



Fort Worth, Texas

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

Prepared By: Financial Services

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Chief Financial Officer**

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NORTHWEST INDEPENDENT SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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Certificate of Board


Northwest Independent School District

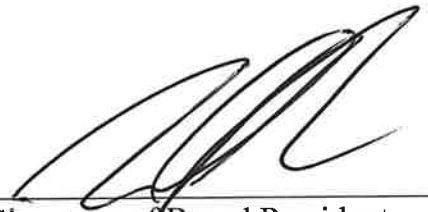
Fort Worth, Texas

(Denton County)

County District Number 061911

We, the undersigned, certify that the attached annual financial report of the above-named school district was reviewed and (check one) ☒ approved ☐ disapproved for the fiscal year ended June 30, 2024 at a meeting of the Board of Trustees of such school district on the 11th day of November 2024.


Signature of Board Secretary


Signature of Board President

If the Board of Trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are): (attach list if necessary)



Introductory Section



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November 11, 2024

To the Board of Trustees and Taxpayers of the Northwest Independent School District:

The Annual Comprehensive Financial Report (ACFR) of Northwest Independent School District (“District”) for the fiscal year ended June 30, 2024, is enclosed. This report has been compiled by the District’s Financial Services Department with a commitment to transparency and accuracy. It reflects management’s representation of the District’s financial status, and management accept full responsibility for the completeness and reliability of all information included in the report.

The Texas Education Code requires that all school districts must have their annual financial and compliance reports audited by a licensed independent certified public accountancy (CPA) firm approved by its board and filed with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The audited annual financial report requires conformity with the generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards (GAAS). Pursuant to the requirement, we hereby issue the Annual Comprehensive Financial Report of the Northwest Independent School District for the fiscal year ended June 30, 2024.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be reviewed in conjunction with it. The District’s MD&A immediately follows the independent auditor’s report.

District Profile

Northwest Independent School District’s lineage traces its roots to the late 1800s when local schools were created to serve children as the population grew amid new railroads, general stores, and livery stables. In 1948, the state voted to approve the formation of Northwest Independent School District through one-school district of Justin, Haslet, Rhome, and Roanoke voluntarily consolidating, with New Fairview (then known as Fairview) agreeing to join the new district the following year. Northwest Independent School District formally began operations in 1949, and in 1950, construction began on a consolidated high school. In 1973, Newark was annexed. Residents of the district elect a seven-member Board of Trustees (the Board), the level of governance, each of which serves for three years. The Board is responsible for all activities related to public school education within the jurisdiction of the District. Monthly meetings of the Board are posted and advertised as prescribed under state law so that the Board may fulfill its charge to the students, parents, staff, and taxpayers of the District. Special meetings or study sessions are scheduled, as needed. The Board has final control over all school matters except as limited by state law.

Serving fourteen cities, towns and communities of Aurora, Haslet, Justin, New Fairview, Newark, Northlake, Rhome, and Trophy Club, along with portions of Flower Mound, Fort Worth, Keller, Roanoke, Southlake, and Westlake. The District’s boundaries encompass approximately 234 square miles in Denton, Tarrant, and Wise Counties. The district provides a well-rounded program of public education for children from pre-kindergarten through grade twelve. In addition to basic instructional programs, the district offers special education, gifted and talented, bilingual/ESL, remedial, college preparatory, and career and technical programs. The Texas Education Agency (TEA) fully accredits the district.

The Northwest Independent School District is uniquely situated in the northwest corridor of the Dallas-Fort Worth Metroplex and provides premier educational services and opportunities to families. Northwest ISD is one of the fastest growing school districts in North Texas. Families move to Northwest ISD for its renowned education, attractive living environment, and job opportunities. According to Zonda Education, the district's demographer, in the second quarter of 2024, new homes located in Northwest ISD's boundaries included 3,006 annual housing starts, 3,067 annual closings, and 1,530 homes in inventory. Northwest ISD continues to add approximately 1,000 to 1,600 new students to its total enrollment population each year. With such a profound growth rate, Northwest ISD ranks among the top in the state for enrollment increases.

The population of the Northwest Independent School District in 2000 was 35,364 as compared to 117,157 as of 2024.

District Accomplishments and Highlights

District Highlights

- Over the past five years, student enrollment substantially increased from 23,061 to an impressive 30,736 students in 2024.
- As part of Northwest ISD's 2023 bond package, four early childhood centers are proposed to increase our district's ability to serve young children. The facilities are scheduled to be built in the north, east, south, and west of the district.
- Northwest ISD joined forces with the Tarrant Area Food Bank and the Northwest ISD Education Foundation establishing a monthly mobile market aimed at providing personal care and/or educational items for families. The success of this initiative is a testament to the combined efforts of our students, dedicated volunteers, and supportive community.
- AlphaBest Education partners with Northwest ISD to offer a wide variety of after-school enrichment classes for elementary students.
- Northwest ISD academic leaders presented a proposal to the school board that would implement full-day pre-kindergarten beginning in the 2023-2024 school year. Prior to the full-day, the district served 21 sections of full-day pre-K with 588 students, while the proposal would allow the district to serve 814 students in 37 sections. This would have notable staffing implications, with the need to hire 16 pre-K teachers as well as 16 pre-K paraprofessional, though four of each of these positions are already planned because of growth. Additionally, 10 early childhood special education teachers and 26 early childhood special education paraprofessionals would need to be hired, of which four and six, respectively, are already planned for because of growth. Notably, transitioning to full-day pre-K dramatically increases the probability a child will display kindergarten readiness. In the half-day program, 53% of students were on track for kindergarten readiness, while in the full-day program, 70% of students were on track for kindergarten readiness.
- In August, Northwest ISD proudly partnered with the Northwest ISD Education Foundation, community organizations, and local businesses to support more than 1,500 students across the district at the district's 2023 Back-to-School Fair. Northwest ISD students in-need can receive school supplies, backpacks, community health information, free resources and get to know local resource providers.
- In 2023, Northwest ISD earned grants from the National Math & Science Initiative and Department of Defense STEM Education & Outreach Office for their student population's military connections.
- In total, Northwest ISD offered 28 different AP courses of which, 3,687 AP Exams were taken with 1,419 students earning scores of 3 or higher on at least one exam. Proudly Northwest ISD announced, Byron Nelson High School, Eaton High School and Steele Early College High School were named to the Advanced Placement Program School Honor Roll.
- In 2023, Northwest ISD proudly recognized the outstanding academic achievements of 21 students across the district who were honored as Commended Students by the National Merit Scholarship

Corporation. These students earned this prestigious distinction through their impressive PSAT/NMSQT scores. These students placed among the top one percent of high school seniors nationwide. Highlighting not only their distinct academic potential but making them eligible for special scholarships sponsored by corporations and businesses. A recognition closely on the heels of the announcement that five other Northwest ISD students were National Merit Semifinalists. This showcases the district's commitment to academic excellence.

- The Northwest ISD Financial Services Department has consistently demonstrated excellence in financial management and transparency, earning multiple prestigious state and national awards over the years. The district has been recognized for its annual budget and financial reporting by both the Association of School Business Offices (ASBO) and the Government Finance Officers Association (ASBO), receiving their top awards for over two decades. Additionally, for over 22 consecutive years, Northwest ISD has held a “superior” rating from the Texas Education Agency and commended for transparency by the state comptroller. Further, for nine consecutive years, the district's purchasing team has also been honored by the Texas Association of School Business Officials (TASBO) for adhering to professional procurement standards. Solidifying Northwest ISD's financial integrity and reputation.
- Class of 2023 received 95 scholarships totaling \$163,000.
- Every Northwest ISD campus utilized the resource store and library with a total of \$135,000 in resources provided to educators for free
- Funded \$4,300 in monetary awards to the Northwest ISD Teachers of the Year, Teacher of the Year Finalists, and Employees of the Year
- NEF, in partnership with Northwest ISD and Tarrant Area Food Bank, hosted a monthly food pantry that served 2,342 households (11,673 individuals total)
- More than 5,000 snack packs and 4,300 books were distributed to K-5 students in summer learning
- NEF partnered with Northwest ISD PTA organizations to raise more than \$13,000 for schools across the district
- Encourage literacy at every level across the district
 - NEF donated a book to every kindergarten student in Northwest ISD to kick off their educational journey
 - Sponsored Northwest ISD Book Blitz program at all high schools and the Bilingual Spelling Bee
- 25 grads earned associate degrees while still in high school.
- AP, OnRamps & Dual Credit students earned 18,750 college credit hours valued at \$10.3M.
- The Northwest ISD Outdoor Learning Center offers unique outdoor learning experiences. Classes from across the district visit the facility to expand on their classroom-based learning with actual experiences in nature. The facility includes a pavilion that overlooks a pond another that offers a view of Denton Creek highlighting the area's historical erosion and opportunities to observe noninvasive wildlife like deer and turtles – all designed to engage students in hands-on learning.
- A 10-year plan will include the Outdoor Learning Center including developing kindergarten curriculum.
- Northwest ISD Career and Technical Education's high school academies and programs of student empower students to immerse themselves in their field of interest through hands-on learning, field-based experiences and internships.
- 5,956 Industry-Based Certifications were earned in 2023-2024.
 - BNHS: 1,740
 - EHS: 1,968
 - NHS: 1,846
 - Steele: 402
- Northwest ISD offers a wide variety of athletic opportunities with a total of 31 different sports – ranging from baseball to wrestling – available between middle and high school levels. During the 2023-2024 school

year, 85 student-athletes signed NCAA National Letters of Intent to continue their athletic and academic pursuits in college.

- The vision of the Northwest ISD fine arts program is to be the premier school district in the state of Texas for the visual and performing arts. The comprehensive fine arts program includes studies in the areas of art, band, cheerleading, choir, color/winter guard, dance, debate, elementary music, music theory, jazz band, orchestra, speech, and theatre.
- Northwest ISD was named a Texas Art Educators Association of District of Distinction.
- Students from all seven Northwest ISD middle school were involved in the annual Middle School Musical performance, Little Mermaid, Jr.
- Over a ten-year period, the district fine arts programs received more than \$600,000 in grants.
- More than 350 students were selected to band, choir, and orchestra all-region process.
- Fourteen art students advanced to the TAEA State Vase event with one earning a Gold Seal Award.
- Thirteen students were selected to the TMEA All-State music ensembles.
- All high school fine arts programs performed school-wide Broadway musicals.
- The Dazzler, Sapphires and Sidekicks dance teams each performed in a state or national competition, earning top marks including two Grand Championships.
- Northwest High School JV Drill Team won Grand Champions at Showtime International.
- Byron Nelson, Eaton, and Northwest bands earned Division 1 ratings from all judges at the UIL Region 2 Marching Band Contest.
- The district Middle-School One-Act Play Festival featured performances from very middle school theatre program.
- Five fine arts groups (choir, band, and orchestra) were National Winners or Commended Winners in The Foundation for Music Education's Mark of Excellence contests.
- Multiple musical theatre programs and students were nominated at the Broadway Dallas and Betty Lynn Buckley Awards. Byron Nelson High School took home three Betty Lynn Buckley Awards: Excellence in a Musical, Excellence in Scenic Design, and Excellence in a Supporting Role: Musical.
- Steele Early College High School advanced to the district round of UIL One-Act Play contest for the first time in school history.
- Eaton High School and Byron Nelson High School competition cheer teams won the UIL Spirit State Championships in 6A Division and Division II, respectively.

Staff Accomplishments

- At the 2024 Inspire Celebration, Northwest ISD recognized its outstanding teachers and staff, showcasing their dedication and impact on student success. Each of the district's 34 schools named an Exemplar Educator of the Year, honoring the top educators for the 2023-2024 academic year. These exceptional teachers were selected through a comprehensive evaluation process. Each exemplified classroom effectiveness with their exemplar leadership qualities and motivational skills. The evening concluded with the highly anticipated naming of the Teacher of the Year. This celebration honors an educator who exemplifies dedication and passion for creating a nurturing learning environment.
- Northwest ISD employs more than 3,500 of the best teachers and staff members in the state. Many have earned regional, state, and national recognition for their abilities and hard work.
- For the 2023-2024 school year, Schluter Elementary School's Monique Lawson earned Elementary Teacher of the Year, while Medlin Middle School's Leann Shelley earned Secondary Teacher of the Year.
- Northwest ISD's Grow Our Home programs work with several groups who want to earn their teaching certification, including existing district guest educators and paraprofessionals as well as local community members. Additionally, the program works with high school students in our education pathway to potentially recruit them to return to their home district after they graduate college and earn their teaching certification.

- Northwest ISD Board of Trustees approved a 2024-2025 compensation plan designed to recruit and retain top talent, despite a state-wide funding crisis. In April 2024, trustees approved a compensation plan that included a minimum 2% midpoint raise as well as additional compensation improvements. **THE PLAN INCLUDED: Teacher and staff raises:** All staff received a 2% midpoint raise, with some teachers at higher years receiving more for equity adjustments. **Veteran teachers pay scale adjustments:** Many veteran teachers saw salary adjustments to increase their overall compensation for total years of service. **Teacher pay scale transparency:** By moving all teachers — those new to Northwest ISD as well as those already working for the district — to the same salary levels, every teacher with the same years of service will continue to receive the same base salary. This change, which does not include stipends, improved overall pay transparency. **Longevity stipend:** As part of teacher pay scale transparency, veteran staff who have worked for Northwest ISD.

State Ratings and Accountability System

The Northwest Independent School District has received a rating of “Superior Achievement” for the 23rd consecutive year under the State of Texas School FIRST (Financial Integrity Rating System of Texas). School FIRST, a financial accountability system of Texas school districts was developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of School FIRST is to achieve quality performance in the management of school districts’ financial resources. A goal made more significant due to the complexity of accounting associated with Texas’ school finance system. The Superior Achievement rating is the state’s highest rating demonstrating accountability for the quality of the District’s financial management practices and improvement of these practices.

School FIRST – Financial Integrity Rating System of Texas

| <u>Description</u> | <u>2017-2018</u> | <u>2018-2019</u> | <u>2019-2020</u> | <u>2020-2021</u> | <u>2021-2022</u> | <u>2022-2023</u> | <u>2023-2024</u> |
|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| School FIRST | Superior | Superior | Superior | Superior | Superior | Superior | Superior |
| Rating | Achievement | Achievement | Achievement | Achievement | Achievement | Achievement | Achievement |

In 2013, the state of Texas implemented a new accountability system to focus on the achievement of postsecondary readiness for all Texas public school students called “STAAR” (State of Texas Assessment of Academic Readiness). STAAR is the state’s standardized testing program for elementary, middle, and high school students. The tests are to determine “readiness”, standards which are the knowledge and skills considered most important for success in the grade or subject that follows and for college and career readiness.

The new accountability system assigned a rating label of Met Standard, Met Alternative Standard, or Improvement Required based on the evaluation of the four performance indexes for Student Achievement, Student Progress, Closing Achievement Gaps, and Postsecondary Readiness. The indexes include assessment results from the State of Texas Assessments of Academic Readiness (STAAR) testing program, graduation rates, and rates of students achieving the Recommended High School Program and Distinguished Achievement High School Program. Campuses that receive an accountability rating of *Met Standard* are eligible for distinction designations.

TEA maintained the same accountability rating labels 2014 through 2018. In 2019, TEA moved to a new accountability system in which campuses and districts are scored from A-F. A campus/district with an overall A, B, or C are considered to have met the standard to avoid improvement requirement sanctions. Campuses with an overall D or F are Improvement Required under the new system. Campuses are eligible to earn up to seven Academic Achievement Distinction Designations in the areas of Reading/ELA, Mathematics, Science, Social Studies, Top 25 Percent Student Progress, Top 25 Percent Closing Achievement Gaps and Postsecondary Readiness. Districts are eligible to earn an Academic Achievement Distinction Designation in Postsecondary Readiness.

In 2023, the Texas Education Agency postponed the release of its annual school ratings because of a new rating system. While the agency initially mentioned an estimated one-month delay, no specific date has been provided.

| Description | STAAR 2016-17 | STAAR 2017-18 | STAAR 2018-19 | STAAR 2019-20 | STAAR 2020-21 | STAAR 2021-22 | STAAR 2022-23 | STAAR 2023-24 |
|-------------------------|------------------|------------------|------------------|---------------------------------------|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------------|
| All Subjects | 85% | 86% | 87% | No Tests due to COVID | 79% | 82% | 83% | NOT AVAILABLE |
| Reading | 84% | 85% | 85% | No Tests due to COVID | 78% | 83% | 85% | NOT AVAILABLE |
| Mathematics | 86% | 88% | 89% | No Tests due to COVID | 78% | 79% | 79% | NOT AVAILABLE |
| Writing | 76% | 78% | 79% | No Tests due to COVID | 73% | No longer tested separately | No longer tested separately | No longer tested separately |
| Science | 89% | 90% | 90% | No Tests due to COVID | 85% | 84% | 83% | NOT AVAILABLE |
| Social Studies | 88% | 89% | 89% | No Tests due to COVID | 85% | 87% | 85% | NOT AVAILABLE |
| Overall District Rating | Met Standard | A | A | Not Rated: Declared State of Disaster | Not Rated: Declared State of Disaster | B | Ratings on hold – pending lawsuit | Ratings on hold – pending lawsuit |

A-F accountability was established by the legislature in 2017, helps provide a clear picture of how well the districts and campuses are educating students. To ensure the A-F accountability remained fair, state law required it to be refreshed. This refreshment of the A-F system helps ensure Texas will remain a national leader in preparing students for success after graduation and better reflect its three objectives. This includes rigor for students, transparency for parents and the public, and fairness for schools. Ratings take into consideration State Assessments, graduation rates, and College Career and Military Readiness (CCMR) outcomes. The ratings are based on three domains: Student Achievement, School Progress and Closing the Gaps, all of which compare student performance.

| Campus Rating | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---------------------------------|--------------|---------|---------|----------------------------|----------------------------|--------------|---------------|---------------|
| Met Standard | 26 | 27 | 28 | Not Rated | Not Rated | 29 | Not Available | Not Available |
| Earned one or more Distinctions | 7 | 12 | 12 | Not Rated | Not Rated | 10 | Not Available | Not Available |
| Total Distinctions Earned | 11 | 22 | 26 | Not Rated | Not Rated | 18 | Not Available | Not Available |
| Improvement Required | 0 | 0 | 0 | Not Rated | Not Rated | 0 | Not Available | Not Available |
| Not Rated (TYC Campus) | 1 | 1 | 1 | Not Rated | Not Rated | 1 | Not Available | Not Available |
| District Rating | Met Standard | A | A | Declared State of Disaster | Declared State of Disaster | Met Standard | Not Available | Not Available |

Strategic Planning

Our Core Beliefs

1. Kids come first
2. Continuous learning is essential to prepare for college and career opportunities
3. Each student's success is the shared responsibility of students, families, schools, and communities
4. Learning is influenced by environment.

Our Vision – Northwest ISD empowers learners and leaders to positively impact the world.

Our Mission – Northwest ISD, in collaboration with students, families, communities, and global partners, will engage in a culture of learning that prepares all students to confidently navigate their future.

Strategic Goals:

GOAL 1

Northwest ISD will provide personalized learning experiences and cultivate the growth and achievement of every student.

Northwest ISD Priorities:

Literacy

1.1 Our students will annually increase literacy proficiency to reach or exceed grade-level standards.

Academic Progress

1.2 Our students will achieve individualized academic goals to reach a year's growth or more in all content areas.

College, Career, Military & Life Readiness

1.3 Our students will graduate life ready and prepared for success in career, college, or military service.

GOAL 2

Northwest ISD will recruit, value, and retain highly effective staff prepared to meet the individual needs of our students and learning community.

Northwest ISD Priorities:

Recruit

2.1 Northwest ISD will have an unwavering commitment to attract and welcome high-quality staff.

Value

2.2 Northwest ISD will invest in all staff through a culture of support, development, and empowerment to make a positive impact on the learning community.

Retain

2.3 Northwest ISD will retain highly effective staff through meaningful relationships, ongoing support, and professional growth opportunities.

GOAL 3

Northwest ISD will foster a safe environment and a culture of engagement that values the voices of all students, staff, families, and community members.

Northwest ISD Priorities:

Engagement

3.1 Northwest ISD will foster an environment of engagement with every member of our community through collaborative dialogue and partnership opportunities.

Culture

3.2 Northwest ISD will model and instill a culture of belonging where all students, staff, families, and community voices are heard and valued.

Safety

3.3 Northwest ISD will continuously improve, maintain, and communicate systems of support to strengthen the physical and emotional well-being of our students, staff, and community.

District Improvement Plan

Northwest ISD's annual development of a District Improvement Plan (DIP) helps maintain the direction of the District as we empower learners and leaders to positively impact the world. In accordance with the provisions outlined in the Texas Education Code, it is the responsibility of the Superintendent to create the District Improvement Plan on an annual basis, and the Board of Trustees is required to grant their annual approval for the performance objectives. In line with our strategic initiative, the District Improvement Plan continued to prioritize identified imperatives for the upcoming school year. The plan received approval from the Northwest ISD Board of Trustees on September 24, 2023.

The 2023-2024 DIP follows the state's requirements and the district's strategic flow chart. As part of the DIP, Northwest ISD comprised a committee in the spring of 2023 to revise our district's Strategic Goals and Priorities. With our beliefs, vision, and mission in mind the committee came up with 3 new strategic goals with 9 accompanying priorities. We will follow the new goals and priorities outlined for the next five years (2023-2028). The District Improvement Plan was presented at the September 11, 2023, Board Meeting

Enrollment

Enrollment projections are generated using new home census information and specific neighborhood forecasts provided through a contract with Zonda Education. The projections are updated yearly, and regular reports are presented to the Board of Trustees and Administration to explain the findings, provide comments on new and potential housing developments, and create an understanding of future residential development's impact on the school district.

This enables the district to take a proactive approach in selecting new school locations and analyzing district rezoning. By doing so, the district can target sites not only where the need is greatest, but also well in advance of new home construction to minimize acquisition costs. This methodology provides significant accuracy in addressing the district's exponential growth and large areas of undeveloped land. The regular reports help the district keep abreast of the area development as the 2012, 2017, 2021 and 2023 bonds are utilized. Between the 2017-2018 and 2023-2024 academic years, enrollment grew by 7,573 students, reflecting a 32.7% increase. This trend of growth builds on the previous rise observed from 2017-2018 to 2022-2023, where enrollment increased by 27%.

As of the PEIMS snapshot in October 2023, the 30,736-student population reflects a richly varied demographic. The student ethnic composition continues to shift: 49.46% White, 25.18% Hispanic, 13.19% African America, and

7.32% Asian. Additionally, the percentage of economically disadvantaged students has increased to 27.40%, while the proportion of ESL students has risen to 9.3%.

Demographics

| | | Elementary | Middle | High School |
|---------------------------------|--------------|-----------------|--|---|
| <u>Year Actual:</u> | <u>Total</u> | <u>(EC-5th)</u> | <u>(6th-8th)</u> | <u>(9th-12th)</u> |
| 2013-2014 | 18,893 | 9,346 | 4,425 | 5,122 |
| 2014-2015 | 19,760 | 9,652 | 4,612 | 5,496 |
| 2015-2016 | 20,900 | 10,122 | 4,798 | 5,980 |
| 2016-2017 | 22,044 | 10,563 | 5,130 | 6,351 |
| 2017-2018 | 23,163 | 11,081 | 5,419 | 6,663 |
| 2018-2019 | 24,298 | 11,611 | 5,714 | 6,973 |
| 2019-2020 | 25,263 | 12,043 | 5,943 | 7,277 |
| 2020-2021 | 25,399 | 11,778 | 6,065 | 7,556 |
| 2021-2022 | 27,612 | 13,035 | 6,420 | 8,157 |
| 2022-2023 | 29,150 | 13,848 | 6,665 | 8,637 |
| 2023-2024 | 30,736 | 14,748 | 6,991 | 8,997 |
| <u>Year Projections:</u> | | | | |
| 2023-2024 | 30,527 | 14,432 | 7,037 | 9,058 |
| 2024-2025 | 32,018 | 15,227 | 7,521 | 9,270 |
| 2025-2026 | 33,449 | 15,890 | 8,121 | 9,438 |
| 2026-2027 | 34,930 | 16,626 | 8,449 | 9,855 |
| 2027-2028 | 36,396 | 17,245 | 8,871 | 10,280 |

Zonda Education 2024 2nd QTR Data

Capital Projects

In May 2023, voters approved a \$1,995,500,000 bond package including funding for educational facilities, capital improvements, home stadiums and field renovations, and provide technology devices. Northwest ISD held a Bond referendum with a focus on accommodating the growing student population, which is expected to reach 8,400 students in the coming years and an estimated one-tenth increase of the Interest & Sinking tax rate. We are among the fastest-growing districts in the Dallas Fort Worth area. The District's Long-Range Planning Committee, made up of 46 members – including parents, grandparents, business leaders, volunteers, and other community members - focused on addressing ongoing residential growth as well as the needs of aging and evolving facilities. Voters supported the 2023 Bond Framework for our students with the following results:

Proposition A, Educational Facilities and Capital Improvements - 60.6% approval

Proposition B, Home Stadiums and Field Renovations - 50.4% approval

Proposition C, Technology Devices - 61.7% approval

In 2021, the citizens of the district approved 3 Propositions in the amount of \$737.5 Million. The bond package included three new schools (2 elementary schools and 1 middle school), replacement schools for three campuses, additions and renovations of a high school, classroom additions to accommodate state mandated full day Pre-K program, land acquisitions for future sites, new buses, infrastructure lifecycle replacements, facility renovations, middle school standardizations, elementary playgrounds, safety and security access control, fiber and equipment, middle school recreational facilities and technology devices. With the start of the 2023-2024 school year, Northwest ISD opened five new campuses, including two replacement and two new elementary schools as well as one new middle school. The campuses included: Carter Elementary, Daniel Elementary, Hatfield Elementary, Seven Hills Elementary, and Worthington Middle School.

General Education Services

Academic Core Subjects: English Language Arts, Mathematics, Physical Education, Science, Social Studies, and World Languages.

EVERY DAY, FOR EVERY CLASS, FOR EVERY CHILD, IN EVERY WAY

We Believe:

- In building relationships with every student to ensure equity and support for all students.
- Students need direct, explicit instruction, feedback, and goal setting on next steps of their learning process to ensure that every student is part of the learning process and receives personalized support throughout the learning process.
- Learning is a collaborative, shared experience where students and teachers are equal partners in the learning process.
- Students need opportunities to work in collaboration with other learners, so they teach and scaffold each other throughout the learning process.
- Students should read, write, solve problems, think critically, and collaborate daily.
- Learning should be visible so that students and teachers can recognize misconceptions, preconceptions, and have high levels of discourse to process their learning.
- Students should engage in foundational skills that progress to deep knowledge and skills.
- Students will be engaged with content that is relevant and requires them to apply their knowledge to a variety of experiences.

Advanced Academics: Gifted & Talented, Destination Imagination, Honors, AP, Dual Credit and UIL Academics
The Advanced Academics Department, in partnership with parents and community, will provide students a premier education, preparing them to be successful, productive citizens.

In the Northwest Independent School District, the Advanced Academics Department provides direction and leadership for K-12 opportunities within the school day and outside of the school day.

STUDENTS TAKING ADVANCED ACADEMICS COURSES WILL...

- Focus on completing college goals by taking honors courses in preparation for college-level work.
- Enroll in OnRamps, Dual Credit, and/or Advanced Placement courses that can qualify for both high school and college credit.
- Utilize opportunities for personal growth for college applications and resumes.
- Be provided with opportunities to become thinkers and problem-solvers with real-world experiences.
- Participate in courses, programs, assessments, services, and supports that provide opportunities to demonstrate college and career readiness and earn postsecondary credit- this from TEA.
- Be provided an environment which encourages divergent thinking, creative problem solving, and higher-level thinking.
- Be provided opportunities for self-directed learning.

Career & Technical Education: Academics & Programs of Study, Work-Based Learning Experiences and More

At Northwest ISD CTE, we believe every student should get real: real academics, real skills, and a real high school experience unlike any other. By combining strong academics with robust career-minded education, we expand students' options and opportunities to make them truly future ready. Together with parents, business leaders, and the community, we challenge all students to aspire to their full potential, advance with rigorous academic and technical skills, and achieve a real-world competitive advantage.

College, Career, and Military Readiness: T2M4, Adult Education & Learning and More

The 21st Century workplace almost universally requires some form of preparation or certification in the form of education beyond high school. As part of the Northwest ISD family, you have been engaged in an ongoing conversation about your future and have been able to explore possible career options along with the associated educational requirements.

Early Childhood: Pre-Kindergarten, Family Involvement and More

A Pre-Kindergarten student will...

- Students will establish positive relationships with teachers and peers which enable them to participate effectively in the classroom community.
- Students build vocabulary knowledge through hands-on experiences and develop concepts related to language and literacy including vocabulary, phonemic awareness and letter recognition.
- Participate in a variety of activities using thinking, reasoning, remembering, problem solving, number concepts, counting, and understanding the physical and social worlds.

FAMILY INVOLVEMENT SUPPORTS THREE PROGRAMS:

1. Parents as Teachers
2. Northwest ISD Parenting Education Workshops
3. Northwest ISD Pregnancy Education and Parenting Program

Fine Arts: Art, Band, Cheer, Choir, Dance, Debate/Speech, Theatre and More

Northwest ISD is committed to providing every student with the highest level of instruction in the visual and performing arts. The comprehensive fine arts program includes studies in the areas of Art, Band, Choir, Dance, Debate, Elementary Music, Music Theory, Orchestra, Speech and Theatre.

The vision of Northwest ISD Fine Arts is to become the premier school district in the state of Texas for the visual and performing arts. More than 86 percent of the students in Northwest ISD are currently enrolled in at least one fine arts course.

Language & Cultural Services: Dual Language & ESL Services

As the District remains committed to its vision and mission, it also ensures a continuous collaboration between the bilingual/ESL program and the general education program.

VISION- Reaching all English learners to develop the language skills necessary to lead successful lives.

MISSION- Vitalizing English learners to acquire the English language, graduate ready for college, career and life, and succeed in a global and multicultural society.

Research Assessment and Accountability: Credit by Examination, SAT, ACT, STAAR, District Ratings, Research

The Northwest ISD Research, Assessment and Accountability Department collects, monitors, and provides data to ensure the districts, its school and students are achieving educational standards and meeting expectations. Our department monitors standards set by both the state and federal governments and provides data and information to schools and other departments to help guide improvements.

Data from our department assists schools and the district in the creation of improvement plans, professional development, individual student support, and more. We believe in providing data in formats that are easier to understand to help create the best plans of response.

Student Support Services: Special Education, Dyslexia, Counseling and More

The Student Services Department provides a broad spectrum of specialized services to meet the needs of students across the district in partnership with parents and community, and works in coordination with all staff to provide students a premier education and to provide preparation to be successful, productive citizens with intentional supports which may include:

SCHOOL COUNSELING AND MENTAL HEALTH

Counseling services provide a comprehensive school-counseling program that promotes the academic, college/career, social/emotional growth of all students.

STUDENT SERVICES

Student services provide services and support for At Risk, 504, RTI, McKinney-Vento (homeless), foster, pregnancy-related services, Family Involvement, Parents as Teachers, Homebound Services, Summer School, Student Handbook and Code of Conduct, AVID, Title IX and any additional identified federal or compensatory programs or support needs.

District Educational Campuses

Northwest ISD serves 30,736 students in grades pre-kindergarten through twelfth grade. Operating three comprehensive high schools, an early college high school, seven middle schools, twenty-two elementary schools, a special programs center, an Agricultural Science center, an Aquatics Center, and an Outdoor Learning Center.

Employment

Our employees demonstrate a remarkable level of professionalism and an on-going-commitment to acknowledging outstanding achievements by both students and staff, which enriches our overall atmosphere. Our educational curriculum is designed with the aim of ensuring that students not only meet but also surpass grade-level standards. We prioritize the cultivation of advanced cognitive abilities such as research methodologies and the fostering of independent, complex, and critical thinking skills.

The district attracts highly qualified personnel because of its commitment to excellence. During the 2023-2024 school year, the district employed 3,419.36 employees consisting of 2,566.13 professionals, 339.67 educational aides, and 513.56 auxiliary staff. Professional employees include 1,987.84 teachers. The average number of students per teacher is 16.1:1 in the district. Texas law mandates that no more than twenty-two students can be assigned to one classroom teacher in kindergarten through fourth grade. The district policy is to employ enough certified teachers to maintain an average ratio of not less than one teacher for each 20 students in average daily attendance and no more than twenty-two students in a class for pre-kindergarten through fourth grade. In addition, the pre-kindergarten program must maintain an average ratio in any pre-kindergarten program class of not less than one certified teacher or teacher's aide for each eleven students. A total of fifty-three waivers were approved for the 2023-2024 academic year.

Employment Data

In recent months, Tarrant County has experienced noticeable fluctuations in its unemployment rate. After a period of increasing unemployment, the county saw an uptick, peaking at higher levels before showing signs of recovery. As of June 2024, Tarrant County's unemployment rate was 4.4%, reflecting this upward trend followed a slight reduction. Similarly, Denton County experienced a comparable pattern, though it managed to end with a slightly lower rate of 4.1%, where it has since stabilized according to the latest figures. The statewide consistency amidst local variations highlights the ongoing economic adjustments within the region and the areas of both Tarrant and Denton Counties.

Economic Outlook

Local Economy

Markets continue to remain strong economically in terms of real estate and residential growth. This has been recognized with the continued increase in population and job growth in the Dallas/Fort Worth area. The proximity to both the Dallas/Fort Worth International Airport, the Fort Worth's Alliance Airport, and the position of the I-35 corridor, provides Northwest ISD residents with access to dining, shopping, and event locations across North Texas. A driving force for the local economy and the growth of commercial business.

Northwest ISD's population does not show any signs of slowing down according to a North Texas demographer. According to forecasts, the growth will continue as seen with new home construction across north Texas. This can be seen in eleven of the district's elementary schools. Developers share their forecast and reveals a potential 20% increase in enrollment. In preparation of the boom, Northwest ISD works to secure land to be used for future school sites. Annually Northwest ISD is among the top school districts with the highest construction rate according to the Fort Worth Report.

Area Developments

Alliance, Texas – The vast labor pool remains a powerful economic driver in North Texas, with a population of over 2 million people living within a 20-mile radius and a labor force of 1.7 million. This robust workforce has fueled the dynamic development, which spans across 27,000 acres and has generated \$120 billion in economic impact.

Of the population, 86% hold high school diplomas, and 63% have some level of college education or higher, ensuring a skilled and educated talent base. Home to 575 companies, AllianceTexas has generated over 66,000 direct jobs, solidifying its role as a cornerstone of regional growth and prosperity. Of the population, 86% hold high school diplomas, and 63% have some level of college education or higher, ensuring a skilled and educated talent base.

AllianceTexas is home to the AllianceTexas Mobility Innovation Zone (MIZ), Perot Field Fort Worth Alliance Airport, BNSF Railway's Alliance Intermodal Facility, and three major UPS and FedEx Group Sort Hubs. The connected road, rail, and air, offers unmatched accessibility for this strategic location. Additionally, AllianceTexas provides built-in economic incentives, including Foreign Trade Zone #196 and Triple Freeport Tax Exemption. This provides a highly attractive hub for businesses seeking growth and operational efficiency.

