

**NORTHWESTERN WATER AND SEWER DISTRICT
WOOD COUNTY
DECEMBER 31, 2024**

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**NORTHWESTERN WATER AND SEWER DISTRICT
WOOD COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

| FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title | Federal AL Number | Total Federal Expenditures |
|---|----------------------------------|---------------------------------------|
| U.S. DEPARTMENT OF AGRICULTURE <i>Direct Program</i> | | |
| Water and Waste Disposal Systems for Rural Communities - Grant Program | 10.760 | <u>\$596,216</u> |
| Total U.S. Department of Agriculture | | <u>596,216</u> |
| U.S. DEPARTMENT OF TREASURY <i>Passed through Wood County</i> | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Fund | 21.027 | <u>2,087,614</u> |
| Total U.S. Department of Treasury | | <u>2,087,614</u> |
| Total Expenditures of Federal Awards | | <u><u>\$2,683,830</u></u> |

The accompanying notes are an integral part of this schedule.

**NORTHWESTERN WATER AND SEWER DISTRICT
WOOD COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR § 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Northwestern Water and Sewer District, Wood County, Ohio (the District) under programs of the federal government for the year ended December 31, 2024. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The District has elected not to use the 15-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

Northwestern Water and Sewer District
Wood County
P.O. Box 348
12560 Middleton Pike
Bowling Green, Ohio 43402-0348

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Northwestern Water and Sewer District, Wood County, Ohio (the District) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated June 26, 2025, wherein we noted the financial statements of the District as of and for the year ended December 31, 2023 were audited by a predecessor auditor.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed 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 an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

June 26, 2025



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

Northwestern Water and Sewer District
Wood County
P.O. Box 348
12560 Middleton Pike
Bowling Green, Ohio 43402-0348

To the Board of Trustees:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Northwestern Water and Sewer District, Wood County, Ohio's (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Northwestern Water and Sewer District's major federal program for the year ended December 31, 2024. Northwestern Water and Sewer District's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Northwestern Water and Sewer District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2024.

Basis for Opinion on the Major Federal Program

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

We are required to be independent of the 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 the major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Northwestern Water and Sewer District, Wood County, Ohio (the District) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated June 26, 2025. Our report refers to other auditors whom audited the comparative financial statement for the year ended December 31, 2023. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

June 26, 2025

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**NORTHWESTERN WATER AND SEWER DISTRICT
WOOD COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|--|
| (d)(1)(i) | Type of Financial Statement Opinion | Unmodified |
| (d)(1)(ii) | Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material weaknesses in internal control reported for major federal programs? | No |
| (d)(1)(iv) | Were there any significant deficiencies in internal control reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unmodified |
| (d)(1)(vi) | Are there any reportable findings under 2 CFR § 200.516(a)? | No |
| (d)(1)(vii) | Major Programs (list): | Coronavirus State and Local Fiscal Recovery Funds - AL #21.027 |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs | Type A: > \$ 750,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee under 2 CFR § 200.520? | Yes |

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

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Annual Comprehensive Financial Report

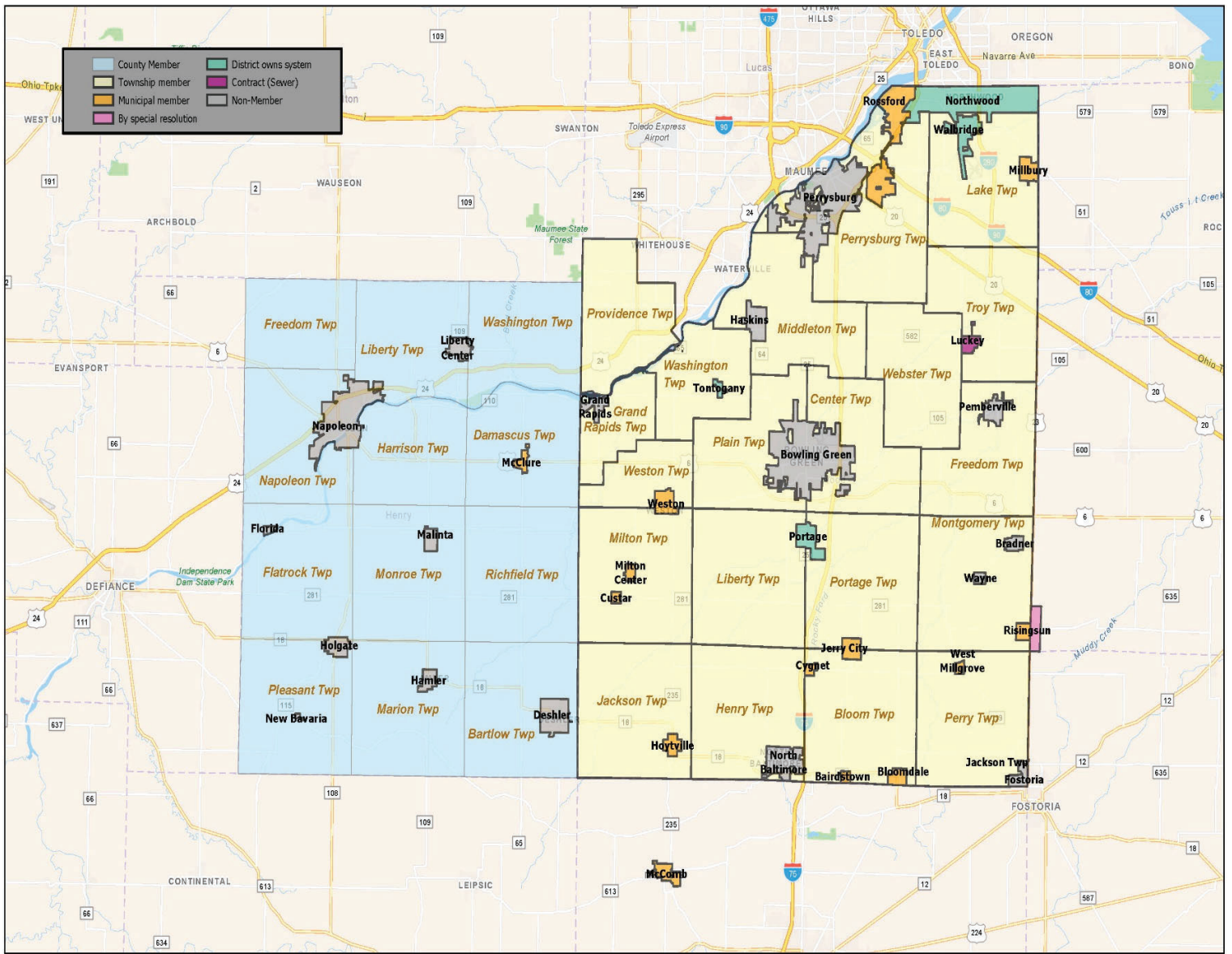
For the years ended December 31, 2024 and 2023

NORTHWESTERN WATER & SEWER DISTRICT

A Political Subdivision of the State of Ohio

Prepared by Kay Ball, CFO





**NORTHWESTERN WATER & SEWER DISTRICT
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June 26, 2025

To the Board of Trustees and Citizens Served by The Northwestern Water and Sewer District:

The Annual Comprehensive Financial Report of the Northwestern Water and Sewer District ("The District") for the year ended December 31, 2024, is hereby submitted. This report follows guidelines set forth by the Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). This report consists of management's representations concerning finances of The District. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management.



To provide a reasonable basis for making these representations, management of The District has established an internal control framework that is designed both to protect District assets from loss, theft or misuse and to compile sufficient reliable information for the preparations of The District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, The District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that this financial report is complete and reliable in all material respects, to the best of our knowledge and belief. All disclosures necessary to enable the reader to gain an understanding of The District's activities have been included.

The District is required to undergo an annual audit in conformity with government auditing standards. Information related to this audit, includes the independent auditor's report on internal control over financial reporting and on compliance and other matters.

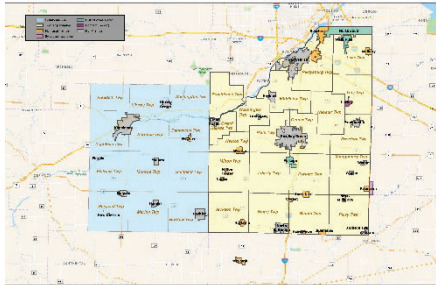
As part of The District's audit, described earlier, tests were made by The District's external auditors of its internal control structure and compliance with applicable laws and regulations. Although this testing is not sufficient to support a separate opinion on The District's internal control system or its overall compliance with laws, the audit for the year ended December 31, 2024 disclosed no material internal control weaknesses or material violations of laws and regulations.

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 letter of transmittal is intended to compliment MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Included in the accompanying financial statements are all accounts of the Northwestern Water and Sewer District. For accounting purposes, The District is accounted for as a single enterprise fund. The reporting is described in Note 1 to the financial statements.

Included at the end of the Statistical Section is a section titled “Continuing Disclosure Requirements.” The schedules in this section are in addition to those required by the Government Finance Officers Association and are presented in compliance with the terms of the Continuing Disclosure Agreement in conjunction with the issuance of the Water Resource Improvement and Refunding Revenue Bonds, Series 2002.

PROFILE OF THE DISTRICT



The District is a regional water and sewer district established pursuant to Chapter 6119 of the Ohio Revised Code. The District is operated pursuant to the authority of the Ohio Revised Code which specifically authorizes the formation of such districts.

In 1991, the County of Wood, Ohio, together with five municipalities and 14 townships, petitioned the Court of Common Pleas of Wood County for the establishment of a regional water and sewer district under Chapter 6119, Ohio Revised Code, to assume ownership and operation of the water and sewer facilities owned and operated by the County. The Court created The District on May 18, 1992 and approved a formal plan of operation on September 29, 1993. The District is currently comprised of 14 municipalities and 20 townships.

The District has authority to levy taxes to pay current operating expenses or debt service charges only with a vote of a majority of its electors. The District may submit the question of issuing bonds of The District and levying a tax outside the ten-mill limitation imposed by Article XII, Section 2 of the Ohio Constitution to pay the principal and interest on such bonds to the electors within the territorial limits of The District. The District may also submit to its electors the question of levying a tax in excess of the ten-mill limitation to pay current expenses of The District or to pay any portion of the cost of water resource projects. Such levy may not exceed ten years. The District currently has no plans to submit a bond issue or tax levy to its electors.

The District may assess real estate for the cost of improvements to the water or sewer system and may issue bonds or notes in anticipation of the collection of such assessments. The District may also issue revenue resource bonds and notes the principal of and interest on which is payable from District revenues generated from charges for water and/or sewer services.

General provisions regulating The District's budget and appropriation procedures are set forth in the Ohio Revised Code. The President is required to submit The District's operating and capital budgets to the Board of Trustees and they are required to adopt such budgets by March 31 of the year to which they apply.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

Wood County is centrally located in the Toledo Trade Area and is classified as belonging to the Toledo Metropolitan Statistical Area (MSA). The 2024 population of the MSA is estimated to be approximately 601,396, of which the County accounted for approximately 132,650 in 2024. The County is the second largest in the Toledo MSA.

The Wood County economy is composed of three major activities: agriculture, manufacturing and education. Agriculture has always been an important part of Wood County, both economically and socially.

Manufacturing is another critical component of the Wood County economy. Most manufacturing industries in the county are involved in either the production of food stuffs, automotive parts and sub-assemblies or machinery. However, the County has seen a diversification of its industrial tax base over the last several years.

Higher education is also of major significance to the Wood County economy. Bowling Green State University, located in the City of Bowling Green, serves as the center of this activity. For the 2023-24 school year, the university had 17,027 students, 73 full-time faculty as well as 2,291 full and part-time administrative and classified staff. In addition to Bowling Green State University, Wood County is home to Owens Community College. For 2024, Owens had a student enrollment of approximately 7,762 in over 120 program areas by a full-time faculty of 109. Students, faculty and staff members of both higher education facilities contribute heavily to the economy of Wood County.

Long-Term Financial Planning

In 2009, The District established a strategic architecture that identified a mission statement, three key business drivers and action plans for each of the three business drivers. The action plans became the basis for establishing the 2024 budget. This process will continue in 2025 with results measured and compared to the plan. The main focus of the plan will be on how to continue to grow The District while not providing an undue financial burden on our customers.

The District has begun a program to address inflow and infiltration into its sewer system. A large retention basin has been constructed to hold overflow during peak rain events. Inflow and infiltration is being studied and addressed throughout the system as well.

At year-end, The District had debt outstanding of \$106,760,295. Outstanding bonds of The District are rated Aa3 by Moody's and AA- by Standard & Poor's rating agencies. The District has a MIG-1 rating from Moody's on short-term borrowing. Notes 4 and 5 to the audited financial statements include schedules of debt outstanding and future debt service requirements.



DISTRICT MAJOR INITIATIVES

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Northwestern Water and Sewer

District for its Annual Comprehensive Financial Report (ACFR) for the year ending December 31, 2023. This was the twenty-first year that The District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Sanitary Sewer Infiltration and Inflow Reduction

The District is mandated by the Ohio EPA to reduce wet weather infiltration and inflow into the sanitary sewer systems. Old, leaking sewers, laterals, cleanouts and manholes allow storm water to enter the system reducing the capacity for sanitary sewage flow. At times the sewer system will surcharge, causing basement backups and overflows to area streams. These events can cause health issues, property damage and pollutants to enter the Lake Erie watershed. The District has invested several million dollars over the last decade to mitigate these problems.

In addition to the rehabilitation of public sewers and infrastructure, we encourage our customers to make similar improvements to their private sanitary laterals and systems. A grant program has been initiated to share the costs of private sewer rehabilitation for our customers. A grant of 50% of the cost of the improvements related to stormwater removal is available. The maximum grant amount is \$2,000 per household.

The District also has a program to assist private community systems by purchasing materials related to private sewer rehabilitation for incorporation into the construction of these improvements.

These efforts have significantly reduced the volume of stormwater in our sanitary sewers. Much work remains in the future and these policies and programs will remain in place to continue the reduction of infiltration and inflow to our system.

Rossford Various Streets Water Line Replacements

The City of Rossford is home to some of the oldest water and sewer infrastructure owned by the District. With this age brings a need for continuous maintenance and replacement. In 2024 Northwestern Water and Sewer District took on the subject project to replace approximately 5,700 linear feet of existing water mains. These lines exist in fully developed areas of the city serving hundreds of customers directly and thousands of customers through the various loops within the distribution system. This critical infrastructure replacement project had a total project cost of \$2.7 million. In addition to the replacement of the aging water lines this project facilitated the identification and replacement of customer service lines to achieve compliance with the US and Ohio EPA's latest requirements for service line material identification.

Grassy Creek Sanitary Sewer Rehabilitation

Grassy Creek is a stream within the Northern portion of the District's service area traversing through the city of Rossford. Parallel to this creek runs an existing 18" sanitary sewer originally constructed in 1937 of concrete pipe. This sewer was originally a major trunk sewer serving a sizable portion of the City of Rossford. This sewer has reached the end of its useful life and has started to fail with significant structural defects visible within the pipe including major cracking and deteriorated pipe joints. Being that this sewer runs parallel with the stream it is known that portions of this sewer were backfilled with glass debris from a nearby glass production facility. It was common within this area for glass to be utilized as fill material.

The project included the testing of pipe joints, grouting of those that failed, curing in place main line lining, manhole rehabilitation, and lateral connection lining. Approximately 2,400 linear feet of sanitary sewer mains were rehabilitated as part of this project for a cost of just over \$1 million.

Lime City Road Water Line Loop

The District serves a significant commercial, retail and hospitality area known as The Crossroads Center. This is located adjacent to the intersections of Interstate 75 and the Ohio Turnpike. The area was originally served with a single feed line from the District's greater distribution network. In the event of failure on this line there is a possibility of causing a major disruption to this service area. With ongoing growth and the future projected growth it was determined that this single feed system was no longer acceptable and a secondary connection was now required.

The subject project was the result of this need. The project consisted of the construction of 9,200 linear feet of 12" water main to include a jack and bored crossing of the Ohio Turnpike. Rock excavation and connections at four locations to existing water mains provide the necessary loops to serve this critical area and prevent significant outages in the event of failure. The total project cost was \$1.8 million.

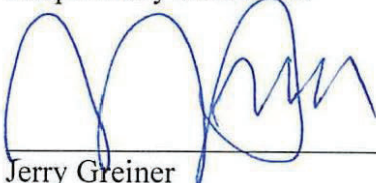
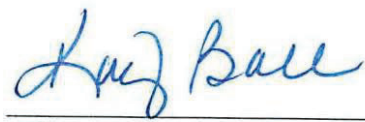
INDEPENDENT AUDIT

Included in this report is an unmodified opinion rendered on the District's financial statements for the year ended December 31, 2024, by the Ohio Auditor of State. As part of the preparation of the annual comprehensive financial report, The District subjects its financial statements to an annual audit. The annual audit serves to strengthen The District's accounting, internal and budgetary controls.

ACKNOWLEDGEMENTS

The preparation of this annual comprehensive financial report would not have been possible without the efficient and dedicated services of all of the district departments and their staff. A special acknowledgement goes to Laurie Mooney, Financial Analyst, for her dedication to details in preparing The District's financial information.

Respectfully submitted.


Jerry Greiner
President
Kay Ball
CFO



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Northwestern Water & Sewer District
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

**NORTHWESTERN WATER & SEWER DISTRICT
DISTRICT OFFICIALS
DECEMBER 31, 2024**

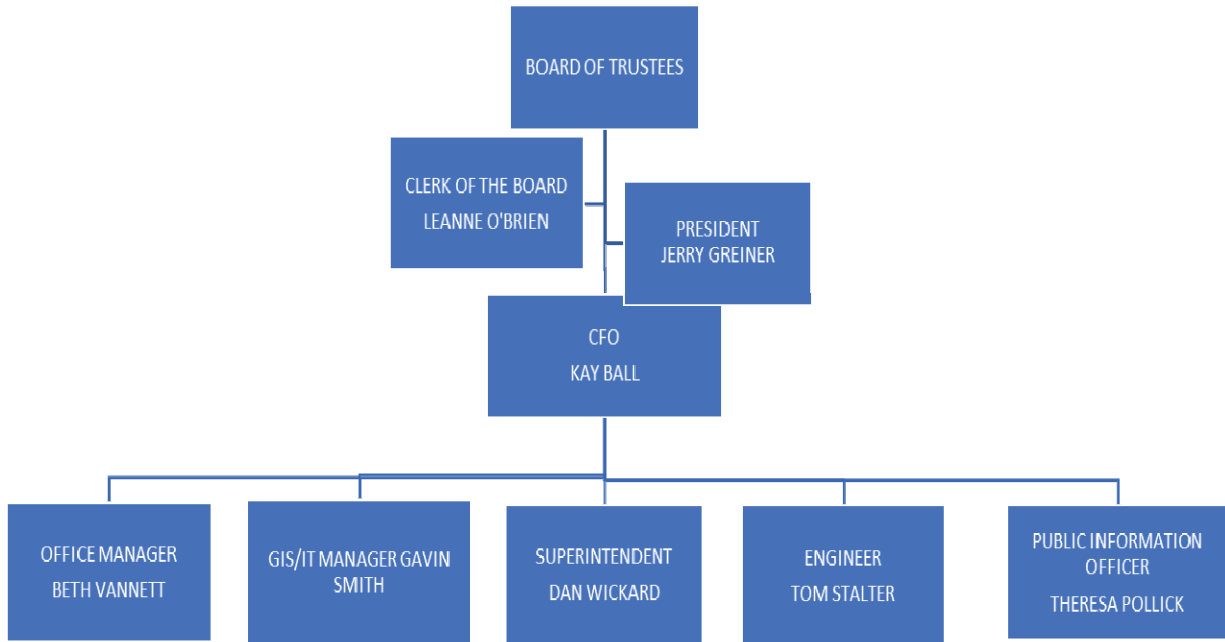
Board of Trustees

| Office | Name | Date Originally Installed | Term Expires |
|---------------|----------------|------------------------------|-----------------|
| Chairman | Doug Miller | 7/23/2015 | 12/31/2027 |
| Vice-Chairman | Melinda Kale | 1/11/2007 | 12/31/2026 |
| Secretary | Steve Arnold | 6/19/2014 | 12/31/2027 |
| Member | Elizabeth Wick | 9/8/2022 | 12/31/2025 |
| Member | William Hirzel | 1/10/2008 | 12/31/2026 |
| Member | Mark Sheffer | 10/5/2013 | 12/31/2027 |
| Member | Brooke Hahn | 1/9/2020 | 12/31/2025 |
| Member | Bill Barnhart | 1/1/2021 | 12/31/2026 |
| Member | Tim Phillips | 2/27/2020 | 12/31/2025 |
| Member | Chuck Latta | 8/27/2020 | 12/31/2025 |

Senior Staff

| | |
|------------------|----------------------------|
| Jerry R. Greiner | President |
| Kay Ball | CFO |
| Tom Stalter | Engineer |
| Gavin Smith | GIS/IT Manager |
| Dan E. Wickard | Superintendent |
| Beth A. Vannett | Customer Service Manager |
| Theresa Pollick | Public Information Officer |

**NORTHWESTERN WATER & SEWER DISTRICT
ORGANIZATIONAL CHART
DECEMBER 31, 2024**



Number of Employees by Department

| | |
|-------------------------------------|------------------|
| Administration | 3 |
| Engineering | 15 |
| Operations | 39 |
| Finance | 4 |
| Office | 14 |
| GIS | <u>4</u> |
| Total Employees - December 31, 2024 | <u><u>79</u></u> |

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OHIO AUDITOR OF STATE KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

INDEPENDENT AUDITOR'S REPORT

Northwestern Water and Sewer District
Wood County
P.O. Box 348
12560 Middleton Pike
Bowling Green, Ohio 43402-0348

To the Board of Trustees:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Northwestern Water and Sewer District, Wood County, Ohio (the District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Northwestern Water and Sewer District, Wood County, Ohio as of December 31, 2024, and the changes in financial position and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Other Matters

Prior Period Financial Statements Audited by a Predecessor Auditor

The financial statements of Northwestern Water and Sewer District, Wood County, Ohio (the District), as of and for the year ended December 31, 2023, were audited by a predecessor auditor whose report dated June 12, 2024, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, such as the Schedule of Revenues, Expenses, and Changes in Net Position – Budget to Actual (Budgetary Basis), Schedule of Net Position – Information by Division, Schedule of Revenues, Expenses, and Changes in Net Position – Information by Division, and Schedule of Cash Flows – Information by Division, 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 Schedule of Revenues, Expenses, and Changes in Net Position – Budget to Actual (Budgetary Basis), Schedule of Net Position – Information by Division, Schedule of Revenues, Expenses, and Changes in Net Position – Information by Division, and Schedule of Cash Flows – Information by Division are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2025, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

June 26, 2025

NORTHWESTERN WATER & SEWER DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The following discussion provides a summary overview of the financial activities of the Northwestern Water & Sewer District (the "District") for the year ended December 31, 2024. This information should be read in conjunction with the letter of transmittal and basic financial statements included in this report.

Financial Highlights

- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$188,468,192, \$179,959,047, and \$159,225,236 as of December 31, 2024, 2023, and 2022.
- Change in net position was \$8,509,145, \$20,773,370, and \$5,661,825 in 2024, 2023, and 2022 respectively.
- Overall net position increased in 2024 by \$8,509,145 or 4.7% and overall net position increased in 2023 by \$20,773,370 or 13.02%.
- Debt increased \$1,542,774 in 2024 and \$8,569,502 in 2023. Retirements of debt principal were \$6,426,546 and \$6,607,398 in 2024 and 2023, respectively, and new issues of debt principal were \$7,969,320 and \$15,176,900 in 2024 and 2023, respectively.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position, the Statements of Cash Flows and the accompanying notes to the financial statements. These statements report information about the District as a whole and about its activities. The District is a single enterprise fund using proprietary fund accounting, which means these statements are presented in a manner similar to a private-sector business. The statements are presented using economic resources measurement focus and the accrual basis of accounting.

The Statements of Net Position present the District's financial position and report the resources owned by the District (assets), obligations owed by the District (liabilities), deferred outflows and inflows, and District net position (the difference between assets, deferred outflows, liabilities, and deferred inflows). The Statements of Revenues, Expenses, and Changes in Net Position present a summary of how the District's net position changed during the year. Revenue is reported when earned and expenses are reported when incurred. The Statements of Cash Flows provide information about the District's cash receipts and disbursements during the year. They summarize net changes in cash resulting from operations, investing, and financing activities. The notes to the financial statements provide additional information that is essential to a full understanding of the financial statements.

Financial Analysis of the District's Financial Position and Results of Operations

The tables below provide a summary of the District's financial position and operations. Net position may serve over time as a useful indicator of a government's financial position. The largest portion of the District's net position, \$141 million (75%) reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Certain amounts may vary slightly due to differences caused by rounding to thousands.

**NORTHWESTERN WATER & SEWER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Condensed Statements of Net Position

December 31,

(In Thousands of Dollars)

| | 2024 | 2023 - Restated | 2022 - Restated | Change | | | |
|--------------------------------|------------|--------------------|--------------------|-----------|---------|-----------|---------|
| | | | | 2024/2023 | | 2023/2022 | |
| | | | | Amount | Percent | Amount | Percent |
| ASSETS | | | | | | | |
| Current Assets | \$ 55,760 | \$ 48,600 | \$ 32,976 | \$ 7,160 | 14.7 % | \$ 15,624 | 47.4 % |
| Capital Assets, Net | 246,230 | 241,033 | 228,458 | 5,197 | 2.2 | 12,575 | 5.5 |
| Other Non-Current Assets | 7,460 | 7,757 | 8,083 | (297) | (3.8) | (326) | (4.0) |
| Total Assets | 309,450 | 297,390 | 269,517 | 12,060 | 4.1 | 27,873 | 10.3 |
| Deferred Outflows of Resources | 3,382 | 5,051 | 1,868 | (1,669) | (33.0) | 3,183 | 170.4 |
| LIABILITIES | | | | | | | |
| Current Liabilities | 14,092 | 12,826 | 13,156 | 1,266 | 9.9 | (330) | (2.5) |
| Long-Term Liabilities | 110,050 | 109,507 | 94,437 | 543 | 0.5 | 15,070 | 16.0 |
| Total Liabilities | 124,142 | 122,333 | 107,593 | 1,809 | 1.5 | 14,740 | 13.7 |
| Deferred Inflows of Resources | 222 | 149 | 4,566 | 73 | 49.0 | (4,417) | (96.7) |
| NET POSITION | | | | | | | |
| Net Investment in Capital | | | | | | | |
| Assets | 141,142 | 139,108 | 134,120 | 2,034 | 1.5 | 4,988 | 3.7 |
| Restricted | 13,124 | 12,681 | 2,143 | 443 | 3.5 | 10,538 | 491.7 |
| Unrestricted | 34,202 | 28,170 | 22,963 | 6,032 | 21.4 | 5,207 | 22.7 |
| Total Net Position | \$ 188,468 | \$ 179,959 | \$ 159,226 | \$ 8,509 | 4.7 % | \$ 20,733 | 13.0 % |

Net position increased by \$8,509 thousand during 2024 and increased by \$20,733 thousand during 2023. The majority of this change was due to the following:

- Restricted cash decreased \$5,135,125 in 2024 and increased \$11,727,479 in 2023 related to restricted contributions for infrastructure projects.
- Debt, including current portion of long-term debt, increased \$1,542,774 in 2024 and increased by \$8,569,502 in 2023 related to borrowing for construction projects.
- Deferred inflow of resources related to pension and OPEB increased \$73,145 in 2024 and decreased by \$4,417,084 in 2023.

**NORTHWESTERN WATER & SEWER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**Condensed Statements of Revenues, Expenses, and Changes in Net Position
For the years ended December 31,
(In Thousands of Dollars)**

| | 2024 | 2023 - Restated | 2022 - Restated | Change | | | |
|--|-------------------|--------------------|--------------------|--------------------|---------------|------------------|--------------|
| | | | | 2024/2023 | | 2023/2022 | |
| | | | | Amount | Percent | Amount | Percent |
| Utility Revenue | \$ 36,891 | \$ 34,359 | \$ 32,031 | \$ 2,532 | 7.4 % | \$ 2,328 | 7.3 % |
| Fees and Permit | 725 | 627 | 488 | 98 | 15.6 | 139 | 28.5 |
| Contract Services | 272 | 224 | 271 | 48 | 21.4 | (47) | (17.3) |
| Other | 697 | 699 | 628 | (2) | (0.3) | 71 | 11.3 |
| Investment Income | 1,583 | 753 | 3 | 830 | 110.2 | 750 | 25000.0 |
| Gain/(Loss) of Sale of Assets | (756) | 146 | 42 | (902) | (617.8) | 104 | 247.6 |
| Total Revenues | 39,412 | 36,808 | 33,463 | 2,604 | 7.1 | 3,345 | 10.0 |
| Depreciation and Amortization | 10,819 | 10,190 | 9,920 | 629 | 6.2 | 270 | 2.7 |
| Other Operating Expense | 25,272 | 22,758 | 19,699 | 2,514 | 11.0 | 3,059 | 15.5 |
| Interest Expense | 2,084 | 2,010 | 1,906 | 74 | 3.7 | 104 | 5.5 |
| Total Expenses | 38,175 | 34,958 | 31,525 | 3,217 | 9.2 | 3,433 | 10.9 |
| Net Revenue Before Aid in Construction | 1,237 | 1,850 | 1,938 | (613) | (33.1) | (88) | (4.5) |
| Aid in Construction | 7,272 | 18,884 | 3,062 | (11,612) | (61.5) | 15,822 | 516.7 |
| Changes in Net Position | 8,509 | 20,734 | 5,000 | \$ (12,225) | (59.0) | \$ 15,734 | 314.7 |
| Beginning Net Position | 179,959 | 159,225 | 154,225 | | | | |
| Ending Net Position | \$ 188,468 | \$ 179,959 | \$ 159,225 | | | | |

Utility revenues increased in 2024 due to consumption increases, as well as rate increases. The District purchases bulk water from the City of Toledo. Toledo instituted a multi-year rate increase program which is passed through to the customers of the District served by water purchased from Toledo. Other Operating Expenses increased in 2024 with increases in employee benefits, purchased water and sewer treatment, and material and supplies.

Utility revenues increased in 2023 due to consumption increases. The District purchases bulk water from the City of Toledo. Toledo instituted a multi-year rate increase program which is passed through to the customers of the District served by water purchased from Toledo. Other Operating Expenses increased in 2023 with increases in employee benefits, purchased water and sewer treatment, and material and supplies. Aid in Construction increased related to a developer payment for future construction costs.

**NORTHWESTERN WATER & SEWER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Capital Assets

At the end of 2024, the District had \$246,229,841 invested in capital assets, net of depreciation. This amount represents a net increase of approximately \$5.2 million, or 2.2% over 2023.

Capital Assets at December 31,
(Net of Depreciation and Amortization, in Thousands)

| | 2024 | 2023 | 2022 | Change | | | |
|---|-------------------|-------------------|-------------------|-----------------|--------------|------------------|--------------|
| | | | | 2024/2023 | | 2023/2022 | |
| | | | | Amount | Percent | Amount | Percent |
| Land and Easements | \$ 1,724 | \$ 1,342 | \$ 1,329 | \$ 382 | 28.5 % | \$ 13 | 1.0 % |
| Construction in Progress | 23,156 | 22,042 | 22,637 | 1,114 | 5.1 | (595) | (2.6) |
| Water and Sewer Lines | 165,669 | 159,807 | 155,765 | 5,862 | 3.7 | 4,042 | 2.6 |
| Buildings, Structures, and Improvements | 42,334 | 44,867 | 37,279 | (2,533) | (5.6) | 7,588 | 20.4 |
| Equipment | 13,347 | 12,975 | 11,448 | 372 | 2.9 | 1,527 | 13.3 |
| Total | <u>\$ 246,230</u> | <u>\$ 241,033</u> | <u>\$ 228,458</u> | <u>\$ 5,197</u> | <u>2.2 %</u> | <u>\$ 12,575</u> | <u>5.5 %</u> |

As indicated by figures in the table above, the majority of capital assets added during the current fiscal year were related to construction in progress.

Additional information on the District's capital assets can be found in Note 3.

