



**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY**

REGULAR AUDIT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY
JUNE 30, 2023**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

North Baltimore Local School District
Wood County
201 South Main Street
North Baltimore, Ohio 45872-1364

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Baltimore Local School District, Wood County, Ohio (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of North Baltimore Local School District, Wood County, Ohio as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Efficient • Effective • Transparent

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, required budgetary comparison schedule, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

September 19, 2024

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**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited**

This discussion and analysis provides key information from management highlighting the overall financial performance of the North Baltimore Local School District for the fiscal year ended June 30, 2023. This is meant to be an easily readable summary of the most important financial information regarding the accompanying basic financial statements. Please read it in conjunction with the School District's basic financial statements.

Financial Highlights

Major financial highlights for fiscal year 2023 are listed below:

- ✓ The assets and deferred outflows of resources of the School District exceeded its liabilities and deferred inflows of resources at year-end by \$12,056,762. In total, net position increased by \$854,433.
- ✓ The School District had \$12,724,343 in expenses related to governmental activities; only \$1,285,184 of these expenses were offset by program specific charges for services, grants or contributions. General revenue of \$12,293,592, made up primarily of property and income taxes, and State Foundation payments, provided the majority of funding for these programs.
- ✓ The General Fund balance increased by \$90,148 from \$6,064,339 at June 30, 2022 to \$6,154,487 at June 30, 2023.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. The School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the School District's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the School District's assets, liabilities, and deferred outflows and inflows of resources, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

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Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the School District include instruction, support services, administration, operation and maintenance of plant, and extracurricular activities. The School District has no business-type activities.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School District are categorized as governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for government activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between government funds and governmental activities.

The School District accounts for its activities using many individual funds. The most significant funds are reported in separate columns in the governmental fund financial statements. These statements provide detailed information about the individual major funds – unlike the government-wide financial statements, which report on the School District as a whole. Some funds are required to be established by State law. Also, the School District may establish separate funds to show that it is meeting legal requirements for using grants or other money.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

A. Net position at fiscal year-end

The following table presents a condensed summary of the School District's overall financial position at June 30, 2023 and 2022:

	<u>FY2023</u>	<u>FY2022</u>
Assets:		
Current and other assets	\$ 16,607,318	17,184,157
Capital assets, net	<u>21,583,168</u>	<u>19,915,441</u>
Total assets	<u>38,190,486</u>	<u>37,099,598</u>
Deferred outflows of resources	<u>2,687,604</u>	<u>2,863,754</u>
Liabilities:		
Long-term liabilities:		
Net pension liability	8,807,810	5,329,176
Net OPEB liability	501,444	680,097
Other long-term liabilities	10,570,059	11,279,908
Other liabilities	<u>1,188,210</u>	<u>1,399,958</u>
Total liabilities	<u>21,067,523</u>	<u>18,689,139</u>
Deferred inflows of resources	<u>7,753,805</u>	<u>10,071,884</u>
Net position:		
Net investment in capital assets	12,207,837	11,450,431
Restricted:		
For capital purposes	511,039	484,684
Other purposes	958,093	1,599,340
Debt service	1,055,656	1,240,909
Unrestricted (deficit)	<u>(2,675,863)</u>	<u>(3,573,035)</u>
Total net position	<u>\$ 12,056,762</u>	<u>11,202,329</u>

The net pension liability is reported pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*. The net other postemployment benefits (OPEB) asset and liability are reported pursuant to GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and net OPEB liability to the reported net position and subtracting the net OPEB asset and deferred outflows related to pension and OPEB.

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Governmental Accounting Standards Board (GASB) standards are national and apply to all government financial reports prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Prior accounting for pensions (GASB Statement No. 27) and OPEB (GASB Statement No. 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB Statement Nos. 68 and 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio statewide pension and OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

As required by GASB Statement Nos. 68 and 75, the required net pension liability, the net OPEB liability and the net OPEB asset equal the School District's proportionate share of each plan's collective:

1. Present value of estimated future pension and OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide health care to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement systems are responsible for the administration of the pension and OPEB plans.

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Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e., sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension or net OPEB liabilities. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible part for the unfunded portion. Due to the unique nature of how the net pension and net OPEB liabilities are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB Statement Nos. 68 and 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

A significant portion of the School District's net position (\$12,207,837) reflects its investment in capital assets, less any related debt to acquire those assets that is still outstanding. The School District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the School District's net position (\$2,524,788) represents resources that are subject to external restrictions on how they may be used.

The unrestricted net position (deficit) at June 30, 2023 was (\$2,675,863). However, if the components of recording the net pension and OPEB liabilities are removed from the Statement of Net Position, the School District's unrestricted net position would be a positive \$5,503,374. We feel this is important to mention as the management of the School District has no control over the management of the State-wide retirement plans or the benefits offered; both of which control the net pension and OPEB liabilities that significantly impact the School District's financial statements.

Total assets increased by approximately \$1.1 million, or 3%, during fiscal year 2023. The majority of the increase incurred in capital assets, as work continued on the football stadium and sports track project. The increase was partially offset by decreases in intergovernmental receivables, as pandemic-related grant funding began winding down.

Total liabilities increased by approximately \$2.4 million, or 13%. Much of this increase occurred in the net pension liability, due to a volatile investment market: School Employees Retirement System (SERS) reported an annual money-weighted rate of return was -1.93%, compared to 28.18% in the prior year, and State Teachers Retirement System (STRS) reported an annual money-weighted rate of return of -3.55%, compared to 29.24% in the prior year. The increase was partially offset by a decrease in long-term debt, due to satisfying annual debt service requirements.

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B. Governmental Activities during fiscal year 2023

The following table presents a condensed summary of the School District's activities during fiscal year 2023 and 2022 and the resulting change in net position:

	<u>FY2023</u>	<u>FY2022</u>
Revenues:		
Program revenues:		
Charges for services and sales	\$ 380,839	\$ 429,582
Operating grants and contributions	814,345	1,966,991
Capital grants and contributions	90,000	-
Total program revenues	<u>1,285,184</u>	<u>2,396,573</u>
General revenues:		
Property and income taxes	6,546,734	5,341,507
Grants and entitlements	4,631,476	4,613,690
Payment in lieu of taxes	707,213	598,463
Investment earnings	252,428	16,340
Miscellaneous	155,741	293,199
Total general revenues	<u>12,293,592</u>	<u>10,863,199</u>
Total revenues	<u>13,578,776</u>	<u>13,259,772</u>
Expenses:		
Instruction	7,124,823	7,056,635
Support services	4,067,458	3,792,389
Extracurricular activities	745,907	718,411
Interest and fiscal charges	360,368	232,389
Food services	425,787	417,829
Total expenses	<u>12,724,343</u>	<u>12,217,653</u>
Change in net position	854,433	1,042,119
Beginning net position	<u>11,202,329</u>	<u>10,160,210</u>
Ending net position	<u>\$ 12,056,762</u>	<u>\$ 11,202,329</u>

Of the total governmental activities revenues of \$13,578,776, \$1,285,184 (9%) is from program revenue. This means that the government relies on general revenues to fund the majority of the cost of services provided to the citizens. Of those general revenues, \$6,546,734 (53%) comes from property and income taxes and \$4,631,476 (38%) is from state funding. The School District's operations are reliant upon its property and income taxes and the state's foundation program.

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The School District's total revenue increased by approximately \$319,000 or 2%, during the fiscal year. The increase was attributable to increases in property taxes from growth in property valuations. The increase was partially offset by a decrease in operating grants and contributions as pandemic-related grant funding began winding down.

Total expenses increased by approximately \$507,000, or 4%, primarily driven by the increase in net pension liability previously discussed and general inflationary increases.

Governmental Activities

The following table presents the total cost of each of the government's primary services, and the comparative net cost after deducting the revenues generated by each function. Approximately 10% of the cost of the general government programs was recouped in program revenues. Instruction costs were \$7,124,823 but program revenue contributed to fund 9% of those costs. Thus, general revenues of \$6,503,861 were needed to support of remainder of the instruction costs.

Governmental Activities				
	Total Cost of Services	Program Revenue	Revenues as a % of Total Costs	Net Cost of Services
Instruction	\$ 7,124,823	620,962	9%	6,503,861
Support services	4,067,458	170,599	4%	3,896,859
Non-instructional services	1,171,694	493,623	42%	678,071
Interest and fiscal charges	<u>360,368</u>	-	0%	<u>360,368</u>
Total	\$ <u>12,724,343</u>	<u>1,285,184</u>	<u>10%</u>	<u>11,439,159</u>

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S INDIVIDUAL FUNDS

Governmental funds

The School District has three major governmental funds: the General Fund, the Debt Service Fund, and the Permanent Improvement Fund. Assets of these three funds comprise \$15,203,569 (95%) of the total \$16,068,417 governmental funds' assets.

General Fund. Fund balance at June 30, 2023 was \$6,154,487, with an unassigned fund balance of \$3,717,188. The unassigned fund balance represents approximately 34% of current-year general fund expenditures. The General Fund increased by \$90,148, or 1%, due to increases in property taxes, as previously discussed, and timing of payments of lieu of taxes.

Debt Service Fund. This fund is used to accumulate resources to retire the School District's school improvement bonds. All required bond payments were made as scheduled during the current fiscal year.

