension obligations.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013, and 2012 were \$4,619,004, \$4,770,978 and \$5,446,835, respectively. For fiscal year 2014, 83.97 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2013 and 2012.

Contributions made to STRS Ohio for the DC Plan and for fiscal year 2014 was \$124,050 made by the School District and \$97,468 made by the plan members. In addition, member contributions of \$101,230 were made for fiscal year 2014 for the defined contribution portion of the Combined Plan.

**NOTE 11 – POST EMPLOYMENT BENEFITS**

**School Employees Retirement System**

Plan Description – The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan, and a Medicare Part B

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**Notes to the Basic Financial Statements**  
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Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans, as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report, which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14.0 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2014, 0.14 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for fiscal year 2014, this amount was \$20,250. During fiscal year 2014, the School District paid \$209,674 in surcharge.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility, and retirement status.

The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$319,693, \$301,212, and \$276,333, respectively. For fiscal year 2013, 82.64 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2013 and 2012.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2014, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012, were \$92,905, \$84,784, and \$104,090, respectively. For fiscal year 2014, 82.64 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2013 and 2012.

### **State Teachers Retirement System of Ohio**

Plan Description – The School District participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio, 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 Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2014, STRS Ohio allocated employer contributions equal to one percent of covered payroll to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were

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\$355,308, \$366,998, and \$389,060, respectively. For fiscal year 2014, 83.97 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2013 and 2012. The STRS Board voted to discontinue the current one percent allocation to the health care fund effective July 1, 2014.

**NOTE 12 – 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:

<b><u>VACATION</u></b>	<b><u>CERTIFIED</u></b>	<b><u>ADMINISTRATORS</u></b>	<b><u>NON-CERTIFIED</u></b>
How earned	Not eligible	15-20 days at start of each contract year	10-20 days for each service year depending on length of service
Maximum Accumulation	Not applicable	60 to 80 days	40 to 80 days
Termination Entitlement	Not applicable	As earned	As earned
<b><u>SICK LEAVE</u></b>	<b><u>CERTIFIED</u></b>	<b><u>ADMINISTRATORS</u></b>	<b><u>NON-CERTIFIED</u></b>
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)
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



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Notes to the Basic Financial Statements  
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**Insurance**

The School District has elected to provide employee medical/surgical benefits through United Health Care, a primary care access system. 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 ING.

**NOTE 13 - LONG-TERM LIABILITIES**

The change in the School District's long-term obligations during fiscal year 2014 consists of the following:

	Maturity Date	Beginning Balance	Issued	Retired	Ending Balance	Due In One Year
Governmental Activities:						
Bonds Payable:						
1998 School Improvement	12/1/2013	\$1,030,000	\$0	\$1,030,000	\$0	\$0
2005 Refunding Bonds:						
Current Interest Bonds	12/1/2022	13,520,000	0	215,000	13,305,000	1,190,000
Capital Appreciation Bonds	12/1/2015	720,000	0	0	720,000	25,000
Accretion of Interest		459,753	82,213	0	541,966	80,000
2013 QZAB Bonds	12/1/2027	4,000,000	0	270,000	3,730,000	270,000
2013 Tax-Exempt Bonds	12/1/2027	1,390,000	0	80,000	1,310,000	80,000
2013 Certificates of Participation	12/1/2029	6,500,000	0	280,000	6,220,000	325,000
Premium on Bonds:						
2005 Refunding Bonds	12/1/2022	310,510	0	36,530	273,980	0
2013 Tax-Exempt Bonds	12/1/2027	29,586	0	2,064	27,522	0
2013 Certificates of Participation	12/1/2029	94,770	0	5,862	88,908	0
Total Bonds		28,054,619	82,213	1,919,456	26,217,376	1,970,000
Compensated Absences		3,834,675	1,115,163	520,330	4,429,508	801,214
Total Governmental Activities Long-Term Liabilities		<u>\$31,889,294</u>	<u>\$1,197,376</u>	<u>\$2,439,786</u>	<u>\$30,646,884</u>	<u>\$2,771,214</u>

On March 1, 1998, the School District issued \$25,000,000, 3.7-6.0 percent general obligation bonds. These bonds were issued to fund construction of a new elementary building and various school improvements. The bonds were paid off during fiscal year 2014.

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

**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

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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 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, 2014, \$15,380,000 of the defeased bonds are still outstanding.

The capital appreciation bonds, issued at \$720,000, are not subject to prior redemption. The fiscal year 2014, accretion amount was \$82,213. The capital appreciation bonds will mature in fiscal year 2016. The final maturity amount of the bonds is \$1,380,000.

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. The QZAB does not bear interest. 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 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 \$270,000 deposit as of June 30, 2014.

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 the rate of 2.00 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 to finance 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 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

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**Notes to the Basic Financial Statements**  
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and appropriations, annually. The base rent includes an interest component that begins at 2.00 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.

Annual base rent requirements to retire the certificates of participation outstanding at June 30, 2014 are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2015	\$325,000	\$164,441	\$489,441
2016	330,000	157,891	487,891
2017	335,000	151,241	486,241
2018	345,000	144,441	489,441
2019	350,000	137,491	487,491
2020-2024	1,880,000	540,243	2,420,243
2025-2029	2,180,000	239,048	2,419,048
2030	475,000	7,422	482,422
Total	<u>\$6,220,000</u>	<u>\$1,542,218</u>	<u>\$7,762,218</u>

The amount of unspent proceeds on bond proceeds at June 30, 2014, for Northwest Local School District is \$453,623.

Compensated absences 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.

The School District's overall legal debt margin was \$109,769,406 with an unvoted debt margin of \$1,478,878 at June 30, 2014.

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

Fiscal Year Ending June 30	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2015	\$1,190,000	\$617,127	\$1,807,127	\$25,000	\$80,000	\$105,000
2016	100,000	561,577	661,577	695,000	580,000	1,275,000
2017	1,405,000	529,370	1,934,370	0	0	\$0
2018	1,500,000	466,913	1,966,913	0	0	\$0
2019	1,590,000	392,925	1,982,925	0	0	\$0
2020-2023	7,520,000	709,519	8,229,519	0	0	\$0
Total	<u>\$13,305,000</u>	<u>\$3,277,431</u>	<u>\$16,582,431</u>	<u>\$720,000</u>	<u>\$660,000</u>	<u>\$1,380,000</u>

**Northwest Local School District**  
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Fiscal Year Ending June 30	QZAB Bonds		
	Principal	Interest	Total
2015	\$270,000	\$150,000	\$420,000
2016	270,000	150,000	420,000
2017	270,000	150,000	420,000
2018	270,000	150,000	420,000
2019	265,000	150,000	415,000
2020-2024	1,325,000	750,000	2,075,000
2025-2028	1,060,000	525,000	1,585,000
Total	<u>\$3,730,000</u>	<u>\$2,025,000</u>	<u>\$5,755,000</u>

Fiscal Year Ending June 30	Tax-Exempt Bonds		
	Principal	Interest	Total
2015	\$80,000	\$26,950	\$106,950
2016	85,000	25,300	110,300
2017	85,000	23,600	108,600
2018	85,000	21,900	106,900
2019	90,000	20,150	110,150
2020-2024	475,000	72,900	547,900
2025-2028	410,000	20,500	430,500
Total	<u>\$1,310,000</u>	<u>\$211,300</u>	<u>\$1,521,300</u>

**NOTE 14 – INTERFUND ACTIVITY**

As of June 30, 2014, receivable and payables that resulted from various interfund transactions were as follows:

	Interfund	
	Receivable	Payable
General Fund	\$380,728	\$0
Permanent Improvement Fund	130,617	0
Nonmajor Governmental Funds	0	511,345
Total All Funds	<u>\$511,345</u>	<u>\$511,345</u>

Interfund balances at June 30, 2014, consisted of the following 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.

**Northwest Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

Transfers made during the fiscal year ended June 30, 2014, were as follows:

	Transfers	
	In	Out
General Fund	\$0	\$60,000
Nonmajor Governmental Funds	60,000	0
Total All Funds	\$60,000	\$60,000

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

**NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS**

**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 districts. Each of the governments of these schools 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 \$192,178 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 the 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 Rd., 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 are 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

**Northwest Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

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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**

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.

	Capital Acquisition
Set Aside Balance as of June 30, 2013	\$0
Current Year Set Aside Requirements	1,541,634
Qualified Disbursements	(758,909)
Current Year Offsets	(782,725)
Set Aside Balance as of June 30, 2014	\$0

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**

The School District’s Endowment includes donor-restricted endowments. The Net Position: Endowment amount of \$6,501 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 – CONTINGENT LIABILITIES**

**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 is 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, 2014, if applicable, cannot be determined at this time.

**Northwest Local School District  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2014**

**Litigation**

The School District is party to legal proceedings. However, no liability has been accrued since the ultimate disposition of these claims and legal proceedings has yet to be determined and the amount of liability, if any, is not measurable.

**NOTE 19 - SIGNIFICANT COMMITMENTS**

**Contractual Commitments**

The following table provides a summary of the outstanding contractual commitments as of June 30, 2014:

<u>Contractor</u>	<u>Description</u>	<u>Contract Amount</u>	<u>Amount Expended</u>	<u>Amount Remaining</u>
Kramer & Feldman	Auditorium Renovation	\$554,874	\$63,898	\$490,976
Capitol Aluminum & Glass Corp.	Door and Window Replacements	424,300	51,998	372,302
Kramer & Feldman	Cosmetology Lab	408,288	126,149	282,139
Trane	HVAC updates	204,000	0	204,000
Blau Mechanical	Mechanical/Fire Protective Services	177,678	0	177,678
Avant Commincation	Intercom and Sound System Upgrades	151,877	0	151,877
A.W. Farrell & Son, Inc.	Roof Replacement	149,200	110,450	38,750
SHP Leading Design	Architectual Designs	50,000	16,376	33,624
The Final Floor, Inc.	Gym Floor Replacement	140,631	119,400	21,231
Structured Audio Visual, Inc	Smartboard and Projector	15,727	0	15,727
Central Insulation Systems	Asbestos Abatement	15,665	0	15,665
Walnut Grove	Playground Equipment	9,985	0	9,985
John Brown Carpet	Carpet Installation	2,768	0	2,768
		<u>\$2,304,993</u>	<u>\$488,271</u>	<u>\$1,816,722</u>

**Encumbrances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year-end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

General Fund	\$1,160,909
Permanent Improvement	1,482,659
Nonmajor Governmental Funds	<u>1,386,052</u>
<b>Total</b>	<u><u>\$4,029,620</u></u>

**Northwest Local School District**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2014**

**NOTE 20 – FUND BALANCES**

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:

Fund Balances	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b><i>Nonspendable</i></b>				
Endowment Reserve	\$0	\$0	\$79,000	\$79,000
<b><i>Restricted for</i></b>				
Capital Outlay	0	0	815,473	815,473
Debt Services	0	0	1,955,370	1,955,370
Food Service	0	0	123,188	123,188
Special Trust	0	0	367,752	367,752
Expendable	0	0	6,501	6,501
Career Consultants	0	0	7,529	7,529
Athletics	0	0	204,795	204,795
State Grant	0	0	297,816	297,816
Federal Grants	0	0	27,963	27,963
<b><i>Total Restricted</i></b>	<b>0</b>	<b>0</b>	<b>3,806,387</b>	<b>3,806,387</b>
<b><i>Committed to</i></b>				
Underground Storage	11,000	0	0	11,000
Capital Projects	0	7,947,551	0	7,947,551
<b><i>Total Committed</i></b>	<b>11,000</b>	<b>7,947,551</b>	<b>0</b>	<b>7,958,551</b>
<b><i>Assigned to</i></b>				
Purchases on Order	527,033	0	0	527,033
<b><i>Unassigned (Deficit)</i></b>	<b>42,201,249</b>	<b>0</b>	<b>(123,256)</b>	<b>42,077,993</b>
<b><i>Total Fund Balances</i></b>	<b>\$42,739,282</b>	<b>\$7,947,551</b>	<b>\$3,762,131</b>	<b>\$54,448,964</b>



Northwest Local School District

Nonmajor Fund Descriptions

*Special Revenue Funds*

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following are descriptions of the School District's nonmajor Special Revenue Funds:

*Nonmajor Special Revenue Funds*

**Food Services Fund** – This fund accounts for and reports revenues restricted to the provision of food services, including breakfast and lunch, for the School District students and staff.