Debt Administration

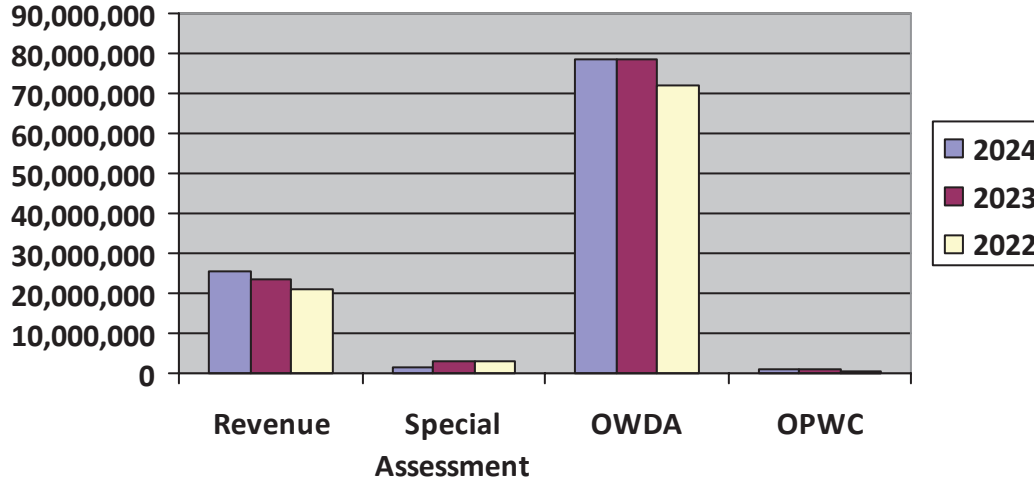
At December 31, 2024, the District had total debt outstanding of \$106,760,295 compared to \$105,217,521 at December 31, 2023. This represents an increase of \$1,542,774. During 2024, the District issued \$7,969,320 of new debt and repaid \$6,426,546 in principal on outstanding debt. At December 31, 2023, the District had total debt outstanding of \$105,217,521 compared to \$96,648,019 at December 31, 2022. This represents an increase of \$8,569,502. During 2023, the District issued \$15,176,900 of new debt and repaid \$6,607,398 in principal on outstanding debt. The District has ratings on its long-term debt of Aa3 from Moody's Investor Service and AA- from Standard and Poor's. This information should be read in conjunction with Notes 4 and 5 to the audited financial statements for more detailed information on long-term debt.

Outstanding Debt at December 31,

| | 2024 | 2023 | 2022 |
|--|-----------------------|-----------------------|----------------------|
| Revenue Bonds and Notes and Capital Leases | \$ 25,451,071 | \$ 23,565,341 | \$ 20,832,291 |
| Special Assessment Bonds and Notes | 1,660,552 | 2,240,550 | 2,893,550 |
| Ohio Water Development Authority | 78,657,402 | 78,341,936 | 72,178,876 |
| Ohio Public Works Commission | 991,270 | 1,069,694 | 743,302 |
| Total Current and Long-term Debt | <u>\$ 106,760,295</u> | <u>\$ 105,217,521</u> | <u>\$ 96,648,019</u> |

**NORTHWESTERN WATER & SEWER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Type of Debt by Year



Economic Factors

Based on the District's 2024 budget, water and sewer rates were increased. The board has directed that the rate be reviewed on an annual basis. The District is subject to the general economic slowdown in housing construction seen across the country.

In 2024, the District expects new residential construction to be slow but does expect to see a slight increase in housing construction as new plans are being proposed for additional housing starts.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances for all interested parties. Questions and requests for additional information regarding this report should be addressed to the CFO, Northwestern Water & Sewer District, P.O. Box 348, Bowling Green, Ohio 43402, or by telephone at (419) 354-9090.

NORTHWESTERN WATER & SEWER DISTRICT
STATEMENTS OF NET POSITION
DECEMBER 31, 2024 AND 2023

| | <u>2024</u> | <u>2023 - Restated</u> |
|---|------------------------------|------------------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and Cash Equivalents - Unrestricted | \$ 20,825,036 | \$ 17,493,133 |
| Cash and Cash Equivalents - Restricted | 10,693,335 | 15,828,460 |
| Investments - Unrestricted | 8,819,208 | 7,198,376 |
| Investments - Restricted | 5,250,000 | 1,223,940 |
| Accounts Receivable - Trade | 4,734,702 | 3,591,455 |
| Grant Receivable | 2,562,507 | 949,247 |
| Current Portion of Special Assessments | 846,416 | 951,731 |
| Inventory | 1,321,017 | 1,090,376 |
| Prepaid Expenses | 707,342 | 273,368 |
| Total Current Assets | <u>55,759,563</u> | <u>48,600,086</u> |
| NONCURRENT ASSETS | | |
| Capital Assets: | | |
| Depreciable: | | |
| Sewer and Water Lines | 287,096,319 | 275,632,976 |
| Buildings, Pumps, and Lift Stations | 68,274,422 | 68,006,166 |
| Machinery and Equipment | 23,797,707 | 21,935,791 |
| Vehicles | 5,228,827 | 5,404,694 |
| Furniture and Fixtures | 515,342 | 515,342 |
| Computer Equipment | 3,594,754 | 3,449,398 |
| Improvements - Oregon Waste Water Treatment Plant | 7,238,932 | 7,189,097 |
| Total Depreciable Capital Assets | 395,746,303 | 382,133,464 |
| Accumulated Depreciation and Amortization | (174,396,770) | (164,484,311) |
| Net Depreciable Capital Assets | <u>221,349,533</u> | <u>217,649,153</u> |
| Nondepreciable: | | |
| Land | 980,966 | 829,581 |
| Easements | 743,215 | 512,143 |
| Construction in Progress | 23,156,127 | 22,042,304 |
| Net Capital Assets | <u>246,229,841</u> | <u>241,033,181</u> |
| OTHER ASSETS | | |
| Net Pension Asset | 104,147 | 72,965 |
| Net OPEB Asset | 297,544 | - |
| Special Assessments, Less Current Portion | 7,058,884 | 7,683,424 |
| Total Other Assets | <u>7,460,575</u> | <u>7,756,389</u> |
| Total Noncurrent Assets | <u>253,690,416</u> | <u>248,789,570</u> |
| Total Assets | 309,449,979 | 297,389,656 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Loss on Debt Refunding | 289,574 | 447,955 |
| Pension | 2,837,069 | 3,992,048 |
| OPEB | 255,294 | 610,775 |
| Total Deferred Outflows of Resources | <u>3,381,937</u> | <u>5,050,778</u> |
| Total Assets and Deferred Outflows of Resources | <u><u>\$ 312,831,916</u></u> | <u><u>\$ 302,440,434</u></u> |

See accompanying Notes to Financial Statements.

**NORTHWESTERN WATER & SEWER DISTRICT
STATEMENTS OF NET POSITION (CONTINUED)
DECEMBER 31, 2024 AND 2023**

| LIABILITIES AND NET POSITION | <u>2024</u> | <u>2023 - Restated</u> |
|---|------------------------------|------------------------------|
| CURRENT LIABILITIES | | |
| Current Portion of Long-Term Debt | \$ 6,593,631 | \$ 6,630,149 |
| Current Portion of Compensated Absences Payable | 572,557 | 514,229 |
| Accounts Payable - Trade | 4,652,237 | 3,431,015 |
| Accrued Payroll and Payroll Taxes | 347,208 | 264,288 |
| Accrued Interest Payable | 965,580 | 922,722 |
| Current Portion of Subscriptions Payable | 55,608 | 57,047 |
| Accounts Due Others | 852,327 | 997,781 |
| Unearned Revenues | <u>53,208</u> | <u>9,000</u> |
| Total Current Liabilities | 14,092,356 | 12,826,231 |
| LONG-TERM LIABILITIES | | |
| Long-Term Debt, Less Current Portion | 100,166,664 | 98,587,372 |
| Long-Term Subscriptions Payable | - | 55,607 |
| Net Pension Liability | 8,647,390 | 9,530,800 |
| Net OPEB Liability | - | 204,566 |
| Compensated Absences Payable, Less Current Portion | <u>1,235,052</u> | <u>1,127,694</u> |
| Total Long-Term Liabilities | <u>110,049,106</u> | <u>109,506,039</u> |
| Total Liabilities | 124,141,462 | 122,332,270 |
| DEFERRED INFLOWS OF RESOURCES | | |
| Pension | 48,596 | 81,315 |
| OPEB | <u>173,666</u> | <u>67,802</u> |
| Total Deferred Inflows of Resources | <u>222,262</u> | <u>149,117</u> |
| Total Liabilities and Deferred Inflows of Resources | <u><u>\$ 124,363,724</u></u> | <u><u>\$ 122,481,387</u></u> |
| NET POSITION | | |
| Net Investment in Capital Assets | \$ 141,142,179 | \$ 139,107,653 |
| Restricted for Debt Service | 1,222,417 | 1,107,817 |
| Restricted for Net Pension/OPEB Asset | 401,691 | 72,965 |
| Restricted for Infrastructure Improvements | 11,500,000 | 11,500,000 |
| Unrestricted | <u>34,201,905</u> | <u>28,170,612</u> |
| Total Net Position | <u><u>\$ 188,468,192</u></u> | <u><u>\$ 179,959,047</u></u> |

See accompanying Notes to Financial Statements.

NORTHWESTERN WATER & SEWER DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2024 AND 2023

| | <u>2024</u> | <u>2023 - Restated</u> |
|--|------------------------------|------------------------------|
| OPERATING REVENUES | | |
| Utility Revenue | \$ 36,890,521 | \$ 34,358,863 |
| Fees and Permits | 724,644 | 626,610 |
| Contract Services | 272,399 | 224,050 |
| Watershed Revenue | 302,818 | 247,240 |
| Other | <u>394,318</u> | <u>451,986</u> |
| Total Operating Revenues | 38,584,700 | 35,908,749 |
| OPERATING EXPENSES | | |
| Depreciation and Amortization | 10,818,758 | 10,189,864 |
| Labor | 5,953,427 | 5,500,359 |
| Employee Benefits | 2,248,534 | 2,007,976 |
| Professional Services | 2,891,064 | 1,770,358 |
| Purchased Water and Sewer Treatment | 9,993,350 | 9,578,534 |
| Materials and Supplies | 2,111,615 | 2,012,136 |
| Utilities | 813,481 | 788,505 |
| Other | <u>1,259,681</u> | <u>1,101,073</u> |
| Total Operating Expenses | 36,089,910 | 32,948,805 |
| OPERATING INCOME | 2,494,790 | 2,959,944 |
| NONOPERATING REVENUES (EXPENSES) | | |
| Investment Income | 1,582,572 | 752,470 |
| Interest Expense | (2,084,327) | (2,009,805) |
| Gain (Loss) on Sale of Assets | <u>(755,900)</u> | <u>146,311</u> |
| Total Nonoperating Revenues (Expenses) | (1,257,655) | (1,111,024) |
| AID IN CONSTRUCTION | <u>7,272,010</u> | <u>18,884,450</u> |
| CHANGE IN NET POSITION | 8,509,145 | 20,733,370 |
| NET POSITION | | |
| Net Position at Beginning of Year | <u>179,959,047</u> | <u>159,887,236</u> |
| Restatement to Beginning Balance related to GASB101 | <u>-</u> | <u>(661,559)</u> |
| Net Position at Beginning of Year, (Restated for 2023) | <u>-</u> | <u>159,225,677</u> |
| NET POSITION AT END OF YEAR | <u><u>\$ 188,468,192</u></u> | <u><u>\$ 179,959,047</u></u> |

See accompanying Notes to Financial Statements.

NORTHWESTERN WATER & SEWER DISTRICT
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

| | <u>2024</u> | <u>2023</u> |
|--|-----------------------------|-----------------------------|
| CASH FLOWS FROM OPERATIONS | | |
| Cash Received from Customers | \$ 35,872,401 | \$ 36,088,763 |
| Cash Payments to Suppliers for Goods and Services | (16,658,038) | (16,332,563) |
| Cash Payments to Employees for Services | (7,628,071) | (7,002,646) |
| Net Cash Provided by Operations | <u>11,586,292</u> | <u>12,753,554</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Aid in Construction | 7,272,010 | 18,884,450 |
| Acquisition and Construction of Capital Assets | (16,252,048) | (22,832,830) |
| Proceeds from Sale of Capital Assets | 236,630 | 210,132 |
| Proceeds from Issuance of Long-Term Debt | 7,969,320 | 15,176,900 |
| Repayment of Long-Term Debt | (6,426,546) | (6,607,398) |
| Principal Payments on Subscriptions | (57,046) | (53,899) |
| Collections on Special Assessments | 951,806 | 934,889 |
| Assessed Special Assessments | (221,951) | (1,695,591) |
| Interest Paid | (2,797,369) | (1,797,705) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(9,325,194)</u> | <u>2,218,948</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Investment Income | 1,582,572 | 752,470 |
| Proceeds on Sale of Investments | 7,119,230 | 1,362,935 |
| Purchases of Investments | (12,766,122) | (1,735,449) |
| Net Cash Provided (Used) by Investing Activities | <u>(4,064,320)</u> | <u>379,956</u> |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | <u>(1,803,222)</u> | <u>15,352,458</u> |
| Cash and Cash Equivalents - Beginning of Year | <u>33,321,593</u> | <u>17,969,135</u> |
| CASH AND CASH EQUIVALENTS - END OF YEAR | <u><u>\$ 31,518,371</u></u> | <u><u>\$ 33,321,593</u></u> |
| Restricted Cash and Cash Equivalents | \$ 10,693,335 | \$ 15,828,460 |
| Unrestricted Cash and Cash Equivalents | 20,825,036 | 17,493,133 |
| Total | <u><u>\$ 31,518,371</u></u> | <u><u>\$ 33,321,593</u></u> |
| SUPPLEMENTAL CASH FLOW INFORMATION (NONCASH ITEMS) | | |
| Aid in Construction | <u><u>\$ 2,463,476</u></u> | <u><u>\$ 801,227</u></u> |

See accompanying Notes to Financial Statements.

**NORTHWESTERN WATER & SEWER DISTRICT
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2024 AND 2023**

| | <u>2024</u> | <u>2023</u> |
|---|----------------------|----------------------|
| CASH FLOWS FROM OPERATIONS | | |
| Operating Income | \$ 2,494,790 | \$ 2,959,944 |
| Adjustments to Reconcile Operating Income to Net Cash | | |
| Provided by Operations: | | |
| Depreciation and Amortization | 10,818,758 | 10,189,864 |
| Changes in Operating Assets and Liabilities that Increase | | |
| (Decrease) Cash Flows: | | |
| Accounts Receivable - Trade | (1,143,247) | (123,047) |
| Grant Receivable | (1,613,260) | 304,061 |
| Inventory | (230,641) | (23,622) |
| Prepaid Expenses | (433,974) | (36,954) |
| Deferred Outflow - Refunding | 158,381 | - |
| Deferred Outflow - Pension | 1,154,979 | (2,607,161) |
| Deferred Outflow - OPEB | 355,481 | (576,537) |
| Net Pension Asset | (31,182) | 35,513 |
| Accounts Payable - Trade | 1,221,222 | (853,852) |
| Accrued Payroll and Payroll Taxes | 82,920 | (25,752) |
| Accounts Due Others | (145,454) | (167,529) |
| Net Pension Liability | (883,410) | 6,677,241 |
| Net OPEB Asset | (297,544) | 1,032,545 |
| Net OPEB Liability | (204,566) | 204,566 |
| Compensated Absences Payable | 165,686 | 182,358 |
| Unearned Revenues | 44,208 | (1,000) |
| Deferred Inflow - Pension | (32,719) | (3,418,057) |
| Deferred Inflow - OPEB | 105,864 | (999,027) |
| Total Adjustments | <u>9,091,502</u> | <u>9,793,610</u> |
| Net Cash Provided by Operations | <u>\$ 11,586,292</u> | <u>\$ 12,753,554</u> |

See accompanying Notes to Financial Statements.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Northwestern Water & Sewer District (the District) commenced operations on January 1, 1994. The District was created upon approval by the Wood County Court of Common Pleas pursuant to Section 6119 of the Ohio Revised Code for the purpose of supplying water and providing for the collection, treatment, and disposal of wastewater to users within and throughout the District. The District was previously known as the Wood County Sanitary Engineer's Office and was under the control of Wood County (the County). Upon commencement, the County transferred the use of all related assets and liabilities to the District at carrying value.

The District is governed by a ten-member board of trustees (the board), three appointed by the participating municipalities, three by the participating townships, and four by the County Commissioners. Board members serve staggered terms of three years. The board controls the employment of the President and CFO of the District. The President is responsible for staffing the respective departments and overseeing the day-to-day operations.

The District is authorized to issue revenue bonds and notes to finance the cost of projects which are payable from the revenues of the District. The District is also authorized to levy taxes for the current expenses of the District or for the issuance of bonds upon approval of a majority of the electorate. The District has not exercised these taxing powers. The District may also assess real estate for certain improvements and issue bonds in anticipation of the collection of such special assessments.

As a political subdivision, the District is distinct from, and is not an agency of, the state of Ohio or any other local governmental unit. The District is not subject to federal, state, or local income taxes or sales taxes.

Since the District was formed, several entities have joined, at which time, all water and sewer related assets and debt are assumed by the District.

The nucleus of the financial reporting entity as defined by the Governmental Accounting Standards Board is the "primary government". A fundamental characteristic of a primary government is that it is a fiscally independent entity. In evaluating how to define the financial reporting entity, management has considered all potential component units. A component unit is a legally separate entity for which the primary government is financially accountable. The criterion of financial accountability is the ability of the primary government to impose its will upon the potential component unit, is in a relationship of financial benefit or burden with the potential component unit or is fiscally dependent on the potential component unit. The criterion was considered in determining the reporting entity. The District does not have financial accountability over any entities.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single enterprise fund.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus

The enterprise fund is accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the District are included on the statements of net position. The statements of revenues, expenses, and changes in net position increases (i.e., revenue) and decreases (i.e., expenses) in net total position. The statements of cash flows provide information about how the District finances and meets the cash flow needs of its enterprise activity.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Budgetary Process

The District is required by law to budget its funds, through adoption of an operating budget by March 31 of each year for the following fiscal year. The operating budget includes estimates for total revenues, total expenses, and debt service requirements for the fiscal year.

Cash and Cash Equivalents

The District considers all highly liquid investments (including restricted assets) with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable – Trade

The District considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is included in the financial statements. When amounts are deemed to be uncollectible, they are expensed in the year in which that determination is made.

Debt Issuance Costs

Debt issuance costs are expensed when incurred.

Special Assessments Receivable

Special assessments receivable includes amounts due from property owners that benefited from projects constructed by the District. The District receives proceeds from the property owners through assessments collected by the County over a 20-year period.

Inventory

Inventory items are valued at cost value using the first-in, first-out (FIFO) method. Inventory consists primarily of water meters and maintenance parts and supplies for the water and sewer lines.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets are recorded at cost. Costs that materially add to the productive capacity or extend the life of an asset are capitalized while maintenance and repair costs are expensed, as incurred. Contributed assets are stated at acquisition value at the time of contribution. Capital assets are defined by the District as assets with initial individual cost of \$5,000.

All capital assets are depreciated, excluding land. Depreciation has been provided using the straight-line method over the following estimated useful lives:

| | <u>Years</u> |
|-------------------------------------|--------------|
| Sewer and Water Lines | 50 |
| Buildings, Pumps, and Lift Stations | 20 - 40 |
| Machinery and Equipment | 10 - 15 |
| Vehicles | 5 - 10 |
| Furniture and Fixtures | 7 - 12 |
| Computer Equipment | 3 - 5 |
| Improvements | 10 - 40 |

Construction in process includes all of the District's costs to develop capital asset projects. The projects are funded through board restriction of assets and construction loans.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Investments

Investments are stated at fair value.

Pensions and OPEB

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

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The liability for compensated absences reported in the financial statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

Deferred Outflows and Inflows

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense) until then. See Notes 8 and 9 for details on the District's deferred outflows of resources related to its net pension liability and net OPEB liability/asset, respectively. In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. See Notes 8 and 9 for detail on the District's deferred inflows of resources related to its net pension liability and net OPEB liability/asset, respectively.

Revenues and Expenses

Operating revenues and expenses result from supplying water and providing for the collection, treatment, and disposal of wastewater. Operating revenues consist primarily of user charges for water and sewage services based on water consumption. Operating expenses include the cost of providing these services, including administrative expenses and depreciation on capital assets.

Nonoperating revenues and expenses are all revenues and expenses not meeting the definition of operating revenues and expenses. Nonoperating revenues and expenses include revenues and expenses from capital and related financing activities and investing activities.

Aid in Construction

Certain types of revenues received by the District for which no value is given in return, including derived tax revenues, imposed nonexchange transactions, government-mandated nonexchange transactions, and voluntary nonexchange transactions have been reported as nonoperating revenues. These amounts include system development fees, assets whose construction was financed by special assessments, donations from private sources, and grants for the acquisition of capital assets.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between assets and deferred outflows of resources compared to liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Restricted net position consists of monies and other resources which are restricted to satisfy debt service requirements as specified in debt agreements. When both unrestricted and restricted funds are available for use, restricted funds are used first.

The District's board of trustees has designated unrestricted net position of \$8,034,689 and \$7,782,419 as of December 31, 2024 and 2023, respectively, for capital and operating expenses, and debt service. Such amounts are not restricted and may be designated for other purposes or eliminated at the discretion of the board.

User Rates and Expenses

The District's sewer and water utility rates are determined in conjunction with periodic rate studies performed by independent third parties. Indirect expenses are generally allocated based upon management's estimate of costs applicable to the respective divisions. Indirect expenses were allocated to the sewer and water divisions, 52% and 48% in 2024 and 2023, respectively.

Subsequent Event

The District has evaluated subsequent events through June 26, 2025, the date which the financial statements were available to be issued.

NOTE 2 CASH AND INVESTMENTS

Deposits

State statutes classify monies held by the District into three categories:

1. Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District's Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.
2. Inactive deposits are public deposits that the District has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Deposits (Continued)

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

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Government obligations, United States Government agency obligations, United States Government instrumentality obligations, and obligations of federal Instrumentalities which have a liquid market with a readily determinable market value.
2. Non-negotiable interest-bearing time certificates of deposit, savings and deposit accounts including but not limited to, savings accounts in any eligible institution mentioned in Section 135.32 of the ORC having an office located within the territorial limits of the District.
3. Repurchase Agreements of Depositories, Dealers, or Brokers for negotiable direct obligations of the United States Treasury, at an amount not less than their fair market value plus accrued interest. The following conditions apply:
 - a. All Repurchase Agreements are to have securities pledged to the District as collateral and are not to exceed thirty (30) days in length. Securities will be pledged at market value at 102% of the District's investment amount;
 - b. All Repurchase Agreements longer than seven (7) days will have the securities delivered to either the Treasurer or to an independent third party financial institution approved by the Treasurer serving as a trustee (the Trustee) under a trust agreement.
 - c. Master Repurchase Agreements are to be executed with all eligible institutions transacting business with the District. Eligible is defined to include only national banks operating with bank offices within Wood County.
4. The State Treasurer's investment pool (STAR Ohio); and
5. Liquid Asset Management Accounts – the Investment Authority may invest in these accounts as long as they continue to satisfy the requirements of Ohio Revised Code Section 135.14(O).

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the Board of Trustees.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District's financial institution participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50 percent in the uninsured and uncollateralized balance. The District's policy for deposits is collateral is required for demand deposits and certificates of deposit at 105% of all deposits not covered by federal deposit insurance. Ohio law requires that deposits either be insured or be protected by eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured or by participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

The carrying value of the District's deposits was \$28,297,453 and \$30,100,950 at December 31, 2024 and 2023, respectively. At December 31, 2024, the bank balance of \$329,308 was covered by federal depository insurance and \$23,298,873 was covered by collateral held by the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 50%; however, the District and financial institution negotiated a reduced collateral floor of 85%.

At December 31, 2023, the bank balance of \$250,000 was covered by federal depository insurance and \$22,406,486 was covered by the Ohio Pooled Collateral System. At year end \$7,596,687 of the District's bank balance was exposed to custodial credit risk because it was uninsured and uncollateralized.

Although the pledging bank has an investment and securities pool used to collateralize all public deposits, which are held in the financial institution's name, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC. The deposits not covered by federal depository insurance are considered uninsured and uncollateralized and subject to custodial credit risk.

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investments

Investments are reported at fair value or amortized cost. At December 31, 2024, the District had the following investments:

| <u>Investments</u> | 2024 | | |
|--|----------------------|----------------------|---------------------|
| | Fair Value | Maturity Less Than 1 | Maturity 1-5 years |
| U.S. Treasuries and Federal Agency Obligations | \$ 8,764,087 | \$ 5,730,633 | \$ 3,033,454 |
| Money Market Mutual Funds | 751,283 | 751,283 | - |
| STAR Ohio | 2,524,756 | 2,524,756 | - |
| Certificate of Deposits | 5,250,000 | - | 5,250,000 |
| Total Investments, Including Restricted | <u>\$ 17,290,126</u> | <u>\$ 9,006,672</u> | <u>\$ 8,283,454</u> |

| <u>Investments</u> | 2023 | | |
|--|----------------------|----------------------|---------------------|
| | Fair Value | Maturity Less Than 1 | Maturity 1-5 years |
| U.S. Treasuries and Federal Agency Obligations | \$ 7,669,024 | \$ 6,059,146 | \$ 1,609,878 |
| Money Market Mutual Funds | 1,579,454 | 1,579,454 | - |
| STAR Ohio | 2,394,481 | 2,394,481 | - |
| Total Investments, Including Restricted | <u>\$ 11,642,959</u> | <u>\$ 10,033,081</u> | <u>\$ 1,609,878</u> |

Investments held by the District at December 31, 2024 and 2023 are presented below, categorized by investment type and credit quality rating as rated by Standard and Poor's. Credit quality ratings provide information about the investments' credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. No investments were subject to custodial credit risk.

| <u>Investment Type</u> | 2024 | | | |
|--|----------------------|----------------------|---------------------|---------------------|
| | Fair Value | Not Rated | AAA | AA+ |
| U.S. Treasuries and Federal Agency Obligations | \$ 8,764,087 | \$ 5,733,767 | \$ - | \$ 3,030,320 |
| Money Market Mutual Funds | 751,283 | 751,283 | - | - |
| Star Treasury Reserve of Ohio (STAROhio) | 2,524,756 | - | 2,524,756 | - |
| Certificate of Deposits | 5,250,000 | 5,250,000 | - | - |
| Total Investments | <u>\$ 17,290,126</u> | <u>\$ 11,735,050</u> | <u>\$ 2,524,756</u> | <u>\$ 3,030,320</u> |

| <u>Investment Type</u> | 2023 | | | |
|--|----------------------|---------------------|---------------------|---------------------|
| | Fair Value | Not Rated | AAA | AA+ |
| U.S. Treasuries and Federal Agency Obligations | \$ 7,669,024 | \$ 1,609,895 | \$ - | \$ 6,059,129 |
| Money Market Mutual Funds | 1,579,454 | 1,579,454 | - | - |
| Star Treasury Reserve of Ohio (STAROhio) | 2,394,481 | - | 2,394,481 | - |
| Total Investments | <u>\$ 11,642,959</u> | <u>\$ 3,189,349</u> | <u>\$ 2,394,481</u> | <u>\$ 6,059,129</u> |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Reconciliation of this footnote to the financial statements:

| | 2024 | 2023 |
|---|----------------------|----------------------|
| Carrying Amount of Bank Deposits - per Note Above | \$ 28,297,453 | \$ 30,100,950 |
| Investments - Per Note Above | 17,290,126 | 11,642,959 |
| Total | <u>\$ 45,587,579</u> | <u>\$ 41,743,909</u> |
| | 2024 | 2023 |
| Statement of Net Position: | | |
| Cash and Cash Equivalents - Unrestricted | \$ 20,825,036 | \$ 17,493,133 |
| Cash and Cash Equivalents - Restricted | 10,693,335 | 15,828,460 |
| Investments - Unrestricted | 8,819,208 | 7,198,376 |
| Investments - Restricted | 5,250,000 | 1,223,940 |
| Total | <u>\$ 45,587,579</u> | <u>\$ 41,743,909</u> |

The District categorizes its fair value measurements at fair value within 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 market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs (quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs such as investments and yield curves, implied volatiles, and credit spreads); Level 3 inputs are significant unobservable inputs.

As of December 31, 2024 and 2023, the District's investments had the following recurring fair value measurements:

| | 2024 | | | |
|--|---------------------|---------------------|-------------|----------------------|
| <u>Investment Type</u> | Level 1 | Level 2 | Level 3 | Total |
| U.S. Treasuries and Federal Agency Obligations | \$ - | \$ 8,764,087 | \$ - | \$ 8,764,087 |
| Money Market Mutual Funds | 751,283 | - | - | 751,283 |
| Star Treasury Reserve of Ohio (STAROhio) | 2,524,756 | - | - | 2,524,756 |
| Certificate of Deposits | 5,250,000 | - | - | 5,250,000 |
| Total | <u>\$ 8,526,039</u> | <u>\$ 8,764,087</u> | <u>\$ -</u> | <u>\$ 17,290,126</u> |
| | 2023 | | | |
| <u>Investment Type</u> | Level 1 | Level 2 | Level 3 | Total |
| U.S. Treasuries and Federal Agency Obligations | \$ - | \$ 7,669,024 | \$ - | \$ 7,669,024 |
| Money Market Mutual Funds | 1,579,454 | - | - | 1,579,454 |
| Star Treasury Reserve of Ohio (STAROhio) | 2,394,481 | - | - | 2,394,481 |
| Total | <u>\$ 3,973,935</u> | <u>\$ 7,669,024</u> | <u>\$ -</u> | <u>\$ 11,642,959</u> |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk – The District places no limit on the amount it may invest in any one issuer, however state statute limits investments in commercial paper and bankers' acceptances to 40% of the interim monies available for investment at any one time. In 2024, the District's investment in U.S. Treasury Notes represents 33% of the District's total investments. The District's investment in Federal Farm Credit Bank bonds represents 4% of the District's total investments in 2024. The District's investment in Federal Home Loan notes represents 3% of the District's total investments in 2024. The District's investment in Federal Home Loan Bank notes represents 9% of the District's total investments in 2024.

In 2023, the District's investment in U.S. Treasury Notes represents 14% of the District's total investments. The District's investment in Federal Farm Credit Bank bonds represents 13% of the District's total investments in 2023. The District's investment in Federal Home Loan notes represents 13% of the District's total investments in 2023. The District's investment in Federal Home Loan Bank notes represents 15% of the District's total investments in 2023.