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Permanent Improvement Fund. This fund is used to accumulate resources, such as property and income taxes, for acquiring, constructing, or improving School District facilities. Fiscal year 2023 included continued work on sports track and football stadium improvements financed with a lease-purchase agreement issued last year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The schedule comparing the School District's original and final budgets and actual results is included in the required supplementary information. The General Fund's initial budget was increased based on actual activity trends. The School District ended the year with \$5,847,555 with unencumbered cash.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. At June 30, 2023, the School District had \$21,583,168 invested in a broad range of capital assets, including land, land improvements, buildings, equipment, vehicles, and construction in progress. The increase in the net capital assets was due to work in progress on the sports track and football stadium. See Note 7 to the basic financial statements for more detail.

**Capital Assets at Year-End
(Net of Depreciation)**

		<u>FY2023</u>	<u>FY2022</u>
Land	\$	1,070,024	1,070,024
Land improvements		251,729	314,434
Buildings and improvements		15,131,772	15,884,647
Equipment and furniture		358,349	568,925
Vehicles		706,428	471,169
Construction in progress		<u>4,064,866</u>	<u>1,606,242</u>
Total	\$	<u><u>21,583,168</u></u>	<u><u>19,915,441</u></u>

Debt

During the year, the School District made its regularly scheduled payments on its Series 2009 classroom facilities improvement, Series 2016 refunding bonds and lease-purchase agreement. As of June 30, 2023, the School District's long-term obligations was \$9,128,047, which mature in fiscal year 2038.

See Note 11 to the basic financial statements for more detail.

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ECONOMIC FACTORS

The area of school finance is always changing, property valuations, the unconstitutional state foundation formula, enrollment counts, open enrollment polices, community and charter schools options. Northpoint Development that was scheduled to open in May 2023 is finally showing signs of operation. UPS has started their soft shift and have begun their hiring process with expectations to be at 100% operations, with three shifts by the end of March 2024. Hancock Wood Electric is expanding with another building with completion estimated in 2024. Finally, Sheetz will soon be taking over the south side of State Route 18 across from Loves Truck stop with hopes of increasing jobs and revenue to the community.

Economic variables with inflation and upcoming property evaluations in 2024 could play a significant role in the near future in terms of revenue and expenditures. The cost of operations are still expected to increase. As always, depending on the State's budget adjustments and income tax collections this could be a very significant development for the School District and may require significant adjustments to be made to account for these positive or negative.

REQUESTS FOR ADDITIONAL INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, 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 questions about this report or need additional financial information, contact the Treasurer's office at the North Baltimore Local School District, 201 South Main Street, North Baltimore, Ohio 45872-1364.

NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Statement of Net Position
June 30, 2023

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 7,958,948
Receivables:	
Taxes	6,566,191
Accounts	13,664
Intergovernmental	1,251,816
Supplies inventory	5,949
Prepays	6,357
Net OPEB asset	804,393
Nondepreciable capital assets	5,134,890
Depreciable capital assets, net	<u>16,448,278</u>
Total assets	<u>38,190,486</u>
Deferred Outflows of Resources:	
Deferred charges	315,546
Pension	2,153,067
OPEB	<u>218,991</u>
Total deferred outflows of resources	<u>2,687,604</u>
Liabilities:	
Accounts payable	104,084
Accrued wages and benefits	899,255
Intergovernmental payable	125,764
Accrued interest payable	59,107
Noncurrent liabilities:	
Due within one year	764,915
Due more than one year:	
Net pension liability	8,807,810
Net OPEB liability	501,444
Other amounts due more than one year	<u>9,805,144</u>
Total liabilities	<u>21,067,523</u>
Deferred Inflows of Resources:	
Taxes levied for next fiscal year	5,067,371
Payments in lieu of taxes for next fiscal year	640,000
Pension	788,236
OPEB	<u>1,258,198</u>
Total deferred inflows of resources	<u>7,753,805</u>
Net Position:	
Net investment in capital assets	12,207,837
Restricted for:	
Capital projects	511,039
Other purposes	958,093
Debt service	1,055,656
Unrestricted (deficit)	<u>(2,675,863)</u>
Total net position	<u>\$ 12,056,762</u>

See accompanying notes to the basic financial statements.

NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Statement of Activities
Fiscal Year Ended June 30, 2023

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental Activities:					
Instruction:					
Regular	\$ 5,120,263	\$ 133,182	\$ -	\$ -	\$ (4,987,081)
Special education	1,604,430	-	391,022	-	(1,213,408)
Other	400,130	-	96,758	-	(303,372)
Support services:					
Pupil	758,137	-	-	-	(758,137)
Instructional staff	197,631	-	5,400	-	(192,231)
Board of Education	168,823	-	-	-	(168,823)
Administration	1,037,910	-	-	-	(1,037,910)
Fiscal	524,207	-	-	-	(524,207)
Operation and maintenance of plant	740,462	-	45,199	-	(695,263)
Pupil transportation	610,288	-	-	90,000	(520,288)
Central	30,000	-	30,000	-	-
Non-instructional services:					
Extracurricular activities	745,907	134,105	-	-	(611,802)
Food service	425,787	113,552	245,966	-	(66,269)
Interest and fiscal charges	360,368	-	-	-	(360,368)
Total Governmental Activities	<u>\$ 12,724,343</u>	<u>\$ 380,839</u>	<u>\$ 814,345</u>	<u>\$ 90,000</u>	<u>(11,439,159)</u>
General Revenues:					
Property taxes, levied for general purposes					4,407,318
Property taxes, levied for debt services					628,352
Property taxes, levied for capital projects					173,066
Income taxes					1,337,998
Grants and entitlements not restricted to specific programs					4,631,476
Payment in lieu of taxes					707,213
Investment earnings					252,428
Miscellaneous					155,741
Total general revenues					<u>12,293,592</u>
Change in net position					854,433
Net position beginning of year					<u>11,202,329</u>
Net position end of year					<u>\$ 12,056,762</u>

See accompanying notes to the basic financial statements.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Balance Sheet
Governmental Funds
June 30, 2023

	General	Debt Service	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 5,799,142	\$ 1,107,044	\$ 459,910	\$ 592,852	\$ 7,958,948
Receivables:					
Taxes	5,468,571	787,650	309,970	-	6,566,191
Accounts	13,109	-	-	555	13,664
Intergovernmental	986,324	-	-	265,492	1,251,816
Prepays	6,357	-	-	-	6,357
Materials and supplies inventory	-	-	-	5,949	5,949
Interfund receivable	265,492	-	-	-	265,492
Total assets	\$ 12,538,995	\$ 1,894,694	\$ 769,880	\$ 864,848	\$ 16,068,417
Liabilities:					
Accounts payable	\$ 19,294	\$ -	\$ 79,715	\$ 5,075	\$ 104,084
Accrued wages and benefits	870,156	-	-	29,099	899,255
Intergovernmental payable	122,737	-	-	3,027	125,764
Interfund payable	-	-	-	265,492	265,492
Total liabilities	1,012,187	-	79,715	302,693	1,394,595
Deferred Inflows of Resources:					
Taxes levied for next fiscal year	4,223,792	664,453	179,126	-	5,067,371
Payments in lieu of taxes for next fiscal year	640,000	-	-	-	640,000
Unavailable revenue	508,529	51,253	38,112	265,492	863,386
Total deferred inflows of resources	5,372,321	715,706	217,238	265,492	6,570,757
Fund Balances:					
Nonspendable	6,357	-	-	5,949	12,306
Restricted	-	1,178,988	472,927	506,615	2,158,530
Assigned	2,430,942	-	-	-	2,430,942
Unassigned (Deficit)	3,717,188	-	-	(215,901)	3,501,287
Total fund balances	6,154,487	1,178,988	472,927	296,663	8,103,065
Total liabilities, deferred inflows of resources and fund balances	\$ 12,538,995	\$ 1,894,694	\$ 769,880	\$ 864,848	\$ 16,068,417

See accompanying notes to the basic financial statements.

NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2023

Total Governmental Fund Balances \$ 8,103,065

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 21,583,168

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. 863,386

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Bonds payable	(5,813,047)	
Premium on bond issue	(562,830)	
Accretion on capital appreciation bonds	(115,478)	
Lease-purchase agreement	(3,315,000)	
Accrued interest payable	(59,107)	
Compensated absences	<u>(763,704)</u>	(10,629,166)

Deferred outflows of resources from refunding of bonds are amortized over the life of the bonds and are not reported in the funds. 315,546

The net pension and OPEB liabilities are not due and payable in the current period. The net OPEB asset is not available to pay for current-period expenditures. Therefore, the asset, liabilities and related deferrals are not reported in the governmental funds:

Deferred outflows - pension	2,153,067	
Deferred inflows - pension	(788,236)	
Net pension liability	(8,807,810)	
Deferred outflows - OPEB	218,991	
Deferred inflows - OPEB	(1,258,198)	
Net OPEB asset	804,393	
Net OPEB liability	<u>(501,444)</u>	<u>(8,179,237)</u>

Net Position of Governmental Activities \$ 12,056,762

See accompanying notes to the basic financial statements.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2023