**Special Trust Fund** – This fund accounts for and reports donations restricted for purposes that are beneficial to the overall operation of the School District.

**Career Consultant Grant Fund** – This fund accounts for and reports career consultant restricted gifts and donations from Butler Tech 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 expense for the career programs.

**Athletic Fund** – This fund accounts for and reports 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 Service Fund** – This fund accounts for and reports state funds restricted providing services and materials to students attending non-public schools within the boundaries of the School District as provided by state law.

**Public School Preschool Fund** – This fund accounts for and reports assistance from the State restricted to paying the cost of a pre-school program for three and four year old students.

**SchoolNet Professional Development Fund** – This fund accounts for and reports a limited number of professional development subsidy restricted grants.

*Nonmajor Special Revenue Funds (continued)*

**Vocational Education Enhancement Fund** – This fund accounts for and reports 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.

**Race to the Top Fund** – This fund accounts for and reports restricted grants for either a new program or expansion of an existing program to support initiatives in the following areas: Standards and Assessments; Using Data to improve Instruction; Grant Teachers and Leaders; and Turning Around the Lowest-Achieving Schools.

**IDEA-B Special Education Fund** – This fund accounts for and reports 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 specialist in providing educational services to the handicapped.

**Title I School Improvement Stimulus A Fund** – This fund accounts for and reports restricted federal monies for economically disadvantaged school districts and some of their eligible schools for improving educational outcomes for students who are failing or at risk of failing to meet state standards.

**Title III Fund** – This fund accounts for and reports restricted federal funds to provide language instruction for limited English proficient and migrant students.

**Title I Fund** – This fund accounts account for and reports restricted federal funds for services provided to meet special education needs of educationally deprived children.

**Early Childhood Special Education Fund** – This fund accounts for and reports federal funds restricted to provide programs to handicapped preschool children.

**Title II-A Fund** – This fund accounts for and reports federal funds restricted to assisting in the cost of personnel hired to reduce class size in kindergarten through third grade.

**Federal Grants Fund** – This fund accounts for and reports various restricted monies received through State agencies from the federal government, or directly from the federal government, which are not classified elsewhere.

*Nonmajor Special Revenue Funds (continued)*

**Uniform School Supplies Fund** – This fund accounts for and reports the purchase and sale of school supplies, such as workbooks, as adopted by the Board of Education. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

**Underground Storage Tank Fund** – This fund accounts for and reports local funds which are provided in the event of an underground storage tank leak. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source. This fund had no activity during fiscal year 2014. Therefore, no budgetary statement is presented.

*Debt Service Fund*

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

*Nonmajor Debt Service Fund*

**Debt Service Fund** – This fund accounts for and reports the accumulation of resources restricted for and 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.

*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.

**Endowment Fund** – This fund accounts for and reports the financial resources that are restricted. Only the income earned can be used for specific purposes.

### *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 major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust. The following is a description of the School District's nonmajor capital projects fund.

#### *Nonmajor Capital Projects Fund*

**Building Fund** – This fund accounts for and reports the receipts and expenditures related to all special bond funds in the School District. Expenditures recorded here represent the costs of updating School District buildings.

#### *Internal Service Fund*

Internal service funds are used to account for and report financing of services provided by one department or agency to other departments or agencies of the School District on a cost-reimbursement basis.

#### *Nonmajor Internal Service Fund*

**Workers' Compensation Fund** – This fund accounts for and reports receipts and expenses to provide workers' compensation self-insurance to the School District employees.

Northwest Local School District  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Permanent Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$1,418,038	\$1,256,370	\$85,501	\$1,120,438	\$3,880,347
Receivables:					
Property Taxes	0	2,086,464	0	0	2,086,464
Intergovernmental	1,898,280	0	0	0	1,898,280
Accounts	10,963	0	0	0	10,963
Inventory Held for Resale	67,336	0	0	0	67,336
<b>Total Assets</b>	<b>\$3,394,617</b>	<b>\$3,342,834</b>	<b>\$85,501</b>	<b>\$1,120,438</b>	<b>\$7,943,390</b>
<b>Liabilities:</b>					
Accounts Payable	\$91,202	\$0	\$0	\$0	\$91,202
Accrued Wages and Benefits Payable	586,297	0	0	0	586,297
Contracts Payable	0	0	0	160,983	160,983
Retainage Payable	0	0	0	13,365	13,365
Interfund Payable	380,728	0	0	130,617	511,345
Intergovernmental Payable	145,358	0	0	0	145,358
<b>Total Liabilities</b>	<b>1,203,585</b>	<b>0</b>	<b>0</b>	<b>304,965</b>	<b>1,508,550</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	0	1,311,274	0	0	1,311,274
Unavailable Revenue	1,285,245	76,190	0	0	1,361,435
<b>Total Deferred Inflows of Resources</b>	<b>1,285,245</b>	<b>1,387,464</b>	<b>0</b>	<b>0</b>	<b>2,672,709</b>
<b>Fund Balances:</b>					
Nonspendable	0	0	79,000	0	79,000
Restricted	1,029,043	1,955,370	6,501	815,473	3,806,387
Unassigned (Deficit)	(123,256)	0	0	0	(123,256)
<b>Total Fund Balances</b>	<b>905,787</b>	<b>1,955,370</b>	<b>85,501</b>	<b>815,473</b>	<b>3,762,131</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$3,394,617</b>	<b>\$3,342,834</b>	<b>\$85,501</b>	<b>\$1,120,438</b>	<b>\$7,943,390</b>

Northwest Local School District  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2014

	Food Services Fund	Special Trust Fund	Career Consultant Grant Fund	Athletic Fund	Auxiliary Service Fund
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$358,057	\$372,304	\$8,048	\$240,534	\$360,354
Receivables:					
Intergovernmental	6,359	0	0	0	162
Accounts	2,055	2,218	0	6,690	0
Inventory Held for Resale	67,336	0	0	0	0
<b>Total Assets</b>	<u>\$433,807</u>	<u>\$374,522</u>	<u>\$8,048</u>	<u>\$247,224</u>	<u>\$360,516</u>
<b>Liabilities:</b>					
Accounts Payable	\$13,025	\$4,635	\$0	\$15,973	\$55,164
Accrued Wages and Benefits Payable	239,941	0	0	0	6,067
Interfund Payable	0	0	0	3,688	0
Intergovernmental Payable	57,653	2,135	519	22,768	1,469
<b>Total Liabilities</b>	<u>310,619</u>	<u>6,770</u>	<u>519</u>	<u>42,429</u>	<u>62,700</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue	0	0	0	0	0
<b>Fund Balances:</b>					
Restricted	123,188	367,752	7,529	204,795	297,816
Unassigned (Deficit)	0	0	0	0	0
<b>Total Fund Balances (Deficit)</b>	<u>123,188</u>	<u>367,752</u>	<u>7,529</u>	<u>204,795</u>	<u>297,816</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$433,807</u>	<u>\$374,522</u>	<u>\$8,048</u>	<u>\$247,224</u>	<u>\$360,516</u>

Public School Preschool Fund	SchoolNet Professional Development Fund	Vocational Education Enhancement Fund	Race to the Top Fund	IDEA-B Special Education Fund	Title I School Improvement Stimulus A Fund	Title III Fund
\$0	\$25,811	\$1,670	\$1,703	\$18,683	\$1,147	\$0
25,212	0	78	209,857	681,381	40,257	6,296
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$25,212</u>	<u>\$25,811</u>	<u>\$1,748</u>	<u>\$211,560</u>	<u>\$700,064</u>	<u>\$41,404</u>	<u>\$6,296</u>
\$0	\$0	\$0	\$556	\$500	\$0	\$0
24,365	0	40	9,086	135,558	6,440	0
275	0	0	13,368	309,091	8,856	2,117
3,870	0	1,670	511	32,667	0	0
<u>28,510</u>	<u>0</u>	<u>1,710</u>	<u>23,521</u>	<u>477,816</u>	<u>15,296</u>	<u>2,117</u>
0	0	32	194,261	260,525	24,261	4,179
0	25,811	6	0	0	1,847	0
(3,298)	0	0	(6,222)	(38,277)	0	0
<u>(3,298)</u>	<u>25,811</u>	<u>6</u>	<u>(6,222)</u>	<u>(38,277)</u>	<u>1,847</u>	<u>0</u>
<u>\$25,212</u>	<u>\$25,811</u>	<u>\$1,748</u>	<u>\$211,560</u>	<u>\$700,064</u>	<u>\$41,404</u>	<u>\$6,296</u>

(continued)

Northwest Local School District  
Combining Balance Sheet  
Nonmajor Special Revenue Funds *(continued)*  
June 30, 2014

	Title I Fund	Early Childhood Special Education Fund	Title II-A Fund	Total Nonmajor Special Revenue Funds
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$27,685	\$2,042	\$0	\$1,418,038
Receivables:				
Intergovernmental	868,186	19,765	40,727	\$1,898,280
Accounts	0	0	0	\$10,963
Inventory Held for Resale	0	0	0	\$67,336
<b>Total Assets</b>	<b>\$895,871</b>	<b>\$21,807</b>	<b>\$40,727</b>	<b>\$3,394,617</b>
<b>Liabilities:</b>				
Accounts Payable	\$94	\$1,255	\$0	\$91,202
Accrued Wages and Benefits Payable	126,818	102	37,880	586,297
Interfund Payable	34,947	7,416	970	380,728
Intergovernmental Payable	16,930	0	5,166	145,358
<b>Total Liabilities</b>	<b>178,789</b>	<b>8,773</b>	<b>44,016</b>	<b>1,203,585</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue	779,948	12,735	9,304	1,285,245
<b>Fund Balances:</b>				
Restricted	0	299	0	1,029,043
Unassigned (Deficit)	(62,866)	0	(12,593)	(123,256)
<b>Total Fund Balances (Deficit)</b>	<b>(62,866)</b>	<b>299</b>	<b>(12,593)</b>	<b>905,787</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$895,871</b>	<b>\$21,807</b>	<b>\$40,727</b>	<b>\$3,394,617</b>



Northwest Local School District  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Permanent Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Property Taxes	\$0	\$1,777,225	\$0	\$0	\$1,777,225
Intergovernmental	10,701,553	253,991	0	0	10,955,544
Investment Earnings	1,525	0	0	9,939	11,464
Extracurricular Activities	464,694	0	0	0	464,694
Gifts and Donations	143,543	0	3,875	7,721	155,139
Charges for Services	1,222,728	0	0	0	1,222,728
Miscellaneous	73,747	562	0	0	74,309
Total Revenues	<u>12,607,790</u>	<u>2,031,778</u>	<u>3,875</u>	<u>17,660</u>	<u>14,661,103</u>
<b>Expenditures:</b>					
Current					
Instruction:					
Regular	378,541	0	0	770,482	1,149,023
Special	2,481,983	0	0	0	2,481,983
Vocational	14,547	0	0	0	14,547
Student Intervention Services	106,725	0	0	0	106,725
Support Services:					
Pupils	712,026	0	0	0	712,026
Instructional Staff	1,002,147	0	0	0	1,002,147
Administration	640,073	0	0	0	640,073
Fiscal	0	25,989	0	0	25,989
Operation and Maintenance of Plant	35,105	0	0	64,358	99,463
Pupil Transportation	78,608	0	0	0	78,608
Operation of Non-Instructional Services	6,360,505	0	0	0	6,360,505
Extracurricular Activities	561,541	0	5,851	0	567,392
Capital Outlay	50,000	0	0	2,375,496	2,425,496
Debt Service					
Principal	0	1,245,000	0	0	1,245,000
Interest	0	652,328	0	0	652,328
Total Expenditures	<u>12,421,801</u>	<u>1,923,317</u>	<u>5,851</u>	<u>3,210,336</u>	<u>17,561,305</u>
Excess of Revenues Over (Under) Expenditures	185,989	108,461	(1,976)	(3,192,676)	(2,900,202)
<b>Other Financing Sources:</b>					
Transfers In	60,000	0	0	0	60,000
Net Change in Fund Balances	245,989	108,461	(1,976)	(3,192,676)	(2,840,202)
Fund Balances at Beginning of Year	659,798	1,846,909	87,477	4,008,149	6,602,333
Fund Balances at End of Year	<u>\$905,787</u>	<u>\$1,955,370</u>	<u>\$85,501</u>	<u>\$815,473</u>	<u>\$3,762,131</u>