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 3 CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2024 is as follows:

| | Balance - December 31, 2023 | Additions | Retirements | Transfers | Balance - December 31, 2024 |
|---|-----------------------------------|--------------|----------------|--------------|-----------------------------------|
| Nondepreciable: | | | | | |
| Land | \$ 829,581 | \$ 151,385 | \$ - | \$ - | \$ 980,966 |
| Easements | 512,143 | 231,072 | - | - | 743,215 |
| Construction in Progress | 22,042,304 | 15,818,303 | (978,711) | (13,725,769) | 23,156,127 |
| Total Nondepreciable | 23,384,028 | 16,200,760 | (978,711) | (13,725,769) | 24,880,308 |
| Depreciable: | | | | | |
| Sewer and Water Lines | 275,632,976 | 40,613 | - | 11,422,730 | 287,096,319 |
| Buildings, Pumps, and Lift Station | 68,006,166 | 44,397 | (1,075,217) | 1,299,076 | 68,274,422 |
| Machinery and Equipment | 21,935,791 | 1,090,781 | (209,828) | 980,963 | 23,797,707 |
| Vehicles | 5,404,694 | 431,294 | (607,161) | - | 5,228,827 |
| Furniture and Fixtures | 515,342 | - | - | - | 515,342 |
| Computer Equipment | 3,277,252 | 132,356 | (10,000) | 23,000 | 3,422,608 |
| Improvements - Oregon Wastewater Treatment Plant | 7,189,097 | 49,835 | - | - | 7,238,932 |
| Total Depreciable | 381,961,318 | 1,789,276 | (1,902,206) | 13,725,769 | 395,574,157 |
| Totals at Historical Cost | 405,345,346 | 17,990,036 | (2,880,917) | - | 420,454,465 |
| Accumulated Depreciation: | | | | | |
| Sewer and Water Lines | 115,825,594 | 5,602,599 | - | - | 121,428,193 |
| Buildings, Pumps, and Lift Station | 25,936,267 | 2,909,830 | (247,162) | - | 28,598,935 |
| Machinery and Equipment | 11,431,558 | 1,392,642 | (132,923) | - | 12,691,277 |
| Vehicles | 3,384,809 | 478,011 | (516,214) | - | 3,346,606 |
| Furniture and Fixtures | 498,381 | 5,155 | - | - | 503,536 |
| Computer Equipment | 2,963,775 | 185,135 | (10,000) | - | 3,138,910 |
| Improvements - Oregon Wastewater Treatment Plant | 4,392,501 | 188,004 | - | - | 4,580,505 |
| Total Accumulated Depreciation | 164,432,885 | 10,761,376 | (906,299) | - | 174,287,962 |
| Capital Assets, Net | \$ 240,912,461 | \$ 7,228,660 | \$ (1,974,618) | \$ - | \$ 246,166,503 |
| Subscription Based Information Technology Arrangement Assets: | | | | | |
| Subscription Based Information Technology Arrangements | \$ 172,146 | \$ - | \$ - | \$ - | \$ 172,146 |
| Less Accumulated Amortization: | | | | | |
| Subscription Based Information Technology Arrangements | 51,426 | 57,382 | - | - | 108,808 |
| Total Subscription Based Information Technology Arrangement Assets, , Net | 120,720 | (57,382) | - | - | 63,338 |
| Total Business-Type Activities Capital Assets, Net | \$ 241,033,181 | \$ 7,171,278 | \$ (1,974,618) | \$ - | \$ 246,229,841 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 3 CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

Capital asset activity for the year ended December 31, 2023 is as follows:

| | Balance - December 31, 2022 | Additions | Retirements | Transfers | Balance - December 31, 2023 |
|---|-----------------------------------|---------------|----------------|--------------|-----------------------------------|
| Nondepreciable: | | | | | |
| Land | \$ 829,581 | \$ - | \$ - | \$ - | \$ 829,581 |
| Easements | 499,633 | 12,510 | - | - | 512,143 |
| Construction in Progress | 22,636,523 | 21,620,658 | (1,204,270) | (21,010,607) | 22,042,304 |
| Total Nondepreciable | 23,965,737 | 21,633,168 | (1,204,270) | (21,010,607) | 23,384,028 |
| Depreciable: | | | | | |
| Sewer and Water Lines | 266,177,483 | 37,808 | - | 9,417,685 | 275,632,976 |
| Buildings, Pumps, and Lift Station | 57,849,507 | 135,453 | (262,104) | 10,283,310 | 68,006,166 |
| Machinery and Equipment | 20,059,805 | 700,310 | (48,841) | 1,224,517 | 21,935,791 |
| Vehicles | 4,610,075 | 1,319,677 | (525,058) | - | 5,404,694 |
| Furniture and Fixtures | 515,342 | - | - | - | 515,342 |
| Computer Equipment | 3,167,749 | 64,426 | (40,018) | 85,095 | 3,277,252 |
| Improvements - Oregon Wastewater Treatment Plant | 7,189,097 | - | - | - | 7,189,097 |
| Total Depreciable | 359,569,058 | 2,257,674 | (876,021) | 21,010,607 | 381,961,318 |
| Totals at Historical Cost | 383,534,795 | 23,890,842 | (2,080,291) | - | 405,345,346 |
| Accumulated Depreciation: | | | | | |
| Sewer and Water Lines | 110,412,598 | 5,412,996 | - | - | 115,825,594 |
| Buildings, Pumps, and Lift Station | 23,554,317 | 2,613,409 | (231,459) | - | 25,936,267 |
| Machinery and Equipment | 10,133,011 | 1,318,677 | (20,130) | - | 11,431,558 |
| Vehicles | 3,499,200 | 406,812 | (521,203) | - | 3,384,809 |
| Furniture and Fixtures | 490,208 | 8,173 | - | - | 498,381 |
| Computer Equipment | 2,807,134 | 196,659 | (40,018) | - | 2,963,775 |
| Improvements - Oregon Wastewater Treatment Plant | 4,204,916 | 187,585 | - | - | 4,392,501 |
| Total Accumulated Depreciation | 155,101,384 | 10,144,311 | (812,810) | - | 164,432,885 |
| Capital Assets, Net | \$ 228,433,411 | \$ 13,746,531 | \$ (1,267,481) | \$ - | \$ 240,912,461 |
| Subscription Based Information Technology Arrangement Assets: | | | | | |
| Subscription Based Information Technology Arrangements | \$ 30,203 | \$ 141,943 | \$ - | \$ - | \$ 172,146 |
| Less Accumulated Amortization: | | | | | |
| Subscription Based Information Technology Arrangements | 5,873 | 45,553 | - | - | 51,426 |
| Total Subscription Based Information Technology Arrangement Assets, , Net | 24,330 | 96,390 | - | - | 120,720 |
| Total Business-Type Activities Capital Assets, Net | \$ 228,457,741 | \$ 13,842,921 | \$ (1,267,481) | \$ - | \$ 241,033,181 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 4 DEBT

The District has 122 loans with the Ohio Water Development Authority (OWDA) to finance the cost of developing and improving the water and sewer systems. These are direct borrowings. The following table shows remaining principal amounts outstanding on the individual loans as of December 31, 2024 and 2023:

| Project Number | Date of Loan | Original Amount | Interest Rate | Final Payment Date | Amount Outstanding | |
|--|-----------------|--------------------|------------------|-----------------------|--------------------|-----------|
| | | | | | 2024 | 2023 |
| WL #300 | 10/28/04 | \$ 90,500 | 4.10% | 01/01/25 | \$ 3,271 | \$ 9,615 |
| WL #318 | 09/31/04 | 338,000 | 4.56 | 07/01/24 | - | 25,080 |
| SS #1000 | 11/04/04 | 168,224 | 4.56 | 07/01/24 | - | 12,526 |
| Weston 4046 | 02/26/04 | 420,316 | 1.50 | 07/01/25 | 24,132 | 47,906 |
| Williamsburg 5097 | 04/30/09 | 650,829 | 3.70 | 07/01/29 | 147,808 | 174,255 |
| Weston 5730 | 10/27/10 | 908,842 | 3.41 | 01/01/31 | 320,361 | 363,692 |
| Custar 4444 | 01/26/06 | 782,759 | 1.50 | 01/01/37 | 369,152 | 395,812 |
| Milton Center 4714 | 05/31/07 | 757,375 | 1.00 | 07/01/38 | 381,688 | 406,966 |
| Metering 5865 | 05/26/11 | 1,969,940 | 4.45 | 07/01/31 | 854,719 | 956,717 |
| Weston 5867 | 05/26/11 | 1,389,150 | - | 01/01/33 | 584,981 | 653,802 |
| Bloomdale 4329 Country Manor SS Force | 06/30/05 | 530,152 | 2.00 | 01/01/36 | 241,235 | 259,718 |
| Rossford 6457 | 05/30/13 | 454,582 | 3.44 | 01/01/44 | 255,327 | 264,390 |
| Rossford 6464 | 05/30/13 | 1,298,907 | 2.67 | 01/01/34 | 664,537 | 725,236 |
| Rossford 6475 | 06/27/13 | 2,153,389 | 2.59 | 07/01/34 | 1,221,133 | 1,326,841 |
| Five Point 6581 | 10/31/13 | 1,105,909 | 2.89 | 07/01/34 | 507,544 | 550,742 |
| Custar WL 6231 | 06/28/12 | 596,739 | - | 07/01/43 | 347,667 | 365,965 |
| Cygnat 6335 | 12/06/12 | 751,817 | 3.19 | 07/01/43 | 449,068 | 466,035 |
| Homecraft SS Laterals 6309 | 10/25/12 | 554,528 | 2.48 | 07/01/33 | 252,669 | 277,438 |
| Jennings Rd 6382 | 01/31/13 | 767,692 | 2.94 | 01/01/44 | 571,092 | 592,517 |
| Milton Center 6230 | 06/28/12 | 842,856 | - | 07/01/43 | 482,994 | 508,415 |
| Morton Building 6396 | 02/28/13 | 381,694 | 3.09 | 01/01/43 | 274,752 | 285,618 |
| Perrysburg Twp 6260 | 08/30/12 | 193,950 | 3.36 | 07/01/42 | 134,253 | 139,608 |
| Rossford Clearwell 6383 | 01/31/13 | 3,777,878 | 2.94 | 01/01/44 | 2,404,365 | 2,494,566 |
| Rossford Tree St 6232 | 06/28/12 | 858,032 | 2.64 | 07/01/32 | 386,831 | 429,724 |
| Stony Ridge 6397 | 02/28/13 | 694,644 | 1.98 | 01/01/44 | 519,798 | 538,979 |
| SS100 Master Meter 6500 | 07/25/13 | 274,953 | 2.57 | 07/01/33 | 129,418 | 142,047 |
| Walbridge Laterals 6583 | 10/31/13 | 540,638 | 3.59 | 07/01/34 | 277,404 | 300,095 |
| Rossford Tree Streets PR 6644 | 12/12/13 | 509,997 | 3.37 | 01/01/35 | 254,272 | 274,154 |
| Hillside Dr SS 6676 | 02/27/14 | 389,462 | 3.44 | 01/01/35 | 235,770 | 254,128 |
| Rossford Citywide I & I 6641 | 12/13/13 | 460,927 | 3.37 | 07/01/34 | 268,619 | 290,868 |
| Ampoint SS 6674 | 02/27/14 | 1,902,014 | 3.44 | 01/01/35 | 1,141,903 | 1,230,817 |
| Hufford Rd WL 6742 | 05/29/14 | 1,112,050 | 3.16 | 01/01/35 | 623,372 | 672,726 |
| Rossford Colony I & I 6773 | 06/26/14 | 1,395,708 | 3.09 | 07/01/35 | 864,096 | 929,143 |
| East Broadway WL 6766 | 06/26/14 | 714,388 | 2.59 | 01/01/35 | 371,930 | 402,388 |
| 100 Area WL 6741 | 05/29/14 | 356,451 | 3.16 | 01/01/35 | 195,964 | 211,479 |
| Jennings Rd PS 6695 | 03/27/14 | 721,878 | 3.33 | 01/01/35 | 418,751 | 451,571 |
| E Broadway WL 6747 | 05/29/14 | 369,454 | 4.00 | 01/01/45 | 104,362 | 107,637 |
| Bloomdale PS 6930 | 03/26/15 | 211,816 | 2.74 | 01/01/46 | 159,300 | 164,679 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 4 DEBT (CONTINUED)

| Project Number | Date of Loan | Original Amount | Interest Rate | Final Payment Date | Amount Outstanding | |
|------------------------------------|-----------------|--------------------|------------------|-----------------------|--------------------|------------|
| | | | | | 2024 | 2023 |
| Wise St SS 6893 | 01/29/15 | \$ 923,133 | 3.03 % | 01/01/46 | \$ 574,111 | \$ 592,822 |
| Homecraft SS | | | | | | |
| Laterals 6843 | 10/30/14 | 728,574 | 2.96 | 07/01/35 | 350,040 | 376,604 |
| Pump Station Sewer | | | | | | |
| Imp 6943 | 03/26/15 | 369,550 | 1.80 | 01/01/36 | 212,253 | 228,725 |
| Colony Rd PS | | | | | | |
| Replacement 7007 | 05/28/15 | 2,801,424 | 1.99 | 01/01/36 | 1,513,872 | 1,629,940 |
| Bays Rd WL 7064 | 07/01/15 | 313,001 | - | 07/01/36 | 201,393 | 216,312 |
| BG 2nd WL Connection | | | | | | |
| 7119 | 09/24/15 | 487,386 | - | 07/01/36 | 313,306 | 336,593 |
| Rossford 7158 | 10/29/15 | 745,156 | 2.18 | 07/01/36 | 439,127 | 470,822 |
| 2nd Portage WL 7185 | 12/10/15 | 426,791 | 1.64 | 07/01/36 | 336,258 | 361,417 |
| SS 200 Area I & I 7159 | 10/29/15 | 262,721 | 1.68 | 07/01/36 | 130,087 | 139,794 |
| Bloomdale Rehab 7063 | 07/30/15 | 101,011 | 1.79 | 07/01/36 | 63,523 | 68,228 |
| Northern Area 7253 | 02/25/16 | 757,780 | 1.85 | 01/01/37 | 481,082 | 514,995 |
| Tracy Rd SS 7397 | 06/30/16 | 2,844,821 | 2.18 | 01/01/37 | 1,678,050 | 1,798,571 |
| Hillview Dr 7258 | 02/25/16 | 121,186 | 1.85 | 01/01/37 | 73,111 | 78,264 |
| WL 300 Area 7337 | 05/26/16 | 358,847 | 1.27 | 01/01/37 | 234,801 | 252,029 |
| Oregon EQ Basin 7254 | 02/25/16 | 6,087,816 | 1.85 | 01/01/37 | 3,997,367 | 4,279,159 |
| Eastwood School 7476 | 09/29/16 | 860,359 | 2.01 | 07/01/36 | 556,832 | 597,481 |
| Bairdton WWTP 7468 | 08/25/16 | 1,788,861 | - | 01/01/38 | 1,170,076 | 1,256,748 |
| Northwood 7088 | 08/27/15 | 237,914 | 2.32 | 07/01/36 | 155,607 | 166,733 |
| McComb SS 4235 | 01/27/05 | 89,843 | 4.50 | 07/01/25 | 6,635 | 12,981 |
| McComb CSO 5067 | 02/26/09 | 412,026 | - | 07/01/29 | 103,006 | 123,608 |
| Milsbury SS 7540 | 12/08/16 | 1,225,129 | 1.55 | 07/01/37 | 720,508 | 770,171 |
| McComb WT 6485 | 06/27/13 | 994,336 | 2.00 | 07/01/35 | 534,436 | 581,736 |
| Carrington Woods & Totogany 7559 | 01/26/17 | 379,925 | 2.85 | 07/01/37 | 281,521 | 298,404 |
| Hanson, George WL Replace 7560 | 02/08/17 | 755,885 | 2.85 | 01/01/38 | 553,891 | 587,109 |
| Southern Serv Area Water System | 09/09/16 | 474,827 | 0.76 | 01/01/37 | 305,158 | 328,343 |
| Taylor 7651 WL | 04/05/17 | 399,409 | 1.83 | 01/01/38 | 286,521 | 305,073 |
| Hamlet 7820 WL | 08/10/17 | 581,310 | 1.89 | 01/01/38 | 415,540 | 442,325 |
| Curtice 7727 WL | 06/08/17 | 1,069,866 | 1.63 | 01/01/38 | 666,523 | 710,326 |
| Starbright 7814 WL | 08/07/17 | 1,087,657 | 1.89 | 01/01/38 | 737,515 | 785,054 |
| Williamsburg 7541 | 11/07/16 | 504,305 | 1.55 | 07/01/37 | 250,735 | 268,018 |
| Perrysburg I&I 7813 | 08/07/17 | 1,119,722 | 1.39 | 01/01/38 | 679,374 | 724,824 |
| Lead Elimination 7966 | 01/29/18 | 1,003,450 | 1.81 | 10/01/22 | 635,699 | 673,719 |
| White Rd/ Vineyard WL 8101 | 05/04/18 | 706,698 | 2.15 | 10/01/22 | 541,872 | 573,409 |
| McComb WL Imp 7980 | 04/06/18 | 321,351 | 2.70 | 07/01/39 | 211,901 | 223,698 |
| Oregon/Bays Rd Elevated Tank 8095 | 06/04/18 | 463,500 | 2.90 | 01/01/40 | 340,481 | 358,371 |
| Weston Silver St WL 7979 | 04/06/18 | 144,475 | 2.70 | 07/01/38 | 105,709 | 112,121 |
| McComb Clearwell 8212 | 08/06/18 | 1,106,715 | - | 10/01/23 | 798,288 | 849,791 |
| Hoytville 7812 | 08/07/17 | 85,873 | - | 04/01/22 | 60,111 | 64,405 |
| Rudolph Rd Forcemain 7257 | 08/31/17 | 180,218 | - | 06/01/37 | 102,029 | 110,192 |
| Lime City Buck Rd WL ODOT 7987 | 04/06/18 | 426,852 | 2.70 | 07/01/39 | 307,355 | 324,466 |
| Rossford Various St Sewer | | | | | | |
| Rehab 8340 | 1/31/2019 | 827,474 | 3.10 | 01/01/40 | 650,584 | 682,844 |
| Weston Center St/Euler/Cygnat 8258 | 10/25/2018 | 413,820 | 2.93 | 01/01/39 | 303,758 | 320,356 |
| Weston Meter Pit 8492 | 04/25/19 | 306,839 | 2.09 | 01/01/40 | 150,118 | 158,241 |
| Millbury SS IMP PH2 8621 | 07/25/19 | 933,679 | 1.00 | 01/01/41 | 723,904 | 764,064 |
| WL 101 Repair 8628 | 08/29/19 | 536,574 | 2.10 | 01/01/40 | 434,216 | 457,693 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 4 DEBT (CONTINUED)

| Project Number | Date of Loan | Original Amount | Interest Rate | Final Payment Date | Amount Outstanding | |
|-------------------------------|-----------------|--------------------|------------------|-----------------------|----------------------|----------------------|
| | | | | | 2024 | 2023 |
| Troy TWP WL IMP 8629 | 08/29/19 | \$ 936,505 | 2.10 % | 07/01/40 | \$ 731,232 | \$ 769,322 |
| Eagle Point SS Rehab 8665 | 09/26/19 | 1,377,781 | 1.22 | 01/01/41 | 977,286 | 1,030,447 |
| Ampoint WL 8719 | 12/12/19 | 1,097,018 | 1.10 | 01/01/41 | 910,901 | 960,986 |
| HC Filling home WL | 07/01/12 | 244,839 | 3.34 | 01/01/32 | 116,178 | 129,600 |
| HC Okolona Sewers | 07/01/13 | 623,615 | 1.00 | 01/01/43 | 315,288 | 330,730 |
| HC-McClure WWS | 07/01/12 | 1,122,494 | 1.00 | 01/01/42 | 695,199 | 731,378 |
| HC-McClure WWS | 07/01/14 | 1,784,282 | 1.98 | 01/01/44 | 945,830 | 979,085 |
| HC Deimling RD/Duke Dev | 10/31/19 | 348,751 | 1.78 | 01/01/41 | 292,596 | 307,728 |
| Rossford lime city WL | 01/30/20 | 925,098 | 1.17 | 01/01/41 | 782,977 | 825,759 |
| Troy TWP SS IMP | 02/27/20 | 1,334,993 | 1.85 | 01/01/41 | 1,140,832 | 1,199,458 |
| Water main IMP | 06/25/20 | 1,741,146 | 1.93 | 01/01/41 | 1,419,438 | 1,491,854 |
| Rossford tree st WL | 05/28/20 | 860,897 | 0.62 | 04/01/41 | 683,253 | 722,462 |
| Mccomb WL PH 2 | 10/29/20 | 699,659 | 0.02 | 01/01/41 | 541,281 | 574,029 |
| Woods ST WL Replacement | 10/29/20 | 881,126 | 0.52 | 01/01/41 | 649,481 | 687,083 |
| SS300-400 IMP PH2 8933 | 07/01/21 | 1,348,592 | 1.12 | 01/01/41 | 851,573 | 889,085 |
| Mccomb SS Interceptor 9052 | 07/01/21 | 407,226 | - | 01/01/41 | 333,759 | 353,986 |
| Mccomb Sys IMP PH1 9223 | 07/01/21 | 1,128,976 | 0.43 | 01/01/42 | 928,519 | 979,499 |
| Weston SS IMP 2021 9295 | 07/01/21 | 1,009,007 | 1.35 | 07/01/42 | 710,084 | 731,280 |
| Cygnat PS Rehab 9244 | 07/01/21 | 731,235 | 1.18 | 07/01/41 | 625,946 | 658,195 |
| 100 Area Elevated Tank 9271 | 07/01/21 | 4,521,204 | 0.22 | 01/01/42 | 3,651,327 | 3,829,159 |
| Wales Rd WL 9559 | 07/01/21 | 552,737 | 1.51 | 07/01/42 | 431,074 | 447,047 |
| McComb WL PH3 9622 | 01/01/23 | 644,593 | 1.63 | 01/01/44 | 506,981 | 525,717 |
| WILLOWBEND PS 9683 | 07/01/23 | 3,240,908 | 0.58 | 07/01/43 | 2,723,234 | 2,879,728 |
| MCCLURE WL REPLACEMENT 9693 | 07/01/23 | 481,844 | 1.85 | 07/01/43 | 398,674 | 414,803 |
| FORD RD PS 9848 | 07/01/24 | 7,943,982 | 1.56 | 07/01/44 | 7,552,025 | 6,887,753 |
| CHRYSLER TANK VALVE IMP 9767 | 07/01/23 | 1,286,152 | 2.11 | 07/01/43 | 1,081,344 | 1,138,099 |
| WALBRIDGE WL 9868 | 07/01/23 | 720,776 | 3.05 | 07/01/43 | 650,318 | 674,901 |
| LIBERTY HI RD WL 9937 | 01/01/24 | 1,190,116 | 1.90 | 01/01/44 | 994,770 | 1,037,873 |
| MCCOMB SS IMP PH 2 10017 | 01/01/24 | 759,552 | 1.91 | 01/01/44 | 604,800 | 638,774 |
| Oregon Tracy Rd WL 10132 | 07/19/23 | 567,558 | 3.42 | 01/01/45 | 508,354 | 499,078 |
| Tracy Rd WL Replacement 10124 | 08/02/23 | 2,309,747 | 2.66 | 01/01/43 | 2,177,097 | 2,110,854 |
| Northwood 200 SS 10477 | 09/28/23 | 945,453 | 2.70 | 01/01/43 | 613,479 | 225,710 |
| Starbright SS 10667 | 12/31/24 | 996,408 | 2.42 | 01/01/45 | 293,138 | - |
| Rossford Jennings RD SS 10836 | 12/31/24 | 1,475,882 | 3.48 | 01/01/45 | 56,570 | - |
| Rossford Various St 10759 | 12/31/24 | 2,254,647 | 2.48 | 01/01/45 | 1,246,139 | - |
| Farnstead WL 1066 | 12/31/24 | 1,169,398 | 3.21 | 01/01/45 | 805,395 | - |
| McClure West Side WL 11006 | 12/31/24 | 2,049,490 | 2.12 | 01/01/46 | 566,664 | - |
| Portage Water Main 11028 | 12/31/24 | 1,663,105 | 3.31 | 01/01/46 | 5,825 | - |
| Lime City Rd WL Loop 11031 | 12/31/24 | 2,000,352 | 2.53 | 07/01/45 | 305,719 | - |
| Total | | | | | <u>\$ 78,657,402</u> | <u>\$ 78,341,936</u> |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 4 DEBT (CONTINUED)

Other long-term loans (direct borrowings) at December 31, 2024 and 2023 are as follows:

| Date of Issue | Purpose | Interest Rate | Maturity Date | Amount Outstanding | |
|---------------|---------------------------------------|---------------|---------------|--------------------|---------------------|
| | | | | 2024 | 2023 |
| 07/31/04 | Jerry City WL #CE37F | - | 01/01/25 | \$ 9,706 | \$ 19,412 |
| 11/03/04 | Rudolph SS #CE33E | - | 07/01/24 | 2,071 | 6,213 |
| 07/01/07 | Village of Custar #CE411 | - | 01/01/27 | 3,750 | 5,000 |
| 07/01/06 | OPWC Bloomdale CT17H | - | 07/01/26 | 2,288 | 3,204 |
| 07/01/14 | OPWC Rossford Tree St SS Improvements | - | 01/01/34 | 82,756 | 91,032 |
| 07/01/17 | Silver St CE42U OPWC | - | 07/01/37 | 132,571 | 137,670 |
| 07/11/17 | OPWC McComb Raw Water PS CM26U | - | 01/01/40 | 204,092 | 217,259 |
| 08/24/07 | OPWC HC Road P WL CE27I | - | 02/28/28 | 14,604 | 18,776 |
| 06/06/15 | OPWC Meters/Hydrants CE51Q | - | 02/28/45 | 98,302 | 102,983 |
| 12/25/11 | OPWC HC McClure CE56M | - | 02/28/32 | 45,801 | 51,908 |
| 12/16/18 | OPWC Deshler CE20U | - | 02/28/49 | 31,111 | 32,331 |
| 01/01/23 | OPWC WillowBend PS | - | 01/01/43 | 242,812 | 255,937 |
| 01/01/23 | OPWC Ford Rd PS | - | 01/01/43 | 121,406 | 127,969 |
| Total | | | | <u>\$ 991,270</u> | <u>\$ 1,069,694</u> |

Bonded debt at December 31, 2024 and 2023 is as follows:

| Date of Issue | Purpose | Original Amount | Interest Rate | Maturity Date | Amount Outstanding | |
|---------------|--------------------------|-----------------|---------------|---------------|----------------------|----------------------|
| | | | | | 2024 | 2023 |
| 03/03/16 | USDA Bloomdale | \$ 1,655,000 | 2.50 % | 09/01/55 | \$ 1,431,820 | \$ 1,462,190 |
| 06/28/04 | USDA Rudolph SS1000 | 796,000 | 4.38 | 06/01/44 | 522,631 | 536,460 |
| 02/16/06 | Rotary Commission Loan | 168,026 | 5.00 | 03/01/26 | 119,108 | 119,108 |
| 05/27/09 | USDA Rising Sun SS9100 | 2,400,000 | 4.25 | 05/01/49 | 1,914,400 | 1,957,100 |
| 09/26/12 | USDA Cygnet Water | 638,879 | 2.75 | 06/01/42 | 443,075 | 461,934 |
| 09/26/12 | USDA Cygnet Sewer | 967,990 | 2.75 | 06/01/42 | 672,052 | 700,551 |
| 09/26/12 | USDA Building Renovation | 2,787,892 | 2.75 | 06/01/42 | 2,171,372 | 2,263,714 |
| 06/28/12 | USDA West Millgrove | 291,385 | 2.00 | 06/01/52 | 490,269 | 503,240 |
| 01/03/13 | USDA Stony Ridge | 1,945,000 | 2.50 | 01/01/53 | 1,584,800 | 1,621,700 |
| 12/19/19 | USDA McComb WWTP | 4,833,000 | 2.38 | 08/31/40 | 4,391,300 | 4,483,800 |
| 11/30/23 | USDA Henry Co WL | 4,585,100 | 1.13 | 01/01/63 | 4,500,100 | 4,585,100 |
| 03/23/12 | 2012 Revenue Bond* | 3,870,000 | 2.00 - 4.00 | 12/01/31 | 1,138,444 | 1,278,444 |
| 03/23/12 | 2012 Special Assessment* | 2,880,000 | 2.00 - 4.00 | 12/01/24 | 79,552 | 134,550 |
| 02/27/15 | 2015 Revenue Bond | 1,300,000 | 2.40 | 12/01/24 | - | 140,000 |
| 02/27/15 | 2015 Special Assessment | 1,240,000 | 2.40 | 12/01/24 | - | 140,000 |
| 01/13/25 | USDA McComb WL | 3,324,000 | 1.50 | 01/01/63 | 3,260,700 | - |
| Total | | | | | <u>\$ 22,719,623</u> | <u>\$ 20,387,891</u> |

*Includes unamortized discount/premium

The two 2017 bonds and the two 2021 bonds are direct placement bonds. They are not collateralized and there are no default or acceleration clauses.

| Date of Issue | Purpose | Original Amount | Interest Rate | Maturity Date | Amount Outstanding | |
|---------------|-------------------------|-----------------|---------------|---------------|---------------------|---------------------|
| | | | | | 2024 | 2023 |
| 07/21/17 | 2017 Special Assessment | 2,325,000 | 2.00 | 12/01/27 | \$ 590,000 | \$ 830,000 |
| 07/21/17 | 2017 Revenue Bond | 5,545,000 | 1.96 | 12/01/28 | 1,845,000 | 2,345,000 |
| 03/03/21 | 2021 Special Assessment | 1,545,000 | 1.58 | 12/01/30 | 991,000 | 1,136,000 |
| 03/03/21 | 2021 Revenue Bonds | 1,502,000 | 1.58 | 12/01/30 | 966,000 | 1,107,000 |
| Total | | | | | <u>\$ 4,392,000</u> | <u>\$ 5,418,000</u> |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 4 DEBT (CONTINUED)

Other debt is secured by the underlying capital assets, assessments owners, or general revenues of the District.