	General	Debt Service	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 3,950,823	\$ 579,328	\$ 154,588	\$ 35,993	\$ 4,720,732
Income taxes	1,065,242	-	266,311	-	1,331,553
Tuition and fees	133,182	-	-	-	133,182
Interest	252,428	-	-	-	252,428
Charges for services	-	-	-	113,552	113,552
Extracurricular activities	33,788	-	-	100,317	134,105
Intergovernmental	4,688,715	24,084	4,861	1,626,395	6,344,055
Payment in lieu of taxes	1,006,390	-	-	-	1,006,390
Contributions and donations	15,442	-	-	6,120	21,562
Other local revenues	44,611	-	89,945	4,361	138,917
Total revenues	<u>11,190,621</u>	<u>603,412</u>	<u>515,705</u>	<u>1,886,738</u>	<u>14,196,476</u>
Expenditures:					
Current:					
Instruction:					
Regular	4,171,625	-	-	-	4,171,625
Special education	1,294,777	-	-	295,825	1,590,602
Other instruction	303,372	-	-	96,758	400,130
Support services:					
Pupil	768,792	-	-	-	768,792
Instructional staff	188,888	-	-	5,400	194,288
Board of Education	169,368	-	-	-	169,368
Administration	1,048,923	-	-	-	1,048,923
Fiscal	529,042	6,102	5,635	-	540,779
Operation and maintenance of plant	1,277,737	-	224,484	70,618	1,572,839
Pupil transportation	623,825	-	-	-	623,825
Central	-	-	-	30,000	30,000
Non-instructional services:					
Extracurricular activities	353,599	-	-	145,857	499,456
Community service	-	-	-	5,000	5,000
Food service	-	-	-	430,679	430,679
Capital outlay	6,114	-	1,937,950	-	1,944,064
Debt Service:					
Principal	185,000	566,783	-	-	751,783
Interest and fiscal charges	128,487	250,308	-	-	378,795
Total expenditures	<u>11,049,549</u>	<u>823,193</u>	<u>2,168,069</u>	<u>1,080,137</u>	<u>15,120,948</u>
Excess (deficiency) of revenues over (under) expenditures	<u>141,072</u>	<u>(219,781)</u>	<u>(1,652,364)</u>	<u>806,601</u>	<u>(924,472)</u>
Other financing sources (uses):					
Transfers in	-	-	-	88,101	88,101
Transfers out	(50,924)	-	(36,075)	(1,102)	(88,101)
Total other financing sources (uses)	<u>(50,924)</u>	<u>-</u>	<u>(36,075)</u>	<u>86,999</u>	<u>-</u>
Net change in fund balance	90,148	(219,781)	(1,688,439)	893,600	(924,472)
Fund balance, beginning of year	6,064,339	1,398,769	2,161,366	(596,937)	9,027,537
Fund balance, end of year	<u>\$ 6,154,487</u>	<u>\$ 1,178,988</u>	<u>\$ 472,927</u>	<u>\$ 296,663</u>	<u>\$ 8,103,065</u>

See accompanying notes to the basic financial statements.

NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Fiscal Year Ended June 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ (924,472)

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Capital asset additions	2,816,236	
Depreciation expense	<u>(1,148,509)</u>	1,667,727

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (617,700)

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

Compensated absences	(80,254)	
Interest on long-term debt	1,869	
Amortization of deferred charges	(21,762)	
Amortization of bond premiums	54,685	
Net accretion on capital appreciation bonds	<u>(16,365)</u>	(61,827)

Principal paid on long-term debt is recorded as an expenditure on the fund financial statements and recorded as a reduction of the long-term liability in the government-wide statements. 751,783

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

Pension	784,889	
OPEB	<u>23,968</u>	808,857

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

Pension	(951,404)	
OPEB	<u>181,469</u>	(769,935)

Change in Net Position of Governmental Activities \$ 854,433

See accompanying notes to the basic financial statements.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

1. REPORTING ENTITY

North Baltimore Local School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four-year terms. The School District provides educational services to approximately 600 students and community members as authorized by state statute and/or federal guidelines.

The reporting entity is comprised of the primary government. The primary government 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.

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; (3) 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 (4) 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. The School District has no component units.

The School District is associated with four organizations, two of which are defined as jointly governed organizations and two are insurance purchasing pools. These organizations include the Northwest Ohio Area Computer Services Cooperative, the Ohio Schools Council, the Ohio School Boards Association and Ohio Association of School Business Officials Workers' Compensation Group Ratings Plan, and the Wood County Schools Benefit Plan. These organizations are presented in Notes 14 and 15 to the basic financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic 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 more significant of the School District's accounting policies are described below.

Basis of Presentation

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 primary government except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no business-type activities or fiduciary funds.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*continued*

Basis of Presentation – *continued*

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each 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 identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the 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. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources are generally included on the balance sheet. Operating statements of these funds present sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

The government-wide statements are prepared using the economic resources measurement focus, which differs from the manner in which the governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Fund Accounting

The School District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are grouped into the governmental category.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*continued*

Fund Accounting – *continued*

Governmental funds focus 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, 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 used to account for 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.

Debt Service Fund – This fund is used to accumulate resources to retire the School District's school improvement bonds.

Permanent Improvement Fund – This fund is used to accumulate property taxes and 0.25% of the 1.25% school income tax levied for acquiring, constructing, or improving School District facilities.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and relates to the timing of the measurements made.

The modified accrual basis of accounting is used by the governmental funds. On a modified accrual basis, revenues are recorded when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after fiscal year end. Under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes available for advance, income taxes, interest, tuition, student fees, and grants.

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 except for unmatured principal and interest on general long-term debt which is recognized when due. Allocations of cost, such as depreciation, are not recognized in the governmental funds.

Government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*continued*

Basis of Accounting – *continued*

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.

Non-exchange transactions, in which the School District receives value without directly giving value in return, include property and income taxes, payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from property and income taxes and payments in lieu of taxes are recognized in the fiscal year for which the taxes were levied. 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 fiscal 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 non-exchange transactions must also be available before it can be recognized.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition process. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 8 and 9.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and 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, income taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (See Notes 8 and 9).

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*continued*

Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool and individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the basic financial statements. The School District allocates interest earnings according to State statutes.

During fiscal year 2023, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. Investments in STAR Ohio are valued at net asset value per share provided by STAR Ohio on an amortized cost basis at June 30, 2023, which approximates fair value.

For fiscal year 2023, there were no limitations or restrictions on any participants withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the rights to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Inventory and Prepaid Items

Inventories are stated at cost. Cost is determined on a first-in, first-out basis. Inventories consist of donated food, purchased food, and school supplies held for resale and are recorded as expenditures in the governmental fund types when used.

Certain payments to vendors reflect costs applicable to a future accounting period and are recorded as prepaid items in both the government-wide and governmental fund financial statements.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. The School District defines capital assets as those with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets are capitalized at cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at their acquisition values as of the date received. 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.

When capital assets are purchased, they are capitalized and depreciated in the government-wide statements. Capital assets are reported as expenditures of the current period in the governmental fund financial statements.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*continued*

Capital Assets – *continued*

All reported capital assets, except land, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Land improvements	10 - 20 years
Building and improvements	20 - 40 years
Equipment and furniture	5 - 20 years
Vehicles	8 years
Library books and materials	7 years

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method. The liability is an estimate based on the School District's past experience of making termination payments. The amount is based on accumulated sick leave and employees' wage rates at fiscal year-end.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, a liability is recorded only for the portion of unpaid compensated absences that has matured, for example, as a result of employee resignations and retirements.

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 funds. However, claims and judgments, 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. Net pension and OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension and OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension and OPEB assets and liabilities, deferred outflows of resources and deferred inflows of resources related to pension and OPEB, and pension and OPEB expense, information about the fiduciary net position of the retirement systems and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The retirement systems report investments at fair value.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*continued*

Interfund Transactions

On fund financials, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental activities’ column of the statement of net position. Interfund transfers are reported as other financing sources/uses in the governmental funds. Interfund transfers within governmental activities are eliminated in the statement of activities.

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.

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. In the general fund, assigned amounts represent intended uses established by the School District Board of Education. The Board of Education has authorized the Treasurer to assign fund balance for purchases on order provided those amounts have been lawfully appropriated.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—*continued*

Fund Balance – *continued*

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 balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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 the sum of assets and deferred outflows of resources, reduced by liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Estimates

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

3. DEPOSITS AND INVESTMENTS

State statutes classify monies held by the School District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such 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 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.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

3. DEPOSITS AND INVESTMENTS—*continued*

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

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by the financial institutions' participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Interim monies are permitted to be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by the 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 provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts; and
8. Commercial paper and bankers' acceptances, if training requirements are 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. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District and must be purchased with the expectation that it will be held to maturity.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

3. DEPOSITS AND INVESTMENTS—*continued*

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, *Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements*, and amended by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*.

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District's custodial credit risk policy requires that deposits be collateralized as required by ORC Chapter 135. At fiscal year-end, none of the School District's bank balance of \$762,237 was exposed to custodial credit risk since it was collateralized with pooled securities held by the pledging financial institution's trust department in the School District's name or the Treasurer of State's Ohio Pooled Collateral System (OPCS). ORC Chapter 135 authorizes pledging of pooled securities in lieu of specific securities.

The School District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105 percent of the deposits being secured, or at least 102 percent, if the financial institution participates in the OPCS.

Investments

The School District's investment in STAR Ohio is not evidenced by securities that exist in physical or book entry form. The net asset value, which approximates fair value, of the School District's investment in STAR Ohio is \$7,286,732 at June 30, 2023.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from interest rates and according to State law, the School District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk. STAR Ohio is rated AAAM by Standard & Poor's. STAR Ohio must maintain the highest letter or numerical rating provided by at least one nationally recognized standard service. The School District's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

3. DEPOSITS AND INVESTMENTS—*continued*

Custodial Credit Risk. For an investment, custodial credit risk is 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. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk. The School District places no limit on the amount that may be invested in any one issuer. All of the School District's investments were in STAR Ohio.