Northwest Local School District  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	Food Services Fund	Special Trust Fund	Career Consultant Grant Fund	Athletic Fund	Auxiliary Service Fund	Public School Preschool Fund
<b>Revenues:</b>						
Intergovernmental	\$1,928,907	\$0	\$0	\$0	\$2,694,672	\$147,980
Investment Earnings	375	0	0	0	1,150	0
Extracurricular Activities	0	0	0	464,694	0	0
Gifts and Donations	0	129,878	13,665	0	0	0
Charges for Service	1,222,728	0	0	0	0	0
Miscellaneous	0	62,830	0	10,917	0	0
Total Revenues	<u>3,152,010</u>	<u>192,708</u>	<u>13,665</u>	<u>475,611</u>	<u>2,695,822</u>	<u>147,980</u>
<b>Expenditures:</b>						
Current						
Instruction:						
Regular	0	50,509	1,611	0	0	0
Special	0	80	0	0	0	143,490
Vocational	0	0	14,547	0	0	0
Student Intervention Services	0	0	0	0	0	0
Support Services:						
Pupils	0	2,319	303	0	0	0
Instructional Staff	0	0	1,388	0	0	0
Administration	0	0	0	0	0	0
Operation and Maintenance of Plant	35,105	0	0	0	0	0
Pupil Transportation	0	0	0	72,356	0	0
Operation of Non-Instructional Services	3,364,648	65,064	0	0	2,491,309	0
Extracurricular Activities	0	900	0	560,641	0	0
Capital Outlay	0	50,000	0	0	0	0
Total Expenditures	<u>3,399,753</u>	<u>168,872</u>	<u>17,849</u>	<u>632,997</u>	<u>2,491,309</u>	<u>143,490</u>
Excess of Revenues Over (Under) Expenditures	(247,743)	23,836	(4,184)	(157,386)	204,513	4,490
<b>Other Financing Sources:</b>						
Transfers In	0	0	0	60,000	0	0
Net Change in Fund Balances	(247,743)	23,836	(4,184)	(97,386)	204,513	4,490
Fund Balances (Deficit) at Beginning of Year	<u>370,931</u>	<u>343,916</u>	<u>11,713</u>	<u>302,181</u>	<u>93,303</u>	<u>(7,788)</u>
Fund Balances (Deficit) at End of Year	<u>\$123,188</u>	<u>\$367,752</u>	<u>\$7,529</u>	<u>\$204,795</u>	<u>\$297,816</u>	<u>(\$3,298)</u>

SchoolNet Professional Development Fund	Vocational Education Enhancement Fund	Race to the Top Fund	IDEA-B Special Education Fund	Title I School Improvement Stimulus A Fund	Title III Fund
\$21,600	\$4,081	\$254,444	\$2,673,110	\$245,724	\$55,011
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
21,600	4,081	254,444	2,673,110	245,724	55,011
24,593	0	8,160	0	0	0
0	1,670	0	703,811	217,204	49,074
0	0	0	0	0	0
0	0	0	106,725	0	0
0	0	0	688,112	0	0
0	1,292	195,742	26,397	25,072	1,463
0	0	0	513,821	0	0
0	0	0	0	0	0
0	0	0	6,252	0	0
0	0	0	384,085	0	0
0	0	0	0	0	0
0	0	0	0	0	0
24,593	2,962	203,902	2,429,203	242,276	50,537
(2,993)	1,119	50,542	243,907	3,448	4,474
0	0	0	0	0	0
(2,993)	1,119	50,542	243,907	3,448	4,474
28,804	(1,113)	(56,764)	(282,184)	(1,601)	(4,474)
\$25,811	\$6	(\$6,222)	(\$38,277)	\$1,847	\$0

(continued)

Northwest Local School District  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (continued)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2014

	Title I Fund	Early Childhood Special Education Fund	Title II-A Fund	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>				
Intergovernmental	\$2,327,047	\$46,786	\$302,191	\$10,701,553
Investment Earnings	0	0	0	1,525
Extracurricular Activities	0	0	0	464,694
Gifts and Donations	0	0	0	143,543
Charges for Service	0	0	0	1,222,728
Miscellaneous	0	0	0	73,747
Total Revenues	<u>2,327,047</u>	<u>46,786</u>	<u>302,191</u>	<u>12,607,790</u>
<b>Expenditures:</b>				
Current				
Instruction:				
Regular	33,709	0	259,959	378,541
Special	1,348,990	17,664	0	2,481,983
Vocational	0	0	0	14,547
Student Intervention Services	0	0	0	106,725
Support Services:				
Pupils	0	21,292	0	712,026
Instructional Staff	748,436	1,702	655	1,002,147
Administration	126,252	0	0	640,073
Operation and Maintenance of Plant	0	0	0	35,105
Pupil Transportation	0	0	0	78,608
Operation of Non-Instructional Services	55,399	0	0	6,360,505
Extracurricular Activities	0	0	0	561,541
Capital Outlay	0	0	0	50,000
Total Expenditures	<u>2,312,786</u>	<u>40,658</u>	<u>260,614</u>	<u>12,421,801</u>
Excess of Revenues Over (Under) Expenditures	14,261	6,128	41,577	185,989
<b>Other Financing Sources:</b>				
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>60,000</u>
Net Change in Fund Balances	14,261	6,128	41,577	245,989
Fund Balances (Deficit) at Beginning of Year	<u>(77,127)</u>	<u>(5,829)</u>	<u>(54,170)</u>	<u>659,798</u>
Fund Balances (Deficit) at End of Year	<u>(\$62,866)</u>	<u>\$299</u>	<u>(\$12,593)</u>	<u>\$905,787</u>

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## **Agency Fund**

**Student Activity** – This fund accounts for and reports student activity programs which have student participation in the activity and have students involved in the management of the program.

Northwest Local School District  
Statement of Changes in Fiduciary Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended June 30, 2014

	Balance at June 30, 2013	Additions	Deductions	Balance at June 30, 2014
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$144,899	\$161,144	\$193,429	\$112,614
<b>Liabilities:</b>				
Due to Students	\$144,899	\$161,144	\$193,429	\$112,614

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Permanent Improvement Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Property Taxes	\$2,588,724	\$2,604,756	\$16,032
Intergovernmental	449,000	591,391	142,391
Miscellaneous	650	628	(22)
Total Revenues	<u>3,038,374</u>	<u>3,196,775</u>	<u>158,401</u>
<b>Expenditures:</b>			
Current			
Instruction:			
Regular	106,354	106,354	0
Support Services:			
Pupils	8,283	8,224	59
Fiscal	39,100	38,219	881
Operation and Maintenance of Plant	780,073	721,004	59,069
Pupil Transportation	521,958	521,902	56
Capital Outlay	1,860,190	1,807,144	53,046
Debt Service			
Principal Retirement	630,000	630,000	0
Interest and Fiscal Charges	479,841	349,041	130,800
Total Expenditures	<u>4,425,799</u>	<u>4,181,888</u>	<u>243,911</u>
Net Change in Fund Balance	(1,387,425)	(985,113)	402,312
Fund Balance at Beginning of Year	5,905,950	5,905,950	0
Prior Year Encumbrances Appropriated	725,798	725,798	0
Fund Balance at End of Year	<u><u>\$5,244,323</u></u>	<u><u>\$5,646,635</u></u>	<u><u>\$402,312</u></u>



Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Food Service Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Interest	\$400	\$375	(\$25)
Intergovernmental	2,000,669	1,695,831	(304,838)
Charges for Services	1,207,931	1,223,083	15,152
Miscellaneous	12,000	11,995	(5)
Total Revenues	<u>3,221,000</u>	<u>2,931,284</u>	<u>(289,716)</u>
<b>Expenditures:</b>			
Current			
Support Services:			
Board of Education	3,005	0	3,005
Operation and Maintenance of Plant	47,355	44,234	3,121
Operation of Non-Instructional Services	3,409,182	3,288,628	120,554
Total Expenditures	<u>3,459,542</u>	<u>3,332,862</u>	<u>126,680</u>
Net Change in Fund Balance	(238,542)	(401,578)	(163,036)
Fund Balance at Beginning of Year	618,267	618,267	0
Prior Year Encumbrances Appropriated	<u>9,165</u>	<u>9,165</u>	<u>0</u>
Fund Balance at End of Year	<u>\$388,890</u>	<u>\$225,854</u>	<u>(\$163,036)</u>

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Special Trust Fund		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
<b>Revenues:</b>			
Gifts and Donations	\$105,593	\$128,392	\$22,799
Charges for Services	10,000	0	(10,000)
Extracurricular	2,000	0	(2,000)
Miscellaneous	67,750	62,830	(4,920)
Total Revenues	<u>185,343</u>	<u>191,222</u>	<u>5,879</u>
<b>Expenditures:</b>			
Current			
Instruction:			
Regular	68,420	55,402	13,018
Special	347	80	267
Support Services:			
Pupils	8,406	2,319	6,087
Operation of Non-Instructional Services	235,687	67,447	168,240
Extracurricular Activities	20,085	900	19,185
Capital Outlay	50,000	50,000	0
Total Expenditures	<u>382,945</u>	<u>176,148</u>	<u>206,797</u>
Net Change in Fund Balance	(197,602)	15,074	212,676
Fund Balance at Beginning of Year	341,389	341,389	0
Prior Year Encumbrances Appropriated	<u>6,218</u>	<u>6,218</u>	<u>0</u>
Fund Balance at End of Year	<u>\$150,005</u>	<u>\$362,681</u>	<u>\$212,676</u>

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Career Consultant Grant Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Gifts and Donations	\$13,663	\$13,665	\$2
<b>Expenditures:</b>			
Current			
Instruction:			
Regular	3,708	1,611	2,097
Special	1,000	0	1,000
Vocational	14,274	12,579	1,695
Support Services:			
Pupils	433	303	130
Instructional Staff	1,453	1,388	65
Total Expenditures	20,868	15,881	4,987
Excess of Revenues Under Expenditures	(7,205)	(2,216)	(4,985)
<b>Other Financing Uses:</b>			
Refund of Prior Year Receipts	(2,639)	(2,639)	0
Net Change in Fund Balance	(9,844)	(4,855)	4,989
Fund Balance at Beginning of Year	10,393	10,393	0
Prior Year Encumbrances Appropriated	1,322	1,322	0
Fund Balance at End of Year	\$1,871	\$6,860	\$4,989

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Athletic Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Extracurricular Activities	\$549,544	\$464,962	(\$84,582)
Miscellaneous	14,820	12,139	(2,681)
Total Revenues	<u>564,364</u>	<u>477,101</u>	<u>(87,263)</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Board of Education	7,400	0	7,400
Pupil Transportation	86,635	67,118	19,517
Extracurricular Activities	769,191	589,241	179,950
Total Expenditures	<u>863,226</u>	<u>656,359</u>	<u>206,867</u>
Excess of Revenues Under Expenditures	<u>(298,862)</u>	<u>(179,258)</u>	<u>119,604</u>
<b>Other Financing Sources (Uses):</b>			
Transfers In	59,000	60,000	1,000
Advances In	0	3,688	3,688
Refund of Prior Year Receipts	(4,930)	0	4,930
Total Other Financing Sources (Uses)	<u>54,070</u>	<u>63,688</u>	<u>9,618</u>
Net Change in Fund Balance	(244,792)	(115,570)	129,222
Fund Balance at Beginning of Year	235,657	235,657	0
Prior Year Encumbrances Appropriated	<u>68,187</u>	<u>68,187</u>	<u>0</u>
Fund Balance at End of Year	<u>\$59,052</u>	<u>\$188,274</u>	<u>\$129,222</u>