Long-term debt activity for the years ended December 31, 2024 and 2023 is as follows:

| | Balance - December 31, 2023 | Additions | Reductions | Balance - December 31, 2024 | Amount Due in 2025 |
|-----------------------------------|-----------------------------------|-----------|------------|-----------------------------------|--------------------------|
| OWDA: | | | | | |
| SS #1000 | \$ 12,526 | \$ - | \$ 12,526 | \$ - | \$ - |
| WL #300 | 9,615 | - | 6,345 | 3,270 | 3,270 |
| Weston 4046 | 47,906 | - | 23,774 | 24,132 | 24,132 |
| Williamsburg 5097 | 174,255 | - | 26,447 | 147,808 | 27,435 |
| Custar 4444 | 395,812 | - | 26,660 | 369,152 | 27,061 |
| Milton Center 4714 | 406,966 | - | 25,278 | 381,688 | 25,531 |
| Weston Water Tower 5730 | 363,692 | - | 43,332 | 320,360 | 44,822 |
| Fixed Base Metering 5865 | 956,717 | - | 101,997 | 854,720 | 106,259 |
| Weston 5867 | 653,802 | - | 68,821 | 584,981 | 68,805 |
| SS100 Master Meter 6500 | 142,047 | - | 12,629 | 129,418 | 12,908 |
| Walbridge Laterals 6583 | 300,095 | - | 22,691 | 277,404 | 23,513 |
| Tree St Pipe Relining 6644 | 274,154 | - | 19,882 | 254,272 | 20,476 |
| Hillside Dr SS 6676 | 254,128 | - | 18,358 | 235,770 | 18,995 |
| Rossford I & I 6641 | 290,868 | - | 22,249 | 268,619 | 23,005 |
| Ampoint SS 6674 | 1,230,817 | - | 88,914 | 1,141,903 | 91,976 |
| Hufford Rd WL 6742 | 672,726 | - | 49,354 | 623,372 | 50,856 |
| Rossford Colony I & I 6773 | 929,143 | - | 65,047 | 864,096 | 67,032 |
| East Broadway WL 6766 | 402,388 | - | 30,458 | 371,930 | 31,172 |
| 100 Area WL 6741 | 211,479 | - | 15,515 | 195,964 | 15,981 |
| Jennings Rd Ps 6695 | 451,571 | - | 32,820 | 418,751 | 33,851 |
| E Broadway WL 6747 | 107,637 | - | 3,275 | 104,362 | 2,860 |
| 2nd Portage WL 7185 | 361,417 | - | 25,157 | 336,260 | 25,573 |
| SS 200 Area I & I 7159 | 139,794 | - | 9,707 | 130,087 | 9,693 |
| WL 300 Area 7337 | 252,029 | - | 17,228 | 234,801 | 17,447 |
| Millbury SS 7540 | 770,171 | - | 49,663 | 720,508 | 49,648 |
| Hanson, George WL Replace | 587,109 | - | 33,217 | 553,892 | 34,171 |
| Southern Serv Area Water System | 328,343 | - | 23,185 | 305,158 | 23,362 |
| Taylor 7651 WL | 305,073 | - | 18,551 | 286,522 | 18,892 |
| Hamlet 7820 WL | 442,325 | - | 26,785 | 415,540 | 27,292 |
| Curtice 7727 WL | 710,326 | - | 43,803 | 666,523 | 44,384 |
| Starbright 7814 WL | 785,054 | - | 47,539 | 737,515 | 48,259 |
| Lead Elimination 7966 | 673,719 | - | 38,020 | 635,699 | 38,546 |
| White Rd/ Vineyard WL 8101 | 573,409 | - | 31,537 | 541,872 | 32,219 |
| McComb WL Imp 7980 | 223,698 | - | 11,797 | 211,901 | 12,074 |
| Oregon/Bays Rd Elevated Tank 8095 | 358,371 | - | 17,890 | 340,481 | 18,413 |
| Weston Silver St WL 7979 | 112,121 | - | 6,412 | 105,709 | 6,586 |
| McComb Clearwell 8212 | 849,791 | - | 51,502 | 798,289 | 51,502 |
| OPWC - Custar | 5,000 | - | 1,250 | 3,750 | 1,250 |
| Jerry City WL #CE37F (WL 318) | 19,412 | - | 9,706 | 9,706 | 9,706 |
| Rudolph SS1000 #CE33E | 6,213 | - | 4,142 | 2,071 | 2,071 |
| Bloomdale CT17H OPWC | 3,204 | - | 915 | 2,289 | 916 |
| USDA Hoytville | 536,460 | - | 13,829 | 522,631 | 14,086 |
| OWDA Jerry City - WL 318 | 25,080 | - | 25,080 | - | - |
| Rotary Commission Loan | 119,108 | - | - | 119,108 | 119,108 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 4 DEBT (CONTINUED)

| | Balance - December 31, 2023 | Additions | Reductions | Balance - December 31, 2024 | Amount Due in 2025 |
|---|-----------------------------------|-----------|------------|-----------------------------------|--------------------------|
| USDA Rising Sun | \$ 1,957,100 | \$ - | \$ 42,700 | \$ 1,914,400 | \$ 44,400 |
| USDA Cygnet Water | 461,934 | - | 18,860 | 443,074 | 19,368 |
| USDA Cygnet Sewer | 700,551 | - | 28,499 | 672,052 | 29,344 |
| OWDA Bloomdale 4329 | 259,718 | - | 18,483 | 241,235 | 18,855 |
| USDA Building Renovation | 2,263,714 | - | 92,342 | 2,171,372 | 94,859 |
| USDA West Millgrove | 503,240 | - | 12,971 | 490,269 | 13,232 |
| Series 2012 Revenue Bonds | 1,264,647 | 3,344 | 141,672 | 1,126,319 | 145,000 |
| Series 2012 Special Assessment Bonds | 101,737 | 7,954 | 58,977 | 50,714 | 50,714 |
| Series 2015 Revenue Bonds | 140,000 | - | 140,000 | - | - |
| Series 2015 Special Assessment Bonds | 140,000 | - | 140,000 | - | - |
| OWDA: | | | | | |
| Rossford Superior St 6457 | 264,390 | - | 9,063 | 255,327 | 9,346 |
| Rossford PH I 6464 | 725,236 | - | 60,700 | 664,536 | 62,261 |
| Rossford PH II 6475 | 1,326,841 | - | 105,708 | 1,221,133 | 108,464 |
| Five Point 6581 | 550,742 | - | 43,198 | 507,544 | 44,021 |
| Custar WL 6231 | 365,965 | - | 18,298 | 347,667 | 18,298 |
| Cygnet 6335 | 466,035 | - | 16,967 | 449,068 | 17,429 |
| Homecraft SS Laterals 6309 | 277,438 | - | 24,769 | 252,669 | 25,387 |
| Jennings Rd 6382 | 592,517 | - | 21,425 | 571,092 | 22,059 |
| Milton Center 6230 | 508,415 | - | 25,421 | 482,994 | 25,421 |
| Morton Building 6396 | 285,618 | - | 10,868 | 274,750 | 11,206 |
| Perrysburg Twp 6260 | 139,608 | - | 5,354 | 134,254 | 5,532 |
| Rossford Clearwell 6383 | 2,494,566 | - | 90,201 | 2,404,365 | 92,707 |
| Rossford Tree St 6232 | 429,724 | - | 42,893 | 386,831 | 46,394 |
| Stony Ridge 6397 | 538,979 | - | 19,181 | 519,798 | 19,778 |
| Bloomdale PS 6930 | 164,679 | - | 5,378 | 159,301 | 5,523 |
| Rossford 7158 | 470,822 | - | 31,695 | 439,127 | 32,170 |
| Bloomdale Rehab 7063 | 68,228 | - | 4,706 | 63,522 | 4,790 |
| Northern Area 7253 | 514,995 | - | 33,914 | 481,081 | 34,544 |
| Tracy Rd SS 7397 | 1,798,571 | - | 120,521 | 1,678,050 | 121,409 |
| Hillview Dr 7258 | 78,264 | - | 5,154 | 73,110 | 5,250 |
| Oregon EQ Basin 7254 | 4,279,159 | - | 281,792 | 3,997,367 | 286,472 |
| Eastwood School 7476 | 597,481 | - | 40,649 | 556,832 | 41,470 |
| Bairdton WWTP 7468 | 1,256,748 | - | 86,672 | 1,170,076 | 88,479 |
| Northwood 7088 | 166,733 | - | 11,126 | 155,607 | 11,256 |
| McComb SS 4235 | 12,981 | - | 6,346 | 6,635 | 6,635 |
| McComb CSO 5067 | 123,608 | - | 20,601 | 103,007 | 20,601 |
| McComb WT 6485 | 581,736 | - | 47,299 | 534,437 | 45,409 |
| Carrington Woods & Totogany 7559 | 298,404 | - | 16,883 | 281,521 | 17,368 |
| Williamsburg 7541 | 268,018 | - | 17,283 | 250,735 | 17,551 |
| Perrysburg I&I 7813 | 724,824 | - | 45,450 | 679,374 | 45,559 |
| Wise St SS 6893 | 592,822 | - | 18,711 | 574,111 | 19,283 |
| Homecraft SS Laterals 6843 | 376,604 | - | 26,564 | 350,040 | 27,045 |
| Pump Station Sewer Imp 6943 | 228,725 | - | 16,472 | 212,253 | 16,743 |
| Colony Rd PS Replacement 7007 | 1,629,940 | - | 116,068 | 1,513,872 | 118,012 |
| Bays Rd WL 7064 | 216,312 | - | 14,919 | 201,393 | 15,187 |
| BG 2nd WL Connection 7119 | 336,593 | - | 23,287 | 313,306 | 23,694 |
| Hoytville 7812 | 64,405 | - | 4,294 | 60,111 | 4,292 |
| Rudolph Rd Forcemain 7257 | 110,192 | - | 8,162 | 102,030 | 8,094 |
| 2017 Revenue Bond | 2,345,000 | - | 500,000 | 1,845,000 | 505,000 |
| 2017 Special Assessment OPWC - Rossford Tree St SS Improvements | 830,000 | - | 240,000 | 590,000 | 235,000 |
| | 91,032 | - | 8,276 | 82,756 | 39,398 |
| USDA - Stony Ridge | 1,621,700 | - | 36,900 | 1,584,800 | 37,900 |
| Lime City Buck Rd WL ODOT 7987 | 324,466 | - | 17,111 | 307,355 | 17,547 |
| Silver St CE42U OPWC | 137,670 | - | 5,099 | 132,571 | 5,099 |
| USDA McComb WWTP | 4,483,800 | - | 92,500 | 4,391,300 | 82,893 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 4 DEBT (CONTINUED)

| | Balance - December 31, 2023 | Additions | Reductions | Balance - December 31, 2024 | Amount Due in 2025 |
|--------------------------------------|-----------------------------------|---------------------|---------------------|-----------------------------------|--------------------------|
| USDA Bloomdale | \$ 1,462,190 | \$ - | \$ 30,370 | \$ 1,431,820 | \$ 29,898 |
| OPWC McComb Raw Water PS CM26U | 217,259 | - | 13,167 | 204,092 | 13,167 |
| Rossford Various St Sewer Rehab 8340 | 682,844 | - | 32,260 | 650,584 | 33,237 |
| Weston Center St/Euler/Cygnnet 8258 | 320,356 | - | 16,598 | 303,758 | 17,024 |
| Weston Meter Pit 8492 | 158,241 | - | 8,123 | 150,118 | 8,182 |
| Millbury SS IMP PH2 8621 | 764,064 | - | 40,161 | 723,903 | 40,462 |
| WL 101 Repair 8628 | 457,693 | - | 23,477 | 434,216 | 23,972 |
| Troy TWP WL IMP 8629 | 769,322 | - | 38,090 | 731,232 | 38,894 |
| Eagle Point SS Rehab 8665 | 1,030,447 | - | 53,161 | 977,286 | 53,512 |
| Ampoint WL 8719 | 960,986 | - | 50,085 | 910,901 | 50,617 |
| HC Filling Home WL 5663 | 129,600 | - | 13,422 | 116,178 | 13,874 |
| HC Okolona Sewers | 330,730 | - | 15,441 | 315,289 | 15,596 |
| HC-McClure WWS | 731,378 | - | 36,178 | 695,200 | 36,541 |
| HC-McClure 6338 | 979,085 | 887 | 34,142 | 945,830 | 40,170 |
| HC Deimling RD/Duke Dev | 307,728 | - | 15,132 | 292,596 | 15,403 |
| Rossford Lime City WL 8753 | 825,759 | - | 42,782 | 782,977 | 43,284 |
| Troy TWP SS IMP | 1,199,458 | - | 58,627 | 1,140,831 | 59,716 |
| Water Main IMP | 1,491,854 | - | 72,416 | 1,419,438 | 73,299 |
| Rossford Tree St WL | 722,462 | - | 39,209 | 683,253 | 8,191 |
| Mccomb WL PH 2 | 574,029 | - | 32,748 | 541,281 | 32,698 |
| Woods ST WL Replacement | 687,083 | - | 37,602 | 649,481 | 37,679 |
| HC Road P WL CE27I | 18,776 | - | 4,173 | 14,603 | 4,173 |
| Meters/Hydrants CE51Q | 102,983 | - | 4,681 | 98,302 | 4,681 |
| HC McClure CE56M | 51,908 | - | 6,107 | 45,801 | 6,107 |
| Deshler CE20U | 32,331 | - | 1,220 | 31,111 | 1,220 |
| SS300-400 IMP PH2 8933 | 889,085 | - | 37,512 | 851,573 | 46,131 |
| Mccomb SS Interceptor 9052 | 353,986 | - | 20,228 | 333,758 | 20,224 |
| Mccomb Sys IMP PH1 9223 | 979,500 | - | 50,979 | 928,521 | 51,110 |
| Weston SS IMP 2021 9295 | 731,280 | - | 21,196 | 710,084 | 35,100 |
| Cygnnet PS Rehab 9244 | 658,194 | - | 32,249 | 625,945 | 33,442 |
| 100 Area Elevated Tank 9271 | 3,829,159 | - | 177,832 | 3,651,327 | 203,470 |
| Wales Rd WL 9559 | 447,047 | - | 15,973 | 431,074 | 21,010 |
| 2021 Special Assessment | 1,136,000 | - | 141,000 | 995,000 | 140,000 |
| 2021 Revenue Bonds | 1,107,000 | - | 145,000 | 962,000 | 145,000 |
| OWDA 9622 McComb WL PH3 | 525,717 | - | 18,736 | 506,981 | 24,449 |
| OWDA 9693 McClure WL Replacement | 414,803 | - | 16,129 | 398,674 | 18,255 |
| OWDA Chrysler Tank Valve | 1,138,099 | - | 56,755 | 1,081,344 | 48,744 |
| OWDA Walbridge WL | 674,901 | - | 24,583 | 650,318 | 26,625 |
| OWDA 9937 Liberty Hi RD WL | 1,037,873 | - | 43,104 | 994,769 | 43,927 |
| OWDA 9683 Willowbend PS | 2,879,727 | - | 156,494 | 2,723,233 | 136,993 |
| OWDA 9848 Ford Rd PS | 6,887,753 | 836,003 | 171,731 | 7,552,025 | 334,155 |
| OWDA 10017 McComb SS IMP PH2 | 638,774 | - | 33,974 | 604,800 | 27,011 |
| USDA Henry Co WL | 4,585,100 | - | 85,000 | 4,500,100 | 90,000 |
| OWDA 10132 Oregon Tracy Rd WL | 499,078 | 18,395 | 9,119 | 508,354 | 18,044 |
| OWDA 10124 Tracy Rd WL Replacement | 2,110,854 | 111,519 | 45,276 | 2,177,097 | 86,478 |
| OWDA 10477 Northwood 200 SS | 225,710 | 387,769 | - | 613,479 | 23,493 |
| OPWC WillowBend PS | 255,938 | - | 13,125 | 242,813 | 13,125 |
| OPWC Ford Rd PS | 127,969 | - | 6,563 | 121,406 | 6,563 |
| OWDA Starbright SS 10667 | - | 293,138 | - | 293,138 | 5,741 |
| OWDA Jennings RD SS 10836 | - | 56,569 | - | 56,569 | 991 |
| OWDA Rossford Various St 10759 | - | 1,246,139 | - | 1,246,139 | 24,252 |
| OWDA Farnstead WL 1066 | - | 805,395 | - | 805,395 | 14,515 |
| OWDA McClure West Side WL 11006 | - | 566,664 | - | 566,664 | - |
| OWDA Portage Water Main 11028 | - | 5,825 | - | 5,825 | - |
| OWDA Lime City Rd WL Loop 11031 | - | 305,719 | - | 305,719 | - |
| USDA McComb WL | - | 3,324,000 | 63,300 | 3,260,700 | 64,300 |
| Unamortized Premium | 46,610 | - | 5,647 | 40,963 | - |
| Total | <u>\$ 105,217,521</u> | <u>\$ 7,969,320</u> | <u>\$ 6,426,546</u> | <u>\$ 106,760,295</u> | <u>\$ 6,593,631</u> |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 4 DEBT (CONTINUED)

| | Balance - December 31, 2022 | Additions | Reductions | Balance - December 31, 2023 | Amount Due in 2024 |
|-----------------------------------|-----------------------------------|-----------|------------|-----------------------------------|--------------------------|
| OWDA: | | | | | |
| SS #1000 | \$ 24,500 | \$ - | \$ 11,974 | \$ 12,526 | \$ 12,526 |
| WL #300 | 15,708 | - | 6,093 | 9,615 | 6,345 |
| Weston 3587 | 32,156 | - | 32,156 | - | - |
| Weston 4046 | 71,327 | - | 23,421 | 47,906 | 23,774 |
| Williamsburg 5097 | 199,750 | - | 25,495 | 174,255 | 26,447 |
| Custar 4444 | 422,077 | - | 26,265 | 395,812 | 26,660 |
| Milton Center 4714 | 431,993 | - | 25,027 | 406,966 | 25,278 |
| Weston Water Tower 5730 | 405,583 | - | 41,891 | 363,692 | 43,332 |
| Fixed Base Metering 5865 | 1,054,322 | - | 97,605 | 956,717 | 101,684 |
| Weston 5867 | 722,624 | - | 68,822 | 653,802 | 68,805 |
| SS100 Master Meter 6500 | 154,357 | - | 12,310 | 142,047 | 12,582 |
| Walbridge Laterals 6583 | 321,993 | - | 21,898 | 300,095 | 22,691 |
| Tree St Pipe Relining 6644 | 293,382 | - | 19,228 | 274,154 | 19,803 |
| Hillside Dr SS 6676 | 271,871 | - | 17,743 | 254,128 | 18,358 |
| Rossford I & I 6641 | 312,386 | - | 21,518 | 290,868 | 22,249 |
| Ampoint SS 6674 | 1,316,750 | - | 85,933 | 1,230,817 | 88,892 |
| Hufford Rd WL 6742 | 720,557 | - | 47,831 | 672,726 | 49,286 |
| Rossford Colony I & I 6773 | 992,225 | - | 63,082 | 929,143 | 65,008 |
| East Broadway WL 6766 | 432,073 | - | 29,685 | 402,388 | 30,380 |
| 100 Area WL 6741 | 226,515 | - | 15,036 | 211,479 | 15,488 |
| Jennings Rd Ps 6695 | 483,325 | - | 31,754 | 451,571 | 32,761 |
| E Broadway WL 6747 | 110,788 | - | 3,151 | 107,637 | 2,752 |
| 2nd Portage WL 7185 | 386,169 | - | 24,752 | 361,417 | 25,159 |
| SS 200 Area I & I 7159 | 149,341 | - | 9,547 | 139,794 | 9,533 |
| WL 300 Area 7337 | 269,040 | - | 17,011 | 252,029 | 17,228 |
| Millbury SS 7540 | 819,073 | - | 48,902 | 770,171 | 48,888 |
| PPCP WL 7531 | 17,345 | - | 17,345 | - | - |
| Hanson, George WL Replace | 619,399 | - | 32,290 | 587,109 | 33,217 |
| Southern Serv Area Water System | 351,353 | - | 23,010 | 328,343 | 23,185 |
| Taylor 7651 WL | 323,289 | - | 18,216 | 305,073 | 18,551 |
| Hamlet 7820 WL | 468,610 | - | 26,285 | 442,325 | 26,783 |
| Curtice 7727 WL | 753,423 | - | 43,097 | 710,326 | 43,669 |
| Starbright 7814 WL | 831,707 | - | 46,653 | 785,054 | 47,360 |
| Lead Elimination 7966 | 711,060 | - | 37,341 | 673,719 | 37,858 |
| White Rd/ Vineyard WL 8101 | 604,279 | - | 30,870 | 573,409 | 31,537 |
| McComb WL Imp 7980 | 235,183 | - | 11,485 | 223,698 | 11,754 |
| Oregon/Bays Rd Elevated Tank 8095 | 375,753 | - | 17,382 | 358,371 | 17,890 |
| Weston Silver St WL 7979 | 118,363 | - | 6,242 | 112,121 | 6,412 |
| McComb Clearwell 8212 | 901,293 | - | 51,502 | 849,791 | 51,502 |
| OPWC - Custar | 6,250 | - | 1,250 | 5,000 | 1,250 |
| Jerry City WL #CE37F (WL 318) | 29,118 | - | 9,706 | 19,412 | 9,706 |
| Rudolph SS1000 #CE33E | 10,354 | - | 4,141 | 6,213 | 4,142 |
| Bloomdale CT17H OPWC | 4,119 | - | 915 | 3,204 | 915 |
| USDA Revenue Bond - | | | | | |
| Rudolph Bond | 1,148,331 | - | 611,871 | 536,460 | 13,828 |
| OWDA Jerry City - WL 318 | 49,055 | - | 23,975 | 25,080 | 25,080 |
| Rotary Commission Loan | 119,738 | - | 630 | 119,108 | 119,108 |
| OWDA Northwood - 2069 | 60,638 | - | 60,638 | - | - |
| OWDA Northwood - 2070 | 25,790 | - | 25,790 | - | - |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 4 DEBT (CONTINUED)

| | Balance - December 31, 2022 | Additions | Reductions | Balance - December 31, 2023 | Amount Due in 2024 |
|--|-----------------------------------|-----------|------------|-----------------------------------|--------------------------|
| USDA Rising Sun | \$ 1,997,900 | \$ - | \$ 40,800 | \$ 1,957,100 | \$ 42,700 |
| USDA Cygnet Water | 480,294 | - | 18,360 | 461,934 | 18,841 |
| USDA Cygnet Sewer | 728,295 | - | 27,744 | 700,551 | 28,547 |
| OWDA Bloomdale 4329 | 277,837 | - | 18,119 | 259,718 | 18,483 |
| USDA Building Renovation | 2,353,610 | - | 89,896 | 2,263,714 | 92,320 |
| USDA West Millgrove | 515,969 | - | 12,729 | 503,240 | 12,972 |
| Series 2012 Revenue Bonds | 1,397,975 | 1,672 | 135,000 | 1,264,647 | 140,000 |
| Series 2012 Special | | | | | |
| Assessment Bonds | 247,759 | 3,977 | 149,999 | 101,737 | 101,737 |
| Series 2015 Revenue Bonds | 280,000 | - | 140,000 | 140,000 | 140,000 |
| Series 2015 Special | | | | | |
| Assessment Bonds | 275,000 | - | 135,000 | 140,000 | 140,000 |
| OWDA: | | | | | |
| Rossford 6457 | 273,149 | - | 8,759 | 264,390 | 9,032 |
| Rossford 6464 | 784,347 | - | 59,111 | 725,236 | 60,632 |
| Rossford 6475 | 1,429,864 | - | 103,023 | 1,326,841 | 105,708 |
| Five Point 6581 | 592,718 | - | 41,976 | 550,742 | 42,776 |
| Custar WL 6231 | 384,264 | - | 18,299 | 365,965 | 18,298 |
| Cygnet 6335 | 482,474 | - | 16,439 | 466,035 | 16,886 |
| Homecraft SS Laterals 6309 | 301,604 | - | 24,166 | 277,438 | 24,769 |
| Jennings Rd 6382 | 613,326 | - | 20,809 | 592,517 | 21,425 |
| Milton Center 6230 | 533,835 | - | 25,420 | 508,415 | 25,421 |
| Morton Building 6396 | 296,158 | - | 10,540 | 285,618 | 10,540 |
| Perrysburg Twp 6260 | 144,786 | - | 5,178 | 139,608 | 5,351 |
| Rossford Clearwell 6383 | 2,582,173 | - | 87,607 | 2,494,566 | 90,040 |
| Rossford Tree St 6232 | 471,507 | - | 41,783 | 429,724 | 45,193 |
| Stony Ridge 6397 | 557,580 | - | 18,601 | 538,979 | 19,181 |
| Bloomdale PS 6930 | 169,913 | - | 5,234 | 164,679 | 5,375 |
| Rossford 7158 | 501,837 | - | 31,015 | 470,822 | 31,480 |
| Bloomdale Rehab 7063 | 72,851 | - | 4,623 | 68,228 | 4,706 |
| Northern Area 7253 | 548,290 | - | 33,295 | 514,995 | 33,914 |
| Tracy Rd SS 7397 | 1,917,211 | - | 118,640 | 1,798,571 | 119,513 |
| Hillview Dr 7258 | 83,324 | - | 5,060 | 78,264 | 5,154 |
| Oregon EQ Basin 7254 | 4,555,809 | - | 276,650 | 4,279,159 | 281,245 |
| Eastwood School 7476 | 637,326 | - | 39,845 | 597,481 | 40,649 |
| Bairdton WWTP 7468 | 1,343,421 | - | 86,673 | 1,256,748 | 88,479 |
| Northwood 7088 | 177,606 | - | 10,873 | 166,733 | 10,999 |
| McComb SS 4235 | 19,052 | - | 6,071 | 12,981 | 6,346 |
| McComb CSO 5067 | 144,209 | - | 20,601 | 123,608 | 20,601 |
| McComb WT 6485 | 628,103 | - | 46,367 | 581,736 | 44,514 |
| Carrington Woods & Totogany 7559 | 314,816 | - | 16,412 | 298,404 | 16,883 |
| Williamsburg 7541 | 285,036 | - | 17,018 | 268,018 | 17,283 |
| Perrysburg I&I 7813 | 769,648 | - | 44,824 | 724,824 | 44,932 |
| Wise St SS 6893 | 610,979 | - | 18,157 | 592,822 | 18,711 |
| Homecraft SS Laterals 6843 | 402,398 | - | 25,794 | 376,604 | 26,262 |
| Pump Station Sewer Imp 6943 | 244,905 | - | 16,180 | 228,725 | 16,445 |
| Colony Rd PS Replacement 7007 | 1,743,733 | - | 113,793 | 1,629,940 | 115,698 |
| Bays Rd WL 7064 | 230,968 | - | 14,656 | 216,312 | 14,919 |
| BG 2nd WL Connection 7119 | 359,479 | - | 22,886 | 336,593 | 23,287 |
| Hoytville 7812 | 68,698 | - | 4,293 | 64,405 | 4,294 |
| Rudolph Rd Forcemain 7257 | 118,354 | - | 8,162 | 110,192 | 8,093 |
| 2017 Revenue Bond | 2,830,000 | - | 485,000 | 2,345,000 | 500,000 |
| 2017 Special Assessment | 1,060,000 | - | 230,000 | 830,000 | 240,000 |
| OPWC - Rossford Tree St SS Improvements | 99,308 | - | 8,276 | 91,032 | 8,191 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 4 DEBT (CONTINUED)

| | Balance - December 31, 2022 | Additions | Reductions | Balance - December 31, 2023 | Amount Due in 2024 |
|--------------------------------------|-----------------------------------|----------------------|---------------------|-----------------------------------|--------------------------|
| USDA Bloomdale | \$ 1,491,810 | \$ - | \$ 29,620 | \$ 1,462,190 | \$ 29,169 |
| USDA - Stony Ridge | 1,657,700 | - | 36,000 | 1,621,700 | 36,900 |
| Lime City Buck Rd WL ODOT 7987 | 341,124 | - | 16,658 | 324,466 | 17,083 |
| Silver St CE42U OPWC | 142,769 | - | 5,099 | 137,670 | 5,099 |
| USDA McComb WWTP | 4,574,200 | - | 90,400 | 4,483,800 | 80,970 |
| OPWC McComb Raw Water PS CM26U | 230,426 | - | 13,167 | 217,259 | 13,167 |
| Rossford Various St Sewer Rehab 8340 | 714,127 | - | 31,283 | 682,844 | 32,230 |
| Weston Center St/Euler/Cygnat 8258 | 336,478 | - | 16,122 | 320,356 | 16,536 |
| Weston Meter Pit 8492 | 166,198 | - | 7,957 | 158,241 | 8,013 |
| Millbury SS IMP PH2 8621 | 803,827 | - | 39,763 | 764,064 | 40,061 |
| WL 101 Repair 8628 | 480,684 | - | 22,991 | 457,693 | 23,476 |
| Troy TWP WL IMP 8629 | 806,624 | - | 37,302 | 769,322 | 38,090 |
| Eagle Point SS Rehab 8665 | 1,082,965 | - | 52,518 | 1,030,447 | 52,865 |
| Ampoint WL 8719 | 1,010,525 | - | 49,539 | 960,986 | 50,065 |
| HC Filling Home WL 5663 | 142,585 | - | 12,985 | 129,600 | 13,422 |
| HC Okolona Sewers | 346,018 | - | 15,288 | 330,730 | 15,441 |
| HC-McClure WWS | 767,197 | - | 35,819 | 731,378 | 36,178 |
| HC-McClure | 1,011,583 | 905 | 33,403 | 979,085 | 39,403 |
| HC Deimling RD/Duke Dev | 322,595 | - | 14,867 | 307,728 | 15,132 |
| Rossford Lime City WL 8753 | 868,045 | - | 42,286 | 825,759 | 42,782 |
| Troy TWP SS IMP | 1,257,015 | - | 57,557 | 1,199,458 | 58,627 |
| Water Main IMP | 1,558,258 | - | 66,404 | 1,491,854 | 71,904 |
| Rossford Tree St WL | 761,429 | - | 38,967 | 722,462 | 39,155 |
| Mccomb WL PH 2 | 603,479 | - | 29,450 | 574,029 | 32,692 |
| Woods ST WL Replacement | 717,282 | - | 30,199 | 687,083 | 37,484 |
| HC Road P WL CE27I | 22,949 | - | 4,173 | 18,776 | 4,173 |
| Meters/Hydrants CE51Q | 107,664 | - | 4,681 | 102,983 | 4,681 |
| HC McClure CE56M | 58,014 | - | 6,106 | 51,908 | 6,107 |
| Deshler CE20U | 32,331 | - | - | 32,331 | 1,220 |
| SS300-400 IMP PH2 8933 | 921,874 | 5,160 | 37,949 | 889,085 | 45,618 |
| Mccomb SS Interceptor 9052 | 374,014 | - | 20,028 | 353,986 | 20,224 |
| Mccomb Sys IMP PH1 9223 | 1,028,470 | - | 48,970 | 979,500 | 50,891 |
| Weston SS IMP 2021 9295 | 778,884 | - | 47,604 | 731,280 | 34,631 |
| Cygnat PS Rehab 9244 | 691,367 | - | 33,173 | 658,194 | 33,050 |
| 100 Area Elevated Tank 9271 | 3,697,680 | 353,208 | 221,729 | 3,829,159 | 203,023 |
| Wales Rd WL 9559 | 472,157 | - | 25,110 | 447,047 | 20,696 |
| 2021 Special Assessment | 1,274,000 | - | 138,000 | 1,136,000 | 135,000 |
| 2021 Revenue Bonds | 1,241,000 | - | 134,000 | 1,107,000 | 135,000 |
| OWDA 9622 McComb WL PH3 | 554,704 | - | 28,987 | 525,717 | 24,055 |
| OWDA 9693 McClure WL Replacement | 425,433 | - | 10,630 | 414,803 | 17,922 |
| OWDA Chrysler Tank Valve | 388,365 | 775,780 | 26,046 | 1,138,099 | 47,732 |
| OWDA Walbridge WL | 688,774 | - | 13,873 | 674,901 | 25,831 |
| OWDA 9937 Liberty Hi RD WL | 15,951 | 1,021,922 | - | 1,037,873 | 43,104 |
| OWDA 9683 Willowbend PS | 2,696,346 | 260,060 | 76,679 | 2,879,727 | 136,533 |
| OWDA 9848 Ford Rd PS | 2,433,415 | 4,454,338 | - | 6,887,753 | 295,933 |
| OWDA 10017McComb SS IMP PH2 | 153,391 | 485,383 | - | 638,774 | 26,502 |
| USDA Henry Co WL | - | 4,585,100 | - | 4,585,100 | 85,000 |
| OWDA 10132 Oregon Tracy Rd WL | - | 499,078 | - | 499,078 | 8,795 |
| OWDA 10124 Tracy Rd WL Replacement | - | 2,110,854 | - | 2,110,854 | 40,315 |
| OWDA 10477 Northwood 200 SS | - | 225,710 | - | 225,710 | - |
| OPWC WillowBend PS | - | 262,500 | 6,562 | 255,938 | 13,125 |
| OPWC Ford Rd PS | - | 131,253 | 3,284 | 127,969 | 6,563 |
| Unamortized Premium | 52,260 | - | 5,650 | 46,610 | - |
| Total | <u>\$ 96,648,019</u> | <u>\$ 15,176,900</u> | <u>\$ 6,607,398</u> | <u>\$ 105,217,521</u> | <u>\$ 6,630,149</u> |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 DEBT SERVICE REQUIREMENTS

The annual principal and interest requirements on all direct borrowing loans outstanding at December 31, 2024 are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|----------------------|----------------------|----------------------|
| 2025 | \$ 4,733,530 | \$ 1,400,535 | \$ 6,134,065 |
| 2026 | 4,849,911 | 1,355,913 | 6,205,824 |
| 2027 | 4,946,054 | 1,267,221 | 6,213,275 |
| 2028 | 5,035,619 | 1,169,894 | 6,205,513 |
| 2029 | 5,129,219 | 1,070,090 | 6,199,309 |
| 2030-2034 | 25,850,498 | 3,837,116 | 29,687,614 |
| 2035-2039 | 19,106,199 | 1,699,878 | 20,806,077 |
| 2040-2044 | 9,738,102 | 448,052 | 10,186,154 |
| 2045-2049 | 256,994 | 4,596 | 261,590 |
| 2050-2054 | 2,549 | - | 2,549 |
| Total | <u>\$ 79,648,675</u> | <u>\$ 12,253,295</u> | <u>\$ 91,901,970</u> |

The annual principal and interest requirements on all direct placement bonded debts outstanding at December 31, 2024 are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|---------------------|-------------------|---------------------|
| 2025 | \$ 1,025,000 | \$ 85,776 | \$ 1,110,776 |
| 2026 | 935,000 | 70,005 | 1,005,005 |
| 2027 | 925,000 | 54,360 | 979,360 |
| 2028 | 795,000 | 38,392 | 833,392 |
| 2029 | 360,000 | 23,299 | 383,299 |
| 2030-2034 | 352,000 | 12,040 | 364,040 |
| Total | <u>\$ 4,392,000</u> | <u>\$ 283,872</u> | <u>\$ 4,675,873</u> |

The annual principal and interest requirements on all other bonded debts outstanding at December 31, 2024 are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|----------------------|---------------------|----------------------|
| 2025 | \$ 835,101 | \$ 572,139 | \$ 1,407,240 |
| 2026 | 676,301 | 542,940 | 1,219,241 |
| 2027 | 697,700 | 513,978 | 1,211,678 |
| 2028 | 714,194 | 484,638 | 1,198,832 |
| 2029 | 741,156 | 455,090 | 1,196,246 |
| 2030-2034 | 3,458,321 | 1,931,531 | 5,389,852 |
| 2035-2039 | 3,474,937 | 1,513,037 | 4,987,974 |
| 2040-2044 | 3,423,015 | 1,092,199 | 4,515,214 |
| 2045-2049 | 3,094,229 | 721,428 | 3,815,657 |
| 2050-2054 | 2,647,318 | 394,388 | 3,041,706 |
| 2055-2059 | 2,151,587 | 164,589 | 2,316,176 |
| 2060-2064 | 764,801 | 19,797 | 784,598 |
| Total | <u>\$ 22,678,660</u> | <u>\$ 8,405,754</u> | <u>\$ 31,084,414</u> |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 5 DEBT SERVICE REQUIREMENTS (CONTINUED)

At December 31, 2024 and 2023, the District had \$4,443,335 and \$4,444,583, respectively, in restricted cash and cash equivalents and investments related to unspent debt proceeds for capital projects and a debt service reserve for USDA loans.

NOTE 6 COUNTY DEBT OBLIGATIONS

The County is obligated for loans received from the Ohio Sewer and Rotary Commission (Rotary Commission) for the District's sewer and water line assessments, the collection of which is deferred or exempt pursuant to Section 6103.051 of the Ohio Revised Code. The County is responsible for collecting the assessments when the property no longer meets the exemption criteria. This money must be remitted to the Rotary Commission within one year, even if not collected by the County.

At December 31, 2024 and 2023, \$1,671,024 and \$1,699,861 in loans from the Rotary Commission are outstanding, respectively. These amounts have not been reflected in the District's financial statements since the County is ultimately responsible for the payment of this debt. Further, the District has agreed to advance additional funds, if necessary, to the extent shortfalls exceed the reserve. The County has agreed to remit to the District any balance that may be remaining in this reserve. No withdrawals from the reserve were made during 2024 and 2023, or in prior years on this reserve.

NOTE 7 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The District has entered into subscription based-information technology arrangements (SBITAs) for network monitoring and cloud communications. The SBITA arrangements expire at various dates through 2025.

As of December 31, 2024 and 2023, SBITA assets totaled \$172,146 and \$172,146, respectively and the related accumulated amortization totaled \$108,808 and \$51,426, respectively.

SBITA activity for the year ended December 31, 2024 and 2023 is as follows:

| | Balance - December 31, 2023 | Additions | Reductions | Balance - December 31, 2024 | Amount Due in 2025 |
|--------|-----------------------------------|-----------|-------------|-----------------------------------|--------------------------|
| SBITAs | \$ 112,654 | \$ - | \$ (57,046) | \$ 55,608 | \$ 55,608 |

| | Balance - December 31, 2022 | Additions | Reductions | Balance - December 31, 2023 | Amount Due in 2024 |
|--------|-----------------------------------|------------|-------------|-----------------------------------|--------------------------|
| SBITAs | \$ 24,611 | \$ 141,942 | \$ (53,899) | \$ 112,654 | \$ 57,047 |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

**NOTE 7 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS
(CONTINUED)**

The future subscription payments under SBITA agreements are as follows:

| <u>Year Ended December 31,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|------------------|-----------------|------------------|
| 2025 | \$ 55,608 | \$ 732 | \$ 56,340 |
| Total | <u>\$ 55,608</u> | <u>\$ 732</u> | <u>\$ 56,340</u> |

NOTE 8 RETIREMENT PLANS

Net Pension Liability (Asset)

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

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

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

GASB 68 assumes the liability (asset) is solely the obligation of the employer, because (1) they benefit from employee services; and (2) state statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the state legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability/(asset) on the accrual basis of accounting.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RETIREMENT PLANS (CONTINUED)

Plan Description – Ohio Public Employees Retirement System (OPERS)

District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiemployer public employee retirement system, which administers three separate pension plans: the Traditional Pension Plan, the Combined Plan, and the Member-Directed Plan. Effective January 1, 2022 the Combined Plan is no longer available for member selection. In October 2023, the legislature approved House Bill 33, which allows for the consolidation of the Combined Plan with the Traditional Pension Plan with the timing of the consolidation at the discretion of OPERS. OPERS is a qualified governmental plan under Section 401(a) of the Internal Revenue Code (IRC) and is administered in accordance with ORC Chapter 145. All state and local retirement systems in Ohio, are members of OPERS. New public employees (those who establish membership in OPERS on or after January 1, 2003) have 180 days from the commencement of employment to select membership in one of the pension plans. Contributions to OPERS are effective with the first day of the members employment. Contributions made prior to the member's plan selection are maintained in the Traditional Pension Plan and later transferred to the plan elected by the member, as appropriate.

All public employees in Ohio, except those covered by one of the other state or local retirement systems in Ohio, are members of OPERS. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Benefits Provided

Traditional Pension Plan – The Traditional Pension Plan is a defined benefit plan in which a member's retirement benefits are calculated on a formula that considers years of service and final average salary. Pension benefits are funded by both member and employer contributions and investment earnings on those contributions.

Combined Pension Plan – The Combined Plan is a defined benefit plan with elements of a defined contribution plan. Under the Combined Plan, members earn a formula benefit similar to, but at a smaller factor than, the Traditional Pension Plan benefit. This plan is funded by employer contributions and associated investment earnings. Additionally, member contributions are deposited into a defined contribution account in which the member self-directs the investment. Upon retirement or termination, the member may choose a defined contribution retirement distribution that is equal in amount to the member's contributions to the plan and investment earnings (or losses) on those contributions. Members may also elect to use their defined contribution account balances to purchase a defined benefit annuity administered by OPERS.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RETIREMENT PLANS (CONTINUED)

Benefits Provided (Continued)

The Member-Directed Plan – The Member-Directed Plan is a defined contribution plan in which members self-direct the investment of both member and employer contributions. The retirement distribution under this plan is equal to the sum of member and vested employer contributions, plus investment earnings (or losses) on those contributions. Employer contributions and associated investment earnings vest over a five-year period at a rate of 20% per year. Upon retirement or termination, the member may choose a defined contribution retirement distribution or may elect to use their defined contribution account balances to purchase a defined benefit annuity administered by OPERS.

Plan benefits, and any benefit increases, are established by legislature pursuant to Chapter 145 of the Ohio Revised Code. The board of trustees, pursuant to Chapter 145, has elected to maintain funds to provide healthcare coverage to eligible Traditional Pension and Combined Plan retirees and survivors of members. Healthcare coverage does not vest and is not required under Chapter 145. As a result, coverage may be reduced or eliminated at the discretion of the board.

Senate Bill (SB) 343 was enacted into law new legislation with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. Members who were eligible to retire under law in effect prior to SB 343 or will be eligible to retire no later than five years after January 7, 2013 comprise transition Group A. Member who have 20 years of service credit prior to January 7, 2013, or will be eligible to retire no later than 10 years after January 7, 2013, are included in transition Group B. Group C includes those members who are not in either of the other groups and members who were hired on or after January 7, 2013.

Age and Service Defined Benefits – Benefits in the Traditional Pension Plan for members are calculated on the basis of age, final average salary, and service credit. The following table provides age and service requirements for retirement and the retirement formula applied to the final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343:

| Group A | Group B | Group C |
|--|--|--|
| Eligible to retire prior to January 7, 2013 or five years after January 7, 2013 | 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013 | Members not in other Groups and members hired on or after January 7, 2013 |
| Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit | Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit | Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit |
| Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 | Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 | Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 8 RETIREMENT PLANS (CONTINUED)

Benefits Provided (Continued)

The FAS represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on an average of the five highest years of earnings over a member's career. Members who retire before meeting the age and years of service credit requirement for unreduced benefit receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of annual cost-of-living adjustment.

Benefits in the Combined Plan consist of both an age and service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, final average salary, and years of service. Eligibility regarding age and years of service in the Combined Plan is the same as the Traditional Pension Plan.

The benefit formula for the defined benefit component of the plan for members in transition Groups A and B applies a factor of 1.0% to the member's final average salary for the first 30 years of service. A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applied a factor of 1.0% to the member's final average salary for the first 35 years of service and a factor of 1.25% is applied to years in excess of 35.

Persons retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. The defined contribution portion of the benefit is based on the accumulated member contribution, plus or minus and investment gains or losses on those contributions.

Defined Contribution Benefits – Defined Contribution Plan benefits are established in the plan documents, which may be amended by the board. The Member-Directed plan and Combined Plan members who have met the eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the Combined Plan was discussed above. Member-Directed participants must have attained the age of 55, have money on deposit in the defined contribution plan, and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the Member-Directed Plan consists of the member's contributions, vested employer contributions, and investment gains and losses resulting from the member's investment selections. Employer contributions and associated investment earnings vest over a five-year period at a rate of 20% each year.

At retirement, members may select one of several distribution options for payment of the vested balance of their individual OPERS accounts. Options include the purchase of a monthly annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of the entire account balance, net of taxes withheld, or a combination of these options. Additional information on other benefits available can be found in the OPERS ACFR.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RETIREMENT PLANS (CONTINUED)

Funding Policy

The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

| | 2024 | 2023 |
|---------------------------------------|---------------|---------------|
| Statutory Maximum Contribution Rates: | | |
| Employer | 14.0 % | 14.0 % |
| Employee | 10.0 | 10.0 |
| Actual Contribution Rates: | | |
| Total Employer | <u>14.0 %</u> | <u>14.0 %</u> |
| Total Employee | <u>10.0 %</u> | <u>10.0 %</u> |

The OPERS funding policy provides for periodic employee and employer contributions to all three plans at rates established by the board, subject to limits set in statute. The rates established for member and employer contributions were approved based upon the recommendations of OPERS' external actuary. All contribution rates were within the limits authorized by the Ohio Revised Code. Member and employer contribution rates, as a percent of covered payroll, were the same for each covered group across all three plans for the year ended December 31, 2024. Plan members were required to contribute 10% of covered payroll, while the District's contribution rate was 14% of covered payroll. The District's contractually required contribution was \$833,248 for 2024 and \$782,920 for 2023. All required contributions have been paid.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability/(asset) was measured as of December 31, 2023 and 2022, respectively, and the total pension liability/(asset) used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability/(asset) was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities.

The District reported a net pension liability of \$8,647,390 as its proportionate share of the Traditional Plan and a net pension asset of \$104,147 as its proportionate share for the Combined Plan. The District's proportion was 0.033030% for the Traditional Plan and 0.033882% for the Combined Plan for year ended December 31, 2024. The District's proportion was 0.032264% for the Traditional Plan and 0.030958% for the Combined plan for the year ended December 31, 2023.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RETIREMENT PLANS (CONTINUED)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the years ended December 31, 2024 and 2023, the District recognized pension expense of \$1,039,361 and \$1,470,256, respectively. Following is information related to the proportionate share and pension expense for December 31, 2024 and 2023:

| | 2024 | |
|--|--------------|--------------|
| | Traditional | Combined |
| Proportionate Share of the Net Pension Liability (Asset) | \$ 8,647,390 | \$ (104,147) |
| Proportion of the Net Pension Liability (Asset) | 0.033030% | 0.033882% |
| Pension Expense (Revenue) | \$ 1,034,174 | \$ 5,187 |

| | 2023 | |
|--|--------------|-------------|
| | Traditional | Combined |
| Proportionate Share of the Net Pension Liability (Asset) | \$ 9,530,800 | \$ (72,965) |
| Proportion of the Net Pension Liability (Asset) | 0.032264% | 0.030958% |
| Pension Expense | \$ 1,461,150 | \$ 9,106 |

At December 31, 2024 and 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | 2024 | |
|---|---------------------|------------------|
| | Traditional | Combined |
| Deferred Outflows of Resources: | | |
| Differences Between Expected and Actual Experience | \$ 141,334 | \$ 4,220 |
| Changes of Assumptions | - | 3,865 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 1,745,412 | 16,939 |
| Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions | 89,518 | 2,533 |
| Subtotal | 1,976,264 | 27,557 |
| District Contributions Subsequent to the Measurement Date | 810,322 | 22,926 |
| Total Deferred Outflows of Resources | <u>\$ 2,786,586</u> | <u>\$ 50,483</u> |
| Deferred Inflows of Resources: | | |
| Differences Between Expected and Actual Experience | \$ - | \$ 10,301 |
| Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions | 18,207 | 20,088 |
| Total Deferred Inflows of Resources | <u>\$ 18,207</u> | <u>\$ 30,389</u> |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RETIREMENT PLANS (CONTINUED)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

| | 2023 | |
|---|---------------------|------------------|
| | Traditional | Combined |
| Deferred Outflows of Resources: | | |
| Differences Between Expected and Actual Experience | \$ 316,573 | \$ 4,486 |
| Changes of Assumptions | 100,686 | 4,831 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | 2,716,577 | 26,591 |
| Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions | 35,600 | 3,784 |
| Subtotal | 3,169,436 | 39,692 |
| District Contributions Subsequent to the Measurement Date | 761,138 | 21,782 |
| Total Deferred Outflows of Resources | <u>\$ 3,930,574</u> | <u>\$ 61,474</u> |
| Deferred Inflows of Resources: | | |
| Differences Between Expected and Actual Experience | \$ - | \$ 10,426 |
| Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions | 56,385 | 14,504 |
| Total Deferred Inflows of Resources | <u>\$ 56,385</u> | <u>\$ 24,930</u> |

The \$833,248 reported deferred outflows of resources related to pension resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Year Ending December 31,</u> | Traditional | Combined |
|---------------------------------|---------------------|-------------------|
| 2025 | \$ 480,298 | \$ (630) |
| 2026 | 612,475 | 1,436 |
| 2027 | 1,113,824 | 6,776 |
| 2028 | (248,540) | (5,192) |
| 2029 | - | (1,751) |
| Thereafter | - | (3,471) |
| Total | <u>\$ 1,958,057</u> | <u>\$ (2,832)</u> |

Actuarial Assumptions

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2023 and 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | <u>Traditional</u> | <u>Combined</u> |
|--|-------------------------|-------------------------|
| Wage Inflation | 2.75% | 2.75% |
| Future Salary Increases, Including Inflation | 2.75% - 10.75% | 2.75% - 8.25% |
| COLA or Ad Hoc COLA | 3% Simple | 3% Simple |
| Investment Rate of Return | 6.9% | 6.9% |
| Actuarial Cost Method | Individual Entry Age | Individual Entry Age |

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The most recent experience study was completed for the five-year period ended December 31, 2020.

The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the board of trustees' actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical view and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to actuarially assumed rate of return of 6.9%, for the defined benefit investments to remain constant.

Target Investment Allocation and Long-Term Expected Real Rate of Return

The allocation of investment assets within the defined benefit portfolio is approved by the board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit plans.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RETIREMENT PLANS (CONTINUED)

**Target Investment Allocation and Long-Term Expected Real Rate of Return
(Continued)**

The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major class.

The tables below display the board-approved asset allocation policy for 2023 and 2022 and the long-term expected real rates of return:

| 2023 - Measurement Date | |
|----------------------------------|--|
| Asset Class: | Weighted Average Long-Term Expected Real Rate of Return |
| Target Allocation For 2023 | |
| Fixed Income | 24.00 % |
| Domestic Equities | 21.00 |
| Real Estate | 13.00 |
| Private Equity | 15.00 |
| International Equities | 20.00 |
| Risk Parity | 2.00 |
| Other Investments | 5.00 |
| Total | 100.00 % |
| | |
| 2022 - Measurement Date | |
| Asset Class: | Weighted Average Long-Term Expected Real Rate of Return |
| Target Allocation For 2022 | |
| Fixed Income | 22.00 % |
| Domestic Equities | 22.00 |
| Real Estate | 13.00 |
| Private Equity | 15.00 |
| International Equities | 21.00 |
| Risk Parity | 2.00 |
| Other Investments | 5.00 |
| Total | 100.00 % |

Discount Rate

The discount rate used to measure the total pension liability was 6.9% in 2023 and 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits 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.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 RETIREMENT PLANS (CONTINUED)

Sensitivity of the District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following tables present the District's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9%, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

| | 2024 | | |
|---|-----------------------|------------------------------------|-----------------------|
| | 1% Decrease (5.9%) | Current Discount Rate (6.9%) | 1% Increase (7.9%) |
| District's Proportionate Share of the Net Pension Liability/(Asset): | | | |
| Traditional Pension Plan | \$ 13,613,315 | \$ 8,647,390 | \$ 4,517,183 |
| Combined Pension Plan | (63,021) | (104,147) | (136,544) |
| | | | |
| | 2023 | | |
| | 1% Decrease (5.9%) | Current Discount Rate (6.9%) | 1% Increase (7.9%) |
| District's Proportionate Share of the Net Pension Liability/(Asset): | | | |
| Traditional Pension Plan | \$ 14,276,820 | \$ 9,530,800 | \$ 5,582,963 |
| Combined Pension Plan | (38,078) | (72,965) | (100,614) |

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS

Net OPEB Liability (Asset)

As described in Note 8, OPERS provides benefits other than pensions, such as health care, that meet the GASB criteria for other postemployment benefit plans.

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

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability (Asset) (Continued)

GASB 75 assumes the OPEB liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The ORC permits, but does not require, the retirement system to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement system may allocate a portion of the employer contributions to provide for these OPEB benefits.

Plan Description – Ohio Public Employees Retirement System (OPERS)

The ORC permits but does not require OPERS to offer postemployment health care coverage. The ORC allows a portion of the employers' contributions to be used to fund health care coverage. The health care portion of the employer contribution rate for the Traditional Pension Plan and Combined Plan is comparable, as the same coverage options are provided to participants in both plans.

Prior to January 1, 2015, the System provided comprehensive health care coverage to retirees with 10 or more years of qualifying service credit and offered coverage to their dependents on a premium deduction or direct bill basis. Beginning January 1, 2015, the service eligibility criteria for health care coverage increased from 10 years to 20 years with a minimum age of 60, or 30 years of qualifying service at any age. Beginning with January 2016 premiums, Medicare-eligible retirees could select supplemental coverage through the Connector and may be eligible for monthly allowances deposited to an HRA to be used for reimbursement of eligible health care expenses. Coverage for non-Medicare retirees includes hospitalization, medical expenses, and prescription drugs. The system determines the amount, if any, of the associated health care costs that will be absorbed by the System and attempts to control costs by using managed care, case management, and other programs. Additional detail on health care coverage can be found in the Plan Statement in the OPERS 2023 ACFR.

Participants in the Member-Directed Plan are not eligible for health care coverage offered to benefit recipients in the Traditional Pension Plan and Combined Plan. A portion of employer contributions for these participants is allocated to a retiree medical account. Upon separation or retirement, participants may be reimbursed for qualified medical expenses from these accounts.

With the assistance of the System's actuary and board approval, a portion of each employer contribution to OPERS may be set aside for the funding of postemployment health care coverage. The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was 0% for 2024 and 2023.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

At December 31, 2024 and 2023, the District reported an asset for its proportionate share of the net OPEB liability (asset) for OPERS. The net OPEB asset was measured as of December 31, 2023 and 2022. The total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as the measurement dates presented. The District's proportion of the net OPEB asset was based on its share of contributions to the respective retirement systems relative to the contributions of all participating entities.

| Measurement Date | Net OPEB Liability(Asset) | Proportionate Share |
|-------------------|---------------------------|---------------------|
| December 31, 2023 | \$ (297,544) | 0.032968 % |
| December 31, 2022 | \$ 204,566 | 0.032444 % |

For the years ended December 31, 2024 and 2023, the District recognized OPEB expense (revenue) of (\$29,615) and (\$328,750), respectively.

At December 31, 2024 and 2023, the District reported deferred outflow of resources and deferred inflows of resources related to OPEB from the following sources:

| | 2024 | |
|--|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences Between Projected and Actual Experience | \$ - | \$ 42,349 |
| Changes of Assumption | 76,602 | 127,905 |
| Differences Between Projected and Actual Investment Earnings | 178,692 | - |
| Change in Proportionate Share | - | 3,412 |
| Total | <u>\$ 255,294</u> | <u>\$ 173,666</u> |

| | 2023 | |
|--|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences Between Projected and Actual Experience | \$ - | \$ 51,027 |
| Changes of Assumption | 199,804 | 16,441 |
| Differences Between Projected and Actual Investment Earnings | 406,275 | - |
| Change in Proportionate Share | 4,696 | 334 |
| Total | <u>\$ 610,775</u> | <u>\$ 67,802</u> |

There are no contributions subsequent to the measurement date because the contribution rate was 0% for 2024 and 2023.

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in benefit expense (income) as follows:

| <u>Year Ending December 31,</u> | <u>Net Deferred Outflows (Inflows)</u> |
|---------------------------------|--|
| 2025 | \$ (9,789) |
| 2026 | 12,660 |
| 2027 | 139,095 |
| 2028 | (60,338) |
| Total | <u>\$ 81,628</u> |

Actuarial Assumptions

The total OPEB liability is based on the results of an actuarial valuation using the following key assumptions, applied to all periods included in the measurement:

| | <u>OPERS - as of 12/31/23</u> | <u>OPERS - as of 12/31/22</u> |
|--------------------------------|---|---|
| Inflation | 2.75% | 2.75% |
| Salary Increases | 2.75% - 10.75% (Includes Inflation) | 2.75% - 10.75% (Includes Inflation) |
| Single Discount Rate of Return | 5.70% | 5.22% |
| Investment Rate of Return | 6.00%, Net of Investment Expenses | 6.00%, Net of Investment Expenses |
| Health Care Cost Trends | 5.5% Initial, 3.50% Ultimate in 2038 | 5.5% Initial, 3.50% Ultimate in 2036 |

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales to all of these tables

Projections of health care costs for financial reporting purposes are based on the substantive plan and included the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between the system and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2023, rolled forward to the measurement date of December 31, 2024. The total 2023 OPEB asset was determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023.

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Discount Rate

A single discount rate of 5.70% was used to measure the OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 3.77%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

A single discount rate 5.22% was used to measure the OPEB liability on the measurement date of December 31, 2022. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 5.50% and a municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the OPEB plan's fiduciary net position and future contributions were sufficient to finance the health care costs through the year 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through 2054, and the municipal bond rate was applied to all health care costs after that date.

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Target Investment Allocation and Long-Term Expected Real Rate of Return

The allocation of investment assets within the OPERS Health Care portfolio is approved by the board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The tables below display the board-approved asset allocation policy and the long-term expected real rates of return.

| | 2023 | |
|----------------------|----------------------------------|--|
| | Target Allocation for 2023 | Weighted Average Long-Term Expected Real Rate of Return |
| Asset Class: | | |
| Fixed Income | 37.00 % | 2.82 % |
| Domestic Equity | 25.00 | 4.27 |
| Real Estate | 5.00 | 4.68 |
| International Equity | 25.00 | 5.16 |
| Risk Parity | 3.00 | 4.38 |
| Other Investments | 5.00 | 2.43 |
| Total | <u>100.00 %</u> | |

| | 2022 | |
|----------------------|----------------------------------|--|
| | Target Allocation for 2022 | Weighted Average Long-Term Expected Real Rate of Return |
| Asset Class: | | |
| Fixed Income | 34.00 % | 2.56 % |
| Domestic Equity | 26.00 | 4.60 |
| Real Estate | 7.00 | 4.70 |
| International Equity | 25.00 | 5.51 |
| Risk Parity | 2.00 | 4.37 |
| Other Investments | 6.00 | 1.84 |
| Total | <u>100.00 %</u> | |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

The following presents the net OPEB liability (asset) of the District (in thousands), calculated using the current discount rate listed below, as well as what the District's net OPEB asset would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.0 percentage point higher than the current rate. Also shown is what the net OPEB asset would be based on health care cost trend rates that are 1.00 percentage point lower and higher than the current rate.

| | 2024 | | |
|---|------------------------|-----------------------------|------------------------|
| | 1% Decrease (4.70%) | Discount Rate (5.70%) | 1% Increase (6.70%) |
| District's Proportionate Share of the OPEB Liability/(Asset) | \$ 163,521 | \$ (297,544) | \$ (679,470) |
| | 2024 | | |
| | 1% Decrease (4.50%) | Health Care Rate (5.50%) | 1% Increase (6.50%) |
| District's Proportionate Share of the OPEB Liability/(Asset) | \$ (309,899) | \$ (297,544) | \$ (283,525) |
| | 2023 | | |
| | 1% Decrease (4.22%) | Discount Rate (5.22%) | 1% Increase (6.22%) |
| District's Proportionate Share of the OPEB Liability/(Asset) | \$ 696,248 | \$ 204,566 | \$ (201,153) |
| | 2023 | | |
| | 1% Decrease (4.5%) | Health Care Rate (5.50%) | 1% Increase (6.50%) |
| District's Proportionate Share of the OPEB Liability/(Asset) | \$ 191,744 | \$ 204,566 | \$ 218,997 |

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued OPERS financial report.

Payable to the OPEB Plan

The District did not have a payable to the OPEB plan as of December 31, 2024 and 2023.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 10 COMPENSATED ABSENCES

Vacation, sick leave, and compensatory banked time policies are established by an agreement between the District and the American Federation of State, County, and Municipal Employees, for members of the bargaining unit, and by personnel policy for management employees not covered by the labor agreement. The District accrues a liability if it is probable that the employee will be compensated through cash payment.

For nonunion employees, these agreements provide for two weeks of paid vacation for 1-4 years of service, three weeks for 4-9 years of service, four weeks for 9-14 years of service, 4.5 weeks for 14-19 years of service, five weeks for 19-24 years of service, and six weeks for over 24 years of service.

For union employees, these agreements provide for two weeks of paid vacation after one year of service, three weeks after five years of service, four weeks after 10 years of service, and five weeks after 20 years of service.

For union personnel, the labor agreement provides for sick leave pay to be credited at a rate of 4.6 hours for each 80 hours "in active pay status." By limiting the use of sick leave during the fiscal year, an employee may receive a bonus.

In the event of retirement after 10 consecutive years of service, or due to retirement, such employees are entitled to receive payment for one fourth of their accumulated sick leave, up to a maximum of 120 days. Employees may accrue up to 360 actual hours of work to their compensatory time bank. Employees may take compensatory time off with pay as mutually scheduled or receive the appropriate rate of pay for said time.

Compensated absences activity for the years ended December 31, 2024 and 2023 is as follows:

| | December 31, 2023 - Restated | Increase | Decrease | December 31, 2024 | Due Within One Year |
|--------------------|---------------------------------|-------------------|-------------------|----------------------|------------------------|
| Sick Leave Payable | \$ 1,152,694 | \$ 142,676 | \$ 33,333 | \$ 1,262,037 | \$ 26,985 |
| Vacation Pay | 368,438 | 453,403 | 402,262 | 419,579 | 419,579 |
| Compensatory Time | 120,791 | 189,783 | 184,581 | 125,993 | 125,993 |
| Total | <u>\$ 1,641,923</u> | <u>\$ 785,862</u> | <u>\$ 620,176</u> | <u>\$ 1,807,609</u> | <u>\$ 572,557</u> |

| | December 31, 2022- Restated | Increase | Decrease | December 31, 2023 - Restated | Due Within One Year |
|--------------------|--------------------------------|-------------------|-------------------|---------------------------------|------------------------|
| Sick Leave Payable | \$ 962,056 | \$ 213,462 | \$ 22,824 | \$ 1,152,694 | \$ 25,000 |
| Vacation Pay | 325,611 | 410,892 | 368,065 | 368,438 | 368,438 |
| Compensatory Time | 115,506 | 189,869 | 184,584 | 120,791 | 120,791 |
| Total | <u>\$ 1,403,173</u> | <u>\$ 814,223</u> | <u>\$ 575,473</u> | <u>\$ 1,641,923</u> | <u>\$ 514,229</u> |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 11 INSURANCE

The District maintains comprehensive insurance coverage with private carriers for health, real property, building contents, and vehicles. There were no significant reductions in coverage between 2024 and 2023. There have been no significant reductions in insurance coverage since 2011 and no insurance settlement has exceeded insurance coverage during the last three years.

NOTE 12 COMMITMENTS AND CONTINGENCIES

Grants

The District has received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of District management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at December 31, 2024.

Construction Commitments

At December 31, 2024, the District has construction commitments, on which work has not commenced, totaling \$23,981,635 which will be funded by existing resources or the issuance of new revenue debt. All projects were current at December 31, 2024.

Litigation and Claims

In the normal course of operations, the District may be subject to other litigation and claims. While the outcome of any such matters cannot presently be determined, management believes that their ultimate resolution will not have a material adverse effect on the District's financial position.

Contributions

The District has received financial assistance from a developer agreeing to pay for the actual, necessary and reasonable construction costs incurred by the District. As of December 31, 2024 and 2023, \$11,500,000 was restricted for related construction projects.

Other Pending EPA and Local Health Department Ordered Projects

The District has received various orders for installation of wastewater treatment facilities and collection systems within various areas of the District. At December 31, 2024, there are two such ordered areas with preliminary or updated cost estimates totaling \$9.1 million for projects commencing or finishing over the next few years. These projects will be paid for by federal and state financial assistance and by the property owners benefiting from the projects through real estate special assessments and connection fees.

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 12 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Other Pending EPA and Local Health Department Ordered Projects (Continued)

The District had approximately \$3,293,545 at December 31, 2024 in potential receivables related to special assessments that have been deferred by the County. The special assessments were deferred on properties, \$1,671,024 of which would have qualified for loans from the Rotary Commission and Wood County Commissioners pursuant to Section 6103.051 of the Ohio Revised Code, had these funds been available from the Rotary Commission. As these receivables become due and payable only in the event the properties no longer qualify, and therefore collection is uncertain, they have not been reported in the financial statements.