Circle T Ranch – Circle T Ranch honors the land's natural beauty through efforts like restoring native plant species and crafting a masterplan that emphasizes the landscape while showcasing the vast artistry of the Ranch Preserve. In 1982, Ross Perot, Sr. acquired the 2,700 acres that would later become Legacy Business Park. By 1989, the Fort Worth Alliance Airport – the world's first industrial airport opened, marking the beginning of a period of remarkable growth for the area. Then, in 1993, Ross Perot, Jr. purchased the 2,500-acre Circle T Ranch from the Hunt Family. Circle T Ranch is a 27,000-acre mixed-use development in Westlake and part of AllianceTexas - Centrally located and connected within the Dallas-Fort Worth Metroplex and only twelve miles west of DFW International Airport, Circle T Ranch is one of nation's most prominent corporate destinations. The addition of six new corporate campuses to Circle T Ranch means companies will be able to join companies such as Fidelity Investments, Deloitte, and Charles Schwab. The Campuses at Circle T will be located at the intersection of SH 114 and SH 170; this is currently under construction and set to be completed in 2023. It will have access to employer support resources that are part of Alliance such as a full suite of workforce recruitment, Alliance Workforce Center training and retention resources, Tarrant County College's Corporate Center for Learning and Development, and Hillwood Workforce and Education Strategic Initiatives representatives.

Circle T Ranch is part of a rapidly expanding economy, contributing to Fort Worth's impressive job growth, with a net increase of 139,700 jobs as of December 2023. Circle T Ranch ranks it #1 in the nation. For 18 consecutive years, Texas has been named the best state for business by *Chief Executive Magazine*. The U.S. Census Bureau, Department of Commerce, and CCTCOG project that the DFW area will have over 11.3 million residents by 2045. Additionally, Circle T Ranch boasts greater industry diversity than major hubs like New York, San Francisco, and Los Angeles.

Deloitte University – Built on about 106.9 acres south of Highway 114 in Westlake, Deloitte University employs 455 full-time employees and thirty-one part-time employees. A recent purchase of an adjacent 118.6 acres brings the total to about 225.5 acres, which will be used for an expansion. The leadership development and innovation center, Deloitte University, is moving ahead with an estimated \$300 million expansion plan after receiving a 10-year property tax abatement from Tarrant County. This center includes an 800-room corporate hotel and provides training for Deloitte employees and leaders around the world in the public and private sector. Anticipating completion by 2029. Deloitte currently employe 455 full-time and 31 part-time employees and projects adding 25 new positions. Projections in 2023 will result in approximately 79,000 visitors and deliver more than one hundred tours and three hundred programs. The expansion project will provide positive impacts to the local economy with increased construction jobs, increased retail revenue from contractors and visitors, and increased local professional jobs supporting the expansion project.

H-E-B – In spring of 2024, the San Antonio-based retailer, H-E-B, unveiled its fifth H-E-B location in the Dallas-Fort Worth area. The store is in the northeast Fort Worth area at 3451 Heritage Trace Parkway, across the street from a Kroger Marketplace, east of Interstate 35.

Alliance Texas Housing – The DFW area remains a hub for affordable housing, attracting both single and multifamily communities. These communities are strategically located within well-connected neighborhoods, providing easy access to business and employment opportunities, which has significantly contributed to the ongoing growth in Northwest ISD. These housing options cater to diverse lifestyles and a range of price points. This is reflected in its rising enrollment numbers, underscoring its appeal to a broad spectrum of residents.

Logistic Growth

Carhartt

In 2024, Carhartt opened a cutting-edge 1.2 million-square-foot distribution center west of Texas Motor Speedway, following an \$80 million investment. This facility is part of a broader trend of increased security and expansion of distribution centers in the region, driven largely by eCommerce operations from global supply chains like DHL. The new center is expected to generate 500 full-time jobs, contributing significantly to local employment and supporting the brand's logistical needs across North America.

Tarrant Area Food Bank Agriculture Hub

An 8,000-square-foot refrigerated storage facility was completed for the Tarrant Area Food Bank Agriculture Hub (TAFB). A significant advancement as we continue to address a major challenge for those facing food scarcity. A resource to access nutritious produce. The Ag Hub boosts the distribution of fresh produce to nearly 40% according to Community Impact. This enables a wider variety of year-round produce with regional food banks while enhancing the overall impact. Ultimately, the Ag Hub elevates produce distribution to a new efficient level.

Northwest ISD began partnering with the TAFB in May 2021. On the third Saturday of each month, the Administration Building provides essential supplies to anyone in the community from 9 a.m. – 11 a.m. or until supplies have been depleted. While TAFB provides canned goods and produce, the Northwest ISD Education Foundation contributes additional protein options. Through these efforts, the pantry reaches a broader range of nutritious food and enhances the nutritional value of the items available to families. Historically, when students return to school and holiday months the demand increases.

With the new Tarrant Ag Hub's central location near Arkansas and Oklahoma, the pantry now benefits from enhanced trade in regional protein sources like chicken and beef. The Hub's large, dedicated space enables stronger partnerships and the ability to reach more families with high-quality, nutritionally balanced options. As previously noted, being able to address cyclical rises, underscores the importance of this expanded food access.

Other Area Developments: Roadways

AllianceTexas® is a 27,000-acre master-planned community that encompasses four distinct developments: Alliance®, Circle T Ranch®, HarvestSM, and Alliance Town Center®. These areas collectively provide top-tier opportunities in aviation, office spaces, industrial facilities, retail, education, residential living, and recreation. As the region along the Alliance corridor continues to expand, a significant infrastructure project has been initiated to widen six miles of SH 170, with an investment nearing \$100 million. This expansion, which commenced in fall 2020 and is expected to be completed by 2023, will result in a ten-lane highway with seven bridges. Additionally, construction has begun on Highway 377 in Roanoke. Overall, each experiencing a 3.0% growth. The areas also support 10,154 and 36,771 daytime employment opportunities, respectively.

As populations increase, the volume of travel and traffic patterns have also increased on roadways. This has been realized by the expansion of SH 170 project. A critical highway for motorists and serves as a connection for travelers across the metroplex. The expansion focused on improving around 6-miles of SH 170 from I35W to SH 114. This project commenced fall 2020 with a forecast of 2023 completion. Not only does the construction include main lanes, ramps, added bridges, U-turn lanes, but also repaving sections of roadways. Those commuting are either residents and commuters working in or around the area. Ultimately, a vital corridor. As construction continues, so does the growth.

Community Development

Northwest ISD provides families with a community-centered school atmosphere that prepares students for their future paths in life, whether in college, the workplace, the military or other endeavors. We know student success hinges on collaboration between the schools, students, themselves, families and the local community. Northwest ISD spans 234 square miles across three counties (Denton, Tarrant, and Wise) with 14 municipalities (Aurora, Flower Mound, Fort Worth, Haslet, Justin, Keller, New Fairview, Newark, Northlake, Rhome, Roanoke, Southlake, Trophy Club, and Westlake), 34 campuses and enrollment of 30,736 students as of October 2023 and is between 30-35% built out. To meet the demand caused by increase enrollment trends, five campuses opened with two being replacement campuses. The two replacements included: Hatfield Elementary and Seven Hills Elementary. While three new campuses included: Johnnie Daniel Elementary, Molly Livengood Carter Elementary, and C.W. Worthington Middle School. Northwest ISD projects construction completion of Perrin Elementary and Pike Middle School for fall 2024.

Again in 2023, Northwest ISD ranked #1 for new home sales. There does not appear to be a slowdown of future growth with 40 future subdivisions projected. While high interest rates along with elevated home prices negatively impacted the homebuyer throughout 2023 and reduced overall demand in the DFW market, 2024 is forecasted to see improvement in demand.

Northwest ISD finished second from the top of a demographic report by Zonda Education ranking 20 North Texas school districts by the annual number of homes sold or newly occupied within its boundaries. According to the DFW New Home Ranking Report, Northwest ISD ranked second. During this time, there were 3,006 annual home starts and 3,067 annual home closings. Inventory of homes still under construction or not yet sold by the end of the second quarter of 2024, totaled 1,530. Another 4,028 vacant development lots have been identified and 38,537 are anticipated for future growth for Northwest ISD in the coming years.

Financial Policies

The Annual Comprehensive Financial Report for fiscal the year ended June 30, 2024, is prepared in accordance with generally accepted accounting principles (GAAP) and conforms to financial reporting standards established by in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB). It also follows the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). All funds of the District are covered by this report.

The District's financial policies address accounting and fiscal operations of the District, with an emphasis on asset, procurement, and budget management. There were no changes in financial policies that had a significant impact on the financial statements.

Internal Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of "reasonable assurance" recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

Single Audit

As a recipient of federal financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the year ended June 30, 2024, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Public school districts that expend \$750,000 or more in federal grant funds during their fiscal year must have a single audit conducted in accordance with generally accepted government auditing standards (GAGAS). The standards governing single-audit engagements require the independent auditor to determine whether the financial statements are presented fairly in all material aspects in accordance with generally accepted accounting principles and the schedule of expenditures of federal awards is stated fairly in all material respects to the District's financial statements as a whole. In addition, the auditor is required to obtain an understanding of the District's internal controls over federal programs. The audit must determine whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards. The audit must follow-up on prior audit findings, as a current year audit finding in the conclusion. These financial statements and schedules of expenditures of federal awards are available in the federal award section of this report.

Budgetary Controls

The district maintains budgetary controls and the objective is to ensure compliance with legal provisions embodied in the annual budget approved by the district's Board of Trustees. The annual expenditure budget serves as the foundation for the district's financial planning and control. Every school district in Texas is required by law to prepare and file a budget with the Texas Education Agency (TEA). The Board legally adopts a budget for the General Fund, Debt Service Fund, and Child Nutrition Fund and budget-to-actual comparisons for these three funds

are found in the financial section of this report. Budgets for Special Revenue Funds (other than Child Nutrition) and Capital Projects Fund are prepared on a project bases, based on grant regulations or applicable bond ordinances.

Budgetary control (the level at which expenditures cannot legally exceed appropriations) is mandated at the functional category level within each fund. These functional categories are defined by TEA and identify the purpose of transactions. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end.

The annual budget serves as the foundation for the district's financial planning and control which is instructionally driven and guided by the strategic plan. District budget planning begins with the senior administrative staff and the Board of Trustees holding goal setting sessions. During these sessions, the budget calendar is presented and discussed with the Board of Trustees. Additionally, each campus prepares its annual campus improvement plan as a mandatory part of the process.

Budget planning process includes Budget Preparation, Board of Trustee Budget Review, and Budget Adoption. Within the Northwest ISD budget priorities that are taken into consideration include being a fast growth district, calculating the current public school finance system funding, legislative session discussions and decisions, special student populations, and staffing ratios.

Budget preparation begins with the district administration in collaboration with the district's financial services team. These sessions include completing and submitting the Requested Expenditure Budget Worksheet. The district uses site-based budgeting to enhance the ability of principals to serve as effective instructional leaders and places the principal at the center of the budget preparation process. The Requested Expenditure Budget Worksheet reflects the initial campus and department funding allocations addressing needs. The requests take three cost drivers into consideration: projected student enrollment, staffing, and student needs. The principal has the authority to request an allocation adjustment as outlined in the Campus Improvement Plan.

The Board of Trustees regularly receives budget updates. The Texas Legislatures meet biannually and revisions to school finance are reviewed with the Board of Trustees during the budget preparation process. On June 26, 2023, the Board of Trustees approved the final amended budget for the year ending June 30, 2024.

In June 2023, The Board of Trustees approved a new compensation plan that includes a 3% of midpoint raise for all current employees as well as a new teacher hiring schedule. Additionally, a retention incentive resolution was approved to support staff. Northwest ISD's hiring schedule begins at \$60,100 for a new teacher with no existing experience and maxes out at \$72,450 for those with 30 or more years of experience. Additionally, Northwest ISD pays an additional \$2,000 a year for a teacher with a master's degree.

As Northwest ISD continues to analyze the starting rate of pay for bus drivers, it found the starting pay rate was not competitive. As a result, bus drivers pay rate rose from \$20.00/hour to \$23.00/hour along with all bus drivers. The goal is to remain competitive, provide an influx of new applications, and provide a better level of service to our Northwest ISD families.

The proposed budget is presented for approval to the Board of Trustees for a July 1 fiscal year start date. The board president must call a board meeting for the purpose of discussing and adopting the budget and the tax rate. Notice of this meeting is required to be published at least 10 days but no more than 30 days before the public meeting. The budget must be adopted prior to June 30th for a July 1 fiscal year start date.

Tax Rate

On August 28th, 2023, the Board of Trustees adopted a reduced tax rate for 2023-2024, marking the second consecutive year the district has approved a tax reduction. The proposed Maintenance and Operations (M&O) tax

rate is \$0.6692, and the proposed Interest and Sinking (I&S) tax rate is \$0.4210. A combined tax rate of \$1.0902 per \$100 of assessed value. The district offers homestead exemptions, as well as exemptions for individuals over 65, disabled persons, and disabled veterans, to eligible taxpayers. A six-year comparison of tax rates is presented below.

| <u>Fiscal Year</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|--------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Local Maintenance | \$ 1.0400 | \$ 0.9700 | \$ 0.9163 | \$ 0.8720 | \$ 0.8546 | \$ 0.6692 |
| Debt Service | \$ 0.450 | \$ 0.450 | \$ 0.420 | \$ 0.420 | \$ 0.420 | \$ 0.421 |
| TOTAL | <u>\$ 1.4900</u> | <u>\$ 1.4200</u> | <u>\$ 1.3363</u> | <u>\$ 1.2920</u> | <u>\$ 1.2746</u> | <u>\$ 1.0902</u> |

Excess Local Revenue (Recapture)

The Texas Education Code (TEC) Chapters 48 and 49, makes provisions for certain school districts to share their excess local tax revenue with other school districts. Excess local revenue is local revenue that exceeds a district's entitlement. The funds are distributed by districts subject to these provisions are "recaptured" by the school finance system to assist with the financing of public education for all school districts. House Bill (HB) 3 by the 86th Legislature based recapture on local revenue in excess of entitlement. Excess local revenue is calculated by subtracting a district's Tier One entitlement (and credit for appraisal costs) from its available school fund (ASF) distribution and local fund assignment. The District did not have a payment in 2024.

Independent Audit

State law and District policy require an annual audit of the District's financial records by an independent certified public accountants selected by the Board. Hankins, Eastup, Deaton, Tonn, Seay and Scarborough, a firm of licensed certified public accountants, has issued an unmodified opinion based upon the audit of the district's financial statement for the fiscal year ending June 30, 2024. The goal of the independent audit is to provide reasonable assurance that the financial statements of the district are free of material misstatement. The independent audit involves examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors' report presented as the first component of the financial section of this report.

Acknowledgements

The timely completion of this report was made possible thanks to the efficient and dedicated efforts of the entire Financial Services Department. We extend our sincere thanks to all department members who played a role in the report's preparation. Furthermore, we'd like to acknowledge the Board of Trustees for their interest and steadfast support of the district's financial activities. Lastly, we want to convey our deep appreciation to the community members within our district for their unwavering trust and support in our district. Our gratitude also extends to the committed principals and teachers who consistently deliver the high-quality education that has earned our district its renowned reputation.

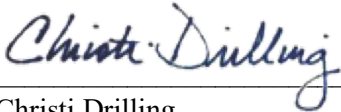
Respectfully submitted,



Mark Foust, Ed.D.
Superintendent



Jonathan Pastusek
Chief Financial Officer



Christi Drilling
Executive Director of Financial Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Northwest Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Northwest Independent School District

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

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



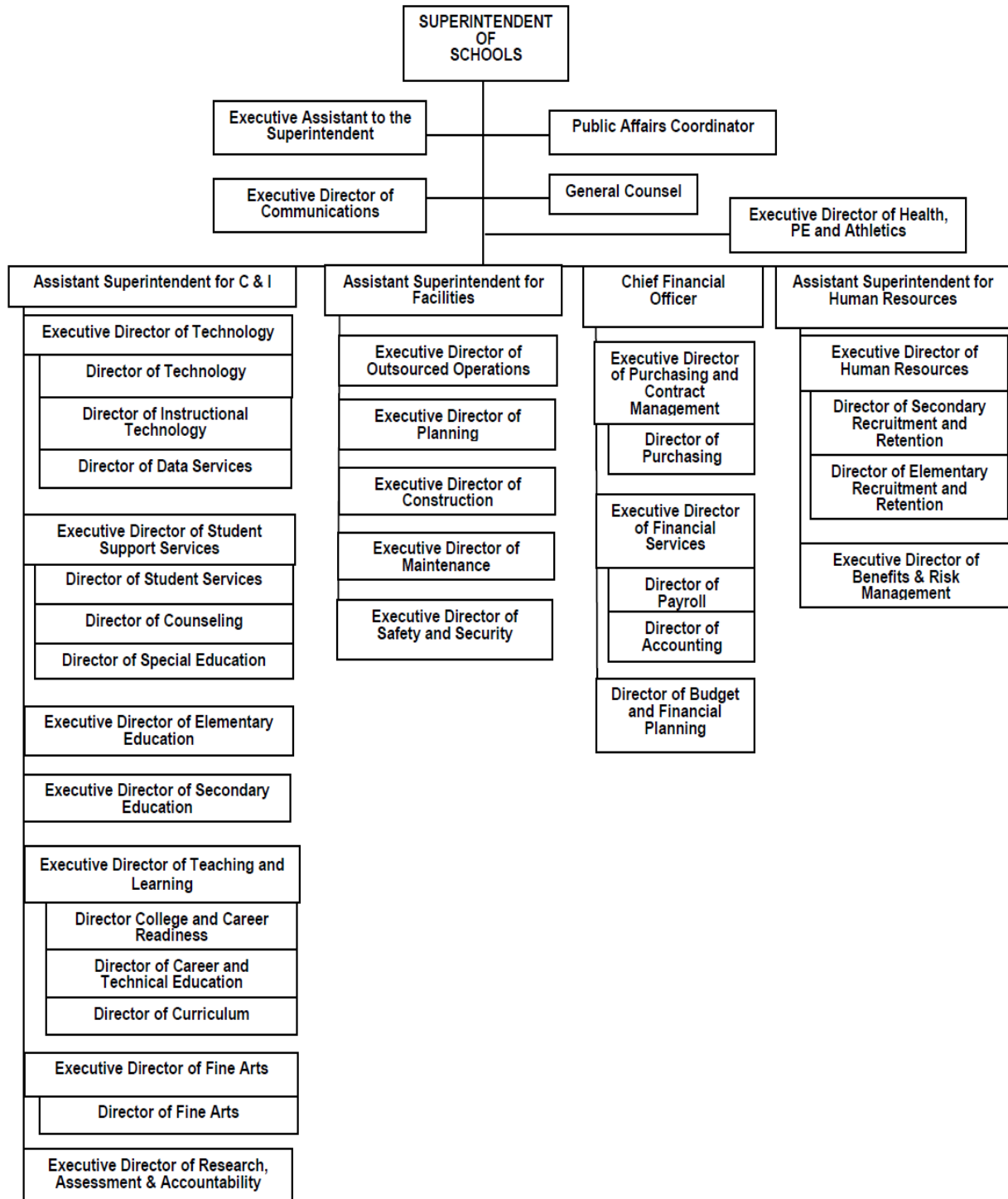
A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director

Northwest Independent School District 2023 – 2024 Administrative Organizational Chart



2023-2024 BOARD OF TRUSTEES



R. Stephen Sprowls
President, Place 5
Airline Pilot
Elected 2017
Term Ends 2026



Mark Schluter
Vice President, Place 2
Senior Project Engineer
Elected 2006
Term Ends 2027



DeAnne Hatfield
Secretary, Place 1
Retired School
Administrator Elected 2019
Term Ends 2027



Judy Copp
Member, Place 4
Retired Educator
Elected 2012
Term Ends 2025



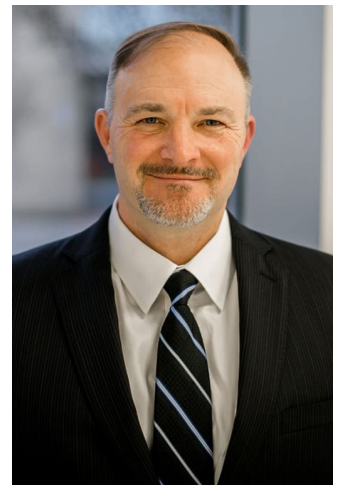
Jennifer Murphy
Member, Place 7
Post-Secondary Education
Elected 2020
Term Ends 2026



Lillian Rauch, Ph.D.
Member, Place 6
Retired Educator
Elected 2014
Term Ends 2026



**Anne Davis-Simpson,
Ph.D.**
Member, Place 3
Retired Educator
Elected 2013
Term Ends 2025



Mark Foust, Ed D.
Superintendent
Appointed by
Board of Trustees 2023

Board Meetings: All Northwest ISD board meetings are open to the public. Regular meetings will be held at 6:30 p.m. on the second and fourth Monday of each month in the Board Room located at the Northwest ISD Administration Building at 2001 Texan Drive, Justin. With public notice, trustees also hold special meetings and work sessions as needed. Within the limits of the Texas Open Meetings Act, parts of the board meetings may be closed to the public for topics including, but not limited to, real estate transactions, personnel matters, student hearings, and legal matters.

If You Wish to Address the Board: The public may address the board during the public participation portion of the board meeting. Remarks may be related to any topic, whether agenda items or non-agenda items, and are

usually limited to three minutes. Those wishing to speak during public participation may sign the roster in the room within the hour preceding the meeting.

Northwest ISD offers an easy and free way to get the latest district information. Subscribe to the electronic mail list and stay informed about district activities and urgent news such as school closings. Join today by completing the *Northwest News* registration form on the district's homepage at www.nisdtx.org

NORTHWEST INDEPENDENT SCHOOL DISTRICT

School Board and Administrators

Board of Trustees

| | |
|--------------------------------|----------------|
| R. Stephen Sprowls | President |
| Mark Schluter | Vice President |
| DeAnne Hatfield..... | Secretary |
| Judy Copp..... | Member |
| Jennifer Murphy..... | Member |
| Lillian Rauch, Ph.D. | Member |
| Anne Davis-Simpson, Ph.D. | Member |

Administration

| | |
|-----------------------------|---|
| Mark Foust, Ed.D. | Superintendent of Schools |
| Kim Barker. | Assistant Superintendent of Human Resources |
| Michael Griffin, Ed.D. | Assistant Superintendent of Curriculum & Instruction |
| Christie Hobbs..... | General Counsel |
| Tim McClure | Assistant Superintendent of Facilities |
| Jonathan Pastusek | Chief Financial Officer |
| Anthony Tosie | Executive Director of Communications |

Principals

| | |
|---------------------------|---|
| Carrie Jackson | Northwest High School |
| Kara Lea Deardorff | Byron Nelson High School |
| Stacy Miles | V.R. Eaton High School |
| Todd Rogers..... | Steele Early College High School |
| Diana Foster..... | Special Programs Center |
| Paige Cantrell..... | Medlin Middle School |
| Patricia Lutkenhaus | Gene Pike Middle School |
| Anthony Fontana | Chisholm Trail Middle School |
| Jeremy Martin | John M. Tidwell Middle School |
| Laura Koehler, ED.D. | Truett Wilson Middle School |
| Matrice Raven, ED.D..... | Leo Adams Middle School |
| Natalie Childress | Worthington Middle School |
| Ladonna Busby | Haslet Elementary School |
| Lisa Ransleben, ED.D..... | Justin Elementary School |
| Erika Oster | Lakeview Elementary School |
| Erin Appling | Roanoke Elementary School |
| Kim Blackburn..... | Seven Hills Elementary School |
| Amanda Bunch | Samuel Beck Elementary School |
| Jim Mahler | W.R. Hatfield Elementary School |
| Amanda Hughes..... | Prairie View Elementary School |
| Lyndsie Smith..... | Sonny & Allegra Nance Elementary School |
| Amanda Bomar | J. Lyndal Hughes Elementary School |
| Michelle McAdams | Kay Granger Elementary School |

| | |
|------------------------------|------------------------------------|
| Sarah Thornell | Sendera Ranch Elementary School |
| Danielle Grimes | O.A. Peterson Elementary School |
| Aaron McAdams..... | Clara Love Elementary School |
| Leigh Anne Romer, ED.D. | J.C. Thompson Elementary School |
| Donae Raymundo | Carl E. Schluter Elementary School |
| Chrisa Oakley | Wayne A. Cox Elementary School |
| Carrie Pierce | Lizzie Curtis Elementary School |
| Amy Lawson..... | Lance Thompson Elementary School |
| Shanel Jones | Berkshire Elementary School |
| John Booles | Carter Elementary School |
| Jessica McDonald, ED.D. | Daniel Elementary School |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
Consultants and Advisors

| | |
|---|--|
| <u>ACCOUNTANTS</u> | <u>FINANCIAL ADVISORS</u> |
| Hankins, Eastup, Deaton, Tonn, Seay & Scarborough | Hilltop Securities |
| 902 N Locust Street | 1201 Elm Street, Suite 3500 |
| Denton, TX 76202 | Dallas, Texas 75270 |
| <u>ARCHITECTS</u> | <u>GENERAL COUNSEL</u> |
| Glenn Partners | Abernathy, Roeder, Boyd & Joplin |
| 5646 Milton Street, Suite 426 | P.O. Box 1210 |
| Dallas, Texas 75206 | 1700 Redbud Boulevard, Suite 300 |
| | McKinney, Texas 75069 |
| Huckabee | |
| 801 Cherry Street, Suite 500 | Buechler & Associates, P.C. |
| Fort Worth, Texas 76102 | 3660 Stoneridge Road, Suite D-101 |
| | Austin, Texas 78746 |
| Perkins + Will | |
| 10100 N. Central Expressway, Suite 300 | Underwood Law Firm |
| Dallas, Texas 75231 | 1008 Macon Street, Suite 101 |
| | Fort Worth, Texas 76102 |
| <u>BOND COUNSEL</u> | |
| McCall, Parkhurst & Horton, LLP | Walsh Gallegos |
| 717 North Harwood | P.O. Box 168046 |
| Dallas, Texas 75201 | Irving, Texas 75016-0846 |
| <u>BOND FISCAL AGENTS</u> | <u>OFFICIAL DEPOSITORY</u> |
| Regions Bank Corporate Trust | Wells Fargo Bank, N.A. |
| 1717 St James Place, Suite 500 | P.O. Box 63020 |
| Dallas, Texas 75201 | San Francisco, CA 94163 |
| UMB Corporate Trust | <u>TAX COLLECTION COUNSEL</u> |
| P O Box 419692 | Linebarger Goggan Blair & Sampson, LLP |
| Kansas City, MO 64141 | 100 Throckmorton, Suite 300 |
| | Fort Worth, Texas 76102 |



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FINANCIAL SECTION



Members:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

**HANKINS, EASTUP, DEATON,
TONN, SEAY & SCARBOROUGH**
A Limited Liability Company

CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
P.O. BOX 977
DENTON, TX 76202-0977

TEL. (940) 387-8563
FAX (940) 383-4746

Independent Auditor's Report

Northwest Independent School District
Fort Worth, Texas

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Northwest Independent School District as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise Northwest Independent School District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Northwest Independent School District as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with 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 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 Financials section of our report. We are required to be independent of Northwest Independent School District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Auditor's Responsibility 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 generally accepted auditing standards 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 generally accepted auditing standards 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 Northwest Independent School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Northwest Independent School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Northwest Independent School District's basic financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the required TEA schedules, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2024 on our consideration of Northwest Independent School District's internal control over financial reporting and on our tests of the 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 Northwest Independent School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northwest Independent School District's internal control over financial reporting and compliance.

Hankins Eastup Deaton Tonn Seay & Scarborough

Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas
November 11, 2024

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)**

As management of Northwest Independent School District, we offer readers of the District's financial statement this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2024. Please read this narrative in conjunction with the independent auditors' report on page 34, and the District's Basic Financial Statements that begin on page 45.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of Northwest Independent School District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$156,823,928.
- The District's total net position increased by \$61,326,237 during the fiscal year as the result of current year operations, and \$11,294,389 from a prior period adjustment related to a change in the fixed asset capitalization threshold.
- As of the close of the current fiscal period, the District's governmental funds reported combined ending fund balances of \$697,640,115. Over 13% of this total amount (\$92,726,767) is unassigned and available for use within the District's commitments and policies.
- At the end of the current fiscal period, unassigned and assigned fund balance of the general fund of \$108,602,507 was 35.15% of the total general fund expenditures.
- The District is defined by Chapter 41 of the Texas Education Code (TEC) as a high wealth District but the District's wealth per student was less than the equalized wealth value; therefore, during 2024 the District paid \$857,545 for contracted instructional services between schools as part of the state wealth equalization requirements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The 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. The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the District were sold to departments within the District or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the District. The District has no component units for which it is financially accountable.

The notes to the financial statements provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for nonmajor funds contain even more information about the District's individual funds. The section labeled Single Audit Section contains data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The primary purpose of the District's overall financial condition and operations is to show whether the financial position of the District is improving or deteriorating as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources at the end of the year while the Statement of Activities includes all revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting (the basis used by private sector companies).

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the district and grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in them. The District's net position provides one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, information is divided into two kinds of activities:

- Governmental activities—Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities—Activities in which the District charges a fee to “customers” to help cover the cost of services it provides are reported as business-type activities. The District had no business-type activities at June 30, 2024.

Reporting the District's Most Significant Funds

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 fund financial statements and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the No Child Left Behind Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities).

All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 *governmental 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 *governmental funds* and *governmental activities*. The District maintains twenty-seven governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects fund, each of which are considered to be major funds. Data from the other twenty-four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. The District adopts an annual appropriated budget for its general fund, debt service fund and food service fund. A budgetary comparison schedule has been provided to demonstrate compliance with these budgets.
- **Proprietary funds.** The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. The internal service funds (one category of proprietary funds) report activities that provide supplies and services for the District's other programs and activities—such as the District's self-insurance programs and student devices.
- **Fiduciary funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The District is the trustee, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of custodial net position and statement of changes in custodial fund net position. These activities are excluded from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following analysis presents both current and prior year data and discuss significant changes in the accounts. Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental activities.

Governmental Activities

Net Position. The net position of the District's governmental activities at June 30, 2024 was \$156,823,928. Investment in capital assets (e.g. land, building, furniture, vehicles and equipment) less any related debt used to acquire those assets that is still outstanding was \$109,433,084 at June 30, 2024. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's governmental activities net position (\$91,884,965) represents resources that are subject to external restrictions on how they may be used. The unrestricted net position at June 30, 2024 is a deficit of \$44,494,121.

Changes in Net Position. The District's total revenues of its governmental activities were \$525,850,253. A significant portion, approximately 73.5%, of the revenue comes from property taxes. Another 7.1% comes from state aid - formula grants while 3.1% relates to charges for services. This reflects a \$42.8 million increase in revenues from 2022-2023, primarily from increases in property tax revenue that was the result of a 16.24% increase in assessed valuations. The total revenues were used to fund the cost of all programs and services in the amount of \$464,524,016, and to pay down the District's debt. Expenses decreased \$62,362 from the prior year. That decrease consisted primarily of a \$29.4 million increase in instructional expenses and a \$20.4 million increase in debt service interest, offset by a \$42.8 million decrease in facilities maintenance expenses and a \$24.8 million decrease in contracted instructional services between schools.

Governmental Activities. The District's total net position of its governmental activities increased \$61,326,237 during the current fiscal year from the result of current year operations and \$11,294,389 from a prior period adjustment related to a change in the fixed assets capitalization threshold. The total cost of all government activities for the fiscal year ended June 30, 2024 was \$464,524,016. Funding for these governmental activities is by specific program revenue or through general revenues such as property taxes, state aid and investment earnings. Program revenues directly attributable to specific activities funded some of the governmental activities costs. These program revenues amounted to \$67,018,005 (grant revenues, tuition and facility leasing, for example). The remaining cost of governmental activities not directly funded by program revenues was \$397,506,011, which were primarily funded by property taxes in the amount of \$386,498,131 and state revenue of \$37,106,954.

Table I
NET POSITION

| | Governmental Activities | | |
|---|-------------------------|----------------|----------------|
| | 2023 | 2024 | Change |
| Current and other assets | \$ 495,621,883 | \$ 786,118,598 | \$ 290,496,715 |
| Capital and non-current assets | 1,371,366,258 | 1,648,291,538 | 276,925,280 |
| Total assets | 1,866,988,141 | 2,434,410,136 | 567,421,995 |
| Deferred outflows of resources | 118,976,502 | 131,879,970 | 12,903,468 |
| Total assets and deferred outflows of resources | 1,985,964,643 | 2,566,290,106 | 580,325,463 |
| Long-term liabilities | 1,706,844,403 | 2,233,763,112 | 526,918,709 |
| Other liabilities | 126,180,998 | 111,155,039 | (15,025,959) |
| Total liabilities | 1,833,025,401 | 2,344,918,151 | 511,892,750 |
| Deferred inflows of resources | 68,735,940 | 64,548,027 | (4,187,913) |
| Total liabilities and deferred inflows of resources | 1,901,761,341 | 2,409,466,178 | 507,704,837 |
| Net Position (Deficit): | | | |
| Net investments in capital assets | 49,473,505 | 109,433,084 | 59,959,579 |
| Restricted | 74,497,165 | 91,884,965 | 17,387,800 |
| Unrestricted | (39,767,368) | (44,494,121) | (4,726,753) |
| Total Net Position (Deficit) | \$ 84,203,302 | \$ 156,823,928 | \$ 72,620,626 |

Table II
CHANGES IN NET POSITION

| | Governmental Activities | | |
|--|-------------------------|-----------------------|----------------------|
| | 2023 | 2024 | Change |
| Revenues: | | | |
| Program Revenues: | | | |
| Charges for services | \$ 14,765,914 | \$ 13,338,066 | \$ (1,427,848) |
| Operating grants and contributions | 49,075,815 | 53,679,939 | 4,604,124 |
| General Revenues: | | | |
| Maintenance and operations taxes | 261,230,087 | 237,387,811 | (23,842,276) |
| Debt service taxes | 128,182,843 | 149,110,320 | 20,927,477 |
| State aid - formula grants | 16,228,883 | 37,106,954 | 20,878,071 |
| Interest earnings | 20,270,311 | 34,977,451 | 14,707,140 |
| Miscellaneous | 251,594 | 249,712 | (1,882) |
| Loss on disposition of capital assets | (6,937,502) | - | 6,937,502 |
| Total Revenue | <u>483,067,945</u> | <u>525,850,253</u> | <u>42,782,308</u> |
| Expenses: | | | |
| Instruction, curriculum and media services | 197,905,287 | 229,188,540 | 31,283,253 |
| Instructional and school leadership | 20,839,366 | 23,255,307 | 2,415,941 |
| Student support services | 31,080,817 | 34,770,314 | 3,689,497 |
| Food services | 13,952,537 | 16,536,041 | 2,583,504 |
| Extracurricular activities | 19,918,945 | 20,851,913 | 932,968 |
| General administration | 9,286,550 | 9,799,103 | 512,553 |
| Plant maintenance, security and data process | 89,930,372 | 50,736,724 | (39,193,648) |
| Community services | 441,469 | 852,086 | 410,617 |
| Debt services | 51,890,894 | 72,300,554 | 20,409,660 |
| Intergovernmental charges | 29,340,141 | 6,233,434 | (23,106,707) |
| Total Expenses | <u>464,586,378</u> | <u>464,524,016</u> | <u>(62,362)</u> |
| Increase in Net Position | 18,481,567 | 61,326,237 | 42,844,670 |
| Net Position - beginning of year | 65,721,735 | 84,203,302 | 18,481,567 |
| Prior period adjustment | - | 11,294,389 | 11,294,389 |
| Net Position - end of year | <u>\$ 84,203,302</u> | <u>\$ 156,823,928</u> | <u>\$ 72,620,626</u> |

The cost of all governmental activities for the current fiscal period was \$464,524,016. However, as shown in the Statement of Activities, the amount that our taxpayers ultimately financed for these activities through District taxes was only \$386,498,131 because some of the costs were paid by those who directly benefited from the programs (\$13,338,066) or by State equalization funding (\$37,106,954).

THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$697,640,115 an increase of \$313,677,993. Approximately 16% of this total amount (\$113,257,328) constitutes *committed, assigned and unassigned fund balance*, which is available for spending at the District's discretion. The remainder of fund balance is *nonspendable or restricted* to indicate that it is not available for new spending because it is already restricted to pay debt service (\$91,884,965), or for capital projects (\$486,819,946), or for Federal grants (\$3,952,551), or already spent on prepaid items (\$1,579,686) or inventories (\$145,639).

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$92,731,812, while the total fund balance was \$110,322,787. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total fund expenditures. Unassigned fund balance represents 30.02% of the total general fund expenditures, while the total fund balance represents 35.71% of that same amount.

The fund balance of the District's general fund decreased by \$892,888 during the current fiscal year, compared to a \$11,310,718 increase in the previous year. Key factors related to this change are as follows:

- A \$23,802,159 decrease in property tax and other local revenues offset with a \$23,699,060 increase in foundation, per capita and other state funding contributed to a \$870,699 overall increase in total revenues. Expenditures increased \$14,326,294 or 4.86% with a \$23,030,492 increase in instructional expenditures offset by a \$24,754,849 decrease in contracted instructional services between schools.

The debt service fund has a total fund balance of \$91,884,965, all of which is reserved for the payment of debt service. The net increase in fund balance during the period from current year operations was \$17,387,800, compared to a \$4,180,951 increase in the previous year. Tax revenues were \$20,828,540 higher than the previous year, while debt service expenditures were \$16,811,339 higher due to significantly more bond interest payments.

Other changes in fund balances should also be noted. The fund balance in the capital projects fund increased by \$297,454,119 due primarily to \$587,500,000 proceeds from bond sales offset by \$313,887,726 spent on construction-related costs. Although these and other capital expenditures reduce available fund balances, they create new assets for the District as reported in the Statement of Net Position and discussed in Note 4 to the financial statements.

Over the course of the year, the Board of Trustees revised the District's budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in June, 2023). The second category includes changes that the Board made during the year to reflect new information regarding revenue sources and expenditure needs. The principal amendment in this case was an increase in the anticipated amount of State funding to be received. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

The District's General Fund balance of \$110,322,787 differs from the General Fund's budgetary fund balance of \$86,749,523 reported in the budgetary comparison schedule. For the year ended June 30, 2024, actual general fund expenditures on a budgetary basis were \$308,943,811, below the original budget expenditures of \$326,091,638 and the revised final budget of \$330,196,805. The majority of the actual variance of \$21,252,994 consists of savings achieved in payroll costs in several areas. Actual revenue on a budgetary basis was \$306,792,494 compared to the original budget of \$323,102,763 and a revised budget of \$305,730,653. The actual variance was only \$1,061,841.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the District had \$648,291,538 (net of accumulated depreciation) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net increase of \$265,630,891, or 19.2%, above last year.

This fiscal year’s major additions include:

| | |
|--|----------------------|
| Continuing construction costs on six new elementary schools, paid for with proceeds of general obligation bonds. | \$ 52,613,936 |
| Continuing construction costs on renovations/additions at an existing high school, paid for with proceeds of general obligation bonds. | 60,288,515 |
| Continuing construction costs on two new middle schools, paid for with proceeds of general obligation bonds. | 41,867,560 |
| Continuing construction costs on Pre-K additions at multiple campuses, paid for with proceeds of general obligation bonds. | 4,244,398 |
| Totaling | <u>\$159,014,409</u> |

More detailed information about the District's capital assets is presented in Note 4 to the financial statements.

Debt Administration

At year-end, the District had \$1,909,537,569 in bonds outstanding versus \$1,429,700,334 last year—an increase of 33.6%. New debt incurred during the fiscal period consists of two building bond series. The District’s underlying rating for unlimited tax bonds is “Aa2” by Moody’s, and “AA” by Fitch but is considered AAA as a result of guarantees of the Texas Permanent School Fund.

Other obligations include accrued vacation benefits. More detailed information about the District's long-term liabilities is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The District’s elected officials considered many factors when setting the fiscal year 2024 budget and tax rates, including the economy, student enrollment growth, and funding levels by the State of Texas.

The District has adopted a deficit budget of \$15,870,695 for 2024-2025 for the general fund. Budgeted revenues for the general fund are \$14,292,924 higher than actual 2023-2024 revenues, and budgeted expenditures are \$28,012,302 higher than actual 2023-2024 expenditures.

The District has adopted a \$8,682,490 surplus budget for 2024-2025 for the debt service fund. Budgeted revenues for the debt service fund are \$16,816,927 higher than actual 2023-2024 revenues and budgeted expenditures are \$25,522,237 higher than actual 2023-2024 expenditures.

The 2024 tax rate was set at \$1.0879 per \$100 valuation. (\$0.6669 maintenance and operations and \$0.4210 debt service). The maintenance and operations rate decreased from \$0.6692 the prior year and the debt service rate remained the same.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for funds the District receives. If you have questions about this report or need additional financial information, contact the District's business office, at Northwest Independent School District, P.O. Box 77070, Fort Worth, Texas 76177-0070.



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BASIC FINANCIAL STATEMENTS





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NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

EXHIBIT A-1

| Data Control Codes | Primary Government Governmental Activities |
|---|--|
| ASSETS | |
| 1110 Cash and Cash Equivalents | \$ 8,440,688 |
| 1120 Current Investments | 753,077,622 |
| 1220 Property Taxes - Delinquent | 5,879,182 |
| 1230 Allowance for Uncollectible Taxes | (440,939) |
| 1240 Due from Other Governments | 13,262,029 |
| 1250 Accrued Interest | 3,712,212 |
| 1290 Other Receivables, Net | 462,479 |
| 1300 Inventories | 145,639 |
| 1410 Prepayments | 1,579,686 |
| Capital Assets: | |
| 1510 Land | 99,193,027 |
| 1520 Buildings, Net | 889,575,716 |
| 1530 Furniture and Equipment, Net | 33,583,565 |
| 1540 Vehicles, Net | 11,421,242 |
| 1580 Construction in Progress | 614,517,988 |
| 1000 Total Assets | <u>2,434,410,136</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| 1701 Deferred Charge for Refunding | 62,980,117 |
| 1705 Deferred Outflow Related to TRS Pension | 44,186,429 |
| 1706 Deferred Outflow Related to TRS OPEB | 24,713,424 |
| 1700 Total Deferred Outflows of Resources | <u>131,879,970</u> |
| LIABILITIES | |
| 2110 Accounts Payable | 44,170,711 |
| 2140 Interest Payable | 30,214,506 |
| 2150 Payroll Deductions and Withholdings | 150,286 |
| 2160 Accrued Wages Payable | 31,335,228 |
| 2180 Due to Other Governments | 1,050,966 |
| 2200 Accrued Expenses | 132,179 |
| 2300 Unearned Revenue | 4,101,163 |
| Noncurrent Liabilities: | |
| 2501 Due Within One Year: Loans, Note, Leases, etc. | 53,835,287 |
| Due in More than One Year: | |
| 2502 Bonds, Notes, Loans, Leases, etc. | 2,037,597,624 |
| 2540 Net Pension Liability (District's Share) | 102,286,188 |
| 2545 Net OPEB Liability (District's Share) | 40,044,013 |
| 2000 Total Liabilities | <u>2,344,918,151</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| 2605 Deferred Inflow Related to TRS Pension | 5,337,751 |
| 2606 Deferred Inflow Related to TRS OPEB | 59,210,276 |
| 2600 Total Deferred Inflows of Resources | <u>64,548,027</u> |
| NET POSITION | |
| 3200 Net Investment in Capital Assets | 109,433,084 |
| 3850 Restricted for Debt Service | 91,884,965 |
| 3900 Unrestricted | (44,494,121) |
| 3000 Total Net Position | <u>\$ 156,823,928</u> |

The notes to the financial statements are an integral part of this statement.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

EXHIBIT B-1

| Data Control Codes | 1 | Program Revenues | | 6 Primary Gov. Governmental Activities |
|--|--|------------------------------|---|--|
| | | 3 Charges for Services | 4 Operating Grants and Contributions | |
| | Expenses | | | Net (Expense) Revenue and Changes in Net Position |
| Primary Government: | | | | |
| GOVERNMENTAL ACTIVITIES: | | | | |
| 11 Instruction | \$ 216,641,495 | \$ 1,546,696 | \$ 14,855,481 | \$ (200,239,318) |
| 12 Instructional Resources and Media Services | 4,435,852 | - | 180,066 | (4,255,786) |
| 13 Curriculum and Instructional Staff Development | 8,111,193 | - | 1,334,413 | (6,776,780) |
| 21 Instructional Leadership | 3,123,472 | - | 279,988 | (2,843,484) |
| 23 School Leadership | 20,131,835 | - | 1,045,711 | (19,086,124) |
| 31 Guidance, Counseling, and Evaluation Services | 15,349,325 | - | 4,591,738 | (10,757,587) |
| 32 Social Work Services | 552,268 | - | 23,375 | (528,893) |
| 33 Health Services | 3,855,430 | 197,397 | 230,655 | (3,427,378) |
| 34 Student (Pupil) Transportation | 15,013,291 | - | 3,906,239 | (11,107,052) |
| 35 Food Services | 16,536,041 | 8,978,135 | 6,585,654 | (972,252) |
| 36 Extracurricular Activities | 20,851,913 | 617,625 | 4,500,361 | (15,733,927) |
| 41 General Administration | 9,799,103 | 306,533 | 386,431 | (9,106,139) |
| 51 Facilities Maintenance and Operations | 38,505,894 | 1,691,680 | 1,730,466 | (35,083,748) |
| 52 Security and Monitoring Services | 4,284,594 | - | 236,162 | (4,048,432) |
| 53 Data Processing Services | 7,946,236 | - | 205,593 | (7,740,643) |
| 61 Community Services | 852,086 | - | 660,241 | (191,845) |
| 72 Debt Service - Interest on Long-Term Debt | 72,300,554 | - | 12,045,343 | (60,255,211) |
| 91 Contracted Instructional Services Between Schools | 857,545 | - | - | (857,545) |
| 93 Payments Related to Shared Services Arrangements | 1,022,404 | - | 882,022 | (140,382) |
| 95 Payments to Juvenile Justice Alternative Ed. Prg. | 17,363 | - | - | (17,363) |
| 97 Payments to Tax Increment Fund | 1,746,370 | - | - | (1,746,370) |
| 99 Other Intergovernmental Charges | 2,589,752 | - | - | (2,589,752) |
| [TP] TOTAL PRIMARY GOVERNMENT: | \$ 464,524,016 | \$ 13,338,066 | \$ 53,679,939 | (397,506,011) |
| Data Control Codes | General Revenues: | | | |
| | Taxes: | | | |
| MT | Property Taxes, Levied for General Purposes | | | 237,387,811 |
| DT | Property Taxes, Levied for Debt Service | | | 149,110,320 |
| SF | State Aid - Formula Grants | | | 37,106,954 |
| IE | Investment Earnings | | | 34,977,451 |
| MI | Miscellaneous Local and Intermediate Revenue | | | 249,712 |
| TR | Total General Revenues | | | 458,832,248 |
| CN | Change in Net Position | | | 61,326,237 |
| NB | Net Position - Beginning | | | 84,203,302 |
| PA | Prior Period Adjustment | | | 11,294,389 |
| NE | Net Position - Ending | | | \$ 156,823,928 |

The notes to the financial statements are an integral part of this statement.



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NORTHWEST INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

| Data Control Codes | 10 General Fund | 50 Debt Service Fund | 60 Capital Projects |
|--|-----------------------|----------------------------|---------------------------|
| ASSETS | | | |
| 1110 Cash and Cash Equivalents | \$ (22,248,147) | \$ 7,343,353 | \$ 6,318,284 |
| 1120 Investments - Current | 155,082,063 | 80,363,614 | 517,443,077 |
| 1220 Property Taxes - Delinquent | 3,924,707 | 1,954,475 | - |
| 1230 Allowance for Uncollectible Taxes | (294,353) | (146,586) | - |
| 1240 Due from Other Governments | 6,918,047 | 4,400,801 | - |
| 1250 Accrued Interest | - | - | 3,712,212 |
| 1260 Due from Other Funds | 4,326,898 | - | 166,063 |
| 1290 Other Receivables | 456,999 | - | - |
| 1300 Inventories | 145,639 | - | - |
| 1410 Prepayments | 1,574,641 | - | - |
| 1000 Total Assets | <u>\$ 149,886,494</u> | <u>\$ 93,915,657</u> | <u>\$ 527,639,636</u> |
| LIABILITIES | | | |
| 2110 Accounts Payable | \$ 3,352,981 | \$ - | \$ 39,908,833 |
| 2150 Payroll Deductions and Withholdings Payable | 150,286 | - | - |
| 2160 Accrued Wages Payable | 30,785,865 | - | - |
| 2170 Due to Other Funds | 166,063 | - | - |
| 2180 Due to Other Governments | 1,034,946 | 16,020 | - |
| 2200 Accrued Expenditures | - | - | - |
| 2300 Unearned Revenue | 33,268 | - | - |
| 2000 Total Liabilities | <u>35,523,409</u> | <u>16,020</u> | <u>39,908,833</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| 2601 Unavailable Revenue - Property Taxes | 4,040,298 | 2,014,672 | - |
| 2600 Total Deferred Inflows of Resources | <u>4,040,298</u> | <u>2,014,672</u> | <u>-</u> |
| FUND BALANCES | | | |
| Nonspendable Fund Balance: | | | |
| 3410 Inventories | 145,639 | - | - |
| 3430 Prepaid Items | 1,574,641 | - | - |
| Restricted Fund Balance: | | | |
| 3450 Federal or State Funds Grant Restriction | - | - | - |
| 3470 Capital Acquisition and Contractual Obligation | - | - | 486,819,946 |
| 3480 Retirement of Long-Term Debt | - | 91,884,965 | - |
| Committed Fund Balance: | | | |
| 3545 Other Committed Fund Balance | - | - | - |
| Assigned Fund Balance: | | | |
| 3550 2024-2025 Projected Budget Deficit | 15,870,695 | - | - |
| 3590 Other Assigned Fund Balance | - | - | 910,857 |
| 3600 Unassigned Fund Balance | 92,731,812 | - | - |
| 3000 Total Fund Balances | <u>110,322,787</u> | <u>91,884,965</u> | <u>487,730,803</u> |
| 4000 Total Liabilities, Deferred Inflows & Fund Balances | <u>\$ 149,886,494</u> | <u>\$ 93,915,657</u> | <u>\$ 527,639,636</u> |

The notes to the financial statements are an integral part of this statement.

| Other Funds | | Total Governmental Funds | |
|-------------|------------|--------------------------|-------------|
| \$ | 15,331,234 | \$ | 6,744,724 |
| | 188,868 | | 753,077,622 |
| | - | | 5,879,182 |
| | - | | (440,939) |
| | 1,943,181 | | 13,262,029 |
| | - | | 3,712,212 |
| | - | | 4,492,961 |
| | 4,119 | | 461,118 |
| | - | | 145,639 |
| | 5,045 | | 1,579,686 |
| \$ | 17,472,447 | \$ | 788,914,234 |
| | | | |
| \$ | 908,611 | \$ | 44,170,425 |
| | - | | 150,286 |
| | 549,363 | | 31,335,228 |
| | 4,247,020 | | 4,413,083 |
| | - | | 1,050,966 |
| | 53,014 | | 53,014 |
| | 4,012,879 | | 4,046,147 |
| | 9,770,887 | | 85,219,149 |
| | | | |
| | - | | 6,054,970 |
| | | | |
| | - | | 6,054,970 |
| | | | |
| | - | | 145,639 |
| | 5,045 | | 1,579,686 |
| | | | |
| | 3,952,551 | | 3,952,551 |
| | - | | 486,819,946 |
| | - | | 91,884,965 |
| | | | |
| | 3,749,009 | | 3,749,009 |
| | | | |
| | - | | 15,870,695 |
| | - | | 910,857 |
| | (5,045) | | 92,726,767 |
| | 7,701,560 | | 697,640,115 |
| \$ | 17,472,447 | \$ | 788,914,234 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2024

EXHIBIT C-2

| | |
|---|-----------------------|
| Total Fund Balances - Governmental Funds | \$ 697,640,115 |
| 1 Assets and liabilities of the internal service funds are not included in the fund financial statements. | 1,482,980 |
| 2 Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the fund financial statements. | 2,000,435,657 |
| 3 Accumulated depreciation is not reported in the fund financial statements. | (352,144,119) |
| 4 Bonds payable are not reported in the fund financial statements. | (1,909,537,569) |
| 5 Bond premiums are not recognized in the fund financial statements. | (180,031,805) |
| 6 Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due. | (30,214,506) |
| 7 Property tax revenue reported as unavailable revenue in the fund financial statements was recognized as revenue in the government-wide financial statements. | 6,054,970 |
| 8 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 in the amount of \$102,286,188, a Deferred Resource Inflow related to TRS in the amount of \$5,337,751, and a Deferred Resource Outflow related to TRS in the amount of \$44,186,429. This amounted to a decrease in Net Position in the amount of \$63,437,510. | (63,437,510) |
| 9 Included in the items related to debt is the recognition of the District's proportionate share of the net Other Post-Employment Benefit (OPEB) required by GASB 75 in the amount of \$40,044,013, a Deferred Resource Inflow related to TRS OPEB in the amount of \$59,210,276, and a Deferred Resource Outflow related to TRS OPEB in the amount of \$24,713,424. This amounted to a net decrease in Net Position in the amount of \$74,540,865. | (74,540,865) |
| 10 Deferred charge on bond refundings is not recognized in the fund financial statements. | 62,980,117 |
| 11 Accreted interest on capital appreciation bonds has not been recorded in the fund financial statements. | (286,841) |
| 12 Accrued vacation benefits have not been recorded in the fund financial statements. | (1,576,696) |
| 29 Net Position of Governmental Activities | \$ 156,823,928 |

The notes to the financial statements are an integral part of this statement.



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NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| Data Control Codes | 10 General Fund | 50 Debt Service Fund | 60 Capital Projects |
|--|-----------------------|----------------------------|---------------------------|
| REVENUES: | | | |
| 5700 Total Local and Intermediate Sources | \$ 252,412,512 | \$ 152,259,242 | \$ 23,841,845 |
| 5800 State Program Revenues | 53,477,874 | 9,606,321 | - |
| 5900 Federal Program Revenues | 902,108 | - | - |
| 5020 Total Revenues | 306,792,494 | 161,865,563 | 23,841,845 |
| EXPENDITURES: | | | |
| Current: | | | |
| 0011 Instruction | 180,153,224 | - | 2,079,897 |
| 0012 Instructional Resources and Media Services | 3,425,741 | - | 489,104 |
| 0013 Curriculum and Instructional Staff Development | 7,020,280 | - | - |
| 0021 Instructional Leadership | 2,952,323 | - | - |
| 0023 School Leadership | 18,392,656 | - | 43,940 |
| 0031 Guidance, Counseling, and Evaluation Services | 11,431,374 | - | 1,758 |
| 0032 Social Work Services | 542,653 | - | - |
| 0033 Health Services | 2,788,073 | - | 92,827 |
| 0034 Student (Pupil) Transportation | 13,028,641 | - | - |
| 0035 Food Services | - | - | - |
| 0036 Extracurricular Activities | 9,689,295 | - | 1,247,254 |
| 0041 General Administration | 9,468,875 | - | - |
| 0051 Facilities Maintenance and Operations | 33,947,065 | - | - |
| 0052 Security and Monitoring Services | 3,962,711 | - | 47,923 |
| 0053 Data Processing Services | 6,346,732 | - | - |
| 0061 Community Services | 208,158 | - | - |
| Debt Service: | | | |
| 0071 Principal on Long-Term Liabilities | - | 69,762,765 | - |
| 0072 Interest on Long-Term Liabilities | - | 74,665,157 | - |
| 0073 Bond Issuance Cost and Fees | - | 49,841 | 3,972,448 |
| Capital Outlay: | | | |
| 0081 Facilities Acquisition and Construction | 234,658 | - | 309,885,023 |
| Intergovernmental: | | | |
| 0091 Contracted Instructional Services Between Schools | 857,545 | - | - |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | 140,322 | - | - |
| 0095 Payments to Juvenile Justice Alternative Ed. Prg. | 17,363 | - | - |
| 0097 Payments to Tax Increment Fund | 1,746,370 | - | - |
| 0099 Other Intergovernmental Charges | 2,589,752 | - | - |
| 6030 Total Expenditures | 308,943,811 | 144,477,763 | 317,860,174 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | (2,151,317) | 17,387,800 | (294,018,329) |
| OTHER FINANCING SOURCES (USES): | | | |
| 7911 Capital Related Debt Issued | - | - | 549,600,000 |
| 7912 Sale of Real and Personal Property | 6,956 | - | - |
| 7915 Transfers In | 1,262,072 | - | - |
| 7916 Premium or Discount on Issuance of Bonds | - | - | 41,872,448 |
| 8911 Transfers Out (Use) | (10,599) | - | - |
| 7080 Total Other Financing Sources (Uses) | 1,258,429 | - | 591,472,448 |
| 1200 Net Change in Fund Balances | (892,888) | 17,387,800 | 297,454,119 |
| 0100 Fund Balance - July 1 (Beginning) | 111,215,675 | 74,497,165 | 190,276,684 |
| 3000 Fund Balance - June 30 (Ending) | \$ 110,322,787 | \$ 91,884,965 | \$ 487,730,803 |

The notes to the financial statements are an integral part of this statement.

| | | Total | |
|-------|------------|--------------|---------------|
| Other | | Governmental | |
| Funds | | Funds | |
| \$ | 13,723,856 | \$ | 442,237,455 |
| | 3,381,748 | | 66,465,943 |
| | 12,358,694 | | 13,260,802 |
| | 29,464,298 | | 521,964,200 |
| | 3,849,772 | | 186,082,893 |
| | 12,897 | | 3,927,742 |
| | 915,802 | | 7,936,082 |
| | 95,092 | | 3,047,415 |
| | 5,536 | | 18,442,132 |
| | 3,396,339 | | 14,829,471 |
| | - | | 542,653 |
| | 63,059 | | 2,943,959 |
| | 1,000 | | 13,029,641 |
| | 15,545,142 | | 15,545,142 |
| | 4,098,518 | | 15,035,067 |
| | 33,539 | | 9,502,414 |
| | - | | 33,947,065 |
| | 185,346 | | 4,195,980 |
| | 32,632 | | 6,379,364 |
| | 629,179 | | 837,337 |
| | - | | 69,762,765 |
| | - | | 74,665,157 |
| | - | | 4,022,289 |
| | - | | 310,119,681 |
| | - | | 857,545 |
| | 882,082 | | 1,022,404 |
| | - | | 17,363 |
| | - | | 1,746,370 |
| | - | | 2,589,752 |
| | 29,745,935 | | 801,027,683 |
| | (281,637) | | (279,063,483) |
| | - | | 549,600,000 |
| | - | | 6,956 |
| | 10,599 | | 1,272,671 |
| | - | | 41,872,448 |
| | - | | (10,599) |
| | 10,599 | | 592,741,476 |
| | (271,038) | | 313,677,993 |
| | 7,972,598 | | 383,962,122 |
| \$ | 7,701,560 | \$ | 697,640,115 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

EXHIBIT C-4

| | |
|---|-----------------------|
| Total Net Change in Fund Balances - Governmental Funds | \$ 313,677,993 |
| Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of reclassifying the current year capital asset additions is to increase net position. | 310,152,132 |
| Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position in the government-wide financial statements. | (44,521,241) |
| Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due. | (8,819,925) |
| Revenues from property taxes are deferred in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectable amounts, in the government-wide financial statements. | 554,448 |
| Current year amortization of the premium on bonds payable is not recorded in the fund financial statements, but is shown as a reduction in long-term debt in the government-wide financial statements. | 11,945,877 |
| Current year interest accretion on capital appreciation bonds is not recognized in the fund financial statements, but is shown as an increase in long-term debt in the government-wide financial statements. | 7,916,954 |
| The net income (loss) of internal service funds is not included in the fund financial statements but is reported with governmental activities in the government-wide financial statements. | 110,158 |
| Current year principal payments on bonds payable are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements. | 69,762,765 |
| Current year net changes in accrued vacation benefit obligations are shown as expenditures in the fund financial statements but are shown as reductions in long-term debt in the government-wide financial statements. | 8,110 |
| The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of 8/31/2023 caused the ending net position to increase in the amount of \$7,247,991. Contributions made before the measurement date but during the 2024 FY were also de-expended and recorded as a reduction in the net pension liability for the District. This caused an increase in the net position in the amount of \$1,243,492. These contributions were replaced with the District's pension expense for the year of \$18,620,443, which caused a decrease in net position. The impact of all of these is to decrease net position by \$10,128,960. | (10,128,960) |

The notes to the financial statements are an integral part of this statement.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

EXHIBIT C-4

| | |
|---|-----------------------------|
| The implementation of GASB 75 required that certain expenditures be de-expended and recorded as deferred resource outflows. TRS OPEB contributions during the current fiscal year caused the ending net position to increase in the amount of \$1,632,049. These contributions were replaced with the District's OPEB expense for the year, which was \$(5,164,339) and caused an increase in net position. The impact of both of these is to increase net position by \$6,796,388. | 6,796,388 |
| Current year amortization of deferred charge on bond refunding is not recorded in the fund financial statements, but is shown as a reduction of the deferred loss in the government-wide financial statements. | (4,656,014) |
| Proceeds from bond sales are recorded as other resources in the fund financial statements but are shown as an increase in long-term debt in the government-wide financial statements. | (549,600,000) |
| Premium received on bond sales are recorded as other resources in the fund financial statements but are shown as an increase in long-term debt in the government-wide financial statements. | (41,872,448) |
| Change in Net Position of Governmental Activities | <u><u>\$ 61,326,237</u></u> |

The notes to the financial statements are an integral part of this statement.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

| | Governmental Activities - |
|---------------------------|------------------------------------|
| | Total Internal Service Funds |
| <hr/> | |
| ASSETS | |
| Current Assets: | |
| Cash and Cash Equivalents | \$ 1,695,964 |
| Other Receivables | 1,361 |
| | <hr/> |
| Total Assets | 1,697,325 |
| | <hr/> |
| LIABILITIES | |
| Current Liabilities: | |
| Accounts Payable | 286 |
| Due to Other Funds | 79,878 |
| Accrued Expenses | 79,165 |
| Unearned Revenues | 55,016 |
| | <hr/> |
| Total Liabilities | 214,345 |
| | <hr/> |
| NET POSITION | |
| Unrestricted Net Position | 1,482,980 |
| | <hr/> |
| Total Net Position | \$ 1,482,980 |
| | <hr/> <hr/> |

The notes to the financial statements are an integral part of this statement.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | Governmental Activities - |
|---|------------------------------------|
| | Total Internal Service Funds |
| OPERATING REVENUES: | |
| Local and Intermediate Sources | \$ 2,122,204 |
| Total Operating Revenues | 2,122,204 |
| OPERATING EXPENSES: | |
| Professional and Contracted Services | 151,052 |
| Supplies and Materials | 145,242 |
| Other Operating Costs | 453,680 |
| Total Operating Expenses | 749,974 |
| Income Before Transfers | 1,372,230 |
| Transfers Out | (1,262,072) |
| Change in Net Position | 110,158 |
| Total Net Position - July 1 (Beginning) | 1,372,822 |
| Total Net Position - June 30 (Ending) | \$ 1,482,980 |

The notes to the financial statements are an integral part of this statement.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

EXHIBIT D-3

| | Governmental Activities - |
|--|------------------------------------|
| | Total Internal Service Funds |
| <u>Cash Flows from Operating Activities:</u> | |
| Cash Received from User Charges | \$ 2,169,819 |
| Cash Payments for Insurance Claims | (726,322) |
| Cash Payments for Other Operating Expenses | (149,367) |
| Net Cash Provided by Operating Activities | 1,294,130 |
| <u>Cash Flows from Non-Capital Financing Activities:</u> | |
| Transfers Out | (1,262,072) |
| Net Increase in Cash and Cash Equivalents | 32,058 |
| Cash and Cash Equivalents at Beginning of Year | 1,663,906 |
| Cash and Cash Equivalents at End of Year | \$ 1,695,964 |
| <u>Reconciliation of Operating Income to Net Cash</u> | |
| <u>Provided by Operating Activities:</u> | |
| Operating Income: | \$ 1,372,230 |
| Effect of Increases and Decreases in Current Assets and Liabilities: | |
| Decrease (increase) in Receivables | (1,360) |
| Increase (decrease) in Accounts Payable | (4,792) |
| Increase (decrease) in Due to Other Funds | 41,330 |
| Increase (decrease) in Accrued Expenses | (120,923) |
| Increase (decrease) in Unearned Revenues | 7,645 |
| Net Cash Provided by Operating Activities | \$ 1,294,130 |

The notes to the financial statements are an integral part of this statement.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024

| | Custodial Fund |
|---------------------------|--------------------------|
| <hr/> | |
| ASSETS | |
| Cash and Cash Equivalents | \$ 370,570 |
| Other Receivables | <u>972</u> |
| Total Assets | <u>371,542</u> |
| LIABILITIES | |
| Accounts Payable | <u>191</u> |
| Total Liabilities | <u>191</u> |
| NET POSITION | |
| Unrestricted Net Position | <u>371,351</u> |
| Total Net Position | <u><u>\$ 371,351</u></u> |

The notes to the financial statements are an integral part of this statement.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | Custodial Fund |
|---|--------------------------|
| ADDITIONS: | |
| Received from Student Groups | \$ 714,924 |
| Total Additions | <u>714,924</u> |
| DEDUCTIONS: | |
| Student Groups | <u>660,514</u> |
| Total Deductions | <u>660,514</u> |
| Change in Fiduciary Net Position | 54,410 |
| Total Net Position - July 1 (Beginning) | <u>316,941</u> |
| Total Net Position - June 30 (Ending) | <u><u>\$ 371,351</u></u> |

The notes to the financial statements are an integral part of this statement.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Northwest Independent School District (District) is a public educational agency operating under the applicable laws and regulations of the State of Texas. The District prepares its basic financial statements in conformity with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement of Auditing Standards No. 69* of the American Institute of Certified Public Accountants. Additionally, the District complies with the requirements of the appropriate version of the Texas Education Agency (TEA) *Financial Accountability System Resource Guide* (FASRG) and the requirements of contracts and grants of agencies from which it receives funds.

In 2002, the District implemented GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments* (GASB Statement No. 34), GASB Statement No. 37, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments: Omnibus* which provides additional guidance for the implementation of GASB Statement No. 34, and GASB Statement No. 38, *Certain Financial Statement Note Disclosures* which changes note disclosure requirements for governmental entities.

GASB Statement No. 34 established a new financial reporting model for state and local governments that included the addition of management's discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities and the use of account groups to the already required fund financial statements and notes. The GASB determined that fund accounting has and will continue to be essential in helping governments to achieve *fiscal accountability* and should, therefore, be retained. The GASB also determined that government-wide financial statements are needed to allow users of financial reports to assess a government's *operational accountability*. The new GASB model integrates fund-based financial reporting and government-wide financial reporting as complementary components of a single comprehensive financial reporting model.

The more significant accounting policies of the District are described below.

A. REPORTING ENTITY

The Board of Trustees, a seven member group elected by registered voters of the District, has fiscal accountability over all activities related to public elementary and secondary education within the jurisdiction of the District. The board of trustees are elected by the public. The trustees as a body corporate have the exclusive power and duty to govern and oversee the management of the public schools of the district. All powers and duties not specifically delegated by statute to the Texas Education Agency (Agency) or to the State Board of Education are reserved for the trustees, and the Agency may not substitute its judgment for the lawful exercise of those powers and duties by the trustees. The District is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards.

The District's basis financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Based on the aforementioned criteria, Northwest Independent School District has no component units.

B. BASIS OF PRESENTATION

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements, except that interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The District has presented the following major governmental funds:

1. **General Fund** - This fund is established to account for resources financing the fundamental operations of the District, in partnership with the community, in enabling and motivating students to reach their full potential. All revenues and expenditures not required to be accounted for in other funds are included here. This is a budgeted fund and any fund balances are considered resources available for current operations. Fund balances may be appropriated by the Board of Trustees to implement its responsibilities.
2. **Debt Service Fund** - This fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund. Any unused sinking fund balances are transferred to the General Fund after all of the related debt obligations have been met.
3. **Capital Projects Fund** - This fund is established to account for proceeds, from the sale of bonds and other resources to be used for Board authorized acquisition, construction, or renovation, as well as, furnishings and equipping of major capital facilities. Upon completion of a project, any unused bond proceeds are transferred to the Debt Service Fund and are used to retire related bond principal.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Additionally, the District reports the following fund types:

1. **Special Revenue Funds** - These funds are established to account for federally financed or expenditures legally restricted for specified purposes. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.
2. **Internal Service Funds** - The District utilizes Internal Service Funds to account for revenues and expenses related to services provided to parties inside the District on a cost reimbursement basis. These funds facilitate distribution of support costs to the users of support services. The District has internal service funds for its student devices, marketing & advertising activities and various self-insurance plans.
3. **Fiduciary Funds** – The District reports Custodial Funds as Fiduciary Funds. Custodial Funds are custodial in nature and account for activities of student and employee groups. Custodial Funds use the accrual basis of accounting to recognize assets and liabilities. The Custodial Funds exist with the explicit approval of, and are subject to revocation by, the Board.

The internal service funds are proprietary fund types. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS-Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS-Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

The revenue susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. All other Governmental Fund Type revenues are recognized when received.

Revenues from state and federal grants are recognized as earned when the related program expenditures are incurred. Funds received but unearned are reflected as unearned revenues, and funds expended but not yet received are shown as receivables.

Revenue from investments, including governmental external investment pool, is based upon fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Most investments are reported at amortized cost when the investments have remaining maturities of one year or less at time of purchase. External investment pools are permitted to report short-term debt investments at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer, or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

In accordance with the FAR, the District has adopted and installed an accounting system which exceeds the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Accounting Code Section of the FAR.

D. BUDGETS

Legal requirements for school district budgets are formulated by the state, TEA, and the local district. The Board adopts an "appropriated budget" on a basis consistent with GAAP for the general fund, debt service fund and child nutrition program (which is included in special revenue funds). At a minimum, the District is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for these three funds.

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

- Prior to June 19th, the District prepares a budget based on the planning-programming budgeting method for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

- After one or more budget workshops with the Board, a meeting is called for the purpose of adopting the proposed budget. At least ten days but not more than 30 days public notice of the meeting is required.
- Prior to June 30th the Board of Trustees legally adopts the budget for the general fund, debt service fund and child nutrition program.
- After the budget for the above listed funds is approved, any amendment that causes an increase or decrease in a fund or functional spending category or total revenue or other resources object category requires Board approval prior to the fact. These amendments are presented to the Board at its regular monthly meeting and are reflected in the official minutes. Because the District has a policy of careful budgetary control, several budgetary amendments were necessary throughout the year. Budget amendments throughout the year were not significant.
- Expenditure budgets are controlled at the expenditure functional and object level by the appropriate budget manager (principal, department director or divisional administrator).

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at June 30 and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget.

E. CASH AND CASH EQUIVALENTS

The cash and cash equivalents portion of this caption in the accompanying fund financial statements is comprised of demand accounts, imprest funds and money market savings accounts. The District maintains a demand account on an imprest basis through which most obligations are paid. Checking account balances for most government fund expenditures are pooled into one demand account.

All District's deposits are legally insured by the Federal Deposit Insurance Corporation and additionally protected by appropriate pledges of securities issued by the State of Texas, other Texas municipalities or the Federal government. Income from investments reported in one fund is not assigned directly to another fund.