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Auxiliary Service Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$2,694,410	\$2,694,510	\$100
Investment Earnings	100	1,150	1,050
Total Revenues	<u>2,694,510</u>	<u>2,695,660</u>	<u>1,150</u>
<b>Expenditures:</b>			
Current			
Operation of Non-Instructional Services	<u>2,916,354</u>	<u>2,672,294</u>	<u>244,060</u>
Excess of Revenues Over (Under) Expenditures	(221,844)	23,366	245,210
<b>Other Financing Uses:</b>			
Refund of Prior Year Receipts	<u>0</u>	<u>(5,837)</u>	<u>(5,837)</u>
Net Change in Fund Balance	(221,844)	17,529	239,373
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>221,847</u>	<u>221,847</u>	<u>0</u>
Fund Balance at End of Year	<u>\$3</u>	<u>\$239,376</u>	<u>\$239,373</u>

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Public School Preschool Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$147,842	\$122,768	(\$25,074)
<b>Expenditures:</b>			
Current			
Instruction:			
Special	153,644	128,845	24,799
Excess of Revenues Under Expenditures	(5,802)	(6,077)	(275)
<b>Other Financing Sources:</b>			
Advances In	0	275	275
Net Change in Fund Balance	(5,802)	(5,802)	0
Fund Balance at Beginning of Year	5,802	5,802	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Northwest Local School District  
 Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 For the Fiscal Year Ended June 30, 2014

	SchoolNet Professional Development Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$21,600	\$21,600	\$0
<b>Expenditures:</b>			
Current			
Instruction:			
Regular	50,404	24,593	25,811
Net Change in Fund Balance	(28,804)	(2,993)	25,811
Fund Balance at Beginning of Year	28,804	28,804	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$25,811</u>	<u>\$25,811</u>

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Vocational Education Enhancement Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$4,113	\$4,035	(\$78)
<b>Expenditures:</b>			
Current			
Instruction:			
Special	1,670	1,670	0
Support Services:			
Instructional Staff	1,545	1,467	78
Total Expenditures	<u>3,215</u>	<u>3,137</u>	<u>78</u>
Excess of Revenues Over Expenditures	898	898	0
<b>Other Financing Uses:</b>			
Advances Out	<u>(1,113)</u>	<u>(1,113)</u>	<u>0</u>
Net Change in Fund Balance	(215)	(215)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>215</u>	<u>215</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>



Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Race to the Top Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$448,701	\$238,848	(\$209,853)
<b>Expenditures:</b>			
Current			
Instruction:			
Regular	8,160	8,160	0
Support Services:			
Instructional Staff	386,005	189,518	196,487
Total Expenditures	394,165	197,678	196,487
Excess of Revenues Over Expenditures	54,536	41,170	(13,366)
<b>Other Financing Sources (Uses):</b>			
Advances In	0	13,368	13,368
Advances Out	(61,310)	(61,310)	0
Total Other Financing Sources (Uses)	(61,310)	(47,942)	13,368
Net Change in Fund Balance	(6,774)	(6,772)	2
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	6,774	6,774	0
Fund Balance at End of Year	\$0	\$2	\$2

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	IDEA-B Special Education Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$3,006,564	\$2,257,818	(\$748,746)
<b>Expenditures:</b>			
Current			
Instruction:			
Special	841,051	723,754	117,297
Student Intervention Services	115,603	106,725	8,878
Support Services:			
Pupils	773,373	688,112	85,261
Instructional Staff	33,010	29,327	3,683
Administration	626,140	538,727	87,413
Pupil Transportation	10,000	10,000	0
Operation of Non-Instructional Services	542,095	404,975	137,120
Total Expenditures	2,941,272	2,501,620	439,652
Excess of Revenues Over (Under) Expenditures	65,292	(243,802)	(309,094)
<b>Other Financing Sources (Uses):</b>			
Advances In	0	309,091	309,091
Advances Out	(205,410)	(205,410)	0
Total Other Financing Sources (Uses)	(205,410)	103,681	309,091
Net Change in Fund Balance	(140,118)	(140,121)	(3)
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	140,121	140,121	0
Fund Balance at End of Year	\$3	\$0	(\$3)

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Title I School Improvement Stimulus A Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$269,985	\$229,728	(\$40,257)
<b>Expenditures:</b>			
Current			
Instruction:			
Special	228,584	217,204	11,380
Support Services:			
Instructional Staff	39,800	19,779	20,021
Total Expenditures	268,384	236,983	31,401
Excess of Revenues Over (Under) Expenditures	1,601	(7,255)	(8,856)
<b>Other Financing Sources (Uses):</b>			
Advances In	0	8,856	8,856
Advances Out	(1,601)	(1,601)	0
Total Other Financing Sources (Uses)	(1,601)	7,255	8,856
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Title III Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$59,190	\$52,894	(\$6,296)
<b>Expenditures:</b>			
Current			
Instruction:			
Special	50,492	49,074	1,418
Support Services:			
Instructional Staff	2,784	1,463	1,321
Operation of Non-Instructional Services	638	0	638
Total Expenditures	53,914	50,537	3,377
Excess of Revenues Over Expenditures	5,276	2,357	(2,919)
<b>Other Financing Sources (Uses):</b>			
Advances In	0	2,117	2,117
Advances Out	(4,474)	(4,474)	0
Total Other Financing Sources (Uses)	(4,474)	(2,357)	2,117
Net Change in Fund Balance	802	0	(802)
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$802	\$0	(\$802)

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Title I Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$3,443,347	\$2,575,242	(\$868,105)
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	33,433	29,985	3,448
Special	1,920,871	1,369,347	551,524
Support Services:			
Instructional Staff	934,370	716,720	217,650
Administration	122,190	120,171	2,019
Operation of Non-Instructional Services	143,532	58,171	85,361
Total Expenditures	3,154,396	2,294,394	860,002
Excess of Revenues Over Expenditures	288,951	280,848	(8,103)
<b>Other Financing Sources (Uses):</b>			
Advances In	0	1,075	1,075
Advances Out	(294,084)	(294,084)	0
Total Other Financing Sources (Uses)	(294,084)	(293,009)	1,075
Net Change in Fund Balance	(5,133)	(12,161)	(7,028)
Fund Balance at Beginning of Year	343	343	0
Prior Year Encumbrances Appropriated	18,613	18,613	0
Fund Balance at End of Year	\$13,823	\$6,795	(\$7,028)

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Early Childhood Special Education Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Intergovernmental	\$59,521	\$39,756	(\$19,765)
<b>Expenditures:</b>			
Current			
Instruction:			
Special	24,238	17,690	6,548
Support Services:			
Pupils	26,175	21,616	4,559
Instructional Staff	3,200	2,158	1,042
Operation of Non-Instructional Services	200	0	200
Total Expenditures	53,813	41,464	12,349
Excess of Revenues Over (Under) Expenditures	5,708	(1,708)	(7,416)
<b>Other Financing Sources (Uses):</b>			
Advances In	0	7,416	7,416
Advances Out	(5,708)	(5,708)	0
Total Other Financing Sources (Uses)	(5,708)	1,708	7,416
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Title II-A Fund		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
<b>Revenues:</b>			
Intergovernmental	\$311,494	\$270,768	(\$40,726)
<b>Expenditures:</b>			
Current			
Instruction:			
Regular	297,299	259,709	37,590
Support Services:			
Instructional Staff	2,241	1,905	336
Operation of Non-Instructional Services	1,830	0	1,830
Total Expenditures	<u>301,370</u>	<u>261,614</u>	<u>39,756</u>
Excess of Revenues Over Expenditures	<u>10,124</u>	<u>9,154</u>	<u>(970)</u>
<b>Other Financing Sources (Uses):</b>			
Advances In	0	970	970
Advances Out	(11,374)	(11,374)	0
Total Other Financing Sources (Uses)	<u>(11,374)</u>	<u>(10,404)</u>	<u>970</u>
Net Change in Fund Balance	(1,250)	(1,250)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>1,250</u>	<u>1,250</u>	<u>0</u>
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Federal Grants Fund		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
<b>Revenues:</b>			
Intergovernmental	\$49,690	\$49,690	\$0
<b>Other Financing Uses:</b>			
Advances Out	(49,690)	(49,690)	0
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0



Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Uniform School Supplies Fund		
	Final Budget	Actual Budget	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Tuition and Fees	\$319,520	\$331,284	\$11,764
<b>Expenditures:</b>			
Current			
Instruction:			
Regular	651,910	591,300	60,610
Support Services:			
Instructional Staff	18,751	14,933	3,818
Board of Education	1,075	0	1,075
Total Expenditures	671,736	606,233	65,503
Excess of Revenues Under Expenditures	(352,216)	(274,949)	77,267
<b>Other Financing Sources:</b>			
Transfers In	90,000	90,000	0
Net Change in Fund Balance	(262,216)	(184,949)	77,267
Fund Balance at Beginning of Year	150,251	150,251	0
Prior Year Encumbrances Appropriated	241,783	241,783	0
Fund Balance at End of Year	\$129,818	\$207,085	\$77,267

Northwest Local School District  
 Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 For the Fiscal Year Ended June 30, 2014

	Debt Service Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Property Taxes	\$1,753,000	\$1,770,225	\$17,225
Intergovernmental	240,000	253,991	13,991
Miscellaneous	500	562	62
Total Revenues	<u>1,993,500</u>	<u>2,024,778</u>	<u>31,278</u>
<b>Expenditures:</b>			
Current			
Support Services:			
Fiscal	26,020	25,989	31
Debt Service:			
Principal Retirement	1,245,000	1,245,000	0
Interest and Fiscal Charges	652,328	652,328	0
Total Expenditures	<u>1,923,348</u>	<u>1,923,317</u>	<u>31</u>
Net Change in Fund Balance	70,152	101,461	31,309
Fund Balance at Beginning of Year	<u>1,154,909</u>	<u>1,154,909</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,225,061</u></u>	<u><u>\$1,256,370</u></u>	<u><u>\$31,309</u></u>

Northwest Local School District  
 Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 For the Fiscal Year Ended June 30, 2014

	Endowment Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Gifts and Donations	\$3,750	\$3,875	\$125
<b>Expenditures:</b>			
Current			
Support Services:			
Pupils	33,493	0	33,493
Extracurricular Activities	53,983	5,851	48,132
Total Expenditures	87,476	5,851	81,625
Net Change in Fund Balance	(83,726)	(1,976)	81,750
Fund Balance at Beginning of Year	87,477	87,477	0
Fund Balance at End of Year	\$3,751	\$85,501	\$81,750

Northwest Local School District  
Schedule of Revenues, Expenditures and Changes  
In Fund Balance - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Building Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>			
Investment Earnings	\$10,026	\$9,939	(\$87)
Gifts and Donations	7,721	7,721	0
Total Revenues	<u>17,747</u>	<u>17,660</u>	<u>(87)</u>
<b>Expenditures:</b>			
Current			
Instruction:			
Regular	786,220	786,209	11
Support Services:			
Operation and Maintenance of Plant	99,831	99,831	0
Capital Outlay	3,844,457	3,733,954	110,503
Total Expenditures	<u>4,730,508</u>	<u>4,619,994</u>	<u>110,514</u>
Net Change in Fund Balances	(4,712,761)	(4,602,334)	110,427
Fund Balance at Beginning of Year	1,159,518	1,159,518	0
Prior Year Encumbrances Appropriated	<u>3,571,007</u>	<u>3,571,007</u>	<u>0</u>
Fund Balance at End of Year	<u>\$17,764</u>	<u>\$128,191</u>	<u>\$110,427</u>

Northwest Local School District  
Schedule of Revenues, Expenses and Changes  
In Fund Equity - Budget (Non-GAAP Basis) and Actual  
For the Fiscal Year Ended June 30, 2014

	Workers' Compensation Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Operating Revenues:</b>			
Charges for Service	\$230,000	\$241,212	\$11,212
<b>Operating Expenses:</b>			
Fringe Benefits	20,000	20,000	0
Purchased Services	50,938	50,938	0
Materials and Supplies	14,000	14,000	0
Claims	124,647	124,647	0
Other	60,209	63,649	(3,440)
Total Operating Expenses	269,794	273,234	(3,440)
Net Change in Fund Equity	(39,794)	(32,022)	7,772
Fund Equity at Beginning of Year	429,495	429,495	0
Prior Year Encumbrances Appropriated	15,794	15,794	0
Fund Equity at End of Year	\$405,495	\$413,267	\$7,772

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Statistical Section







This part of the Northwest Local School District's comprehensive annual 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**

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**Financial Trends**

S2-S15

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

**Revenue Capacity**

S16-S23

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

**Debt Capacity**

S24-S27

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

**Economic and Demographic Information**

S28-S29

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

**Operating Information**

S30-S37

These schedules contain service 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 comprehensive annual financial reports for the relevant fiscal year.

Northwest Local School District  
 Net Position by Component  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 1

	2005	2006	2007	2008	2009
Governmental Activities					
Net Investment in Capital Assets	\$3,896,572	\$3,063,084	\$2,440,916	\$2,857,440	\$3,408,154
Restricted	4,984,928	4,911,775	4,812,592	3,098,772	4,545,762
Unrestricted	17,057,579	17,619,488	17,931,886	15,918,949	21,200,605
Total Net Position	<u>\$25,939,079</u>	<u>\$25,594,347</u>	<u>\$25,185,394</u>	<u>\$21,875,161</u>	<u>\$29,154,521</u>

Source: School District Records

2010	2011	2012	2013	2014
\$4,824,453	\$5,225,512	\$4,781,684	\$4,508,984	\$5,508,604
4,294,401	5,209,988	4,070,811	4,053,067	4,587,670
22,468,679	27,598,942	31,016,137	37,810,222	48,753,397
<u>\$31,587,533</u>	<u>\$38,034,442</u>	<u>\$39,868,632</u>	<u>\$46,372,273</u>	<u>\$58,849,671</u>

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

	2005	2006	2007	2008
Expenses				
Governmental Activities:				
Instruction	\$50,233,149	\$48,903,070	\$49,828,614	\$56,945,019
Pupil	4,370,329	4,740,911	4,850,602	4,636,660
Instructional Staff	5,941,773	5,770,458	5,840,176	5,769,942
Board of Education	161,901	241,656	281,111	183,505
School Administration	5,640,900	5,446,475	5,855,802	5,745,910
Fiscal	1,550,991	1,483,369	1,558,363	1,603,973
Business	594,917	699,841	507,244	671,137
Operation and Maintenance	7,817,898	8,272,465	8,033,869	8,570,818
Pupil Transportation	4,391,526	4,589,238	4,819,635	4,901,006
Central	1,493,134	1,211,509	1,272,167	1,665,530
Operation of Non-instructional Services	6,857,202	6,535,203	6,686,349	7,133,882
Extracurricular Activities	1,766,543	1,821,170	1,915,193	1,568,962
Interest and Fiscal Charges	1,166,792	1,529,534	1,008,515	993,695
Total Government Expenses	<u>91,987,055</u>	<u>91,244,899</u>	<u>92,457,640</u>	<u>100,390,039</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	\$1,644,304	\$1,463,778	\$1,497,076	\$1,597,900
Pupil	0	0	11,279	11,664
Operation and Maintenance	66,853	55,309	50,200	45,217
Pupil Transportation	0	0	0	0
Operation of Non-instructional Services	2,087,637	2,052,682	2,014,390	1,988,401
Extracurricular Activities	710,061	631,218	671,898	901,362
Operating Grants and Contributions	8,299,035	10,407,779	10,858,280	10,087,921
Capital Grants and Contributions	186,207	269,047	173,314	193,001
Total Government Revenues	<u>\$12,994,097</u>	<u>\$14,879,813</u>	<u>\$15,276,437</u>	<u>\$14,825,466</u>
Total Government Net Expense	<u>(\$78,992,958)</u>	<u>(\$76,365,086)</u>	<u>(\$77,181,203)</u>	<u>(\$85,564,573)</u>

Source: School District Records

2009	2010	2011	2012	2013	2014
\$49,951,460	\$52,481,465	\$52,123,019	\$50,229,137	\$50,043,505	\$54,525,320
5,191,242	5,864,785	5,918,209	5,761,067	5,409,943	5,317,452
5,774,646	6,168,524	7,479,306	6,658,352	6,128,612	2,291,903
93,830	178,161	131,907	173,452	106,612	62,669
6,041,145	5,688,140	6,071,446	5,576,976	5,879,145	5,819,121
1,807,516	1,593,129	2,091,931	1,970,661	2,059,500	1,905,673
720,409	583,823	600,034	449,022	413,910	516,401
7,029,199	7,821,491	7,905,720	6,977,678	7,467,985	6,901,372
4,595,467	5,078,256	5,248,647	5,030,613	5,020,887	6,156,186
1,586,120	1,970,404	1,783,588	1,615,795	1,651,136	1,301,675
8,306,507	6,746,827	7,231,875	6,495,716	7,467,942	6,588,168
1,861,017	1,861,932	2,009,970	1,849,366	1,900,451	1,932,463
964,410	915,785	867,155	818,560	1,237,982	1,045,993
<u>93,922,968</u>	<u>96,952,722</u>	<u>99,462,807</u>	<u>93,606,395</u>	<u>94,787,610</u>	<u>94,364,396</u>
\$1,592,934	\$1,869,950	\$1,641,647	\$1,585,050	\$1,709,059	\$1,294,081
16,349	14,785	23,810	394,526	387,550	360,622
617,093	613,381	809,126	708,595	856,200	901,593
0	46,465	57,404	53,205	28,494	53,118
1,947,625	1,709,506	1,603,407	1,508,953	1,338,206	1,222,728
804,655	643,017	789,862	665,183	604,704	411,576
11,795,565	15,592,209	16,183,531	10,597,997	10,694,778	14,148,185
184,366	32,008	0	0	0	0
<u>\$16,958,587</u>	<u>\$20,521,321</u>	<u>\$21,108,787</u>	<u>\$15,513,509</u>	<u>\$15,618,991</u>	<u>\$18,391,903</u>
<u>(\$76,964,381)</u>	<u>(\$76,431,401)</u>	<u>(\$78,354,020)</u>	<u>(\$78,092,886)</u>	<u>(\$79,168,619)</u>	<u>(\$75,972,493)</u>

Northwest Local School District  
 General Revenues and Total Change in Net Position  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 3

	2005	2006	2007	2008
Total Government Net Expense	(\$78,992,958)	(\$76,365,086)	(\$77,181,203)	(\$85,564,573)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property Taxes Levied for General Purposes	43,786,003	39,092,855	40,052,554	43,685,645
Property Taxes Levied for Capital Projects Purposes	0	0	0	0
Property Taxes Levied for Debt Service Purposes	1,679,221	1,678,204	1,527,841	1,475,539
Payment in Lieu of Taxes	1,944,008	2,170,537	1,353,248	2,541,812
Investment Earnings	492,314	957,958	1,281,757	923,168
Grants and Entitlements not Restricted to Specific Programs	34,233,076	31,520,219	31,552,624	33,156,736
Gifts and Donations not Restricted for Specific Program	0	211,257	201,670	206,874
Miscellaneous	422,959	389,323	802,556	264,566
Total Government Activities	<u>82,557,581</u>	<u>76,020,353</u>	<u>76,772,250</u>	<u>82,254,340</u>
Change in Net Position	<u>\$3,564,623</u>	<u>(\$344,733)</u>	<u>(\$408,953)</u>	<u>(\$3,310,233)</u>

Source: School District Records

2009	2010	2011	2012	2013	2014
(\$76,964,381)	(\$76,431,401)	(\$78,354,020)	(\$78,092,886)	(\$79,168,619)	(\$75,972,493)
39,010,796	37,232,185	41,222,092	36,350,086	43,920,672	46,152,421
2,760,232	2,798,365	3,248,049	2,517,199	2,544,368	2,615,606
1,666,398	1,567,267	1,953,476	1,623,331	1,725,996	1,777,796
4,170,555	2,983,732	3,217,041	3,769,607	3,464,114	3,710,151
433,779	202,298	198,962	157,882	(20,926)	312,279
35,319,550	33,399,642	34,570,047	34,579,559	32,831,800	33,547,912
209,561	171,915	152,446	147,731	167,983	155,139
672,870	509,009	238,814	781,681	1,038,253	178,587
84,243,741	78,864,413	84,800,927	79,927,076	85,672,260	88,449,891
\$7,279,360	\$2,433,012	\$6,446,907	\$1,834,190	\$6,503,641	\$12,477,398

Northwest Local School District  
Fund Balances - Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
Schedule 4

	2005	2006	2007	2008	2009
<b>General Fund</b>					
Reserved	\$15,297,234	\$14,850,178	\$13,241,226	\$15,315,873	\$14,344,202
Unreserved	3,708,325	4,431,337	5,028,757	3,235,516	7,466,773
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
<b>Total General Fund</b>	<u>19,005,559</u>	<u>19,281,515</u>	<u>18,269,983</u>	<u>18,551,389</u>	<u>21,810,975</u>
<b>All Other Governmental Funds</b>					
Reserved	927,231	795,705	981,536	1,949,064	2,538,473
Unreserved, Reported in:					
Special Revenue Funds	748,393	550,025	278,371	(1,076,114)	375,257
Debt Service Funds	1,070,092	1,113,172	1,194,512	1,071,556	1,035,064
Capital Project Funds	2,407,961	2,427,816	2,433,966	100,655	208,299
Permanent Funds	0	0	0	0	0
Nonspendable	0	0	0	0	0
Restricted	0	0	0	0	0
Committed	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0
<b>Total all Other Governmental Funds</b>	<u>\$5,153,677</u>	<u>\$4,886,718</u>	<u>\$4,888,385</u>	<u>\$2,045,161</u>	<u>\$4,157,093</u>

Source: School District Records

Note: For fiscal year 2011, the School District implemented GASB 54, which changed governmental fund classifications. Northwest has elected to not restate fund balance amounts for fiscal years prior to implementation.



2010	2011	2012	2013	2014
\$13,265,955	\$0	\$0	\$0	\$0
10,221,736	0	0	0	0
0	54,549	41,489	11,000	11,000
0	554,329	812,264	931,943	527,033
0	24,609,553	25,972,050	30,882,889	42,201,249
<u>23,487,691</u>	<u>25,218,431</u>	<u>26,825,803</u>	<u>31,825,832</u>	<u>42,739,282</u>
2,058,837	0	0	0	0
427,040	0	0	0	0
1,055,225	0	0	0	0
693,319	0	0	0	0
94,707	0	0	0	0
0	120,684	127,763	79,000	79,000
0	4,130,877	3,065,950	7,014,383	3,806,387
0	3,699,071	5,425,741	7,461,026	7,947,551
0	(141,437)	(538,641)	(491,050)	(123,256)
<u>\$4,329,128</u>	<u>\$7,809,195</u>	<u>\$8,080,813</u>	<u>\$14,063,359</u>	<u>\$11,709,682</u>

Northwest Local School District  
 Governmental Funds Revenues  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 5

	2005	2006	2007	2008	2009
Revenues:					
Property Taxes	\$45,465,224	\$40,771,058	\$39,571,250	\$44,923,966	\$43,221,580
Revenue in Lieu of Taxes	1,803,022	1,905,623	2,159,741	3,488,839	2,974,827
Intergovernmental	42,692,681	42,042,886	42,681,291	42,285,156	48,131,399
Investment Earnings	492,314	957,958	1,281,757	923,168	433,779
Tuition and Fees	1,375,608	1,827,893	1,207,360	1,107,809	908,960
Extracurricular Activities	555,091	455,337	500,925	641,725	670,974
Rent	0	0	0	0	0
Gifts and Donations	0	0	0	0	0
Charges for Services	2,420,753	2,052,682	2,856,808	2,795,010	3,398,723
Miscellaneous	611,587	599,580	689,921	467,523	814,488
Total Revenues	<u>\$95,416,280</u>	<u>\$90,613,017</u>	<u>\$90,949,053</u>	<u>\$96,633,196</u>	<u>\$100,554,730</u>