NOTE 13 SEGMENT INFORMATION

Significant financial data for the respective divisions of the December 31, 2024 and 2023 is as follows:

Statement of Net Position

| | 2024 | | | 2023 | | |
|-------------------------------------|---------------|---------------|----------------|---------------|---------------|----------------|
| | Water | Sewer | Total | Water | Sewer | Total |
| Current Assets | \$ 39,130,889 | \$ 16,628,674 | \$ 55,759,563 | \$ 32,689,623 | \$ 15,910,463 | \$ 48,600,086 |
| Capital Assets | 117,631,978 | 128,597,863 | 246,229,841 | 112,382,854 | 128,650,327 | 241,033,181 |
| Other Assets | 3,803,231 | 3,657,344 | 7,460,575 | 3,951,152 | 3,805,237 | 7,756,389 |
| Total Assets | 160,566,098 | 148,883,881 | 309,449,979 | 149,023,629 | 148,366,027 | 297,389,656 |
| Deferred Outflows of Resources | 1,620,580 | 1,761,357 | 3,381,937 | 2,420,120 | 2,630,658 | 5,050,778 |
| Current Liabilities | 7,267,613 | 6,824,743 | 14,092,356 | 5,764,833 | 7,117,005 | 12,881,838 |
| Long-Term Liabilities | 55,080,015 | 54,969,091 | 110,049,106 | 52,215,101 | 57,235,331 | 109,450,432 |
| Total Liabilities | 62,347,628 | 61,793,834 | 124,141,462 | 57,979,934 | 64,352,336 | 122,332,270 |
| Deferred Inflows of Resources | 106,686 | 115,576 | 222,262 | 71,576 | 77,541 | 149,117 |
| Net Investment In Capital Assets | 64,144,417 | 76,997,762 | 141,142,179 | 64,490,248 | 74,617,405 | 139,107,653 |
| Restricted | 9,427,285 | 3,696,823 | 13,124,108 | 9,155,809 | 3,524,973 | 12,680,782 |
| Unrestricted | 26,160,662 | 8,041,243 | 34,201,905 | 19,746,182 | 8,424,430 | 28,170,612 |
| Total Net Position | \$ 99,732,364 | \$ 88,735,828 | \$ 188,468,192 | \$ 93,392,239 | \$ 86,566,808 | \$ 179,959,047 |

NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 13 SEGMENT INFORMATION (CONTINUED)

Statement of Revenues, Expenses, and Changes in Net Position

| | 2024 | | | 2023 | | |
|---|----------------------|----------------------|-----------------------|----------------------|----------------------|-----------------------|
| | Water | Sewer | Total | Water | Sewer | Total |
| Utility Revenues | \$ 23,098,260 | \$ 13,792,261 | \$ 36,890,521 | \$ 21,341,469 | \$ 13,017,394 | \$ 34,358,863 |
| Other Revenues | 1,210,330 | 483,849 | 1,694,179 | 1,036,599 | 513,287 | 1,549,886 |
| Total Operating Revenues | 24,308,590 | 14,276,110 | 38,584,700 | 22,378,068 | 13,530,681 | 35,908,749 |
| Depreciation and Amortization | 5,019,078 | 5,799,680 | 10,818,758 | 4,644,367 | 5,545,497 | 10,189,864 |
| Other Operating Expenses | 17,294,143 | 7,977,009 | 25,271,152 | 15,571,307 | 7,187,634 | 22,758,941 |
| Total Operating Expenses | 22,313,221 | 13,776,689 | 36,089,910 | 20,215,674 | 12,733,131 | 32,948,805 |
| Operating Income | 1,995,369 | 499,421 | 2,494,790 | 2,162,394 | 797,550 | 2,959,944 |
| Interest Expense | (1,007,899) | (1,076,428) | (2,084,327) | (900,921) | (1,108,884) | (2,009,805) |
| Other Nonoperating Revenues | 177,455 | 649,217 | 826,672 | 411,548 | 487,233 | 898,781 |
| Total Non-Operating Revenues (Expenses) | (830,444) | (427,211) | (1,257,655) | (489,373) | (621,651) | (1,111,024) |
| Aid in Construction | 5,175,200 | 2,096,810 | 7,272,010 | 13,439,316 | 5,445,134 | 18,884,450 |
| Change in Net Position | 6,340,125 | 2,169,020 | 8,509,145 | 15,112,337 | 5,621,033 | 20,733,370 |
| Net Position: | | | | | | |
| Beginning of Year Restated | 93,392,239 | 86,566,808 | 179,959,047 | 78,279,902 | 80,945,775 | 159,225,677 |
| End of Year | <u>\$ 99,732,364</u> | <u>\$ 88,735,828</u> | <u>\$ 188,468,192</u> | <u>\$ 93,392,239</u> | <u>\$ 86,566,808</u> | <u>\$ 179,959,047</u> |

Statement of Cash Flows

| | 2024 | | | #NAME? | | |
|---|----------------------|---------------------|----------------------|----------------------|---------------------|----------------------|
| | Water | Sewer | Total | Water | Sewer | Total |
| Net Cash Provided (Used) by: | | | | | | |
| Operations | \$ 5,790,003 | \$ 5,796,289 | \$ 11,586,292 | \$ 6,330,770 | \$ 6,422,784 | \$ 12,753,554 |
| Capital And Related Financing Activities | (3,249,717) | (6,075,477) | (9,325,194) | 5,469,126 | (3,250,178) | 2,218,948 |
| Investing Activities | (3,180,229) | (884,091) | (4,064,320) | 189,074 | 190,882 | 379,956 |
| Cash and Cash Equivalents Beginning of Year | 24,529,300 | 8,792,293 | 33,321,593 | 12,540,330 | 5,428,805 | 17,969,135 |
| End of Year | <u>\$ 23,889,357</u> | <u>\$ 7,629,014</u> | <u>\$ 31,518,371</u> | <u>\$ 24,529,300</u> | <u>\$ 8,792,293</u> | <u>\$ 33,321,593</u> |

**NORTHWESTERN WATER & SEWER DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 14 RESTATEMENT OF BEGINNING NET POSITION AND FUND

In accordance with GASB100, beginning net position for the earliest period presented was restated for the implementation of GASB101. The restatement is as follows:

| | Business-Type Activities |
|--|-----------------------------|
| Net Position, as Previously Reported at December 31, 2022 | \$ 159,887,236 |
| Implementation of GASB Statement No. 101 | <u>(661,559)</u> |
| Net Position, as Restated, at December 31, 2022 | <u>\$ 159,225,677</u> |

A. Change in Accounting Principle

For 2024, the District has implemented certain paragraphs from Governmental Accounting Standards Board (GASB) Implementation Guide No. 2021-1, certain paragraphs of GASB Statement No. 99, Omnibus 2022", GASB Statement No. 100, "Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62", Implementation Guide 2023-1, and GASB Statement No. 101, "Compensated Absences".

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2021-1 did not have an effect on balances previously reported by the District.

GASB Statement No. 99 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of GASB Statement No. 99 did not have an effect on the financial statements of the District.

GASB Statement No. 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Implementation Guide 2023-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2023-1 did not have an effect on the financial statements of the District.

GASB Statement No. 101 is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

REQUIRED SUPPLEMENTARY INFORMATION

**NORTHWESTERN WATER & SEWER DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY –
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS (OPERS)**

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| District's Proportion of the Net Pension Liability | 0.033030% | 0.032264% | 0.032798% | 0.031795% | 0.00031 % | 0.03173 % | 0.03029 % | 0.02775 % | 0.02676 % | 0.02673 % |
| District's Proportionate Share of the Net Pension Liability | \$ 8,647,390 | \$ 9,530,800 | \$ 2,853,559 | \$ 4,708,148 | \$ 6,174,205 | \$ 8,691,026 | \$ 4,751,757 | \$ 6,300,645 | \$ 4,635,516 | \$ 3,223,937 |
| District's Covered Payroll | \$ 5,592,286 | \$ 5,001,293 | \$ 4,885,493 | \$ 4,607,779 | \$ 4,522,171 | \$ 4,396,186 | \$ 4,088,508 | \$ 3,586,608 | \$ 3,330,767 | \$ 3,276,775 |
| District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 154.63 % | 190.57 % | 58.41 % | 102.18 % | 136.53 % | 197.69 % | 116.22 % | 175.67 % | 139.17 % | 98.39 % |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 79.01 % | 75.74 % | 92.62 % | 86.88 % | 84.17 % | 74.70 % | 84.66 % | 77.25 % | 81.08 % | 86.45 % |

Amounts presented as of the District's measurement date which is the prior fiscal year-end.

- (1) This Schedule only shows the Traditional Plan. The Combined Plan is insignificant.
- (2) Changes in Assumptions and Benefit Terms: No significant changes noted.

**NORTHWESTERN WATER & SEWER DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS (OPERS)**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution | \$ 833,248 | \$ 782,920 | \$ 700,181 | \$ 683,969 | \$ 645,089 | \$ 633,104 | \$ 615,466 | \$ 531,506 | \$ 430,393 | \$ 399,692 |
| Contributions in Relation to the Contractually Required Contribution | (833,248) | (782,920) | (700,181) | (683,969) | (645,089) | (633,104) | (615,466) | (531,506) | (430,393) | (399,692) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| District Covered Payroll | \$ 5,951,771 | \$ 5,592,286 | \$ 5,001,293 | \$ 4,885,493 | \$ 4,607,779 | \$ 4,870,031 | \$ 5,128,883 | \$ 4,429,217 | \$ 3,586,608 | \$ 3,330,767 |
| Contributions as a Percentage of Covered Payroll | 14% | 14% | 14% | 14% | 14% | 13% | 12% | 12% | 12% | 12% |

**NORTHWESTERN WATER & SEWER DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY (ASSET)
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)
LAST EIGHT YEARS**

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|
| District's Proportion of the Net OPEB Liability | 0.03297 % | 0.03244 % | 0.03297 % | 0.03216 % | 0.03153 % | 0.03196 % | 0.03042 % | 0.03042 % |
| District's Proportionate Share of the Net OPEB Liability(Asset) | \$ (297,544) | \$ 204,566 | \$ (1,032,545) | \$ (572,879) | \$ 4,354,588 | \$ 4,167,222 | \$ 3,072,776 | \$ 3,072,776 |
| District's Covered Payroll | \$ 5,592,286 | \$ 5,001,293 | \$ 4,885,493 | \$ 4,607,779 | \$ 4,870,031 | \$ 5,128,883 | \$ 4,429,217 | \$ 3,586,608 |
| District's Proportionate Share of the Net OPEB Liability(Asset) as a Percentage of its Covered Payroll | (5.32)% | 4.09 % | (21.13)% | (12.43)% | 89.42 % | 81.25 % | 69.38 % | 85.67 % |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 107.76 % | 94.79 % | 128.23 % | 115.57 % | 47.80 % | 46.33 % | 54.14 % | 54.05 % |

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

- (1) Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the District will present information for only those years for which information is available.
- (2) Changes in Assumptions and Benefit Terms: At measurement date December 31, 2020, there was a \$9.4 billion plan wide benefit change taking the plan to a Net OPEB Asset rather than Net OPEB Liability and a change to the discount rate from 3.16% to 6%.

**NORTHWESTERN WATER & SEWER DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)
LAST TEN YEARS**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 88,584 | \$ 70,656 | \$ 35,489 |
| Contributions in Relation to the Contractually Required Contribution | - | - | - | - | - | - | - | (88,584) | (70,656) | (35,489) |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District Covered Payroll | \$ 5,951,771 | \$ 5,592,286 | \$ 5,001,293 | \$ 4,885,493 | \$ 4,607,779 | \$ 4,870,031 | \$ 5,128,883 | \$ 4,429,217 | \$ 3,586,608 | \$ 3,316,717 |
| Contributions as a Percentage of Covered Payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.00% | 2.00% | 2.00% | 1.97% | 1.07% |

Other Supplementary Information

**NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –
BUDGET TO ACTUAL (BUDGETARY BASIS)
YEAR ENDED DECEMBER 31, 2024**

| | Original Budget | Final Budget | Actual | Variance with Final Budget Over (Under) |
|---|----------------------|----------------------|----------------------|---|
| REVENUES | | | | |
| Operating Revenue: | | | | |
| Utility Revenues | \$ 34,159,656 | \$ 37,110,522 | \$ 36,890,521 | \$ (220,001) |
| Other Operating Revenues | 1,170,000 | 1,694,162 | 1,694,179 | 17 |
| Nonoperating Revenue - Interest | 650,000 | 1,582,572 | 1,582,572 | - |
| Total Revenues | <u>35,979,656</u> | <u>40,387,256</u> | <u>40,167,272</u> | <u>(219,984)</u> |
| EXPENSES | | | | |
| Operating Expenses: | | | | |
| Operations and Maintenance | 24,868,145 | 25,070,266 | 25,104,249 | 33,983 |
| Debt Retirement | 8,268,992 | 7,543,605 | 9,266,773 | 1,723,168 |
| Total Expenses | <u>33,137,137</u> | <u>32,613,871</u> | <u>34,371,022</u> | <u>1,757,151</u> |
| OPERATING INCOME | 2,842,519 | 7,773,385 | 5,796,250 | (1,977,135) |
| RECONCILIATION TO CHANGE IN NET POSITION | | | | |
| Aid on Construction: | | | | |
| Grants and Other | 10,295,272 | 6,315,511 | 6,315,511 | - |
| System Development Fees | 400,000 | 829,279 | 829,279 | - |
| Antidegradation Credits | 50,000 | 127,220 | 127,220 | - |
| Total Aid in Construction | <u>10,745,272</u> | <u>7,272,010</u> | <u>7,272,010</u> | <u>-</u> |
| CHANGE IN NET POSITION | <u>\$ 13,587,791</u> | <u>\$ 15,045,395</u> | <u>\$ 13,068,260</u> | <u>\$ (1,977,135)</u> |

Note to Supplementary Information

The District's budget is not prepared on the basis of accounting principles generally accepted in the United States of America (GAAP), the same basis on which its financial statements are prepared. The District is required by law to budget its funds, through adoption of an operating budget by March of each year for the following year. The operating budget includes estimates for total revenues, and debt service requirements for the fiscal year.

The Final Budget varies from the Original Budget due to adjustments made by management. The adjustments were made in an effort to make the balances more representative of the respective areas.

A reconciliation of the annual budget basis revenues and other income in excess of operating expenses to the net income included in the accompanying 2024 financial statements is as follows:

| | |
|--|----------------------------|
| Change in Net Position - Budgetary Basis Above | \$ 13,068,260 |
| Pension and OPEB | 166,903 |
| GASB 101 | \$ (232,471) |
| Depreciation and Amortization | (10,818,758) |
| Deferred Inflow - Refunding | (158,381) |
| Principal Payments on SBITAs | 57,046 |
| Principal Payments on Debt | <u>6,426,546</u> |
| CHANGE IN NET POSITION - GAAP | <u><u>\$ 8,509,145</u></u> |

NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF NET POSITION –
INFORMATION BY DIVISION
DECEMBER 31, 2024

| ASSETS | Water | Sewer | Eliminations | Combined |
|---|----------------|----------------|--------------|----------------|
| CURRENT ASSETS | | | | |
| Cash and Cash Equivalents: | | | | |
| Unrestricted | \$ 17,219,937 | \$ 3,605,099 | \$ - | \$ 20,825,036 |
| Restricted | 6,669,420 | 4,023,915 | - | 10,693,335 |
| Investments: | | | | |
| Unrestricted | 4,785,424 | 4,033,784 | - | 8,819,208 |
| Restricted | 4,015,000 | 1,235,000 | - | 5,250,000 |
| Accounts Receivable - Trade | 2,834,468 | 1,900,234 | - | 4,734,702 |
| Grants Receivable | 1,540,875 | 1,021,632 | - | 2,562,507 |
| Current Portion of Special Assessments | 463,393 | 383,023 | - | 846,416 |
| Inventory | 1,075,684 | 245,333 | - | 1,321,017 |
| Prepaid Expenses | 526,688 | 180,654 | - | 707,342 |
| Total Current Assets | 39,130,889 | 16,628,674 | - | 55,759,563 |
| NONCURRENT ASSETS | | | | |
| Capital Assets (Depreciable): | | | | |
| Sewer and Water Lines | 128,835,921 | 158,260,398 | - | 287,096,319 |
| Buildings, Pumps, and Lift Stations | 28,098,237 | 40,176,185 | - | 68,274,422 |
| Machinery and Equipment | 13,243,781 | 10,553,926 | - | 23,797,707 |
| Vehicles | 2,234,566 | 2,994,261 | - | 5,228,827 |
| Furniture and Fixtures | 226,360 | 288,982 | - | 515,342 |
| Computer Equipment | 1,435,535 | 2,159,219 | - | 3,594,754 |
| Improvements - Oregon Waste Water Treatment Plant | 3,746,094 | 3,492,838 | - | 7,238,932 |
| Total Depreciable Capital Assets | 177,820,494 | 217,925,809 | - | 395,746,303 |
| Accumulated Depreciation and Amortization | (70,562,012) | (103,834,758) | - | (174,396,770) |
| Net Depreciable Capital Assets | 107,258,482 | 114,091,051 | - | 221,349,533 |
| Capital Assets (Nondepreciable): | | | | |
| Land | 349,874 | 631,092 | - | 980,966 |
| Easements | 235,274 | 507,941 | - | 743,215 |
| Construction in Process | 9,788,348 | 13,367,779 | - | 23,156,127 |
| Net Capital Assets | 117,631,978 | 128,597,863 | - | 246,229,841 |
| OTHER ASSETS | | | | |
| Special Assessments, Less Current Portion | 3,610,419 | 3,448,465 | - | 7,058,884 |
| Net Pension Asset | 49,991 | 54,156 | - | 104,147 |
| Net OPEB Asset | 142,821 | 154,723 | - | 297,544 |
| Total Other Assets | 3,803,231 | 3,657,344 | - | 7,460,575 |
| Total Noncurrent Assets | 121,435,209 | 132,255,207 | - | 253,690,416 |
| Total Assets | 160,566,098 | 148,883,881 | - | 309,449,979 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Loss on Debt Refunding | 136,246 | 153,328 | - | 289,574 |
| Pension | 1,361,793 | 1,475,276 | - | 2,837,069 |
| OPEB | 122,541 | 132,753 | - | 255,294 |
| Total Deferred Outflows of Resources | 1,620,580 | 1,761,357 | - | 3,381,937 |
| Total Assets and Deferred Outflows of Resources | \$ 162,186,678 | \$ 150,645,238 | \$ - | \$ 312,831,916 |

**NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF NET POSITION –
INFORMATION BY DIVISION (CONTINUED)
DECEMBER 31, 2024**

| LIABILITIES AND NET POSITION | Water | Sewer | Eliminations | Combined |
|--|----------------------|----------------------|--------------|-----------------------|
| CURRENT LIABILITIES | | | | |
| Current Portion of Long-Term Debt | \$ 3,281,374 | \$ 3,312,257 | \$ - | \$ 6,593,631 |
| Current Portion of Compensated Absences | 274,827 | 297,730 | - | 572,557 |
| Accounts Payable - Trade | 2,886,605 | 1,765,632 | - | 4,652,237 |
| Accrued Payroll and Payroll Taxes | 167,305 | 179,903 | - | 347,208 |
| Accrued Interest Payable | 446,907 | 518,673 | - | 965,580 |
| Current Portion of Subscriptions Payable | 26,692 | 28,916 | - | 55,608 |
| Amounts Due Others | 269,907 | 582,420 | - | 852,327 |
| Unearned Revenues | 33,104 | 20,104 | - | 53,208 |
| Total Current Liabilities | 7,386,721 | 6,705,635 | - | 14,092,356 |
| LONG-TERM LIABILITIES | | | | |
| Long-Term Debt, Less Current Portion | 50,217,334 | 49,949,330 | - | 100,166,664 |
| Net Pension Liability | 4,150,748 | 4,496,642 | - | 8,647,390 |
| Compensated Absences Payable, Less Current Portion | 592,825 | 642,227 | - | 1,235,052 |
| Total Long-Term Liabilities | 54,960,907 | 55,088,199 | - | 110,049,106 |
| Total Liabilities | 62,347,628 | 61,793,834 | - | 124,141,462 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension | 23,326 | 25,270 | - | 48,596 |
| OPEB | 83,360 | 90,306 | - | 173,666 |
| Total Deferred Inflows of Resources | 106,686 | 115,576 | - | 222,262 |
| Total Liabilities and Deferred Inflows | <u>\$ 62,454,314</u> | <u>\$ 61,909,410</u> | <u>\$ -</u> | <u>\$ 124,363,724</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | \$ 64,144,417 | \$ 76,997,762 | \$ - | \$ 141,142,179 |
| Restricted for Debt Service | 438,223 | 784,194 | - | 1,222,417 |
| Restricted for Net Pension/OPEB Asset | 192,812 | 208,879 | - | 401,691 |
| Restricted for Infrastructure Improvements | 8,796,250 | 2,703,750 | - | 11,500,000 |
| Unrestricted | 26,160,662 | 8,041,243 | - | 34,201,905 |
| Total Net Position | <u>\$ 99,732,364</u> | <u>\$ 88,735,828</u> | <u>\$ -</u> | <u>\$ 188,468,192</u> |

NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF NET POSITION –
INFORMATION BY DIVISION
DECEMBER 31, 2023

| ASSETS | Water | Sewer | Eliminations | Combined |
|---|-----------------------|-----------------------|--------------|-----------------------|
| CURRENT ASSETS | | | | |
| Cash and Cash Equivalents: | | | | |
| Unrestricted | \$ 13,999,719 | \$ 3,493,414 | \$ - | \$ 17,493,133 |
| Restricted | 10,529,581 | 5,298,879 | - | 15,828,460 |
| Investments: | | | | |
| Unrestricted | 3,361,444 | 3,836,932 | - | 7,198,376 |
| Restricted | 1,223,940 | - | - | 1,223,940 |
| Accounts Receivable - Trade | 1,860,506 | 1,730,949 | - | 3,591,455 |
| Grants Receivable | 215,858 | 733,389 | - | 949,247 |
| Current Portion of Special Assessments | 549,255 | 402,476 | - | 951,731 |
| Inventory | 841,120 | 249,256 | - | 1,090,376 |
| Prepaid Expenses | 108,200 | 165,168 | - | 273,368 |
| Total Current Assets | <u>32,689,623</u> | <u>15,910,463</u> | <u>-</u> | <u>48,600,086</u> |
| NONCURRENT ASSETS | | | | |
| Capital Assets (Depreciable): | | | | |
| Sewer and Water Lines | 119,428,347 | 156,204,629 | - | 275,632,976 |
| Buildings, Pumps, and Lift Stations | 28,927,004 | 39,079,162 | - | 68,006,166 |
| Machinery and Equipment | 12,229,942 | 9,705,849 | - | 21,935,791 |
| Vehicles | 2,169,251 | 3,235,443 | - | 5,404,694 |
| Furniture and Fixtures | 226,360 | 288,982 | - | 515,342 |
| Computer Equipment | 1,382,004 | 2,067,394 | - | 3,449,398 |
| Improvements - Oregon Waste Water Treatment Plant | 3,696,259 | 3,492,838 | - | 7,189,097 |
| Total Depreciable Capital Assets | <u>168,059,167</u> | <u>214,074,297</u> | <u>-</u> | <u>382,133,464</u> |
| Accumulated Depreciation and Amortization | <u>(66,051,596)</u> | <u>(98,432,715)</u> | <u>-</u> | <u>(164,484,311)</u> |
| Net Depreciable Capital Assets | <u>102,007,571</u> | <u>115,641,582</u> | <u>-</u> | <u>217,649,153</u> |
| Capital Assets (Nondepreciable): | | | | |
| Land | 349,874 | 479,707 | - | 829,581 |
| Easements | 183,535 | 328,608 | - | 512,143 |
| Construction in Process | 9,841,874 | 12,200,430 | - | 22,042,304 |
| Net Capital Assets | <u>112,382,854</u> | <u>128,650,327</u> | <u>-</u> | <u>241,033,181</u> |
| OTHER ASSETS | | | | |
| Special Assessments, Less Current Portion | 3,916,129 | 3,767,295 | - | 7,683,424 |
| Net Pension Asset | 35,023 | 37,942 | - | 72,965 |
| Total Other Assets | <u>3,951,152</u> | <u>3,805,237</u> | <u>-</u> | <u>7,756,389</u> |
| Total Noncurrent Assets | <u>116,334,006</u> | <u>132,455,564</u> | <u>-</u> | <u>248,789,570</u> |
| Total Assets | <u>149,023,629</u> | <u>148,366,027</u> | <u>-</u> | <u>297,389,656</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Loss on Debt Refunding | 210,765 | 237,190 | - | 447,955 |
| Pension | 1,916,183 | 2,075,865 | - | 3,992,048 |
| OPEB | 293,172 | 317,603 | - | 610,775 |
| Total Deferred Outflows of Resources | <u>2,420,120</u> | <u>2,630,658</u> | <u>-</u> | <u>5,050,778</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 151,443,749</u> | <u>\$ 150,996,685</u> | <u>\$ -</u> | <u>\$ 302,440,434</u> |

NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF NET POSITION –
INFORMATION BY DIVISION (CONTINUED)
DECEMBER 31, 2023

| LIABILITIES AND NET POSITION | Water | Sewer | Eliminations | Combined |
|--|---------------|---------------|--------------|----------------|
| CURRENT LIABILITIES | | | | |
| Current Portion of Long-Term Debt | \$ 3,208,358 | \$ 3,421,791 | \$ - | \$ 6,630,149 |
| Current Portion of Compensated Absences | 246,830 | 267,399 | - | 514,229 |
| Accounts Payable - Trade | 1,578,545 | 1,852,470 | - | 3,431,015 |
| Accrued Payroll and Payroll Taxes | 131,232 | 133,056 | - | 264,288 |
| Accrued Interest Payable | 392,075 | 530,647 | - | 922,722 |
| Current Portion of Subscriptions Payable | 27,383 | 29,664 | - | 57,047 |
| Amounts Due Others | 144,719 | 853,062 | - | 997,781 |
| Unearned Revenues | 9,000 | - | - | 9,000 |
| Total Current Liabilities | 5,738,142 | 7,088,089 | - | 12,826,231 |
| LONG-TERM LIABILITIES | | | | |
| Long-Term Debt, Less Current Portion | 47,000,832 | 51,586,540 | - | 98,587,372 |
| Long-Term Subscriptions Payable | 26,691 | 28,916 | - | 55,607 |
| Net Pension Liability | 4,574,784 | 4,956,016 | - | 9,530,800 |
| Net OPEB Liability | 98,192 | 106,374 | - | 204,566 |
| Compensated Absences Payable, Less Current Portion | 541,293 | 586,401 | - | 1,127,694 |
| Total Long-Term Liabilities | 52,241,792 | 57,264,247 | - | 109,506,039 |
| Total Liabilities | 57,979,934 | 64,352,336 | - | 122,332,270 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension | 39,031 | 42,284 | - | 81,315 |
| OPEB | 32,545 | 35,257 | - | 67,802 |
| Total Deferred Inflows of Resources | 71,576 | 77,541 | - | 149,117 |
| Total Liabilities and Deferred Inflows | \$ 58,051,510 | \$ 64,429,877 | \$ - | \$ 122,481,387 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | \$ 64,490,248 | \$ 74,617,405 | \$ - | \$ 139,107,653 |
| Restricted for Debt Service | 324,536 | 783,281 | - | 1,107,817 |
| Restricted for Net Pension/OPEB Asset | 35,023 | 37,942 | - | 72,965 |
| Restricted for Infrastructure Improvements | 8,796,250 | 2,703,750 | - | 11,500,000 |
| Unrestricted | 19,746,182 | 8,424,430 | - | 28,170,612 |
| Total Net Position | \$ 93,392,239 | \$ 86,566,808 | \$ - | \$ 179,959,047 |

NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –
INFORMATION BY DIVISION
YEAR ENDED DECEMBER 31, 2024

| | Water | Sewer | Eliminations | Combined |
|---|---------------|---------------|--------------|----------------|
| OPERATING REVENUES | | | | |
| Utility Revenue | \$ 23,098,260 | \$ 13,792,261 | \$ - | \$ 36,890,521 |
| Fees and Permits | 618,144 | 106,500 | - | 724,644 |
| Contract Services | 98,280 | 174,119 | - | 272,399 |
| Watershed Revenue | 302,818 | - | - | 302,818 |
| Other Operating Revenues | 191,088 | 203,230 | - | 394,318 |
| Total Operating Revenues | 24,308,590 | 14,276,110 | - | 38,584,700 |
| OPERATING EXPENSES | | | | |
| Depreciation and Amortization | 5,019,078 | 5,799,680 | - | 10,818,758 |
| Labor | 2,890,045 | 3,063,382 | - | 5,953,427 |
| Employee Benefits | 1,071,458 | 1,177,076 | - | 2,248,534 |
| Professional Services | 1,890,731 | 1,000,333 | - | 2,891,064 |
| Purchased Water and Sewer Treatment | 9,535,489 | 457,861 | - | 9,993,350 |
| Materials and Supplies | 903,083 | 1,208,532 | - | 2,111,615 |
| Utilities | 382,112 | 431,369 | - | 813,481 |
| Other | 621,225 | 638,456 | - | 1,259,681 |
| Total Operating Expenses | 22,313,221 | 13,776,689 | - | 36,089,910 |
| OPERATING INCOME | 1,995,369 | 499,421 | - | 2,494,790 |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Net Investment Income | 1,034,811 | 547,761 | - | 1,582,572 |
| Interest Expense | (1,007,899) | (1,076,428) | - | (2,084,327) |
| Other Income (Expense) | (857,356) | 101,456 | - | (755,900) |
| Total Nonoperating Revenues (Expenses) | (830,444) | (427,211) | - | (1,257,655) |
| AID IN CONSTRUCTION | 5,175,200 | 2,096,810 | - | 7,272,010 |
| CHANGE IN NET POSITION | 6,340,125 | 2,169,020 | - | 8,509,145 |
| NET POSITION | | | | |
| Beginning of Year | 93,392,239 | 86,566,808 | - | 179,959,047 |
| End of Year | \$ 99,732,364 | \$ 88,735,828 | \$ - | \$ 188,468,192 |

NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –
INFORMATION BY DIVISION
YEAR ENDED DECEMBER 31, 2023

| | Water | Sewer | Eliminations | Combined |
|--|----------------------|----------------------|--------------|-----------------------|
| OPERATING REVENUES | | | | |
| Utility Revenue | \$ 21,341,469 | \$ 13,017,394 | \$ - | \$ 34,358,863 |
| Fees and Permits | 522,107 | 104,503 | - | 626,610 |
| Contract Services | 49,978 | 174,072 | - | 224,050 |
| WaterShed Revenue | 247,240 | - | - | 247,240 |
| Other Operating Revenues | 217,274 | 234,712 | - | 451,986 |
| Total Operating Revenues | 22,378,068 | 13,530,681 | - | 35,908,749 |
| OPERATING EXPENSES | | | | |
| Depreciation and Amortization | 4,644,367 | 5,545,497 | - | 10,189,864 |
| Labor | 2,703,751 | 2,796,608 | - | 5,500,359 |
| Employee Benefits | 1,043,147 | 964,829 | - | 2,007,976 |
| Professional Services | 852,521 | 917,837 | - | 1,770,358 |
| Purchased Water and Sewer Treatment | 9,160,998 | 417,536 | - | 9,578,534 |
| Materials And Supplies | 884,915 | 1,127,221 | - | 2,012,136 |
| Utilities | 381,613 | 406,892 | - | 788,505 |
| Other | 544,362 | 556,711 | - | 1,101,073 |
| Total Operating Expenses | 20,215,674 | 12,733,131 | - | 32,948,805 |
| OPERATING INCOME | 2,162,394 | 797,550 | - | 2,959,944 |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Net Investment Income | 389,526 | 362,944 | - | 752,470 |
| Interest Expense | (900,921) | (1,108,884) | - | (2,009,805) |
| Other Income | 22,022 | 124,289 | - | 146,311 |
| Total Nonoperating Revenues (Expenses) | (489,373) | (621,651) | - | (1,111,024) |
| AID IN CONSTRUCTION | 13,439,316 | 5,445,134 | - | 18,884,450 |
| CHANGE IN NET POSITION | 15,112,337 | 5,621,033 | - | 20,733,370 |
| NET POSITION | | | | |
| Beginning of Year | 78,597,450 | 81,289,786 | - | 159,887,236 |
| GASB 101 Restatement | (317,548) | (344,011) | - | (661,559) |
| Net Position at Beginning of Year, (Restated for 2023) | 78,279,902 | 80,945,775 | - | 159,225,677 |
| End of Year | <u>\$ 93,392,239</u> | <u>\$ 86,566,808</u> | <u>\$ -</u> | <u>\$ 179,959,047</u> |

NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF CASH FLOWS –
INFORMATION BY DIVISION
YEAR ENDED DECEMBER 31, 2024

| | Water | Sewer | Eliminations | Combined |
|--|----------------------|---------------------|--------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Operating Income | \$ 1,995,369 | \$ 499,421 | \$ - | \$ 2,494,790 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operations: | | | | |
| Depreciation and Amortization | 5,019,078 | 5,799,680 | - | 10,818,758 |
| Effects of Changes in Operating Assets and Liabilities: | | | | |
| Accounts Receivable - Trade | (973,962) | (169,285) | - | (1,143,247) |
| Grant Receivable | (1,325,017) | (288,243) | - | (1,613,260) |
| Inventory | (234,564) | 3,923 | - | (230,641) |
| Prepaid Expenses | (418,488) | (15,486) | - | (433,974) |
| Net Pension Asset | (14,968) | (16,214) | - | (31,182) |
| Deferred Outflows - Refunding | 74,519 | 83,862 | - | 158,381 |
| Deferred Outflows - Pension | 554,390 | 600,589 | - | 1,154,979 |
| Deferred Outflows - OPEB | 170,631 | 184,850 | - | 355,481 |
| Accounts Payable - Trade | 1,308,060 | (86,838) | - | 1,221,222 |
| Accrued Payroll and Payroll Taxes | 36,073 | 46,847 | - | 82,920 |
| Accounts Due to Others | 125,188 | (270,642) | - | (145,454) |
| Net Pension Liability | (424,036) | (459,374) | - | (883,410) |
| Net OPEB Asset | (142,821) | (154,723) | - | (297,544) |
| Net OPEB Liability | (98,192) | (106,374) | - | (204,566) |
| Compensated Absences Payable | 79,529 | 86,157 | - | 165,686 |
| Unearned Revenues | 24,104 | 20,104 | - | 44,208 |
| Deferred Inflows - Pension | (15,705) | (17,014) | - | (32,719) |
| Deferred Inflows - OPEB | 50,815 | 55,049 | - | 105,864 |
| Net Cash Provided by Operations | 5,790,003 | 5,796,289 | - | 11,586,292 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment Income | 1,034,811 | 547,761 | - | 1,582,572 |
| Proceeds on Sale of Investments | 4,064,943 | 3,054,287 | - | 7,119,230 |
| Purchases of Investments | (8,279,983) | (4,486,139) | - | (12,766,122) |
| Net Cash Used by Investing Activities | (3,180,229) | (884,091) | - | (4,064,320) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Aid in Construction | 5,175,200 | 2,096,810 | - | 7,272,010 |
| Acquisition and Construction of Capital Assets | (10,313,133) | (5,938,915) | - | (16,252,048) |
| Proceeds from Sale of Assets | 44,931 | 191,699 | - | 236,630 |
| Proceeds from Issuance of Long-Term Debt | 6,423,405 | 1,545,915 | - | 7,969,320 |
| Repayment of Long-Term Debt | (3,133,887) | (3,292,659) | - | (6,426,546) |
| Principal Payments on Subscriptions | (27,382) | (29,664) | - | (57,046) |
| Collections on Special Assessments | 549,333 | 402,473 | - | 951,806 |
| Assessed Special Assessments | (157,761) | (64,190) | - | (221,951) |
| Interest Paid | (1,810,423) | (986,946) | - | (2,797,369) |
| Net Cash Used by Capital and Related Financing Activities | (3,249,717) | (6,075,477) | - | (9,325,194) |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (639,943) | (1,163,279) | - | (1,803,222) |
| CASH AND CASH EQUIVALENTS | | | | |
| Beginning of Year | 24,529,300 | 8,792,293 | - | 33,321,593 |
| End of Year | <u>\$ 23,889,357</u> | <u>\$ 7,629,014</u> | <u>\$ -</u> | <u>\$ 31,518,371</u> |