F. PREPAID ITEMS

Prepaid balances are for payments made by the District in the current year to provide services occurring in the subsequent fiscal year, and prepaid items are shown as nonspendable fund balance to signify that they are not available for other subsequent expenditures. Prepaid balances are reported using the consumption method, in which the prepaid item is recorded as an asset when paid and is charged to expenditure or expense each fiscal year in an amount equal to the related benefits received that year.

G. INVENTORIES

The consumption method is used to account for inventories of food products, school supplies and athletic equipment. Under this method, these items are carried in an inventory account of the respective fund at cost, using the first-in, first-out method of accounting and are subsequently charged to expenditures when consumed. In the General Fund, reported inventories are offset by a fund balance reserve indicating that they are unavailable as current expendable financial resources.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

H. CAPITAL ASSETS

Capital assets, which includes property, plant, equipment, and infrastructure assets, are reported in the governmental activities column of the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are reported at acquisition value. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment. When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed.

Assets capitalized have an original cost of \$5,000 or more and over one-year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

| | |
|-------------------------|------------|
| Land | N/A |
| Buildings | 50 Years |
| Building improvements | 1-20 Years |
| Furniture and equipment | 7 Years |
| Computer equipment | 3-5 Years |
| Vehicles | 7 Years |

In May 2021, GASB Implementation Guide No. 2021-1 updated guidance to require the capitalization of purchases of certain groups of assets with individual values less than the capitalization threshold, effective for fiscal years beginning after June 15, 2023. In prior years, the District had expended purchase of groups of assets with individual values less than the District's capitalization threshold.

I. COMPENSATED ABSENCES

The District requires overtime compensation to be paid or taken in the form of compensatory time off. The District generally does not allow hourly employees to carry forward unused vacation time.

Effective July 1, 2000 the District's full-time employees in positions that require twelve months of service are eligible for two weeks of vacation with pay annually. This vacation is accrued at the rate of five-sixths of a day for each month of employment, for a maximum of forty days. As of June 30, 2024 the amount accrued and vested was \$1,576,696 and is reported as a long-term debt in the accompanying financial statements. Typically, the general fund is used to liquidate the liability for compensated absences.

| Beginning Balance | | | Ending Balance |
|-----------------------------|-------------------------|-------------------------|-----------------------------|
| <u>June 30, 2023</u> | <u>Increases</u> | <u>Decreases</u> | <u>June 30, 2024</u> |
| <u>\$1,584,806</u> | <u>\$761,297</u> | <u>\$769,407</u> | <u>\$1,576,696</u> |

The District allows employees to carry forward unused sick leave to subsequent years. Unused sick leave is not paid to employees upon retirement or termination, therefore the District has not recorded a liability for accumulated sick leave.

J. CASH EQUIVALENTS

For purposes of the statement of cash flows, investments are considered to be cash equivalents if they are highly liquid with original maturities of three months or less.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

K. NET POSITION

Net position represents the difference between assets, deferred outflows, deferred inflows and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciations, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

L. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows and inflows of resources are reported in the statement of financial position as described below:

A deferred outflow of resources is a consumption of a government's net assets (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

Deferred outflows of resources for refunding - Reported in the government-wide statement of net position, the deferred charge on bond refundings results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount of deferred outflows reported in the governmental activities for the deferred charge on bond refundings at June 30, 2024 was \$62,980,117.

Deferred outflows of resources for pension - Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan which is currently approximately 5.6705 years.

A deferred outflow for pension expense results from payments made to the TRS pension plan by the District after the plan's measurement date. The amount of deferred outflows reported in the governmental activities for deferred pension expenses at June 30, 2024 was \$44,186,429.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Deferred outflows of resources for OPEB- Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of differences between expected and actual investment earnings and changes in proportionate share. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The other OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan which is currently approximately 9.2215 years. The amount of deferred outflows reported in the governmental activities for deferred OPEB expense at June 30, 2024 was \$24,713,424.

A deferred inflow of resources is an acquisition of a government's net assets (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reported property taxes that are unavailable as deferred inflows of resources in the fund financial statements. The amount of deferred inflows of resources reported in the governmental funds at June 30, 2024 was \$6,054,970.

Deferred inflows of resources for pension - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments. These amounts will be amortized over a closed five year period. In fiscal year 2024, the District reported deferred inflows of resources for pensions in the governmental activities in the amount of \$5,337,751.

Deferred inflows of resources for OPEB - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between expected and actual experience and from changes in assumptions. These amounts will be amortized over the average expected remaining service life (AERSL) of all members (9.2215 years for the 2023 measurement year). In fiscal year 2024, the District reported deferred inflows of resources for OPEB in the governmental activities in the amount of \$59,210,276.

N. FINANCIAL REPORTING MODEL

The District follows the financial reporting model for state and local governments that includes the addition of management's discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities to the already required fund financial statements and notes.

The GASB determined that fund accounting has and will continue to be essential in helping governments to achieve *fiscal accountability* and should, therefore, be retained. The GASB also determined that government-wide financial statements are needed to allow users of financial reports to assess a government's *operational accountability*. The GASB model integrates fund-based financial reporting and government-wide financial reporting as complementary components of a single comprehensive financial reporting model.

As a result, the financial statements include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. The government-wide financial statements split the District programs between governmental and business-type activities.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
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O. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal 2024, the district purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

P. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Q. DATA CONTROL CODES

The data control codes refer to the account code structure prescribed by TEA in the *Financial Accountability System Resource Guide*. The TEA requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide database for policy development and funding plans.

NOTE 2. FUND BALANCE

The District has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

Fund Balance Classification: The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified prepaid items as being nonspendable as these items are not expected to be converted to cash.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Capital projects fund resources are to be used for future construction and renovation projects and are restricted through bond orders and constitutional law.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees have committed resources as of June 30, 2024 for campus activities.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District. Under the District's adopted policy, the Board of Trustees may assign amounts for specific purposes but it has also delegated authority to assign fund balance to the Superintendent. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has assigned fund balance as of June 30, 2024 for future construction needs.
- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance for the General Fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

During the current fiscal period, the Board of Trustees adopted a fund balance policy that expresses an intent to maintain a level of assigned and unassigned fund balance in the general fund equal to 25 percent of the fund's operating expenditures.

The details of the fund balances are included in the Governmental Funds Balance Sheet (pages 44 and 45) and are described below:

General Fund

The General Fund has unassigned fund balance of \$92,731,812 at June 30, 2024. Prepaid items of \$1,574,641 and inventories of \$145,639 are considered nonspendable fund balance. \$15,870,965 has been assigned for a 2024-2025 projected budget deficit.

Other Major Funds

The Debt Service Fund has restricted funds of \$91,884,965 at June 30, 2024 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Capital Projects Fund has restricted funds of \$486,819,946 at June 30, 2024 consisting primarily of unspent bond funds, and \$910,857 set aside for capital replacements.

Other Funds

The fund balance of \$3,680,238 of the Campus Activity Fund, \$26,242 in the NISD Education Foundation, and \$42,529 in Other Local Funds (all special revenue funds) are shown as committed due to Board policy committing those funds to those purposes. The fund balance of \$3,952,551 in the Child Nutrition Fund is shown as restricted for the food service program.

NOTE 3. DEPOSITS AND INVESTMENTS

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. Cash Deposits:

At June 30, 2024, the carrying amount of the District's deposits checking accounts and interest-bearing savings accounts was \$8,811,258 and the bank balance was \$12,903,099. The District's deposits at June 30, 2024 and all times during the current fiscal year were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

In compliance with the Public Funds Investment Act, the District has adopted a deposit and investment policy. That policy addresses the following risks:

- a. Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2024, the District's cash balances totaled \$12,903,099. This entire amount was either secured by pledged securities held by the District's financial institution's agent in the District's name or covered by FDIC insurance. Thus, the District's deposits are not exposed to custodial credit risk.
- b. Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Public Funds Investment Act and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

At June 30, 2024, the District held its investments in the Texpool investment pool, U.S. Government Securities and commercial paper. Investments in external investment pools are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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- c. **Credit Risk** - This is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The District controls and monitors this risk by purchasing quality rated instruments that have been evaluated by agencies such as Standard and Poor's or Moody's Investors Service. The District's policy manages credit risk by authorizing only the safest types of investments backed by the federal or state government or their obligations and/or with ratings from nationally recognized rating firms of at least AA or its equivalent. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The credit quality rating for TexPool at year-end was AAAm (Standard & Poor's).
- d. **Interest Rate Risk** - This is the risk that changes in interest rates will adversely affect the fair value of an investment. GASB 40 requires that interest rate risk be disclosed using one of the five approved methods. The five methods are: segmented time distribution, specific identification, weighted average maturity (WAM), duration, and simulation model. Different methods may be presented for different types of investments. The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for the TexPool investments is less than 60 days. The District has no formal policy related to interest rate risk.
- e. **Foreign Currency Risk** - This is the risk that exchange rates will adversely affect the fair value of an investment. At June 30, 2024, the District was not exposed to foreign currency risk.
- f. **Concentration of Credit Risk** - This is the risk of loss attributed to the magnitude of the District's investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. Investment pools are excluded from the 5 percent disclosure requirement. The investment policy of the District contains no limitations on the amount that can be invested in any one issuer.
- g. **Public funds investment pools in Texas ("Pools")** are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the fair value of its underlying investment portfolio within one half of one percent of the value of its shares.

The District's investments in Pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

The District's investments at June 30, 2024, are shown below:

| Name | Carrying Amount | Fair Value |
|----------------------------|----------------------|----------------------|
| TexPool investment pool | \$404,619,032 | \$404,619,032 |
| U.S. Government Securities | 250,000,000 | 250,000,000 |
| Certificates of Deposit | 25,000,000 | 25,000,000 |
| Commercial paper | 73,458,590 | 73,458,590 |
| Total | <u>\$753,077,622</u> | <u>\$753,077,622</u> |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Fair Value Measurements

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

| <u>Fair Value Measurements Using</u> | | | | |
|--|-----------------------|---|--|--|
| | Balance at | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| <u>Investments by Fair Value level:</u> | <u>6/30/24</u> | | | |
| US Government Securities | \$250,000,000 | \$250,000,000 | \$ - | \$ - |
| Commercial paper | 73,458,590 | 73,458,590 | | |
| Certificates of deposit | <u>25,000,000</u> | <u>25,000,000</u> | <u>-</u> | <u>-</u> |
| Total | <u>\$348,458,590</u> | <u>\$348,458,590</u> | <u>\$ -</u> | <u>\$ -</u> |

The District estimates the fair value of these investments using inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

The District's investment in TexPool (a statewide 2a7-like external investment pool) is not required to be measured at fair value but are measured at amortized cost. There are no limitations or restrictions on participant withdrawals.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows:

| | Balance July 1 | Additions/ Completions | Retirement/ Adjustments | Balance June 30 |
|---|-------------------------|---------------------------|----------------------------|-------------------------|
| Governmental Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 80,143,979 | \$ 19,049,048 | \$ - | \$ 99,193,027 |
| Construction in Progress | <u>360,789,246</u> | <u>262,899,198</u> | <u>(9,170,456)</u> | <u>614,517,988</u> |
| Total capital assets, not being depreciated | <u>440,933,225</u> | <u>281,948,246</u> | <u>(9,170,456)</u> | <u>713,711,015</u> |
| Capital assets, being depreciated: | | | | |
| Buildings and Improvements | 1,186,807,862 | 10,285,857 | - | 1,197,093,719 |
| Furniture and Equipment | 37,175,987 | 27,012,640 | - | 64,188,627 |
| Vehicles | <u>25,366,451</u> | <u>75,845</u> | <u>-</u> | <u>25,442,296</u> |
| Total capital assets, being depreciated | <u>1,249,350,300</u> | <u>37,374,342</u> | <u>-</u> | <u>1,286,724,642</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and Improvements | (275,854,626) | (31,663,377) | - | (307,518,003) |
| Furniture and Equipment | (19,894,086) | (10,710,976) | - | (30,605,062) |
| Vehicles | <u>(11,874,166)</u> | <u>(2,146,888)</u> | <u>-</u> | <u>(14,021,054)</u> |
| Total accumulated depreciation | <u>(307,622,878)</u> | <u>(44,521,241)</u> | <u>-</u> | <u>(352,144,119)</u> |
| Total capital assets being depreciated, net | <u>941,727,422</u> | <u>(7,146,899)</u> | <u>-</u> | <u>934,580,523</u> |
| Governmental activities capital assets, net | <u>\$ 1,382,660,647</u> | <u>\$ 274,801,347</u> | <u>\$ (9,170,456)</u> | <u>\$ 1,648,291,538</u> |

Construction in progress includes the following primary construction contracts in progress as of June 30, 2024:

| Project | Estimated Cost to Complete | Expended to Date | Balance to Complete |
|---|-------------------------------|----------------------|------------------------|
| Elementary School Construction (2) | \$ 80,995,000 | \$ 80,563,196 | \$ 431,804 |
| Elementary School Construction (2) | 73,293,000 | 72,060,843 | 1,232,157 |
| Elementary School Construction | 40,440,000 | 39,645,340 | 794,660 |
| Middle School Construction | 69,500,000 | 69,104,478 | 395,522 |
| Middle School Replacement | 91,486,023 | 85,099,030 | 6,386,993 |
| High School Renovations & Additions | 166,319,288 | 127,921,231 | 38,398,057 |
| Pre-K Additions | 25,487,425 | 25,272,592 | 214,833 |
| Administration Building Construction | 94,225,882 | 19,737,415 | 74,488,467 |
| Elementary & Early Childhood Construction | 52,636,154 | 5,260,438 | 47,375,716 |
| HVAC Replacements – Multiple Campuses | 31,393,372 | 17,799,259 | 13,594,113 |
| Lighting Retrofits – Multiple Campuses | 8,210,437 | 5,085,489 | 3,124,948 |
| Distribution Center Construction | <u>4,297,000</u> | <u>559,091</u> | <u>3,737,909</u> |
| Total | <u>\$738,283,581</u> | <u>\$548,108,402</u> | <u>\$190,175,179</u> |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Depreciation expense was charged as direct expense to programs of the District as follows:

| | |
|--|---------------------|
| Governmental activities: | |
| Instruction | \$27,224,297 |
| Instructional Resources & Media Services | 439,345 |
| Curriculum & Instructional Staff Development | 2,916 |
| School Leadership | 1,261,828 |
| Guidance, Counseling & Evaluation Services | 28,129 |
| Health Services | 842,530 |
| Student Transportation | 1,798,949 |
| Food Services | 990,899 |
| Cocurricular/Extracurricular Activities | 5,692,567 |
| General Administration | 174,147 |
| Plant Maintenance and Operations | 4,500,226 |
| Data Processing Services | 1,495,725 |
| Security & Monitoring | 67,711 |
| Community Services | <u>1,972</u> |
| Total depreciation expense-Governmental activities | <u>\$44,521,241</u> |

Land and construction in progress are not depreciated.

NOTE 5. LONG-TERM DEBT

Long-term debt includes twenty-one series of general obligation bonds, accreted interest on capital appreciation bonds, premiums on issuance of debt and compensated absences. All long-term debt represents transactions in the District's governmental activities.

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas (SID), which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the District.

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

The following is a summary of the changes in the District's Long-term Debt for the year ended June 30, 2024:

| <u>Description</u> | <u>Interest Rate Payable</u> | <u>Amount Original Issue</u> | <u>Amounts Outstanding 7/1/2023</u> | <u>Additions</u> | <u>Refunded/ Retired</u> | <u>Amounts Outstanding 6/30/2024</u> | <u>Due Within One Year</u> |
|-------------------------------|--------------------------------------|--------------------------------------|---|-----------------------|------------------------------|--|------------------------------------|
| Bonded Indebtness: | | | | | | | |
| 2008 Bldg/Ref CAB | 2.43-4.89% | 209,661 | \$ 6,046 | \$ - | \$ 3,477 | \$ 2,569 | \$ 2,569 |
| 2013A Refunding | 3.00-5.00% | 44,180,000 | 3,130,000 | - | 3,130,000 | - | - |
| 2014 Building | 2.00-5.00% | 66,300,000 | 3,695,000 | - | 375,000 | 3,320,000 | 540,000 |
| 2015 Refunding | 2.00-5.00% | 83,565,000 | 19,115,000 | - | 3,535,000 | 15,580,000 | 3,825,000 |
| 2015 Building | 1.00-5.00% | 67,435,000 | 2,500,000 | - | 500,000 | 2,000,000 | 500,000 |
| 2015A Refunding | 5.00% | 118,740,000 | 47,340,000 | - | 10,840,000 | 36,500,000 | 11,530,000 |
| 2015B Refunding | 1.50-5.00% | 82,115,000 | 33,550,000 | - | 8,845,000 | 24,705,000 | 9,495,000 |
| 2016 Refunding | 1.00-5.00% | 49,510,000 | 27,820,000 | - | 515,000 | 27,305,000 | 530,000 |
| 2016A Refunding | 2.00-5.00% | 64,870,000 | 44,715,000 | - | 1,315,000 | 43,400,000 | 1,375,000 |
| 2017 Building | 2.25-5.00% | 90,520,000 | 18,565,000 | - | 100,000 | 18,465,000 | 100,000 |
| 2017 Refunding | 2.00-5.00% | 29,825,000 | 27,435,000 | - | 1,890,000 | 25,545,000 | 2,015,000 |
| 2018 Building | 3.00-5.00% | 94,890,000 | 84,700,000 | - | 1,235,000 | 83,465,000 | 1,245,000 |
| 2019 Building | 3.00-5.00% | 92,450,000 | 79,750,000 | - | 1,840,000 | 77,910,000 | 1,110,000 |
| 2019 Refunding | 2.42-5.00% | 96,759,995 | 92,845,000 | - | 1,015,000 | 91,830,000 | 1,100,000 |
| 2020 Bldg/Refunding | 4.00-5.00% | 181,545,000 | 173,005,000 | - | 1,640,000 | 171,365,000 | 2,235,000 |
| 2020A Refunding | 1.84-5.00% | 172,280,000 | 172,280,000 | - | - | 172,280,000 | 4,405,000 |
| 2021 Building | 3.00-5.00% | 183,060,000 | 156,765,000 | - | 875,000 | 155,890,000 | 920,000 |
| 2022 Refunding | 3.293-5.00% | 132,280,000 | 132,280,000 | - | - | 132,280,000 | - |
| 2022 Refunding CAB | 1.743-2.013% | 8,984,904 | 2,664,288 | - | 2,664,288 | - | - |
| 2022 Building | 4.00-5.00% | 192,345,000 | 161,975,000 | - | - | 161,975,000 | - |
| 2022A Building | 5.00% | 145,565,000 | 145,565,000 | - | 7,455,000 | 138,110,000 | - |
| 2023 Building | | 377,455,000 | - | 377,455,000 | 7,505,000 | 369,950,000 | - |
| 2024 Building | | 172,145,000 | - | 172,145,000 | 14,485,000 | 157,660,000 | - |
| Total Bonded Indebtness | | | <u>1,429,700,334</u> | <u>549,600,000</u> | <u>69,762,765</u> | <u>1,909,537,569</u> | <u>40,927,569</u> |
| Accreted Interest | 4.10-5.20% | | 8,203,795 | 155,281 | 8,072,235 | 286,841 | 286,841 |
| Premiums on Bond Issuance | | | 150,105,234 | 41,872,448 | 11,945,877 | 180,031,805 | 11,945,877 |
| Accrued Vacation Benefits | | | <u>1,584,806</u> | <u>761,297</u> | <u>769,407</u> | <u>1,576,696</u> | <u>675,000</u> |
| Total Other Obligations | | | <u>159,893,835</u> | <u>42,789,026</u> | <u>20,787,519</u> | <u>181,895,342</u> | <u>12,907,718</u> |
| Total Obligations of District | | | <u>\$ 1,589,594,169</u> | <u>\$ 592,389,026</u> | <u>\$ 90,550,284</u> | <u>\$ 2,091,432,911</u> | <u>\$ 53,835,287</u> |

The District issues general obligation bonds for the governmental activities to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. Current principal and interest requirements are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District and interest earnings. Certain outstanding bonds may be redeemed at their par value prior to their normal maturity dates in accordance with the terms of the related bond indentures. The District has never defaulted on any principal or interest payment. Governmental funds typically have been used in prior years to liquidate the liability for accrued vacation benefits.

There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions at June 30, 2024.

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 6. DEBT SERVICE REQUIREMENTS - BONDS

Debt service requirements to maturity are as follows:

| <u>Year Ended</u> <u>June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> <u>Requirements</u> |
|--------------------------------------|------------------------|------------------------|-------------------------------------|
| 2025 | \$ 40,927,569 | \$ 80,572,017 | \$ 121,499,586 |
| 2026 | 43,165,000 | 78,551,667 | 121,716,667 |
| 2027 | 48,615,000 | 76,412,967 | 125,027,967 |
| 2028 | 50,925,000 | 74,022,467 | 124,947,467 |
| 2029 | 51,760,000 | 71,497,967 | 123,257,967 |
| 2030-2034 | 311,525,000 | 320,736,046 | 632,261,046 |
| 2035-2039 | 388,565,000 | 255,759,231 | 644,324,231 |
| 2040-2044 | 509,955,000 | 170,365,919 | 680,320,919 |
| 2045-2049 | 464,100,000 | 57,035,163 | 521,135,163 |
| | <u>\$1,909,537,569</u> | <u>\$1,184,953,444</u> | <u>\$3,094,491,013</u> |

NOTE 7. DEFEASED BONDS OUTSTANDING

In prior years, the District issued refunding bonds to defease certain outstanding bonds for the purpose of consolidation and to achieve debt service savings. The District placed the proceeds from the refunding issues in irrevocable escrow accounts with a trust agent to ensure payment of debt service on the refunded bonds.

Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. Although defeased, the refunded debt from those earlier issues will not be actually retired until the call dates have come due or until maturity if they are not callable issues. On June 30, 2024, \$479,775,000 of bonds outstanding are considered defeased.

NOTE 8. PROPERTY TAXES

The Texas Legislature in 1979 adopted a comprehensive Property Tax Code which established an appraisal district and an appraisal review board in each county in the State of Texas. Denton Central Appraisal District (DCAD) is responsible for the appraisal of property for all taxing units in Denton County, including the District. Under the terms of a contract for appraisal services, the District paid \$2,589,752 in fiscal year 2024 for appraising property.

The District levies its taxes on October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. The appraisal and recording of all property within the District is the responsibility of the Denton Central Appraisal District (DCAD), an independent government unit with a board of directors appointed by the taxing jurisdictions within the county and funded from assessments against those taxing jurisdictions. DCAD is required by law to assess property at 100% of its appraised value. Real property must be reappraised at least every two years. Under certain circumstances taxpayers and taxing units, including the District, may challenge orders of the DCAD Review Board through various appeals and, if necessary, legal action. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll upon which the levy for the 2023-24 fiscal year was based was \$35,359,923,684. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges plus 15 % delinquent collection fees for attorney costs.

The tax rates assessed for the year ended June 30, 2024, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$0.6692 and \$0.4210 per \$100 valuation, respectively, for a total of \$1.0902 per \$ 100 valuation.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
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Current tax collections for the year ended June 30, 2024 were 99.33% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of June 30, 2024, property taxes receivable, net of estimated uncollectible taxes, totaled \$3,924,707 and \$1,954,475 for the General and Debt Service Funds, respectively. The uncollectible allowance has been estimated at 7.5% of outstanding property taxes at June 30, 2024.

Property taxes are recorded as receivables and as unavailable revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes become available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay current liabilities. Taxes not expected to be collected within sixty days of the fiscal year ending are recorded as unavailable revenues and are recognized when they become available. Taxes collected prior to the levy date to which they apply are recorded as unavailable revenues and recognized as revenue of the period to which they apply.

NOTE 9. DEFINED BENEFIT PENSION PLAN

Plan Description. Northwest Independent School District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position. Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://trs.texas.gov/pages/aboutpublications.aspx>, by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512)542-6592.

Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered under a previous rule. There are no automatic post-employment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in this manner are determined by the System's actuary.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Contributions. Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 thru 2025.

| | <u>Contribution Rates</u> | |
|---|----------------------------------|--------------------|
| | <u>2023</u> | <u>2024</u> |
| Member | 8.00% | 8.25% |
| Non-Employer Contributing Entity (State) | 8.00% | 8.25% |
| Employers | 8.00% | 8.25% |
| | | |
| Northwest ISD FY2024 Employer Contributions | | \$ 8,491,483 |
| Northwest ISD FY2024 Member Contributions | | \$ 17,439,436 |
| Northwest ISD FY2024 NECE On-Behalf Contributions | | \$ 10,037,632 |

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including the TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers including public schools are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding source or a privately sponsored source, from non-educational and general, or local funds.
- All public schools must contribute 1.8 percent of the member's salary beginning in fiscal year 2023, gradually increasing to 2 percent in fiscal year 2025.

In addition to the employer contributions listed above, there are additional surcharges an employer is subject to.

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Actuarial Assumptions. The total pension liability in the August 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

| | |
|--|---|
| Valuation Date | August 31, 2022 rolled forward to August 31, 2023 |
| Actuarial Cost Method | Individual Entry Age Normal |
| Asset Valuation Method | Fair Value |
| Single Discount Rate | 7.00% |
| Long-term expected Investment Rate of Return | 7.00% |
| Municipal Bond Rate as of August 2023 | 4.13% |
| Inflation | 2.30% |
| Salary Increases Including Inflation | 2.95% to 8.95% |
| Benefit Changes During the Year | None |
| Ad hoc Post Employment Benefit Changes | None |

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2022. For a full description of these assumptions please see the actuarial valuation report dated November 22, 2022.

Discount Rate. A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.50 percent of payroll in fiscal year 2024 gradually increasing to 9.56 percent in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension 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 benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.00%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2023 are summarized below:

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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| Asset Class | Target Allocation ¹ | Long-Term Expected Arithmetic Real Rate of Return ² | Expected Contribution To Long-Term Portfolio Returns |
|------------------------------|--------------------------------|--|--|
| Global Equity | | | |
| U.S. | 18% | 4.0% | 1.00% |
| Non-U.S. Developed | 13% | 4.5% | 0.90% |
| Emerging Markets | 9% | 4.8% | 0.70% |
| Private Equity | 14% | 7.0% | 1.50% |
| Stable Value | | | |
| Government Bonds | 16% | 2.5% | 0.50% |
| Absolute Return ⁴ | 0% | 3.6% | 0.00% |
| Stable Value Hedge Funds | 5% | 4.1% | 0.20% |
| Real Return | | | |
| Real Estate | 15% | 4.9% | 1.10% |
| Energy, Natural Resources | 6% | 4.8% | 0.40% |
| Commodities | 0% | 4.4% | 0.00% |
| Risk Parity | | | |
| Risk Parity | 8% | 4.5% | 0.40% |
| Leverage | | | |
| Cash | 2% | 3.7% | 0.00% |
| Asset Allocation Leverage | -6% | 4.4% | -0.10% |
| Inflation Expectation | - | | 2.30% |
| Volatility Drag ³ | - | | -0.90% |
| Total | <u>100%</u> | | <u>8.00%</u> |

Discount Rate Sensitivity Analysis. The following table presents the Net Pension Liability of the plan using the discount rate of 7.00 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate.

| | 1% Decrease in Discount Rate (6.00%) | Discount Rate (7.00%) | 1% Increase in Discount Rate (8.00%) |
|---|--------------------------------------|-----------------------|--------------------------------------|
| Northwest ISD's proportionate share of the net pension liability: | \$152,923,511 | \$102,286,188 | \$60,181,217 |

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, Northwest Independent School District reported a liability of \$102,286,188 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Northwest Independent School District. The amount recognized by Northwest Independent School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with Northwest Independent School District were as follows:

| | |
|--|----------------------|
| District's Proportionate share of the collective net pension liability | \$102,286,188 |
| State's proportionate share that is associated with the District | <u>134,135,501</u> |
| Total | <u>\$236,421,689</u> |

¹ Target allocations are based on the FY23 policy model.

² Capital Market Assumptions come from Aon Hewitt (as of 06/30/2023).

³ The volatility drag results from the conversion between arithmetic and geometric mean returns.

⁴ Absolute Return includes credit sensitive investments.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The net pension liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2022 thru August 31, 2023.

At August 31, 2023 the employer's proportion of the collective net pension liability was 0.1489091061%, an increase of 13.11% from its proportionate share of 0.1316555845% at August 31, 2022.

Changes in Assumptions and Benefits Since the Prior Actuarial Valuation.

The actuarial assumptions and methods are the same as used in the determination of the prior year's net pension liability.

The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers. The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the net pension liability of TRS. In addition, the Legislature also provided for a cost of living adjustment (COLA) to retirees which was approved during the November 2023 elections which will be paid in January, 2024. Therefore, this contingent liability was not reflected as of August 31, 2023.

The amount of pension expense recognized by Northwest Independent School District in the reporting period was \$13,713,709.

For the year ended June 30, 2024 Northwest Independent School District recognized pension expense of \$20,253,300 and revenue of \$20,253,300 for support by the State.

At June 30, 2024, Northwest Independent School District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (The amounts shown below will be the cumulative layers from the current and prior years combined.):

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual economic experience | \$ 3,644,491 | \$1,238,574 |
| Changes in actuarial assumptions | 9,674,270 | 2,367,514 |
| Difference between projected and actual investment earnings | 14,885,123 | - |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 8,734,554 | 1,731,663 |
| Contributions paid to TRS subsequent to the measurement date | 7,247,991 | - |
| Total | \$44,186,429 | \$5,337,751 |

The net amounts of the District's balances of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date) related to pensions will be recognized in pension expense as follows:

| Year ended June 30: | Pension Expense Amount | Balance of Deferred Outflows (Deferred Inflows) |
|---------------------|------------------------|--|
| 2025 | \$ 6,764,079 | \$ 24,836,608 |
| 2026 | 4,286,405 | 20,550,203 |
| 2027 | 13,968,892 | 6,581,311 |
| 2028 | 5,271,934 | 1,309,377 |
| 2029 | 1,309,377 | - |
| Thereafter | - | - |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 10. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

Plan Description. The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS- Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan with a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position. Detail information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.texas.gov/pages/aboutpublications.aspx>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided. TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for retirees are reflected in the following table:

| TRS-Care Monthly for Retirees | | |
|--------------------------------------|------------------------|----------------------------|
| | <u>Medicare</u> | <u>Non-Medicare</u> |
| Retiree* | \$ 135 | \$ 200 |
| Retiree and Spouse | 529 | 689 |
| Retiree* and Children | 468 | 408 |
| Retiree and Family | 1,020 | 999 |

* or surviving spouse

Contributions. Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon active employee compensation. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of salary. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act, which is 0.75 percent of each active employee's pay for fiscal year 2023. The following table shows contributions to the TRS-Care plan by type of contributor.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
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| | <u>Contribution Rates</u> | |
|---|---------------------------|-------------|
| | <u>2023</u> | <u>2024</u> |
| Active Employee | 0.65% | 0.65% |
| Non-Employer Contributing Entity (State) | 1.25% | 1.25% |
| Employers | 0.75% | 0.75% |
| Federal/private Funding remitted by Employers | 1.25% | 1.25% |
| Northwest ISD FY24 Employer Contributions | \$1,632,049 | |
| Northwest ISD FY24 Member Contributions | \$1,380,595 | |
| Northwest ISD FY24 NECE On-behalf Contributions | \$1,893,358 | |

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to, regardless of whether or not they participate in the TRS Care OPEB program. When hiring a TRS retiree, employers are required to pay to TRS Care, a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$21.3 million in fiscal year 2023 provided by Rider 14 of the Senate Bill GAA of the 87th Legislature. These amounts were re-appropriated from amounts received by the pension and TRS-Care funds in excess of the state's actual obligation and then transferred to TRS-Care.

Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2022. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2023

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2021.

The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

| | |
|----------------------|---------------------|
| Rates of Mortality | General Inflation |
| Rates of Retirement | Wage Inflation |
| Rates of Termination | Rates of Disability |

The active mortality rates were based on PUB (2010), Amount-Weighted, Below-Median Income, Teacher male and female tables (with a two-year set forward for males). The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from the mortality projection scale MP-2021.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Additional Actuarial Methods and Assumptions:

| | |
|--|--|
| Valuation Date | August 31, 2022 rolled forward to August 31, 2023 |
| Actuarial Cost Method | Individual Entry Age Normal |
| Inflation | 2.30% |
| Single Discount Rate | 4.13% |
| Aging Factors | Based on specific plan experience |
| Expenses | Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs |
| Projected Salary Increases | 2.95% to 8.95%, including inflation |
| Election Rates | Normal Retirement: 62% participation prior to age 65 and 25% participation after age 65 |
| Ad hoc post-employment benefit changes | None |

Discount Rate. A single discount rate of 4.13% was used to measure the total OPEB liability. There was an increase of 0.22 percent in the discount rate since the previous year. Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the single discount rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2023 using the fixed-income market data/yield curve/data municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.13%) in measuring the Net OPEB Liability.

| | 1% Decrease in Discount Rate (3.13%) | Current Single Discount Rate (4.13%) | 1% Increase in Discount Rate (5.13%) |
|---|---|---|---|
| District’s proportionate share of the Net OPEB Liability: | \$47,163,508 | \$40,044,013 | \$34,234,337 |

Healthcare Cost Trend Rates Sensitivity Analysis - The following schedule shows the impact of the net OPEB liability if a healthcare trend rate that is one-percentage less than or one-percentage point greater than the health trend rates is assumed.

| | 1% Decrease in Healthcare Trend Rate | Current Single Healthcare Trend Rate | 1% Increase in Healthcare Trend Rate |
|---|---|---|---|
| District’s proportionate share of the Net OPEB Liability: | \$32,974,240 | \$40,044,013 | \$49,139,294 |

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2024, the District reported a liability of \$40,044,013 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District.

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

| | |
|---|---------------------|
| District's Proportionate share of the collective Net OPEB Liability | \$40,044,013 |
| State's proportionate share that is associated with the District | <u>\$48,319,257</u> |
| Total | <u>\$88,363,270</u> |

The Net OPEB Liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2022 thru August 31, 2023.

At August 31, 2023 the employer's proportion of the collective Net OPEB Liability was 0.1808811160%, an increase of 10.80% compared to the August 31, 2022 proportionate share of 0.1632546389%.

Changes Since the Prior Actuarial Valuation – The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period:

- The discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023, accompanied by revised demographic and economic assumptions based on the TRS experience study.

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

The amount of OPEB expense recognized by the District in the reporting period was \$3,839,935.

For the year ended June 30, 2024, the District recognized OPEB expense of \$(10,329,637) and revenue of \$(10,329,637) for support provided by the State.

At June 30, 2024, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits related to OPEB from the following sources (the amounts shown below will be the cumulative layers for the current and prior years combined.):

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual economic experience | \$ 1,811,688 | \$33,689,452 |
| Changes in actuarial assumptions | 5,465,716 | 24,520,012 |
| Difference between projected and actual investment earnings | 17,302 | - |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 16,040,381 | 1,000,812 |
| Contributions paid to TRS subsequent to the measurement date | 1,378,337 | - |
| Total | \$24,713,424 | \$59,210,276 |

The net amounts of the employer's balances of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date) related to OPEB will be recognized in OPEB expense as follows:

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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| Year ended June 30: | OPEB Expense Amount | Balance of Deferred Outflows (Deferred Inflows) |
|---------------------|---------------------|---|
| 2025 | \$ (8,4005,766) | \$ (27,469,423) |
| 2026 | (6,569,126) | (20,900,297) |
| 2027 | (4,082,637) | (16,817,660) |
| 2028 | (5,710,052) | (11,107,608) |
| 2029 | (5,393,930) | (5,713,678) |
| Thereafter | (5,713,678) | - |

NOTE 11. MEDICARE PART D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended June 30, 2024, the contribution made on behalf of the District was \$1,235,725.