Source: School District Records

2010	2011	2012	2013	2014
\$41,099,173	\$46,496,662	\$40,713,901	\$48,730,582	\$50,372,524
2,983,732	3,217,041	3,769,607	3,464,114	3,710,151
50,279,723	49,954,418	45,192,632	43,465,307	47,674,373
202,298	198,962	157,882	(31,452)	311,253
1,615,133	1,699,249	1,764,717	1,709,059	1,294,081
524,755	614,328	645,926	818,202	726,284
0	0	0	671,196	640,003
0	0	0	178,483	165,139
3,028,333	2,611,679	1,924,423	1,725,756	1,583,350
409,555	333,927	1,509,858	1,038,253	178,587
<u>\$100,142,702</u>	<u>\$105,126,266</u>	<u>\$95,678,946</u>	<u>\$101,769,500</u>	<u>\$106,655,745</u>

Northwest Local School District  
Governmental Funds Expenditures and Debt Service Ratio  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
Schedule 6

	2005	2006	2007	2008	2009
Instruction	\$49,644,561	\$48,009,414	\$49,180,578	\$55,063,771	\$49,098,127
Pupil	4,370,923	4,753,090	4,796,893	4,658,356	5,123,343
Instructional Staff	5,993,431	5,775,348	5,832,460	5,701,322	5,880,737
Board of Education	161,901	241,656	281,111	183,505	93,830
School Administration	5,397,018	5,411,896	5,906,050	5,806,393	5,942,361
Fiscal	1,482,270	1,518,660	1,695,551	1,581,267	1,785,013
Business	581,747	694,082	512,931	694,398	707,873
Operation and Maintenance	7,711,002	8,274,328	7,956,222	9,138,204	8,487,069
Pupil Transportation	4,337,422	4,444,862	4,584,733	4,741,030	4,438,485
Central	1,505,082	1,253,835	1,189,253	1,682,782	1,503,774
Operation of Non-instructional Services	6,941,408	6,673,610	6,651,816	7,120,644	8,142,696
Extracurricular Activities	1,758,583	1,815,078	1,733,681	1,783,724	1,836,262
Capital Outlay	0	0	0	0	147,548
Debt Service					
Principal Retirements	540,000	590,000	675,000	928,396	1,129,533
Interest and Fiscal Charges	1,169,645	1,149,162	994,495	969,747	934,502
Total Expenditures	<u>\$91,594,993</u>	<u>\$90,605,021</u>	<u>\$91,990,774</u>	<u>\$100,053,539</u>	<u>\$95,251,153</u>
Debt Service as a Percentage of Noncapital Expenditures	1.88%	1.93%	1.82%	1.90%	2.19%

Source: School District Records

2010	2011	2012	2013	2014
\$51,443,938	\$51,738,062	\$49,147,165	\$49,540,643	\$54,153,033
5,755,844	5,981,301	5,734,490	5,445,195	5,422,641
6,199,761	7,437,142	6,676,607	6,131,354	2,324,603
178,161	131,907	173,521	106,610	62,676
5,549,993	5,997,588	5,694,393	5,797,858	5,673,717
1,581,215	2,084,929	1,965,954	2,061,788	1,862,236
596,807	605,131	448,021	430,116	435,194
7,806,790	7,725,956	6,753,373	7,260,093	6,892,569
5,402,586	5,113,826	4,753,428	5,278,539	5,559,199
1,977,662	1,774,642	1,593,639	1,602,071	1,335,845
6,718,077	7,405,032	6,456,083	7,425,550	6,513,109
1,858,764	1,964,452	1,902,618	1,907,581	1,888,006
990,767	36,483	554,874	7,621,167	3,096,775
1,351,679	990,000	1,070,000	1,155,000	1,875,000
881,907	829,008	775,790	1,046,827	1,001,369
<u>\$98,293,951</u>	<u>\$99,815,459</u>	<u>\$93,699,956</u>	<u>\$102,810,392</u>	<u>\$98,095,972</u>

2.32%	1.86%	2.01%	2.34%	3.05%
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Northwest Local School District  
 Other Financing Sources and Uses and Net Change in Fund Balances  
 Governmental Funds,  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 7

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	\$58,402	\$1,001	\$31,856	\$3,917	\$67,941
Issuance of Capital Leases	0	0	0	854,608	0
Payments to Refunded Bonds Escrow Agent	0	(15,964,485)	0	0	0
Proceeds of Refunding Bonds	0	15,380,000	0	0	0
Bonds Issued	0	0	0	0	0
Premium on Bonds and Notes Issued	0	584,485	0	0	0
Transfers In	0	0	0	2,628	0
Transfers Out	0	0	0	(2,628)	0
Total Other Financing Sources (Uses)	<u>58,402</u>	<u>1,001</u>	<u>31,856</u>	<u>858,525</u>	<u>67,941</u>
Net Change in Fund Balances	<u>\$3,879,689</u>	<u>\$8,997</u>	<u>\$31,856</u>	<u>(\$2,561,818)</u>	<u>\$5,371,518</u>

Source: School District Records

2010	2011	2012	2013	2014
\$250	\$0	\$0	\$2,850	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	11,890,000	0
0	0	0	130,617	0
61,649	65,000	0	60,000	60,000
(61,649)	(165,000)	(100,000)	(60,000)	(60,000)
<u>250</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>12,023,467</u>	<u>0</u>
<u>\$1,849,001</u>	<u>\$5,210,807</u>	<u>\$1,878,990</u>	<u>\$10,982,575</u>	<u>\$8,559,773</u>

Northwest Local School District  
Assessed Value and Actual Value of Taxable Property  
Last Ten Calendar Years  
Schedule 8

Calendar Year	Real Property Assessed Value	Estimated Actual Value	Tangible Personal Property Assessed Value	Estimated Actual Value	Public Utilities Personal Assessed Value
2005	\$1,606,199,670	\$4,589,141,914	\$63,984,560	\$79,980,700	\$37,866,350
2006	1,611,429,080	4,604,083,086	45,456,080	56,820,100	36,164,160
2007	1,635,959,680	4,674,170,514	24,896,760	31,120,950	32,546,400
2008	1,632,851,870	4,665,291,057	2,585,353	3,231,691	32,779,000
2009	1,620,943,080	4,631,265,943	2,675,180	3,343,975	35,300,900
2010	1,616,185,810	4,617,673,743	1,260,480	1,575,600	35,469,760
2011	1,444,372,160	4,126,777,600	0	0	35,573,060
2012	1,444,372,160	4,126,777,600	0	0	35,573,060
2013	1,434,832,940	4,099,522,686	0	0	40,743,160
2014	1,434,689,580	4,099,113,086	0	0	44,188,630

Source: Hamilton County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. 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 property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax has been phased out. The assessment percent was 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax is 2010. The percentages for telecommunications are 10.0 percent for 2009, 5.0 percent for 2010 and zero for 2011.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent rollback, 2 1/2 percent rollback, and homestead exemptions before being billed. The 10 percent rollback for commercial/industrial property was eliminated in 2006.



Estimated Actual Value	Total Assessed Value	Total Estimated Actual Value	Ratio	Weighted Average Tax Rate
\$151,465,400	\$1,708,050,580	\$4,820,588,014	35.43%	\$11.30
192,875,520	1,693,049,320	4,853,778,706	34.88%	10.24
260,371,200	1,693,402,840	4,965,662,664	34.10%	9.80
524,464,000	1,668,216,223	5,192,986,748	32.12%	10.29
353,009,000	1,658,919,160	4,987,618,918	33.26%	10.69
709,395,200	1,652,916,050	5,328,644,543	31.02%	10.10
711,461,200	1,479,945,220	4,838,238,800	30.59%	10.19
711,461,200	1,479,945,220	4,838,238,800	30.59%	11.13
814,863,200	1,475,576,100	4,914,385,886	30.03%	12.83
883,772,600	1,478,878,210	4,982,885,686	29.68%	12.36

Northwest Local School District  
Property Tax Rates (Per \$1,000 of Assessed Valuation)  
Direct and Overlapping Governments  
Last Ten Collection (Calendar) Years  
Schedule 9

	2005	2006	2007	2008
<b>UNVOTED MILLAGE:</b>				
Operating	\$6.33	\$6.33	\$6.33	\$6.33
Permanent Improvement	0.00	0.00	0.00	0.00
<b>VOTED MILLAGE - BY LEVY:</b>				
1976 Current Expense				
Residential/Agricultural Real	6.12	5.23	5.23	5.22
Commercial/Industrial and Public Utility Real	8.20	7.35	7.28	7.17
General Business and Public Utility Personal	19.84	19.84	19.84	19.84
1986 Current Expense				
Residential/Agricultural Real	5.00	4.27	4.27	4.26
Commercial/Industrial and Public Utility Real	5.54	4.96	4.92	4.84
General Business and Public Utility Personal	9.86	9.86	9.86	9.86
1989 Current Expense				
Residential/Agricultural Real	3.90	3.33	3.33	3.33
Commercial/Industrial and Public Utility Real	4.73	4.23	4.19	4.13
General Business and Public Utility Personal	6.95	6.95	6.95	6.95
1997 Current Expense				
Residential/Agricultural Real	4.34	3.71	3.71	3.70
Commercial/Industrial and Public Utility Real	4.87	4.36	4.32	4.25
General Business and Public Utility Personal	5.56	5.56	5.56	5.56
1997 Bond (\$25,000,000)				
Residential/Agricultural Real	1.10	1.10	0.96	0.96
Commercial/Industrial and Public Utility Real	1.10	1.10	0.96	0.96
General Business and Public Utility Personal	1.10	1.10	0.96	0.96
2007 Emergency (\$6,411,000)				
Residential/Agricultural Real	0.00	0.00	0.00	3.89
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	3.89
General Business and Public Utility Personal	0.00	0.00	0.00	3.89
2010 Emergency (\$6,411,000)				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	0.00
2012 Emergency (\$7,344,295)				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	0.00
<b>TOTAL VOTED MILLAGE BY TYPE OF PROPERTY</b>				
Residential/Agricultural Real	20.46	17.64	17.50	21.36
Commercial/Industrial and Public Utility Real	24.44	22.00	21.67	25.24
General Business and Public Utility Personal	43.31	43.31	43.17	47.06
<b>TOTAL SCHOOL DISTRICT MILLAGE</b>				
	<u>49.64</u>	<u>49.64</u>	<u>49.50</u>	<u>53.39</u>
<b>WEIGHTED AVERAGE</b>				
	<u>11.30</u>	<u>10.24</u>	<u>9.80</u>	<u>10.29</u>

2009	2010	2011	2012	2013	2014
\$4.33	\$4.33	\$4.33	\$4.33	\$4.33	\$4.33
2.00	2.00	2.00	2.00	2.00	2.00
5.31	5.32	5.33	6.00	6.03	6.06
7.13	7.28	7.53	8.41	8.74	8.79
19.84	19.84	19.84	19.84	19.84	19.84
4.34	4.35	4.36	4.90	4.92	4.95
4.82	4.92	5.09	5.68	5.91	5.94
9.86	9.86	9.86	9.86	9.86	9.86
3.39	3.39	3.40	3.83	3.85	3.86
4.11	4.20	4.34	4.85	5.04	5.06
6.95	6.95	6.95	6.95	6.95	6.95
3.77	3.77	3.78	4.26	4.28	4.30
4.23	4.32	4.46	4.99	5.19	5.21
5.56	5.56	5.56	5.56	5.56	5.56
1.12	1.12	1.12	1.30	1.36	1.36
1.12	1.12	1.12	1.30	1.36	1.36
1.12	1.12	1.12	1.30	1.36	1.36
3.90	3.91	3.94	0.00	0.00	0.00
3.90	3.91	3.94	0.00	0.00	0.00
3.90	3.91	3.94	0.00	0.00	0.00
0.00	0.00	0.00	4.38	4.52	4.52
0.00	0.00	0.00	4.38	4.52	4.52
0.00	0.00	0.00	4.38	4.52	4.52
0.00	0.00	0.00	0.00	5.15	5.15
0.00	0.00	0.00	0.00	5.15	5.15
0.00	0.00	0.00	0.00	5.15	5.15
21.83	21.86	21.93	24.67	30.11	30.20
25.31	25.75	26.48	29.61	35.91	36.03
47.23	47.24	47.27	47.89	53.24	53.24
53.56	53.57	53.60	54.22	59.57	59.57
10.69	10.10	10.19	11.13	12.83	12.36