4. 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 distributions are received by the School District in the second half of the fiscal year. Second-half tax distributions are received 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 revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022 on the assessed values listed as of the prior January 1, 2022, 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 semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2023 represent the collection of calendar year 2022 taxes. Public utility real and tangible personal property taxes received in calendar year 2023 became a lien on December 31, 2021, were levied after April 1, 2022, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property and public utility taxes that became measurable as of June 30, 2023 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 is levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not levied to finance current year operations. The amount available as an advance at June 30, 2023 were \$438,911 in the General Fund, \$71,944 in the Debt Service Fund, and \$18,397 in the Permanent Improvement Fund.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

4. PROPERTY TAXES—continued

Collectible delinquent property taxes have been recorded as a receivable and revenue on the accrual basis. On the modified accrual basis, the revenue has been recorded as deferred inflows of resources – unavailable revenue.

The assessed values upon which fiscal year 2023 taxes were collected are:

	<u>2022 First- Half Collections</u>		<u>2023 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 96,908,260	68.10%	\$ 99,863,680	66.31%
Public Utility	<u>45,388,990</u>	31.90%	<u>50,730,560</u>	33.69%
Total Assessed Value	<u>\$ 142,297,250</u>	100.00%	<u>\$ 150,594,240</u>	100.00%
Tax rate per \$1,000 of assessed valuation		\$52.90		\$52.79

5. INCOME TAXES

As approved by voters in May 2021, the School District levies a 1% school income tax on earned income of residents of the School District, ending November 2027. An additional .25% income tax was approved by the voters on May 5, 2009 for the purpose of paying the School District's share of the Ohio Facilities Construction Commission (OFCC) project. In accordance with bond financing terms, the .25% income tax portion is required to be deposited into the Permanent Improvement fund for building maintenance. The taxes are collected by the State Department of Taxation in the same manner as the state income tax. In the fiscal year ended June 30, 2023, the School District recorded income tax revenue of \$1,337,998 in the entity-wide financials and a receivable as of June 30, 2023 of \$467,596.

6. RISK MANAGEMENT

The School District maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles and general liability insurance. There was no decline in the level of coverage from the prior year. Settled claims have not exceeded coverage in any of the past three years.

The School District participates in the Ohio School Boards Association (OSBA) and the Ohio Association of School Business Officials (OASBO) Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 15). The intent of the GRP is to achieve the benefit of reduced premiums for the School District by virtue of its grouping and representation with other participants. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are calculated and each participant's individual performance is compared to the overall savings percentage of the GRP and the participant either receives money from or is required to contribute to the "Equity Pooling Fund".

NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023

6. RISK MANAGEMENT—*continued*

This arrangement ensures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP.

The School District also participates in the Wood County Schools Benefit Plan, a group insurance purchasing pool (Note 15), in order to provide dental, life, medical, and disability benefits to employees, their dependents and designated beneficiaries. The Plan provides insurance policies in whole or in part through one or more group insurance policies.

7. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2023 was as follows:

	Balance 7/1/22	Additions	Disposals	Balance 6/30/23
<i>Governmental Activities</i>				
<i>Nondepreciable:</i>				
Land	\$ 1,070,024	\$ -	\$ -	\$ 1,070,024
Construction in progress	1,606,242	2,458,624	-	4,064,866
Total nondepreciable	<u>2,676,266</u>	<u>2,458,624</u>	<u>-</u>	<u>5,134,890</u>
<i>Depreciable:</i>				
Land improvements	1,202,856	-	-	1,202,856
Buildings and improvements	26,261,028	-	-	26,261,028
Vehicles	960,353	278,938	-	1,239,291
Equipment and furniture	3,240,593	78,674	-	3,319,267
Library books and materials	765,895	-	-	765,895
Total depreciable	<u>32,430,725</u>	<u>357,612</u>	<u>-</u>	<u>32,788,337</u>
<i>Less accumulated depreciation:</i>				
Land improvements	(888,422)	(62,705)	-	(951,127)
Buildings and improvements	(10,376,381)	(752,875)	-	(11,129,256)
Vehicles	(489,184)	(43,679)	-	(532,863)
Equipment and furniture	(2,671,668)	(289,250)	-	(2,960,918)
Library books and materials	(765,895)	-	-	(765,895)
Total accumulated depreciations	<u>(15,191,550)</u>	<u>(1,148,509)</u>	<u>-</u>	<u>(16,340,059)</u>
Net depreciable	<u>17,239,175</u>	<u>(790,897)</u>	<u>-</u>	<u>16,448,278</u>
Capital assets, net	<u>\$ 19,915,441</u>	<u>\$ 1,667,727</u>	<u>\$ -</u>	<u>\$ 21,583,168</u>

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

7. CAPITAL ASSETS—continued

Depreciation expense was charged to functions as follows:

Instruction:	
Regular	\$ 817,807
Special education	586
Support services:	
Instructional staff	2,274
Operation and maintenance of plant	65,300
Pupil transportation	3,813
Extracurricular activities	252,336
Food service	<u>6,393</u>
Total depreciation expense	<u>\$1,148,509</u>

8. DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the School District’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

GASB Statement No. 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

8. PENSION PLANS—continued

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

Plan Description - School Employees Retirement System (SERS)

Plan Description – School District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, 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, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

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

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

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2% for the first 30 years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

Funding Policy – Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute 14% 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% for plan members and 14% 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, and Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023 the 14% was allocated to only three of the funds (Pension Trust Fund, Death Benefit Fund and Medicare B Fund).

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

8. PENSION PLANS—continued

The School District's contractually required contribution to SERS was \$202,274 for fiscal year 2023.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. The calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. For members who were eligible to retire on July 1, 2015, the annual benefit is the greater of the benefit amount calculated upon retirement under the new benefit formula or the frozen benefit amount as of July 1, 2015. Effective August 1, 2021 to July 1, 2023, any member can retire with unreduced benefits with 34 years of service credit at any age or 5 years of service credit and age 65. Retirement eligibility for reduced benefits is 30 years of service credit at any age; or 29 years of service credit and age 55; or 5 years of service credit and age 60. Effective on or after August 1, 2023, any member can retire with unreduced benefits with 35 years of service credit at any age or 5 years of service credit at age 65. Retirement eligibility for reduced benefits is 30 years of service credit at any age or 5 years of service credit and age 60.

The DC Plan allows members to place all their member contributions and 9.53% of the 14% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS Ohio. The remaining 4.47% of the 14% employer rate is allocated to the defined benefit unfunded liabilities. Effective July 1, 2022, 2.91% of salaries are used to pay for unfunded liabilities. 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 CO Plan offers features of both the DB Plan and the DC Plan. In the CO Plan, 12% of the 14% member rate is deposited into the member's DC account and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the CO Plan payment is payable to a member on or after age 60 with 5 years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 and after termination of employment.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

8. PENSION PLANS—continued

New members who choose the DC Plan or CO Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS Ohio plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's CO Plan account to a lifetime benefit results in STRS Ohio bearing the risk of investment gain or loss on the account. STRS Ohio therefore has included all three plan options as one defined benefit plan for GASB Statement No. 68 reporting purposes.

A DB or CO Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members on or after July 1, 2013 must have at least 10 years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance.

Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2023, plan members were required to contribute 14% of their annual covered salary. The School District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2023 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was approximately \$582,615 for fiscal year 2023. Of this amount, \$101,796 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources for Pensions

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$ 1,901,877	\$ 6,905,933	\$ 8,807,810
Proportion of the Net Pension Liability	0.0352%	0.0311%	
Change in Proportion	0.0002%	-0.0005%	
Pension Expense	\$ 151,299	\$ 800,105	\$ 951,404

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

8. PENSION PLANS—continued

At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 77,027	\$ 88,404	\$ 165,431
Net difference between projected and actual earnings on pension plan investments	-	240,311	240,311
Change in assumptions	18,766	826,434	845,200
Change in School District's proportionate share and difference in employer contributions	21,464	95,772	117,236
School District's contributions subsequent to the measurement date	<u>202,274</u>	<u>582,615</u>	<u>784,889</u>
Total Deferred Outflows of Resources	<u>\$ 319,531</u>	<u>\$ 1,833,536</u>	<u>\$ 2,153,067</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 12,485	\$ 26,417	\$ 38,902
Net difference between projected and actual earnings on pension plan investments	66,366	-	66,366
Change in assumptions	-	622,065	622,065
Change in School District's proportionate share and difference in employer contributions	<u>3,661</u>	<u>57,242</u>	<u>60,903</u>
Total Deferred Inflows of Resources	<u>\$ 82,512</u>	<u>\$ 705,724</u>	<u>\$ 788,236</u>

\$784,889 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2024	\$ 27,470	\$ 33,683	\$ 61,153
2025	(8,210)	(12,183)	(20,393)
2026	(94,806)	(176,677)	(271,483)
2027	<u>110,291</u>	<u>700,374</u>	<u>810,665</u>
	<u>\$ 34,745</u>	<u>\$ 545,197</u>	<u>\$ 579,942</u>

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

8. PENSION PLANS—continued

Actuarial Assumptions – SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2022, are presented below:

Inflation	2.40%
Future Salary Increases, including Inflation	3.25% to 13.58%
COLA or Ad Hoc COLA	2.00%, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following retirement
Investment Rate of Return	7.00% net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal

Mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Health Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Mortality among contingent survivors were based upon the PUB-2010 General Amount Weighed Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. The PUB-2010 General Amount Weighted Below Median Employee mortality table was used for active members. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

8. PENSION PLANS—continued

The actuarial assumptions used were based on the results of an actuarial experience study for the period ending July 1, 2015 to June 30, 2020 adopted by the Board on April 15, 2021.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00%	(0.45%)
U.S. Equity	24.75%	5.37%
Non-U.S. Equity Developed	13.50%	6.22%
Non-U.S. Equity Emerging	6.75%	8.22%
Fixed Income/Global Bonds	19.00%	1.20%
Private Equity	11.00%	10.05%
Real Estate/Real Assets	16.00%	4.87%
Multi-Asset Strategy	4.00%	3.39%
Private Debt/Private Credit	3.00%	5.38%
	100.00%	

Discount Rate – Total pension liability was calculated using the discount rate of 7.0%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.0%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.0%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%), or one percentage point higher (8.0%) than the current rate.