NOTE 12. INTERFUND BALANCES AND TRANSFERS

Interfund balances at June 30, 2024, were as follows:

| <u>Fund</u> | <u>Advances to Other Funds</u> | <u>Advances from Other Funds</u> |
|------------------------|------------------------------------|--------------------------------------|
| General Fund: | | |
| Capital Projects Fund | \$ - | \$ 166,063 |
| Special Revenue Funds | 4,247,020 | - |
| Internal Service Fund | 79,878 | - |
| Capital Projects Fund: | | |
| General Fund | 166,063 | - |
| Special Revenue Funds: | | |
| General Fund | - | 4,247,020 |
| Internal Service Fund: | | |
| General Fund | - | 79,878 |
| TOTAL | <u>\$ 4,492,961</u> | <u>\$ 4,492,961</u> |

Virtually all of the above interfund balances are short-term loans due to the fact that checking account balances for most governmental funds are not pooled into one account. There are no interfund balances that are not expected to be repaid within one year.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Interfunds transfers in the governmental funds for the year ended June 30, 2024 consisted of the following individual amounts:

| <u>Fund</u> | <u>Transfer to Other Funds</u> | <u>Transfers from Other Funds</u> |
|------------------------|------------------------------------|---------------------------------------|
| General Fund: | | |
| Special Revenue Fund | \$ 10,599 | \$ - |
| Internal Service Fund | | 1,262,072 |
| Special Revenue Fund: | | |
| General Fund | - | 10,599 |
| Internal Service Fund: | | |
| General Fund | <u>1,262,072</u> | <u>-</u> |
| TOTAL | <u>\$ 1,272,671</u> | <u>\$ 1,272,671</u> |

The purpose of the \$1,262,072 transfer was to transfer excess funds from the workers compensation and unemployment internal service funds to the general fund for use in reducing the operating deficit. The purpose of the \$10,599 transfer is to transfer funds from the general fund to the child nutrition fund to cover negative student account balances.

NOTE 13. SELF-INSURANCE

During the period ended June 30, 2024, employees of Northwest Independent School District were covered by the TRS-ActiveCare health insurance plan administered by Teacher Retirement System of Texas (a fully insured plan). The District contributed \$325 per month per employee to the Plan and employees, at their option, authorized payroll withholdings to pay any additional contribution and contributions for dependents.

Prior to July 1, 2021, the District sponsored a self-insurance plan to provide health care benefits to staff members and their dependents. Transactions related to the plan were accounted for in an internal service fund of the District. All employer and employee contributions were retained by the District, and health claim payments were processed by a Third-Party Administrator (TPA) acting on behalf of the District. That plan was terminated on June 30, 2021 with the change to TRS-ActiveCare.

Workers' Compensation. Effective July 1, 2012 the District changed from a fully insured arrangement with Deep East Texas Insurance Company into a self-insurance plan to provide worker compensation benefits to staff.

Worker Compensation self-insured payments are currently processed by a third party administrator acting on behalf of the District. The District's third party administrator for workers' compensation is York/JI Companies. Changes in the balances of claims liabilities for the District's self-insured workers compensation insurance fund during the fiscal year are as follows:

| | <u>Fiscal Year Ended June 30, 2023</u> | <u>Fiscal Year Ended June 30, 2024</u> |
|------------------------------------|---|---|
| Unpaid claims, beginning | \$ 300,005 | \$ 200,088 |
| Incurred claims (including IBNR's) | 183,061 | 265,047 |
| Claims Payments | <u>(282,978)</u> | <u>(385,970)</u> |
| Unpaid claims, ending | <u>\$ 200,088</u> | <u>\$ 79,165</u> |

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Estimates of claims payable and of claims incurred, but not reported at June 30, 2024 are reflected as accounts payable and accrued expenses in the medical and workers compensation insurance fund. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. The plan is funded to discharge liabilities of the Fund as they become due.

Based on the lag claim history of each fund, the unpaid claims liabilities are shown as current liabilities in the accompanying financial statements and are expected to result in actual payments in the subsequent year.

NOTE 14. DISAGGREGATION OF RECEIVABLES AND PAYABLES

Receivables at June 30, 2024, were as follows:

| | Property Taxes | Other Governments | Due From Other Funds | Other | Total Receivables |
|---|---------------------|----------------------|-------------------------|---------------------|----------------------|
| Governmental Activities: | | | | | |
| General Fund | \$ 3,924,707 | \$ 6,918,046 | \$ 4,326,898 | \$ 456,999 | \$ 15,626,650 |
| Debt Service Fund | 1,954,475 | 4,400,801 | - | - | 6,355,276 |
| Capital Projects Fund | - | - | 166,063 | 3,712,212 | 3,878,275 |
| Special Revenue Fund | - | 1,975,803 | - | 4,118 | 1,979,921 |
| Total - Governmental Activities | <u>\$ 5,879,182</u> | <u>\$ 13,294,650</u> | <u>\$ 4,492,961</u> | <u>\$ 4,173,329</u> | <u>\$ 27,840,122</u> |
| Amounts not scheduled for collection during the subsequent year | <u>\$ 440,939</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 440,939</u> |

Payables at June 30, 2024, were as follows:

| | Accounts | Salaries and Benefits | Due to Other Funds | Due to Other Governments | Total Payables |
|--|----------------------|-----------------------------|-----------------------|--------------------------------|----------------------|
| Governmental Activities: | | | | | |
| General Fund | \$ 3,352,981 | \$ 30,936,151 | \$ 166,063 | \$ 1,034,946 | \$ 35,490,141 |
| Debt Service Fund | - | - | - | 16,020 | 16,020 |
| Capital Projects Fund | 39,908,833 | - | - | - | 39,908,833 |
| Special Revenue Funds | 908,611 | 549,363 | 4,247,020 | - | 5,704,994 |
| Total - Governmental Activities | <u>\$ 44,170,425</u> | <u>\$ 31,485,514</u> | <u>\$ 4,413,083</u> | <u>\$ 1,050,966</u> | <u>\$ 81,119,988</u> |
| Amounts not scheduled for payment during the subsequent year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

NOTE 15. DUE FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of June 30, 2024, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due from Other Governments.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

| Fund | State Grant & Entitlements | Federal Grants | Local Governments | Total |
|-----------------|-------------------------------|---------------------|----------------------|----------------------|
| General | \$ 5,603,444 | \$ - | \$ 1,314,603 | \$ 6,918,047 |
| Debt Service | 4,400,801 | - | - | 4,400,801 |
| Special Revenue | 715,499 | 1,260,304 | - | 1,975,803 |
| Total | <u>\$ 10,719,744</u> | <u>\$ 1,260,304</u> | <u>\$ 1,314,603</u> | <u>\$ 13,294,651</u> |

NOTE 16. CONTINGENT LIABILITIES

The Tax Reform Act of 1986 imposed regulations on tax-exempt bond issues. Governmental bonds issued after August 31, 1986 are subject to the rebate provisions of the Tax Reform Act of 1986. The rebate applies to earnings from bond issue proceeds investments which exceed bond issue stated interest rates. The exact amount of liability, if any, is not known until as long as five years from the bond issuance date. At June 30, 2024, the estimated rebate liability on outstanding bond series was zero.

NOTE 17. LITIGATION AND CONTINGENCIES

The District is a party to various legal actions none of which is believed by administration to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying combined financial statements for such contingencies.

Minimum foundation funding received from the Agency is based primarily upon information concerning average daily attendance at the District's schools which is compiled by the District and supplied to the Agency. Federal funding for Food Services under child nutrition programs is based primarily upon the number and type of meals served and on user charges as reported to the USDA. Federal and state funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made in compliance with program guidelines to the grantor agencies.

The programs are governed by various statutory rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's administration, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the accompanying financial statements for such contingencies.

The Denton Central Appraisal District is a defendant in various lawsuits involving the property values assigned to property located within the District's boundaries on which the District assesses property taxes. The District could be required to refund property taxes paid on values which were greater than the ultimate final assessed valuation assigned by the court. Such lawsuits could continue several years into the future.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 18. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

During the current year, revenues from local and intermediate sources consisted of the following:

| | General Fund | Special Revenue Fund | Debt Service Fund | Capital Projects Fund | Total |
|---|-----------------------|-------------------------|-----------------------|--------------------------|-----------------------|
| Property taxes | \$ 236,851,847 | \$ - | \$ 148,727,719 | \$ - | \$ 385,579,566 |
| Food sales | - | 8,978,135 | - | - | 8,978,135 |
| Investment income | 7,754,126 | 420,727 | 3,465,480 | 23,757,845 | 35,398,178 |
| Penalties, interest and other tax related income | 303,779 | - | 60,338 | - | 364,117 |
| Co-curricular student activities | 617,625 | 4,220,563 | - | - | 4,838,188 |
| TIF funds | 1,984,595 | - | - | - | 1,984,595 |
| Tuition and fees | 1,546,696 | - | - | - | 1,546,696 |
| Gifts and bequests | 10,000 | 104,431 | - | - | 114,431 |
| Facilities rentals | 1,622,225 | - | - | - | 1,622,225 |
| Erate revenue | 1,509,113 | - | - | - | 1,509,113 |
| Insurance proceeds | 69,455 | - | - | - | 69,455 |
| Other | 143,051 | - | 5,705 | 84,000 | 232,756 |
| Total | <u>\$ 252,412,512</u> | <u>\$ 13,723,856</u> | <u>\$ 152,259,242</u> | <u>\$ 23,841,845</u> | <u>\$ 442,237,455</u> |

NOTE 19. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

| | General Fund | Special Revenue Fund | Total |
|-------------------------------|------------------|-------------------------|---------------------|
| State Instructional Materials | \$ - | \$ 3,331,558 | \$ 3,331,558 |
| Student Lunch Accounts | - | 372,025 | 372,025 |
| Pre-K Tuition | 33,268 | - | 33,268 |
| Medicaid Admin Claim | - | 186,614 | 186,614 |
| Summer School LEP | - | 49,106 | 49,106 |
| Advanced Placement Incentives | - | 16,656 | 16,656 |
| Math Academies | - | 1,750 | 1,750 |
| Other Special Revenue Funds | - | 55,170 | 55,170 |
| Total | <u>\$ 33,268</u> | <u>\$ 4,012,879</u> | <u>\$ 4,046,147</u> |

NOTE 20. GENERAL FUND FEDERAL SOURCE REVENUES

| <u>Program or Source</u> | <u>Total Grant or Entitlement</u> |
|--------------------------------|---------------------------------------|
| General Fund: | |
| Medicaid Reimbursement (SHARS) | \$197,396 |
| Impact Aid | 454,427 |
| Indirect Costs | <u>250,285</u> |
| Total for General Fund | <u>\$902,108</u> |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 21. EXCESS OF EXPENDITURES OVER APPROPRIATIONS BY FUNCTION

The Texas Education Agency requires the budgets for the Governmental fund types to be filed with the Texas Education Agency. The budget should not be exceeded in any functional category under TEA requirements. Expenditures exceeded appropriations in no functional categories for the year ended June 30, 2024.

NOTE 22. SHARED SERVICE ARRANGEMENTS

The District participates in shared service arrangements for the Title I, Part C Migrant program. The District does not account for revenues or expenditures in these programs and does not disclose them in these financial statements. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, Region XI ESC, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would give rise to a future additional benefit or burden to Northwest Independent School District. The fiscal agent manager is responsible for all financial activities of the shared services arrangements.

The District is an SSA member of the Fort Worth Independent School District's Regional Day School Program for the Deaf as well as, the Denton Regional Day School Program for the Deaf and the Birdville Regional Day School Program for the Deaf. The District does not account for revenues or expenditures in these programs and does not disclose them in these financial statements. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agents, Fort Worth ISD, Denton ISD and Birdville ISD, nor does the District have a net equity interest in the fiscal agents. The fiscal agents are neither accumulating significant financial resources nor fiscal exigencies that would give rise to a future additional benefit or burden to Northwest Independent School District. The fiscal agent managers' are responsible for all financial activities of the shared services arrangements.

The District participates in a shared services arrangement for juvenile justice alternative education services with several other school districts. Although the District contributes to the shared services arrangement based on its participation, the District does not account for revenues or expenditures in this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant resources nor fiscal exigencies that would give rise to a future additional benefit or burden to Northwest ISD. The fiscal agent manager is responsible for all financial activities of the shared services arrangement. During the year ended June 30, 2024, the District contributed \$17,363 to the fiscal agent as its share of the costs of the joint venture.

The District is the fiscal agent for a shared services arrangement that provides in member districts for student with autism. Three districts participate in the shared service arrangement. The participation of each district is determined on a year-to-year basis. The District, as fiscal agent, is responsible for coordinating distribution of funds awarded under an autism grant awarded by the State, based on services provided to students with autism by member districts. According to guidance provided in TEA's Resource Guide, the District accounts for the fiscal agent's activities of the shared services arrangement in special revenue fund 437 using Model 3 in the SSA section of the Resource Guide. During the year ended June 30, 2024, there was \$1,310,698 of expenditures related to this autism grant.

NOTE 23. EXPENDITURES BY CHARACTER

Section 21.256, Texas Education Code, requires an annual audit and authorizes the State Board of Education, with the approval of the State Auditor, to prescribe minimum regulations and report forms for the annual audit. The Financial Accounting System Resource Guide of the Texas Education Agency prescribes the forms and formats to be filed with the Texas Education Agency. The prescribed format of the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Funds, requires expenditures to be classified by function, meaning capital outlay directly associated with a particular function is charged to that function.

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Expenditures by fund and character are as follows:

| | Governmental Fund Types | | | | Total (Memorandum Only) |
|-----------------------------|-------------------------|----------------------------|-------------------------|-----------------------------|-------------------------------|
| | General Fund | Special Revenue Fund | Debt Service Fund | Capital Projects Fund | |
| Current | \$308,676,702 | \$29,745,935 | \$ - | \$ 4,002,703 | \$342,425,340 |
| Capital Outlay | 267,109 | - | - | 309,885,023 | 310,152,132 |
| Debt Service: | | | | | |
| Principal | - | - | 69,762,765 | - | 69,762,765 |
| Interest and Fiscal Charges | - | - | 74,714,998 | 3,972,448 | 78,687,446 |
| Total Expenditures | <u>\$308,943,811</u> | <u>\$29,745,935</u> | <u>\$144,477,763</u> | <u>\$317,860,174</u> | <u>\$801,027,683</u> |

NOTE 24. SUBSEQUENT EVENT

On August 15, 2024 the District sold \$370,710,000 of unlimited tax building bonds for use in facilities construction and renovation activities of the District.

NOTE 25. TAX ABATEMENTS

In accordance with GASB Statement No. 77, the District did not have any outstanding tax abatements for the year ended June 30, 2024.

NOTE 26. LEASES

In June 2017, GASB issued Statement No. 87 - Leases. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The initial adoption date was postponed to fiscal years beginning after June 15, 2021 (FY2022) by GASB Statement No. 95 - Postponement of the Effective Dates of Certain Authoritative Guidance, which was issued in May of 2020.

Per review of the agreements identified by the District as potential leases, the leases were determined to either not meet the definition of a lease or were immaterial to the financial statements.

NOTE 27. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

In May 2020, GASB issued Statement No. 96 – Subscription-Based Information Technology Arrangements (“SBITA”). This statement increases the usefulness of governments' financial statements by requiring recognition of certain right-to-use subscription assets and corresponding subscription liabilities for SBITAs that were previously recognized as outflows of resources based on the payment provisions of the contract. The statement is effective for fiscal years beginning after June 15, 2022.

Per review of the information technology arrangements identified by the District as potential SBITAs, the arrangements were determined to either not meet the definition of a SBITA, or were immaterial to the financial statements.

NOTE 28. PRIOR PERIOD ADJUSTMENT

As described in Note 1, during the current fiscal year the District implemented GASB Implementation Guide No. 2021-1 which updated guidance concerning the capitalization of purchases of group of assets with individual values less than the District's capitalization threshold. As part of the implementation, the District recorded a prior period adjustment for \$11,294,389 increasing the beginning net position of the Governmental Activities. The net prior period adjustment was the result of an increase in capital assets of \$15,871,336 offset by an increase in accumulated depreciation of \$4,576,947.



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***REQUIRED SUPPLEMENTARY
INFORMATION***



NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

| Data Control Codes | Budgeted Amounts | | Actual Amounts (GAAP BASIS) | Variance With Final Budget Positive or (Negative) |
|--|------------------|----------------|-----------------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| 5700 Total Local and Intermediate Sources | \$ 289,822,026 | \$ 252,101,178 | \$ 252,412,512 | \$ 311,334 |
| 5800 State Program Revenues | 29,124,213 | 51,271,232 | 53,477,874 | 2,206,642 |
| 5900 Federal Program Revenues | 4,156,524 | 2,358,243 | 902,108 | (1,456,135) |
| 5020 Total Revenues | 323,102,763 | 305,730,653 | 306,792,494 | 1,061,841 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0011 Instruction | 176,926,336 | 189,905,756 | 180,153,224 | 9,752,532 |
| 0012 Instructional Resources and Media Services | 3,289,059 | 3,548,024 | 3,425,741 | 122,283 |
| 0013 Curriculum and Instructional Staff Development | 7,621,726 | 7,616,792 | 7,020,280 | 596,512 |
| 0021 Instructional Leadership | 3,162,174 | 3,264,602 | 2,952,323 | 312,279 |
| 0023 School Leadership | 18,488,017 | 18,834,008 | 18,392,656 | 441,352 |
| 0031 Guidance, Counseling, and Evaluation Services | 12,520,340 | 12,111,873 | 11,431,374 | 680,499 |
| 0032 Social Work Services | 579,207 | 591,166 | 542,653 | 48,513 |
| 0033 Health Services | 2,779,171 | 2,970,292 | 2,788,073 | 182,219 |
| 0034 Student (Pupil) Transportation | 12,918,112 | 15,649,020 | 13,028,641 | 2,620,379 |
| 0036 Extracurricular Activities | 9,538,966 | 11,016,950 | 9,689,295 | 1,327,655 |
| 0041 General Administration | 9,089,630 | 10,060,830 | 9,468,875 | 591,955 |
| 0051 Facilities Maintenance and Operations | 33,688,876 | 35,679,530 | 33,947,065 | 1,732,465 |
| 0052 Security and Monitoring Services | 3,927,326 | 4,227,669 | 3,962,711 | 264,958 |
| 0053 Data Processing Services | 6,547,312 | 6,483,202 | 6,346,732 | 136,470 |
| 0061 Community Services | 203,660 | 238,529 | 208,158 | 30,371 |
| Debt Service: | | | | |
| 0071 Principal on Long-Term Liabilities | - | 250,000 | - | 250,000 |
| Capital Outlay: | | | | |
| 0081 Facilities Acquisition and Construction | 370,582 | 352,896 | 234,658 | 118,238 |
| Intergovernmental: | | | | |
| 0091 Contracted Instructional Services Between Schools | 19,500,000 | 1,389,938 | 857,545 | 532,393 |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | 135,000 | 175,323 | 140,322 | 35,001 |
| 0095 Payments to Juvenile Justice Alternative Ed. Prg. | 45,000 | 42,363 | 17,363 | 25,000 |
| 0097 Payments to Tax Increment Fund | 2,011,144 | 2,196,370 | 1,746,370 | 450,000 |
| 0099 Other Intergovernmental Charges | 2,750,000 | 3,591,672 | 2,589,752 | 1,001,920 |
| 6030 Total Expenditures | 326,091,638 | 330,196,805 | 308,943,811 | 21,252,994 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | (2,988,875) | (24,466,152) | (2,151,317) | 22,314,835 |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7912 Sale of Real and Personal Property | - | - | 6,956 | 6,956 |
| 7915 Transfers In | - | - | 1,262,072 | 1,262,072 |
| 8911 Transfers Out (Use) | - | - | (10,599) | (10,599) |
| 7080 Total Other Financing Sources (Uses) | - | - | 1,258,429 | 1,258,429 |
| 1200 Net Change in Fund Balances | (2,988,875) | (24,466,152) | (892,888) | 23,573,264 |
| 0100 Fund Balance - July 1 (Beginning) | 111,215,675 | 111,215,675 | 111,215,675 | - |
| 3000 Fund Balance - June 30 (Ending) | \$ 108,226,800 | \$ 86,749,523 | \$ 110,322,787 | \$ 23,573,264 |



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NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

| | FY 2024 Plan Year 2023 | FY 2023 Plan Year 2022 | FY 2022 Plan Year 2021 |
|--|---------------------------|---------------------------|---------------------------|
| District's Proportion of the Net Pension Liability (Asset) | 0.148909106% | 0.131655584% | 0.128660246% |
| District's Proportionate Share of Net Pension Liability (Asset) | \$ 102,286,188 | \$ 78,160,535 | \$ 32,765,212 |
| State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District | 134,135,501 | 114,767,744 | 51,157,357 |
| Total | <u>\$ 236,421,689</u> | <u>\$ 192,928,279</u> | <u>\$ 83,922,569</u> |
| District's Covered Payroll | \$ 192,647,930 | \$ 170,724,834 | \$ 166,313,393 |
| District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | 53.09% | 45.78% | 19.70% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 73.15% | 75.62% | 88.79% |

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2023 for year 2024, August 31, 2022 for year 2023, August 31, 2021 for year 2022, August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

| FY 2021 Plan Year 2020 | FY 2020 Plan Year 2019 | FY 2019 Plan Year 2018 | FY 2018 Plan Year 2017 | FY 2017 Plan Year 2016 | FY 2016 Plan Year 2015 | FY 2015 Plan Year 2014 |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| 0.125821173% | 0.136715977% | 0.130173473% | 0.125247008% | 0.11808398% | 0.1196401% | 0.0821466% |
| \$ 67,387,254 | \$ 71,069,239 | \$ 71,650,639 | \$ 40,047,246 | \$ 44,622,180 | \$ 42,291,183 | \$ 21,942,493 |
| 108,111,233 | 97,809,096 | 99,195,944 | 57,248,134 | 66,264,758 | 62,165,127 | 26,943,583 |
| \$ 175,498,487 | \$ 168,878,335 | \$ 170,846,583 | \$ 97,295,380 | \$ 110,886,938 | \$ 104,456,310 | \$ 48,886,076 |
| \$ 157,134,281 | \$ 146,925,846 | \$ 134,532,007 | \$ 126,800,958 | \$ 117,539,637 | \$ 109,517,942 | \$ 103,155,465 |
| 42.89% | 48.37% | 53.26% | 31.58% | 37.96% | 38.62% | 21.27% |
| 75.54% | 75.24% | 73.74% | 82.17% | 78.00% | 78.43% | 83.25% |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

| | 2024 | 2023 | 2022 |
|---|----------------|----------------|----------------|
| Contractually Required Contribution | \$ 8,491,483 | \$ 7,343,685 | \$ 6,033,066 |
| Contribution in Relation to the Contractually Required Contribution | (8,491,483) | (7,343,685) | (6,033,066) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - |
| District's Covered Payroll | \$ 212,398,231 | \$ 188,560,294 | \$ 168,992,602 |
| Contributions as a Percentage of Covered Payroll | 4.00% | 3.89% | 3.57% |

Note: GASB Codification, Vol. 2, P20.183 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

| 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| \$ 5,142,060 | \$ 5,114,363 | \$ 4,804,304 | \$ 4,317,863 | \$ 4,048,709 | \$ 3,703,805 | \$ 3,291,771 |
| (5,142,060) | (5,114,363) | (4,804,304) | (4,317,863) | (4,048,709) | (3,703,805) | (3,291,771) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| \$ 161,406,461 | \$ 156,279,846 | \$ 144,894,154 | \$ 133,094,908 | \$ 125,214,930 | \$ 116,272,847 | \$ 109,517,942 |
| 3.19% | 3.27% | 3.32% | 3.24% | 3.23% | 3.19% | 3.01% |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

| | FY 2024 Plan Year 2023 | FY 2023 Plan Year 2022 | FY 2022 Plan Year 2021 |
|---|---------------------------|---------------------------|---------------------------|
| District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits | 0.18088111% | 0.16325463% | 0.160169428% |
| District's Proportionate Share of Net OPEB Liability (Asset) | \$ 40,044,013 | \$ 39,089,699 | \$ 61,784,506 |
| State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District | 48,319,257 | 47,683,292 | 82,777,469 |
| Total | <u>\$ 88,363,270</u> | <u>\$ 86,772,991</u> | <u>\$ 144,561,975</u> |
| District's Covered Payroll | \$ 192,647,930 | \$ 170,724,834 | \$ 166,313,393 |
| District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll | 20.79% | 22.90% | 37.15% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 14.94% | 11.52% | 6.18% |

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. The amounts for FY 2024 are for the measurement date of August 31, 2023. The amounts for FY 2023 are for the measurement date of August 31, 2022. The amounts reported for FY 2022 are for measurement date August 31, 2021. The amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

| FY 2021 Plan Year 2020 | | FY 2020 Plan Year 2019 | | FY 2019 Plan Year 2018 | | FY 2018 Plan Year 2017 | |
|---------------------------|-------------|---------------------------|-------------|---------------------------|-------------|---------------------------|-------------|
| 0.160341574% | | 0.162979034% | | 0.151517618% | | 0.138470178% | |
| \$ | 60,953,073 | \$ | 77,074,785 | \$ | 75,654,134 | \$ | 60,215,486 |
| 81,906,320 | | 102,415,145 | | 119,591,064 | | 103,611,938 | |
| \$ | 142,859,393 | \$ | 179,489,930 | \$ | 195,245,198 | \$ | 163,827,424 |
| \$ | 157,134,281 | \$ | 146,925,846 | \$ | 134,532,007 | \$ | 126,800,958 |
| 38.79% | | 52.46% | | 56.24% | | 47.49% | |
| 4.99% | | 2.66% | | 1.57% | | 0.91% | |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

| | 2024 | 2023 | 2022 |
|---|----------------|----------------|----------------|
| Contractually Required Contribution | \$ 1,632,049 | \$ 1,414,213 | \$ 1,278,293 |
| Contribution in Relation to the Contractually Required Contribution | (1,632,049) | (1,414,213) | (1,278,293) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - |
| District's Covered Payroll | \$ 212,399,231 | \$ 188,560,294 | \$ 168,992,602 |
| Contributions as a Percentage of Covered Payroll | 0.77% | 0.75% | 0.76% |

Note: GASB Codification, Vol. 2, P50.238 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

Information in this schedule should be provided only for the years where data is available. Eventually 10 years of data should be presented.

| 2021 | | 2020 | | 2019 | | 2018 | |
|------|-------------|------|-------------|------|-------------|------|-------------|
| \$ | 1,209,494 | \$ | 1,176,920 | \$ | 1,086,632 | \$ | 954,768 |
| | (1,209,494) | | (1,176,920) | | (1,086,632) | | (954,768) |
| \$ | - | \$ | - | \$ | - | \$ | - |
| \$ | 161,406,461 | \$ | 156,279,846 | \$ | 144,894,154 | \$ | 133,094,908 |
| | 0.75% | | 0.75% | | 0.75% | | 0.72% |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

PENSION LIABILITY:

Changes of benefit terms:

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Changes of assumptions:

There were no changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period.

OPEB LIABILITY:

Changes of benefit terms:

There were no changes in benefit terms since the prior measurement date.

Changes of assumptions:

The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period:

- The discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023. This change decreased the Total OPEB Liability.



COMBINING STATEMENTS



NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for particular purposes. Most, but not all, of these funds must be applied for through the Standard Application System (SAS).

211 ESEA, Title I, Part A Improving Basic Programs - Provide opportunities for children served to acquire knowledge and skills to meet the challenging state performance standards developed for all children.

224 IDEA – Part B, Formula - Operate educational programs for children with disabilities.

225 IDEA – Part B, Preschool - Support programs for preschool children with disabilities.

226 IDEA – Part B, Discretionary – Funds granted for special education private residential placements.

240 National School Breakfast and Lunch Program - Support programs using federal reimbursement revenues from the United States Department of Agriculture (USDA).

244 Career and Technical – Basic Grant - Provide career and technical education to develop new and/or improved marketable skills for paid and unpaid employment.

255 ESEA, Title II, Part A Teacher and Principal Training and Recruiting - Provide financial assistance to increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals.

263 Title III, Part A - English Language Acquisition and Language Enhancement - Funds granted to improve the education of limited English proficient children by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

272 Medicaid Administrative Claiming Program - MAC - Funds allocated to local education agencies for reimbursement of eligible costs for activities attributed to the implementation of the Medicaid state plan.

279 ESSER III TCLAS ARP Act - Funds granted through the Federal American Rescue Plan to provide for emergency relief related to the COVID-19 pandemic.

283 ESSER-Supplemental - Funds granted through the Federal American Rescue Plan to provide for emergency relief related to the COVID-19 pandemic.

284 IDEA-B Formula ARP Act - Funds granted through the Federal American Rescue Plan for educational programs for children with disabilities.

285 IDEA-B Preschool ARP Act - Funds granted through the Federal American Rescue Plan to support programs for preschool children with disabilities.

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

288 Summer School LEP - Funds granted for summer education of limited English proficient students.

289 ESEA, Title IV, Part A - Funds granted for student support and academic enrichment.

385 Visually Impaired - Funds granted for visually impaired students.

397 Advanced Placement Incentives - Support professional development of teachers teaching advanced classes.

410 State Instructional Materials - To purchase instructional materials, technological equipment and technology-related services that contributes to student learning or training for educational personnel involved in the use of such materials.

429 Other State Special Revenue Fund - State funded special revenue funds not listed above are to be accounted for in this fund.

437 SSA Special Education Autism Grant - Funds granted to provide services to students with autism.

461 Campus Activity - To account for transactions related to a campus activity fund.

481 Education Foundation - Funds granted through the Northwest Education Foundation.

499 Other Local Special Revenue Funds - These fund classifications are used, at the option of the school district to classify locally funded special revenue funds such as grants by corporations to specific campuses not defined elsewhere.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

| Data Control Codes | | 211 | 224 | 225 | 226 |
|----------------------------|--|-------------------|---------------------|------------------|-------------------|
| | | ESEA I, A | IDEA - Part B | IDEA - Part B | IDEA - Part B |
| | | Improving | Formula | Preschool | Discretionary |
| | | Basic Program | | | |
| ASSETS | | | | | |
| 1110 | Cash and Cash Equivalents | \$ 66,250 | \$ 601,961 | \$ 14,659 | \$ - |
| 1120 | Investments - Current | - | - | - | - |
| 1240 | Due from Other Governments | 212,277 | 611,143 | 9,797 | 151,280 |
| 1290 | Other Receivables | - | 277 | - | - |
| 1410 | Prepayments | - | - | - | - |
| 1000 | Total Assets | <u>\$ 278,527</u> | <u>\$ 1,213,381</u> | <u>\$ 24,456</u> | <u>\$ 151,280</u> |
| LIABILITIES | | | | | |
| 2110 | Accounts Payable | \$ - | \$ - | \$ - | \$ - |
| 2160 | Accrued Wages Payable | 148,810 | 301,907 | 6,147 | - |
| 2170 | Due to Other Funds | 129,717 | 911,474 | 18,309 | 151,280 |
| 2200 | Accrued Expenditures | - | - | - | - |
| 2300 | Unearned Revenue | - | - | - | - |
| 2000 | Total Liabilities | <u>278,527</u> | <u>1,213,381</u> | <u>24,456</u> | <u>151,280</u> |
| FUND BALANCES | | | | | |
| Nonspendable Fund Balance: | | | | | |
| 3430 | Prepaid Items | - | - | - | - |
| Restricted Fund Balance: | | | | | |
| 3450 | Federal or State Funds Grant Restriction | - | - | - | - |
| Committed Fund Balance: | | | | | |
| 3545 | Other Committed Fund Balance | - | - | - | - |
| 3600 | Unassigned Fund Balance | - | - | - | - |
| 3000 | Total Fund Balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 4000 | Total Liabilities and Fund Balances | <u>\$ 278,527</u> | <u>\$ 1,213,381</u> | <u>\$ 24,456</u> | <u>\$ 151,280</u> |

| 240 National Breakfast and Lunch Program | 244 Career and Technical - Basic Grant | 255 ESEA II,A Training and Recruiting | 263 Title III, A English Lang. Acquisition | 272 Medicaid Admin. Claim MAC | 279 ESSER III TCLAS ARP Act | 283 ESSER-SUPP | 284 IDEA B Formula ARP Act |
|---|---|--|---|--|--------------------------------------|-------------------|-------------------------------------|
| \$ 5,214,163 | \$ 43,633 | \$ 19,447 | \$ 29,968 | \$ 186,614 | \$ 6,279 | \$ - | \$ - |
| - | - | - | - | - | - | - | - |
| 16,809 | 12,058 | 53,493 | 68,870 | - | 1,732 | - | - |
| 1,069 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>\$ 5,232,041</u> | <u>\$ 55,691</u> | <u>\$ 72,940</u> | <u>\$ 98,838</u> | <u>\$ 186,614</u> | <u>\$ 8,011</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 32,509 | \$ 3,646 | \$ - | \$ - | \$ - | \$ 1,505 | \$ - | \$ - |
| - | - | 42,756 | 49,643 | - | - | - | - |
| 874,956 | 52,045 | 30,184 | 49,195 | - | 6,506 | - | - |
| - | - | - | - | - | - | - | - |
| 372,025 | - | - | - | 186,614 | - | - | - |
| <u>1,279,490</u> | <u>55,691</u> | <u>72,940</u> | <u>98,838</u> | <u>186,614</u> | <u>8,011</u> | <u>-</u> | <u>-</u> |
| - | - | - | - | - | - | - | - |
| 3,952,551 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| <u>3,952,551</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>\$ 5,232,041</u> | <u>\$ 55,691</u> | <u>\$ 72,940</u> | <u>\$ 98,838</u> | <u>\$ 186,614</u> | <u>\$ 8,011</u> | <u>\$ -</u> | <u>\$ -</u> |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

| Data Control Codes | | 285 IDEA B Preschool ARP Act | 288 Summer School LEP | 289 Other Federal Special Revenue Funds | 385 Visually Impaired SSVI |
|----------------------------|--|---------------------------------------|--------------------------------|--|-------------------------------------|
| ASSETS | | | | | |
| 1110 | Cash and Cash Equivalents | \$ - | \$ 49,106 | \$ 1,755,698 | \$ - |
| 1120 | Investments - Current | - | - | - | - |
| 1240 | Due from Other Governments | - | - | 90,223 | - |
| 1290 | Other Receivables | - | - | - | - |
| 1410 | Prepayments | - | - | - | - |
| 1000 | Total Assets | <u>\$ -</u> | <u>\$ 49,106</u> | <u>\$ 1,845,921</u> | <u>\$ -</u> |
| LIABILITIES | | | | | |
| 2110 | Accounts Payable | \$ - | \$ - | \$ - | \$ - |
| 2160 | Accrued Wages Payable | - | - | - | - |
| 2170 | Due to Other Funds | - | - | 1,845,921 | - |
| 2200 | Accrued Expenditures | - | - | - | - |
| 2300 | Unearned Revenue | - | 49,106 | - | - |
| 2000 | Total Liabilities | <u>-</u> | <u>49,106</u> | <u>1,845,921</u> | <u>-</u> |
| FUND BALANCES | | | | | |
| Nonspendable Fund Balance: | | | | | |
| 3430 | Prepaid Items | - | - | - | - |
| Restricted Fund Balance: | | | | | |
| 3450 | Federal or State Funds Grant Restriction | - | - | - | - |
| Committed Fund Balance: | | | | | |
| 3545 | Other Committed Fund Balance | - | - | - | - |
| 3600 | Unassigned Fund Balance | - | - | - | - |
| 3000 | Total Fund Balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 4000 | Total Liabilities and Fund Balances | <u>\$ -</u> | <u>\$ 49,106</u> | <u>\$ 1,845,921</u> | <u>\$ -</u> |