(continued)

Northwest Local School District  
Property Tax Rates (Per \$1,000 of Assessed Valuation)  
Direct and Overlapping Governments  
Last Ten Collection (Calendar) Years  
Schedule 9 (continued)

<b>OVERLAPPING RATES BY TAXING DISTRICT</b>	2005	2006	2007	2008
<b>Townships:</b>				
Residential/Agricultural Real	5.35 - 18.36	6.07 - 16.09	6.08 - 16.10	6.08 - 16.11
Commercial/Industrial and Public Utility Real	6.21 - 19.60	7.59 - 18.88	7.46 - 18.97	7.43 - 19.15
General Business and Public Utility Personal	8.31 - 20.30	9.81 - 20.30	9.81 - 20.30	9.81 - 20.30
<b>Corporations:</b>				
Residential/Agricultural Real	5.24 - 9.50	4.66 - 8.43	4.66 - 8.43	4.66 - 8.43
Commercial/Industrial and Public Utility Real	5.58 - 9.81	5.37 - 9.29	5.43 - 9.19	5.42 - 9.22
General Business and Public Utility Personal	5.94 - 11.08	5.94 - 11.08	5.94 - 11.08	5.94 - 11.08
<b>Butler County Joint Vocational District:</b>				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	0.00
<b>COUNTY AND OTHER UNITS:</b>				
<b>Butler County:</b>				
Residential/Agricultural Real	7.94	8.40	9.85	9.33
Commercial/Industrial and Public Utility Real	8.38	9.02	10.62	10.08
General Business and Public Utility Personal	8.74	9.44	10.95	10.45
<b>Hamilton County:</b>				
Residential/Agricultural Real	14.03	12.00	11.97	12.34
Commercial/Industrial and Public Utility Real	16.12	15.16	15.03	15.38
General Business and Public Utility Personal	20.03	19.78	19.15	19.53
<b>Hamilton County Park District</b>				
Residential/Agricultural Real	0.93	0.78	0.78	0.78
Commercial/Industrial and Public Utility Real	0.99	0.94	0.94	0.94
General Business and Public Utility Personal	1.03	1.03	1.03	1.03
<b>Cincinnati-Hamilton City Public Library</b>				
Residential/Agricultural Real	0.00	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00	0.00

**Source:** Ohio Department of Taxation

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue for that year.

Rates may only be raised by obtaining the approval of the voters at a public election.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

As real property values increase from inflation, voted levies that were approved at a specific rate (current operating levies and permanent improvement levies) are reduced so that the same property does not generate additional revenue. State law prohibits the reduction factors from reducing the effective millage of the sum of the current operating levies plus inside millage used for operating purposes below 20 mills.

2009	2010	2011	2012	2013	2014
8.02 - 16.29	8.03 - 18.83	8.05 - 18.94	8.67 - 21.15	8.68 - 22.27	8.70 - 22.41
9.24 - 18.45	9.23 - 21.05	9.34 - 21.66	9.77 - 22.72	9.80 - 23.74	9.85 - 23.75
11.71 - 20.30	11.71 - 22.80	11.71 - 22.8	11.71 - 22.80	11.71 - 23.80	11.71 - 23.80
4.88 - 12.76	4.86 - 11.08	4.88 - 11.08	5.23 - 11.08	5.24 - 11.08	5.25 - 11.08
4.99 - 12.76	5.23 - 11.08	5.28 - 11.08	5.63 - 11.08	5.73 - 11.08	5.69 - 11.46
5.94 - 12.76	5.94 - 11.08	5.94 - 11.08	5.94 - 6.68	5.94 - 11.08	5.94 - 11.69
1.93	1.93	1.93	1.93	1.93	1.93
1.93	1.93	1.93	1.93	1.93	1.93
1.93	1.93	1.93	1.93	1.93	1.93
8.55	8.89	8.95	9.08	9.09	9.09
8.65	8.97	9.21	9.54	9.55	9.55
9.75	9.75	9.72	9.72	9.72	9.72
12.33	12.36	12.42	13.35	13.41	13.45
14.92	15.07	15.57	16.10	16.28	16.37
19.60	19.45	19.45	19.03	19.03	19.03
0.78	0.78	0.79	0.87	0.88	0.88
0.90	1.91	0.96	1.02	1.03	1.03
1.03	1.03	1.03	1.03	1.03	1.03
0.00	1.00	1.00	1.00	1.00	1.00
0.00	1.00	1.00	1.00	1.00	1.00
0.00	1.00	1.00	1.00	1.00	1.00

Northwest Local School District  
Property Tax Levies and Collections  
Last Ten Calendar Years  
Schedule 10

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$46,683,849	\$42,637,282	91.33%	\$1,496,380	\$44,133,662	94.54%
2006	47,821,130	42,673,894	89.24%	1,777,244	44,451,138	92.95%
2007	46,763,460	43,657,969	93.36%	1,326,968	44,984,937	96.20%
2008	50,800,639	48,207,637	94.90%	1,590,158	49,797,795	98.03%
2009	50,772,759	46,882,929	92.34%	1,423,427	48,306,356	95.14%
2010	51,248,384	46,784,226	91.29%	1,495,281	48,279,507	94.21%
2011	52,001,081	47,330,833	91.02%	1,772,516	49,103,349	94.43%
2012	50,973,174	46,194,644	90.63%	2,093,891	48,288,535	94.73%
2013	58,895,102	55,041,653	93.46%	1,711,628	56,753,281	96.36%
2014	58,788,930	55,204,307	93.90%	1,583,887	56,788,194	96.60%

Source: Hamilton County Auditor

Northwest Local School District  
Principal Property Tax Payers  
2013 and 2007  
Schedule 11

Taxpayer	2013 (1)	
	Taxable Assessed Value	Percentage of Total Taxable Value
TKG Colerain Towne Center	\$10,600,180	0.72%
T Northgate Mall LLC	7,487,180	0.51%
Rumpke Sanitary Landfill INC	6,798,050	0.46%
8403 Colerain Ave LLC	6,338,020	0.43%
Prospect Square 07 A LLC	4,234,410	0.29%
Duke Energy Ohio Inc.	4,053,320	0.27%
The Procter & Gamble Co.	3,798,630	0.26%
Lees Crossing LLC	3,776,840	0.26%
Northwest Woods LLC	3,572,140	0.24%
Ashley Woods Limited Partnership	3,479,210	0.24%
<b>Total Principal Taxpayers</b>	<b>54,137,980</b>	<b>3.68%</b>
<b>All Other Taxpayers</b>	<b>1,421,438,120</b>	<b>96.32%</b>
<b>Total All Taxpayers</b>	<b>\$1,475,576,100</b>	<b>100.00%</b>

Taxpayer	2007 (1)	
	Taxable Assessed Value	Percentage of Total Taxable Value
Northgate Partners LLC	\$35,335,660	2.09%
KIR Colerain LLC	9,634,760	0.57%
Rumpke Sanitary Landfill Inc.	6,909,270	0.41%
Cincinnati Mills	6,075,130	0.36%
Procter & Gamble Co	5,873,360	0.35%
Wells Fargo Bank NA	5,558,370	0.33%
Wal-Mart Real Estate	5,409,260	0.32%
Stone Creek Development	4,148,400	0.24%
Northwest Woods LLC	4,020,180	0.24%
Lee Crossing LLC	3,986,400	0.24%
<b>Total Principal Taxpayers</b>	<b>86,950,790</b>	<b>5.15%</b>
<b>All Other Taxpayers</b>	<b>1,606,452,050</b>	<b>94.85%</b>
<b>Total All Taxpayers</b>	<b>\$1,693,402,840</b>	<b>100.00%</b>

Source: Hamilton County Auditor

(1) - Denotes calendar year. Years prior to 2007 are not accessible.

Northwest Local School District  
 Outstanding Debt by Type  
 Last Ten Fiscal Years  
 Schedule 12

Fiscal Year	Governmental Activities			Total Primary Government	Total Estimated Actual Value	Ratio of General Bonded Debt to Estimated Actual Value	Percentage of Personal Income (1)	Per Capita
	General Obligation Bonds	QZAB and Tax-Exempt Bonds	Certificates of Participation					
2005	\$22,305,000	\$0	\$0	\$22,305,000	\$4,820,588,014	0.46	0.07%	260
2006	21,715,000	0	0	21,715,000	4,853,778,706	0.45	0.06%	253
2007	21,040,000	0	0	21,040,000	4,965,662,664	0.42	0.06%	245
2008	20,250,000	0	0	20,250,000	5,192,986,748	0.39	0.05%	236
2009	19,405,000	0	0	19,405,000	4,987,618,918	0.39	0.05%	226
2010	18,485,000	0	0	18,485,000	5,328,644,543	0.35	0.05%	248
2011	17,495,000	0	0	17,495,000	4,838,238,800	0.36	0.05%	235
2012	17,155,629	0	0	17,155,629	4,838,238,800	0.34	0.04%	230
2013	16,040,263	5,419,586	6,594,770	28,054,619	4,914,385,886	0.57	0.07%	377
2014	14,840,946	5,067,522	6,308,908	26,217,376	4,982,885,686	0.53	N/A	352

Source: School District Records

N/A - Bureau of Economic Analysis Data. Information for Hamilton County. Last updated in 2013

(1) See S28 for personal income data.



Northwest Local School District  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2014  
Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
<b>Direct:</b>			
Bonds Payable	\$26,217,376	100.00%	\$26,217,376
<b>Overlapping Debt:</b>			
Butler County	\$50,968,150	0.03%	\$15,290
Hamilton County	83,375,000	8.13%	6,778,388
City of Forest Park	5,445,000	10.79%	587,516
City of North College Hill	780,000	1.46%	11,388
Colerain Township	6,660,000	93.43%	6,222,438
Fairfield Township	8,590,000	52.00%	4,466,800
Butler Technology & Career Center JT. Voc. School District	10,035,000	18.25%	1,831,388
Springfield Township	10,105,000	12.48%	1,261,104
<b>Total Overlapping Debt</b>	<u>175,958,150</u>		<u>21,174,312</u>
<b>Total Direct and Overlapping Debt</b>	<u>\$202,175,526</u>		<u>\$47,391,688</u>

Source: Ohio Municipal Advisory Council

(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.

Northwest Local School District  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 Schedule 14

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	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt Limit	\$134,599,834	\$153,256,696	\$154,705,985	\$152,211,071	\$150,139,460
Total Net Debt Applicable to Limit	<u>20,659,908</u>	<u>19,946,828</u>	<u>21,040,000</u>	<u>20,250,000</u>	<u>19,405,000</u>
Legal Debt Margin	<u>\$113,939,926</u>	<u>\$133,309,868</u>	<u>\$133,665,985</u>	<u>\$131,961,071</u>	<u>\$130,734,460</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	15.35%	13.02%	13.60%	13.30%	12.92%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2014 is calendar year 2013)

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed Value (1)	\$1,478,878,210
Debt Limit (9% of Assessed Value)	133,099,039
Debt Applicable to Limit	25,285,000
Less Amount Available in Debt Service	<u>(1,955,370)</u>
Legal Debt Margin	<u>\$109,769,409</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$149,302,724	\$148,552,126	\$133,334,715	\$132,801,849	\$133,099,039
<u>18,485,000</u>	<u>16,425,000</u>	<u>20,660,000</u>	<u>25,313,091</u>	<u>23,329,630</u>
<u>\$130,817,724</u>	<u>\$132,127,126</u>	<u>\$112,674,715</u>	<u>\$107,488,758</u>	<u>\$109,769,409</u>
12.38%	11.06%	15.49%	19.06%	17.53%

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)
2005	85,875	\$33,087,346	\$39,937	5.7%
2006	85,875	35,146,091	41,477	5.0%
2007	85,875	36,488,577	42,730	5.0%
2008	85,875	37,484,285	43,918	5.6%
2009	85,875	36,248,694	44,320	8.9%
2010	74,442	36,770,921	45,852	9.4%
2011	74,442	37,522,065	46,881	8.6%
2012	74,442	39,631,501	49,413	6.8%
2013	74,442	40,415,100	50,235	7.3%
2014	74,442	N/A	N/A	7.1%

- Sources:
- (1) Population estimates provided by U.S. Census Bureau
  - (2) Bureau of Economic Analysis Data. Information for Hamilton County.  
Last updated in 2013
  - (3) Bureau of Economic Analysis Data. Information for Hamilton County.  
Last updated in 2013
  - (4) Ohio Department of Job and Family Services - Office of Workforce  
Development - Bureau of Labor Market Information -- Annual Average

N/A - Information not available

Northwest Local School District  
Major Employers (1)  
2013 and 2004  
Schedule 16

2013 (3)			
Major Employers	Type	Number of Employees (1)	Employer's Percentage of Total Employment
Kroger Company	Trade	20,646	18.7%
University of Cincinnati	Education	15,329	13.9%
Procter & Gamble Co	Mfg	12,564	11.4%
Cincinnati Children's Hospital	Medical	12,000	10.9%
TriHealth Inc.	Serv	10,400	9.4%
Mercy Health Partners	Medical	8,940	8.1%
UC Health	Medical	8,670	7.8%
GE Aviation	Mfg	7,500	6.8%
St Elizabeth Healthcare	Medical	7,251	6.6%
Fifth Third Bancorp	Finance	7,180	6.4%
	Total	110,480	

2004			
Major Employers	Type	Number of Employees (2)	Employer's Percentage of Total Employment
Fifth Third Bancorp	Finance	19,830	17.2%
Kroger Company	Trade	15,000	13.0%
Procter & Gamble Co	Mfg	14,700	12.7%
University of Cincinnati	Education	14,281	12.4%
Health Alliance of Greater Cincinnati	Medical	13,167	11.4%
Archdiocese of Cincinnati	Religious	8,000	6.9%
Cinergy	Public Utility	7,823	6.8%
Frisch's Restaurant	Restaurant	7,802	6.8%
City of Cincinnati	Government	7,553	6.5%
TriHealth Inc.	Medical	7,249	6.3%
	Total	115,405	

Sources: (1) - Cincinnati Chamber of Commerce  
(2) - Greater Cincinnati Chamber of Commerce/Business Courier Book of Lists  
(3) - 2013 was the most up-to-date information the School District could obtain

Northwest Local School District  
 Full-Time Equivalent School District Employees by Type  
 Last Ten Fiscal Years  
 Schedule 17

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Administrative</b>										
Central Office	14.0	13.0	12.0	15.0	17.0	17.0	19.0	18.0	16.0	16.0
Certified Licensed	27.0	27.0	27.0	26.0	25.0	25.0	25.0	25.0	25.0	25.0
Classified	15.0	14.0	12.0	11.0	10.0	12.0	12.0	12.0	11.0	11.0
Total Administrative	<u>56.0</u>	<u>54.0</u>	<u>51.0</u>	<u>52.0</u>	<u>52.0</u>	<u>54.0</u>	<u>56.0</u>	<u>55.0</u>	<u>52.0</u>	<u>52.0</u>
<b>Instructional Staff</b>										
Teachers	662.0	651.0	632.0	624.0	577.0	575.0	558.0	520.0	502.0	502.0
Instructional Specialists	12.0	10.0	9.0	8.0	8.0	8.0	12.0	12.0	14.0	14.0
Librarians	6.0	4.0	4.0	4.0	4.0	4.0	3.0	4.0	4.0	4.0
Instructional Coordinator	4.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0
Counselors	19.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0	16.0	16.0
Psychologist	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Instructional Staff	<u>704.0</u>	<u>684.0</u>	<u>664.0</u>	<u>654.0</u>	<u>607.0</u>	<u>605.0</u>	<u>591.0</u>	<u>553.0</u>	<u>536.0</u>	<u>536.0</u>
<b>Support Staff</b>										
Educational Assistants	147.5	139.5	151.5	150.5	150.0	157.7	183.5	178.5	159.0	159.0
Nurses	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Health Technician	18.0	18.0	18.0	18.0	17.0	17.0	17.0	16.0	16.0	16.0
Library Assistants	14.0	14.0	14.0	14.0	13.0	13.0	13.0	9.0	9.0	9.0
Transportation/Delivery	92.0	90.0	91.0	75.0	75.0	79.0	78.5	78.5	71.5	71.5
Food Service	106.0	104.0	104.0	104.0	100.0	98.3	97.5	97.5	89.0	89.0
Secretarial/Clerical	68.0	65.0	62.0	64.0	65.0	65.0	63.0	60.0	58.0	58.0
Data Processing	5.0	5.0	6.0	6.0	6.0	5.0	5.0	5.0	5.0	5.0
Maintenance	9.0	8.0	8.0	10.0	10.0	9.0	11.0	10.0	10.0	10.0
Custodial	64.0	62.0	67.0	63.0	62.0	62.5	62.5	57.0	50.0	50.0
Total Support Staff	<u>524.5</u>	<u>506.5</u>	<u>522.5</u>	<u>505.5</u>	<u>499.0</u>	<u>507.5</u>	<u>532.0</u>	<u>512.5</u>	<u>468.5</u>	<u>468.5</u>
<b>Total School District Staff</b>	<u><u>1,284.5</u></u>	<u><u>1,244.5</u></u>	<u><u>1,237.5</u></u>	<u><u>1,211.5</u></u>	<u><u>1,158.0</u></u>	<u><u>1,166.5</u></u>	<u><u>1,179.0</u></u>	<u><u>1,120.5</u></u>	<u><u>1,056.5</u></u>	<u><u>1,056.5</u></u>

Source: School District records

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Northwest Local School District  
 Operating Statistics  
 Last Ten Fiscal Years  
 Schedule 18

Fiscal Year	Enrollment	Operating Expenditure (1)	Cost Per Pupil (2)	Percentage Change	Expenses (3)	Cost Per Pupil (4)
2005	10,561	\$89,885,348	\$8,511	5.92%	\$91,987,055	\$8,710
2006	10,332	88,865,859	8,601	1.06%	91,244,899	8,831
2007	10,370	90,321,279	8,710	1.27%	92,457,640	8,916
2008	9,823	98,155,396	9,992	14.73%	100,390,039	10,220
2009	9,616	93,039,570	9,675	-3.17%	93,922,968	9,767
2010	9,678	95,069,598	9,823	1.53%	96,952,722	10,018
2011	9,515	97,959,968	10,295	4.81%	99,462,807	10,453
2012	9,263	91,299,292	9,856	-4.26%	93,606,395	10,105
2013	9,252	92,987,398	10,051	1.97%	94,787,610	10,245
2014	9,279	92,122,828	9,928	-1.22%	94,364,396	10,170

Source: School District records

(1) - Operating Expenditure is Total Expenditures minus Capital Outlay and Debt Service from Schedule 6

(2) - Operating Expenditure by Enrollment

(3) - Expenses is Total Expenses from Schedule 2

(4) - Expenses by Enrollment



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Percentage Change of Cost Per Pupil	Teaching Staff	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
5.43%	662	15.95	27.86%
1.39%	651	15.87	29.36%
0.96%	632	16.41	30.95%
14.63%	624	15.74	30.53%
-4.43%	577	16.67	38.28%
2.56%	575	16.83	40.71%
4.35%	558	17.05	46.42%
-3.33%	520	17.81	48.76%
1.38%	502	18.43	49.37%
-0.73%	502	18.48	49.00%

Northwest Local School District  
School Building Information  
Last Ten Fiscal Years  
Schedule 19

School	2005	2006	2007	2008	2009	2010	2011
Elementary							
Colerain Elementary - 1923							
Square feet	84,934	84,934	84,934	84,934	84,934	84,934	84,934
Capacity (1)	850	850	850	850	850	850	850
Enrollment	695	667	668	645	852	856	849
Bevis Elementary - 1970							
Square feet	48,640	48,640	48,640	48,640	48,640	48,640	48,640
Capacity (1)	600	600	600	600	600	600	600
Enrollment	486	489	490	445	429	440	442
Houston Elementary - 1966							
Square feet	62,826	62,826	62,826	62,826	62,826	62,826	62,826
Capacity (1)	600	600	600	600	0	0	0
Enrollment	475	422	422	408	0	0	0
Monfort Heights Elementary - 2000							
Square feet	76,787	76,787	76,787	76,787	76,787	76,787	76,787
Capacity (1)	700	700	700	700	700	700	700
Enrollment	728	717	718	685	645	665	655
Pleasant Run Elementary - 1961							
Square feet	54,751	54,751	54,751	54,751	54,751	54,751	54,751
Capacity (1)	575	575	575	575	575	575	575
Enrollment	509	500	500	481	394	418	389
Struble Elementary - 1959							
Square feet	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Capacity (1)	376	376	376	376	376	376	376
Enrollment	376	404	405	400	408	409	417
Taylor Elementary - 1960							
Square feet	56,262	56,262	56,262	56,262	56,262	56,262	56,262
Capacity (1)	525	525	525	525	525	525	525
Enrollment	500	470	493	348	488	521	494
Weigel Elementary - 1965							
Square feet	55,057	55,057	55,057	55,057	55,057	55,057	55,057
Capacity (1)	500	500	500	500	500	500	500
Enrollment	505	498	502	467	470	488	490
Welch Elementary - 1977							
Square feet	46,800	46,800	46,800	46,800	46,800	46,800	46,800
Capacity (1)	425	425	425	425	425	425	425
Enrollment	349	372	372	325	387	367	404

Source: District records

(1) Capacity considers many variables just as class size, federally required programs, and district-level programs thus may change accordingly.

2012	2013	2014
84,934	84,934	84,934
850	850	850
848	861	899
48,640	48,640	48,640
600	600	600
454	434	0
62,826	62,826	62,826
0	0	0
0	0	0
76,787	76,787	76,787
700	700	700
644	669	667
54,751	54,751	54,751
575	575	575
367	356	552
45,000	45,000	45,000
376	376	376
361	430	444
56,262	56,262	56,262
525	525	525
431	463	631
55,057	55,057	55,057
500	500	500
476	454	455
46,800	46,800	46,800
425	425	425
395	398	520

(continued)

Northwest Local School District  
School Building Information  
Last Ten Fiscal Years  
Schedule 19 (continued)

School	2005	2006	2007	2008	2009	2010	2011
<b>Junior High School</b>							
<b>Colerain Middle - 1932</b>							
Square feet	77,591	77,591	77,591	77,591	77,591	77,591	77,591
Capacity (1)	675	675	675	675	675	675	675
Enrollment	730	719	720	688	670	669	641
<b>Pleasant Run Middle - 1969</b>							
Square feet	108,230	108,230	108,230	108,230	108,230	108,230	108,230
Capacity (1)	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	923	880	879	857	867	816	794
<b>White Oak Middle - 1961</b>							
Square feet	81,950	81,950	81,950	81,950	81,950	81,950	81,950
Capacity (1)	735	735	735	735	735	735	735
Enrollment	782	766	773	754	751	721	752
<b>High School</b>							
<b>Colerain High - 1964</b>							
Square feet	193,768	193,768	193,768	193,768	193,768	193,768	193,768
Capacity (1)	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Enrollment	2,277	2,215	2,215	2,166	2,151	2,165	2,150
<b>Northwest High - 1972</b>							
Square feet	163,345	163,345	163,345	163,345	163,345	163,345	163,345
Capacity (1)	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Enrollment	1,226	1,213	1,213	1,154	1,104	1,102	1,038

Source: District records

(1) Capacity considers many variables just as class size, federally required programs, and district-level programs thus may change accordingly.

2012	2013	2014
77,591	77,591	77,591
675	675	675
619	593	595
108,230	108,230	108,230
1,100	1,100	1,100
792	787	752
81,950	81,950	81,950
735	735	735
764	792	763
193,768	193,768	193,768
2,100	2,100	2,100
2,073	1,997	1,998
163,345	163,345	163,345
1,250	1,250	1,250
1,039	1,018	1,003

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# Dave Yost • Auditor of State

**NORTHWEST LOCAL SCHOOL DISTRICT**

**HAMILTON COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 12, 2015**