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
School District's proportionate share of the net pension liability	\$2,799,470	\$1,901,877	\$1,145,665

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
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Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

8. PENSION PLANS—continued

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	Varies by service from 2.5% to 8.5%
Payroll increases	3.00%
Investment rate of return	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%
Cost-of-living adjustments (COLA)	0%

Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

For healthy retirees, the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table, adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

The actuarial assumptions used in the June 30, 2022 valuation are based on the results of the latest available actual experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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

Asset Class	Target Allocation*	Long-Term Expected Rate of Return**
Domestic Equity	26.00%	6.60%
International Equity	22.00%	6.80%
Alternatives	19.00%	7.38%
Fixed Income	22.00%	1.75%
Real Estate	10.00%	5.75%
Liquidity Reserves	1.00%	1.00%
	100.00%	

* Target allocation percentage is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

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

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
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Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

8. PENSION PLANS—continued

Discount Rate – The discount rate used to measure the total pension liability was 7.0% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.0% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2022.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.0%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.0%) or one-percentage-point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
School District's proportionate share of the net pension liability	\$10,432,352	\$6,905,933	\$3,923,676

Social Security System

All employees not covered by SERS or STRS have an option to choose Social Security or SERS/STRS. As of June 30, 2023, one of the members of the Board of Education has elected social security. The Board's liability is 6.2% of wages paid.

9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

Net OPEB Liability (Asset)

The net OPEB liability (asset) reported on the statement of net position represents a liability to (or assets for) employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

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

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description—SERS' Health Care program provides health care benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986 need 10 years of service credit, exclusive of mot types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981 do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and, therefore, enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute.

The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org 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 pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, there was no portion allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned.

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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

For fiscal year 2023, the minimum compensation amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer’s SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the School District’s surcharge obligation was \$23,968.

Plan Description - State Teachers Retirement System (STRS)

Plan Description—The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS Board to offer this plan.

Coverage under the current program includes hospitalization, physicians’ fees and prescription drugs and partial reimbursement of the monthly Medicare Part B premiums. Pursuant to the Ohio Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy—Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2023, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability/(Asset)	\$ 501,444	\$ (804,393)	\$ (302,949)
Proportion of the Net OPEB Liability/(Asset)	0.0357%	0.0311%	
Change in Proportion	-0.0002%	-0.0005%	
(Negative) OPEB Expense	\$ (40,781)	\$ (140,688)	\$ (181,469)

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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 4,216	\$ 11,661	\$ 15,877
Net difference between projected and actual earnings on OPEB plan investments	2,606	14,002	16,608
Change in assumptions	79,762	34,264	114,026
Change in School District's proportionate share and difference in employer contributions	41,515	6,997	48,512
School District's contributions subsequent to the measurement date	23,968	-	23,968
Total Deferred Outflows of Resources	\$ 152,067	\$ 66,924	\$ 218,991
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 320,760	\$ 120,804	\$ 441,564
Change in assumptions	205,845	570,391	776,236
Change in School District's proportionate share and difference in employer contributions	40,313	85	40,398
Total Deferred Inflows of Resources	\$ 566,918	\$ 691,280	\$ 1,258,198

\$23,968 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2024	\$ (107,372)	\$ (180,226)	\$ (287,598)
2025	(99,107)	(180,208)	(279,315)
2026	(80,176)	(86,117)	(166,293)
2027	(51,336)	(35,820)	(87,156)
2028	(37,993)	(46,885)	(84,878)
2029-2031	(62,835)	(95,100)	(157,935)
	\$ (438,819)	\$ (624,356)	\$ (1,063,175)

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

Actuarial Assumptions – SERS

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation, prepared as of June 30, 2022, are presented below:

Investment Rate of Return	7.00% net of investment expense, including inflation
Wage Inflation	2.40%
Future Salary Increases, including Inflation	3.25% to 13.58%
Municipal Bond Index Rate:	
Current measurement period	3.69%
Prior measurement period	1.92%
Single Equivalent Interest Rate, net of plan investment expense, including price inflation:	
Current measurement period	4.08%
Prior measurement period	2.27%
Medical Trend Assumption	7.00% - 4.40%

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

Mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Health Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Mortality among contingent survivors were based upon the PUB-2010 General Amount Weighed Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. The PUB-2010 General Amount Weighted Below Median Employee mortality table was used for active members. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The actuarial assumptions used were based on the results of an actuarial experience study for the period ending July 1, 2015 to June 30, 2020 adopted by the Board on April 15, 2021.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00%	(0.45%)
U.S. Equity	24.75%	5.37%
Non-U.S. Equity Developed	13.50%	6.22%
Non-U.S. Equity Emerging	6.75%	8.22%
Fixed Income/Global Bonds	19.00%	1.20%
Private Equity	11.00%	10.05%
Real Estate/Real Assets	16.00%	4.87%
Multi-Asset Strategy	4.00%	3.39%
Private Debt/Private Credit	3.00%	5.38%
	100.00%	

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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

Discount Rate – The discount rate used to measure the total OPEB liability at June 30, 2023 was 4.08%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and SERS at the state statute contribution rate of 1.5% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and no contributions from basic benefits plan. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2044. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2043 and the Municipal Bond Index rate of 3.69% as of June 30, 2022 (i.e., municipal bond rate) was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the School District’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and the Health Care Cost Trend Rates – The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability calculated using the discount rate of 4.08%, as well as what the School District’s net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.08%) and one percentage point higher (5.08%) than the current rate.

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
School District's proportionate share of the net OPEB liability	\$622,801	\$501,444	\$403,476

The following table presents the net OPEB liability calculated using current health care cost trend rates, as well as what the School District’s net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (6.00% decreasing to 3.40%) and one percentage point higher (8.00% decreasing to 5.40%) than the current rates.

	1% Decrease 6.00% decreasing to 3.40%)	Current Trend Rate 7.00% decreasing to 4.40%)	1% Increase 8.00% decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	\$386,703	\$501,444	\$651,314

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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

Actuarial Assumptions - STRS

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

Salary increases	Varies by service from 2.5% to 8.5%	
Payroll increases	3.0%	
Investment rate of return	7.0%, net of investment expenses, including inflation	
Discount rate of return	7.0%	
Health care cost trends	<u>Initial</u>	<u>Ultimate</u>
Medical		
Pre-Medicare	7.50%	3.94%
Medicare	-68.78%	3.94%
Prescription Drug		
Pre-Medicare	9.00%	3.94%
Medicare	-5.47%	3.94%

Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based. Additionally, healthcare trends were updated to reflect emerging claims and recoveries experience.

For healthy retirees, the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table, adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

The actuarial assumptions used in the June 30, 2022 valuation are based on the results of the latest available actual experience study for the period July 1, 2015 through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Rate of Return*
Domestic Equity	26.00%	6.60%
International Equity	22.00%	6.80%
Alternatives	19.00%	7.38%
Fixed Income	22.00%	1.75%
Real Estate	10.00%	5.75%
Liquidity Reserves	1.00%	1.00%
	100.00%	

* Target allocation percentage is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

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

Discount Rate – The discount rate used to measure the total OPEB liability was 7.0% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on OPEB plan assets of 7.0% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2022.

Sensitivity of the School District's Proportionate Share of the Net OPEB (Asset) to Changes in the Discount Rate and the Health Care Cost Trend Rates – The following table presents the School District's proportionate share of the net OPEB (asset) calculated using the current period discount rate assumption of 7.0%, as well as what the School District's proportionate share of the net OPEB (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.0%) and one percentage point higher (8.0%) than the current rate. Also shown is the net OPEB (asset) as if it were calculated using health care cost trend rates that are one percentage point lower and one percentage point higher than the current health care cost trend rates:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
School District's proportionate share of the net OPEB (asset)	(\$743,640)	(\$804,393)	(\$856,433)

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
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9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) PLANS—*continued*

	<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
School District's proportionate share of the net OPEB (asset)	(\$834,351)	(\$804,393)	(\$766,578)

10. EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-five days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators annually and upon termination of employment. Teachers do not earn vacation time. All employees earn sick leave at the rate of one and one-fourth days per month and sick leave may be accumulated up to 265 days. Upon retirement, payment is made for 26% of accrued, but unused sick leave.

11. LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2023 were as follows:

	Principal Outstanding 7/1/22	Additions	Reductions	Principal Outstanding 6/30/23	Amounts Due in One Year
<i>Governmental Activities:</i>					
2009 Classroom Facilities Improvement Bonds:					
General obligation bonds	\$ 630,000	\$ -	\$ (185,000)	\$ 445,000	\$ 190,000
2009A School Facilities Improvement Bonds:					
General obligation bonds	690,000	-	(225,000)	465,000	230,000
2009B School Facilities Improvement Bonds:					
General obligation bonds	590,000	-	(140,000)	450,000	145,000
2016 School Facilities Refunding Bonds:					
General obligation bonds	4,430,000	-	-	4,430,000	-
Capital appreciation bonds	39,830	-	(16,783)	23,047	13,307
Accretion on CAB's	99,113	64,582	(48,217)	115,478	-
Premium on bond issues	617,515	-	(54,685)	562,830	-
<i>Direct Borrowing:</i>					
Lease-Purchase Agreement	3,500,000	-	(185,000)	3,315,000	180,000
Compensated absences	683,450	129,711	(49,457)	763,704	6,608
	<u>\$11,279,908</u>	<u>\$ 194,293</u>	<u>\$ (904,142)</u>	<u>\$10,570,059</u>	<u>\$ 764,915</u>

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
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Notes to the Basic Financial Statements
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11. LONG-TERM OBLIGATIONS—*continued*

On October 28, 2009, the School District issued \$1,994,992 in Series 2009 classroom facilities improvement bonds to finance a portion of the School District's share of constructing a new middle/high school building and renovating an existing elementary school building. The projects were undertaken in cooperation with the OFCC under the State of Ohio Classroom Facilities Assistance Program, where the OFCC agreed to pay approximately 59% of the project costs. The bonds were issued with interest rates between 1.67% to 4.81% and a final maturity at September 30, 2025.

Also on October 28, 2009, the School District issued \$7,985,212 in Series 2009A school facilities improvement bonds to pay for the costs of certain locally funded initiatives, including site acquisition for the new middle/high school building and building improvements for additional classroom space and facilities. On November 3, 2016, a portion of these bonds were advanced refunded with Series 2016 School Improvement Refunding Bonds. The remaining bonds have interest rates between 4.22% to 4.50% and a final maturity at September 30, 2024.

On December 9, 2009, the School District issued \$1,669,572 in Series 2009B school facilities improvement bonds used to retire bond anticipation notes which had been used for renovating Powell Elementary School. The bonds were issued with interest rates between 2.00% to 4.10% and a final maturity at December 1, 2025.

On November 3, 2016, the School District issued \$4,709,830 in Series 2016 school facilities improvement refunding bonds used to advance refund \$4,710,000 in Series 2009A school facilities improvement bonds. The Series 2016 bonds bear interest between 1.25% to 4.00% and mature on September 30, 2037.

On June 22, 2022, the School District entered into a direct borrowing lease-purchase agreement in the amount of \$3,500,000 for improvements to the sports track and football stadium. The lease-purchase agreement bears interest of 3.91% and matures on May 30, 2037.

All general obligation debt is supported by the full faith and credit of the School District. The bonds is being retired from the Debt Service Fund. The lease-purchase agreement is being retired from the General Fund. Compensated absences will be paid from the fund from which the employees' salaries are paid, with the General Fund being the most significant fund.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

11. LONG-TERM OBLIGATIONS—*continued*

Principal and interest requirements to retire general obligation bonds, inclusive of interest accretion on capital appreciation bonds in the interest column, at June 30, 2023 are:

<u>General Obligation and Capital Appreciation Bonds</u>				
<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>Ending June 30,</u>				
2024	\$	578,307	199,477	777,784
2025		584,740	187,257	771,997
2026		490,000	173,740	663,740
2027		275,000	160,900	435,900
2028		290,000	149,600	439,600
2029-2033		1,625,000	561,300	2,186,300
2034-2038		1,970,000	202,600	2,172,600
Total	\$	<u>5,813,047</u>	<u>1,634,874</u>	<u>7,447,921</u>

Principal and interest requirements to retire the lease-purchase agreement at June 30, 2023 are:

<u>Direct Borrowing Lease-Purchase Agreement</u>				
<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>Ending June 30,</u>				
2024	\$	180,000	129,617	309,617
2025		190,000	122,579	312,579
2026		195,000	115,150	310,150
2027		205,000	107,525	312,525
2028		210,000	99,510	309,510
2029-2033		1,200,000	366,563	1,566,563
2034-2037		1,135,000	113,195	1,248,195
Total	\$	<u>3,315,000</u>	<u>1,054,139</u>	<u>4,369,139</u>

The Ohio Revised Code provides that voted net general obligation debt of a school district should never exceed 9% of its total assessed valuation. The Code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the school district. The School District's voted legal debt margin was \$8,185,435, with an unvoted debt margin of \$150,594 at June 30, 2023.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

12. INTERFUND TRANSACTIONS

Interfund transactions for the year ended June 30, 2023 consisted of the following interfund receivables/payables and transfers in/out:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$ 265,492	\$ -	\$ -	\$ 50,924
Permanent Improvement Fund	-	-	-	36,075
Other Governmental Funds	-	265,492	88,101	1,102
	<u>\$ 265,492</u>	<u>\$ 265,492</u>	<u>\$ 88,101</u>	<u>\$ 88,101</u>

The interfund loans were made to provide operating capital. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, or (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

13. FUND BALANCES

At June 30, 2023, the following funds had a deficit fund balance:

Other Governmental Funds:	
Food Services Fund	\$ 409
Elementary and Secondary School Emergency Relief Fund	8,446
IDEA Part B Special Education Fund	16,364
Title I Fund	156,414
Supporting Effective Instruction Grant Fund	22,654
Miscellaneous Federal Grants Fund	11,614

The deficit fund balances were created by the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

13. FUND BALANCES—continued

Fund balance is classified as nonspendable, restricted, 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 all other governmental funds are presented below:

Fund Balances	General	Debt Service	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<i>Nonspendable</i>					
Prepaid items	\$ 6,357	\$ -	\$ -	\$ -	\$ 6,357
Inventory	-	-	-	5,949	5,949
<i>Total Nonspendable</i>	6,357	-	-	5,949	12,306
<i>Restricted for</i>					
Local Grant Programs	-	-	-	75,742	75,742
Classroom Maintenance	-	-	-	276,838	276,838
Student Clubs	-	-	-	32,527	32,527
Athletics	-	-	-	34,877	34,877
State Grant Programs	-	-	-	41,434	41,434
Federal Grant Programs	-	-	-	45,197	45,197
Debt Service Payments	-	1,178,988	-	-	1,178,988
Capital Improvements	-	-	472,927	-	472,927
<i>Total Restricted</i>	-	1,178,988	472,927	506,615	2,158,530
<i>Assigned to</i>					
Public School Support	18,159	-	-	-	18,159
Budget Resource	2,233,157	-	-	-	2,233,157
Encumbrances	179,626	-	-	-	179,626
<i>Total Assigned</i>	2,430,942	-	-	-	2,430,942
<i>Unassigned (Deficit)</i>	3,717,188	-	-	(215,901)	3,501,287
<i>Total Fund Balance</i>	\$ 6,154,487	\$ 1,178,988	\$ 472,927	\$ 296,663	\$ 8,103,065

14. OTHER LOCAL REVENUE

Other Local Revenue in the Permanent Improvement Fund consisted of sales of capital assets.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

15. JOINTLY GOVERNED ORGANIZATIONS

The Northwest Ohio Area Computer Services Cooperative (NOACSC)

NOACSC is a jointly governed organization among forty-nine educational entities, primarily school districts located in the Ohio counties of Paulding, Van Wert, Mercer, Putnam, Allen, Hancock, Auglaize, Hardin, Seneca, Wyandot and Wood and the cities of St. Marys and Wapakoneta. The general membership of the NOACSC consists of a representative from each member school and a representative from the fiscal agent. NOACSC is governed by a Governing Assembly of twelve elected members, two from each of the original six counties of Paulding, Van Wert, Mercer, Putnam, Allen and Hancock. NOACSC was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The duties and obligations of the organization and members participating is set forth in a written agreement covering the program. Each of the participating educational entities support NOACSC based upon a per pupil charge dependent upon the software package(s) utilized.

The degree of control exercised by any participant is limited to representation on the Governing Assembly but there is no ongoing financial interest or responsibility by the participating governments. Financial information for NOACSC can be obtained from their administrative offices at 645 South Main Street, Lima, Ohio 45804.

Ohio Schools Council (OSC)

OSC is a consortium of 249 school districts, educational service centers, joint vocational districts and Development Disabilities boards in 34 northern Ohio counties. OSC exists for the purpose of obtaining top quality products and services at the most competitive price through cooperative purchasing. OSC offers group purchasing programs in the areas of electricity, natural gas, insurance, commodities, and a host of other goods and services. Formed in 1986 under Ohio Revised Code Section 167 as a regional council of governments by 53 school districts, OSC is managed by a governing board of nine superintendents from member districts.

16. INSURANCE PURCHASING POOLS

Ohio School Boards Association and Ohio Association of School Business Officials Workers' Compensation Program

The School District participates in the Ohio School Boards Association and Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three-member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

16. INSURANCE PURCHASING POOLS—*continued*

Wood County Schools Benefit Plan

The Wood County Schools Benefit Plan (the Plan) is a public entity shared risk pool consisting of six local school districts, three city or exempted village school districts, one vocational school district, and an educational service center. The Plan is organized as a Voluntary Employee Benefit Association under Section 501(c)(9) of the Internal Revenue Code and provides medical, dental, and other benefits to the employees of the participating entities. Each participating entity's superintendent is appointed to an Administrative Committee, which advises the Trustee, Huntington Bank, concerning aspects of the Plan.