| 397 Advanced Placement Incentives | 410 State Instructional Materials | 429 Other State Special Revenue Funds | 437 SSA Special Education | 461 Campus Activity Funds | 481 NISD Education Foundation | 499 Other Local Special Revenue Funds | Total Nonmajor Governmental Funds |
|--|--|--|------------------------------------|------------------------------------|--|--|--|
| \$ 12,311 | \$ 3,377,824 | \$ 13,488 | \$ 4,963 | \$ 3,812,401 | \$ 24,770 | \$ 97,699 | \$ 15,331,234 |
| - | - | - | - | 188,868 | - | - | 188,868 |
| - | - | 112,952 | 602,547 | - | - | - | 1,943,181 |
| - | - | - | - | 1,301 | 1,472 | - | 4,119 |
| 5,045 | - | - | - | - | - | - | 5,045 |
| <u>\$ 17,356</u> | <u>\$ 3,377,824</u> | <u>\$ 126,440</u> | <u>\$ 607,510</u> | <u>\$ 4,002,570</u> | <u>\$ 26,242</u> | <u>\$ 97,699</u> | <u>\$ 17,472,447</u> |
| \$ 700 | \$ 46,266 | \$ 1,691 | \$ 499,962 | \$ 322,332 | \$ - | \$ - | \$ 908,611 |
| - | - | (29) | 129 | - | - | - | 549,363 |
| - | - | 123,028 | 54,405 | - | - | - | 4,247,020 |
| - | - | - | 53,014 | - | - | - | 53,014 |
| 16,656 | 3,331,558 | 1,750 | - | - | - | 55,170 | 4,012,879 |
| <u>17,356</u> | <u>3,377,824</u> | <u>126,440</u> | <u>607,510</u> | <u>322,332</u> | <u>-</u> | <u>55,170</u> | <u>9,770,887</u> |
| 5,045 | - | - | - | - | - | - | 5,045 |
| - | - | - | - | - | - | - | 3,952,551 |
| - | - | - | - | 3,680,238 | 26,242 | 42,529 | 3,749,009 |
| (5,045) | - | - | - | - | - | - | (5,045) |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,680,238</u> | <u>26,242</u> | <u>42,529</u> | <u>7,701,560</u> |
| <u>\$ 17,356</u> | <u>\$ 3,377,824</u> | <u>\$ 126,440</u> | <u>\$ 607,510</u> | <u>\$ 4,002,570</u> | <u>\$ 26,242</u> | <u>\$ 97,699</u> | <u>\$ 17,472,447</u> |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| Data Control Codes | 211 ESEA I, A Improving Basic Program | 224 IDEA - Part B Formula | 225 IDEA - Part B Preschool | 226 IDEA - Part B Discretionary |
|---|--|---------------------------------|-----------------------------------|---------------------------------------|
| REVENUES: | | | | |
| 5700 Total Local and Intermediate Sources | \$ - | \$ - | \$ - | \$ - |
| 5800 State Program Revenues | - | - | - | - |
| 5900 Federal Program Revenues | 908,358 | 4,370,227 | 37,404 | 151,280 |
| 5020 Total Revenues | 908,358 | 4,370,227 | 37,404 | 151,280 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0011 Instruction | 908,358 | 971,241 | 37,404 | 151,280 |
| 0012 Instructional Resources and Media Services | - | - | - | - |
| 0013 Curriculum and Instructional Staff Development | - | - | - | - |
| 0021 Instructional Leadership | - | - | - | - |
| 0023 School Leadership | - | - | - | - |
| 0031 Guidance, Counseling, and Evaluation Services | - | 3,366,354 | - | - |
| 0033 Health Services | - | - | - | - |
| 0034 Student (Pupil) Transportation | - | - | - | - |
| 0035 Food Services | - | - | - | - |
| 0036 Extracurricular Activities | - | - | - | - |
| 0041 General Administration | - | - | - | - |
| 0052 Security and Monitoring Services | - | - | - | - |
| 0053 Data Processing Services | - | 32,632 | - | - |
| 0061 Community Services | - | - | - | - |
| Intergovernmental: | | | | |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | - | - | - | - |
| 6030 Total Expenditures | 908,358 | 4,370,227 | 37,404 | 151,280 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7915 Transfers In | - | - | - | - |
| 1200 Net Change in Fund Balance | - | - | - | - |
| 0100 Fund Balance - July 1 (Beginning) | - | - | - | - |
| 3000 Fund Balance - June 30 (Ending) | \$ - | \$ - | \$ - | \$ - |

| 240 National Breakfast and Lunch Program | 244 Career and Technical - Basic Grant | 255 ESEA II,A Training and Recruiting | 263 Title III, A English Lang. Acquisition | 272 Medicaid Admin. Claim MAC | 279 ESSER III TCLAS ARP Act | 283 ESSER-SUPP | 284 IDEA B Formula ARP Act |
|---|---|--|---|--|--------------------------------------|----------------------|-------------------------------------|
| \$ 9,389,081 \$ 46,806 5,727,902 15,163,789 | \$ - - 177,280 177,280 | \$ - - 466,258 466,258 | \$ - - 246,439 246,439 | \$ - - 64,781 64,781 | \$ - - 5,717 5,717 | \$ - - 14,310 14,310 | \$ - - 48,582 48,582 |
| - | 82,188 | - | 166,448 | - | 5,717 | 14,310 | 48,582 |
| - | - | - | - | - | - | - | - |
| - | - | 466,258 | 79,873 | - | - | - | - |
| - | 95,092 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 7,997 | - | - | - |
| - | - | - | - | 56,784 | - | - | - |
| - | - | - | - | - | - | - | - |
| 15,545,142 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | 118 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 15,545,142 | 177,280 | 466,258 | 246,439 | 64,781 | 5,717 | 14,310 | 48,582 |
| (381,353) | - | - | - | - | - | - | - |
| 10,599 | - | - | - | - | - | - | - |
| (370,754) | - | - | - | - | - | - | - |
| 4,323,305 | - | - | - | - | - | - | - |
| \$ 3,952,551 \$ - \$ - \$ - \$ - \$ - \$ - \$ - | \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - | | | | | | |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| Data Control Codes | 285 IDEA B Preschool ARP Act | 288 Summer School LEP | 289 Other Federal Special Revenue Funds | 385 Visually Impaired SSVI |
|--|---------------------------------------|--------------------------------|--|-------------------------------------|
| REVENUES: | | | | |
| 5700 Total Local and Intermediate Sources | \$ - | \$ - | \$ - | \$ - |
| 5800 State Program Revenues | - | - | - | 15,416 |
| 5900 Federal Program Revenues | 11,194 | - | 128,962 | - |
| 5020 Total Revenues | 11,194 | - | 128,962 | 15,416 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0011 Instruction | 11,194 | - | 113,962 | 13,176 |
| 0012 Instructional Resources and Media Services | - | - | - | - |
| 0013 Curriculum and Instructional Staff Development | - | - | - | 2,240 |
| 0021 Instructional Leadership | - | - | - | - |
| 0023 School Leadership | - | - | - | - |
| 0031 Guidance, Counseling, and Evaluation Services | - | - | 15,000 | - |
| 0033 Health Services | - | - | - | - |
| 0034 Student (Pupil) Transportation | - | - | - | - |
| 0035 Food Services | - | - | - | - |
| 0036 Extracurricular Activities | - | - | - | - |
| 0041 General Administration | - | - | - | - |
| 0052 Security and Monitoring Services | - | - | - | - |
| 0053 Data Processing Services | - | - | - | - |
| 0061 Community Services | - | - | - | - |
| Intergovernmental: | | | | |
| 0093 Payments to Fiscal Agent/Member Districts of SSA | - | - | - | - |
| 6030 Total Expenditures | 11,194 | - | 128,962 | 15,416 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7915 Transfers In | - | - | - | - |
| 1200 Net Change in Fund Balance | - | - | - | - |
| 0100 Fund Balance - July 1 (Beginning) | - | - | - | - |
| 3000 Fund Balance - June 30 (Ending) | \$ - | \$ - | \$ - | \$ - |

| 397 Advanced Placement Incentives | 410 State Instructional Materials | 429 Other State Special Revenue Funds | 437 SSA Special Education | 461 Campus Activity Funds | 481 NISD Education Foundation | 499 Other Local Special Revenue Funds | Total Nonmajor Governmental Funds |
|--|--|--|------------------------------------|------------------------------------|--|--|--|
| \$ - | \$ - | \$ - | \$ - | \$ 4,230,344 | \$ 68,319 | \$ 36,112 | \$ 13,723,856 |
| 28,195 | 1,060,035 | 920,598 | 1,310,698 | - | - | - | 3,381,748 |
| - | - | - | - | - | - | - | 12,358,694 |
| 28,195 | 1,060,035 | 920,598 | 1,310,698 | 4,230,344 | 68,319 | 36,112 | 29,464,298 |
| - | 1,060,035 | 19,596 | 175,941 | - | 51,134 | 19,206 | 3,849,772 |
| - | - | 34 | - | - | 12,564 | 299 | 12,897 |
| 28,195 | - | 86,561 | 252,675 | - | - | - | 915,802 |
| - | - | - | - | - | - | - | 95,092 |
| - | - | - | - | - | 4,621 | 915 | 5,536 |
| - | - | - | - | - | - | 6,988 | 3,396,339 |
| - | - | - | - | - | - | 6,275 | 63,059 |
| - | - | - | - | - | - | 1,000 | 1,000 |
| - | - | - | - | - | - | - | 15,545,142 |
| - | - | - | - | 4,097,089 | - | 1,429 | 4,098,518 |
| - | - | - | - | 33,539 | - | - | 33,539 |
| - | - | 185,346 | - | - | - | - | 185,346 |
| - | - | - | - | - | - | - | 32,632 |
| - | - | 629,061 | - | - | - | - | 629,179 |
| - | - | - | 882,082 | - | - | - | 882,082 |
| 28,195 | 1,060,035 | 920,598 | 1,310,698 | 4,130,628 | 68,319 | 36,112 | 29,745,935 |
| - | - | - | - | 99,716 | - | - | (281,637) |
| - | - | - | - | - | - | - | 10,599 |
| - | - | - | - | 99,716 | - | - | (271,038) |
| - | - | - | - | 3,580,522 | 26,242 | 42,529 | 7,972,598 |
| \$ - | \$ - | \$ - | \$ - | \$ 3,680,238 | \$ 26,242 | \$ 42,529 | \$ 7,701,560 |

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INTERNAL SERVICE FUNDS

711 Student Devices - account for funds related to the issuance and maintenance of netbooks to District students.

712 Marketing & Advertising - account for funds related to marketing activities of the District.

753 Insurance - account for the District's self-insurance activities concerning health insurance coverage for District employees.

771 Workers Compensation - account for the District's self-insurance activities concerning workers compensation insurance coverage provided to District employees.

772 Unemployment - account for the District's self-insurance activities concerning unemployment insurance coverage provided to District employees.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2024

| | 711 Student Devices | 712 Marketing & Advertising |
|---------------------------|---------------------------|-----------------------------------|
| <hr/> | | |
| ASSETS | | |
| Current Assets: | | |
| Cash and Cash Equivalents | \$ 872,633 | \$ 365,060 |
| Other Receivables | <u>-</u> | <u>-</u> |
| Total Assets | <u>872,633</u> | <u>365,060</u> |
| LIABILITIES | | |
| Current Liabilities: | | |
| Accounts Payable | - | - |
| Due to Other Funds | - | - |
| Accrued Expenses | - | - |
| Unearned Revenues | <u>-</u> | <u>55,016</u> |
| Total Liabilities | <u>-</u> | <u>55,016</u> |
| NET POSITION | | |
| Unrestricted Net Position | <u>872,633</u> | <u>310,044</u> |
| Total Net Position | <u><u>\$ 872,633</u></u> | <u><u>\$ 310,044</u></u> |

| 753 | 771 | 772 | |
|---------------|-------------------------|------------------|------------------------------------|
| Insurance | Workers Compensation | Unemployment | Total Internal Service Funds |
| \$ 78,517 | \$ 350,267 | \$ 29,487 | \$ 1,695,964 |
| 1,361 | - | - | 1,361 |
| <u>79,878</u> | <u>350,267</u> | <u>29,487</u> | <u>1,697,325</u> |
| - | 286 | - | 286 |
| 79,878 | - | - | 79,878 |
| - | 79,165 | - | 79,165 |
| - | - | - | 55,016 |
| <u>79,878</u> | <u>79,451</u> | <u>-</u> | <u>214,345</u> |
| - | 270,816 | 29,487 | 1,482,980 |
| <u>\$ -</u> | <u>\$ 270,816</u> | <u>\$ 29,487</u> | <u>\$ 1,482,980</u> |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | 711 Student Devices | 712 Marketing & Advertising |
|---|------------------------------|-----------------------------------|
| <hr/> | | |
| OPERATING REVENUES: | | |
| Local and Intermediate Sources | \$ 162,443 | \$ 32,342 |
| Total Operating Revenues | <u>162,443</u> | <u>32,342</u> |
| OPERATING EXPENSES: | | |
| Professional and Contracted Services | - | - |
| Supplies and Materials | 139,645 | 5,597 |
| Other Operating Costs | <u>-</u> | <u>4,125</u> |
| Total Operating Expenses | <u>139,645</u> | <u>9,722</u> |
| Income Before Transfers | 22,798 | 22,620 |
| Transfers Out | <u>-</u> | <u>-</u> |
| Change in Net Position | 22,798 | 22,620 |
| Total Net Position - July 1 (Beginning) | <u>849,835</u> | <u>287,424</u> |
| Total Net Position - June 30 (Ending) | <u><u>\$ 872,633</u></u> | <u><u>\$ 310,044</u></u> |

| 753 | 771 | 772 | |
|-----------|-------------------------|--------------|------------------------------------|
| Insurance | Workers Compensation | Unemployment | Total Internal Service Funds |
| \$ - | \$ 1,410,993 | \$ 516,426 | \$ 2,122,204 |
| - | 1,410,993 | 516,426 | 2,122,204 |
| - | 151,052 | - | 151,052 |
| - | - | - | 145,242 |
| - | 390,581 | 58,974 | 453,680 |
| - | 541,633 | 58,974 | 749,974 |
| - | 869,360 | 457,452 | 1,372,230 |
| - | (820,320) | (441,752) | (1,262,072) |
| - | 49,040 | 15,700 | 110,158 |
| - | 221,776 | 13,787 | 1,372,822 |
| \$ - | \$ 270,816 | \$ 29,487 | \$ 1,482,980 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

| | 711 Student Devices | 712 Marketing & Advertising |
|--|---------------------------|-----------------------------------|
| <u>Cash Flows from Operating Activities:</u> | | |
| Cash Received from User Charges | \$ 162,443 | \$ 39,987 |
| Cash Payments for Insurance Claims | - | - |
| Cash Payments for Other Operating Expenses | (139,645) | (9,722) |
| Net Cash Provided by Operating Activities | <u>22,798</u> | <u>30,265</u> |
| <u>Cash Flows from Non-Capital Financing Activities:</u> | | |
| Transfers Out | - | - |
| Net Increase (Decrease) in Cash and Cash Equivalents | 22,798 | 30,265 |
| Cash and Cash Equivalents at Beginning of Year | 849,835 | 334,795 |
| Cash and Cash Equivalents at End of Year | <u><u>\$ 872,633</u></u> | <u><u>\$ 365,060</u></u> |
| <u>Reconciliation of Operating Income to Net Cash</u> | | |
| <u>Provided By Operating Activities:</u> | | |
| Operating Income: | \$ 22,798 | \$ 22,620 |
| Effect of Increases and Decreases in Current Assets and Liabilities: | | |
| Decrease (increase) in Receivables | - | - |
| Increase (decrease) in Accounts Payable | - | - |
| Increase (decrease) in Due to Other Funds | - | - |
| Increase (decrease) in Accrued Expenses | - | - |
| Increase (decrease) in Unearned Revenues | - | 7,645 |
| Net Cash Provided by Operating Activities | <u><u>\$ 22,798</u></u> | <u><u>\$ 30,265</u></u> |

| 753 | 771 | 772 | |
|-----------|-------------------------|--------------|------------------------------------|
| Insurance | Workers Compensation | Unemployment | Total Internal Service Funds |
| \$ 39,970 | \$ 1,410,993 | \$ 516,426 | \$ 2,169,819 |
| - | (667,348) | (58,974) | (726,322) |
| - | - | - | (149,367) |
| 39,970 | 743,645 | 457,452 | 1,294,130 |
| - | (820,320) | (441,752) | (1,262,072) |
| 39,970 | (76,675) | 15,700 | 32,058 |
| 38,547 | 426,942 | 13,787 | 1,663,906 |
| \$ 78,517 | \$ 350,267 | \$ 29,487 | \$ 1,695,964 |
| \$ - | \$ 869,360 | \$ 457,452 | \$ 1,372,230 |
| (1,360) | - | - | (1,360) |
| - | (4,792) | - | (4,792) |
| 41,330 | - | - | 41,330 |
| - | (120,923) | - | (120,923) |
| - | - | - | 7,645 |
| \$ 39,970 | \$ 743,645 | \$ 457,452 | \$ 1,294,130 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED JUNE 30, 2024

| Data Control Codes | Budgeted Amounts | | Actual Amounts (GAAP BASIS) | Variance With Final Budget Positive or (Negative) |
|--|------------------|--------------|--------------------------------|--|
| | Original | Final | | |
| REVENUES: | | | | |
| 5700 Total Local and Intermediate Sources | \$ 9,565,925 | \$ 9,565,925 | \$ 9,389,081 | \$ (176,844) |
| 5800 State Program Revenues | 12,714 | 12,714 | 46,806 | 34,092 |
| 5900 Federal Program Revenues | 3,972,123 | 3,972,123 | 5,727,902 | 1,755,779 |
| 5020 Total Revenues | 13,550,762 | 13,550,762 | 15,163,789 | 1,613,027 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| 0035 Food Services | 13,523,924 | 17,254,524 | 15,545,142 | 1,709,382 |
| 6030 Total Expenditures | 13,523,924 | 17,254,524 | 15,545,142 | 1,709,382 |
| 1100 Excess (Deficiency) of Revenues Over (Under) Expenditures | 26,838 | (3,703,762) | (381,353) | 3,322,409 |
| OTHER FINANCING SOURCES (USES): | | | | |
| 7915 Transfers In | - | - | 10,599 | 10,599 |
| 1200 Net Change in Fund Balances | 26,838 | (3,703,762) | (370,754) | 3,333,008 |
| 0100 Fund Balance - July 1 (Beginning) | 4,323,305 | 4,323,305 | 4,323,305 | - |
| 3000 Fund Balance - June 30 (Ending) | \$ 4,350,143 | \$ 619,543 | \$ 3,952,551 | \$ 3,333,008 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2024

| Data Control Codes | Budgeted Amounts | | Actual Amounts (GAAP BASIS) | Variance With Final Budget Positive or (Negative) |
|---|------------------|----------------|--------------------------------|--|
| | Original | Final | | |
| REVENUES: | | | | |
| 5700 Total Local and Intermediate Sources | \$ 152,151,770 | \$ 152,151,770 | \$ 152,259,242 | \$ 107,472 |
| 5800 State Program Revenues | - | - | 9,606,321 | 9,606,321 |
| 5020 Total Revenues | 152,151,770 | 152,151,770 | 161,865,563 | 9,713,793 |
| EXPENDITURES: | | | | |
| Debt Service: | | | | |
| 0071 Principal on Long-Term Liabilities | 47,772,765 | 69,762,765 | 69,762,765 | - |
| 0072 Interest on Long-Term Liabilities | 65,124,453 | 74,665,158 | 74,665,157 | 1 |
| 0073 Bond Issuance Cost and Fees | 50,000 | 10,056,996 | 49,841 | 10,007,155 |
| 6030 Total Expenditures | 112,947,218 | 154,484,919 | 144,477,763 | 10,007,156 |
| 1200 Net Change in Fund Balances | 39,204,552 | (2,333,149) | 17,387,800 | 19,720,949 |
| 0100 Fund Balance - July 1 (Beginning) | 74,497,165 | 74,497,165 | 74,497,165 | - |
| 3000 Fund Balance - June 30 (Ending) | \$ 113,701,717 | \$ 72,164,016 | \$ 91,884,965 | \$ 19,720,949 |



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OTHER COMPLIANCE SCHEDULES

Other Compliance Schedules includes various schedules required by the Texas Education Agency that are not required disclosures in the Annual Comprehensive Financial Report.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2024

| Last 10 Years Ended | (1) | (2) | (3) |
|---|-------------|--------------|--|
| | Tax Rates | | Assessed/Appraised Value for School Tax Purposes |
| | Maintenance | Debt Service | |
| 2015 and prior years | Various | Various | \$ Various |
| 2016 | 1.040000 | 0.412500 | 11,705,540,348 |
| 2017 | 1.040000 | 0.412500 | 12,420,509,000 |
| 2018 | 1.040000 | 0.450000 | 14,924,184,765 |
| 2019 | 1.040000 | 0.450000 | 17,503,055,570 |
| 2020 | 0.970000 | 0.450000 | 19,861,198,380 |
| 2021 | 0.916300 | 0.420000 | 22,197,028,362 |
| 2022 | 0.872000 | 0.420000 | 25,525,613,080 |
| 2023 | 0.854600 | 0.420000 | 30,420,877,138 |
| 2024 (School year under audit) | 0.669200 | 0.421000 | 35,359,923,684 |
| 1000 TOTALS | | | |
| 9000 Portion of Row 1000 for Taxes Paid into Tax Increment Zone (See Footnote) | | | |
| 8000 Total Taxes Refunded Under Section 26.1115, Tax Code | | | |

| (10) Beginning Balance 7/1/2023 | (20) Current Year's Total Levy | (31) Maintenance Collections | (32) Debt Service Collections | (40) Entire Year's Adjustments | (50) Ending Balance 6/30/2024 | (99) Taxes Refunded Under Section 26.1115c |
|--|---|------------------------------------|-------------------------------------|---|--|---|
| \$ 1,000,562 | \$ - | \$ 21,528 | \$ 5,815 | \$ (93,566) | \$ 879,653 | |
| 160,099 | - | 4,770 | 1,893 | - | 153,436 | |
| 181,316 | - | 4,788 | 1,899 | - | 174,629 | |
| 175,517 | - | 4,994 | 2,161 | (2,321) | 166,041 | |
| 704,365 | - | 8,749 | 3,786 | (464,352) | 227,478 | |
| 313,381 | - | 104,384 | 48,425 | 105,336 | 265,908 | |
| 396,936 | - | 385,921 | 176,892 | 463,637 | 297,760 | |
| 423,943 | - | 765,357 | 368,635 | 1,159,369 | 449,320 | |
| 3,323,513 | - | 503,852 | 247,622 | (1,882,875) | 689,164 | |
| - | 385,493,888 | 235,047,504 | 147,870,591 | - | 2,575,793 | |
| <u>\$ 6,679,632</u> | <u>\$ 385,493,888</u> | <u>\$ 236,851,847</u> | <u>\$ 148,727,719</u> | <u>\$ (714,772)</u> | <u>\$ 5,879,182</u> | |

\$ 1,164,247

\$ 173,936

NORTHWEST INDEPENDENT SCHOOL DISTRICT
USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2024

Section A: Compensatory Education Programs

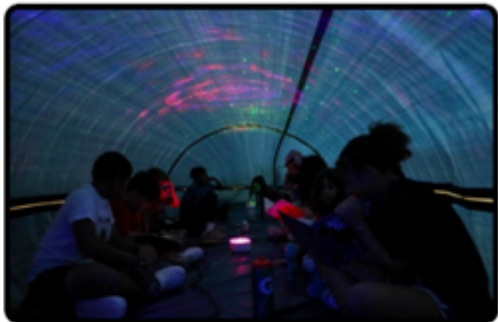
| | | |
|-----|---|--------------|
| AP1 | Did your district expend any state compensatory education program state allotment funds during the district's fiscal year? | Yes |
| AP2 | Does the district have written policies and procedures for its state compensatory education program? | Yes |
| AP3 | Total state allotment funds received for state compensatory education programs during the district's fiscal year. | \$11,926,394 |
| AP4 | Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24,26,28,29,30) | \$7,900,673 |

Section B: Bilingual Education Programs

| | | |
|-----|---|-------------|
| AP5 | Did your district expend any bilingual education program state allotment funds during the district's fiscal year? | Yes |
| AP6 | Does the district have written policies and procedures for its bilingual education program? | Yes |
| AP7 | Total state allotment funds received for bilingual education programs during the district's fiscal year. | \$1,979,683 |
| AP8 | Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC 25) | \$1,156,923 |



STATISTICAL SECTION





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STATISTICAL SECTION

This part of the Northwest Independent School District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information. The statistical section includes nineteen schedules. These schedules fall within the following categories:

Financial Trend Data

These schedules contain trend information on how the District's financial performance and well-being have changed over time.

Revenue Capacity Data

These schedules contain information on the District's most significant local revenue source, the property tax.

Debt Capacity Data

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

Demographic and Economic Information

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

Operating Information

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

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

SCHEDULE 1

| Fiscal Year: | 2024 | 2023 | 2022 | 2021 |
|---|-----------------------|----------------------|----------------------|-----------------------|
| Governmental activities | | | | |
| Net investment in capital assets | \$ 109,433,084 | \$ 49,473,505 | \$ 49,301,782 | \$ (11,400,314) |
| Restricted | 91,884,965 | 74,497,165 | 70,316,214 | 70,371,929 |
| Unrestricted | (44,494,121) | (39,767,368) | (53,896,261) | (64,506,740) |
| Total primary government net position (deficit) | <u>\$ 156,823,928</u> | <u>\$ 84,203,302</u> | <u>\$ 65,721,735</u> | <u>\$ (5,535,125)</u> |

Note: FYE 2018 ending net position includes a prior period adjustment due to the implementation of GASB #75 in the amount of (\$105,707,476).

Note: FYE 2015 ending net position includes a prior period adjustment due to the implementation of GASB #68 in the amount of (\$26,943,583).

Source: District's financial records.

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| \$ (5,042,817) | \$ (29,199,186) | \$ (33,890,083) | \$ (71,696,653) | \$ (23,184,957) | \$ 27,255,585 |
| 61,170,787 | 55,537,296 | 44,712,830 | 42,627,513 | 41,478,223 | 31,406,785 |
| (66,606,092) | (31,435,163) | (30,711,856) | 69,131,471 | 35,105,595 | 3,321,608 |
| \$ (10,478,122) | \$ (5,097,053) | \$ (19,889,109) | \$ 40,062,331 | \$ 53,398,861 | \$ 61,983,978 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
EXPENSES, PROGRAM REVENUES AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

SCHEDULE 2

| Fiscal Year: | 2024 | 2023 | 2022 | 2021 |
|--|------------------|------------------|------------------|------------------|
| Expenses | | | | |
| Governmental activities: | | | | |
| Instruction | \$ 216,641,495 | \$ 187,282,644 | \$ 167,392,895 | \$ 173,346,518 |
| Instruction Resources & Media Services | 4,435,852 | 3,393,508 | 3,332,605 | 3,261,056 |
| Curriculum and Staff Development | 8,111,193 | 7,229,135 | 6,981,681 | 7,134,217 |
| Instructional Leadership | 3,123,472 | 2,858,752 | 2,810,097 | 3,049,467 |
| School Leadership | 20,131,835 | 17,980,614 | 17,029,272 | 17,346,003 |
| Guidance, Counseling & Evaluation Services | 15,349,325 | 12,753,453 | 12,100,955 | 12,277,043 |
| Social Work Services | 552,268 | 450,309 | 404,427 | 457,647 |
| Health Services | 3,855,430 | 3,512,427 | 2,772,949 | 2,920,291 |
| Student (Pupil) Transportation | 15,013,291 | 14,364,628 | 10,963,645 | 10,824,309 |
| Food Services | 16,536,041 | 13,952,537 | 12,389,074 | 8,521,261 |
| Cocurricular/Extracurricular Activities | 20,851,913 | 19,918,945 | 11,739,998 | 10,784,586 |
| General Administration | 9,799,103 | 9,286,550 | 8,459,944 | 9,189,948 |
| Plant Maintenance and Operations | 38,505,894 | 81,297,706 | 26,339,366 | 39,295,140 |
| Security and Monitoring Services | 4,284,594 | 2,741,248 | 2,201,116 | 2,584,271 |
| Data Processing Services | 7,946,236 | 5,891,418 | 5,763,468 | 5,395,861 |
| Community Services | 852,086 | 441,469 | 203,843 | 285,390 |
| Debt Service - Interest on Long-Term Debt | 68,278,265 | 50,685,957 | 27,865,099 | 37,211,852 |
| Debt Service - Bond Issuance Cost & Fees | 4,022,289 | 1,204,937 | 3,988,053 | 64,041 |
| Contracted Instructional Services | 857,545 | 25,612,394 | 7,975,251 | 14,340,703 |
| Payments to Fiscal Agent/Member Districts of SSA | 1,022,404 | 133,175 | 116,000 | 83,800 |
| Payments to Juvenile Justice Alternative Education Program | 17,363 | 20,097 | 39,924 | 4,386 |
| Payments to Tax Increment Fund | 1,746,370 | 1,813,706 | 1,926,065 | 1,776,627 |
| Other Intergovernmental Charges | 2,589,752 | 1,760,769 | 2,176,173 | 1,741,022 |
| Total primary government expenses | 464,524,016 | 464,586,378 | 334,971,900 | 361,895,439 |
| Program Revenues | | | | |
| Governmental activities: | | | | |
| Charges for services | | | | |
| Instruction | 1,546,696 | 281,638 | 376,263 | 184,112 |
| Health services | 197,397 | 2,577,889 | 1,996,636 | 3,059,857 |
| Student transportation | - | - | - | - |
| Food services | 8,978,135 | 7,929,940 | 4,079,636 | 3,134,405 |
| Extracurricular activities | 617,625 | 648,923 | 648,096 | 384,928 |
| General administration | 306,533 | 1,518,893 | 1,658,722 | 622,510 |
| Facilities maintenance | 1,691,680 | 1,808,631 | 1,468,131 | 166,689 |
| Community services | - | - | - | - |
| Operating grants and contributions | 53,679,939 | 49,075,815 | 51,208,722 | 37,744,995 |
| Total primary government program revenues | 67,018,005 | 63,841,729 | 61,436,206 | 45,297,496 |
| Net (Expense)Revenue | | | | |
| Total primary government net expense | \$ (397,506,011) | \$ (400,744,649) | \$ (273,535,694) | \$ (316,597,943) |

Source: District's financial records.

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 171,897,747 | \$ 156,297,811 | \$ 97,411,111 | \$ 145,855,827 | \$ 122,168,515 | \$ 103,989,026 |
| 3,412,594 | 3,322,911 | 2,061,453 | 3,061,696 | 2,681,310 | 2,394,024 |
| 11,164,411 | 10,566,697 | 4,875,078 | 6,957,502 | 5,885,439 | 5,018,657 |
| 3,101,335 | 2,408,137 | 1,213,788 | 1,384,516 | 1,081,077 | 946,675 |
| 12,981,905 | 12,337,732 | 8,444,933 | 12,420,128 | 10,145,301 | 8,492,012 |
| 11,614,848 | 10,656,773 | 5,697,928 | 9,622,661 | 7,941,408 | 6,354,112 |
| 374,397 | 265,795 | 221,461 | 255,926 | 904,931 | 6,124,147 |
| 2,867,564 | 2,707,826 | 1,539,175 | 2,346,245 | 2,009,949 | 1,860,771 |
| 10,040,889 | 10,748,392 | 9,950,650 | 8,720,929 | 7,252,742 | 6,195,171 |
| 8,346,944 | 9,288,034 | 8,091,202 | 8,051,120 | 9,175,595 | 7,400,908 |
| 10,689,926 | 9,892,666 | 8,323,837 | 10,042,711 | 7,718,196 | 7,591,117 |
| 9,795,822 | 8,609,714 | 5,332,880 | 5,901,273 | 4,458,804 | 17,019,764 |
| 29,169,662 | 25,372,009 | 16,496,477 | 18,152,263 | 17,255,030 | 17,227,868 |
| 2,077,149 | 2,544,313 | 1,692,346 | 1,611,157 | 1,248,060 | 892,184 |
| 6,911,184 | 6,380,344 | 4,188,626 | 6,179,105 | 4,752,113 | 3,877,489 |
| 238,664 | 247,446 | 109,181 | 206,999 | 154,935 | 199,757 |
| 38,369,564 | 35,757,709 | 29,514,645 | 25,024,932 | 23,170,568 | 37,578,564 |
| 3,682,397 | 878,907 | 1,214,331 | 1,481,200 | 3,072,446 | 410,960 |
| 4,859,626 | 4,456,091 | - | - | - | - |
| 91,700 | 179,000 | 12,000 | 106,000 | 20,000 | 65,200 |
| 11,646 | 5,518 | 6,764 | 6,319 | - | 4,628 |
| 1,741,202 | 1,742,623 | 975,287 | 917,928 | 839,876 | 888,460 |
| 1,655,016 | 1,471,898 | 1,279,807 | 1,186,516 | 848,664 | 1,093,516 |
| 345,096,192 | 316,138,346 | 208,652,960 | 269,492,953 | 232,784,959 | 235,625,010 |
| 233,062 | 631,946 | 261,089 | 168,908 | 90,828 | 134,603 |
| 3,274,531 | 4,588,898 | 1,236,937 | 893,439 | 921,133 | 1,545,525 |
| - | - | - | - | - | 270 |
| 5,448,424 | 6,537,656 | 5,906,944 | 5,822,270 | 5,469,920 | 5,157,545 |
| 434,758 | 522,319 | 530,952 | 572,504 | 476,021 | 3,077,228 |
| 1,166,707 | - | - | - | - | 220,789 |
| 696,913 | 775,747 | 503,742 | 495,257 | 514,659 | 553,506 |
| - | - | - | - | - | 7,455 |
| 31,158,936 | 32,662,214 | (7,739,306) | 23,962,854 | 24,157,031 | 17,152,632 |
| 42,413,331 | 45,718,780 | 700,358 | 31,915,232 | 31,629,592 | 27,849,553 |
| \$ (302,682,861) | \$ (270,419,566) | \$ (207,952,602) | \$ (237,577,721) | \$ (201,155,367) | \$ (207,775,457) |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

SCHEDULE 3

| Fiscal Year: | 2024 | 2023 | 2022 | 2021 |
|---|------------------|------------------|------------------|------------------|
| Net (Expense)/Revenue | | | | |
| Total primary government net expense | \$ (397,506,011) | \$ (400,744,649) | \$ (273,535,694) | \$ (316,597,943) |
| General Revenues and Other Changes in Net Position | | | | |
| Governmental activities: | | | | |
| Taxes | | | | |
| Property taxes levied for general purposes | 237,387,811 | 261,230,087 | 222,864,060 | 204,728,927 |
| Property taxes levied for capital projects | 149,110,320 | 128,182,843 | 107,231,550 | 93,125,689 |
| State aid - formula grants | 37,106,954 | 16,228,883 | 13,341,689 | 23,316,174 |
| Miscellaneous | 249,712 | 251,594 | 327,861 | 227,546 |
| Investment earnings | 34,977,451 | 20,270,311 | 1,027,394 | 142,604 |
| Loss on disposition of capital assets | - | (6,937,502) | - | - |
| Transfers in (out) | - | - | - | - |
| Total primary government | 458,832,248 | 419,226,216 | 344,792,554 | 321,540,940 |
| Change in Net Position | | | | |
| Total primary government | \$ 61,326,237 | \$ 18,481,567 | \$ 71,256,860 | \$ 4,942,997 |

Source: District's financial records.