NORTHWESTERN WATER & SEWER DISTRICT
SCHEDULE OF CASH FLOWS –
INFORMATION BY DIVISION
YEAR ENDED DECEMBER 31, 2023

| | Water | Sewer | Eliminations | Combined |
|--|----------------------|---------------------|--------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Operating Income | \$ 2,162,394 | \$ 797,550 | \$ - | \$ 2,959,944 |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operations: | | | | |
| Depreciation and Amortization | 4,644,367 | 5,545,497 | - | 10,189,864 |
| Effects of Changes in Operating Assets and Liabilities: | | | | |
| Accounts Receivable - Trade | 53,510 | (176,557) | - | (123,047) |
| Grant Receivable | (178,911) | 482,972 | - | 304,061 |
| Inventory | (37,238) | 13,616 | - | (23,622) |
| Prepaid Expenses | (6,350) | (30,604) | - | (36,954) |
| Net Pension Asset | 17,046 | 18,467 | - | 35,513 |
| Deferred Outflows - Pension | (1,251,437) | (1,355,724) | - | (2,607,161) |
| Deferred Outflows - OPEB | (276,738) | (299,799) | - | (576,537) |
| Accounts Payable - Trade | (367,773) | (486,079) | - | (853,852) |
| Accrued Payroll and Payroll Taxes | 6,914 | (32,666) | - | (25,752) |
| Accounts Due to Others | (170,464) | 2,935 | - | (167,529) |
| Net Pension Liability | 3,205,076 | 3,472,165 | - | 6,677,241 |
| Net OPEB Asset | 495,627 | 536,918 | - | 1,032,545 |
| Net OPEB Liability | 98,192 | 106,374 | - | 204,566 |
| Compensated Absences Payable | 58,208 | 124,150 | - | 182,358 |
| Unearned Revenues | (1,000) | - | - | (1,000) |
| Deferred Inflow - Pension | (1,640,667) | (1,777,390) | - | (3,418,057) |
| Deferred Inflows - OPEB | (479,986) | (519,041) | - | (999,027) |
| Net Cash Provided by Operations | 6,330,770 | 6,422,784 | - | 12,753,554 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investment Income | 389,526 | 362,944 | - | 752,470 |
| Proceeds on Sale of Investments | 1,235,758 | 127,177 | - | 1,362,935 |
| Purchases of Investments | (1,436,210) | (299,239) | - | (1,735,449) |
| Net Cash Provided by Investing Activities | 189,074 | 190,882 | - | 379,956 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Aid in Construction | 13,439,316 | 5,445,134 | - | 18,884,450 |
| Acquisition and Construction of Capital Assets | (12,368,822) | (10,464,008) | - | (22,832,830) |
| Proceeds from Sale of Assets | 23,847 | 186,285 | - | 210,132 |
| Proceeds from Issuance of Long-Term Debt | 9,349,308 | 5,827,592 | - | 15,176,900 |
| Repayment of Long-Term Debt | (2,951,394) | (3,656,004) | - | (6,607,398) |
| Principal Payments on Subscriptions | (25,872) | (28,027) | - | (53,899) |
| Collections on Special Assessments | 491,712 | 443,177 | - | 934,889 |
| Assessed Special Assessments | (1,647,234) | (48,357) | - | (1,695,591) |
| Interest Paid | (841,735) | (955,970) | - | (1,797,705) |
| Net Cash Provided (Used) by Financing Activities | 5,469,126 | (3,250,178) | - | 2,218,948 |
| INCREASE IN CASH AND CASH EQUIVALENTS | 11,988,970 | 3,363,488 | - | 15,352,458 |
| CASH AND CASH EQUIVALENTS | | | | |
| Beginning of Year | 12,540,330 | 5,428,805 | - | 17,969,135 |
| End of Year | <u>\$ 24,529,300</u> | <u>\$ 8,792,293</u> | <u>\$ -</u> | <u>\$ 33,321,593</u> |



NORTHWESTERN WATER & SEWER DISTRICT STATISTICAL SCHEDULES

This part of Northwestern Water & Sewer 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 about the District's overall financial health.

| <u>CONTENTS</u> | <u>PAGE</u> |
|---|--------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. | S2 |
| Revenue Capacity These schedules contain information to help the reader assess the factors affecting the District's ability to generate its water and sewer sales. | S4 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. | S16 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments. | S21 |
| Operating Information These schedules contain information about the District's operation and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs. | S24 |
| Sources Unless stated otherwise, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. | |



**NORTHWESTERN WATER & SEWER DISTRICT
NET POSITION
LAST TEN YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Net Investment in | | | | | | | | | | |
| Capital Assets | \$ 141,142 | \$ 139,108 | \$ 134,120 | \$ 126,876 | \$ 127,683 | \$ 121,662 | \$ 122,085 | \$ 117,942 | \$ 114,559 | \$ 107,364 |
| Restricted | 13,124 | 12,681 | 2,143 | 1,846 | 1,235 | 5,350 | 5,076 | 4,806 | 4,706 | 4,951 |
| Unrestricted | 34,202 | 28,170 | 22,962 | 25,503 | 18,792 | 13,127 | 9,970 | 14,807 | 12,485 | 10,488 |
| Total Net Position | <u>\$ 188,468</u> | <u>\$ 179,959</u> | <u>\$ 159,225</u> | <u>\$ 154,225</u> | <u>\$ 147,710</u> | <u>\$ 140,139</u> | <u>\$ 137,131</u> | <u>\$ 137,555</u> | <u>\$ 131,750</u> | <u>\$ 122,803</u> |

Source: District accounting records.



NORTHWESTERN WATER & SEWER DISTRICT
CHANGES IN NET POSITION
LAST TEN YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

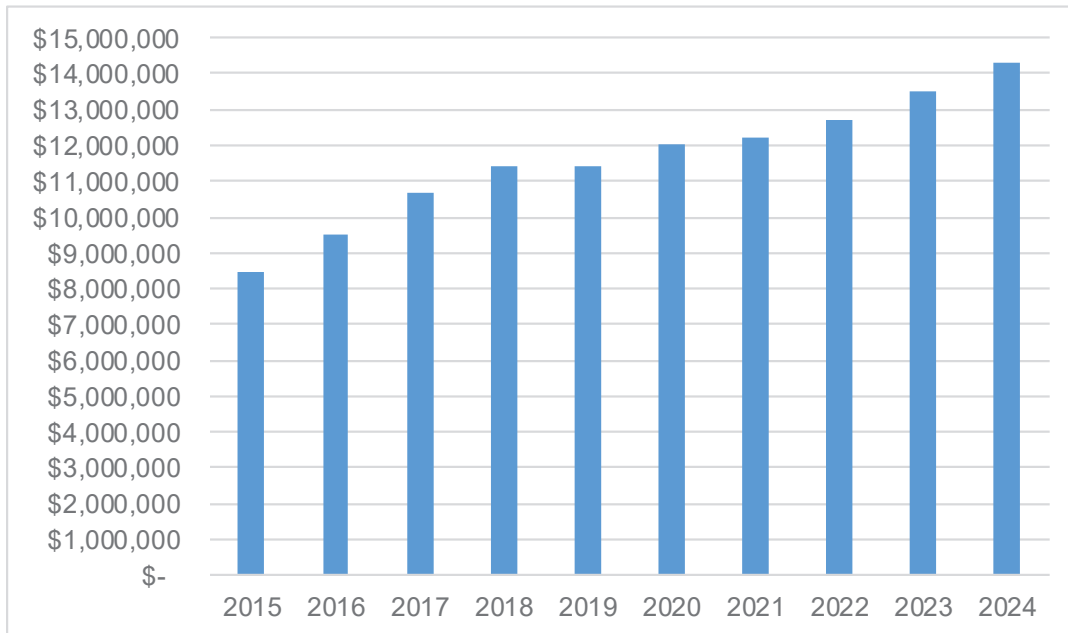
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Operating Revenue | \$ 38,585 | \$ 35,909 | \$ 33,418 | \$ 32,427 | \$ 31,538 | \$ 29,029 | \$ 29,079 | \$ 27,527 | \$ 25,053 | \$ 22,081 |
| Operating Expenses | 36,090 | 32,949 | 29,619 | 25,721 | 29,235 | 29,006 | 26,064 | 25,132 | 22,210 | 19,984 |
| Total Net Revenue (Expense) | 2,495 | 2,960 | 3,799 | 6,706 | 2,303 | 23 | 3,015 | 2,395 | 2,843 | 2,097 |
| Other Changes in Net Position: | | | | | | | | | | |
| Nonoperating Revenues (Expenses) | (1,258) | (1,111) | (1,863) | (1,773) | (1,544) | (1,462) | (2,620) | (1,714) | (1,781) | (1,971) |
| Aid in Construction | 7,272 | 18,884 | 3,063 | 1,582 | 6,812 | 4,447 | 2,253 | 5,124 | 7,885 | 4,731 |
| Total Other Changes in Net Position | 6,014 | 17,773 | 1,200 | (191) | 5,268 | 2,985 | (367) | 3,410 | 6,104 | 2,760 |
| Change in Net Position | <u>\$ 8,509</u> | <u>\$ 20,733</u> | <u>\$ 4,999</u> | <u>\$ 6,515</u> | <u>\$ 7,571</u> | <u>\$ 3,008</u> | <u>\$ 2,648</u> | <u>\$ 5,805</u> | <u>\$ 8,947</u> | <u>\$ 4,857</u> |

Source: District accounting records.



**NORTHWESTERN WATER & SEWER DISTRICT
SEWER OPERATING REVENUES BY SOURCE
LAST TEN YEARS**

| Year Ended December 31, | Waste Water Revenue | Fees and Permits | Contract Services | Other Operating | Total | Percent Change |
|----------------------------|------------------------|---------------------|----------------------|--------------------|---------------|-------------------|
| 2024 | \$ 13,792,261 | \$ 106,500 | \$ 174,119 | \$ 203,230 | \$ 14,276,110 | 5.5 % |
| 2023 | 13,017,394 | 104,503 | 174,072 | 234,712 | 13,530,681 | 6.4 |
| 2022 | 12,179,769 | 114,057 | 219,580 | 203,178 | 12,716,584 | 3.9 |
| 2021 | 11,799,513 | 118,695 | 133,625 | 183,387 | 12,235,220 | 1.6 |
| 2020 | 11,498,310 | 134,756 | 150,869 | 253,176 | 12,037,111 | 5.49 |
| 2019 | 10,992,011 | 88,377 | 152,542 | 177,742 | 11,410,672 | (0.03) |
| 2018 | 10,962,109 | 96,928 | 176,957 | 178,255 | 11,414,249 | 6.8 |
| 2017 | 10,285,216 | 96,797 | 136,736 | 172,735 | 10,691,484 | 12.4 |
| 2016 | 9,098,667 | 97,068 | 152,401 | 160,733 | 9,508,869 | 12.4 |
| 2015 | 8,072,309 | 79,848 | 149,613 | 161,234 | 8,463,004 | 10.9 |

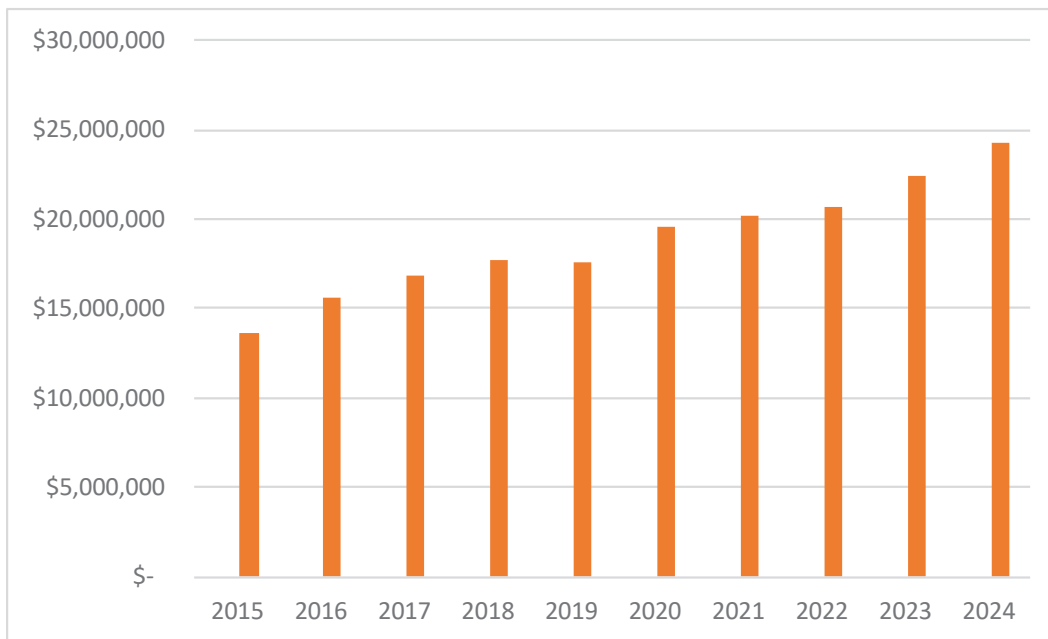


Source: District accounting records.



NORTHWESTERN WATER & SEWER DISTRICT **WATER OPERATING REVENUES BY SOURCE** **LAST TEN YEARS**

| Year Ended December 31, | Water Revenue | Fees and Permits | Contract Services | Other Operating | Total | Percent Change |
|----------------------------|------------------|---------------------|----------------------|--------------------|---------------|-------------------|
| 2024 | \$ 23,098,260 | \$ 618,144 | \$ 98,280 | \$ 493,906 | \$ 24,308,590 | 8.6 % |
| 2023 | 21,341,469 | 522,107 | 49,978 | 464,514 | 22,378,068 | 8.1 |
| 2022 | 19,851,135 | 373,760 | 51,255 | 425,348 | 20,701,498 | 2.5 |
| 2021 | 19,439,279 | 339,166 | 39,154 | 373,423 | 20,191,022 | 3.5 |
| 2020 | 18,619,069 | 362,973 | 69,835 | 449,088 | 19,500,965 | 10.7 |
| 2019 | 16,783,043 | 419,559 | 74,324 | 341,640 | 17,618,566 | (0.3) |
| 2018 | 16,748,453 | 491,792 | 105,284 | 319,293 | 17,664,822 | 4.9 |
| 2017 | 15,997,100 | 464,399 | 56,821 | 317,567 | 16,835,887 | 8.3 |
| 2016 | 14,843,204 | 431,663 | 34,747 | 234,915 | 15,544,529 | 14.1 |
| 2015 | 12,985,300 | 314,355 | 46,715 | 271,662 | 13,618,032 | 7.0 |



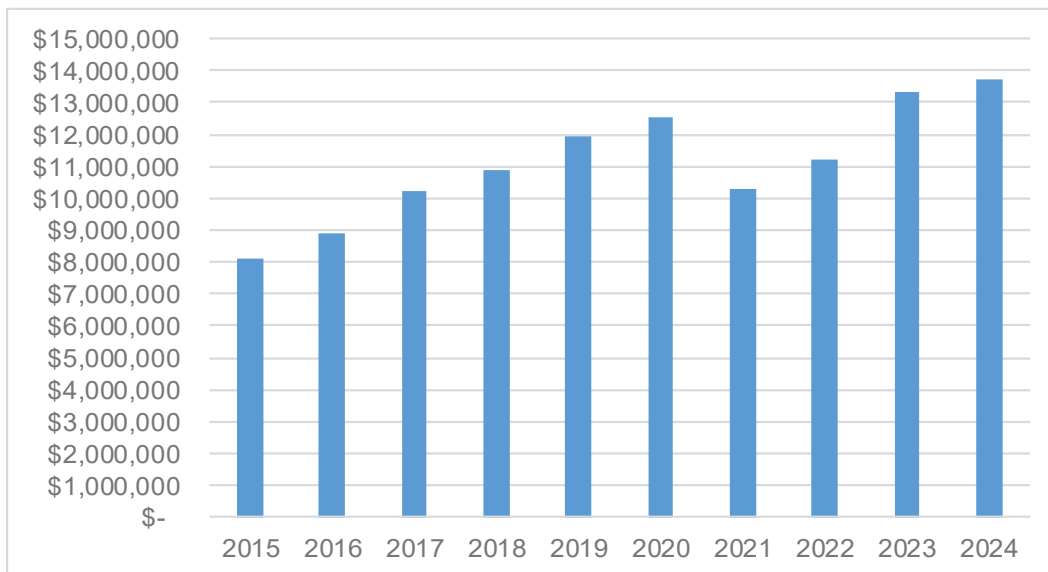
Source: District accounting records.



NORTHWESTERN WATER & SEWER DISTRICT **SEWER OPERATING EXPENSES BY TYPE** **LAST TEN YEARS**

| Year Ended December 31, | Salaries and Wages | Benefits | Professional Services | Materials and Repairs | Utilities | Depreciation | Other Expense | Total | Percent Change |
|----------------------------|-----------------------|---------------|--------------------------|--------------------------|------------|--------------|------------------|---------------|-------------------|
| 2024 | \$ 3,063,382 | \$ 1,177,076 | \$ 1,000,333 | \$ 1,208,532 | \$ 431,369 | \$ 5,799,680 | \$ 1,096,317 | \$ 13,776,689 | 8.2 % |
| 2023 | 2,796,608 | 964,829 | 917,837 | 1,127,221 | 406,892 | 5,545,497 | 974,247 | 12,733,131 | 10.3 |
| 2022 | 2,840,001 | (172,713) * | 801,980 | 1,158,169 | 414,144 | 5,527,351 | 976,293 | 11,545,225 | 11.9 |
| 2021 | 2,416,801 | (1,061,736) * | 893,365 | 1,101,567 | 424,326 | 5,654,562 | 885,403 | 10,314,288 | (17.8) |
| 2020 | 2,300,220 | 1,504,953 | 1,151,258 | 970,063 | 405,328 | 5,259,260 | 950,595 | 12,541,677 | 5.0 |
| 2019 | 2,137,591 | 1,946,225 | 815,867 | 966,428 | 393,427 | 4,848,505 | 840,650 | 11,948,693 | 10.1 |
| 2018 | 2,113,901 | 1,208,686 | 869,426 | 735,351 | 387,220 | 4,714,991 | 821,805 | 10,851,380 | 5.9 |
| 2017 | 1,897,299 | 1,224,277 | 746,597 | 682,481 | 375,509 | 4,516,503 | 802,144 | 10,244,810 | 15.0 |
| 2016 | 1,649,109 | 923,123 | 532,004 | 575,304 | 352,161 | 4,008,332 | 865,031 | 8,905,064 | 10.2 |
| 2015 | 1,579,267 | 691,616 | 483,549 | 532,549 | 337,855 | 3,813,745 | 642,491 | 8,081,072 | 3.2 |

* Negative balance due to GASB68 and GASB75 adjustments



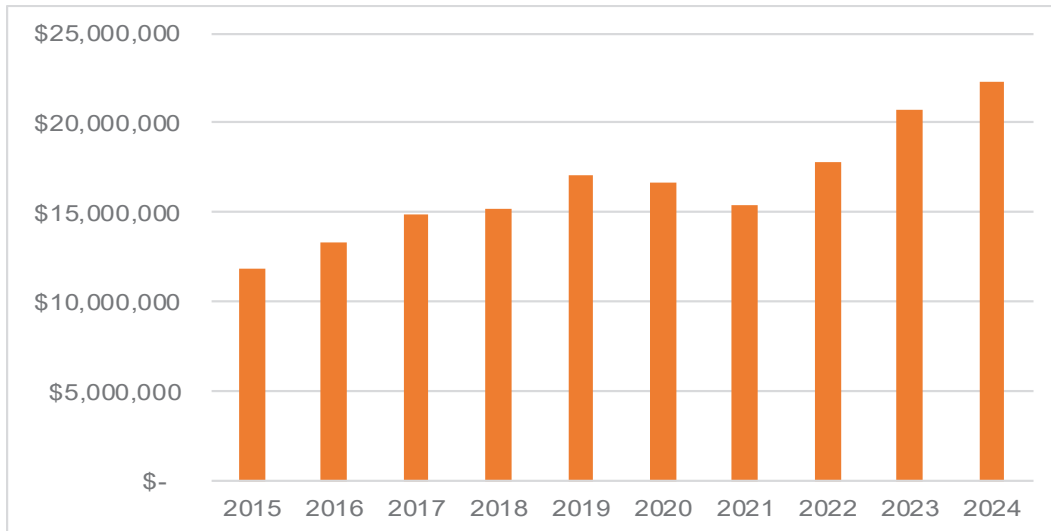
Source: District accounting records.



NORTHWESTERN WATER & SEWER DISTRICT **WATER OPERATING EXPENSES BY TYPE** **LAST TEN YEARS**

| Year Ended December 31, | Salaries and Wages | Benefits | Professional Services | Purchased Water | Materials and Repairs | Utilities | Depreciation | Other Expense | Total | Percent Change |
|----------------------------|-----------------------|---------------|--------------------------|--------------------|--------------------------|------------|--------------|------------------|---------------|-------------------|
| 2024 | \$ 2,890,045 | \$ 1,071,458 | \$ 1,890,731 | \$ 9,535,489 | \$ 903,083 | \$ 382,112 | \$ 5,019,078 | \$ 621,225 | \$ 22,313,221 | 10.4 % |
| 2023 | 2,703,751 | 1,043,147 | 852,521 | 9,160,998 | 884,915 | 381,613 | 4,644,367 | 544,362 | 20,215,674 | 11.9 |
| 2022 | 2,743,727 | (93,745) * | 953,424 | 8,272,013 | 864,115 | 378,664 | 4,392,560 | 562,699 | 18,073,457 | 17.3 |
| 2021 | 2,362,103 | (1,265,424) * | 699,287 | 7,674,926 | 735,565 | 389,922 | 4,285,459 | 524,861 | 15,406,699 | (7.7) |
| 2020 | 2,317,828 | 964,671 | 782,983 | 7,011,362 | 611,727 | 382,682 | 4,121,424 | 500,535 | 16,693,212 | (2.1) |
| 2019 | 2,271,333 | 2,013,071 | 1,086,957 | 6,462,792 | 647,628 | 383,598 | 3,704,971 | 487,119 | 17,057,469 | 12.1 |
| 2018 | 2,114,970 | 1,199,945 | 796,396 | 5,980,096 | 691,916 | 342,059 | 3,606,190 | 481,008 | 15,212,580 | 2.2 |
| 2017 | 1,968,692 | 1,438,881 | 778,539 | 5,779,484 | 627,499 | 324,143 | 3,470,205 | 499,124 | 14,886,567 | 11.9 |
| 2016 | 1,744,097 | 869,233 | 566,492 | 5,678,647 | 534,054 | 288,383 | 3,173,901 | 449,855 | 13,304,662 | 11.8 |
| 2015 | 1,620,057 | 632,291 | 566,757 | 4,998,913 | 386,922 | 246,532 | 3,026,220 | 425,338 | 11,903,030 | 5.9 |

* Negative balance due to GASB68 and GASB75 adjustments



Source: District accounting records.



**NORTHWESTERN WATER & SEWER DISTRICT
SEWER NONOPERATING REVENUES BY SOURCE
LAST TEN YEARS**

| <u>Year Ended December 31,</u> | <u>Investment Income</u> | <u>Aid in Construction (1)</u> | <u>Other Income (Expense)</u> | <u>Total</u> |
|------------------------------------|------------------------------|------------------------------------|-----------------------------------|--------------|
| 2024 | \$ 547,761 | \$ 2,096,810 | \$ 101,456 | \$ 2,746,027 |
| 2023 | 362,944 | 5,445,134 | 124,289 | 5,932,367 |
| 2022 | 921 | 2,365,677 | 22,800 | 2,389,398 |
| 2021 | 128,142 | 897,901 | 34,416 | 1,060,459 |
| 2020 | 243,925 | 3,964,644 | 90,625 | 4,299,194 |
| 2019 | 285,420 | 3,590,719 | 17,198 | 3,893,337 |
| 2018 | 284,956 | 1,362,583 | (799,608) | 847,931 |
| 2017 | 251,511 | 3,637,001 | (100,756) | 3,787,756 |
| 2016 | 250,809 | 4,558,301 | (1,510) | 4,807,600 |
| 2015 | 247,387 | 1,348,032 | (88,506) | 1,506,913 |

(1) Other Aid in Construction includes System Development Fees, Grants, Developer assets turned over to the District.



**NORTHWESTERN WATER & SEWER DISTRICT
WATER NONOPERATING REVENUES BY SOURCE
LAST TEN YEARS**

| <u>Year Ended December 31,</u> | <u>Investment Income</u> | <u>Aid in Construction (1)</u> | <u>Other Income (Expense)</u> | <u>Total</u> |
|------------------------------------|------------------------------|------------------------------------|-----------------------------------|--------------|
| 2024 | \$ 1,034,811 | \$ 5,175,200 | \$ (857,356) | \$ 5,352,655 |
| 2023 | 389,526 | 13,439,316 | 22,022 | 13,850,864 |
| 2022 | 1,183 | 697,415 | 19,167 | 717,765 |
| 2021 | 125,784 | 684,113 | 24,543 | 834,440 |
| 2020 | 251,302 | 2,847,022 | 45,355 | 3,143,679 |
| 2019 | 294,881 | 856,153 | (47,266) | 1,103,768 |
| 2018 | 268,556 | 890,319 | (110,390) | 1,048,485 |
| 2017 | 297,971 | 1,486,711 | (110,130) | 1,674,552 |
| 2016 | 261,776 | 3,325,521 | (30,052) | 3,557,245 |
| 2015 | 304,456 | 3,383,262 | (75,455) | 3,612,263 |

(1) Other Aid in Construction includes System Development Fees, Grants, Developer assets turned over to the District.



**NORTHWESTERN WATER & SEWER DISTRICT
SEWER USER RATES
LAST TEN YEARS**

| Year Ended December 31, | Minimum Charge | | Volume Charges (1) | |
|----------------------------|----------------|-----------|--------------------|-----------------------------|
| | Monthly | Quarterly | Collection Only | Collection and Treatment |
| 2024 | \$ 17.54 | \$ 35.08 | \$ 37.32 | \$ 69.98 |
| 2023 | 16.40 | 32.80 | 36.19 | 66.72 |
| 2022 | 15.61 | 31.22 | 35.43 | 64.50 |
| 2021 | 15.16 | 30.32 | 34.98 | 63.21 |
| 2020 | 15.16 | 30.32 | 34.98 | 63.21 |
| 2019 | 14.72 | 29.44 | 34.55 | 61.95 |
| 2018 | 14.29 | 28.58 | 34.13 | 60.73 |
| 2017 | 13.87 | 27.74 | 32.17 | 58.00 |
| 2016 | 13.47 | 26.94 | 27.37 | 52.45 |
| 2015 | 13.08 | 26.16 | 23.41 | 47.75 |

(1) Per 1,000 cubic feet of water consumption or measured sewer consumption.



**NORTHWESTERN WATER & SEWER DISTRICT
WATER USER RATES
LAST TEN YEARS**

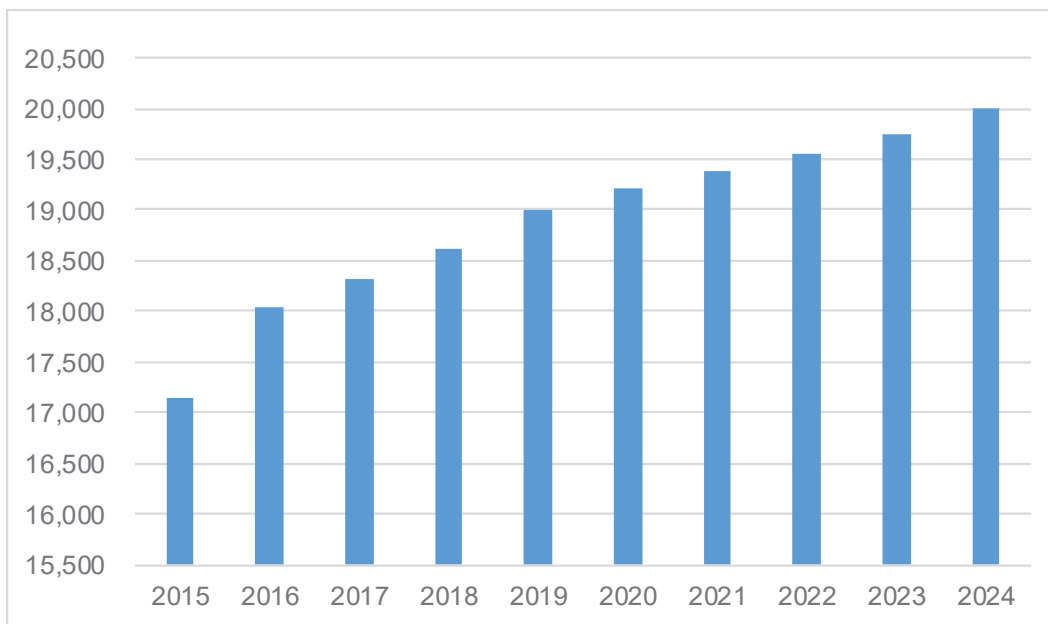
| Year Ended December 31, | Minimum Charge | | Volume Charges (1) |
|----------------------------|----------------|-----------|--------------------|
| | Monthly | Quarterly | Distribution |
| 2024 | \$ 19.26 | \$ 38.52 | \$ 23.72 |
| 2023 | 18.00 | 36.00 | 22.82 |
| 2022 | 17.15 | 34.30 | 22.20 |
| 2021 | 16.65 | 33.30 | 21.84 |
| 2020 | 16.65 | 33.30 | 21.84 |
| 2019 | 16.16 | 32.32 | 21.48 |
| 2018 | 15.69 | 31.38 | 21.14 |
| 2017 | 15.23 | 30.46 | 19.88 |
| 2016 | 14.79 | 29.58 | 17.33 |
| 2015 | 14.36 | 28.72 | 15.47 |

(1) Per 1,000 cubic feet of water consumption.



**NORTHWESTERN WATER & SEWER DISTRICT
HISTORICAL SEWER CUSTOMERS AND SEWER CONSUMPTION
LAST TEN YEARS**

| Year Ended December 31, | Average Number of Customers | Average Day (000's/Gal.) | Consumption (000's/Gal.) |
|----------------------------|--------------------------------|-----------------------------|-----------------------------|
| 2015 | 17,136 | 4,278 | 1,561,609 |
| 2016 | 18,050 | 4,447 | 1,622,996 |
| 2017 | 18,321 | 4,348 | 1,587,181 |
| 2018 | 18,606 | 4,431 | 1,617,245 |
| 2019 | 19,002 | 4,290 | 1,565,855 |
| 2020 | 19,212 | 4,413 | 1,610,923 |
| 2021 | 19,378 | 4,517 | 1,648,693 |
| 2022 | 19,562 | 4,672 | 1,705,291 |
| 2023 | 19,755 | 4,903 | 1,789,727 |
| 2024 | 20,011 | 5,037 | 1,838,623 |

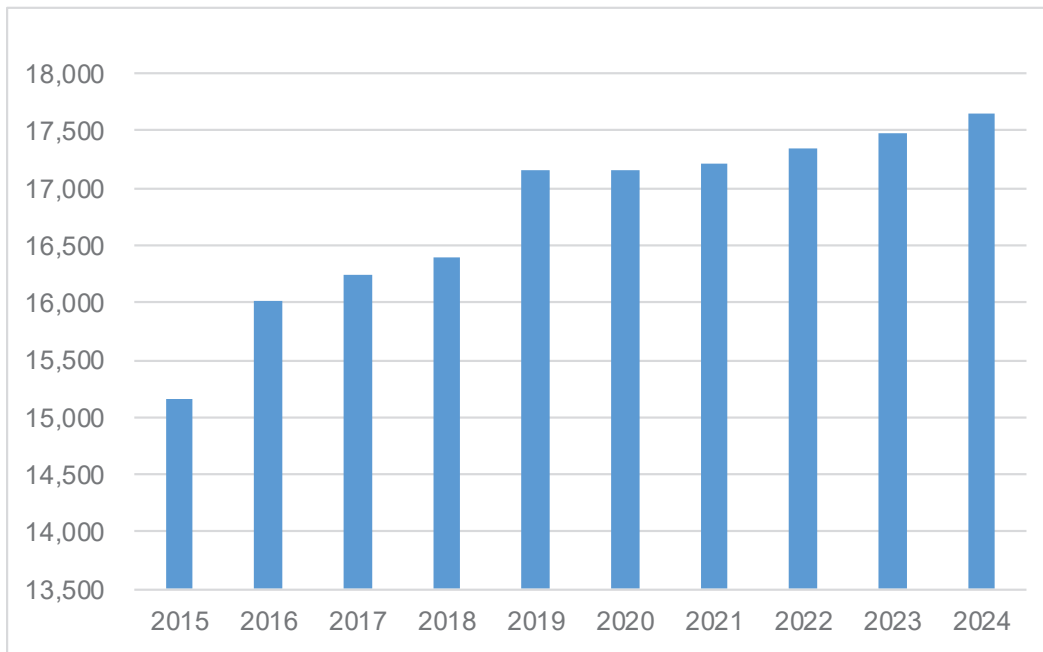


Source: District accounting records.



**NORTHWESTERN WATER & SEWER DISTRICT
HISTORICAL WATER CUSTOMERS AND WATER CONSUMPTION
LAST TEN YEARS**

| Year Ended December 31, | Average Number of Customers | Average Day (000's/Gal.) | Total Annual Consumption (000's/Gal.) |
|----------------------------|--------------------------------|-----------------------------|---|
| 2015 | 15,148 | 4,296 | 1,568,308 |
| 2016 | 16,017 | 4,601 | 1,679,494 |
| 2017 | 16,240 | 4,381 | 1,599,123 |
| 2018 | 16,391 | 4,480 | 1,635,043 |
| 2019 | 17,164 | 4,375 | 1,596,963 |
| 2020 | 17,149 | 4,759 | 1,737,054 |
| 2021 | 17,222 | 4,857 | 1,772,781 |
| 2022 | 17,341 | 4,877 | 1,780,006 |
| 2023 | 17,472 | 5,117 | 1,867,985 |
| 2024 | 17,647 | 5,237 | 1,911,683 |



Source: District accounting records.



**NORTHWESTERN WATER & SEWER DISTRICT
TEN LARGEST SEWER CUSTOMERS
CURRENT AND NINE YEARS AGO**

| <u>Customer</u> | 2024 | | |
|----------------------------------|---|-------------------|---------------------------------------|
| | Total Billed Consumption (000's/Gal.) | Billed Charges | Percent of Total System Revenue |
| 1. First Solar | 291,422 | \$ 1,493,300 | 10.01% |
| 2. Charter Steel* | 67,556 | 246,773 | 1.65 |
| 3. MSC Walbridge Coatings | 34,965 | 174,660 | 1.17 |
| 4. Chrysler | 20,570 | 103,050 | 0.69 |
| 5. Friendly Village I and II MHP | 20,075 | 100,579 | 0.67 |
| 6. Hearthside | 17,257 | 119,469 | 0.80 |
| 7. Tracy Creek Apartments | 16,986 | 88,958 | 0.60 |
| 8. Perry Lake Village** | 15,080 | 48,839 | 0.33 |
| 9. LOF Pilkington | 14,000 | 70,070 | 0.47 |
| 10. Cintas | 12,514 | 62,646 | 0.42 |
| Total | 510,425 | \$ 2,508,344 | 16.81 % |

*Billed at 70% of District Rate

**New rate charged Eff 7/1/2020

| <u>Customer</u> | 2015 | | |
|-----------------------------------|---|-------------------|---------------------------------------|
| | Total Billed Consumption (000's/Gal.) | Billed Charges | Percent of Total System Revenue |
| 1. Charter Steel | 89,578 | \$ 280,508 | 3.31 % |
| 2. First Solar | 80,750 | 253,664 | 3.00 |
| 3. Pre-Finished Metals | 39,495 | 123,765 | 1.46 |
| 4. Chrysler | 38,667 | 121,330 | 1.43 |
| 5. Norplas | 24,021 | 75,336 | 0.89 |
| 6. Friendly Village I and II MHP | 20,485 | 61,414 | 0.73 |
| 7. LOF Pilkington | 15,967 | 50,134 | 0.59 |
| 8. Perry Lake Village* | 14,810 | 35,037 | 0.41 |
| 9. Cintas | 13,884 | 43,609 | 0.52 |
| 10. Walnut Hills Mobile Home Park | 11,991 | 26,695 | 0.32 |
| Total | 349,648 | \$ 1,071,492 | 12.66 % |

Source: District accounting records.



**NORTHWESTERN WATER & SEWER DISTRICT
TEN LARGEST WATER CUSTOMERS
CURRENT AND NINE YEARS AGO**

| <u>Customer</u> | 2024 | | |
|----------------------------------|---|-------------------|---------------------------------------|
| | Total Billed Consumption (000's/Gal.) | Billed Charges | Percent of Total System Revenue |
| 1. First Solar | 410,515 | \$ 1,333,598 | 5.26 % |
| 2. Charter Steel* | 67,556 | 194,164 | 0.77 |
| 3. MSC Walbridge Coatings | 43,290 | 142,189 | 0.56 |
| 4. Jones Hamilton | 27,960 | 94,481 | 0.37 |
| 5. Chrysler | 20,570 | 74,966 | 0.30 |
| 6. Tracy Creek Apartments | 20,271 | 73,984 | 0.29 |
| 7. Friendly Village I and II MHP | 20,075 | 73,394 | 0.29 |
| 8. Norplas | 19,168 | 64,046 | 0.25 |
| 9. Hearthside | 17,257 | 220,770 | 0.87 |
| 10. NSG Glass | 17,005 | 47,648 | 0.19 |
| Total | 663,667 | \$ 2,319,240 | 9.15 % |

*Total Billed as Master Meter Rate. Other Accounts O & M only

**New Rate Effective 7/1/2020

| <u>Customer</u> | 2015 | | |
|--------------------------------|---|-------------------|--|
| | Total Billed Consumption (000's/Gal.) | Billed Charges | Percentage of Total System Revenue |
| 1. First Solar | 102,348 | \$ 221,835 | 1.63 % |
| 2. Charter Steel | 84,581 | 188,649 | 1.39 |
| 3. Prefinished Metals | 42,083 | 90,654 | 0.67 |
| 4. Chrysler | 38,667 | 87,208 | 0.64 |
| 5. MSB Dairy* | 32,623 | 200,209 | 1.47 |
| 6. Norplas | 31,431 | 67,417 | 0.50 |
| 7. Jones Hamilton | 28,046 | 60,916 | 0.45 |
| 8. Friendly Village I & II MHP | 20,485 | 49,603 | 0.36 |
| 9. Perry Lake Village** | 14,810 | 25,067 | 0.18 |
| 10. Cintas | 14,220 | 31,364 | 0.23 |
| Total | 409,294 | \$ 1,022,922 | 7.52 % |

Source: District accounting records.



NORTHWESTERN WATER & SEWER DISTRICT

RATIO OF OUTSTANDING DEBT BY TYPE

LAST TEN YEARS

| Debt By Type In Thousands | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| Revenue Bond Issues: | | | | | | | | | | |
| \$1,200 Series 2005A | \$ 715 | \$ 660 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| \$6,910 Series 2008 | 5,115 | 4,820 | - | - | - | - | - | - | - | - |
| \$2,350 Series 2010 | 1,970 | 1,880 | 1,790 | 1,695 | 1,595 | 1,490 | - | - | - | - |
| \$3,870 Series 2012 (1) | 2,850 | 2,613 | 2,390 | 2,171 | 1,953 | 1,740 | 1,527 | 1,398 | 1,265 | 1,126 |
| \$1,300 Series 2015 (3) | 1,180 | 1,060 | 935 | 810 | 680 | 550 | 420 | 280 | 140 | - |
| \$5,795 Series 2017 (4) | - | - | 5,115 | 4,675 | 4,225 | 3,770 | 3,310 | 2,830 | 2,345 | 1,845 |
| \$1,502 Series 2021 (5) | - | - | - | - | - | - | 1,372 | 1,241 | 1,107 | 962 |
| Total Revenue Bonds | 11,830 | 11,033 | 10,230 | 9,351 | 8,453 | 7,550 | 6,629 | 5,749 | 4,857 | 3,933 |
| Special Assessment Issues: | | | | | | | | | | |
| \$277 Series 1996 | 14 | - | - | - | - | - | - | - | - | - |
| \$360 Series 1998 | 60 | 40 | 20 | - | - | - | - | - | - | - |
| \$500 Series 1999 | 150 | 115 | 80 | 40 | - | - | - | - | - | - |
| \$175 Series 2000 | 45 | 40 | 30 | 20 | 10 | - | - | - | - | - |
| \$1,010 Series 2006 | 670 | 620 | - | - | - | - | - | - | - | - |
| \$2,205 Series 2008 | 1,660 | 1,565 | - | - | - | - | - | - | - | - |
| \$2,350 Series 2010 | 1,960 | 1,875 | 1,785 | 1,690 | 1,590 | 1,485 | - | - | - | - |
| \$2,880 Series 2012 (2) | 2,070 | 1,824 | 1,568 | 1,317 | 1,056 | 789 | 523 | 248 | 102 | 51 |
| \$1,240 Series 2015 (3) | 1,120 | 1,005 | 890 | 775 | 655 | 530 | 405 | 275 | 140 | - |
| \$2,350 Series 2017 (4) | - | - | 2,145 | 1,935 | 1,725 | 1,510 | 1,285 | 1,060 | 830 | 590 |
| \$1,545 Series 2021 (5) | - | - | - | - | - | - | 1,408 | 1,274 | 1,136 | 995 |
| Total SA Bonds | 7,749 | 7,084 | 6,518 | 5,777 | 5,036 | 4,314 | 3,621 | 2,857 | 2,208 | 1,636 |
| U.S. Dept. of Agriculture | 12,933 | 13,794 | 13,959 | 13,617 | 18,095 | 17,644 | 16,956 | 14,948 | 18,576 | 21,383 |
| Ohio Water Development | | | | | | | | | | |
| Authority | 30,746 | 41,429 | 49,348 | 50,083 | 53,710 | 58,183 | 65,960 | 72,179 | 78,341 | 78,657 |
| Ohio Public Works | | | | | | | | | | |
| Commission | 439 | 368 | 309 | 412 | 626 | 607 | 802 | 743 | 1,070 | 991 |
| Other | 550 | 421 | 276 | 446 | 122 | 122 | 120 | 120 | 119 | 119 |
| Unamortized Discount | (8) | (8) | - | - | - | - | - | - | - | - |
| Unamortized Premium | 194 | 150 | 80 | 74 | 69 | 63 | 58 | 52 | 47 | 41 |
| Right of Use Liability | - | - | - | - | - | - | - | 25 | 112 | 56 |
| Total All Debt | \$ 64,433 | \$ 74,271 | \$ 80,720 | \$ 79,760 | \$ 86,111 | \$ 88,483 | \$ 94,146 | \$ 96,673 | \$ 105,330 | \$ 106,816 |
| Number of Customer | | | | | | | | | | |
| Accounts | 32,284 | 34,067 | 34,561 | 34,997 | 34,997 | 36,166 | 36,361 | 36,903 | 37,227 | 37,658 |
| Outstanding Debt Per | | | | | | | | | | |
| Customer Account | \$ 1,996 | \$ 2,180 | \$ 2,336 | \$ 2,279 | \$ 2,461 | \$ 2,447 | \$ 2,589 | \$ 2,620 | \$ 2,829 | \$ 2,837 |

- (1) The Series 2002 Bonds were refunded on 3/23/2012 and were replaced by the Series 2012 Bonds.
- (2) The Series 2003 SA Bonds were refunded on 3/23/2012 and were replaced by the Series 2012 SA Bonds.
- (3) The Series 2004 A & B Bonds were refunded on 2/27/2015 and replaced by the Series 2015 Bonds.
- (4) The Series 2005A, 2006, and 2008 Bonds were refunded on 7/21/2017 and replaced by the Series 2017 Bonds.
- (5) The Series 2010 were refunded on March 3, 2021 and replaced by Series 2021 Bonds

Source: District accounting records.



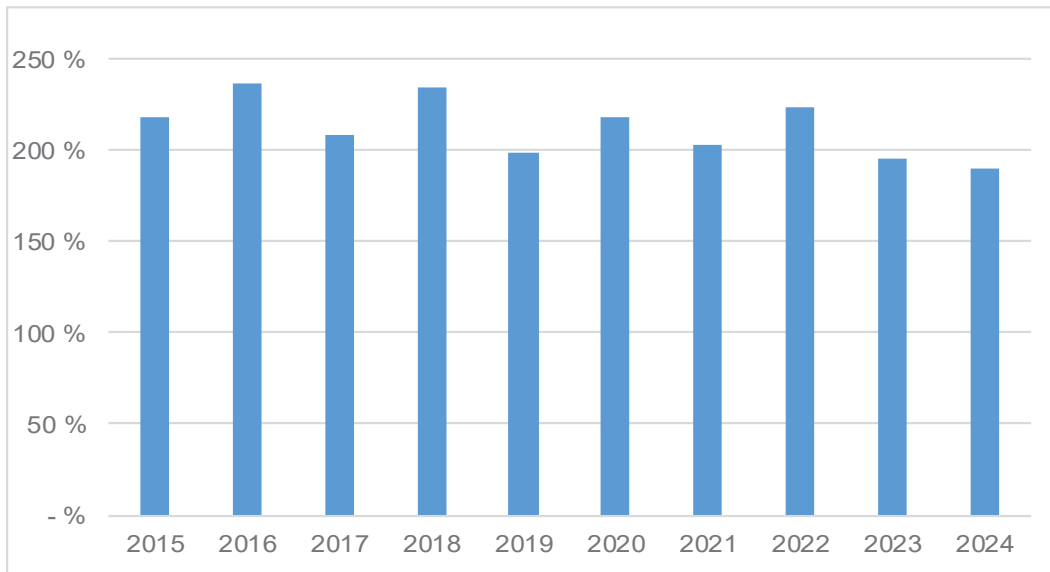
NORTHWESTERN WATER & SEWER DISTRICT COMPUTATION OF REVENUE DEBT COVERAGE RATIOS LAST TEN YEARS

| Year Ended December 31, | Revenue (1) | Operating Expense (2) | Net Revenue Available for Debt Service | Debt Service Requirement | Coverage Factor (3) |
|----------------------------|---------------|--------------------------|--|--------------------------------|------------------------|
| 2024 | \$ 40,167,272 | \$ 25,271,152 | \$ 14,896,120 | \$ 7,313,144 | 204 % |
| 2023 | 36,661,219 | 22,758,941 | 13,902,278 | 7,077,505 | 196 |
| 2022 | 33,420,186 | 19,037,213 | 14,382,973 | 6,433,842 | 224 |
| 2021 | 32,680,168 | 19,837,120 | 12,843,048 | 6,317,705 | 203 |
| 2020 | 32,033,303 | 18,664,238 | 13,369,065 | 6,126,800 | 218 |
| 2019 | 29,609,539 | 18,162,059 | 11,447,480 | 5,766,147 | 199 |
| 2018 | 29,632,593 | 17,742,779 | 11,889,804 | 5,061,728 | 235 |
| 2017 | 28,076,853 | 17,144,669 | 10,932,184 | 5,237,679 | 209 |
| 2016 | 25,565,983 | 15,027,316 | 10,538,667 | 4,455,269 | 237 |
| 2015 | 22,528,320 | 13,143,942 | 9,384,378 | 4,291,772 | 219 |

(1) Includes water and sewer revenues and investment income.

(2) Excludes depreciation expense and GASB 68 and 75 adjustments.

(3) Revenue bonds require 115% coverage and Board Policy requires 150% coverage.



Source: District accounting records.



**NORTHWESTERN WATER & SEWER DISTRICT
COMPUTATION OF SPECIAL ASSESSMENT
AND RELATED DEBT COVERAGE RATIOS
LAST TEN YEARS**

| <u>Year Ended December 31,</u> | <u>Special Assessments Collections</u> | <u>Debt Service Requirement</u> | <u>Coverage Factor</u> |
|------------------------------------|--|---|----------------------------|
| 2024 | \$ 1,859,813 | \$ 881,841 | 211 % |
| 2023 | 2,033,443 | 968,897 | 210 |
| 2022 | 1,557,605 | 1,102,593 | 141 |
| 2021 | 1,817,832 | 1,187,429 | 153 |
| 2020 | 1,614,798 | 1,316,517 | 123 |
| 2019 | 1,867,238 | 1,368,821 | 136 |
| 2018 | 1,778,974 | 1,364,021 | 130 |
| 2017 | 1,965,378 | 1,302,274 | 151 |
| 2016 | 1,775,195 | 1,597,364 | 111 |
| 2015 | 1,877,187 | 1,771,411 | 106 |

Source: District accounting records.



**NORTHWESTERN WATER & SEWER DISTRICT
SEWER DEBT BY TOTAL DEBT SERVICE
YEAR ENDED DECEMBER 31, 2024**

| Year Ended December 31, | Revenue Debt | | | Special Assessment Debt | | | Right of Use Liability | Totals | Percent of Debt Service Remaining |
|----------------------------|---------------|------------|--------------------|-------------------------|--------------------|-----------|---------------------------|---------|---|
| | OWDA | OPWC | Bonds and Notes | OWDA | Bonds and Notes | | | | |
| 2025 | \$ 2,987,769 | \$ 31,200 | \$ 844,149 | \$ 268,093 | \$ 219,893 | \$ 32,577 | \$ 4,383,681 | 93.13 % | |
| 2026 | 2,966,583 | 29,129 | 793,030 | 268,093 | 180,883 | - | 4,237,718 | 86.49 | |
| 2027 | 2,966,583 | 29,129 | 797,231 | 268,093 | 175,982 | - | 4,237,018 | 79.86 | |
| 2028 | 2,966,582 | 27,879 | 793,370 | 268,093 | 168,779 | - | 4,224,703 | 73.26 | |
| 2029 | 2,966,683 | 27,879 | 512,560 | 268,093 | 168,492 | - | 3,943,707 | 67.06 | |
| 2030 | 2,912,329 | 27,879 | 506,132 | 268,093 | 168,396 | - | 3,882,829 | 60.98 | |
| 2031 | 2,911,284 | 27,879 | 472,841 | 268,093 | 125,857 | - | 3,805,954 | 55.02 | |
| 2032 | 2,857,963 | 27,879 | 414,106 | 268,093 | 126,011 | - | 3,694,052 | 49.23 | |
| 2033 | 2,787,445 | 27,879 | 414,066 | 268,093 | 125,801 | - | 3,623,284 | 43.55 | |
| 2034 | 2,708,784 | 28,722 | 414,132 | 273,047 | 125,766 | - | 3,550,451 | 37.99 | |
| 2035-2039 | 9,743,261 | 98,436 | 2,061,257 | 183,900 | 629,169 | - | 12,716,023 | 18.07 | |
| 2040-2044 | 4,653,580 | 68,906 | 1,820,653 | - | 629,254 | - | 7,172,393 | 6.83 | |
| 2045-2049 | 79,747 | - | 1,445,064 | - | 628,998 | - | 2,153,809 | 3.46 | |
| 2050-2054 | - | - | 1,321,563 | - | - | - | 1,321,563 | 1.39 | |
| 2055-2059 | - | - | 887,286 | - | - | - | 887,286 | - | |
| Totals | \$ 43,508,593 | \$ 452,796 | \$ 13,497,440 | \$ 2,869,784 | \$ 3,473,281 | \$ 32,577 | \$ 63,834,471 | | |

OWDA - Ohio Water Development Authority

OPWC - Ohio Public Works Commission



**NORTHWESTERN WATER & SEWER DISTRICT
WATER DEBT BY TOTAL DEBT SERVICE
YEAR ENDED DECEMBER 31, 2024**

| Year Ended December 31, | Revenue Debt | | | Special Assessment Debt | Right of Use Liability | Totals | Percent of Debt Service Remaining |
|----------------------------|----------------------|-------------------|----------------------|-------------------------------|---------------------------|----------------------|---|
| | OWDA | OPWC | Bonds and Notes | Bonds and Notes | | | |
| 2025 | \$ 2,777,726 | \$ 45,068 | \$ 954,404 | \$ 404,673 | \$ 30,355 | \$ 4,212,226 | 93.39 % |
| 2026 | 2,885,572 | 35,362 | 916,047 | 355,371 | - | 4,192,352 | 86.82 |
| 2027 | 2,897,202 | 34,904 | 923,203 | 311,986 | - | 4,167,295 | 80.29 |
| 2028 | 2,897,202 | 32,360 | 922,381 | 161,090 | - | 4,013,033 | 73.99 |
| 2029 | 2,897,202 | 30,274 | 747,115 | 160,556 | - | 3,835,147 | 67.98 |
| 2030 | 2,897,202 | 30,274 | 721,462 | 160,317 | - | 3,809,255 | 62.01 |
| 2031 | 2,876,492 | 30,274 | 603,567 | - | - | 3,510,333 | 56.50 |
| 2032 | 2,722,109 | 27,220 | 458,616 | - | - | 3,207,945 | 51.47 |
| 2033 | 2,713,289 | 24,167 | 461,390 | - | - | 3,198,846 | 46.46 |
| 2034 | 2,674,247 | 24,167 | 460,140 | - | - | 3,158,554 | 41.50 |
| 2035-2039 | 10,659,644 | 120,837 | 2,297,547 | - | - | 13,078,028 | 20.99 |
| 2040-2044 | 5,402,085 | 61,584 | 2,065,306 | - | - | 7,528,975 | 9.19 |
| 2045-2049 | 142,408 | 39,435 | 1,741,595 | - | - | 1,923,438 | 6.17 |
| 2050-2054 | - | 2,549 | 1,720,143 | - | - | 1,722,692 | 3.47 |
| 2055-2059 | - | - | 1,428,890 | - | - | 1,428,890 | 1.23 |
| 2060-2064 | - | - | 784,597 | - | - | 784,597 | - |
| Totals | <u>\$ 44,442,380</u> | <u>\$ 538,475</u> | <u>\$ 17,206,403</u> | <u>\$ 1,553,993</u> | <u>\$ 30,355</u> | <u>\$ 63,771,606</u> | |

OWDA - Ohio Water Development Authority

OPWC - Ohio Public Works Commission

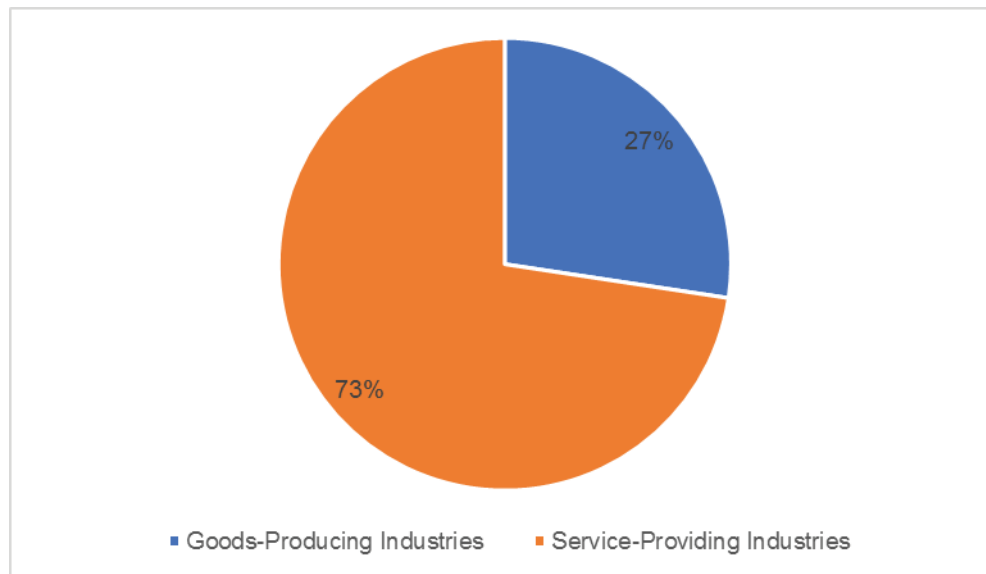
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CONTINUING DISCLOSURE REQUIREMENTS



**NORTHWESTERN WATER & SEWER DISTRICT
NONAGRICULTURAL EMPLOYMENT
TOLEDO PRIMARY METROPOLITAN STATISTICAL AREA
(INCLUDES WOOD COUNTY)
YEAR ENDED DECEMBER 31, 2024**

| | <u>Employment</u> |
|---|-------------------|
| Goods-Producing Industries | 60,900 |
| Natural Resources, Mining, and Construction | 14,700 |
| Manufacturing | 46,200 |
| Durable Goods | 35,200 |
| Transportation Equipment | 16,000 |
| Service-Providing Industries | 204,300 |
| Trade, Transportation, and Utilities | 61,500 |
| Information | 3,400 |
| Financial Activities | 11,100 |
| Professional and Business Services | 31,800 |
| Educational and Health Services | 53,500 |
| Leisure and Hospitality | 31,800 |
| Other Services | 11,200 |
| Government | 47,700 |



Source: Ohio Bureau of Employment Services, Labor Market Review.



**NORTHWESTERN WATER & SEWER DISTRICT
TEN LARGEST EMPLOYERS IN WOOD COUNTY
CURRENT YEAR AND NINE YEARS AGO**

| <u>Employer</u> | 2024 | | | 2015 | | |
|--|------------------|-------------|---|------------------|-------------|---|
| | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total Employment</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total Employment</u> |
| Amazon | 4,000 | 1 | 5.75 % | | | |
| Bowling Green State University | 3,174 | 2 | 4.56 | 2,252 | 1 | 3.41 % |
| First Solar | 2,500 | 3 | 3.59 | 1,500 | 3 | 2.27 |
| Magna International | 2,000 | 4 | 2.87 | 1,700 | 2 | 2.58 |
| FedEx Ground | 2,000 | 4 | 2.87 | 735 | 9 | 1.11 |
| Owens Community College | 914 | 6 | 1.31 | 1,489 | 4 | 2.26 |
| Wood County | 892 | 7 | 1.28 | 1,100 | 5 | 1.67 |
| Walgreens | 850 | 8 | 1.22 | 700 | 10 | 1.06 |
| Home Depot | 850 | 9 | 1.22 | | | |
| NSG Group | 750 | 10 | 1.08 | | | |
| Wood County Hospital | | | | 900 | 6 | 1.36 |
| Chrysler | | | | 850 | 7 | 1.29 |
| Owens Illinois, Inc | | | | 829 | 8 | 1.26 |
| Totals | <u>17,930</u> | | 25.75 | <u>12,055</u> | | 18.27 |
| Total Employment within Wood County | 69,598 | | | 66,000 | | |

Source: Wood County Economic Development Commission.



**NORTHWESTERN WATER & SEWER DISTRICT
WOOD COUNTY, OHIO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

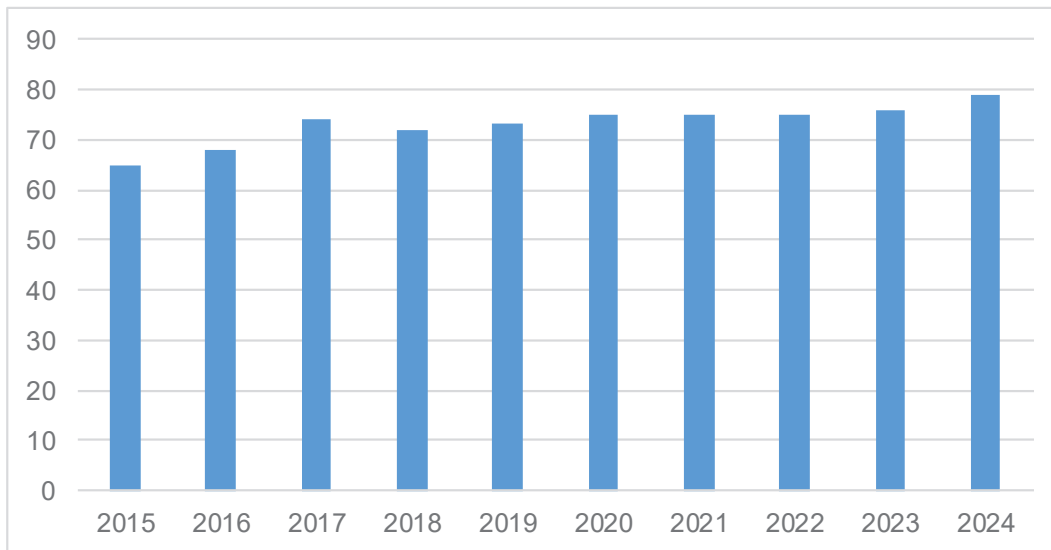
| <u>Year Ended December 31,</u> | <u>Population (Estimated)</u> | <u>Personal Income</u> | <u>Per Capita Personal Income</u> | <u>Unemployment Rate</u> |
|------------------------------------|-----------------------------------|----------------------------|---------------------------------------|------------------------------|
| 2024 | 132,650 | \$ 7,944,010,550 | \$ 59,887 | 4.2 % |
| 2023 | 131,592 | 7,370,599,512 | 56,011 | 2.9 |
| 2022 | 132,472 | 7,139,181,024 | 53,892 | 2.6 |
| 2021 | 131,113 | 6,706,036,611 | 51,147 | 2.8 |
| 2020 | 130,817 | 6,386,878,391 | 48,823 | 4.1 |
| 2019 | 130,696 | 6,233,415,024 | 47,694 | 3.4 |
| 2018 | 130,492 | 5,887,310,000 | 45,093 | 4.0 |
| 2017 | 130,219 | 5,733,453,000 | 44,027 | 4.3 |
| 2016 | 129,730 | 5,536,741,000 | 42,679 | 4.2 |
| 2015 | 129,590 | 5,311,375,740 | 40,986 | 4.1 |

Source: U.S. Census Bureau.
Ohio Department of Job and Family Services.
Bureau of Economic Analysis.



NORTHWESTERN WATER & SEWER DISTRICT **NUMBER OF EMPLOYEES BY FUNCTION** **LAST TEN YEARS**

| DEPARTMENT | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|------------------|------|------|------|------|------|------|------|------|------|------|
| Administration | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Finance | 5 | 5 | 5 | 5 | 5 | 5 | 4 | 4 | 4 | 4 |
| Customer Service | 12 | 10 | 12 | 11 | 11 | 11 | 12 | 12 | 12 | 14 |
| Engineering | 11 | 14 | 15 | 14 | 14 | 14 | 14 | 15 | 15 | 15 |
| GIS/IT | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Operations | 32 | 34 | 36 | 35 | 36 | 38 | 38 | 37 | 38 | 39 |
| Total | 65 | 68 | 74 | 72 | 73 | 75 | 75 | 75 | 76 | 79 |





**NORTHWESTERN WATER & SEWER DISTRICT
DEMOGRAPHIC STATISTICS
DECEMBER 31, 2024**

WATER SYSTEM

| | |
|---|--------|
| Miles of Potable Water Lines | 487 |
| Total Water Customers | 17,647 |
| Number of Fire Hydrants | 4,151 |
| Water Towers | 14 |
| Number of WaterShed and Bulk Water Stations | 22 |

SEWER SYSTEM

| | |
|----------------------------|--------|
| Miles of Sewer Lines | 377 |
| Total Sewer Customers | 20,011 |
| Number of Pump Stations | 71 |
| Number of Treatment Plants | 15 |
| Number of Manholes | 5,968 |

GENERAL INFORMATION

| | |
|-------------------------------|--------|
| Population Served (Estimated) | 50,028 |
| Number of Employees | 79 |

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Bowling Green, OH 43402
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www.nwwsd.org

OHIO AUDITOR OF STATE KEITH FABER



NORTHWESTERN WATER AND SEWER DISTRICT

WOOD COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 7/24/2025

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

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