Each entity decides which plans offered by the Administrative Committee will be extended to its employees. Participation in the Plan is by written application subject to acceptance by the Administrative Committee and payment of monthly premiums. Financial information may be obtained from Huntington Bank, Dena Best, 236 South Main Street, Findlay, Ohio 45840.

17. CONTINGENCIES AND COMMITMENTS

Federal and State Funding

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2023, if applicable, cannot be determined at this time.

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2023 have been finalized and resulted in a receivable to the School District totaling \$10,257. \$10,269 was reported in the financial statements. A liability of \$12 has not been reported in the financial statements.

Litigation

There are currently no matters in litigation with the School District as a defendant.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO
Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2023**

17. CONTINGENCIES AND COMMITMENTS

Encumbrances

The School District utilizes encumbrance accounting to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. The School District's outstanding encumbrance amounts at June 30, 2023 were:

General Fund	\$	198,920
Permanent Improvement Fund		90,304
Other Governmental Funds		<u>73,276</u>
	\$	<u><u>362,500</u></u>

18. REQUIRED SET-ASIDES

The School District is required by State Statute to annually set aside in the general fund an amount based on the 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 year must be held in cash at year-end. 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.

		<u>Capital Improvements</u>
Set-aside reserve balance as of June 30, 2022	\$	-
Current year set-aside requirement		139,381
Current year offsets		<u>(139,381)</u>
Total	\$	<u><u>-</u></u>
Set-aside reserve balance as of June 30, 2023	\$	<u><u>-</u></u>

The School District had qualifying disbursements during the year that reduced the set aside amount for capital improvements to below zero. However, the excess qualifying disbursements of the capital improvement set-aside may not be used to reduce the capital improvement set aside requirement for future years.

19. COMPLIANCE

The General, IDEA Part B, and Title I funds had expenditures in excess of appropriations for the fiscal year ended June 30, 2023, in the amount of \$1,019,609, \$88,542, and \$131,711, respectively.

20. OTHER MATTER

A previous employee is under investigation, which is ongoing as of the date of the report. Dependent on the outcome of the investigation, results may be reported on at a later date.

REQUIRED SUPPLEMENTARY INFORMATION

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual (Non-GAAP Budgetary Basis)

General Fund

Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Property taxes	\$ 2,087,297	\$ 3,397,552	\$ 3,829,973	\$ 432,421
Income taxes	614,326	1,014,853	1,127,225	112,372
Tuition and fees	66,660	-	122,315	122,315
Interest	137,571	-	252,428	252,428
Intergovernmental	2,514,856	-	4,564,500	4,564,500
Payment in lieu of taxes	365,326	-	670,335	670,335
Contributions and donations	3,869	-	7,100	7,100
Other local revenues	69,944	-	38,395	38,395
Total revenues	<u>5,859,849</u>	<u>4,412,405</u>	<u>10,612,271</u>	<u>6,199,866</u>
Expenditures:				
Current:				
Instruction:				
Regular	3,817,317	3,817,317	4,158,180	(340,863)
Special education	1,331,876	1,331,876	1,278,235	53,641
Other instruction	396,671	396,671	303,372	93,299
Support services:				
Pupil	595,680	595,680	755,967	(160,287)
Instructional staff	310,385	310,385	184,696	125,689
Board of Education	126,242	126,242	181,293	(55,051)
Administration	930,318	930,308	1,027,304	(96,996)
Fiscal	429,154	429,154	856,480	(427,326)
Operation and maintenance of plant	1,214,802	1,214,802	1,409,524	(194,722)
Pupil transportation	414,749	414,749	548,447	(133,698)
Non-instructional services:				
Extracurricular activities	246,696	246,696	305,931	(59,235)
Total expenditures	<u>9,813,890</u>	<u>9,813,880</u>	<u>11,009,429</u>	<u>(1,195,549)</u>
Excess of expenditures over revenues	(3,954,041)	(5,401,475)	(397,158)	5,004,317
Other financing sources (uses):				
Transfers in	-	-	56,069	56,069
Transfers out	(300,516)	(300,516)	(110,182)	190,334
Other financing sources	-	-	35,254	35,254
Total other financing sources (uses):	<u>(300,516)</u>	<u>(300,516)</u>	<u>(18,859)</u>	<u>281,657</u>
Net change in fund balance	(4,254,557)	(5,701,991)	(416,017)	\$5,285,974
Fund balance, beginning of year	5,883,088	5,883,088	5,883,088	
Prior year encumbrances appropriated	380,484	380,484	380,484	
Fund balance, end of year	<u>\$ 2,009,015</u>	<u>\$ 561,581</u>	<u>\$ 5,847,555</u>	

See accompanying notes to required supplementary information.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Required Supplementary Information
Schedules of School District's Proportionate Share of the Net Pension Liability
and School District Pension Contributions
School Employees Retirement System of Ohio

Measurement Date Fiscal Year (1)	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.0348%	\$ 2,071,823	\$ 988,259	209.64%	65.52%
2015	0.0348%	1,763,233	1,022,619	172.42%	71.70%
2016	0.0369%	2,108,220	1,256,571	167.78%	69.16%
2017	0.0361%	2,643,290	1,404,929	188.14%	62.98%
2018	0.0373%	2,225,848	1,299,436	171.29%	69.50%
2019	0.0343%	1,963,350	1,079,585	181.86%	71.36%
2020	0.0328%	1,965,016	1,222,244	160.77%	70.85%
2021	0.0341%	2,255,972	1,281,171	176.09%	68.55%
2022	0.0350%	1,292,403	1,476,171	87.55%	82.86%
2023	0.0352%	1,901,877	1,219,814	155.92%	75.82%

(1) Amounts presented for each year were determined as of the School District's measurement date, which is the prior fiscal year-end.

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 141,735	\$ (141,735)	\$ -	\$ 1,022,619	13.86%
2015	165,616	(165,616)	-	1,256,571	13.18%
2016	196,690	(196,690)	-	1,404,929	14.00%
2017	181,921	(181,921)	-	1,299,436	14.00%
2018	145,744	(145,744)	-	1,079,585	13.50%
2019	165,003	(165,003)	-	1,222,244	13.50%
2020	179,364	(179,364)	-	1,281,171	14.00%
2021	206,664	(206,664)	-	1,476,171	14.00%
2022	170,774	(170,774)	-	1,219,814	14.00%
2023	202,274	(202,274)	-	1,444,814	14.00%

See Notes to Required Supplementary Information.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Required Supplementary Information
Schedules of School District's Proportionate Share of the Net Pension Liability
and School District Pension Contributions
State Teachers Retirement System of Ohio

Measurement Date Fiscal Year (1)	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.0296%	\$ 8,578,829	\$ 3,286,431	261.04%	69.3%
2015	0.0296%	7,201,878	3,257,908	221.06%	74.7%
2016	0.0282%	7,786,138	2,903,143	268.20%	72.1%
2017	0.0302%	10,095,110	3,067,764	329.07%	66.8%
2018	0.0305%	7,251,075	3,437,879	210.92%	75.3%
2019	0.3080%	6,771,518	3,676,750	184.17%	77.3%
2020	0.3090%	6,829,144	3,694,743	184.83%	77.4%
2021	0.0308%	7,450,280	3,794,286	196.36%	75.5%
2022	0.0316%	4,036,773	3,756,914	107.45%	87.8%
2023	0.0311%	6,905,933	4,243,614	162.74%	78.9%

(1) Amounts presented for each year were determined as of the School District's measurement date, which is the prior fiscal year-end.

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 423,528	\$ (423,528)	\$ -	\$ 3,257,908	13.0%
2015	406,440	(406,440)	-	2,903,143	14.0%
2016	429,487	(429,487)	-	3,067,764	14.0%
2017	481,303	(481,303)	-	3,437,879	14.0%
2018	514,745	(514,745)	-	3,676,750	14.0%
2019	517,264	(517,264)	-	3,694,743	14.0%
2020	531,200	(531,200)	-	3,794,286	14.0%
2021	525,968	(525,968)	-	3,756,914	14.0%
2022	594,106	(594,106)	-	4,243,614	14.0%
2023	582,615	(582,615)	-	4,161,536	14.0%

See Notes to Required Supplementary Information.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Required Supplementary Information
Schedules of School District's Proportionate Share of the Net OPEB Liability
and School District OPEB Contributions
School Employees Retirement System of Ohio

Measurement Date Fiscal Year (1)(2)	School District's Proportion of the Net OPEB Liability	School District's Proportionate Share of the Net OPEB Liability	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2017	0.0365%	\$ 1,040,823	\$ 1,404,929	74.08%	11.49%
2018	0.0376%	1,008,477	1,299,436	77.61%	12.46%
2019	0.0348%	964,605	1,079,585	89.35%	13.57%
2020	0.0338%	850,408	1,222,244	69.58%	15.57%
2021	0.0353%	767,581	1,281,171	59.91%	18.17%
2022	0.0359%	680,097	1,476,171	46.07%	24.08%
2023	0.0357%	501,444	1,219,814	41.11%	30.34%

(1) Information prior to 2017 is not available. The School District will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the School District's measurement date, which is the prior fiscal year-end.