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ (302,682,861) | \$ (270,419,566) | \$ (207,952,602) | \$ (237,577,721) | \$ (201,155,367) | \$ (207,775,457) |
| 194,521,793 | 182,823,647 | 156,878,029 | 138,928,782 | 131,549,000 | 120,895,271 |
| 90,028,391 | 79,019,328 | 67,699,018 | 55,070,829 | 51,759,384 | 47,952,873 |
| 8,666,078 | 17,197,629 | 25,361,540 | 28,336,530 | 27,014,580 | 17,140,982 |
| 502,107 | 391,804 | 681,617 | 583,167 | 556,092 | - |
| 3,583,423 | 5,779,214 | 3,088,434 | 1,321,883 | 1,100,734 | 645,145 |
| - | - | - | - | - | - |
| - | - | - | - | (1,210,442) | - |
| 297,301,792 | 285,211,622 | 253,708,638 | 224,241,191 | 210,769,348 | 186,634,271 |
| \$ (5,381,069) | \$ 14,792,056 | \$ 45,756,036 | \$ (13,336,530) | \$ 9,613,981 | \$ (21,141,186) |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

SCHEDULE 4

| Fiscal Year: | 2024 | 2023 | 2022 | 2021 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| General Fund | | | | |
| Nonspendable | \$ 1,720,280 | \$ 1,548,535 | \$ 1,469,010 | \$ 1,289,856 |
| Assigned | 15,870,695 | 2,988,875 | - | - |
| Unassigned | 92,731,812 | 106,678,265 | 98,435,947 | 82,533,696 |
| Total general fund | <u>\$ 110,322,787</u> | <u>\$ 111,215,675</u> | <u>\$ 99,904,957</u> | <u>\$ 83,823,552</u> |
| All Other Governmental Funds | | | | |
| Nonspendable | \$ 5,045 | \$ 38,121 | \$ 11,805 | \$ - |
| Restricted | | | | |
| Federal or State Funds Grant Restriction | 3,952,551 | 4,323,305 | 4,279,531 | 1,048,622 |
| Capital Acquisition and Contractual Obligation | 486,819,946 | 189,422,088 | 377,831,023 | 83,859,437 |
| Retirement of Long-Term Debt | 91,884,965 | 74,497,165 | 70,316,214 | 70,371,929 |
| Other Restricted | - | - | - | - |
| Committed | | | | |
| Other Committed | 3,749,009 | 3,649,293 | 3,512,525 | 3,154,167 |
| Assigned | | | | |
| Construction | 910,857 | 854,596 | - | - |
| Unassigned | (5,045) | (38,121) | (7,825) | - |
| Total all other governmental funds | <u>\$ 587,317,328</u> | <u>\$ 272,746,447</u> | <u>\$ 455,943,273</u> | <u>\$ 158,434,155</u> |

Source: District's financial records.

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$ 1,155,057 | \$ 1,297,327 | \$ 1,180,541 | \$ 300,110 | \$ 293,148 | \$ - |
| 25,166,846 | - | - | 61,990,965 | 39,424,756 | 29,424,756 |
| 63,740,807 | 97,837,399 | 94,960,888 | 50,251,198 | 37,050,333 | 43,951,132 |
| \$ 90,062,710 | \$ 99,134,726 | \$ 96,141,429 | \$ 112,542,273 | \$ 76,768,237 | \$ 73,375,888 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 712,382 | 940,789 | 1,066,210 | 1,039,729 | 1,063,965 | 2,456,540 |
| 176,947,859 | 116,709,700 | 120,226,251 | 107,729,973 | 76,269,887 | 43,323,635 |
| 61,170,787 | 55,537,296 | 42,093,843 | 39,182,199 | 39,323,668 | 25,723,034 |
| - | - | - | - | - | 1,376,264 |
| 3,244,442 | 2,742,981 | 2,618,987 | 2,294,939 | 2,154,555 | 1,948,744 |
| - | - | - | - | 38,095,832 | 39,648,697 |
| - | - | - | - | - | - |
| \$ 242,075,470 | \$ 175,930,766 | \$ 166,005,291 | \$ 150,246,840 | \$ 156,907,907 | \$ 114,476,914 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

SCHEDULE 5

| Fiscal Year: | 2024 | 2023 | 2022 | 2021 |
|--|----------------|----------------|----------------|----------------|
| Local and Intermediate Sources | | | | |
| Local maintenance and debt service tax | \$ 385,943,683 | \$ 388,917,302 | \$ 330,747,101 | \$ 297,420,455 |
| Food service sales | 8,978,135 | 7,929,940 | 4,079,636 | 3,134,016 |
| Other local revenue | 47,315,637 | 30,177,405 | 9,870,261 | 7,730,605 |
| Total Local and Intermediate Sources | 442,237,455 | 427,024,647 | 344,696,998 | 308,285,076 |
| State Programs Revenues | 66,465,943 | 33,790,144 | 27,882,897 | 38,907,820 |
| Federal Sources | | | | |
| Federal Program Revenues | 7,528,697 | 20,893,878 | 22,009,830 | 9,202,063 |
| Food services | 5,732,105 | 4,961,476 | 11,121,527 | 5,688,804 |
| Total Federal Sources | 13,260,802 | 25,855,354 | 33,131,357 | 14,890,867 |
| Total Revenues | \$ 521,964,200 | \$ 486,670,145 | \$ 405,711,252 | \$ 362,083,763 |

Note: This table includes all governmental fund types of the Northwest Independent School District.
Expenditure classifications are in accordance with those prescribed by the Texas Education Agency.

Source: District's financial records.

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$ 284,327,474 | \$ 261,222,889 | \$ 224,673,410 | \$ 194,478,502 | \$ 184,486,074 | \$ 168,848,144 |
| 5,448,424 | 6,537,656 | 5,905,520 | 5,822,270 | 5,469,920 | 5,168,771 |
| 10,770,578 | 10,183,817 | 9,300,393 | 7,063,662 | 6,396,427 | 9,122,029 |
| 300,546,476 | 277,944,362 | 239,879,323 | 207,364,434 | 196,352,421 | 183,138,944 |
| 23,249,785 | 32,900,331 | 39,825,326 | 41,130,734 | 40,473,309 | 35,409,112 |
| 9,314,806 | 11,570,709 | 6,140,018 | 4,804,615 | 5,577,704 | 9,430,583 |
| 2,617,112 | 2,531,622 | 2,202,242 | 2,217,746 | 2,156,429 | 2,064,862 |
| 11,931,918 | 14,102,331 | 8,342,260 | 7,022,361 | 7,734,133 | 11,495,445 |
| \$ 335,728,179 | \$ 324,947,024 | \$ 288,046,909 | \$ 255,517,529 | \$ 244,559,863 | \$ 230,043,501 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

SCHEDULE 6

| Fiscal Year: | 2024 | 2023 | 2022 | 2021 |
|--|----------------|----------------|----------------|----------------|
| Expenditures by Function | | | | |
| Instruction | \$ 186,082,893 | \$ 169,683,768 | \$ 147,192,674 | \$ 145,649,773 |
| Instruction Resources & Media Services | 3,927,742 | 2,955,595 | 3,009,162 | 2,829,813 |
| Curriculum and Staff Development | 7,936,082 | 7,197,589 | 6,256,413 | 6,144,437 |
| Instructional Leadership | 3,047,415 | 2,845,113 | 2,470,280 | 2,596,790 |
| School Leadership | 18,442,132 | 16,765,686 | 14,983,129 | 14,695,882 |
| Guidance, Counseling & Evaluation Services | 14,829,471 | 12,651,328 | 10,759,535 | 10,272,596 |
| Social Work Services | 542,653 | 448,999 | 406,554 | 444,920 |
| Health Services | 2,943,959 | 2,660,174 | 2,439,833 | 2,475,374 |
| Student (Pupil) Transportation | 13,029,641 | 12,509,352 | 10,963,645 | 10,824,309 |
| Food Services | 15,545,142 | 13,120,100 | 12,389,074 | 8,521,261 |
| Cocurricular/Extracurricular Activities | 15,035,067 | 14,123,472 | 11,106,661 | 9,933,716 |
| General Administration | 9,502,414 | 9,094,961 | 7,521,692 | 8,078,801 |
| Plant Maintenance and Operations | 33,947,065 | 30,604,606 | 25,680,302 | 23,204,075 |
| Security and Monitoring Services | 4,195,980 | 2,718,559 | 2,140,181 | 2,091,816 |
| Data Processing Services | 6,379,364 | 5,424,221 | 5,273,375 | 5,233,906 |
| Community Services | 837,337 | 438,032 | 180,827 | 252,131 |
| Debt Service - Principal on Long-Term Debt | 69,762,765 | 71,085,162 | 61,106,147 | 28,118,002 |
| Debt Service - Interest on Long-Term Debt | 74,665,157 | 56,543,032 | 47,057,053 | 56,233,686 |
| Debt Service - Bond Issuance Cost & Fees | 4,022,289 | 1,204,937 | 3,988,053 | 64,041 |
| Facilities Acquisition and Construction | 310,119,681 | 349,169,169 | 106,342,449 | 95,026,661 |
| Contracted Instructional Services | 857,545 | 25,612,394 | 7,975,251 | 14,340,703 |
| Payments to Fiscal Agent/Member Districts of SSA | 1,022,404 | 133,175 | 116,000 | 83,800 |
| Payments to Juvenile Justice Alternative Education Program | 17,363 | 20,097 | 39,924 | 4,386 |
| Payments to Tax Increment Fund | 1,746,370 | 1,813,706 | 1,926,065 | 1,776,627 |
| Other Governmental Charges | 2,589,752 | 1,760,769 | 2,176,173 | 1,741,022 |
| Total Expenditures | \$ 801,027,683 | \$ 810,583,996 | \$ 493,500,452 | \$ 450,638,528 |
| Debt service as a percentage of noncapital expenditures | 29.42% | 25.15% | 27.94% | 22.76% |

Note: This table includes all governmental fund types of the Northwest Independent School District.
Expenditure classifications are in accordance with those prescribed by the Texas Education Agency.

Source: District's financial records.

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|----------------|----------------|----------------|----------------|----------------|----------------|
| \$ 141,124,853 | \$ 132,460,146 | \$ 122,597,571 | \$ 115,295,893 | \$ 110,969,993 | \$ 99,340,245 |
| 2,894,093 | 2,919,470 | 2,465,800 | 2,499,301 | 3,145,350 | 2,280,870 |
| 9,217,397 | 9,101,312 | 6,038,773 | 5,724,325 | 5,397,640 | 5,078,147 |
| 2,538,532 | 2,068,363 | 1,445,781 | 1,111,723 | 980,556 | 959,164 |
| 10,596,040 | 10,565,026 | 10,224,943 | 9,858,220 | 9,118,778 | 8,293,810 |
| 9,270,767 | 8,898,315 | 8,216,292 | 7,570,097 | 7,072,496 | 6,447,695 |
| 358,677 | 259,530 | 250,753 | 253,047 | 904,931 | 6,151,355 |
| 2,343,383 | 2,298,873 | 1,897,804 | 1,848,694 | 1,804,524 | 1,654,747 |
| 10,040,889 | 16,914,310 | 24,692,313 | 8,720,929 | 7,335,213 | 6,189,360 |
| 8,364,251 | 9,288,034 | 8,091,202 | 8,060,370 | 9,175,595 | 7,182,534 |
| 9,768,289 | 9,067,129 | 9,287,239 | 9,351,768 | 9,764,314 | 7,016,227 |
| 6,491,469 | 6,678,662 | 5,999,413 | 5,643,100 | 4,689,496 | 4,815,439 |
| 21,129,350 | 20,140,987 | 17,987,879 | 17,753,235 | 17,280,200 | 16,568,143 |
| 1,997,450 | 2,045,595 | 1,633,493 | 1,745,219 | 1,276,852 | 889,197 |
| 5,976,033 | 6,094,699 | 5,248,109 | 5,166,996 | 4,448,888 | 3,876,089 |
| 191,917 | 212,573 | 140,939 | 168,780 | 143,353 | 203,849 |
| 36,930,688 | 24,874,905 | 27,626,649 | 20,587,528 | 16,862,238 | 7,494,393 |
| 41,709,877 | 42,306,868 | 38,389,599 | 35,764,763 | 38,855,162 | 37,578,564 |
| 3,682,397 | 878,907 | 1,214,331 | 1,481,200 | 1,261,367 | 410,960 |
| 139,493,256 | 97,873,485 | 94,053,651 | 66,924,947 | 41,101,137 | 72,772,494 |
| 4,859,626 | 4,456,091 | - | - | - | - |
| 91,700 | 179,000 | 12,000 | 106,000 | 20,000 | 65,200 |
| 11,646 | 5,518 | 6,764 | 6,319 | - | 4,628 |
| 1,741,202 | 1,742,623 | 975,287 | 917,928 | 839,876 | 888,460 |
| 1,655,016 | 1,471,898 | 1,279,807 | 1,186,516 | 848,664 | 1,093,516 |
| \$ 472,478,798 | \$ 412,802,319 | \$ 389,776,392 | \$ 327,746,898 | \$ 293,296,623 | \$ 297,255,086 |
| 24.72% | 21.44% | 23.63% | 22.26% | 19.41% | 18.43% |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES,
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

SCHEDULE 7

| Fiscal Year: | 2024 | 2023 | 2022 | 2021 |
|--|-----------------------|-------------------------|-----------------------|----------------------|
| Other Financing Sources (Uses) | | | | |
| General long-term debt issued | 549,600,000 | 145,565,000 | 516,669,904 | - |
| Sale of capital assets | 6,956 | 6,440 | 199 | 523 |
| Transfers in | 1,272,671 | 854,596 | 399,987 | 19,021 |
| Premium or Discount on Issuance of Bonds | 41,872,448 | 5,601,707 | 44,872,551 | - |
| Other Resources | - | - | - | - |
| Transfers out | (10,599) | - | (974,230) | (1,345,252) |
| Other (Uses) | - | - | (157,588,688) | - |
| Total other financing sources (uses) | 592,741,476 | 152,027,743 | 403,379,723 | (1,325,708) |
| Net change in fund balances | \$ 313,677,993 | \$ (171,886,108) | \$ 313,590,523 | \$ 89,880,473 |

Source: District's financial records.

| 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---------------|---------------|--------------|---------------|---------------|---------------|
| 454,734,955 | 92,450,000 | 125,180,000 | 155,390,000 | 320,883,475 | 149,863,125 |
| 43 | 290 | 99 | 976 | 207,455 | 1,810,385 |
| 14,009,988 | 2,935,176 | 20,355,199 | 39,098,875 | 578,569 | 607,649 |
| 71,304,230 | 8,308,085 | 10,236,901 | 21,407,287 | 56,707,584 | 27,025,012 |
| - | - | - | - | 20,790 | - |
| (15,750,370) | (2,919,484) | (20,355,199) | (39,098,875) | (1,789,011) | (2,966,717) |
| (330,475,539) | - | (34,329,910) | (75,455,925) | (301,443,783) | (101,375,915) |
| 193,823,307 | 100,774,067 | 101,087,090 | 101,342,338 | 75,165,079 | 74,963,539 |
| \$ 57,072,688 | \$ 12,918,772 | \$ (642,393) | \$ 29,112,969 | \$ 26,428,319 | \$ 7,751,954 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS COMPARISON

SCHEDULE 8

| Fiscal Year | Real Property Assessed Value | Personal Property Assessed Value | Minerals Assessed Value |
|--------------------|---|---|------------------------------------|
| 2024 | \$35,530,095,137 | \$12,431,531,444 | \$1,392,121,840 |
| 2023 | \$35,530,095,137 | \$12,431,531,444 | \$1,392,121,840 |
| 2022 | \$23,131,241,063 | \$9,175,830,845 | \$445,539,899 |
| 2021 | \$20,058,653,032 | \$8,313,515,744 | \$374,008,410 |
| 2020 | \$18,085,746,244 | \$6,516,250,944 | \$617,067,673 |
| 2019 | \$15,135,720,233 | \$5,369,071,382 | \$790,399,303 |
| 2018 | \$13,312,469,751 | \$5,037,881,478 | \$659,928,810 |
| 2017 | \$10,942,403,000 | \$3,071,844,000 | \$709,709,000 |
| 2016 | \$9,644,355,000 | \$3,118,392,000 | \$1,296,365,000 |
| 2015 | \$8,634,101,000 | \$2,576,109,000 | \$1,538,136,000 |

Source: Official Statement August 15, 2024 page 26, 27

| Less: Exemptions | Total Taxable Value | Total Direct Rate |
|-------------------------|----------------------------|--------------------------|
| \$13,275,049,704 | \$36,078,698,717 | 1.0902 |
| \$11,700,750,390 | \$37,652,998,031 | 1.2746 |
| \$6,771,775,587 | \$25,980,836,220 | 1.2920 |
| \$6,454,667,805 | \$22,291,509,381 | 1.4663 |
| \$5,293,201,727 | \$19,925,863,134 | 1.4200 |
| \$4,189,948,502 | \$17,105,242,416 | 1.4900 |
| \$4,252,190,592 | \$14,758,089,447 | 1.4900 |
| \$2,303,447,000 | \$12,420,509,000 | 1.4525 |
| \$2,353,571,652 | \$11,705,540,348 | 1.4525 |
| \$1,131,418,151 | \$11,616,927,849 | 1.4525 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS (UNAUDITED)

SCHEDULE 9

| Fiscal Year | District Direct Rates | | |
|------------------------|------------------------------|-------------------------|--------------|
| | General Purposes | Capital Purposes | Total |
| 2024 | 0.66920 | 0.42100 | 1.09020 |
| 2023 | 0.85460 | 0.42000 | 1.27460 |
| 2022 | 0.87200 | 0.42000 | 1.29200 |
| 2021 | 0.91630 | 0.42000 | 1.33630 |
| 2020 | 0.97000 | 0.45000 | 1.42000 |
| 2019 | 1.04000 | 0.45000 | 1.49000 |
| 2018 | 1.04000 | 0.45000 | 1.49000 |
| 2017 | 1.04000 | 0.41250 | 1.45250 |
| 2016 | 1.04000 | 0.41250 | 1.45250 |
| 2015 | 1.04000 | 0.41250 | 1.45250 |

Note: Per \$100 of assessed valuation

Source: Official Statement August 15, 2024 page 26 and 28

Overlapping Rates

| Denton County | City of Fort Worth | Tarrant County | Town of Trophy Club | Trophy Club MUD 1 & 2 | Wise County | City of Roanoke | City of Haslet |
|--------------------------|-------------------------------|---------------------------|--------------------------------|--------------------------------------|------------------------|----------------------------|---------------------------|
| 0.18949 | 0.67250 | 0.19450 | 0.41547 | 1.06381 | 0.22000 | 0.30804 | 0.34264 |
| 0.21800 | 0.71300 | 0.22400 | 0.43500 | 0.09100 | 0.25500 | 0.34000 | 0.29700 |
| 0.23300 | 0.73300 | 0.22900 | 0.44500 | 0.10600 | 0.30800 | 0.37500 | 0.28300 |
| 0.22500 | 0.74800 | 0.23400 | 0.44600 | 0.10800 | 0.30800 | 0.37500 | 0.62500 |
| 0.22498 | 0.74750 | 0.23400 | 0.44644 | 0.10774 | 0.30750 | 0.37510 | 0.24997 |
| 0.22528 | 0.78500 | 0.23400 | 0.44644 | 0.11273 | 0.32250 | 0.37510 | 0.29758 |
| 0.22560 | 0.78500 | 0.23400 | 0.44640 | 0.11620 | 0.34640 | 0.37510 | 0.30596 |
| 0.23781 | 0.80500 | 0.24400 | 0.45144 | 0.12021 | 0.34640 | 0.37512 | 0.33304 |
| 0.24841 | 0.83500 | 0.25400 | 0.47300 | 0.13114 | 0.34640 | 0.37512 | 0.29025 |
| 0.26200 | 0.85500 | 0.26400 | 0.48400 | 0.13110 | 0.31390 | 0.37510 | 0.28570 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

SCHEDULE 10

2024

| Name of Taxpayer | Nature of Property | Total Taxable Assessed Valuation | Percent of Total Taxable Assessed Valuation |
|---|---------------------------------|---|--|
| Winner LLC/Facebook Procurement LLC | Technology | \$ 2,230,840,381 | 6.18% |
| BKV Barnett LLC | Oil and Gas | 822,845,461 | 2.28% |
| CS Kinross Lake Parkway LLC | Financial/Banking | 394,565,194 | 1.09% |
| Citicorp Technology Inc- 2695 | Financial/Banking | 341,386,062 | 0.95% |
| Cellco Partnership | Telephone Utility | 284,838,692 | 0.79% |
| AT&T Mobility LLC | Telephone Utility | 276,613,108 | 0.77% |
| Amerisource Bergen Drug Corp | Wholesale Supplier/Distribution | 227,838,501 | 0.63% |
| Amazon.Com Services LLC | Retail | 194,975,519 | 0.54% |
| BT-OH LLC/United Parcel Service Inc. | Shipping/Freight | 168,415,585 | 0.47% |
| Texas Alliance ILP LLC/ AT Industrial Owner 7 | Commercial Building | 166,672,729 | 0.46% |
| | | \$ 5,108,991,232 | 14.16% |
| Total Assessed Taxable Value | | \$36,078,698,717 | 100.00% |

Source: Official Statement August 15, 2024 page 27 and the
Northwest ISD's Comprehensive Annual Financial Report for fiscal year 2014-15

Note:

•County reduced reporting to top ten in year 2016

2015

| Name of Taxpayer | Nature of Property | Total Market Assessed Valuation | Total Taxable Assessed Valuation | Percent of Total Taxable Assessed Valuation |
|---|----------------------------------|---------------------------------------|--|--|
| Devon Energy Production Co LP | Oil & Gas | \$ 381,657,745 | \$ 381,657,745 | 3.29% |
| Amerisource Bergen Drug Corp | Healthcare | 288,933,988 | 247,996,870 | 2.13% |
| Citicorp Technology Inc. - 2695 | Information Technology | 148,363,313 | 148,363,313 | 1.28% |
| Cowtown Pipeline Partners LP | Oil & Gas | 55,648,750 | 55,648,750 | 0.48% |
| W W Grainger Inc. | Commercial & Industrial | 73,136,885 | 54,816,717 | 0.47% |
| Cardinal Health 411 Inc. | Healthcare | 64,284,833 | 52,193,139 | 0.45% |
| Oncor Electric Delivery Co. | Utility | 49,015,500 | 49,015,500 | 0.42% |
| PR III/Crow Building B&D LP | Commercial | 48,679,049 | 48,679,049 | 0.42% |
| AT Industrial Owner 4 LLC | Commercial & Industrial | 45,543,000 | 45,543,000 | 0.39% |
| AT Industrial Owner 2 LLC | Commercial & Industrial | 43,106,551 | 43,106,551 | 0.37% |
| Fed Express Corp Prop Tax | Commercial & Industrial | 42,750,137 | 42,750,137 | 0.37% |
| GE Manufacturing Solutions, LLC | Commercial & Industrial | 39,453,904 | 39,453,904 | 0.34% |
| AT Industrial Owner 7 LLC & AIL Investment LP | Commercial & Industrial | 37,949,045 | 37,949,045 | 0.33% |
| GE Manufacturing Solutions, LLC | Commercial & Industrial | 84,041,269 | 37,172,299 | 0.32% |
| JDC Fort Worth LLC | Commercial & Industrial | 35,370,020 | 35,370,020 | 0.30% |
| Dry Creek Apartments, LTD | Commercial | 35,296,858 | 35,296,858 | 0.30% |
| Eagle Parkway 1 LLC | Commercial | 35,012,250 | 35,012,250 | 0.30% |
| Mid-America Apartments, LP | Commercial | 33,606,783 | 33,606,783 | 0.29% |
| Enterprise Texas Pipeline LP | Oil & Gas | 30,287,690 | 30,287,690 | 0.26% |
| General Mills Operations LLC | Commercial | 40,592,208 | 29,515,668 | 0.25% |
| | | <u>\$1,612,729,778</u> | <u>\$ 1,483,435,288</u> | <u>12.77%</u> |
| | Total Assessed Taxable Valuation | | <u>\$11,616,927,849</u> | <u>100.00%</u> |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

SCHEDULE 11

| Fiscal Year | Tax Levy | Current Tax Collections | Percent of Levy Collected | Collections In Subsequent Years and Cumulative Adjustments | Total Collections To Date | |
|----------------|----------------|----------------------------|---------------------------------|--|---------------------------|-----------------------|
| | | | | | Amount | Percentage of Levy |
| 2024 | \$ 385,493,888 | \$ 382,918,095 | 99.33% | \$ - | \$ 382,918,095 | 99.33% |
| 2023 | 385,861,625 | 384,420,987 | 99.63% | 751,474 | 385,172,461 | 99.82% |
| 2022 | 330,950,290 | 327,958,835 | 99.10% | 2,542,135 | 330,500,970 | 99.86% |
| 2021 | 297,082,527 | 292,316,297 | 98.40% | 4,468,470 | 296,784,767 | 99.90% |
| 2020 | 281,754,073 | 278,998,353 | 99.02% | 2,489,812 | 281,488,165 | 99.91% |
| 2019 | 261,004,729 | 258,015,957 | 98.85% | 2,761,294 | 260,777,251 | 99.91% |
| 2018 | 222,006,398 | 220,578,985 | 99.36% | 1,261,372 | 221,840,357 | 99.93% |
| 2017 | 191,995,031 | 190,344,367 | 99.14% | 1,476,035 | 191,820,402 | 99.91% |
| 2016 | 181,552,257 | 179,826,814 | 99.05% | 1,572,007 | 181,398,821 | 99.92% |
| 2015 | 168,717,002 | 167,292,821 | 99.16% | 1,289,207 | 168,582,028 | 99.92% |

Source: Denton Central Appraisal District and Denton County Tax Assessor-Collector.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

SCHEDULE 12

| Fiscal Year | Governmental Activities | | Total Debt Percentage of Personal Income | Estimated Population | Total Debt Per Capita | Bonded Debt to Value of Taxable Property |
|--------------------|--------------------------------|---|---|-----------------------------|------------------------------|---|
| | Bonds Payable | General Obligation Net Bonded Debt Outstanding | | | | |
| 2024 | 1,909,537,569 | 1,934,991,133 | 32.294% | 117,157 | \$ 16,299 | 37.38 |
| 2023 | 1,429,700,334 | 1,355,203,169 | 13.721% | 112,755 | \$ 12,680 | 3.96 |
| 2022 | 1,355,220,496 | 1,284,904,282 | 15.623% | 153,957 | \$ 8,803 | 5.22 |
| 2021 | 1,040,921,739 | 1,057,334,669 | 12.632% | 149,562 | \$ 6,960 | 4.67 |
| 2020 | 1,180,707,586 | 1,116,846,583 | 15.368% | 143,662 | \$ 8,219 | 5.93 |
| 2019 | 1,052,647,718 | 997,110,422 | 13.904% | 139,450 | \$ 7,549 | 6.15 |
| 2018 | 987,570,669 | 910,898,577 | 13.979% | 133,007 | \$ 7,425 | 5.77 |
| 2017 | 923,349,633 | 884,167,434 | 13.915% | 127,776 | \$ 7,226 | 6.26 |
| 2016 | 848,148,290 | 779,376,583 | 13.615% | 121,355 | \$ 6,989 | 7.25 |
| 2015 | 760,236,831 | 734,513,797 | 12.987% | 114,869 | \$ 6,618 | 6.54 |

Source: Northwest Independent School District OFFICIAL STATEMENT dated August 1, 2023 page 24, 28 (old 5, 71)

Notes:

- Details regarding the district's outstanding debt can be found in the notes to the financial statements.The fund balance on C-3 of the audit
- Bonded Debt to Value of Taxable Property is D16 (Bonds Payable)/Schedule 8 Total Value * 100
- Total Debt Percentage of Personal Income is D16 (Bonds Payable)/Schedule 15
- Net bonded debt consists of general obligation bonds, accreted interest, and premiums on bond issuance, less the deferred loss refunding and the debt service fund balance (not adjustments).



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NORTHWEST INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF June 30, 2024

SCHEDULE 13

| Taxing Jurisdiction | Taxable Assessed Value | Total Tax Supported Debt | Estimated % Applicable | District Overlapping Tax Supported Debt |
|--|------------------------|--------------------------|------------------------|---|
| Alpha Range WC&ISD | \$ 107,540,259 | \$ 8,605,000 | 100.00% | \$ 8,605,000 |
| Argyle, Town of | 1,382,940,934 | 8,525,000 | 2.26% | 192,665 |
| Belmont FWSD #1 | 1,171,849,023 | 91,420,000 | 30.50% | 27,883,100 |
| Brookfield WC & ISD | 170,271,184 | 32,050,000 | 100.00% | 32,050,000 |
| Canyon Falls WC&ID #2 | 498,992,945 | 43,090,000 | 82.46% | 35,532,014 |
| Denton County | 177,207,954,441 | 622,260,000 | 12.01% | 74,733,426 |
| Far North Fort Worth MUD #1 | 282,844,615 | 40,120,000 | 100.00% | 40,120,000 |
| Flower Mound, Town of | 15,970,646,758 | 132,210,000 | 0.60% | 793,260 |
| Fort Worth, City of | 116,882,970,467 | 931,125,000 | 12.88% | 119,928,900 |
| Grapevine, City of | 12,633,734,723 | 130,710,000 | 0.01% | 13,071 |
| Haslet, City of | 1,673,140,387 | 22,250,000 | 100.00% | 22,250,000 |
| Justin, City of | 903,163,834 | 18,105,000 | 100.00% | 18,105,000 |
| Keller, City of | 7,856,287,289 | 61,920,000 | 0.44% | 272,448 |
| New Fairview MUD #1 | 126,564,210 | 17,475,000 | 100.00% | 17,475,000 |
| New Fairview, City of | 353,178,598 | 6,090,000 | 71.32% | 4,343,388 |
| Newark, City of | 105,226,322 | 463,000 | 100.00% | 463,000 |
| Northlake Municipal Mgmt Dist | 683,229,859 | 76,100,000 | 100.00% | 76,100,000 |
| Northlake Town of | 2,781,864,503 | 40,470,000 | 89.80% | 36,342,060 |
| Rhome, City of | 277,593,909 | 2,821,000 | 96.97% | 2,735,524 |
| Roanoke, City of | 3,862,602,677 | 71,080,000 | 100.00% | 71,080,000 |
| Rolling V Ranch WC & ID No. 1 | 25,870,410 | 6,225,000 | 100.00% | 6,225,000 |
| Rolling V Ranch WC & ID No. 2 | 21,177,234 | 5,100,000 | 99.00% | 5,049,000 |
| Southlake, City of | 11,360,163,396 | 57,346,000 | 3.03% | 1,737,584 |
| Tarrant County | 287,630,145,281 | 376,120,000 | 5.38% | 20,235,256 |
| Tarrant County College District | 310,866,090,441 | 591,230,000 | 5.38% | 31,808,174 |
| Tarrant County Hospital District | 287,594,945,024 | 446,660,000 | 5.38% | 24,030,308 |
| Tradition MUD #2B | 169,105,871 | 32,665,000 | 100.00% | 32,665,000 |
| Trophy Club MUD #1 | 2,572,344,313 | 4,700,000 | 79.32% | 3,728,040 |
| Trophy Club, Town of | 3,044,506,735 | 23,215,000 | 98.94% | 22,968,921 |
| Westlake, Town of | 2,556,515,141 | 46,018,000 | 22.94% | 10,556,529 |
| Wise County | 13,886,209,757 | 3,930,000 | 15.47% | 607,971 |
| Total Overlapping Debt | | | | \$ 748,629,639 |
| Northwest ISD | \$37,609,997,647 | \$ 2,280,247,569 | 100.00% | \$ 2,280,247,569 |
| Total Direct and Overlapping Tax Supported Debt | | | | \$ 3,028,877,208 |
| Total Direct and Overlapping Tax Supported Debt to Taxable Assessed Valuation | | | | 8.05% |
| Per Capita Direct and Overlapping Tax Supported Debt | | | | \$ 25,853 |

Source: Northwest Independent School District OFFICIAL STATEMENT dated August 15, 2024 page 28

Note:

•The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

SCHEDULE 14

| Fiscal Year: | 2024 | 2023 | 2022 | 2021 |
|--|------------------|------------------|------------------|------------------|
| Debt Limit | \$ 3,535,992,368 | \$ 3,042,087,713 | \$ 2,552,561,308 | \$ 2,219,702,836 |
| Total net debt applicable to limit | 1,718,339,764 | 1,355,203,169 | 1,284,904,282 | 970,549,810 |
| Legal debt margin | \$ 1,817,652,604 | \$ 1,686,884,544 | \$ 1,267,657,026 | \$ 1,249,153,026 |
| Total net debt applicable to the limit as a percentage of debt limit | 48.60% | 44.55% | 50.34% | 43.72% |

Current Fiscal Year: Legal debt margin calculation

| | |
|--|-------------------|
| Taxable Assessed Value - October 2023 (100% of Actual) | \$ 35,359,923,684 |
| Debt limit (10% of assessed value) | 3,535,992,368 |
| Total bonded debt | \$ 1,909,537,569 |
| Less restricted for retirement of bonded debt | 91,884,965 |
| Total amount of debt applicable to debt limit | 1,817,652,604 |
| Legal debt margin | \$ 1,718,339,764 |

Note: Under state finance law, Northwest Independent School District's outstanding general obligation debt should not exceed 10 percent of the total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Note: Debt limit percentage is in accordance with the Texas Education Code, Bulletin 721, Section 20.04.

Source: Denton Central Appraisal District, Northwest Independent School District.

| 2020 | | 2019 | | 2018 | | 2017 | | 2016 | | 2015 | |
|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|
| \$ | 1,986,119,838 | \$ | 1,750,305,537 | \$ | 1,492,418,476 | \$ | 1,242,050,900 | \$ | 1,170,554,035 | \$ | 1,161,692,785 |
| | 1,007,868,954 | | 882,708,178 | | 828,576,536 | | 764,224,829 | | 697,495,888 | | 695,285,286 |
| \$ | 978,250,884 | \$ | 867,597,359 | \$ | 663,841,940 | \$ | 477,826,071 | \$ | 473,058,147 | \$ | 466,407,499 |
| 50.75% | | 50.43% | | 55.52% | | 61.53% | | 59.59% | | 59.85% | |



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NORTHWEST INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

SCHEDULE 15

| Fiscal year | Population ⁽¹⁾ | Personal Income | Per Capita Personal Income ⁽²⁾ | Unemployment Rate ⁽³⁾ |
|--------------------|----------------------------------|------------------------|--|---|
| 2024 | 117,157 | 5,912,913,790 * | \$ 50,470 * | 4.1% |
| 2023 | 112,755 | 5,690,744,850 | 50,470 | 3.6% |
| 2022 | 153,957 | 8,674,707,165 | 56,345 | 4.1% |
| 2021 | 149,562 | 8,240,417,514 | 55,097 | 3.9% |
| 2020 | 143,662 | 7,682,900,098 | 53,479 | 6.6% |
| 2019 | 139,450 | 7,570,601,050 | 54,289 | 2.8% |
| 2018 | 133,007 | 7,064,799,812 | 53,116 | 3.5% |
| 2017 | 127,776 | 6,635,407,680 | 51,930 | 3.6% |
| 2016 | 121,355 | 6,229,394,860 | 51,332 | 3.7% |
| 2015 | 114,869 | 5,853,839,109 | 50,961 | 3.8% |

Note:

(1) Source: Northwest Independent School District OFFICIAL STATEMENT dated August 15, 2024 page 27

(2) Source: Denton County ACFR - Demographic and Economic Statistics

(3) Source: <https://fred.stlouisfed.org/series> as of June 2024 for Denton County

* Estimate: Data not available yet from Denton County 2024 ACFR

NORTHWEST INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

SCHEDULE 16

| Employer | 2024 | |
|---------------------------------|------------------|---|
| | Employees | Percentage of Average Total Employment |
| Charles Schwab Corp | 7,900 | 28.83% |
| Fidelity Investments | 3,700 | 13.50% |
| Fidelity Investments | 3,200 | 11.68% |
| Amazon Fullfillment Center | 3,000 | 10.95% |
| Genco | 3,000 | 10.95% |
| Amazon Air | 2,000 | 7.30% |
| Federal Aviation Administration | 1,300 | 4.74% |
| AT&T Wireless Distribution | 1,200 | 4.38% |
| TD Ameritrade | 1,100 | 4.01% |
| Dyncorp International | 1,000 | 3.65% |
| | | <u>100.00%</u> |

Source: Northwest ISD's 2014 Comprehensive Annual Finance Report

Source: North Central Texas Council of Governments (NCTCOG.org) Demographic Data
for Tarrant, Denton and Wise Counties

| 2015 | | |
|--|---------------|---|
| Employer | Employees | Percentage of Average Total Employment |
| Fidelity Investments | 5,000 - 7,499 | 18.99% |
| Amazon | 2,500 - 4,999 | 12.66% |
| GENCO ATC Logistics & Electronics | 2,500 - 4,999 | 12.66% |
| DynCorp International - GSDS | 1,000 - 2,499 | 6.33% |
| Flextronics | 1,000 - 2,499 | 6.33% |
| Northwest ISD | 1,000 - 2,499 | 6.33% |
| TD Ameritrade, Inc. | 1,000 - 2,499 | 6.33% |
| Texas Motor Speedway | 1,000 - 2,499 | 6.33% |
| Bell Helicopter | 750 - 1,499 | 3.80% |
| A T & T | 500 - 999 | 2.53% |
| Burlington Northern & Santa Fe Railway | 500 - 999 | 2.53% |
| Deloitte University | 500 - 999 | 2.53% |
| Federal Express Corp - So Regional | 500 - 999 | 2.53% |
| GE Manufacturing Solutions | 500 - 999 | 2.53% |
| LG Electronics Alabama, Inc | 500 - 999 | 2.53% |
| Mercedes-Benz Financial Services, LLC | 500 - 999 | 2.53% |
| Walmart.com | 500 - 999 | 2.53% |
| | | 100.00% |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
FULL-TIME-EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

SCHEDULE 17

| <u>Role ID</u> | <u>Staff</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|--------------------------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <i>Central Administration</i> | | | | | | | | | | | |
| 004 | Assistant/Associate/Deputy Superintendent | 3.0 | 3.8 | 6.0 | 6.0 | 6.0 | 4.0 | 3.0 | 3.0 | 2.0 | 3.0 |
| 012 | District Instructional Program Director or Executive Director | 11.9 | 12.0 | 12.0 | 16.0 | 11.3 | 15.2 | 20.0 | 18.0 | 17.0 | 18.0 |
| 027 | Superintendent | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| 028 | Teacher Supervisor | 1.9 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 | 1.0 | - | - |
| 043 | Business Manager | 2.0 | 2.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 2.0 | 1.0 | 2.0 |
| 045 | Director Of Personnel/Human Resources | 1.7 | 1.0 | - | - | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 3.0 |
| Total Administration/Support | | 21.6 | 21.8 | 22.0 | 26.0 | 25.3 | 28.2 | 31.0 | 29.0 | 25.0 | 27.0 |
| <i>Educational Aides</i> | | | | | | | | | | | |
| 033 | Educational Aide | 154.9 | 177.6 | 186.2 | 197.5 | 219.0 | 237.9 | 240.6 | 243.8 | 281.9 | 340.7 |
| Total Educational Aide | | 154.9 | 177.6 | 186.2 | 197.5 | 219.0 | 237.9 | 240.6 | 243.8 | 281.9 | 340.7 |
| <i>Auxiliary Staff</i> | | | | | | | | | | | |
| - | Auxiliary Staff | 211.5 | 223.6 | 245.9 | - | - | - | - | - | - | - |
| 201 | Business/Finance | - | - | - | 3.0 | 2.0 | 2.0 | 1.0 | 1.0 | 4.0 | 7.0 |
| 202 | Campus Office/Clerical | - | - | - | 127.7 | 136.0 | 135.7 | 133.2 | 135.7 | 142.8 | 155.9 |
| 203 | Central Office/Clerical | - | - | - | 42.0 | 43.8 | 46.8 | 44.5 | 46.6 | 43.5 | 41.9 |
| 204 | Child Nutrition | - | - | - | - | - | - | - | - | - | 1.0 |
| 205 | Human Resources | - | - | - | 3.0 | 4.0 | 4.0 | 4.0 | 2.0 | 3.0 | 6.0 |
| 206 | Information Technology | - | - | - | - | - | - | - | - | - | 27.0 |
| 214 | Maintenance | - | - | - | - | - | - | - | - | - | 28.0 |
| 215 | Plumber | - | - | - | - | - | - | - | - | - | 5.0 |
| 216 | Painter | - | - | - | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 | 2.0 | 3.0 |
| 217 | HVAC | - | - | - | 5.0 | 5.0 | 7.0 | 7.0 | 7.0 | 6.0 | 8.0 |
| 218 | Electrician | - | - | - | 8.0 | 7.0 | 7.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| 219 | Warehouse | - | - | - | 3.0 | 2.0 | 2.0 | 2.0 | 3.0 | 3.0 | 3.0 |
| 220 | Source: Official Statement August 15, 202 | - | - | - | - | - | 2.0 | 2.0 | 2.0 | 9.7 | 11.0 |
| 221 | Transportation | - | - | - | - | - | - | - | 183.1 | 204.2 | 201.8 |
| 222 | Other Non-Exempt Auxiliary (Inc. Non-Exempt Aux. Volunteers) | - | - | - | 8.9 | 13.9 | 13.7 | 14.9 | 8.0 | 7.7 | 9.0 |
| Total Auxiliary Staff | | 211.5 | 223.6 | 245.9 | 203.6 | 216.7 | 223.2 | 217.6 | 396.4 | 431.9 | 513.6 |
| Total Staff (FTEs) | | 1,979.8 | 2,055.7 | 2,188.3 | 2,218.8 | 2,371.7 | 2,502.3 | 2,576.7 | 2,775.2 | 3,039.2 | 3,443.1 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
FULL-TIME-EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

SCHEDULE 17

| Role ID | Staff | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <i>Teacher</i> | | | | | | | | | | | |
| 087 | Teacher | 1,281.6 | 1,355.1 | 1,444.2 | 1,494.4 | 1,598.1 | 1,676.4 | 1,727.2 | 1,692.4 | 1,852.9 | 1,982.7 |
| 047 | Substitute Teacher | - | - | - | - | - | - | 1.6 | 10.6 | 13.9 | 6.1 |
| | Total Teacher | 1,281.6 | 1,355.1 | 1,444.2 | 1,494.4 | 1,598.1 | 1,676.4 | 1,728.8 | 1,703.0 | 1,866.8 | 1,988.8 |
| <i>Professional Support</i> | | | | | | | | | | | |
| 006 | Audiologist | 1.0 | 2.0 | 2.0 | 2.0 | 0.9 | 2.1 | 2.0 | 3.0 | 3.0 | 3.5 |
| - | Department Head | 11.8 | 19.7 | 18.3 | 19.1 | - | - | - | - | - | - |
| 008 | School Counselor | 37.2 | 42.5 | 42.1 | 49.3 | 55.4 | 52.3 | 59.7 | 62.0 | 68.4 | 67.7 |
| 011 | Educational Diagnostician | 17.0 | 19.0 | 20.0 | 21.0 | 25.0 | 30.0 | 32.8 | 35.8 | 37.0 | 47.6 |
| 013 | Librarian | 20.1 | 20.9 | 20.0 | 20.3 | 20.6 | 21.7 | 21.4 | 21.0 | 20.1 | 23.1 |
| 015 | Music Therapist | - | - | - | - | - | 1.0 | 1.0 | 1.0 | 1.0 | 1.6 |
| 016 | Occupational Therapist | 5.0 | 6.0 | 5.9 | 6.0 | 7.0 | 8.0 | 9.0 | 11.0 | 10.0 | 12.2 |
| 017 | Certified Orientation and Mobility Specialist | 0.6 | 0.2 | 0.5 | 0.5 | 1.0 | 0.6 | 1.0 | 1.0 | 1.0 | 1.0 |
| 018 | Physical Therapist | 3.0 | 4.0 | 4.1 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 5.0 | 3.0 |
| 022 | School Nurse | 25.0 | 26.9 | 26.5 | 24.0 | 27.0 | 27.1 | 28.9 | 30.0 | 29.5 | 33.0 |
| 023 | LSSP/Psychologist | 10.0 | 14.0 | 14.0 | 8.0 | 7.0 | 8.2 | 7.0 | 9.6 | 9.0 | 11.8 |
| 024 | Social Worker | 8.2 | 0.2 | 0.2 | 0.2 | 2.0 | 2.0 | - | - | - | 4.7 |
| 026 | Speech Therapist | 17.0 | 18.0 | 18.0 | 18.9 | 22.5 | 24.4 | 30.0 | 32.2 | 36.0 | 47.9 |
| 041 | Teacher Facilitator | - | - | - | - | - | - | - | - | - | 57.1 |
| 056 | Athletic Trainer | - | - | - | - | - | - | - | - | - | 6.9 |
| - | Athletic Director | 1.0 | - | - | - | - | - | - | - | - | - |
| 100 | Instructional Materials Coordinator | - | - | - | - | - | 0.1 | 1.0 | 1.0 | 1.0 | 1.0 |
| 101 | Legal Services | - | - | - | 1.0 | 3.4 | 3.5 | 1.0 | 1.0 | 1.9 | 3.0 |
| 102 | Communications Professional | - | - | - | 6.0 | 1.0 | 1.0 | 7.0 | 6.0 | 5.0 | 7.1 |
| 103 | Source: Official Statement August 15, 2024 page | - | - | - | - | - | 1.0 | 1.0 | 1.0 | 3.8 | 4.0 |
| 105 | Security | - | - | - | 1.9 | 6.0 | 7.0 | 3.0 | 3.0 | 6.0 | 5.9 |
| 106 | District/Campus Information Technology Professional | - | - | - | 16.9 | 2.0 | 3.0 | 20.0 | 22.8 | 22.2 | 25.8 |
| 108 | Transportation | - | - | - | - | 18.9 | 19.0 | - | 6.0 | 4.7 | 6.0 |
| 109 | Athletics | - | - | - | - | 2.6 | 2.8 | 3.9 | 4.9 | 4.9 | 6.8 |
| 111 | Maintenance | - | - | - | 4.0 | 5.0 | 6.9 | 10.0 | 8.0 | 8.0 | 9.5 |
| 112 | Business Services Professional | - | - | - | 9.0 | 10.0 | 11.0 | 16.6 | 17.0 | 16.0 | 24.0 |
| 113 | Other District Exempt Professional Auxiliary | - | - | - | - | 8.0 | 9.9 | 4.0 | 5.9 | 18.0 | 20.8 |
| 114 | Other Campus Exempt Professional Auxiliary | - | - | - | 10.0 | 3.2 | 8.0 | 8.0 | 7.9 | 7.6 | 14.2 |
| - | Other Campus Professional Personnel | 2.0 | 2.0 | 3.0 | - | - | - | - | - | - | - |
| - | Other Non-Instructional District | 91.5 | 38.9 | 43.2 | - | - | - | - | - | - | - |
| - | Work-Based Learning Site Coordinator | 0.5 | 0.3 | 0.6 | 0.4 | - | - | - | - | - | - |
| 117 | Licensed Professional Counselor | - | - | - | - | - | - | - | - | - | 2.0 |
| 120 | Instructional Coach | - | - | - | - | - | - | - | 21.8 | 21.0 | 21.0 |
| | Total Professional Support | 250.8 | 214.6 | 218.2 | 222.3 | 232.5 | 254.6 | 272.3 | 316.9 | 340.1 | 472.2 |
| <i>Campus Administration</i> | | | | | | | | | | | |
| 003 | Assistant Principal | 34.0 | 37.5 | 46.0 | 48.0 | 51.9 | 52.0 | 56.4 | 55.1 | 62.0 | 66.9 |
| 020 | Principal | 25.3 | 25.4 | 25.7 | 27.1 | 28.2 | 30.0 | 30.0 | 31.0 | 31.5 | 33.9 |
| | Total Campus Administration | 59.3 | 62.9 | 71.7 | 75.1 | 80.1 | 82.0 | 86.4 | 86.1 | 93.5 | 100.9 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
EXPENDITURES, ENROLLMENT, AND PER PUPIL COST
LAST TEN FISCAL YEARS

SCHEDULE 18

| <u>Fiscal Year</u> | <u>Enrollment</u> | <u>Operating Expenditures</u> | <u>Per Pupil Cost</u> | <u>Expenses</u> | <u>Per Pupil Cost</u> | <u>Teaching Staff</u> | <u>Pupil-Teacher Ratio</u> | <u>Percentage of Students Receiving Free or Reduced Meals</u> |
|--------------------|-------------------|-------------------------------|-----------------------|-----------------|-----------------------|-----------------------|----------------------------|---|
| 2024 | 30,736 | 332,456,312 | 10,817 | 464,524,016 | 15,113 | 1,853 | 16.59 | 22.68% |
| 2023 | 29,248 | 301,364,357 | 10,304 | 464,586,378 | 15,884 | 1,867 | 15.67 | 26.78% |
| 2022 | 27,583 | 272,144,195 | 9,866 | 334,971,900 | 12,144 | 1,664 | 16.58 | 23.6% |
| 2021 | 25,383 | 268,265,936 | 10,569 | 361,895,439 | 14,257 | 1,627 | 15.60 | 21.5% |
| 2020 | 25,040 | 242,303,390 | 9,677 | 472,478,798 | 18,869 | 1,659 | 15.09 | 20.6% |
| 2019 | 24,141 | 239,013,024 | 9,901 | 412,802,319 | 17,100 | 1,598 | 15.11 | 20.8% |
| 2018 | 23,163 | 226,218,304 | 9,766 | 389,776,392 | 16,828 | 1,578 | 14.68 | 18.9% |
| 2017 | 22,044 | 200,771,697 | 9,056 | 327,746,898 | 12,225 | 1,516 | 14.54 | 21.4% |
| 2016 | 20,900 | 193,508,179 | 9,259 | 293,296,623 | 14,033 | 1,428 | 14.64 | 21.6% |
| 2015 | 19,760 | 176,946,871 | 8,955 | 297,255,086 | 15,043 | 1,329 | 14.87 | 21.7% |

Note:

1. Expenditures for computing per pupil cost are a total of actual expenditures as prescribed by the Texas Education Agency's Financial Accountability System Resource Guide. These include the General and Special Revenue Funds excluding objects of Debt Service, Capital Outlay and Intergovernmental charges.

2. Enrollment and Percentage of Free and Reduced comes from PEIMS

3. Teacher Staff comes from Schedule 17

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

SCHEDULE 19

| Original | | Fiscal Year Ended | | | | | | | | | |
|--------------------|--------------|-------------------|---------|---------|---------|---------|--------|--------|--------|--------|--------|
| Schools | Construction | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Elementary Schools | | | | | | | | | | | |
| Beck | 1998 | | | | | | | | | | |
| Square feet | | 91,953 | 91,953 | 91,953 | 91,953 | 91,953 | 91,953 | 91,953 | 87,032 | 87,032 | 87,032 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 |
| Enrollment | | 677 | 725 | 773 | 756 | 806 | 841 | 837 | 845 | 816 | 744 |
| Cox | 2013 | | | | | | | | | | |
| Square feet | | 98,866 | 98,866 | 98,866 | 98,866 | 98,866 | 98,866 | 98,866 | 98,866 | 98,866 | 98,866 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 |
| Enrollment | | 728 | 791 | 744 | 768 | 769 | 707 | 626 | 551 | 447 | 351 |
| Granger | 2007 | | | | | | | | | | |
| Square feet | | 95,418 | 95,418 | 95,418 | 95,418 | 95,418 | 95,418 | 95,418 | 95,418 | 95,418 | 95,418 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 |
| Enrollment | | 713 | 755 | 770 | 766 | 791 | 787 | 929 | 937 | 922 | 908 |
| *Haslet | 1992, 2020 | | | | | | | | | | |
| Square feet | | 100,431 | 100,431 | 100,431 | 100,431 | 100,431 | 78,420 | 78,420 | 78,420 | 78,420 | 78,420 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | | 675 | 884 | 861 | 492 | 492 | 474 | 704 | 626 | 445 | 420 |
| *Hatfield | 1998, 2023 | | | | | | | | | | |
| Square feet | | 101,509 | 61,652 | 61,652 | 61,652 | 61,652 | 61,652 | 61,652 | 61,652 | 61,652 | 61,652 |
| Capacity | | 850 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| Enrollment | | 757 | 613 | 553 | 432 | 397 | 393 | 519 | 481 | 456 | 410 |
| Hughes | 2005 | | | | | | | | | | |
| Square feet | | 98,028 | 98,028 | 98,028 | 98,028 | 98,028 | 98,028 | 80,124 | 80,124 | 80,124 | 80,124 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | 650 | 650 | 650 | 650 |
| Enrollment | | 671 | 672 | 700 | 619 | 685 | 701 | 659 | 623 | 585 | 570 |
| Justin | 1992 | | | | | | | | | | |
| Square feet | | 81,760 | 81,760 | 81,760 | 81,760 | 81,760 | 81,760 | 81,760 | 81,760 | 81,760 | 81,760 |
| Capacity | | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | | 660 | 605 | 611 | 613 | 595 | 659 | 593 | 574 | 540 | 522 |
| Lakeview | 1983 | | | | | | | | | | |
| Square feet | | 85,671 | 85,671 | 85,671 | 85,671 | 85,671 | 85,671 | 85,671 | 85,671 | 85,671 | 85,671 |
| Capacity | | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | | 524 | 547 | 591 | 548 | 610 | 593 | 630 | 586 | 569 | 568 |
| Love | 2009 | | | | | | | | | | |
| Square feet | | 97,924 | 97,924 | 97,924 | 97,924 | 97,924 | 97,924 | 97,924 | 97,924 | 97,924 | 97,924 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 |
| Enrollment | | 922 | 766 | 677 | 655 | 712 | 744 | 617 | 662 | 717 | 715 |
| Nance | 2005 | | | | | | | | | | |
| Square feet | | 80,124 | 80,124 | 80,124 | 80,124 | 80,124 | 80,124 | 80,124 | 80,124 | 80,124 | 80,124 |
| Capacity | | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | | 531 | 516 | 541 | 612 | 598 | 631 | 603 | 552 | 499 | 481 |
| Peterson | 2008 | | | | | | | | | | |
| Square feet | | 98,142 | 98,142 | 98,142 | 98,142 | 98,142 | 98,142 | 98,142 | 98,142 | 98,142 | 98,142 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 |
| Enrollment | | 680 | 703 | 683 | 740 | 802 | 746 | 781 | 747 | 866 | 807 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
SCHEDULE 19 (Continued)

| Original Construction | | Fiscal Year Ended | | | | | | | | | |
|------------------------------|------------|-------------------|---------|---------|---------|---------|---------|---------|---------|--------|--------|
| Schools | | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Elementary Schools Continued | | | | | | | | | | | |
| Prairie View | 1998 | | | | | | | | | | |
| Square feet | | 78,000 | 78,000 | 78,000 | 78,000 | 78,000 | 78,000 | 78,000 | 78,000 | 78,000 | 78,000 |
| Capacity | | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | | 723 | 631 | 612 | 516 | 482 | 452 | 442 | 443 | 423 | 437 |
| | | | | | | | | | | | |
| *Roanoke | 2010 | | | | | | | | | | |
| Square feet | | 97,411 | 97,411 | 97,411 | 97,411 | 97,411 | 97,411 | 97,411 | 97,411 | 97,411 | 97,411 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 |
| Enrollment | | 722 | 677 | 652 | 615 | 651 | 769 | 755 | 758 | 709 | 752 |
| | | | | | | | | | | | |
| *Seven Hills | 1998, 2023 | | | | | | | | | | |
| Square feet | | 101,509 | 75,968 | 75,968 | 75,968 | 75,968 | 75,968 | 75,968 | 75,968 | 75,968 | 75,968 |
| Capacity | | 850 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | | 693 | 667 | 619 | 558 | 532 | 562 | 562 | 599 | 534 | 568 |
| | | | | | | | | | | | |
| Sendera Ranch | 2008 | | | | | | | | | | |
| Square feet | | 100,447 | 100,447 | 100,447 | 100,447 | 100,447 | 81,000 | 81,000 | 81,000 | 81,000 | 81,000 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | | 846 | 693 | 588 | 607 | 644 | 657 | 568 | 587 | 590 | 603 |
| | | | | | | | | | | | |
| Schluter | 2011 | | | | | | | | | | |
| Square feet | | 101,834 | 101,834 | 101,834 | 101,834 | 101,834 | 101,834 | 101,834 | 101,834 | 83,099 | 83,099 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 850 | 650 | 650 |
| Enrollment | | 747 | 701 | 699 | 943 | 921 | 824 | 747 | 658 | 635 | 543 |
| | | | | | | | | | | | |
| JC Thompson | 2011 | | | | | | | | | | |
| Square feet | | 104,676 | 104,676 | 104,676 | 104,676 | 104,676 | 83,099 | 83,099 | 83,099 | 83,099 | 83,099 |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | | 770 | 816 | 814 | 725 | 734 | 620 | 703 | 622 | 566 | 543 |
| | | | | | | | | | | | |
| Lizzie Curtis | 2018 | | | | | | | | | | |
| Square feet | | 107,026 | 107,026 | 107,026 | 107,026 | 107,026 | 107,026 | - | - | - | - |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | - | - | - | - |
| Enrollment | | 762 | 683 | 649 | 707 | 641 | 566 | - | - | - | - |
| | | | | | | | | | | | |
| Lance Thompson | 2019 | | | | | | | | | | |
| Square feet | | 100,431 | 100,431 | 100,431 | 100,431 | 100,431 | 100,431 | - | - | - | - |
| Capacity | | 850 | 850 | 850 | 850 | 850 | 850 | - | - | - | - |
| Enrollment | | 642 | 825 | 724 | 501 | 380 | 566 | - | - | - | - |
| | | | | | | | | | | | |
| Berkshire | 2021 | | | | | | | | | | |
| Square feet | | 101,509 | 101,509 | 101,509 | - | - | - | - | - | - | - |
| Capacity | | 850 | 850 | 850 | - | - | - | - | - | - | - |
| Enrollment | | 745 | 714 | 642 | - | - | - | - | - | - | - |
| | | | | | | | | | | | |
| Carter | 2023 | | | | | | | | | | |
| Square feet | | 101,509 | - | - | - | - | - | - | - | - | - |
| Capacity | | 850 | - | - | - | - | - | - | - | - | - |
| Enrollment | | 593 | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | | |
| Daniel | 2023 | | | | | | | | | | |
| Square feet | | 101,509 | - | - | - | - | - | - | - | - | - |
| Capacity | | 850 | - | - | - | - | - | - | - | - | - |
| Enrollment | | 462 | - | - | - | - | - | - | - | - | - |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
SCHEDULE 19 (Continued)

| Original Construction | | Fiscal Year Ended | | | | | | | | | |
|-----------------------|------|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Schools | | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Middle Schools | | | | | | | | | | | |
| Chisholm | 1998 | | | | | | | | | | |
| Square feet | | 176,057 | 176,057 | 176,057 | 176,057 | 176,057 | 171,361 | 171,361 | 171,361 | 171,361 | 171,361 |
| Capacity | | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Enrollment | | 823 | 684 | 614 | 531 | 485 | 474 | 1,060 | 1,022 | 977 | 896 |
| Medlin | 1998 | | | | | | | | | | |
| Square feet | | 183,786 | 183,786 | 183,786 | 183,786 | 183,786 | 170,889 | 170,889 | 170,889 | 170,889 | 170,889 |
| Capacity | | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Enrollment | | 1,091 | 991 | 995 | 1,036 | 1,102 | 1,117 | 1,105 | 1,143 | 1,121 | 1,071 |
| Pike | 1993 | | | | | | | | | | |
| Square feet | | 210,883 | 210,883 | 210,883 | 210,883 | 210,883 | 192,414 | 192,414 | 192,414 | 192,414 | 192,414 |
| Capacity | | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Enrollment | | 1,083 | 1,150 | 1,151 | 1,062 | 1,017 | 1,000 | 1,060 | 850 | 770 | 759 |
| Tidwell | 2010 | | | | | | | | | | |
| Square feet | | 181,000 | 181,000 | 181,000 | 181,000 | 181,000 | 181,000 | 181,000 | 181,000 | 181,000 | 181,000 |
| Capacity | | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Enrollment | | 1,042 | 1,039 | 1,079 | 1,051 | 1,033 | 946 | 1,215 | 1,161 | 1,124 | 1,048 |
| Wilson | 2012 | | | | | | | | | | |
| Square feet | | 199,500 | 199,500 | 199,500 | 199,500 | 199,500 | 199,500 | 199,500 | 199,500 | 199,500 | 199,500 |
| Capacity | | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Enrollment | | 970 | 1,414 | 1,307 | 953 | 958 | 924 | 1,034 | 991 | 838 | 855 |
| Adams | 2018 | | | | | | | | | | |
| Square feet | | 198,818 | 198,818 | 198,818 | 198,818 | 198,818 | 198,818 | - | - | - | - |
| Capacity | | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | - | - | - | - |
| Enrollment | | 977 | 1,383 | 1,385 | 1,488 | 1,372 | 1,196 | - | - | - | - |
| Worthington | 2023 | | | | | | | | | | |
| Square feet | | 220,710 | - | - | - | - | - | - | - | - | - |
| Capacity | | 1,200 | - | - | - | - | - | - | - | - | - |
| Enrollment | | 1,061 | - | - | - | - | - | - | - | - | - |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
SCHEDULE 19 (Continued)

| | Original | Fiscal Year Ended | | | | | | | | | |
|--------------|--------------|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Schools | Construction | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| High Schools | | | | | | | | | | | |
| Byron Nelson | 2009 | | | | | | | | | | |
| Square feet | | 646,201 | 646,201 | 646,201 | 646,201 | 623,732 | 502,234 | 502,234 | 502,234 | 502,234 | 502,234 |
| Capacity | | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 |
| Enrollment | | 2,834 | 2,809 | 2,679 | 2,582 | 2,456 | 2,463 | 2,449 | 2,512 | 2,524 | 2,515 |
| | | | | | | | | | | | |
| Northwest | 1984 | | | | | | | | | | |
| Square feet | | 600,697 | 600,697 | 600,697 | 600,697 | 600,697 | 542,427 | 542,427 | 542,427 | 542,427 | 542,427 |
| Capacity | | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Enrollment | | 2,493 | 2,264 | 2,098 | 1,942 | 1,896 | 1,756 | 1,709 | 1,972 | 2,194 | 2,753 |
| | | | | | | | | | | | |
| *Steele | 1992 | | | | | | | | | | |
| Square feet | | 55,567 | 55,567 | 55,567 | 55,567 | 55,567 | 55,567 | 55,567 | 55,567 | 55,567 | 55,567 |
| Capacity | | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| Enrollment | | 251 | 226 | 193 | 225 | 193 | 181 | 133 | 128 | 130 | 109 |
| | | | | | | | | | | | |
| VR Eaton | 2016 | | | | | | | | | | |
| Square feet | | 622,018 | 622,018 | 622,018 | 622,018 | 590,157 | 525,602 | 525,602 | 525,602 | 525,602 | - |
| Capacity | | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 | - |
| Enrollment | | 3,170 | 3,273 | 2,940 | 2,672 | 2,476 | 2,367 | 2,181 | 1,567 | 982 | - |

Source: Northwest Independent School District, Facilities, Planning & Construction

Note:

- Roanoke Elementary School was relocated to a new facility 2010-2011 with Steele Accelerated High School occupying the old Roanoke Elementary School campus.
- Haslet Elementary School was relocated to a new facility 2020-2021
- Enrollment excludes Denton JJAEP, Tarrant JJAEP, and Legacy Learning Center
- Hatfield Elementary School was relocated to a new facility 2023-2024
- Seven Hills Elementary School was relocated to a new facility 2023-2024



FEDERAL AWARDS SECTION



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CERTIFIED PUBLIC ACCOUNTANTS

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P.O. BOX 977
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Northwest Independent School District
Fort Worth, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Northwest Independent School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Northwest Independent School District's basic financial statements, and have issued our report dated November 11, 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 may exist that have not been 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of the 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.

A handwritten signature in black ink that reads "Hankins Eastup Deaton Tonn Seay & Scarborough". The signature is written in a cursive, flowing style.

Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas
November 11, 2024

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Northwest Independent School District
Fort Worth, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Northwest Independent School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Northwest Independent School District's major federal programs for the year ended June 30, 2024. Northwest Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Northwest Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Northwest Independent School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Northwest Independent School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Northwest Independent School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Northwest Independent School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Northwest Independent School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Northwest Independent School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Northwest Independent School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Northwest Independent School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

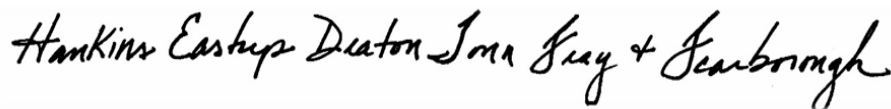
Report on Internal Control over Compliance

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas
November 11, 2024

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

I. Summary of Auditor's Results

1. Type of auditor's report issued on the financial statements: Unmodified.
2. Internal control over financial reporting:
Material weakness(es) identified: No
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
3. Noncompliance which is material to the financial statements: None
4. Internal controls over major federal programs:
Material weakness(es) identified: None
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
5. Type of auditor's report on compliance for major federal programs: Unmodified.
6. Did the audit disclose findings which are required to be reported in accordance with 2 CFR 200.516(a)?: No
7. Major programs include:

84.010A ESEA, Title I, Part A
84.367A ESEA, Title II, Part A

IDEA-B Cluster:
84.027 IDEA - Part B, Formula
84.027A IDEA - Part B, Discretionary
84.173 IDEA - Part B, Preschool
84.173X IDEA - Part B, Preschool (ARP)
84.027X IDEA - Part B, Formula (ARP)
84.027A SPED Capacity Contracted Services

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.

8. Low risk auditee: Yes

II. Findings Related to the Financial Statements

None

III. Other Findings

None

NORTHWEST INDEPENDENT SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2024

None

NORTHWEST INDEPENDENT SCHOOL DISTRICT
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

None

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

| (1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE | (2) Federal Assistance Listing No. | (3) Pass-Through Entity Identifying Number | (4) Federal Expenditures |
|--|---|---|--------------------------------|
| U.S. DEPARTMENT OF EDUCATION | | | |
| <u>Direct Programs</u> | | | |
| Impact Aid - P.L. 81.874 (Note A) | 84.041 | 01-061911 | \$ 454,427 |
| Total Direct Programs | | | 454,427 |
| <u>Passed Through Texas Education Agency</u> | | | |
| ESEA, Title I, Part A - Improving Basic Programs | 84.010A | 24610101061911 | 946,063 |
| *IDEA - Part B, Formula | 84.027 | 246600010619116600 | 4,534,426 |
| *IDEA - Part B, Discretionary | 84.027A | 246600010619116673 | 151,280 |
| *SPED Capacity Contracted Services | 84.027A | 23660049061911 | 90,223 |
| *COVID 19 - IDEA, Part B, Formula - (ARP) | 84.027X | 235350010619115350 | 48,853 |
| Total Assistance Listing Number 84.027 | | | 4,824,782 |
| *IDEA - Part B, Preschool | 84.173 | 246610010619116610 | 38,956 |
| *COVID 19 - IDEA, Part B, Preschool- (ARP) | 84.173X | 235360010619115360 | 11,659 |
| Total Assistance Listing Number 84.173 | | | 50,615 |
| Total Special Education Cluster (IDEA) | | | 4,875,397 |
| Career and Technical - Basic Grant | 84.048 | 23420006061911 | 43,144 |
| Career and Technical - Basic Grant | 84.048 | 24420006061911 | 141,494 |
| Total Assistance Listing Number 84.048 | | | 184,638 |
| Title III, Part A - English Language Acquisition | 84.365A | 24671001061911 | 256,668 |
| ESEA, Title II, Part A, Teacher Principal Training | 84.367A | 23694501061911 | 105,446 |
| ESEA, Title II, Part A, Teacher Principal Training | 84.367A | 24694501061911 | 380,166 |
| Total Assistance Listing Number 84.367 | | | 485,612 |
| ESEA, Title IV, Part A | 84.424A | 23680101061911 | 1,677 |
| ESEA, Title IV, Part A | 84.424A | 24680101061911 | 38,670 |
| Total Assistance Listing Number 84.424 | | | 40,347 |
| COVID 19 - Learning Supports - (TCLAS) ESSER III | 84.425U | 21528042601911 | 6,653 |
| COVID 19 - Supplemental ESSER Fund | 84.425U | 21588043061911 | 16,715 |
| Total Assistance Listing Number 84.425 | | | 23,368 |
| Total Passed Through Texas Education Agency | | | 6,812,093 |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | 7,266,520 |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| <u>Passed Through Texas Education Agency</u> | | | |
| Medicaid Administrative Claiming Program - MAC | 93.778 | HHS000537900208 | 64,781 |
| Total Passed Through Texas Education Agency | | | 64,781 |
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | 64,781 |

NORTHWEST INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

| (1) | (2) | (3) | (4) |
|---|--------------------------------------|--|-------------------------|
| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE | Federal Assistance Listing No. | Pass-Through Entity Identifying Number | Federal Expenditures |
| U.S. DEPARTMENT OF AGRICULTURE | | | |
| <u>Passed Through the Texas Department of Agriculture</u> | | | |
| *School Breakfast Program | 10.553 | 71402401 | 841,672 |
| *National School Lunch Program - Cash Assistance | 10.555 | 71302401 | 3,647,912 |
| *National School Lunch Prog. - Non-Cash Assistance | 10.555 | 71302401 | 465,417 |
| *Supply Chain Assistance | 10.555 | 71302401 | 777,104 |
| Total Assistance Listing Number 10.555 | | | <u>4,890,433</u> |
| Total Child Nutrition Cluster | | | <u>5,732,105</u> |
| Total Passed Through the Texas Department of Agriculture | | | <u>5,732,105</u> |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | <u>5,732,105</u> |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 13,063,406</u> |
| *Clustered Programs | | | |

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

- For all Federal programs, the District uses the fund types specified in Texas Education Agency's *Financial Accountability System Resource Guide*.
- **General Fund** - is used to account for among other things, resources related to the United States Department of Defense ROTC program and the United States Department of Education's Impact Aid.
- **Special Revenue Funds** - are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.
- The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund or, in some instances, in the General Fund which are Governmental Fund type funds.

With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used in the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

- The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, 3 CFR Section 200.343 (b).
- Assistance listing numbers for commodity assistance are the Assistance listing numbers of the programs under which USDA donated the commodities.
- Indirect cost reimbursement for federal programs for this fiscal year was received in the amount of \$306,719.
- Reconciliation Information:

| | |
|---|---------------------|
| Amount reported on the Schedule of Expenditures of Federal awards | \$13,096,028 |
| SHARS Revenue reported in the General Fund | <u>197,396</u> |
| Total Federal Program Revenue | <u>\$13,260,802</u> |