Fiscal Year (3)	Contractually Required Contributions (4)	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 18,119	\$ (18,119)	\$ -	\$ 1,404,929	1.29%
2017	19,431	(19,431)	-	1,299,436	1.50%
2018	24,144	(24,144)	-	1,079,585	2.24%
2019	27,500	(27,500)	-	1,222,244	2.25%
2020	22,332	(22,332)	-	1,281,171	1.74%
2021	22,241	(22,241)	-	1,476,171	1.51%
2022	22,100	(22,100)	-	1,219,814	1.81%
2023	23,968	(23,968)	-	1,444,814	1.66%

(3) The School District elected not to present information prior to 2016. The School District will continue to present information for years available until a full ten-year trend is compiled.

(4) Includes Surcharge.

See Notes to Required Supplementary Information.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Required Supplementary Information
Schedules of School District's Proportionate Share of the Net OPEB Liability/(Asset)
and School District OPEB Contributions
State Teachers Retirement System of Ohio

Measurement Date Fiscal Year (1)(2)	School District's Proportion of the Net OPEB Liability/(Asset)	School District's Proportionate Share of the Net OPEB Liability/(Asset)	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2017	0.0302%	\$ 1,612,908	\$ 3,067,764	52.58%	37.3%
2018	0.0305%	1,190,939	3,437,879	34.64%	47.1%
2019	0.0308%	(494,872)	3,676,750	(13.46%)	176.0%
2020	0.0309%	(511,463)	3,694,743	(13.84%)	174.7%
2021	0.0308%	(541,148)	3,794,286	(14.26%)	182.1%
2022	0.0316%	(665,673)	3,756,914	(17.72%)	174.7%
2023	0.0311%	(804,393)	4,243,614	(18.96%)	230.7%

(1) Information prior to 2017 is not available. The School District will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the School District's measurement date, which is the prior fiscal year-end.

Fiscal Year (3)	Contractually Required Contributions (4)	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ -	\$ -	\$ -	\$ 3,067,764	0.0%
2017	-	-	-	3,437,879	0.0%
2018	-	-	-	3,676,750	0.0%
2019	-	-	-	3,694,743	0.0%
2020	-	-	-	3,794,286	0.0%
2021	-	-	-	3,756,914	0.0%
2022	-	-	-	4,243,614	0.0%
2023	-	-	-	4,161,536	0.0%

(3) The School District elected not to present information prior to 2016. The School District will continue to present information for years available until a full ten-year trend is compiled.

(4) STRS allocated the entire 14% employer contribution rate towards pension benefits.

See Notes to Required Supplementary Information.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Notes to Required Supplementary Information
Fiscal Year Ended June 30, 2023

Note A Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balances 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 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis) 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:

Certain funds accounted for as separate funds internally with legally adopted budgets (budget basis) do not meet the definition of special revenue funds under GASB Statement No. 54 and were reported with the General Fund (GAAP basis).

Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

Encumbrances are treated as expenditures for all funds (budget basis) rather than as restricted, committed or assigned fund balance (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP statements and the budgetary basis schedules:

	<u>General</u>
Net change in fund balance - GAAP Basis	\$ 90,148
Increase / (decrease):	
Due to inclusion of Public School Support Fund	1,161
Due to revenues	(579,511)
Due to expenditures	239,040
Due to other sources (uses)	32,065
Due to encumbrances	<u>(198,920)</u>
Net change in fund balance - Budget Basis	\$ <u>(416,017)</u>

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Required Supplementary Information
Notes to Required Supplementary Information
School Employees Retirement System of Ohio

Notes to Pension Information

Changes of Benefit Terms

For measurement period 2017, the COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.50% with a floor of 0.0% beginning January 1, 2018. In addition, with the authority granted to the Board under Ohio House Bill 49, the Board enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

For measurement period 2018, with the authority granted to the Board under Ohio Senate Bill 8, the Board enacted a three-year COLA delay for future benefit recipients commencing on or after April 1, 2018.

Changes of Assumptions

For measurement period 2016, the assumed rate of inflation was reduced from 3.25% to 3.00%, the payroll growth assumption was reduced from 4.00% to 3.50%, the assumed real wage growth was reduced from 0.75% to 0.50%, the rates of withdrawal, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries, and disabled members were updated.

For measurement period 2020, the assumed rate of inflation was reduced from 3.00% to 2.40%, the assumed real wage growth was increased from 0.50% to 0.85%, the cost-of-living adjustments were reduced from 2.50% to 2.00%, the discount rate was reduced from 7.50% to 7.00%, the rates of withdrawal, compensation, participation, spouse coverage assumption, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries and disabled members were updated.

Notes to OPEB Information

Changes of Benefit Terms

None noted.

Changes of Assumptions

For measurement period 2016, the assumed rate of inflation was reduced from 3.25% to 3.00%, the payroll growth assumption was reduced from 4.00% to 3.50%, the assumed real wage growth was reduced from 0.75% to 0.50%, the rates of withdrawal, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries, and disabled members were updated.

For measurement period 2020, the assumed rate of inflation was reduced from 3.00% to 2.40%, the assumed real wage growth was increased from 0.50% to 0.85%, the cost-of-living adjustments were reduced from 2.50% to 2.00%, the discount rate was reduced from 7.50% to 7.00%, the rates of withdrawal, compensation, participation, spouse coverage assumption, retirement, and disability were updated to reflect recent experience, and mortality among active members, service retirees and beneficiaries and disabled members were updated.

For measurement period 2022, the discount rate was increased from 2.27% to 4.08% and the health care trend rates were updated.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Required Supplementary Information
Notes to Required Supplementary Information
State Teachers Retirement System of Ohio

Notes to Pension Information

Changes of Benefit Terms

For measurement period 2017, the COLA was reduced to zero.

Changes of Assumptions

For the measurement period 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2016. Significant changes included a reduction of the discount rate from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation. The health and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

For measurement period 2021, the discount rate was adjusted to 7.00% from 7.45%.

For measurement period 2022, demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

Notes to OPEB Information

Changes of Benefit Terms

For the measurement period 2017, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2019.

For the measurement period 2018, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For the measurement period 2019, there was no change to the claims cost process. Claims curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For measurement year 2020, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2021 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

For measurement year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.10%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

For measurement year 2022, salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age-based to service-based.

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY, OHIO**

Required Supplementary Information
Notes to Required Supplementary Information
State Teachers Retirement System of Ohio
(continued)

Notes to OPEB Information (continued)

Changes of Assumptions

For measurement year 2017, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)*, and the long-term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trends were modified along with the portion of rebated prescription drug costs.

For measurement year 2018, the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74. Valuation year per capita health care costs were updated.

For measurement year 2021, the discount rate was adjusted to 7.00% from 7.45%.

For measurement year 2022, healthcare trends were updated to reflect emerging claims and recoveries experience.

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

North Baltimore Local School District
Wood County
201 South Main Street
North Baltimore, Ohio 45872-1364

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Baltimore Local School District, Wood County, Ohio (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated September 19, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2023-001.

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 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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

September 19, 2024

**NORTH BALTIMORE LOCAL SCHOOL DISTRICT
WOOD COUNTY**

**SCHEDULE OF FINDINGS
JUNE 30, 2023**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER 2023-001

Noncompliance

Ohio Rev. Code § 5705.41(B) prohibits a subdivision or taxing authority unit from making any expenditure of money unless it has been appropriated in accordance with the Ohio Revised Code.

Due to inadequate policies and procedures in approving and reviewing budget versus actual information, the District's following funds had expenditures in excess of appropriations by the listed amount as of June 30, 2023:

<u>Fund</u>	<u>Amount</u>
General	\$1,019,609
Idea Part B	\$88,542
Title I	\$131,711

In addition to the variances noted above, we also identified additional immaterial variances ranging from \$3,332 to \$62,798, that we have brought to the District's attention.

Failure to have adequate appropriations in place at the time expenditures are made could cause expenditures to exceed available resources, further resulting in deficit spending practices.

The Board of Education should closely monitor expenditures and appropriations and make the necessary appropriation amendments, if possible, to reduce the likelihood of expenditures exceeding appropriations. Additionally, the Treasurer should deny payment requests exceeding appropriations when appropriations are inadequate to cover the expenditures.

Officials' Response:

We did not receive a response from Officials to this finding.

NORTH BALTIMORE LOCAL SCHOOLS

Board Members

Jeremy Sharninghouse
 Jaimye Bushey
 Tim Archer
 Joshua Stuff
 Tami Thomas



201 South Main Street
 North Baltimore, OH 45872
www.nbls.org

Administration

Superintendent-Ryan Delaney
 Treasurer-Tony Fenstermaker
 Special Services Director-Rod Hopton
 Elementary Principal-Jonelle Semancik
 MS/HS Principal-Chad Kiser

Central Office: 419.257.3531 Fax: 419.257.2008 **Powell Elementary:** 419.257.2124 Fax: 419.257.0084 **MS/HS:** 419.257.3464 Fax: 419.257.0084

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS June 30, 2023

Finding Number	Finding Summary	Status	Additional Information
2022-001	Ohio Rev. Code § 5705.41(B) for expenditures in excess of appropriations.	Not corrected and repeated in this report as Finding 2023-001.	Current Treasurer was not aware of the issue, but will review, and make corrections in the future.
2022-002	Ohio Rev. Code § 5705.39 for appropriations that exceeded estimated resources.	Partially corrected and repeated in the Management Letter.	Current Treasurer was not aware of the issue, but will review, and make corrections in the future.

OHIO AUDITOR OF STATE KEITH FABER



NORTH BALTIMORE LOCAL SCHOOL DISTRICT

WOOD COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 10/3/2024

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov