

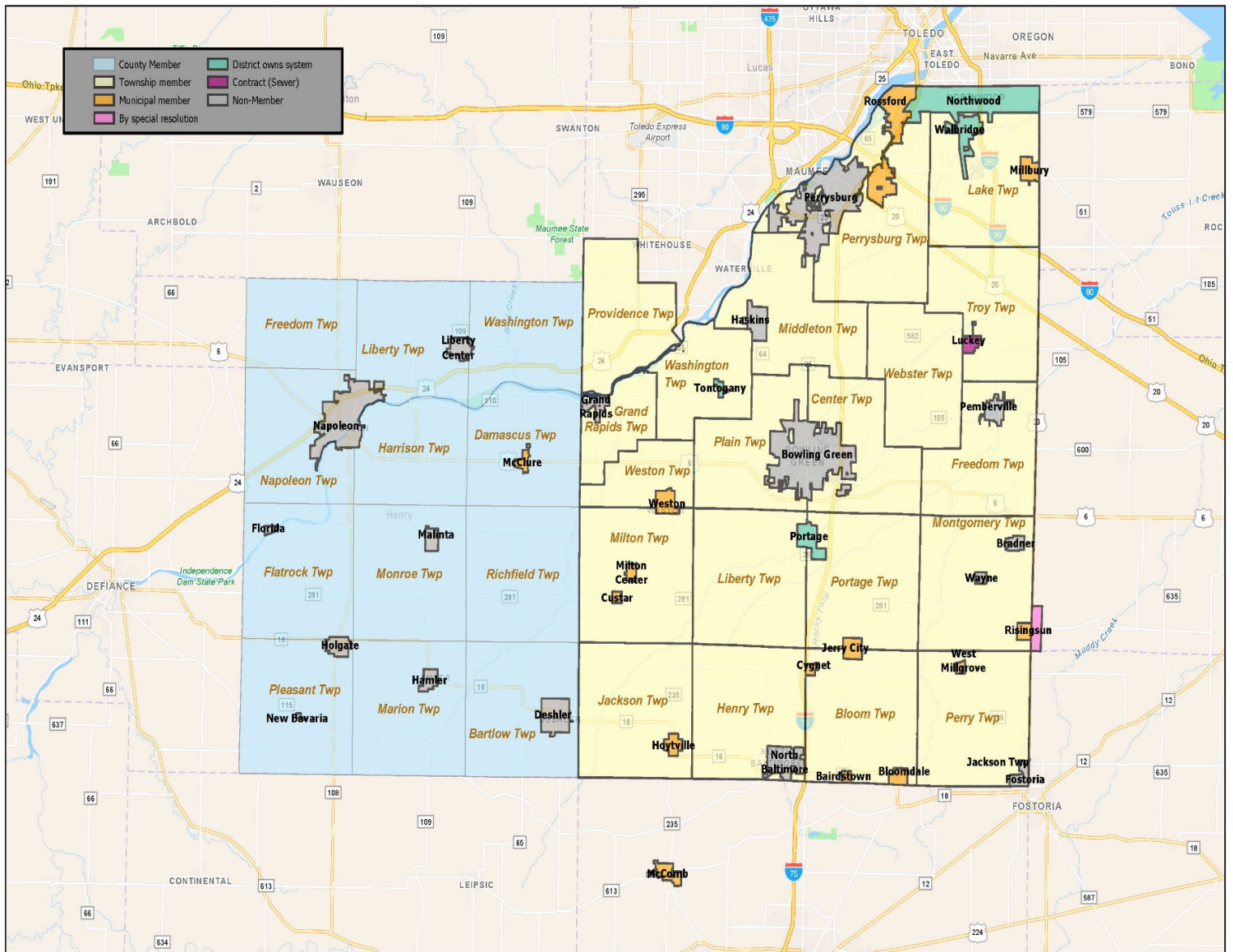


**Annual Comprehensive Financial Report**  
For the years ended December 31, 2023 and 2022

**NORTHWESTERN WATER & SEWER DISTRICT**  
A Political Subdivision of the State of Ohio  
Prepared by Kay Ball, CFO







OHIO AUDITOR OF STATE  
KEITH FABER



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

Board of Trustees  
Northwestern Water and Sewer District  
P.O. Box 348  
Bowling Green, Ohio 43402

We have reviewed the *Independent Auditor's Report* of the Northwestern Water and Sewer District, Wood County, prepared by Zupka & Associates, for the audit period January 1, 2023 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

August 21, 2024

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**NORTHWESTERN WATER & SEWER DISTRICT  
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June 12, 2024

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, 2023, 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 preparation 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.

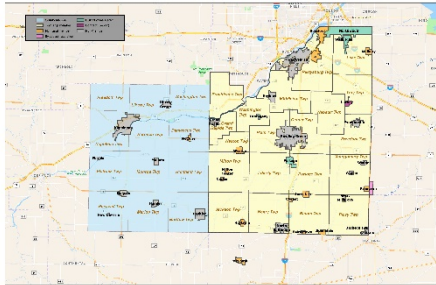
As part of The District’s audit, described earlier, tests were made by The District’s external auditors of its internal control structure and compliance with applicable laws and regulations. Although this testing is not sufficient to support a separate opinion on The District’s internal control system or its overall compliance with laws, the audit for the year ended December 31, 2023 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 2023 population of the MSA is estimated to be approximately 640,384, of which the County accounted for approximately 131,592 in 2023. 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 2022-23 school year, the university had 20,000 students, 800+ full-time faculty as well as 1,303 full and part-time administrative and classified staff. In addition to Bowling Green State University, Wood County is home to Owens Community College. For 2023, Owens had a student enrollment of approximately 7,559 in over 120 program areas by a full-time faculty of 97. 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 2023 budget. This process will continue in 2024 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 \$105,217,521. 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 5 and 6 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, 2022. This was the twentieth 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.

### **McComb Regional Water Connection**

The Village of McComb joined the Northwestern Water and Sewer District in 2016. McComb received treated drinking water from a municipal water treatment facility located in the Village. This plant was constructed in 1999. The raw water source was a small stream with a very limited drainage area. The raw water quality was difficult to treat with the existing water plant process. It was anticipated that a major plant upgrade and reconstruction of the plant would be required in the coming years. The District studied the options for the future of this system and determined that a regional connection to the Village of North Baltimore was the best long-term alternative. The District has entered into an agreement with North Baltimore to purchase finished water for McComb and surrounding areas. We secured federal funding for the construction of a regional water transmission main. Design was completed and construction commenced in 2022 and completed in 2023. This water main will provide safe and affordable drinking water to many homes and the rural areas surrounding McComb.

### **Ford Road Sanitary Pump Station Replacement**

The Ford Road Pump Station serves a large sewer service area in and around the City of Perrysburg. This station was constructed in the seventies and it serves several hundred residential and commercial properties. The station is subjected to high flows during wet weather which can require bypass pumping to prevent basement flooding. The replacement pumps will be sized to handle additional flow to minimize bypass pumping. The existing station has a deep and dangerous wet well that requires personnel to enter possibly unsafe conditions. The new station will be updated with submersible pumps that will minimize entry to the well and will have updated safety equipment and controls.

There is a significant amount of undeveloped property in these highly desirable areas that will likely develop in the future. The proposed station will have increased capacity to handle the

current and future flows that are tributary to this system. This system discharges through a force main to the City of Perrysburg Wastewater Treatment Plant. The project was commenced in late 2022 with most of the construction completed in 2023; delays due to material availability have shifted the project completion into early 2024. The overall estimated construction cost is \$8,500,000.

### **Deimling Road Water and Sanitary Sewer Extension**

The District was involved in a project funded by the U.S. Economic Development Administration (EDA) to construct new infrastructure in an area of the City of Rossford known as the Crossroads. The project improved transportation and provided additional development opportunities for northwest Ohio. The project scope included the construction of an improved secondary surface road permitting better access near the Amazon Warehouse that has recently created 5,000 new jobs.

As part of this project, new water and sewer lines were extended to undeveloped property in the area. A 12" sanitary sewer was extended along the frontage of the reconstructed road. Additionally, a loop to an existing dead-end waterline nearby was completed. This will open up hundreds of acres of undeveloped property for development of employment opportunities. Fire protection in the area will also be enhanced significantly. The estimated project cost is \$1,400,000 of which 40% will be covered through the grant from EDA.


### **INDEPENDENT AUDIT**

Included in this report is an unmodified opinion rendered on the District's financial statements for the year ended December 31, 2023, by Zupka & Associates a firm of licensed independent certified public accountants. 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**

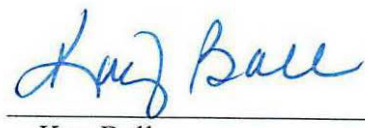
The preparation of this annual comprehensive financial report would not have been possible without the efficient and dedicated services of all of the district departments and their staff. A special acknowledgement goes to Laurie Mooney, Financial Analyst, for her dedication to details in preparing The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

Respectfully submitted.



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Jerry Greiner  
President



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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, 2022

*Christopher P. Morill*

Executive Director/CEO



**NORTHWESTERN WATER & SEWER DISTRICT  
DISTRICT OFFICIALS  
DECEMBER 31, 2023**

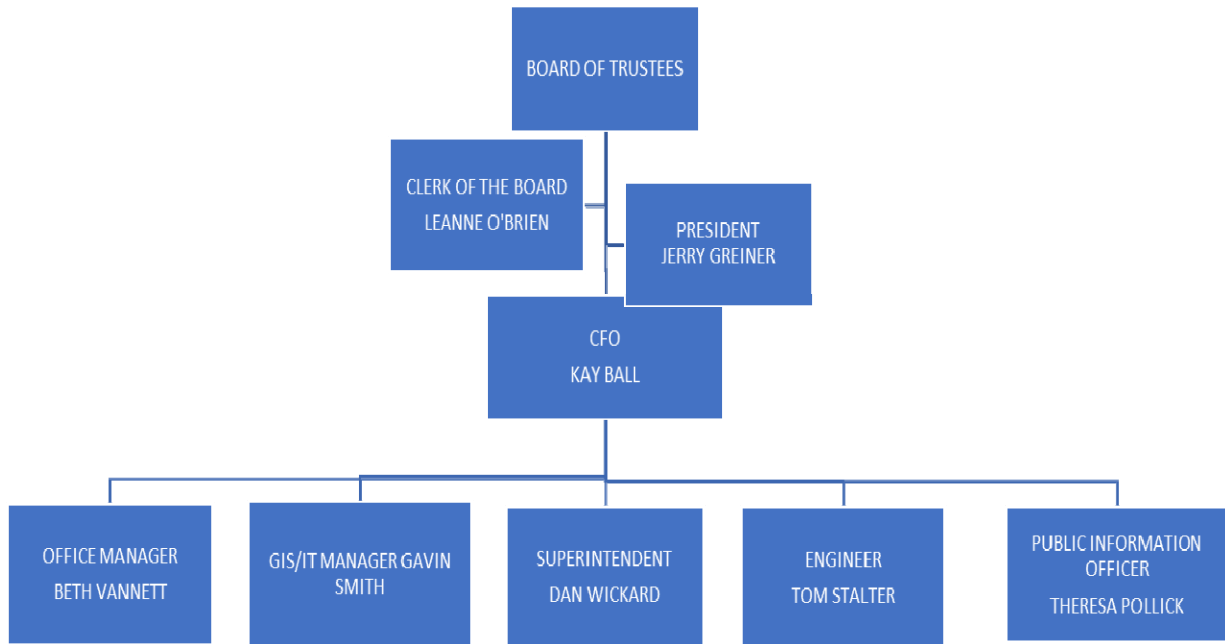
Board of Trustees

Office	Name	Date Originally Installed	Term Expires
Chairman	Doug Miller	7/23/2015	12/31/2024
Vice-Chairman	Melinda Kale	1/11/2007	12/31/2023
Secretary	Steve Arnold	6/19/2014	12/31/2024
Member	Elizabeth Wick	9/8/2022	12/31/2025
Member	William Hirzel	1/10/2008	12/31/2023
Member	Mark Sheffer	10/5/2013	12/31/2024
Member	Brooke Hahn	1/9/2020	12/31/2025
Member	Bill Barnhart	1/1/2021	12/31/2023
Member	Tim Phillips	2/27/2020	12/31/2025
Member	Chuck Latta	8/27/2020	12/31/2025

Senior Staff

Jerry R. Greiner	President
Vacant	Assistance Executive Director
Kay Ball	CFO
Tom Stalter	Engineer
Gavin Smith	GIS/IT Manager
Dan E. Wickard	Superintendent
Beth A. Vannett	Office Manager
Theresa Pollick	Public Information Officer

**NORTHWESTERN WATER & SEWER DISTRICT  
ORGANIZATIONAL CHART  
DECEMBER 31, 2023**



<b>Number of Employees by Department</b>	
Administration	3
Engineering	15
Operations	38
Finance	4
Office	12
GIS	<u>4</u>
<b>Total Employees - December 31, 2023</b>	<b><u>76</u></b>

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Northwestern Water and Sewer District  
Bowling Green, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the Northwestern Water and Sewer District, Wood County, Ohio (the District), as of and for the years ended December 31, 2023 and December 31, 2022, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Northwestern Water and Sewer District, Ohio, as of December 31, 2023 and December 31, 2022, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

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

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

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

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

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

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

### ***Other Matters***

#### ***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 Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Revenues, Expenses, and Changes in Net Position - Budget to Actual (Budgetary Basis); the Schedule of Net Position - Information by Division; the Schedule of Revenues, Expenses and Changes in Net Position - Information by Division; and the 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 above schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.



Zupka & Associates  
Certified Public Accountants

June 12, 2024

**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, 2023. 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 \$180,531,409, \$159,887,236, and \$154,225,411 as of December 31, 2023, 2022, and 2021.
- Change in net position was \$20,644,173, \$5,661,825 and \$6,515,320 in 2023, 2022, and 2021 respectively.
- Overall net position increased in 2023 by \$20,644,173 or 12.9% and overall net position increased in 2022 by 5,661,825 or 3.7%
- Debt increased \$8,569,502 in 2023 and \$2,501,960 in 2022. Retirements of debt principal were \$6,601,742 and \$7,602,414 in 2023 and 2022, respectively, and new issues of debt principal were \$15,171,244 and \$10,104,374 in 2023 and 2022, 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, \$139 million (82%) 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 and 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)**

	2023	2022	2021	Change			
				2023/2022		2022/2021	
				Amount	Percent	Amount	Percent
<b>ASSETS</b>							
Current Assets	\$ 48,600	\$ 32,977	\$ 36,111	\$ 15,623	47.4 %	\$ (3,134)	(8.7)%
Capital Assets, Net	241,033	228,433	217,440	12,600	5.5	10,993	5.1
Other Non-Current Assets	7,756	8,083	8,504	(327)	(4.0)	(421)	(5.0)
Total Assets	297,389	269,493	262,055	27,896	10.4	7,438	2.8
Deferred Outflows of Resources	5,051	1,867	1,559	3,184	63.0	308	19.8
<b>LIABILITIES</b>							
Current Liabilities	13,105	13,146	12,315	(41)	(0.3)	831	6.7
Long-Term Liabilities	108,654	93,761	93,218	14,893	15.9	543	0.6
Total Liabilities	121,759	106,907	105,533	14,852	13.9	1,374	1.3
Deferred Inflows of Resources	149	4,566	3,856	(4,417)	(96.7)	710	18.4
<b>NET POSITION</b>							
Net Investment in Capital							
Assets	139,107	134,120	126,876	4,987	3.7	7,244	5.7
Restricted	12,681	2,143	1,846	10,538	491.7	297	16.1
Unrestricted	28,743	23,624	25,503	5,119	21.7	(1,879)	(7.4)
Total Net Position	\$ 180,531	\$ 159,887	\$ 154,225	\$ 20,644	12.9 %	\$ 5,662	3.7 %

Net position increased by \$20,644 thousand during 2023 and increased by \$5,662 thousand during 2022. The majority of this change was due to the following:

- Restricted cash increased \$11,727,479 in 2023 and decreased \$147,773 in 2022 related to restricted contributions for infrastructure projects.
- Debt, including current portion of long-term debt, increased \$8,569,502 in 2023 and increased by \$2,501,960 in 2022 related to borrowing for construction projects.
- Deferred inflow of resources related to pension and OPEB decreased \$4,417,084 in 2023 and increased by \$709,814 in 2022.

Net position increased by \$6,515 thousand during 2021. The majority of this change was due to the following:

- Debt, including current portion of long-term debt, increased \$5,662,879 in related to borrowing for construction projects.
- Deferred inflow of resources related to pension and OPEB increased \$1,737,686 in 2021

**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)**

	2023	2022	2021	Change			
				2023/2022		2022/2021	
				Amount	Percent	Amount	Percent
Utility Revenue	\$ 34,359	\$ 32,031	\$ 31,239	\$ 2,328	7.3%	\$ 792	2.5%
Fees and Permit	627	488	458	139	28.4	30	6.6
Contract Services	224	271	173	(47)	(17.3)	98	56.6
Other	699	628	557	71	11.3	71	12.7
Investment Income	753	3	254	750	25000.0	(251)	(98.8)
Other Income	146	42	58	104	247.6	(16)	(27.6)
<b>Total Revenues</b>	<b>36,808</b>	<b>33,463</b>	<b>32,739</b>	<b>3,345</b>	<b>10.0</b>	<b>724</b>	<b>2.2</b>
Depreciation and Amortization	10,190	9,920	9,940	270	2.7	(20)	(0.2)
Other Operating Expense	22,847	19,037	15,781	3,810	20.0	3,256	20.6
Interest Expense	2,011	1,906	2,085	105	5.5	(179)	(8.6)
<b>Total Expenses</b>	<b>35,048</b>	<b>30,863</b>	<b>27,806</b>	<b>4,185</b>	<b>13.6</b>	<b>3,057</b>	<b>11.0</b>
Net Revenue Before Aid in Construction	1,760	2,600	4,933	(840)	(32.3)	(2,333)	(47.3)
Aid in Construction	18,884	3,062	1,582	15,822	516.7	1,480	93.6
<b>Changes in Net Position</b>	<b>20,644</b>	<b>5,662</b>	<b>6,515</b>	<b>\$ 14,982</b>	<b>264.6 %</b>	<b>\$ (853)</b>	<b>(13.1)%</b>
<b>Beginning Net Position</b>	<b>159,887</b>	<b>154,225</b>	<b>147,710</b>				
<b>Ending Net Position</b>	<b>\$ 180,531</b>	<b>\$ 159,887</b>	<b>\$ 154,225</b>				

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.

Utility revenues increased in 2022 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 2022 with increases in employee benefits and material and supplies offset by increases in purchased water and salaries and wages.



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

**Capital Assets**

At the end of 2023, the District had \$240,912,461 invested in capital assets, net of depreciation. This amount represents a net increase of approximately \$12.5 million, or 5.5% over 2022.

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

	2023	2022	2021	Change			
				2023/2022		2022/2021	
				Amount	Percent	Amount	Percent
Land and Easements	\$ 1,342	\$ 1,329	\$ 1,296	\$ 13	1.0 %	\$ 33	2.5 %
Construction in Progress	22,042	22,637	15,083	(595)	(2.6)	7,554	50.1
Water and Sewer Lines	159,807	155,765	150,999	4,042	2.6	4,766	3.2
Buildings, Structures, and Improvements	44,866	37,279	38,096	7,587	20.4	(817)	(2.1)
Equipment	12,976	11,448	11,966	1,528	13.3	(518)	(4.3)
Total	<u>\$ 241,033</u>	<u>\$ 228,458</u>	<u>\$ 217,440</u>	<u>\$ 12,575</u>	<u>5.5 %</u>	<u>\$ 11,018</u>	<u>5.1 %</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 4.

**Debt Administration**

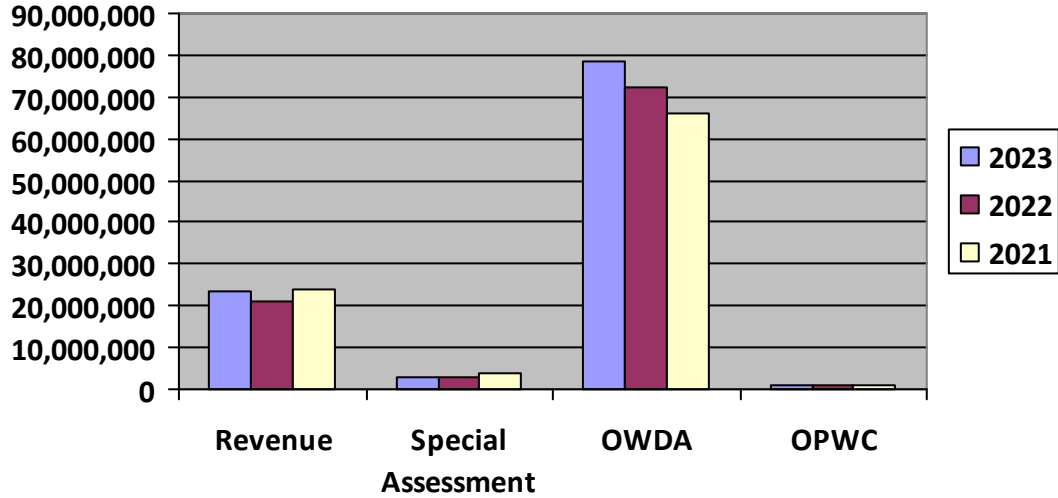
At December 31, 2023, the District had total debt outstanding of \$105,217,521 compared to \$96,648,019 at December 31, 2022. This represents an increase of \$8,569,502. During 2023, the District issued \$15,176,900 of new debt and repaid \$6,607,398 in principal on outstanding debt. At December 31, 2022, the District had total debt outstanding of \$96,648,019 compared to \$94,146,059 at December 31, 2021. This represents an increase of 2,501,960. During 2022, the District issued \$10,104,374 of new debt and repaid \$7,602,414 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 5 and 6 to the audited financial statements for more detailed information on long-term debt.

**Outstanding Debt at December 31,**

	2023	2022	2021
Revenue Bonds and Notes and Capital Leases	\$ 23,565,341	\$ 20,832,291	\$ 23,721,773
Special Assessment Bonds and Notes	2,240,550	2,893,550	3,662,550
Ohio Water Development Authority	78,341,936	72,178,876	65,959,698
Ohio Public Works Commission	1,069,694	743,302	802,038
Total Current and Long-term Debt	<u>\$ 105,217,521</u>	<u>\$ 96,648,019</u>	<u>\$ 94,146,059</u>

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

**Type of Debt by Year**



**Economic Factors**

Based on the District's 2023 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 2023, 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, 2023 AND 2022**

	2023	2022 - Restated
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents - Unrestricted	\$ 17,493,133	\$ 13,868,154
Cash and Cash Equivalents - Restricted	15,828,460	4,100,981
Investments - Unrestricted	7,198,376	6,883,332
Investments - Restricted	1,223,940	1,166,470
Accounts Receivable - Trade	3,591,455	3,468,408
Grant Receivable	949,247	1,253,308
Current Portion of Special Assessments	951,731	932,619
Inventory	1,090,376	1,066,754
Prepaid Expenses	273,368	236,414
Total Current Assets	48,600,086	32,976,440
<b>NONCURRENT ASSETS</b>		
Capital Assets:		
Depreciable:		
Sewer and Water Lines	275,632,976	266,177,483
Buildings, Pumps, and Lift Stations	68,006,166	57,849,507
Machinery and Equipment	21,935,791	20,059,805
Vehicles	5,404,694	4,610,075
Furniture and Fixtures	515,342	515,342
Computer Equipment	3,449,398	3,197,952
Improvements - Oregon Waste Water Treatment Plant	7,189,097	7,189,097
Total Depreciable Capital Assets	382,133,464	359,599,261
Accumulated Depreciation and Amortization	(164,484,311)	(155,107,257)
Net Depreciable Capital Assets	217,649,153	204,492,004
Nondepreciable:		
Land	829,581	829,581
Easements	512,143	499,633
Construction in Progress	22,042,304	22,636,523
Net Capital Assets	241,033,181	228,457,741
<b>OTHER ASSETS</b>		
Net Pension Asset	72,965	108,478
Net OPEB Asset	-	1,032,545
Special Assessments, Less Current Portion	7,683,424	6,941,834
Total Other Assets	7,756,389	8,082,857
Total Noncurrent Assets	248,789,570	236,540,598
Total Assets	297,389,656	269,517,038
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Loss on Debt Refunding	447,955	448,619
Pension	3,992,048	1,384,887
OPEB	610,775	34,238
Total Deferred Outflows of Resources	5,050,778	1,867,744
Total Assets and Deferred Outflows of Resources	\$ 302,440,434	\$ 271,384,782

See accompanying Notes to Financial Statements.

**NORTHWESTERN WATER & SEWER DISTRICT  
STATEMENTS OF NET POSITION (CONTINUED)  
DECEMBER 31, 2023 AND 2022**

<b>LIABILITIES AND NET POSITION</b>	<u>2023</u>	<u>2022 - Restated</u>
<b>CURRENT LIABILITIES</b>		
Current Portion of Long-Term Debt	\$ 6,630,149	\$ 6,022,738
Current Portion of Compensated Absences Payable	507,237	459,812
Accounts Payable - Trade	3,431,015	4,284,867
Accrued Payroll and Payroll Taxes	494,685	346,432
Accrued Interest Payable	922,722	856,933
Current Portion of Subscriptions Payable	57,047	9,896
Accounts Due Others	997,781	1,165,310
Unearned Revenues	<u>9,000</u>	<u>10,000</u>
Total Current Liabilities	13,049,636	13,155,988
<b>LONG-TERM LIABILITIES</b>		
Long-Term Debt, Less Current Portion	98,587,372	90,625,281
Long-Term Subscriptions Payable	55,607	14,715
Net Pension Liability	9,530,800	2,853,559
Net OPEB Liability	204,566	-
Compensated Absences Payable, Less Current Portion	<u>331,927</u>	<u>281,802</u>
Total Long-Term Liabilities	<u>108,710,272</u>	<u>93,775,357</u>
 Total Liabilities	 121,759,908	 106,931,345
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	81,315	3,499,372
OPEB	<u>67,802</u>	<u>1,066,829</u>
Total Deferred Inflows of Resources	<u>149,117</u>	<u>4,566,201</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>\$ 121,909,025</u>	 <u>\$ 111,497,546</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	\$ 139,107,653	\$ 134,119,732
Restricted for Debt Service	1,107,817	1,002,051
Restricted for Net Pension/OPEB Asset	72,965	1,141,023
Restricted for Infrastructure Improvements	11,500,000	-
Unrestricted	<u>28,742,974</u>	<u>23,624,430</u>
 Total Net Position	 <u>\$ 180,531,409</u>	 <u>\$ 159,887,236</u>

See accompanying Notes to Financial Statements.

**NORTHWESTERN WATER & SEWER DISTRICT  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022 - Restated</u>
<b>OPERATING REVENUES</b>		
Utility Revenue	\$ 34,358,863	\$ 32,030,904
Fees and Permits	626,610	487,817
Contract Services	224,050	270,835
Watershed Revenue	247,240	233,236
Other	<u>451,986</u>	<u>395,290</u>
Total Operating Revenues	35,908,749	33,418,082
<b>OPERATING EXPENSES</b>		
Depreciation and Amortization	10,189,864	9,925,784
Labor	5,359,159	4,922,170
Employee Benefits	2,238,373	(266,458)
Professional Services	1,770,358	1,755,404
Purchased Water and Sewer Treatment	9,578,534	8,655,121
Materials and Supplies	2,012,136	2,022,284
Utilities	788,505	786,565
Other	<u>1,101,073</u>	<u>1,155,884</u>
Total Operating Expenses	<u>33,038,002</u>	<u>28,956,754</u>
<b>OPERATING INCOME</b>	2,870,747	4,461,328
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment Income	752,470	2,104
Interest Expense	(2,009,805)	(1,906,666)
Other Income	<u>146,311</u>	<u>41,967</u>
Total Nonoperating Revenues (Expenses)	<u>(1,111,024)</u>	<u>(1,862,595)</u>
<b>AID IN CONSTRUCTION</b>	<u>18,884,450</u>	<u>3,063,092</u>
<b>CHANGE IN NET POSITION</b>	20,644,173	5,661,825
<b>NET POSITION</b>		
Net Position at Beginning of Year	<u>159,887,236</u>	<u>154,225,411</u>
<b>NET POSITION AT END OF YEAR</b>	<u><u>\$ 180,531,409</u></u>	<u><u>\$ 159,887,236</u></u>

See accompanying Notes to Financial Statements.

**NORTHWESTERN WATER & SEWER DISTRICT  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022 - Restated
<b>CASH FLOWS FROM OPERATIONS</b>		
Cash Received from Customers	\$ 36,088,763	\$ 32,434,753
Cash Payments to Suppliers for Goods and Services	(16,332,563)	(13,384,085)
Cash Payments to Employees for Services	(7,002,646)	(6,572,727)
Net Cash Provided by Operations	12,753,554	12,477,941
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Aid in Construction	18,884,450	2,401,140
Acquisition and Construction of Capital Assets	(22,832,830)	(20,028,660)
Proceeds from Sale of Capital Assets	210,132	41,967
Proceeds from Issuance of Long-Term Debt	15,176,900	10,104,374
Repayment of Long-Term Debt	(6,607,398)	(7,602,414)
Principal Payments on Subscriptions	(53,899)	(5,592)
Collections on Special Assessments	934,889	989,730
Assessed Special Assessments	(1,695,591)	(32,645)
Interest Paid	(1,797,705)	(1,916,365)
Net Cash Used by Capital and Related Financing Activities	2,218,948	(16,048,465)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment Income	752,470	2,104
Proceeds on Sale of Investments	1,362,935	1,174,520
Purchases of Investments	(1,735,449)	(846,472)
Net Cash Provided by Investing Activities	379,956	330,152
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	15,352,458	(3,240,372)
Cash and Cash Equivalents - Beginning of Year	17,969,135	21,209,507
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 33,321,593	\$ 17,969,135
Restricted Cash and Cash Equivalents	\$ 15,828,460	\$ 4,100,981
Unrestricted Cash and Cash Equivalents	17,493,133	13,868,154
Total	\$ 33,321,593	\$ 17,969,135
<b>SUPPLEMENTAL CASH FLOW INFORMATION (NONCASH ITEMS)</b>		
Aid in Construction	\$ 801,227	\$ 926,910

See accompanying Notes to Financial Statements.

**NORTHWESTERN WATER & SEWER DISTRICT  
STATEMENTS OF CASH FLOWS (CONTINUED)  
YEARS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022 - Restated
<b>CASH FLOWS FROM OPERATIONS</b>		
Operating Income	\$ 2,870,747	\$ 4,461,328
Adjustments to Reconcile Operating Income to Net Cash Provided by Operations:		
Depreciation and Amortization	10,189,864	9,925,784
Changes in Operating Assets and Liabilities that Increase (Decrease) Cash Flows:		
Accounts Receivable - Trade	(123,047)	269,979
Grant Receivable	304,061	(333,864)
Inventory	(23,622)	(431,793)
Prepaid Expenses	(36,954)	8,315
Deferred Outflow - Refunding	-	3,566
Deferred Outflow - Pension	(2,607,161)	(614,347)
Deferred Outflow - OPEB	(576,537)	302,119
Net Pension Asset	35,513	(23,567)
Accounts Payable - Trade	(853,852)	1,279,107
Accrued Payroll and Payroll Taxes	148,253	6,471
Accounts Due Others	(167,529)	135,544
Net Pension Liability	6,677,241	(1,854,589)
Net OPEB Asset	1,237,111	(459,666)
Compensated Absences Payable	97,550	10,184
Unearned Revenues	(1,000)	(916,444)
Deferred Inflow - Pension	(3,418,057)	1,406,810
Deferred Inflow - OPEB	(999,027)	(696,996)
Total Adjustments	9,882,807	8,016,613
Net Cash Provided by Operations	\$ 12,753,554	\$ 12,477,941

See accompanying Notes to Financial Statements.



**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**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, 2023 AND 2022**

**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, 2023 AND 2022**

**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:

	Years
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.

**Compensated Absences**

The District accrues a liability if it is probable that the employee will be compensated through cash payment.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 9 and 10 for details on the District's deferred outflows of resources related to its net pension liability and net OPEB liability/asset, respectively. See Note 6 for details on the District's deferred outflows of resources related to its loss on debt refunding. 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 9 and 10 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.

**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.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Net Position (Continued)**

The District's board of trustees has designated unrestricted net position of \$7,782,419 and \$6,831,717 as of December 31, 2023 and 2022, 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 2023 and 2022, respectively.

**Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net position.

**Subsequent Event**

The District has evaluated subsequent events through June 12, 2024, the date which the financial statements were available to be issued.

**NOTE 2 NEWLY ADOPTED STATEMENT ISSUED BY THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD**

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. The District adopted the requirements of the guidance effective January 1, 2023 and has applied the provisions of this standard to the beginning of the earliest comparative period presented.

During the year ended December 31, 2022, beginning net position of the District was restated for the implementation of GASB Statement No. 96. The restatements are as follows:

	2022
Net Position, as Previously Reported at	\$ 159,887,517
Implementation of GASB Statement No. 96	(281)
Net Position, as Restated, at December 31, 2022	\$ 159,887,236

**NORTHWESTERN WATER & SEWER DISTRICT  
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**NOTE 3 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.
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.

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. 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. The collateral is pooled through the Ohio Pooled Collateral System. Under this program, public depositories that pledge a collateral pool using the method prescribed in Ohio Rev. Code § 135.18(A)(2) or Ohio Rev. Code § 135.37(A)(2) shall pledge to the Treasurer of State a single pool of eligible securities for the benefit of all public depositors to secure the repayment of all uninsured public deposits at the public depository; provided that at all times the total fair value of securities so pledged is at least equal to either one hundred two percent of the total amount of all uninsured public deposits or an amount determined by rules adopted by the Treasurer of State that set forth the criteria for determining the aggregate fair value of the pool of eligible securities pledged by a public depository. Such criteria shall include, but are not limited to, prudent capital and liquidity management by the public depository and the safety and soundness of the public depository as determined by a third-party rating organization. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities, school districts, and district corporations. Obligations pledged to secure deposits must be delivered to a bank other than the institution in which the deposit is made. Written custodial agreements are required.





**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

<u>Investment Type</u>	2023			
	<u>Fair Value</u>	<u>Not Rated</u>	<u>AAA</u>	<u>AA+</u>
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)	<u>2,394,481</u>	<u>-</u>	<u>2,394,481</u>	<u>-</u>
Total Investments	<u>\$ 11,642,959</u>	<u>\$ 3,189,349</u>	<u>\$ 2,394,481</u>	<u>\$ 6,059,129</u>

<u>Investment Type</u>	2022			
	<u>Fair Value</u>	<u>Not Rated</u>	<u>AAA</u>	<u>AA+</u>
U.S. Treasuries and Federal Agency Obligations	\$ 8,009,118	\$ 2,048,786	\$ -	\$ 5,960,332
Money Market Mutual Funds	866,846	866,846	-	-
Star Treasury Reserve of Ohio (STAROhio)	<u>2,272,768</u>	<u>-</u>	<u>2,272,768</u>	<u>-</u>
Total Investments	<u>\$ 11,148,732</u>	<u>\$ 2,915,632</u>	<u>\$ 2,272,768</u>	<u>\$ 5,960,332</u>

Reconciliation of this footnote to the financial statements:

	<u>2023</u>	<u>2022</u>
Carrying Amount of Bank Deposits - per Note Above	\$ 30,100,950	\$ 14,870,205
Investments - Per Note Above	<u>11,642,959</u>	<u>11,148,732</u>
Total	<u>\$ 41,743,909</u>	<u>\$ 26,018,937</u>

	<u>2023</u>	<u>2022</u>
Statement of Net Position:		
Cash and Cash Equivalents - Unrestricted	\$ 17,493,133	\$ 13,868,154
Cash and Cash Equivalents - Restricted	15,828,460	4,100,981
Investments - Unrestricted	7,198,376	6,883,332
Investments - Restricted	<u>1,223,940</u>	<u>1,166,470</u>
Total	<u>\$ 41,743,909</u>	<u>\$ 26,018,937</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.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

As of December 31, 2023 and 2022, the District's investments had the following recurring fair value measurements:

<u>Investment Type</u>	2023			Total
	Level 1	Level 2	Level 3	
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>

<u>Investment Type</u>	2022			Total
	Level 1	Level 2	Level 3	
U.S. Treasuries and Federal Agency Obligations	\$ -	\$ 8,009,118	\$ -	\$ 8,009,118
Money Market Mutual Funds	866,846	-	-	866,846
Star Treasury Reserve of Ohio (STAROhio)	2,272,768	-	-	2,272,768
Total	<u>\$ 3,139,614</u>	<u>\$ 8,009,118</u>	<u>\$ -</u>	<u>\$ 11,148,732</u>

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 25% of the interim monies available for investment at any one time. 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.

In 2022, the District's investment in U.S. Treasury Notes represents 18% 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 2022. The District's investment in Federal National Mortgage Association notes represents 12% of the District's total investments in 2022. The District's investment in Federal Home Loan notes represents 13% of the District's total investments in 2022. The District's investment in Federal Home Loan Bank notes represents 15% of the District's total investments in 2022.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 4 CAPITAL ASSETS AND DEPRECIATION**

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

	Balance - December 31, 2022	Additions	Retirements	Transfers	Balance - December 31, 2023
<b>Nondepreciable:</b>					
Land	\$ 829,581	\$ -	\$ -	\$ -	\$ 829,581
Easements	499,633	12,510	-	-	512,143
Construction in Progress	<u>22,636,523</u>	<u>21,620,658</u>	<u>(1,204,270)</u>	<u>(21,010,607)</u>	<u>22,042,304</u>
Total Nondepreciable	<u>23,965,737</u>	<u>21,633,168</u>	<u>(1,204,270)</u>	<u>(21,010,607)</u>	<u>23,384,028</u>
<b>Depreciable:</b>					
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	<u>7,189,097</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,189,097</u>
Total Depreciable	<u>359,569,058</u>	<u>2,257,674</u>	<u>(876,021)</u>	<u>21,010,607</u>	<u>381,961,318</u>
Totals at Historical Cost	383,534,795	23,890,842	(2,080,291)	-	405,345,346
<b>Accumulated Depreciation:</b>					
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	<u>4,204,916</u>	<u>187,585</u>	<u>-</u>	<u>-</u>	<u>4,392,501</u>
Total Accumulated Depreciation	<u>155,101,384</u>	<u>10,144,311</u>	<u>(812,810)</u>	<u>-</u>	<u>164,432,885</u>
Capital Assets, Net	<u>\$ 228,433,411</u>	<u>\$ 13,746,531</u>	<u>\$ (1,267,481)</u>	<u>\$ -</u>	<u>\$ 240,912,461</u>
<b>Subscription Based Information Technology Arrangement Assets:</b>					
Subscription Based Information Technology Arrangements	\$ 30,203	\$ 141,943	\$ -	\$ -	\$ 172,146
<b>Less Accumulated Amortization:</b>					
Subscription Based Information Technology Arrangements	<u>5,873</u>	<u>45,553</u>	<u>-</u>	<u>-</u>	<u>51,426</u>
Total Subscription Based Information Technology Arrangement Assets, Net	<u>24,330</u>	<u>96,390</u>	<u>-</u>	<u>-</u>	<u>120,720</u>
Total Business-Type Activities Capital Assets, Net	<u>\$ 228,457,741</u>	<u>\$ 13,842,921</u>	<u>\$ (1,267,481)</u>	<u>\$ -</u>	<u>\$ 241,033,181</u>

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 CAPITAL ASSETS AND DEPRECIATION (CONTINUED)**

Capital asset activity for the year ended December 31, 2022 is as follows:

	Balance - December 31, 2021	Additions	Retirements	Transfers	Balance - December 31, 2022
<b>Nondepreciable:</b>					
Land	\$ 829,581	\$ -	\$ -	\$ -	\$ 829,581
Easements	466,803	32,830	-	-	499,633
Construction in Progress	15,083,311	16,649,952	(54,113)	(9,042,627)	22,636,523
Total Nondepreciable	<u>16,379,695</u>	<u>16,682,782</u>	<u>(54,113)</u>	<u>(9,042,627)</u>	<u>23,965,737</u>
<b>Depreciable:</b>					
Sewer and Water Lines	256,068,411	3,190,102	-	6,918,970	266,177,483
Buildings, Pumps, and Lift Station	56,651,587	33,604	-	1,164,316	57,849,507
Machinery and Equipment	19,042,084	731,947	(62,074)	347,848	20,059,805
Vehicles	4,572,541	103,001	(65,467)	-	4,610,075
Furniture and Fixtures	515,342	-	-	-	515,342
Computer Equipment	2,947,093	234,182	(15,926)	2,400	3,167,749
Improvements - Oregon Wastewater Treatment Plant	6,580,004	-	-	609,093	7,189,097
Total Depreciable	<u>346,377,062</u>	<u>4,292,836</u>	<u>(143,467)</u>	<u>9,042,627</u>	<u>359,569,058</u>
Totals at Historical Cost	362,756,757	20,975,618	(197,580)	-	383,534,795
<b>Accumulated Depreciation:</b>					
Sewer and Water Lines	105,069,595	5,343,003	-	-	110,412,598
Buildings, Pumps, and Lift Station	21,149,519	2,404,798	-	-	23,554,317
Machinery and Equipment	8,871,712	1,314,173	(52,874)	-	10,133,011
Vehicles	3,182,197	382,470	(65,467)	-	3,499,200
Furniture and Fixtures	467,470	22,738	-	-	490,208
Computer Equipment	2,590,429	232,628	(15,923)	-	2,807,134
Improvements - Oregon Wastewater Treatment Plant	3,985,540	219,376	-	-	4,204,916
Total Accumulated Depreciation	<u>145,316,462</u>	<u>9,919,186</u>	<u>(134,264)</u>	<u>-</u>	<u>155,101,384</u>
Capital Assets, Net	<u>\$ 217,440,295</u>	<u>\$ 11,056,432</u>	<u>\$ (63,316)</u>	<u>\$ -</u>	<u>\$ 228,433,411</u>
<b>Subscription Based Information Technology Arrangement Assets:</b>					
Subscription Based Information Technology Arrangements	\$ -	\$ 30,203	\$ -	\$ -	\$ 30,203
<b>Less Accumulated Amortization:</b>					
Subscription Based Information Technology Arrangements	-	5,873	-	-	5,873
Total Subscription Based Information Technology Arrangement Assets, Net	<u>-</u>	<u>24,330</u>	<u>-</u>	<u>-</u>	<u>24,330</u>
Total Business-Type Activities Capital Assets, Net	<u>\$ 217,440,295</u>	<u>\$ 11,080,762</u>	<u>\$ (63,316)</u>	<u>\$ -</u>	<u>\$ 228,457,741</u>

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 5 DEBT**

The District has 119 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, 2023 and 2022:

Project Number	Date of Loan	Original Amount	Interest Rate	Final Payment Date	Amount Outstanding	
					2023	2022
WL #300	10/28/04	\$ 90,500	4.10%	01/01/25	\$ 9,615	\$ 15,708
WL #318	09/31/04	338,000	4.56	07/01/24	25,080	49,055
SS #1000	11/04/04	168,224	4.56	07/01/24	12,526	24,500
Weston 3587	09/26/01	560,079	1.50	07/01/23	-	32,156
Weston 4046	02/26/04	420,316	1.50	07/01/25	47,906	71,327
Williamsburg 5097	04/30/09	650,829	3.70	07/01/29	174,255	199,750
Northwood 2069	12/11/97	830,175	5.88	07/01/23	-	60,638
Northwood 2070	05/28/98	360,000	5.66	07/01/23	-	25,790
Weston 5730	10/27/10	908,842	3.41	01/01/31	363,692	405,583
Custar 4444	01/26/06	782,759	1.50	01/01/37	395,812	422,077
Milton Center 4714	05/31/07	757,375	1.00	07/01/38	406,966	431,993
Metering 5865	05/26/11	1,969,940	4.45	07/01/31	956,717	1,054,322
Weston 5867	05/26/11	1,389,150	-	01/01/33	653,802	722,624
Bloomdale 4329 Country Manor SS Force	06/30/05	530,152	2.00	01/01/36	259,718	277,837
Rossford 6457	05/30/13	454,582	3.44	01/01/44	264,390	273,149
Rossford 6464	05/30/13	1,298,907	2.67	01/01/34	725,236	784,347
Rossford 6475	06/27/13	2,153,389	2.59	07/01/34	1,326,841	1,429,864
Five Point 6581	10/31/13	1,105,909	2.89	07/01/34	550,742	592,718
Custar WL 6231	06/28/12	596,739	-	07/01/43	365,965	384,264
Cygnets 6335	12/06/12	751,817	3.19	07/01/43	466,035	482,474
Homecraft SS Laterals 6309	10/25/12	554,528	2.48	07/01/33	277,438	301,604
Jennings Rd 6382	01/31/13	767,692	2.94	01/01/44	592,517	613,326
Milton Center 6230	06/28/12	842,856	-	07/01/43	508,415	533,835
Morton Building 6396	02/28/13	381,694	3.09	01/01/43	285,618	296,158
Perrysburg Twp 6260	08/30/12	193,950	3.36	07/01/42	139,608	144,786
Rossford Clearwell 6383	01/31/13	3,777,878	2.94	01/01/44	2,494,566	2,582,173
Rossford Tree St 6232	06/28/12	858,032	2.64	07/01/32	429,724	471,507
Stony Ridge 6397	02/28/13	694,644	1.98	01/01/44	538,979	557,580
SS100 Master Meter 6500	07/25/13	274,953	2.57	07/01/33	142,047	154,357
Walbridge Laterals 6583	10/31/13	540,638	3.59	07/01/34	300,095	321,993
Rossford Tree Streets PR 6644	12/12/13	509,997	3.37	01/01/35	274,154	293,382
Hillside Dr SS 6676	02/27/14	389,462	3.44	01/01/35	254,128	271,871
Rossford Citywide I & I 6641	12/13/13	460,927	3.37	07/01/34	290,868	312,386
Ampoint SS 6674	02/27/14	1,902,014	3.44	01/01/35	1,230,817	1,316,750
Hufford Rd WL 6742	05/29/14	1,112,050	3.16	01/01/35	672,726	720,557
Rossford Colony I & I 6773	06/26/14	1,395,708	3.09	07/01/35	929,143	992,225
East Broadway WL 6766	06/26/14	714,388	2.59	01/01/35	402,388	432,073
100 Area WL 6741	05/29/14	356,451	3.16	01/01/35	211,479	226,515
Jennings Rd PS 6695	03/27/14	721,878	3.33	01/01/35	451,571	483,325
E Broadway WL 6747	05/29/14	369,454	4.00	01/01/45	107,637	110,788
Bloomdale PS 6930	03/26/15	211,816	2.74	01/01/46	164,679	169,913

**NORTHWESTERN WATER & SEWER DISTRICT  
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DECEMBER 31, 2023 AND 2022**

**NOTE 5 DEBT (CONTINUED)**

Project Number	Date of Loan	Original Amount	Interest Rate	Final Payment Date	Amount Outstanding	
					2023	2022
Wise St SS 6893	01/29/15	\$ 923,133	3.03 %	01/01/46	\$ 592,822	\$ 610,979
Homecraft SS Laterals 6843	10/30/14	728,574	2.96	07/01/35	376,604	402,398
Pump Station Sewer Imp 6943	03/26/15	369,550	1.80	01/01/36	228,725	244,905
Colony Rd PS Replacement 7007	05/28/15	2,801,424	1.99	01/01/36	1,629,940	1,743,733
Bays Rd WL 7064	07/01/15	313,001	-	07/01/36	216,312	230,968
BG 2nd WL Connection 7119	09/24/15	487,386	-	07/01/36	336,593	359,479
Rossford 7158	10/29/15	745,156	2.18	07/01/36	470,822	501,837
2nd Portage WL 7185	12/10/15	426,791	1.64	07/01/36	361,417	386,169
SS 200 Area I & I 7159	10/29/15	262,721	1.68	07/01/36	139,794	149,341
Bloomdale Rehab 7063	07/30/15	101,011	1.79	07/01/36	68,228	72,851
Northern Area 7253	02/25/16	757,780	1.85	01/01/37	514,995	548,290
Tracy Rd SS 7397	06/30/16	2,844,821	2.18	01/01/37	1,798,571	1,917,211
Hillview Dr 7258	02/25/16	121,186	1.85	01/01/37	78,264	83,324
WL 300 Area 7337	05/26/16	358,847	1.27	01/01/37	252,029	269,040
Oregon EQ Basin 7254	02/25/16	6,087,816	1.85	01/01/37	4,279,159	4,555,809
Eastwood School 7476	09/29/16	860,359	2.01	07/01/36	597,481	637,326
Bairdton WWTP 7468	08/25/16	1,788,861	-	01/01/38	1,256,748	1,343,421
Northwood 7088	08/27/15	237,914	2.32	07/01/36	166,733	177,606
McComb SS 4235	01/27/05	89,843	4.50	07/01/25	12,981	19,052
McComb CSO 5067	02/26/09	412,026	-	07/01/29	123,608	144,209
Milsbury SS 7540	12/08/16	1,225,129	1.55	07/01/37	770,171	819,073
McComb WT 6485	06/27/13	994,336	2.00	07/01/35	581,736	628,103
PPCP WL 7531	12/08/16	217,700	-	01/01/23	-	17,345
Carrington Woods & Totogany 7559	01/26/17	379,925	2.85	07/01/37	298,404	314,816
Hanson, George WL Replace 7560	02/08/17	755,885	2.85	01/01/38	587,109	619,399
Southern Serv Area Water System	09/09/16	474,827	0.76	01/01/37	328,343	351,353
Taylor 7651 WL	04/05/17	399,409	1.83	01/01/38	305,073	323,289
Hamlet 7820 WL	08/10/17	581,310	1.89	01/01/38	442,325	468,610
Curtice 7727 WL	06/08/17	1,069,866	1.63	01/01/38	710,326	753,423
Starbright 7814 WL	08/07/17	1,087,657	1.89	01/01/38	785,054	831,707
Williamsburg 7541	11/07/16	504,305	1.55	07/01/37	268,018	285,036
Perrysburg I&I 7813	08/07/17	1,119,722	1.39	01/01/38	724,824	769,648
Lead Elimination 7966	01/29/18	1,003,450	1.81	10/01/22	673,719	711,060
White Rd/ Vineyard WL 8101	05/04/18	706,698	2.15	10/01/22	573,409	604,279
McComb WL Imp 7980	04/06/18	321,351	2.70	07/01/39	223,698	235,183
Oregon/Bays Rd Elevated Tank 8095	06/04/18	463,500	2.90	01/01/40	358,371	375,753
Weston Silver St WL 7979	04/06/18	144,475	2.70	07/01/38	112,121	118,363
McComb Clearwell 8212	08/06/18	1,106,715	-	10/01/23	849,791	901,293
Hoytville 7812	08/07/17	85,873	-	04/01/22	64,405	68,698
Rudolph Rd Forcemain 7257	08/31/17	180,218	-	06/01/37	110,192	118,354
Lime City Buck Rd WL ODOT 7987	04/06/18	426,852	2.70	07/01/39	324,466	341,124
Rossford Various St Sewer Rehab 8340	1/31/2019	827,474	3.10	01/01/40	682,844	714,127
Weston Center St/Euler/Cygnnet 8258	10/25/2018	413,820	2.93	01/01/39	320,356	336,478
Weston Meter Pit 8492	04/25/19	306,839	2.09	01/01/40	158,241	166,198
Millbury SS IMP PH2 8621	07/25/19	933,679	1.00	01/01/41	764,064	803,827
WL 101 Repair 8628	08/29/19	536,574	2.10	01/01/40	457,693	480,684

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 5 DEBT (CONTINUED)**

Project Number	Date of Loan	Original Amount	Interest Rate	Final Payment Date	Amount Outstanding	
					2023	2022
Troy TWP WL IMP 8629	08/29/19	\$ 936,505	2.10 %	07/01/40	\$ 769,322	\$ 806,624
Eagle Point SS Rehab 8665	09/26/19	1,377,781	1.22	01/01/41	1,030,447	1,082,965
Ampoint WL 8719	12/12/19	1,097,018	1.10	01/01/41	960,986	1,010,525
HC Filling home WL	07/01/12	244,839	3.34	01/01/32	129,600	142,585
HC Okolona Sewers	07/01/13	623,615	1.00	01/01/43	330,730	346,018
HC-Mcclure WWS	07/01/12	1,122,494	1.00	01/01/42	731,378	767,197
HC-Mcclure WWS	07/01/14	1,784,282	1.98	01/01/44	979,085	1,011,583
HC Deimling RD/Duke Dev	10/31/19	348,751	1.78	01/01/41	307,728	322,595
Rossford lime city WL	01/30/20	925,098	1.17	01/01/41	825,759	868,045
Troy TWP SS IMP	02/27/20	1,334,993	1.85	01/01/41	1,199,458	1,257,015
Water main IMP	06/25/20	1,741,146	1.93	01/01/41	1,491,854	1,558,258
Rossford tree st WL	05/28/20	860,897	0.62	04/01/41	722,462	761,429
Mccomb WL PH 2	10/29/20	699,659	0.02	01/01/41	574,029	603,479
Woods ST WL Replacement	10/29/20	881,126	0.52	01/01/41	687,083	717,282
SS300-400 IMP PH2 8933	07/01/21	1,348,592	1.12	01/01/41	889,085	921,874
Mccomb SS Interceptor 9052	07/01/21	407,226	-	01/01/41	353,986	374,014
Mccomb Sys IMP PH1 9223	07/01/21	1,128,976	0.43	01/01/42	979,499	1,028,469
Weston SS IMP 2021 9295	07/01/21	1,009,007	1.35	07/01/42	731,280	778,884
Cygnat PS Rehab 9244	07/01/21	731,235	1.18	07/01/41	658,195	691,368
100 Area Elevated Tank 9271	07/01/21	4,521,204	0.22	01/01/42	3,829,159	3,697,680
Wales Rd WL 9559	07/01/21	552,737	1.51	07/01/42	447,047	472,157
McComb WL PH3 9622	01/01/23	644,593	1.63	01/01/44	525,717	554,704
WILLOWBEND PS 9683	07/01/23	3,240,908	0.58	07/01/43	2,879,728	2,696,346
MCCLURE WL REPLACEMENT 9693	07/01/23	481,844	1.85	07/01/43	414,803	425,433
FORD RD PS 9848	07/01/24	7,943,982	1.56	07/01/44	6,887,753	2,433,415
CHRYSLER TANK VALVE IMP 9767	07/01/23	1,286,152	2.11	07/01/43	1,138,099	388,365
WALBRIDGE WL 9868	07/01/23	720,776	3.05	07/01/43	674,901	688,774
LIBERTY HI RD WL 9937	01/01/24	1,190,116	1.90	01/01/44	1,037,873	15,951
MCCOMB SS IMP PH 2 10017	01/01/24	759,552	1.91	01/01/44	638,774	153,391
OWDA 10132 Oregon Tracy Rd WL	07/19/23	567,558	3.42	01/01/45	499,078	-
OWDA 10124 Tracy Rd WL Replacement	08/02/23	2,309,747	2.66	01/01/43	2,110,854	-
OWDA 10477 Northwood 200 SS	09/28/23	945,453	2.70	01/01/43	225,710	-
Total					<u>\$ 78,341,936</u>	<u>\$ 72,178,876</u>



**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 5 DEBT (CONTINUED)**

Other long-term loans (direct borrowings) at December 31, 2023 and 2022 are as follows:

Date of Issue	Purpose	Interest Rate	Maturity Date	Amount Outstanding	
				2023	2022
07/31/04	Jerry City WL #CE37F	-	01/01/25	\$ 19,412	\$ 29,118
11/03/04	Rudolph SS #CE33E	-	07/01/24	6,213	10,354
07/01/07	Village of Custar #CE411	-	01/01/27	5,000	6,250
07/01/06	OPWC Bloomdale CT17H	-	07/01/26	3,204	4,119
07/01/14	OPWC Rossford Tree St SS Improvements	-	01/01/34	91,032	99,308
07/01/17	Silver St CE42U OPWC	-	07/01/37	137,670	142,769
07/11/17	OPWC McComb Raw Water PS CM26U	-	01/01/40	217,259	230,426
08/24/07	OPWC HC Road P WL CE27I	-	02/28/28	18,776	22,949
06/06/15	OPWC Meters/Hydrants CE51Q	-	02/28/45	102,983	107,664
12/25/11	OPWC HC McClure CE56M	-	02/28/32	51,908	58,014
12/16/18	OPWC Deshler CE20U	-	02/28/49	32,331	32,331
01/01/23	OPWC WillowBend PS	-	01/01/43	255,937	-
01/01/23	OPWC Ford Rd PS	-	01/01/43	127,969	-
	Total			<u>\$ 1,069,694</u>	<u>\$ 743,302</u>

Bonded debt at December 31, 2023 and 2022 is as follows:

Date of Issue	Purpose	Original Amount	Interest Rate	Maturity Date	Amount Outstanding	
					2023	2022
03/03/16	USDA Bloomdale	\$ 1,655,000	2.50 %	09/01/55	\$ 1,462,190	\$ 1,491,810
06/28/04	USDA Revenue Bond	796,000	4.38	06/01/44	536,460	1,148,331
02/16/06	Rotary Commission Loan	168,026	5.00	03/01/26	119,108	119,738
05/27/09	USDA Revenue Bond	2,400,000	4.25	05/01/49	1,957,100	1,997,900
09/26/12	USDA Cygnet Water	638,879	2.75	06/01/42	461,934	480,294
09/26/12	USDA Cygnet Sewer	967,990	2.75	06/01/42	700,551	728,295
03/23/12	2012 Revenue Bond*	3,870,000	2.00 - 4.00	12/01/31	1,278,444	1,413,444
03/23/12	2012 Special Assessment*	2,880,000	2.00 - 4.00	12/01/24	134,550	284,550
09/26/12	USDA Building Renovation	2,787,892	2.75	06/01/42	2,263,714	2,353,610
06/28/12	USDA West Millgrove	291,385	2.00	06/01/52	503,240	515,969
01/03/13	USDA Stony Ridge	1,945,000	2.50	01/01/53	1,621,700	1,657,700
02/27/15	2015 Revenue Bond	1,300,000	2.40	12/01/24	140,000	280,000
02/27/15	2015 Special Assessment	1,240,000	2.40	12/01/24	140,000	275,000
07/21/17	2017 Special Assessment	2,325,000	2.00	12/01/27	830,000	1,060,000
07/21/17	2017 Revenue Bond	5,545,000	1.96	12/01/28	2,345,000	2,830,000
12/19/19	USDA McComb WWTP	4,833,000	2.38	08/31/40	4,483,800	4,574,200
03/03/21	2021 Special Assessment	1,545,000	1.58	12/01/30	1,136,000	1,274,000
03/03/21	2021 Revenue Bonds	1,502,000	1.58	12/01/30	1,107,000	1,241,000
11/30/23	USDA Henry Co WL	4,585,100	1.13	01/01/63	4,585,100	-
	Total				<u>\$ 25,805,891</u>	<u>\$ 23,725,841</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.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 5 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, 2023 and 2022 is as follows:

	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, 2023 AND 2022**

**NOTE 5 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, 2023 AND 2022**

**NOTE 5 DEBT (CONTINUED)**

	Balance - December 31,			Balance - December 31, 2023	Amount Due in 2024
	2022	Additions	Reductions		
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	-
<b>Total</b>	<b>\$ 96,648,019</b>	<b>\$ 15,176,900</b>	<b>\$ 6,607,398</b>	<b>\$ 105,217,521</b>	<b>\$ 6,630,149</b>

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 5 DEBT (CONTINUED)**

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Amount Due in 2023
OWDA:					
SS #1000	\$ 35,909	\$ -	\$ 11,409	\$ 24,500	\$ 11,974
WL #300	21,558	-	5,850	15,708	6,093
Weston 3587	63,835	-	31,679	32,156	32,156
Weston 4046	94,401	-	23,074	71,327	23,421
Williamsburg 5097	224,328	-	24,578	199,750	25,495
Custar 4444	447,952	-	25,875	422,077	26,264
Milton Center 4714	456,771	-	24,778	431,993	25,027
Weston Water Tower 5730	446,082	-	40,499	405,583	41,891
Fixed Base Metering 5865	1,147,725	-	93,403	1,054,322	97,305
Weston 5867	791,445	-	68,821	722,624	68,805
SS100 Master Meter 6500	166,357	-	12,000	154,357	12,265
Walbridge Laterals 6583	343,126	-	21,133	321,993	21,898
Tree St Pipe Relining 6644	311,978	-	18,596	293,382	19,153
Hillside Dr SS 6676	289,019	-	17,148	271,871	17,743
Rossford I & I 6641	333,196	-	20,810	312,386	21,518
Ampoint SS 6674	1,399,800	-	83,050	1,316,750	85,911
Hufford Rd WL 6742	766,911	-	46,354	720,557	47,765
Rossford Colony I & I 6773	1,053,403	-	61,178	992,225	63,045
East Broadway WL 6766	461,003	-	28,930	432,073	29,608
100 Area WL 6741	241,087	-	14,572	226,515	15,010
Jennings Rd Ps 6695	514,047	-	30,722	483,325	31,706
E Broadway WL 6747	113,820	-	3,032	110,788	2,648
2nd Portage WL 7185	410,519	-	24,350	386,169	24,751
SS 200 Area I & I 7159	158,729	-	9,388	149,341	9,375
WL 300 Area 7337	285,837	-	16,797	269,040	17,011
Millbury SS 7540	867,225	-	48,152	819,073	48,139
PPCP WL 7531	52,034	-	34,689	17,345	17,345
Hanson, George WL Replace	650,789	-	31,390	619,399	32,290
Southern Serv Area Water System	374,190	-	22,837	351,353	23,010
Taylor 7651 WL	341,177	-	17,888	323,289	18,217
Hamlet 7820 WL	494,406	-	25,796	468,610	26,284
Curtice 7727 WL	795,827	-	42,404	753,423	42,966
Starbright 7814 WL	877,490	-	45,783	831,707	46,477
Lead Elimination 7966	747,734	-	36,674	711,060	37,182
White Rd/ Vineyard WL 8101	634,496	-	30,217	604,279	30,870
McComb WL Imp 7980	246,364	-	11,181	235,183	11,443
Oregon/Bays Rd Elevated Tank 8095	392,642	-	16,889	375,753	17,382
Weston Silver St WL 7979	124,440	-	6,077	118,363	6,242
McComb Clearwell 8212	952,796	-	51,503	901,293	51,502
OPWC - Custar	7,500	-	1,250	6,250	1,250
Jerry City WL #CE37F (WL 318)	38,824	-	9,706	29,118	9,706
Rudolph SS1000 #CE33E	14,496	-	4,142	10,354	4,142
Bloomdale CT17H OPWC	5,035	-	916	4,119	915
USDA Building Construction	1,677,971	-	1,677,971	-	-
USDA Revenue Bond - Rudolph Bond	1,177,692	-	29,361	1,148,331	30,270
OWDA Jerry City - WL 318	71,972	-	22,917	49,055	23,975
Rotary Commission Loan	119,738	-	-	119,738	119,738
OWDA Northwood - 2069	117,908	-	57,270	60,638	60,638
OWDA Northwood - 2070	50,207	-	24,417	25,790	25,790
USDA Rising Sun	2,037,200	-	39,300	1,997,900	40,800
USDA Cygnet Water	498,155	-	17,861	480,294	18,342
USDA Cygnet Sewer	755,284	-	26,989	728,295	27,791
OWDA Bloomdale 4329	295,600	-	17,763	277,837	18,119
USDA Building Renovation	2,441,060	-	87,450	2,353,610	89,849
USDA West Millgrove	528,408	-	12,439	515,969	12,718
Series 2012 Revenue Bonds	1,553,935	-	155,960	1,397,975	135,000
Series 2012 Special Assessment Bonds	519,805	-	272,046	247,759	149,000

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 5 DEBT (CONTINUED)**

	Balance - December 31, 2021		Balance - December 31, 2022		Amount Due in 2023
		Additions	Reductions		
Series 2015 Revenue Bonds	\$ 420,000	\$ -	\$ 140,000	\$ 280,000	\$ 140,572
Series 2015 Special					
Assessment Bonds	405,000	-	130,000	275,000	133,424
OWDA:					
Rossford 6457	281,615	-	8,466	273,149	8,729
Rossford 6464	841,911	-	57,564	784,347	59,045
Rossford 6475	1,530,269	-	100,405	1,429,864	103,023
Five Point 6581	633,507	-	40,789	592,718	41,566
Custar WL 6231	402,562	-	18,298	384,264	18,298
Cygnets 6335	498,400	-	15,926	482,474	16,360
Homecraft SS Laterals 6309	325,182	-	23,578	301,604	24,166
Jennings Rd 6382	633,536	-	20,210	613,326	20,809
Milton Center 6230	559,256	-	25,421	533,835	25,421
Morton Building 6396	306,380	-	10,222	296,158	10,539
Perrysburg Twp 6260	149,796	-	5,010	144,786	5,176
Rossford Clearwell 6383	2,667,260	-	85,087	2,582,173	87,450
Rossford Tree St 6232	512,209	-	40,702	471,507	44,023
Stony Ridge 6397	575,620	-	18,040	557,580	18,602
Bloomdale PS 6930	175,006	-	5,093	169,913	5,231
Rossford 7158	532,186	-	30,349	501,837	30,805
Bloomdale Rehab 7063	77,392	-	4,541	72,851	4,622
Northern Area 7253	580,977	-	32,687	548,290	33,295
Tracy Rd SS 7397	2,033,997	-	116,786	1,917,211	117,647
Hillview Dr 7258	88,292	-	4,968	83,324	5,060
Oregon EQ Basin 7254	4,827,412	-	271,603	4,555,809	276,113
Eastwood School 7476	676,381	-	39,055	637,326	39,844
Bairdton WWTP 7468	1,430,093	-	86,672	1,343,421	88,479
Northwood 7088	188,231	-	10,625	177,606	10,748
McComb SS 4235	24,858	-	5,806	19,052	6,070
McComb CSO 5067	164,810	-	20,601	144,209	20,601
McComb WT 6485	673,557	-	45,454	628,103	43,637
OWDA (Continued):					
Carrington Woods & Totogany 7559	330,770	-	15,954	314,816	16,412
Williamsburg 7541	301,793	-	16,757	285,036	17,018
Nutrient Removal 7542	9,799	-	9,799	-	-
Perrysburg I&I 7813	813,856	-	44,208	769,648	44,314
Wise St SS 6893	628,599	-	17,620	610,979	18,157
Homecraft SS Laterals 6843	403,828	-	1,430	402,398	25,501
Pump Station Sewer Imp 6943	260,797	-	15,892	244,905	16,153
Colony Rd PS Replacement 7007	1,855,294	-	111,561	1,743,733	113,430
Bays Rd WL 7064	245,364	-	14,396	230,968	14,655
BG 2nd WL Connection 7119	381,973	-	22,494	359,479	22,887
Hoytville 7812	72,992	-	4,294	68,698	4,294
Rudolph Rd Forcemain 7257	126,516	-	8,162	118,354	8,093
2017 Revenue Bond	3,310,000	-	480,000	2,830,000	485,000
2017 Special Assessment	1,285,000	-	225,000	1,060,000	230,000
OPWC - Rossford Tree St SS					
Improvements	107,583	-	8,275	99,308	8,191
USDA Bloomdale	1,520,720	-	28,910	1,491,810	21,458
USDA - Stony Ridge	1,657,700	-	-	1,657,700	36,000
Lime City Buck Rd WL ODOT 7987	357,342	8,505	24,723	341,124	16,631
Silver St CE42U OPWC	147,868	-	5,099	142,769	5,099
USDA McComb WWTP	4,662,400	-	88,200	4,574,200	79,092
OPWC McComb Raw Water PS CM26U	243,594	-	13,168	230,426	13,167
Rossford Various St Sewer Rehab 8340	740,492	-	26,365	714,127	31,254
Weston Center St/Euler/Cygnets 8258	348,075	-	11,597	336,478	16,062
Weston Meter Pit 8492	162,798	3,400	-	166,198	7,848
Millbury SS IMP PH2 8621	841,092	-	37,265	803,827	39,663
WL 101 Repair 8628	503,157	-	22,473	480,684	22,991

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 5 DEBT (CONTINUED)**

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Amount Due in 2023
Troy TWP WL IMP 8629	\$ 839,416	\$ -	\$ 32,792	\$ 806,624	\$ 37,302
Eagle Point SS Rehab 8665	1,128,529	-	45,564	1,082,965	52,226
Ampoint WL 8719	1,059,083	-	48,558	1,010,525	49,518
HC Filling Home WL	155,147	-	12,562	142,585	12,985
HC Okolona Sewers	361,154	-	15,136	346,018	15,288
HC-McClure WWS	802,661	-	35,464	767,197	38,651
HC Water Feasibility STUD	222,257	2,409	224,666	-	-
HC-McClure	1,055,910	-	44,327	1,011,583	35,819
HC Deimling RD/Duke Dev	336,963	-	14,368	322,595	14,866
Rossford Lime City WL	909,841	-	41,796	868,045	42,286
Troy TWP SS IMP	1,313,523	-	56,508	1,257,015	57,557
Water Main IMP	1,621,049	10,000	72,791	1,558,258	70,536
Rossford Tree St WL	799,051	-	37,622	761,429	38,913
Mccomb WL PH 2	638,411	-	34,932	603,479	32,685
Woods ST WL Replacement	759,308	-	42,026	717,282	37,290
HC Road P WL CE27I	27,121	-	4,172	22,949	4,173
Meters/Hydrants CE51Q	112,345	-	4,681	107,664	4,681
HC McClure CE56M	64,121	-	6,107	58,014	6,107
Deshler CE20U	33,551	-	1,220	32,331	1,220
SS300-400 IMP PH2 8933	786,072	196,657	60,855	921,874	52,114
Mccomb SS Interceptor 9052	394,375	-	20,361	374,014	20,224
Mccomb Sys IMP PH1 9223	868,787	186,772	27,089	1,028,470	50,673
Weston SS IMP 2021 9295	187,592	591,292	-	778,884	34,168
Cygnat PS Rehab 9244	71,878	652,110	32,621	691,367	32,664
100 Area Elevated Tank 9271	3,181,740	626,622	110,682	3,697,680	185,793
Wales Rd WL 9559	1,929	470,228	-	472,157	20,387
2021 Special Assessment	1,408,000	-	134,000	1,274,000	125,000
2021 Revenue Bonds	1,372,000	-	131,000	1,241,000	125,000
OWDA 9622 McComb WL PH3	-	554,704	-	554,704	23,667
OWDA 9693 McClure WL Replacement	-	425,433	-	425,433	8,838
OWDA Chrysler Tank Valve	-	388,365	-	388,365	7,855
OWDA Walbridge WL	-	688,774	-	688,774	12,625
OWDA 9937 Liberty Hi RD WL	-	15,951	-	15,951	-
OWDA 9683 Willowbend PS	-	2,696,346	-	2,696,346	63,672
OWDA 9848 Ford Rd PS	-	2,433,415	-	2,433,415	-
OWDA 10017McComb SS IMP PH2	-	153,391	-	153,391	-
Unamortized Premium	57,910	-	5,650	52,260	-
Total	<u>\$ 94,146,059</u>	<u>\$ 10,104,374</u>	<u>\$ 7,602,414</u>	<u>\$ 96,648,019</u>	<u>\$ 6,022,738</u>



**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 6 DEBT SERVICE REQUIREMENTS**

The annual principal and interest requirements on all direct borrowing loans outstanding at December 31, 2023 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 4,538,056	\$ 1,411,757	\$ 5,949,813
2025	4,635,362	1,364,208	5,999,570
2026	4,674,147	1,272,354	5,946,501
2027	4,760,380	1,178,250	5,938,630
2028	4,845,429	1,081,501	5,926,930
2029-2033	24,820,148	3,909,941	28,730,089
2034-2038	20,112,420	1,753,065	21,865,485
2039-2043	10,579,819	494,321	11,074,140
2044-2048	436,396	8,994	445,390
2049-2053	9,471	-	9,471
Total	<u>\$ 79,411,628</u>	<u>\$ 12,474,391</u>	<u>\$ 91,886,019</u>

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 6 DEBT SERVICE REQUIREMENTS (CONTINUED)**

The annual principal and interest requirements on all direct placement bonded debts outstanding at December 31, 2023 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,010,000	\$ 132,376	\$ 1,142,376
2024	1,025,000	109,757	1,134,757
2025	935,000	86,687	1,021,687
2026	925,000	64,779	989,779
2027	795,000	42,851	837,851
2029-2033	728,000	35,340	763,340
Total	<u>\$ 5,418,000</u>	<u>\$ 471,790</u>	<u>\$ 5,889,790</u>

The annual principal and interest requirements on all other bonded debts outstanding at December 31, 2023 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,082,093	\$ 498,391	\$ 1,580,484
2025	600,979	474,639	1,075,619
2026	611,001	457,272	1,068,273
2027	631,500	439,243	1,070,743
2028	646,994	420,794	1,067,789
2029-2033	3,198,171	1,806,154	5,004,325
2034-2038	3,018,614	1,406,449	4,425,063
2039-2043	3,164,775	1,019,703	4,184,478
2044-2048	2,580,903	665,476	3,246,379
2049-2053	2,364,614	359,352	2,723,966
2054-2058	1,726,085	149,146	1,875,231
2059-2063	715,552	20,701	736,253
Total	<u>\$ 20,341,282</u>	<u>\$ 7,717,321</u>	<u>\$ 28,058,603</u>

At December 31, 2023 and 2022, the District had \$4,444,583 and \$5,267,451, 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 7 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.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 7 COUNTY DEBT OBLIGATIONS (CONTINUED)**

At December 31, 2023 and 2022, \$1,699,861 and \$1,752,005 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 2023 and 2022, or in prior years on this reserve.

**NOTE 8 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, 2023 and 2022, SBITA assets totaled \$172,146 and \$30,203, respectively and the related accumulated amortization totaled \$51,426 and \$5,873, respectively.

SBITA activity for the year ended December 31, 2023 and 2022 is as follows:

	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

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022	Amount Due in 2023
SBITAs	-	30,203	(5,592)	24,611	10,702

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>
2024	\$ 57,047	\$ 3,066	\$ 60,113
2025	55,607	732	56,339
Total	<u>\$ 112,654</u>	<u>\$ 3,798</u>	<u>\$ 116,452</u>

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 9 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.

**Plan Description – Ohio Public Employees Retirement System (OPERS)**

District employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiemployer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiemployer defined benefit pension plan with defined contribution features, while members (e.g., District employees) may elect the member-directed plan and the combined plan.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 9 RETIREMENT PLANS (CONTINUED)**

**Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)**

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by 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.

Senate Bill (SB) 343 was enacted into law 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. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS ACFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
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
<b>Age and Service Requirements:</b> Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final Average Salary (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 the 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 benefits receive a percentage reduction in the benefit amount.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 9 RETIREMENT PLANS (CONTINUED)**

**Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)**

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3%. A death benefit of \$500-\$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Traditional Pension Plan and Combined Plan. Death benefits are not available to beneficiaries of Member-Directed Plan participants.

**Funding Policy**

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

	2023	2022
Statutory Maximum Contribution Rates:		
Employer	14.0 %	14.0 %
Employee	10.0	10.0
Actual Contribution Rates:		
Total Employer	14.0 %	14.0 %
Total Employee	10.0 %	10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payrolls. The District's contractually required contribution was \$782,920 for 2023 and \$700,181 for 2022. All required contributions have been paid.

The net pension liability/(asset) for OPERS for 2023 and 2022 was measured as of December 31, 2022 and 2021, respectively, and the total pension liability 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. Following is information related to the proportionate share and pension expense for December 31, 2023 and 2022:

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 9 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
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 (Revenue)	\$ 1,461,150	\$ 9,106
	2022	
	Traditional	Combined
Proportionate Share of the Net Pension Liability (Asset)	\$ 2,853,559	\$ (108,478)
Proportion of the Net Pension Liability (Asset)	0.032798 %	0.027532 %
Pension Expense	\$ (360,900)	\$ (2,975)

At December 31, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023	
	Traditional	Combined
Deferred Outflows of Resources:		
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ 316,573	\$ 4,486
Changes of Assumptions	100,686	4,831
Differences Between Expected and Actual Experience	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	\$ 3,930,574	\$ 61,474
Deferred Inflows of Resources:		
Net Differences between Projected and Actual Earnings on Pension Plan Investments	\$ -	\$ 10,426
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	56,385	14,504
Total Deferred Inflows of Resources	\$ 56,385	\$ 24,930

**NORTHWESTERN WATER & SEWER DISTRICT  
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DECEMBER 31, 2023 AND 2022**

**NOTE 9 RETIREMENT PLANS (CONTINUED)**

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

	2022	
	Traditional	Combined
Deferred Outflows of Resources:		
Differences Between Expected and Actual Experience	\$ 145,470	\$ 673
Changes of Assumptions	356,835	5,451
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	149,982	6,080
Subtotal	652,287	12,204
District Contributions Subsequent to the Measurement Date	700,181	20,215
Total Deferred Outflows of Resources	\$ 1,352,468	\$ 32,419
Deferred Inflows of Resources:		
Net Differences between Projected and Actual Earnings on Pension Plan Investments	\$ 62,586	\$ 12,134
Differences Between Expected and Actual Experience	3,394,204	23,256
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	-	7,192
Total Deferred Inflows of Resources	\$ 3,456,790	\$ 42,582

Amounts reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date in the previous table will be recognized as a reduction in the net pension (asset) liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	Traditional	Combined
2024	\$ 366,250	\$ (215)
2025	616,411	2,844
2026	799,621	4,731
2027	1,330,769	9,632
2028	-	(1,255)
Thereafter	-	(975)
Total	\$ 3,113,051	\$ 14,762

**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, 2023 AND 2022**

**NOTE 9 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, 2022 and 2021, 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 COLA or Ad Hoc COLA	2.75% - 10.75%	3.25% - 8.25%
Investment Rate of Return	3% Simple	3% Simple
	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, 2021, 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 changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2% down to 6.9%, for the defined benefit investments.

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

The long-term 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 asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.



**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 9 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:

	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)
	2022		
	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	\$ 7,523,533	\$ 2,853,559	\$ (1,032,481)
Combined Pension Plan	(80,944)	(108,478)	(129,951)

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS**

**Net OPEB Liability (Asset)**

As described in Note 9, 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, 2023 AND 2022**

**NOTE 10 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 2022 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 2023 and 2022.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 10 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, 2023 and 2022, 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, 2022 and 2021. 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.

<u>Measurement Date</u>	<u>Net OPEB Liability(Asset)</u>	<u>Proportionate Share</u>
December 31, 2022	\$ 204,566	0.032444 %
December 31, 2021	\$ (1,032,545)	0.032966 %

For the years ended December 31, 2023 and 2022, the District recognized OPEB expense (revenue) of (\$328,750) and (\$855,065), respectively.

At December 31, 2023 and 2022, the District reported deferred outflow of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>2023</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
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>
	<u>2022</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Projected and Actual Experience	\$ -	\$ 156,622
Changes of Assumption	-	417,963
Differences Between Projected and Actual Investment Earnings	-	492,244
Change in Proportionate Share	34,238	-
Total	<u>\$ 34,238</u>	<u>\$ 1,066,829</u>

There are no contributions subsequent to the measurement date because the contribution rate was 0% for 2023 and 2022.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (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>	Net Deferred Outflows (Inflows)
2024	\$ 71,565
2025	148,453
2026	126,690
2027	196,264
Total	<u>\$ 542,972</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:

	OPERS - as of 12/31/22	OPERS - as of 12/31/21
Inflation	2.75%	2.75%
Salary increases	2.75% - 10.75% (includes inflation)	2.75% - 10.75% (includes inflation)
Single discount rate of return	5.22%	6.00%
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 2036	5.5% initial, 3.50% ultimate in 2034

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, 2022, rolled forward to the measurement date of December 31, 2023. The total 2022 OPEB asset was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Discount Rate**

A single discount rate of 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) 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 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 health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

A single discount rate of 6.0% was used to measure the OPEB liability on the measurement date of December 31, 2021. 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 6.00% and a municipal bond rate of 1.84%. 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 2121. As a result, the long-term expected rate of return on health care investments was applied to projected costs through 2121, and the municipal bond rate was applied to all health care costs after that date.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 10 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 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	100.00 %	

	2022	
	Target Allocation for 2021	Weighted Average Long-Term Expected Real Rate of Return
Asset Class:		
Fixed Income	34.00 %	0.91 %
Domestic Equity	25.00	3.78
Real Estate	7.00	3.71
International Equity	25.00	4.88
Risk Parity	2.00	2.92
Other Investments	7.00	1.93
Total	100.00 %	3.45 %



**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 10 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.

	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

	2022		
	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
District's Proportionate Share of the OPEB Liability/(Asset):	\$ (607,234)	\$ (1,032,545)	\$ (1,385,561)

	2022		
	1% Decrease (4.5%)	Health Care Rate (5.50%)	1% Increase (6.50%)
District's Proportionate Share of the OPEB Liability/(Asset):	\$ (1,043,704)	\$ (1,032,545)	\$ (1,019,309)

**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, 2023 and 2022.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11 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 240 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, 2023 and 2022 is as follows:

	December 31, 2022	Increase	Decrease	December 31, 2023	Due Within One Year
Sick Leave Payable	\$ 306,803	\$ 72,948	\$ 22,824	\$ 356,927	\$ 25,000
Vacation Pay	320,956	410,280	368,065	363,171	363,172
Compensatory Time	113,855	189,795	184,584	119,066	119,065
Total	<u>\$ 741,614</u>	<u>\$ 673,023</u>	<u>\$ 575,473</u>	<u>\$ 839,164</u>	<u>\$ 507,237</u>

	December 31, 2021	Increase	Decrease	December 31, 2022	Due Within One Year
Sick Leave Payable	\$ 289,571	\$ 43,002	\$ 25,770	\$ 306,803	\$ 25,000
Vacation Pay	333,090	358,826	370,960	320,956	320,957
Compensatory Time	108,769	159,332	154,246	113,855	113,855
Total	<u>\$ 731,430</u>	<u>\$ 561,160</u>	<u>\$ 550,976</u>	<u>\$ 741,614</u>	<u>\$ 459,812</u>

**NORTHWESTERN WATER & SEWER DISTRICT  
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DECEMBER 31, 2023 AND 2022**

**NOTE 12 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 2023 and 2022. 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 13 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, 2023.

**Construction Commitments**

At December 31, 2023, the District has construction commitments, on which work has not commenced, totaling \$7,343,221 which will be funded by existing resources or the issuance of new revenue debt. All projects were current at December 31, 2023.

**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, 2023 \$11,500,000 was restricted for related construction projects.

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 13 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**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, 2023, there are two such ordered areas with preliminary or updated cost estimates totaling \$7.5 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.

The District had approximately \$3,333,675 at December 31, 2023 in potential receivables related to special assessments that have been deferred by the County. The special assessments were deferred on properties, \$1,699,861 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 14 SEGMENT INFORMATION**

Significant financial data for the respective divisions of the December 31, 2023 and 2022 is as follows:

**Statement of Net Position**

	2023			2022		
	Water	Sewer	Total	Water	Sewer	Total
Current Assets	\$ 32,689,623	\$ 15,910,463	\$ 48,600,086	\$ 20,273,108	\$ 12,703,332	\$ 32,976,440
Capital Assets	112,382,854	128,650,327	241,033,181	104,613,449	123,844,292	228,457,741
Other Assets	3,951,152	3,805,237	7,756,389	3,366,407	4,716,450	8,082,857
Total Assets	149,023,629	148,366,027	297,389,656	128,252,964	141,264,074	269,517,038
Deferred Outflows of Resources	2,420,120	2,630,658	5,050,778	892,609	975,135	1,867,744
Current Liabilities	5,791,178	7,258,458	13,049,636	6,030,333	7,125,655	13,155,988
Long-Term Liabilities	51,859,824	56,850,448	108,710,272	42,325,561	51,449,796	93,775,357
Total Liabilities	57,651,002	64,108,906	121,759,908	48,355,894	58,575,451	106,931,345
Deferred Inflows of Resources	71,576	77,541	149,117	2,192,229	2,373,972	4,566,201
Net Investment In Capital Assets	64,490,248	74,617,405	139,107,653	62,365,295	71,754,437	134,119,732
Restricted	9,155,809	3,524,973	12,680,782	722,466	1,420,608	2,143,074
Unrestricted	20,075,114	8,667,860	28,742,974	15,509,689	8,114,741	23,624,430
Total Net Position	\$ 93,721,171	\$ 86,810,238	\$ 180,531,409	\$ 78,597,450	\$ 81,289,786	\$ 159,887,236

**NORTHWESTERN WATER & SEWER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022**

**NOTE 14 SEGMENT INFORMATION (CONTINUED)**

**Statement of Revenues, Expenses, and Changes in Net Position**

	2023			2022		
	Water	Sewer	Total	Water	Sewer	Total
Utility Revenues	\$ 21,341,469	\$ 13,017,394	\$ 34,358,863	\$ 19,851,135	\$ 12,179,769	\$ 32,030,904
Other Revenues	1,036,599	513,287	1,549,886	850,363	536,815	1,387,178
Total Operating Revenues	22,378,068	13,530,681	35,908,749	20,701,498	12,716,584	33,418,082
Depreciation and Amortization	4,644,367	5,545,497	10,189,864	4,394,654	5,530,405	9,925,059
Other Operating Expenses	15,559,923	7,288,215	22,848,138	13,361,078	5,670,617	19,031,695
Total Operating Expenses	20,204,290	12,833,712	33,038,002	17,755,732	11,201,022	28,956,754
Operating Income	2,173,778	696,969	2,870,747	2,945,766	1,515,562	4,461,328
Interest Expense	(900,921)	(1,108,884)	(2,009,805)	(836,497)	(1,070,169)	(1,906,666)
Other Nonoperating Revenues	411,548	487,233	898,781	20,350	23,721	44,071
Total Non-Operating Revenues (Expenses)	(489,373)	(621,651)	(1,111,024)	(816,147)	(1,046,448)	(1,862,595)
Aid in Construction	13,439,316	5,445,134	18,884,450	697,415	2,365,677	3,063,092
Change in Net Position	15,123,721	5,520,452	20,644,173	2,827,034	2,834,791	5,661,825
Net Position:						
Beginning of Year	78,597,450	81,289,786	159,887,236	75,770,416	78,454,995	154,225,411
End of Year	\$ 93,721,171	\$ 86,810,238	\$ 180,531,409	\$ 78,597,450	\$ 81,289,786	\$ 159,887,236

**Statement of Cash Flows**

	2023			2022		
	Water	Sewer	Total	Water	Sewer	Total
Net Cash Provided (Used) by:						
Operations	\$ 6,330,770	\$ 6,422,784	\$ 12,753,554	\$ 6,976,685	\$ 5,501,256	\$ 12,477,941
Capital And Related Financing Activities	5,469,126	(3,250,178)	2,218,948	162,092	168,060	330,152
Investing Activities	189,074	190,882	379,956	(11,012,943)	(5,035,522)	(16,048,465)
Cash and Cash Equivalents Beginning of Year	12,540,330	5,428,805	17,969,135	16,414,496	4,795,011	21,209,507
End of Year	\$ 24,529,300	\$ 8,792,293	\$ 33,321,593	\$ 12,540,330	\$ 5,428,805	\$ 17,969,135

**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	0.032264%	0.032798%	0.031795%	0.00031 %	0.03173 %	0.03029 %	0.02775 %	0.02676 %	0.02673 %	0.02677 %
District's Proportionate Share of the Net Pension Liability	\$ 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	\$ 3,151,119
District's Covered Payroll	\$ 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	\$ 3,316,717
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	190.57 %	58.41 %	102.18 %	136.53 %	197.69 %	116.22 %	175.67 %	139.17 %	98.39 %	95.01 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.74 %	92.62 %	86.88 %	84.17 %	74.70 %	84.66 %	77.25 %	81.08 %	86.45 %	86.36 %

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) This Schedule only shows the Traditional Plan. The Combined Plan is insignificant.
- (3) 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)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 782,920	\$ 700,181	\$ 683,969	\$ 645,089	\$ 633,104	\$ 615,466	\$ 531,506	\$ 430,393	\$ 399,692	\$ 393,213
Contributions in Relation to the Contractually Required Contribution	(782,920)	(700,181)	(683,969)	(645,089)	(633,104)	(615,466)	(531,506)	(430,393)	(399,692)	(398,006)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Covered Payroll	\$ 5,592,286	\$ 5,001,293	\$ 4,885,493	\$ 4,607,779	\$ 4,522,171	\$ 4,734,354	\$ 4,429,217	\$ 3,586,608	\$ 3,330,767	\$ 3,316,717
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 SEVEN YEARS**

	2023	2022	2021	2020	2019	2018	2017
District's Proportion of the Net OPEB Liability	0.03244 %	0.03297 %	0.03216 %	0.03153 %	0.03196 %	0.03042 %	0.03042 %
District's Proportionate Share of the Net OPEB Liability(Asset)	\$ 204,566	\$ (1,032,545)	\$ (572,879)	\$ 4,354,588	\$ 4,167,222	\$ 3,072,776	\$ 3,072,776
District's Covered Payroll	\$ 5,001,293	\$ 4,885,493	\$ 4,607,779	\$ 4,522,171	\$ 4,396,186	\$ 4,088,508	\$ 3,586,608
District's Proportionate Share of the Net OPEB Liability(Asset) as a Percentage of its Covered Payroll	4.09 %	(21.13)%	(12.43)%	96.29 %	94.79 %	75.16 %	85.67 %
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	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**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,584	\$ 71,732	\$ 65,616	\$ 35,489
Contributions in Relation to the Contractually Required Contribution	-	-	-	-	-	-	(88,584)	(71,732)	(65,616)	(35,489)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Covered Payroll	\$ 5,592,286	\$ 5,001,293	\$ 4,885,493	\$ 4,607,779	\$ 4,522,171	\$ 4,734,354	\$ 4,429,217	\$ 3,586,608	\$ 3,330,767	\$ 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, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>REVENUES</b>				
Operating Revenue:				
Utility Revenues	\$ 31,553,775	\$ 34,358,861	\$ 34,358,863	\$ 2
Other Operating Revenues	1,120,000	1,549,872	14,501,705	12,951,833
Nonoperating Revenue - Interest	450,000	504,297	752,470	248,173
Total Revenues	<u>33,123,775</u>	<u>36,413,030</u>	<u>49,613,038</u>	<u>13,200,008</u>
<b>EXPENSES</b>				
Operating Expenses:				
Operations and Maintenance	21,757,791	22,623,504	23,197,221	573,717
Debt Retirement	7,922,311	8,607,686	8,470,892	(136,794)
Total Expenses	<u>29,680,102</u>	<u>31,231,190</u>	<u>31,668,113</u>	<u>436,923</u>
<b>OPERATING INCOME</b>	3,443,673	5,181,840	17,944,925	12,763,085
<b>RECONCILIATION TO CHANGE IN NET POSITION</b>				
Aid on Construction:				
Grants and Other	17,446,752	5,071,483	5,071,483	-
System Development Fees	4,000	733,940	733,940	-
Antidegradation Credits	40,000	127,208	127,208	-
Total Aid in Construction	<u>17,490,752</u>	<u>5,932,631</u>	<u>5,932,631</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 20,934,425</u>	<u>\$ 11,114,471</u>	<u>\$ 23,877,556</u>	<u>\$ 12,763,085</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 2023 financial statements is as follows:

Change in Net Position - Budgetary Basis Above	\$ 23,877,556
GASB 68	687,536
GASB 75	(338,453)
Depreciation and Amortization	(10,189,864)
Principal Payments on Debt	<u>6,607,398</u>
<b>CHANGE IN NET POSITION - GAAP</b>	<u>\$ 20,644,173</u>

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

<b>ASSETS</b>	<u>Water</u>	<u>Sewer</u>	<u>Eliminations</u>	<u>Combined</u>
<b>CURRENT ASSETS</b>				
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>
<b>NONCURRENT ASSETS</b>				
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	<u>3,696,259</u>	<u>3,492,838</u>	<u>-</u>	<u>7,189,097</u>
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	<u>9,841,874</u>	<u>12,200,430</u>	<u>-</u>	<u>22,042,304</u>
Net Capital Assets	<u>112,382,854</u>	<u>128,650,327</u>	<u>-</u>	<u>241,033,181</u>
<b>OTHER ASSETS</b>				
Special Assessments, Less Current Portion	3,916,129	3,767,295	-	7,683,424
Net Pension Asset	<u>35,023</u>	<u>37,942</u>	<u>-</u>	<u>72,965</u>
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>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on Debt Refunding	210,765	237,190	-	447,955
Pension	1,916,183	2,075,865	-	3,992,048
OPEB	<u>293,172</u>	<u>317,603</u>	<u>-</u>	<u>610,775</u>
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**

<b>LIABILITIES AND NET POSITION</b>	<u>Water</u>	<u>Sewer</u>	<u>Eliminations</u>	<u>Combined</u>
<b>CURRENT LIABILITIES</b>				
Current Portion of Long-Term Debt	\$ 3,208,358	\$ 3,421,791	\$ -	\$ 6,630,149
Current Portion of Compensated Absences	243,474	263,763	-	507,237
Accounts Payable - Trade	1,578,545	1,852,470	-	3,431,015
Accrued Payroll and Payroll Taxes	187,624	307,061	-	494,685
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	<u>5,791,178</u>	<u>7,258,458</u>	-	<u>13,049,636</u>
<b>LONG-TERM LIABILITIES</b>				
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	159,325	172,602	-	331,927
Total Long-Term Liabilities	<u>51,859,824</u>	<u>56,850,448</u>	-	<u>108,710,272</u>
Total Liabilities	57,651,002	64,108,906	-	121,759,908
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension	39,031	42,284	-	81,315
OPEB	32,545	35,257	-	67,802
Total Deferred Inflows of Resources	<u>71,576</u>	<u>77,541</u>	-	<u>149,117</u>
Total Liabilities and Deferred Inflows	<u>\$ 57,722,578</u>	<u>\$ 64,186,447</u>	<u>\$ -</u>	<u>\$ 121,909,025</u>
<b>NET POSITION</b>				
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	20,075,114	8,667,860	-	28,742,974
Total Net Position	<u>\$ 93,721,171</u>	<u>\$ 86,810,238</u>	<u>\$ -</u>	<u>\$ 180,531,409</u>

**NORTHWESTERN WATER & SEWER DISTRICT  
SCHEDULE OF NET POSITION –  
INFORMATION BY DIVISION  
DECEMBER 31, 2022**

<b>ASSETS</b>	<u>Water</u>	<u>Sewer</u>	<u>Eliminations</u>	<u>Combined</u>
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents:				
Unrestricted	\$ 11,013,173	\$ 2,854,981	\$ -	\$ 13,868,154
Restricted	1,527,157	2,573,824	-	4,100,981
Investments:				
Unrestricted	3,218,462	3,664,870	-	6,883,332
Restricted	1,166,470	-	-	1,166,470
Accounts Receivable - Trade	1,914,016	1,554,392	-	3,468,408
Grants Receivable	36,947	1,216,361	-	1,253,308
Current Portion of Special Assessments	491,151	441,468	-	932,619
Inventory	803,882	262,872	-	1,066,754
Prepaid Expenses	101,850	134,564	-	236,414
Total Current Assets	<u>20,273,108</u>	<u>12,703,332</u>	<u>-</u>	<u>32,976,440</u>
<b>NONCURRENT ASSETS</b>				
Capital Assets (Depreciable):				
Sewer and Water Lines	112,590,185	153,587,298	-	266,177,483
Buildings, Pumps, and Lift Stations	22,478,220	35,371,287	-	57,849,507
Machinery and Equipment	11,275,639	8,784,166	-	20,059,805
Vehicles	1,791,210	2,818,865	-	4,610,075
Furniture and Fixtures	226,360	288,982	-	515,342
Computer Equipment	1,231,146	1,966,806	-	3,197,952
Improvements - Oregon Waste Water Treatment Plant	<u>3,696,259</u>	<u>3,492,838</u>	<u>-</u>	<u>7,189,097</u>
Total Depreciable Capital Assets	<u>153,289,019</u>	<u>206,310,242</u>	<u>-</u>	<u>359,599,261</u>
Accumulated Depreciation and Amortization	<u>(61,471,736)</u>	<u>(93,635,521)</u>	<u>-</u>	<u>(155,107,257)</u>
Net Depreciable Capital Assets	<u>91,817,283</u>	<u>112,674,721</u>	<u>-</u>	<u>204,492,004</u>
Capital Assets (Nondepreciable):				
Land	349,874	479,707	-	829,581
Easements	171,025	328,608	-	499,633
Construction in Process	<u>12,275,267</u>	<u>10,361,256</u>	<u>-</u>	<u>22,636,523</u>
Net Capital Assets	<u>104,613,449</u>	<u>123,844,292</u>	<u>-</u>	<u>228,457,741</u>
<b>OTHER ASSETS</b>				
Special Assessments, Less Current Portion	2,818,711	4,123,123	-	6,941,834
Net Pension Asset	52,069	56,409	-	108,478
Net OPEB Asset	<u>495,627</u>	<u>536,918</u>	<u>-</u>	<u>1,032,545</u>
Total Other Assets	<u>3,366,407</u>	<u>4,716,450</u>	<u>-</u>	<u>8,082,857</u>
Total Noncurrent Assets	<u>107,979,856</u>	<u>128,560,742</u>	<u>-</u>	<u>236,540,598</u>
Total Assets	<u>128,252,964</u>	<u>141,264,074</u>	<u>-</u>	<u>269,517,038</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on Debt Refunding	211,429	237,190	-	448,619
Pension	664,746	720,141	-	1,384,887
OPEB	<u>16,434</u>	<u>17,804</u>	<u>-</u>	<u>34,238</u>
Total Deferred Outflows of Resources	<u>892,609</u>	<u>975,135</u>	<u>-</u>	<u>1,867,744</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 129,145,573</u>	<u>\$ 142,239,209</u>	<u>\$ -</u>	<u>\$ 271,384,782</u>

**NORTHWESTERN WATER & SEWER DISTRICT  
SCHEDULE OF NET POSITION –  
INFORMATION BY DIVISION (CONTINUED)  
DECEMBER 31, 2022**

<b>LIABILITIES AND NET POSITION</b>	<u>Water</u>	<u>Sewer</u>	<u>Eliminations</u>	<u>Combined</u>
<b>CURRENT LIABILITIES</b>				
Current Portion of Long-Term Debt	\$ 2,997,751	\$ 3,024,987	\$ -	\$ 6,022,738
Current Portion of Compensated Absences	220,710	239,102	-	459,812
Accounts Payable - Trade	1,946,318	2,338,549	-	4,284,867
Accrued Payroll and Payroll Taxes	180,710	165,722	-	346,432
Accrued Interest Payable	354,911	502,022	-	856,933
Current Portion of Subscriptions Payable	4,750	5,146	-	9,896
Amounts Due Others	315,183	850,127	-	1,165,310
Unearned Revenues	10,000	-	-	10,000
Total Current Liabilities	<u>6,030,333</u>	<u>7,125,655</u>	-	<u>13,155,988</u>
<b>LONG-TERM LIABILITIES</b>				
Long-Term Debt, Less Current Portion	40,813,525	49,811,756	-	90,625,281
Long-Term Subscriptions Payable	7,063	7,652	-	14,715
Net Pension Liability	1,369,708	1,483,851	-	2,853,559
Compensated Absences Payable, Less Current Portion	135,265	146,537	-	281,802
Total Long-Term Liabilities	<u>42,325,561</u>	<u>51,449,796</u>	-	<u>93,775,357</u>
Total Liabilities	48,355,894	58,575,451	-	106,931,345
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension	1,679,698	1,819,674	-	3,499,372
OPEB	512,531	554,298	-	1,066,829
Total Deferred Inflows of Resources	<u>2,192,229</u>	<u>2,373,972</u>	-	<u>4,566,201</u>
Total Liabilities and Deferred Inflows	<u>\$ 50,548,123</u>	<u>\$ 60,949,423</u>	<u>\$ -</u>	<u>\$ 111,497,546</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 62,365,295	\$ 71,754,437	\$ -	\$ 134,119,732
Restricted for Debt Service	174,770	827,281	-	1,002,051
Restricted for Net Pension/OPEB Asset	547,696	593,327	-	1,141,023
Unrestricted	15,509,689	8,114,741	-	23,624,430
Total Net Position	<u>\$ 78,597,450</u>	<u>\$ 81,289,786</u>	<u>\$ -</u>	<u>\$ 159,887,236</u>



**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
<b>OPERATING REVENUES</b>				
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	<u>22,378,068</u>	<u>13,530,681</u>	<u>-</u>	<u>35,908,749</u>
<b>OPERATING EXPENSES</b>				
Depreciation and Amortization	4,644,367	5,545,497	-	10,189,864
Labor	2,635,975	2,723,184	-	5,359,159
Employee Benefits	1,099,539	1,138,834	-	2,238,373
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	<u>20,204,290</u>	<u>12,833,712</u>	<u>-</u>	<u>33,038,002</u>
<b>OPERATING INCOME</b>	2,173,778	696,969	-	2,870,747
<b>NONOPERATING REVENUES (EXPENSES)</b>				
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)	<u>(489,373)</u>	<u>(621,651)</u>	<u>-</u>	<u>(1,111,024)</u>
<b>AID IN CONSTRUCTION</b>	<u>13,439,316</u>	<u>5,445,134</u>	<u>-</u>	<u>18,884,450</u>
<b>CHANGE IN NET POSITION</b>	15,123,721	5,520,452	-	20,644,173
<b>NET POSITION</b>				
Beginning of Year	<u>78,597,450</u>	<u>81,289,786</u>	<u>-</u>	<u>159,887,236</u>
End of Year	<u>\$ 93,721,171</u>	<u>\$ 86,810,238</u>	<u>\$ -</u>	<u>\$ 180,531,409</u>

**NORTHWESTERN WATER & SEWER DISTRICT**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION –**  
**INFORMATION BY DIVISION**  
**YEAR ENDED DECEMBER 31, 2022**

	Water	Sewer	Eliminations	Combined
<b>OPERATING REVENUES</b>				
Utility Revenue	\$ 19,851,135	\$ 12,179,769	\$ -	\$ 32,030,904
Fees and Permits	373,760	114,057	-	487,817
Contract Services	51,255	219,580	-	270,835
WaterShed Revenue	233,236	-	-	233,236
Other Operating Revenues	192,112	203,178	-	395,290
Total Operating Revenues	<u>20,701,498</u>	<u>12,716,584</u>	<u>-</u>	<u>33,418,082</u>
<b>OPERATING EXPENSES</b>				
Depreciation and Amortization	4,395,379	5,530,405	-	9,925,784
Labor	2,426,179	2,495,991	-	4,922,170
Employee Benefits	(93,745)	(172,713)	-	(266,458)
Professional Services	953,424	801,980	-	1,755,404
Purchased Water and Sewer Treatment	8,272,013	383,108	-	8,655,121
Materials And Supplies	864,115	1,158,169	-	2,022,284
Utilities	375,668	410,897	-	786,565
Other	562,699	593,185	-	1,155,884
Total Operating Expenses	<u>17,755,732</u>	<u>11,201,022</u>	<u>-</u>	<u>28,956,754</u>
<b>OPERATING INCOME</b>	2,945,766	1,515,562	-	4,461,328
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Net Investment Income	1,183	921	-	2,104
Interest Expense	(836,497)	(1,070,169)	-	(1,906,666)
Other Income	19,167	22,800	-	41,967
Total Nonoperating Revenues (Expenses)	<u>(816,147)</u>	<u>(1,046,448)</u>	<u>-</u>	<u>(1,862,595)</u>
<b>AID IN CONSTRUCTION</b>	<u>697,415</u>	<u>2,365,677</u>	<u>-</u>	<u>3,063,092</u>
<b>CHANGE IN NET POSITION</b>	2,827,034	2,834,791	-	5,661,825
<b>NET POSITION</b>				
Beginning of Year	<u>75,770,416</u>	<u>78,454,995</u>	<u>-</u>	<u>154,225,411</u>
End of Year	<u>\$ 78,597,450</u>	<u>\$ 81,289,786</u>	<u>\$ -</u>	<u>\$ 159,887,236</u>

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

	Water	Sewer	Eliminations	Combined
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating Income	\$ 2,173,778	\$ 696,969	\$ -	\$ 2,870,747
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	141,339	-	148,253
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	593,819	643,292	-	1,237,111
Compensated Absences Payable	46,824	50,726	-	97,550
Unearned Revenues	(1,000)	-	-	(1,000)
Deferred Inflows - Pension	(1,640,667)	(1,777,390)	-	(3,418,057)
Deferred Inflows - OPEB	(479,986)	(519,041)	-	(999,027)
Net Cash Provided by Operations	<u>6,330,770</u>	<u>6,422,784</u>	<u>-</u>	<u>12,753,554</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
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	<u>189,074</u>	<u>190,882</u>	<u>-</u>	<u>379,956</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
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 Used by Capital and Related Financing Activities	<u>5,469,126</u>	<u>(3,250,178)</u>	<u>-</u>	<u>2,218,948</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	11,988,970	3,363,488	-	15,352,458
<b>CASH AND CASH EQUIVALENTS</b>				
Beginning of Year	<u>12,540,330</u>	<u>5,428,805</u>	<u>-</u>	<u>17,969,135</u>
End of Year	<u>\$ 24,529,300</u>	<u>\$ 8,792,293</u>	<u>\$ -</u>	<u>\$ 33,321,593</u>

**NORTHWESTERN WATER & SEWER DISTRICT  
SCHEDULE OF CASH FLOWS –  
INFORMATION BY DIVISION  
YEAR ENDED DECEMBER 31, 2022**

	Water	Sewer	Eliminations	Combined
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating Income	\$ 2,945,766	\$ 1,515,562	\$ -	\$ 4,461,328
Adjustments to Reconcile Operating Income to Net Cash Provided by Operations:				
Depreciation and Amortization	4,395,379	5,530,405	-	9,925,784
Effects of Changes in Operating Assets and Liabilities:				
Accounts Receivable - Trade	(182,358)	452,337	-	269,979
Grant Receivable	(36,947)	(296,917)	-	(333,864)
Inventory	(352,434)	(79,359)	-	(431,793)
Prepaid Expenses	39,567	(31,252)	-	8,315
Net Pension Asset	(7,915)	(15,652)	-	(23,567)
Deferred Outflows - Refunding	-	3,566	-	3,566
Deferred Outflows - Pension	(294,887)	(319,460)	-	(614,347)
Deferred Outflows - OPEB	162,578	139,541	-	302,119
Accounts Payable - Trade	1,057,446	221,661	-	1,279,107
Accrued Payroll and Payroll Taxes	14,525	(8,054)	-	6,471
Accounts Due to Others	1,648	133,896	-	135,544
Net Pension Liability	(893,600)	(960,989)	-	(1,854,589)
Net OPEB Asset	(220,640)	(239,026)	-	(459,666)
Compensated Absences Payable	4,846	5,338	-	10,184
Unearned Revenues	3,000	(919,444)	-	(916,444)
Deferred Inflow - Pension	675,269	731,541	-	1,406,810
Deferred Inflows - OPEB	(334,558)	(362,438)	-	(696,996)
Net Cash Provided by Operations	<u>6,976,685</u>	<u>5,501,256</u>	<u>-</u>	<u>12,477,941</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment Income	1,183	921	-	2,104
Proceeds on Sale of Investments	661,741	512,779	-	1,174,520
Purchases of Investments	(500,832)	(345,640)	-	(846,472)
Net Cash Provided by Investing Activities	<u>162,092</u>	<u>168,060</u>	<u>-</u>	<u>330,152</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Aid in Construction	697,415	1,703,725	-	2,401,140
Acquisition and Construction of Capital Assets	(10,912,880)	(9,115,780)	-	(20,028,660)
Proceeds from Sale of Assets	19,167	22,800	-	41,967
Proceeds from Issuance of Long-Term Debt	3,197,577	6,906,797	-	10,104,374
Repayment of Long-Term Debt	(3,627,103)	(3,975,311)	-	(7,602,414)
Principal Payments on Subscriptions	(2,684)	(2,908)	-	(5,592)
Collections on Special Assessments	494,005	495,725	-	989,730
Assessed Special Assessments	(19,268)	(13,377)	-	(32,645)
Interest Paid	(859,172)	(1,057,193)	-	(1,916,365)
Net Cash Used by Financing Activities	<u>(11,012,943)</u>	<u>(5,035,522)</u>	<u>-</u>	<u>(16,048,465)</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	(3,874,166)	633,794	-	(3,240,372)
<b>CASH AND CASH EQUIVALENTS</b>				
Beginning of Year	<u>16,414,496</u>	<u>4,795,011</u>	<u>-</u>	<u>21,209,507</u>
End of Year	<u>\$ 12,540,330</u>	<u>\$ 5,428,805</u>	<u>\$ -</u>	<u>\$ 17,969,135</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.

<b><u>CONTENTS</u></b>	<b><u>PAGE</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>S2</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the District's ability to generate its water and sewer sales.	<b>S4</b>
<b>Debt Capacity</b> 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.	<b>S16</b>
<b>Demographic and Economic Information</b> 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.	<b>S21</b>
<b>Operating Information</b> 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.	<b>S24</b>
<b>Sources</b> 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)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net Investment in										
Capital Assets	\$ 139,107	\$ 134,120	\$ 126,876	\$ 127,683	\$ 121,662	\$ 122,085	\$ 117,942	\$ 114,559	\$ 107,364	\$ 102,403
Restricted	12,681	2,143	1,846	1,235	5,350	5,076	4,806	4,706	4,951	4,967
Unrestricted	28,743	23,625	25,503	18,792	13,127	9,970	14,807	12,485	10,488	13,258
<b>Total Net Position</b>	<b>\$ 180,531</b>	<b>\$ 159,888</b>	<b>\$ 154,225</b>	<b>\$ 147,710</b>	<b>\$ 140,139</b>	<b>\$ 137,131</b>	<b>\$ 137,555</b>	<b>\$ 131,750</b>	<b>\$ 122,803</b>	<b>\$ 120,628</b>

Source: District accounting records.



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

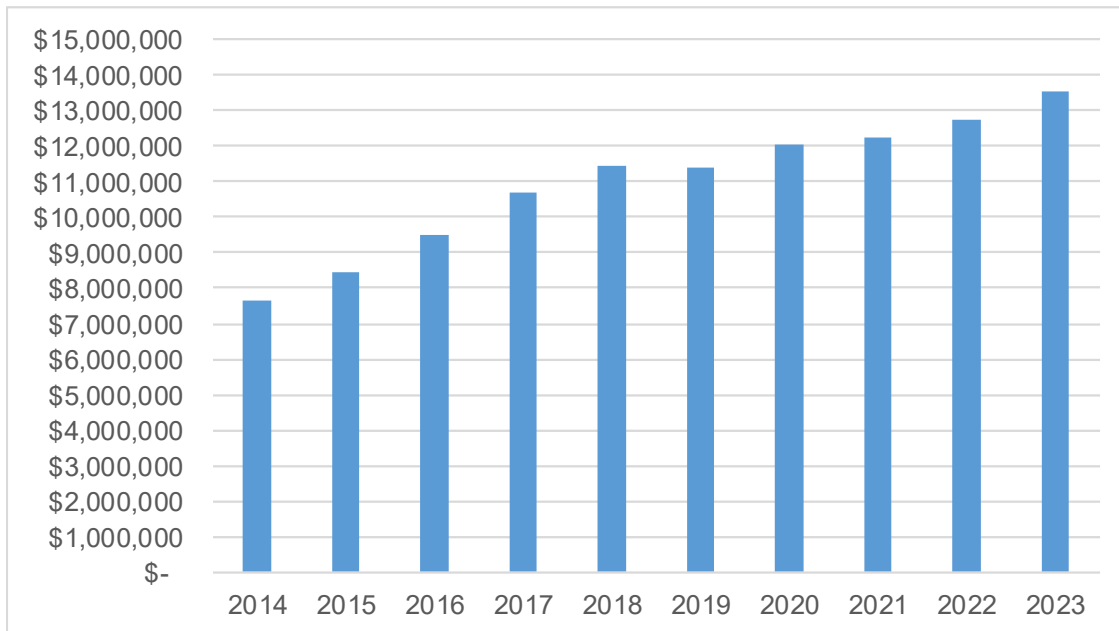
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating Revenue	\$ 35,909	\$ 33,418	\$ 32,427	\$ 31,538	\$ 29,029	\$ 29,079	\$ 27,527	\$ 25,053	\$ 22,081	\$ 20,359
Operating Expenses	33,039	28,957	25,721	29,235	29,006	26,064	25,132	22,210	19,984	19,297
Total Net Revenue (Expense)	2,870	4,461	6,706	2,303	23	3,015	2,395	2,843	2,097	1,062
Other Changes in Net Position:										
Nonoperating Revenues (Expenses)	(1,111)	(1,861)	(1,773)	(1,544)	(1,462)	(2,620)	(1,714)	(1,781)	(1,971)	(2,151)
Aid in Construction	18,884	3,063	1,582	6,812	4,447	2,253	5,124	7,885	4,731	6,149
Total Other Changes in Net Position	17,773	1,202	(191)	5,268	2,985	(367)	3,410	6,104	2,760	3,998
Change in Net Position	<u>\$ 20,643</u>	<u>\$ 5,663</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>	<u>\$ 5,060</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
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
2014	7,302,593	67,472	139,918	120,461	7,630,444	16.3



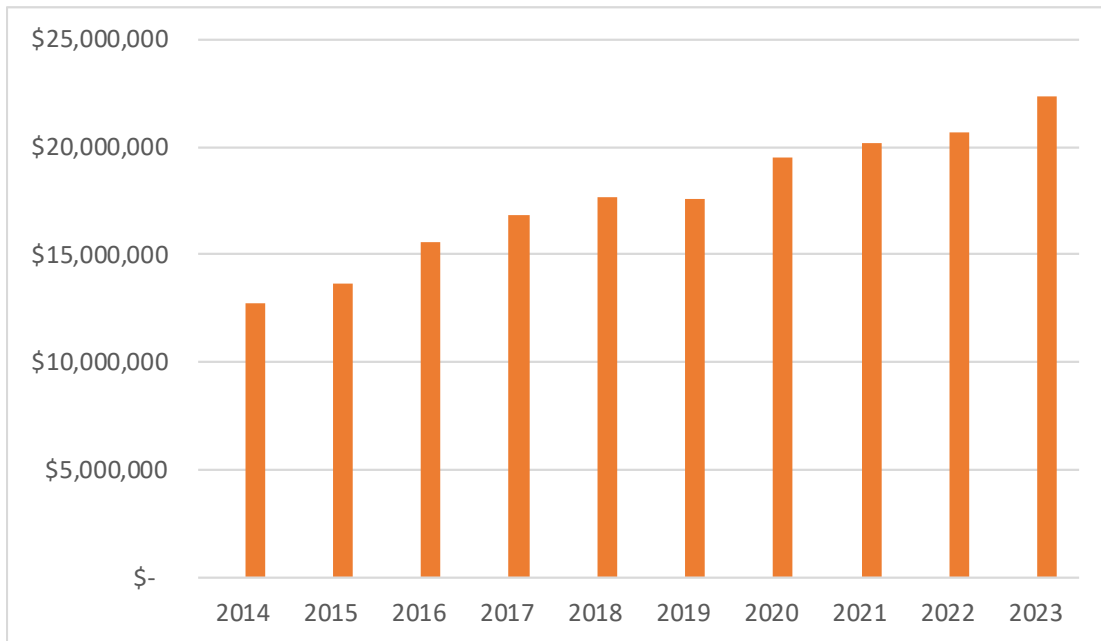
Source: District accounting records.





**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
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
2014	12,084,386	317,836	43,986	283,477	12,729,685	19.3



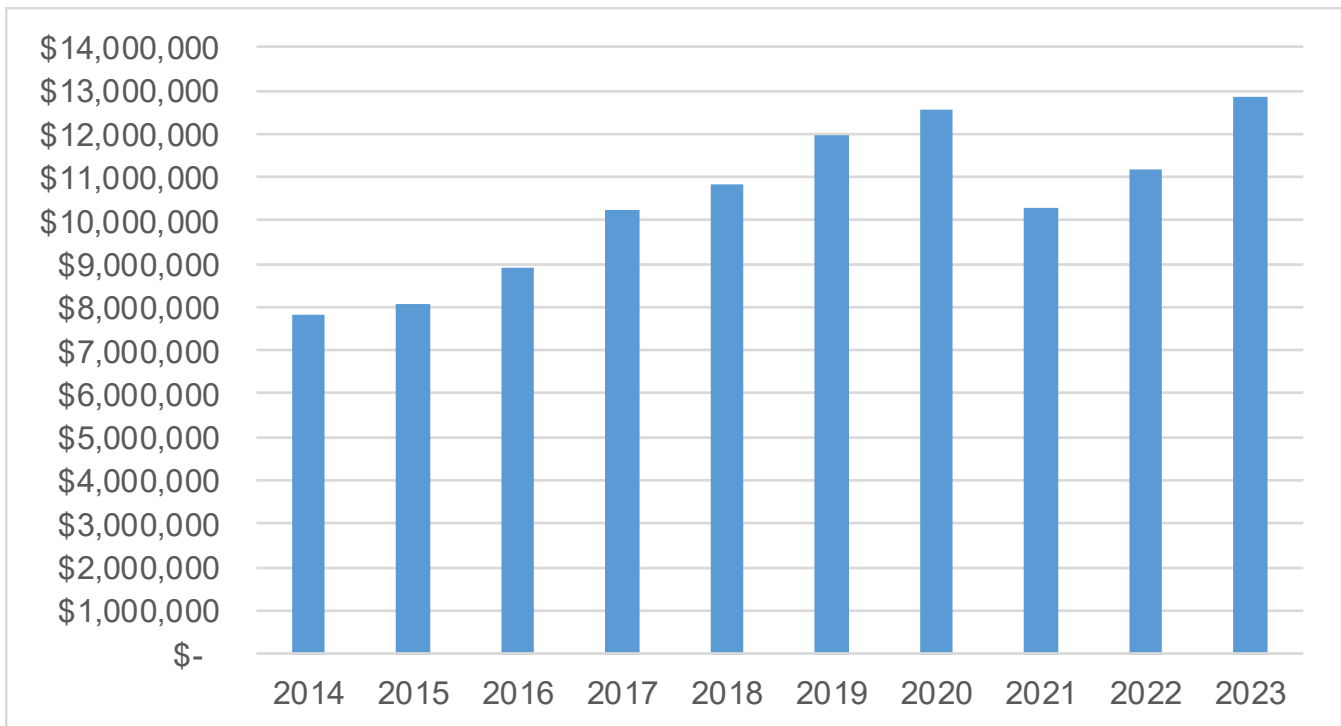
Source: District accounting records.



## 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
2023	\$ 2,723,184	\$ 1,138,834	\$ 917,837	\$ 1,127,221	\$ 406,892	\$ 5,545,497	\$ 974,247	\$ 12,833,712	14.6 %
2022	2,495,991	(172,713) *	801,980	1,157,715	414,144	5,527,351	976,747	11,201,215	8.6
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
2014	1,505,418	690,651	670,287	541,383	359,816	3,659,597	404,621	7,831,773	8.3

\* Negative balance due to GASB68 and GASB75 adjustments



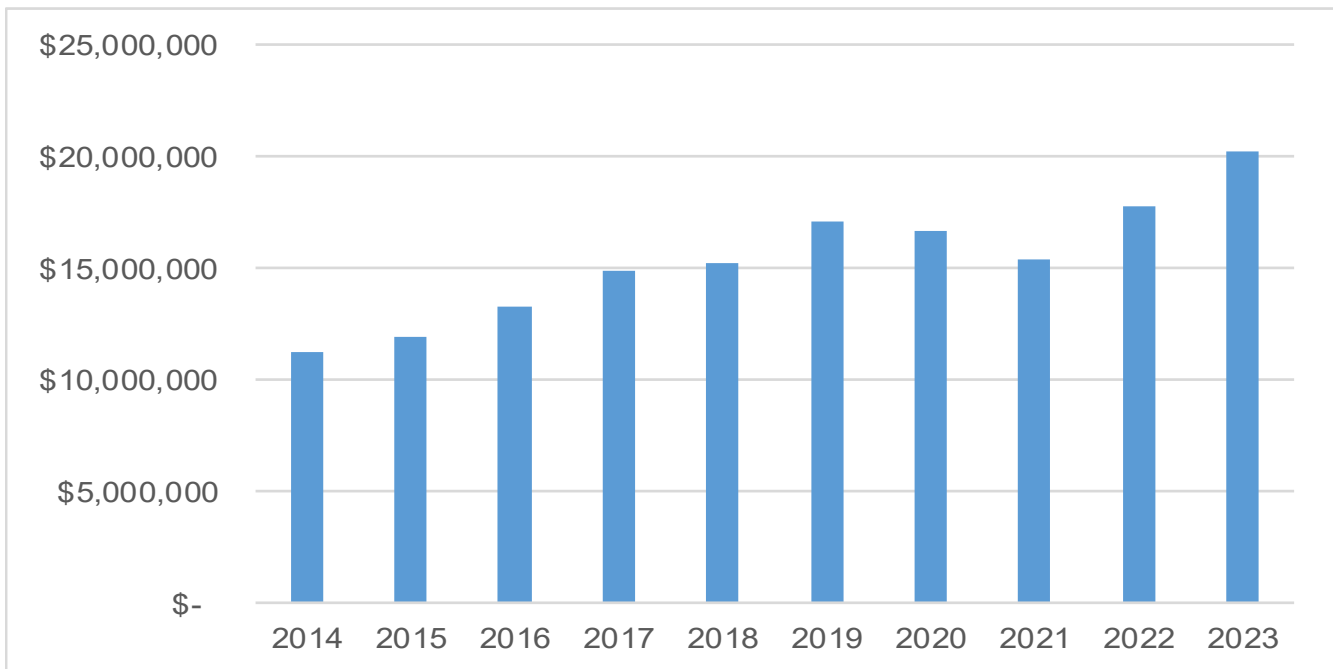
Source: District accounting records.



## 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
2023	\$ 2,635,975	\$ 1,099,539	\$ 852,521	\$ 9,160,998	\$ 884,915	\$ 381,613	\$ 4,644,367	\$ 544,362	\$ 20,204,290	13.8 %
2022	2,426,179	(93,745) *	953,424	8,272,013	864,115	378,664	4,392,560	562,699	17,755,909	15.2
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	12.1
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
2014	1,548,554	643,040	464,786	4,673,973	491,402	259,159	2,729,228	428,053	11,238,195	17.9

\* Negative balance due to GASB68 and GASB75 adjustments



Source: District accounting records.



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

Year Ended December 31,	Investment Income	Aid in Construction (1)	Other Income (Expense)	Total
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
2014	185,600	4,698,217	1,639	4,885,456

(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>
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
2014	303,021	1,450,260	(345,462)	1,407,819

(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
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
2014	12.70	25.40	19.49	43.13

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



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

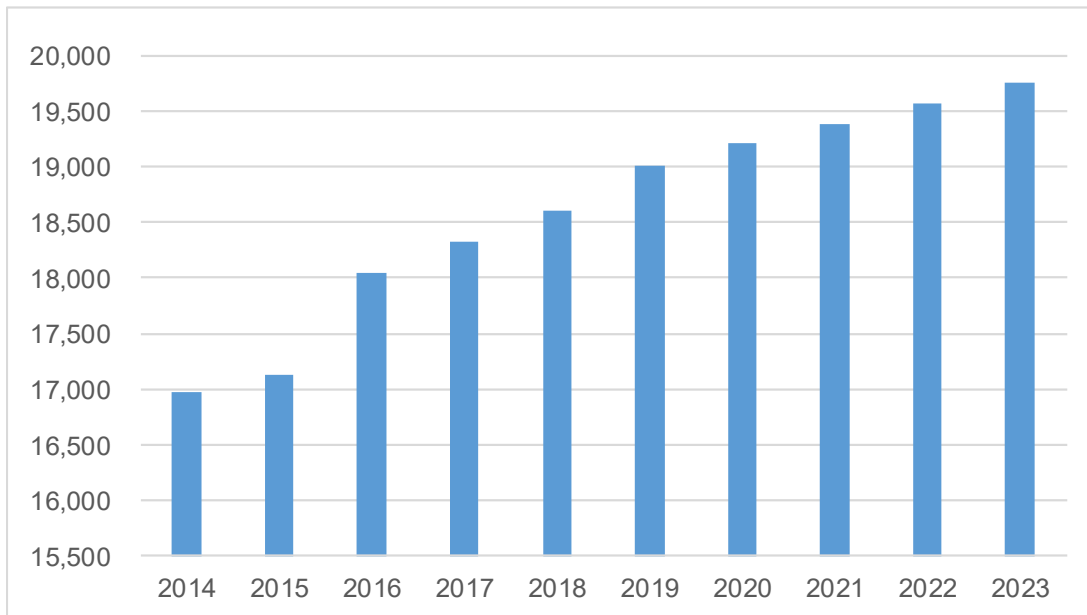
Year Ended December 31,	Minimum Charge		Volume Charges (1)
	Monthly	Quarterly	Distribution
2023	\$ 18.00	\$ 36.00	\$ 22.82
2022	17.15	34.30	22.20
2021	16.65	33.30	21.84
2020	16.65	33.30	21.84
2019	16.16	32.32	21.48
2018	15.69	31.38	21.14
2017	15.23	30.46	19.88
2016	14.79	29.58	17.33
2015	14.36	28.72	15.47
2014	13.94	27.88	13.71

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



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

<u>Year Ended December 31,</u>	<u>Average Number of Customers</u>	<u>Average Day (000's/Gal.)</u>	<u>Consumption (000's/Gal.)</u>
2014	16,979	4,344	1,585,600
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



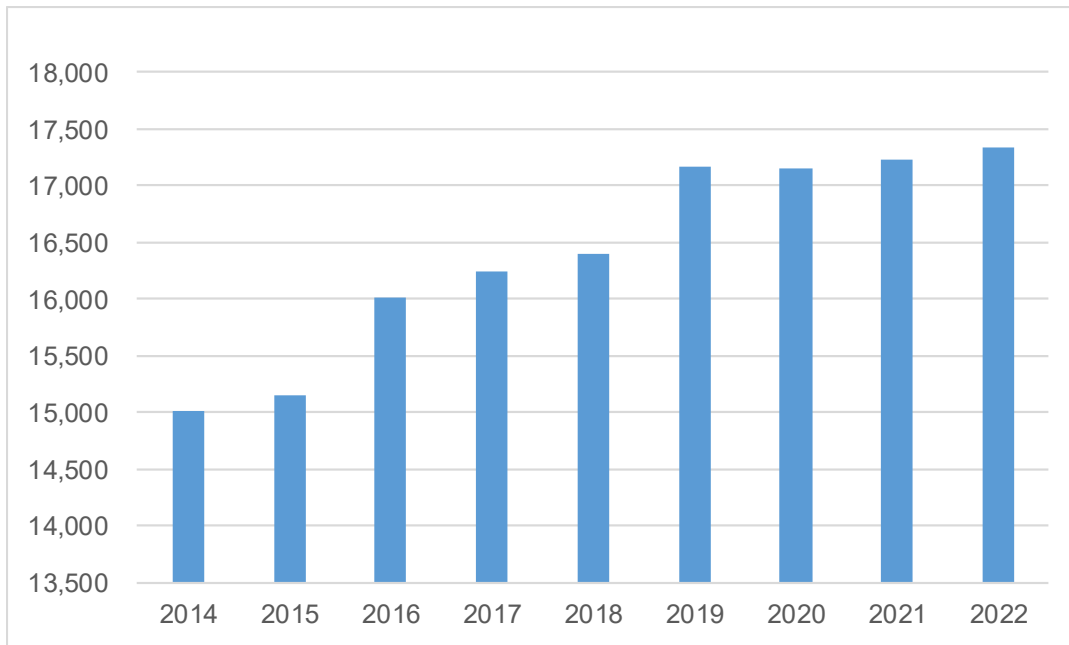
Source: District accounting records.





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

<u>Year Ended December 31,</u>	<u>Average Number of Customers</u>	<u>Average Day (000's/Gal.)</u>	<u>Total Annual Consumption (000's/Gal.)</u>
2014	15,009	4,425	1,615,268
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



Source: District accounting records.



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

<u>Customer</u>	2023		
	Total Billed Consumption (000's/Gal.)	Billed Charges	Percent of Total System Revenue
1. First Solar	257,585	\$ 1,247,811	9.14 %
2. Charter Steel**	68,812	240,945	1.77
3. MSC Walbridge Coatings	44,245	214,857	1.57
4. Chrysler	21,751	105,629	0.77
5. Friendly Village I and II MHP	18,975	92,201	0.68
6. Tracy Creek Apartments	18,312	92,536	0.68
7. LOF Pilkington	15,855	103,840	0.76
8. Hearthside	13,704	45,937	0.34
9. Perry Lake Village*	12,045	62,849	0.46
10. Norplas	10,775	52,329	0.38
Total	<u>482,059</u>	<u>\$ 2,258,934</u>	<u>16.55 %</u>

\*Billed at 70% of District Rate

\*\*New rate charged Eff 7/1/2020

<u>Customer</u>	2014		
	Total Billed Consumption (000's/Gal.)	Billed Charges	Percent of Total System Revenue
1. Charter Steel	87,889	\$ 229,156	3.00 %
2. First Solar	50,213	131,904	1.73
3. Pre-Finished Metals	41,324	107,826	1.41
4. Chrysler	38,057	99,467	1.30
5. Norplas	31,040	81,153	1.06
6. Friendly Village I and II MHP	30,433	79,449	1.04
7. Cintas	17,282	46,336	0.61
8. Holiday Inn Perrysburg Twp	14,653	38,333	0.50
9. Perry Lake Village	14,508	27,593	0.36
10. Walnut Hills Mobile Home Park	12,742	33,353	0.44
Total	<u>338,141</u>	<u>\$ 874,570</u>	<u>11.45 %</u>



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

<u>Customer</u>	2023		
	Total Billed Consumption (000's/Gal.)	Billed Charges	Percent of Total System Revenue
1. First Solar	341,121	\$ 1,064,025	4.73 %
2. Charter Steel**	68,812	189,128	0.84
3. MSC Walbridge Coatings	54,387	170,461	0.76
4. Jones Hamilton	27,702	88,130	0.39
5. Chrysler	21,751	75,431	0.34
6. Tracy Creek Apartments	19,912	70,049	0.31
7. Norplas	19,592	62,796	0.28
8. Friendly Village I and II MHP	18,975	66,963	0.30
9. Hearthside	15,855	190,711	0.85
10. NSG Glass	13,938	45,548	0.20
Total	<u>602,045</u>	<u>\$ 2,023,242</u>	<u>9.00 %</u>

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

\*\*New Rate Effective 7/1/2020

<u>Customer</u>	2014		
	Total Billed Consumption (000's/Gal.)	Billed Charges	Percentage of Total System Revenue
1. Charter Steel	79,256	\$ 158,204	1.24 %
2. First Solar	68,448	135,399	1.06
3. Prefinished Metals	45,152	86,270	0.68
4. Norplas	38,582	73,058	0.57
5. Chrysler	38,057	76,780	0.60
6. Jones Hamilton	32,281	61,994	0.49
7. MSB Dairy	29,660	171,197	1.34
8. Friendly Village I and II MHP	17,282	38,702	0.30
9. Cintas	15,106	30,012	0.24
10. Perry Lake Village	14,508	21,276	0.17
Total	<u>378,332</u>	<u>\$ 852,892</u>	<u>6.69 %</u>



## NORTHWESTERN WATER & SEWER DISTRICT RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN YEARS

Debt By Type In Thousands	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenue Bond Issues:</b>										
\$2,165 Series 2004B	\$ 1,290	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$1,200 Series 2005A	770	715	660	-	-	-	-	-	-	-
\$6,910 Series 2008	5,400	5,115	4,820	-	-	-	-	-	-	-
\$2,350 Series 2010	2,055	1,970	1,880	1,790	1,695	1,595	1,490	-	-	-
\$3,870 Series 2012 (1)	3,093	2,850	2,613	2,390	2,171	1,953	1,740	1,527	1,398	1,265
\$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
\$1,502 Series 2021 (5)	-	-	-	-	-	-	-	1,372	1,241	1,107
<b>Total Revenue Bonds</b>	<b>12,608</b>	<b>11,830</b>	<b>11,033</b>	<b>10,230</b>	<b>9,351</b>	<b>8,453</b>	<b>7,550</b>	<b>6,629</b>	<b>5,749</b>	<b>4,857</b>
<b>Special Assessment Issues:</b>										
\$277 Series 1996	28	14	-	-	-	-	-	-	-	-
\$360 Series 1998	80	60	40	20	-	-	-	-	-	-
\$500 Series 1999	180	150	115	80	40	-	-	-	-	-
\$175 Series 2000	55	45	40	30	20	10	-	-	-	-
\$2,000 Series 2004A	1,195	-	-	-	-	-	-	-	-	-
\$1,010 Series 2006	715	670	620	-	-	-	-	-	-	-
\$2,205 Series 2008	1,750	1,660	1,565	-	-	-	-	-	-	-
\$2,350 Series 2010	2,045	1,960	1,875	1,785	1,690	1,590	1,485	-	-	-
\$2,880 Series 2012 (2)	2,302	2,070	1,824	1,568	1,317	1,056	789	523	248	102
\$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
\$1,545 Series 2021 (5)	-	-	-	-	-	-	-	1,408	1,274	1,136
<b>Total SA Bonds</b>	<b>8,350</b>	<b>7,749</b>	<b>7,084</b>	<b>6,518</b>	<b>5,777</b>	<b>5,036</b>	<b>4,314</b>	<b>3,621</b>	<b>2,857</b>	<b>2,208</b>
U.S. Dept. of Agriculture Ohio Water Development Authority	13,219	12,933	13,794	13,959	13,617	18,095	17,644	16,956	14,948	18,576
Ohio Public Works Commission	30,370	30,746	41,429	49,348	50,083	53,710	58,183	65,960	72,179	78,341
Other	520	439	368	309	412	626	607	802	743	1,070
Unamortized Discount	801	550	421	276	446	122	122	120	120	119
Unamortized Premium	(26)	(8)	(8)	-	-	-	-	-	-	-
Right of Use Liability	202	194	150	80	74	69	63	58	52	47
<b>Total All Debt</b>	<b>\$ 66,044</b>	<b>\$ 64,433</b>	<b>\$ 74,271</b>	<b>\$ 80,720</b>	<b>\$ 79,760</b>	<b>\$ 86,111</b>	<b>\$ 88,483</b>	<b>\$ 94,146</b>	<b>\$ 96,673</b>	<b>\$ 105,330</b>
Number of Customer Accounts	31,988	32,284	34,067	34,561	34,997	34,997	36,166	36,361	36,903	37,227
<b>Outstanding Debt Per Customer Account</b>	<b>\$ 2,059</b>	<b>\$ 1,990</b>	<b>\$ 2,175</b>	<b>\$ 2,333</b>	<b>\$ 2,279</b>	<b>\$ 2,381</b>	<b>\$ 2,432</b>	<b>\$ 2,571</b>	<b>\$ 2,617</b>	<b>\$ 2,825</b>

- (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

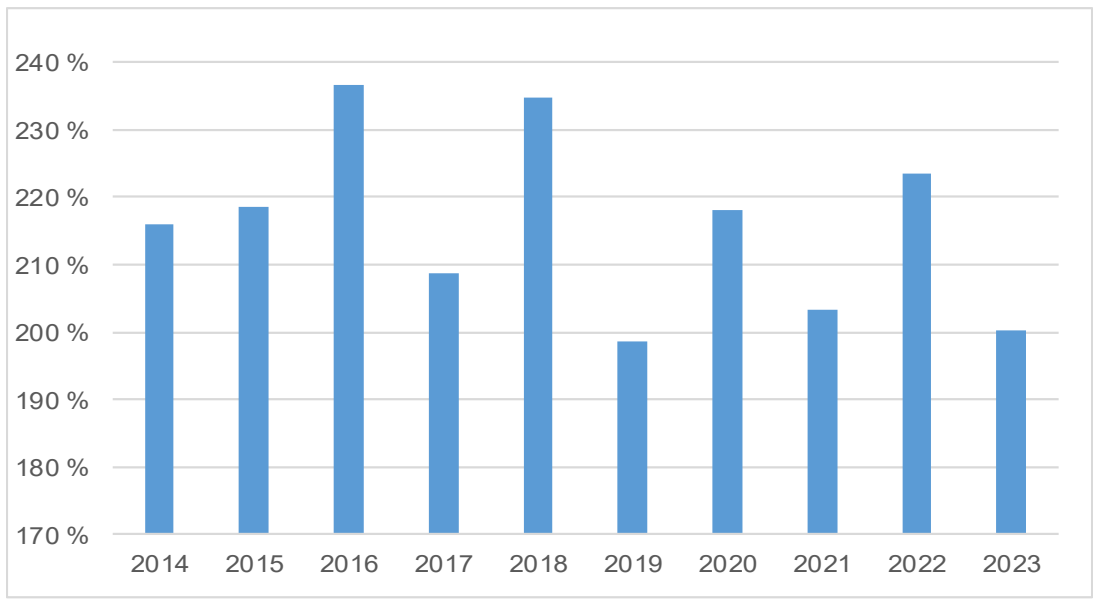
Source: District accounting records.



**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)
2023	\$ 36,661,219	\$ 22,481,055	\$ 14,180,164	\$ 7,077,505	200 %
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
2014	21,183,645	12,907,745	8,275,900	3,831,897	216

- (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**

Year Ended December 31,	Special Assessments Collections	Debt Service Requirement	Coverage Factor
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
2014	2,153,096 (a)	1,636,431	132

(a) Midstar paid their remaining assessment of \$348,010 in 2014.



**NORTHWESTERN WATER & SEWER DISTRICT  
SEWER DEBT BY TOTAL DEBT SERVICE  
YEAR ENDED DECEMBER 31, 2023**

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			
2024	\$ 2,902,313	\$ 33,271	\$ 970,870	\$ 268,093	\$ 317,820	\$ 31,259	\$ 4,523,626	93.71 %
2025	2,904,036	31,200	844,149	268,093	182,809	29,296	4,259,583	87.28
2026	2,872,772	29,129	793,030	268,093	180,884	-	4,143,908	81.17
2027	2,872,771	29,129	797,231	268,093	176,380	-	4,143,604	75.19
2028	2,872,772	27,879	793,616	268,093	168,778	-	4,131,138	69.22
2029	2,872,872	27,879	512,560	268,093	168,492	-	3,849,896	63.26
2030	2,818,519	27,879	507,394	268,093	170,496	-	3,792,381	57.74
2031	2,815,807	27,879	472,566	268,093	125,857	-	3,710,202	52.30
2032	2,764,168	27,879	414,107	268,093	126,011	-	3,600,259	46.99
2033	2,693,679	27,879	414,067	268,093	125,801	-	3,529,518	41.86
2034-2038	10,628,472	107,556	2,061,275	457,391	629,120	-	13,883,814	20.08
2039-2043	5,178,522	88,594	1,945,743	-	629,194	-	7,842,053	9.00
2044-2048	167,920	-	1,445,018	-	629,042	-	2,241,980	4.75
2049-2053	-	-	1,422,098	-	125,829	-	1,547,927	2.12
2054-2058	-	-	942,487	-	-	-	942,487	0.53
2059-2062	-	-	144,822	-	-	-	144,822	-
<b>Totals</b>	<b>\$ 44,364,623</b>	<b>\$ 486,153</b>	<b>\$ 14,481,033</b>	<b>\$ 3,138,321</b>	<b>\$ 3,756,513</b>	<b>\$ 60,555</b>	<b>\$ 66,287,198</b>	

OWDA - Ohio Water Development Authority

OPWC - Ohio Public Works Commission



**NORTHWESTERN WATER & SEWER DISTRICT  
WATER DEBT BY TOTAL DEBT SERVICE  
YEAR ENDED DECEMBER 31, 2023**

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			
2024	\$ 2,645,917	\$ 45,068	\$ 974,669	\$ 514,654	\$ 28,854	\$ 4,209,162	92.99 %
2025	2,702,357	45,068	841,193	391,043	27,043	4,006,704	86.31
2026	2,699,020	35,362	802,801	355,371	-	3,892,554	79.78
2027	2,699,020	34,904	810,037	311,589	-	3,855,550	73.31
2028	2,699,020	32,360	808,962	161,090	-	3,701,432	67.10
2029	2,699,020	30,274	633,850	160,556	-	3,523,700	61.19
2030	2,699,020	30,274	613,061	168,216	-	3,510,571	55.30
2031	2,677,989	30,274	488,968	-	-	3,197,231	49.94
2032	2,523,926	27,220	345,367	-	-	2,896,513	45.08
2033	2,515,106	24,167	348,212	-	-	2,887,485	40.23
2034-2038	10,551,229	120,836	1,734,668	-	-	12,406,733	19.42
2039-2043	5,732,274	74,751	1,609,541	-	-	7,416,566	6.98
2044-2048	233,956	43,506	1,172,319	-	-	1,449,781	4.55
2048-2053	-	9,479	1,176,039	-	-	1,185,518	2.56
2054-2058	-	-	932,743	-	-	932,743	0.99
2059-2063	-	-	591,428	-	-	591,428	-
<b>Totals</b>	<b>\$ 43,077,854</b>	<b>\$ 583,543</b>	<b>\$ 13,883,858</b>	<b>\$ 2,062,519</b>	<b>\$ 55,897</b>	<b>\$ 59,663,671</b>	

OWDA - Ohio Water Development Authority

OPWC - Ohio Public Works Commission

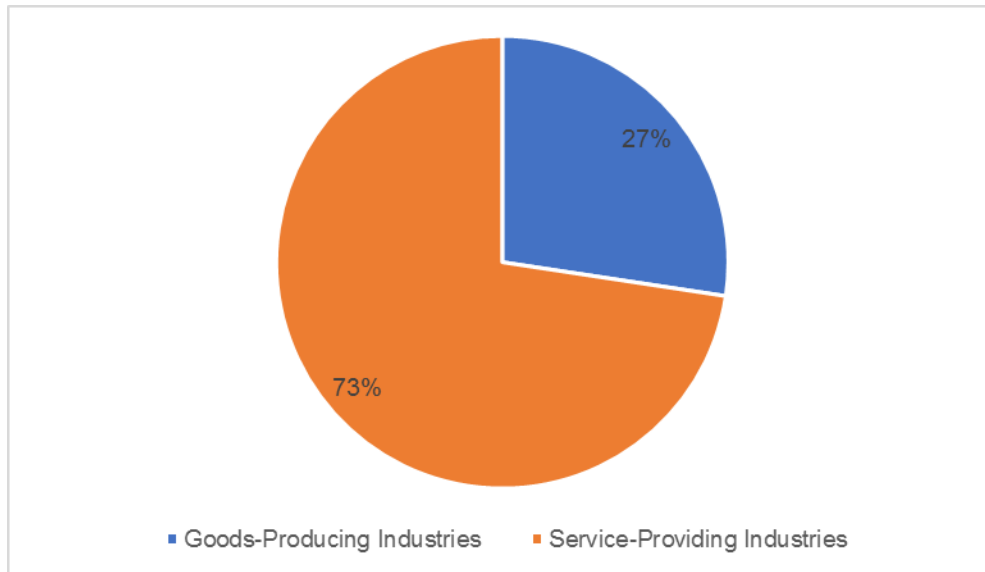


**CONTINUING DISCLOSURE REQUIREMENTS**



**NORTHWESTERN WATER & SEWER DISTRICT  
NONAGRICULTURAL EMPLOYMENT  
TOLEDO PRIMARY METROPOLITAN STATISTICAL AREA  
(INCLUDES WOOD COUNTY)  
YEAR ENDED DECEMBER 31, 2023**

	<u>Employment</u>
Goods-Producing Industries	59,300
Natural Resources, Mining, and Construction	15,100
Manufacturing	44,200
Durable Goods	34,200
Transportation Equipment	15,800
Service-Providing Industries	201,100
Trade, Transportation, and Utilities	59,200
Information	3,300
Financial Activities	11,100
Professional and Business Services	32,900
Educational and Health Services	50,600
Leisure and Hospitality	32,600
Other Services	11,400
Government	44,700





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

Employer	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Amazon	4,000	1	5.92 %			
Bowling Green State University	3,036	2	4.50	2,252	1	3.55 %
First Solar	2,430	3	3.60	1,150	4	1.81
Magna International	2,000	4	2.96	1,700	2	2.68
FedEx Ground	2,000	4	2.96			
Owens Community College	922	6	1.37	1,489	3	2.34
Walgreens	879	7	1.30	700	9	1.10
Wood County	855	8	1.27	1,100	5	1.73
Home Depot	850	9	1.26			
NSG Group	750	10	1.11			
Owens Illinois, Inc				835	8	1.31
Chrysler				850	7	1.34
Wood County Hospital				900	6	1.42
Johnson Controls				500	10	0.79
Totals	<u>17,722</u>		26.25	<u>11,476</u>		18.07
Total Employment within Wood County	67,518			63,500		

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>
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
2014	129,264	5,033,023,104	38,936	4.2

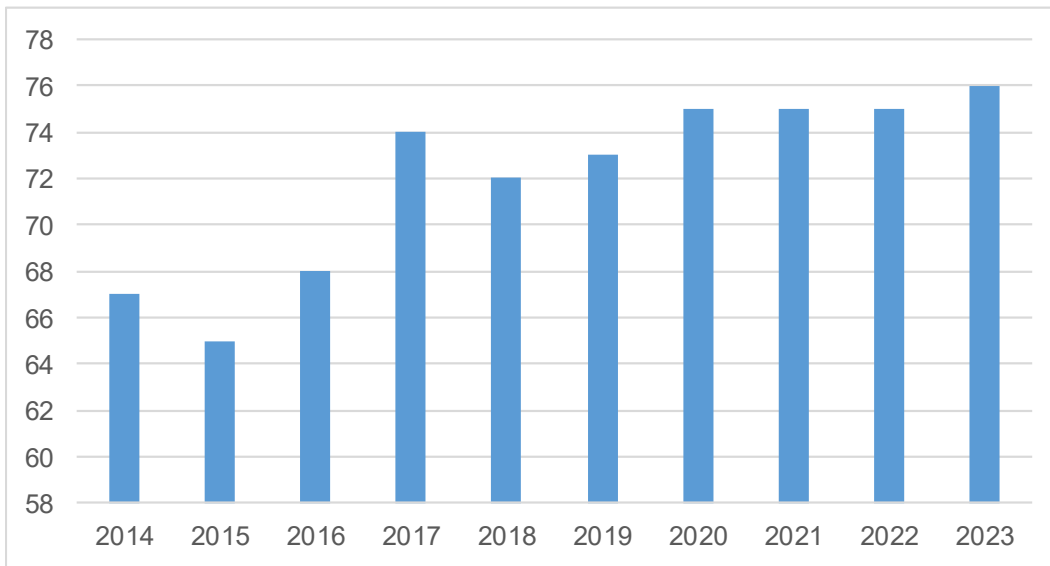
Source: U.S. Census Bureau.  
Ohio Department of Job and Family Services.  
Bureau of Economic Analysis.



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

DEPARTMENT	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administration	2	2	2	3	3	3	3	3	3	3
Finance	5	5	5	5	5	5	5	4	4	4
Customer Service	13	12	10	12	11	11	11	12	12	12
Engineering	11	11	14	15	14	14	14	14	15	15
GIS/IT (1)	3	3	3	3	4	4	4	4	4	4
Operations	33	32	34	36	35	36	38	38	37	38
Total	67	65	68	74	72	73	75	75	75	76

(1) In 2012, GIS/IT staff separated from Engineering.





**NORTHWESTERN WATER & SEWER DISTRICT  
DEMOGRAPHIC STATISTICS  
DECEMBER 31, 2023**

**WATER SYSTEM**

Miles of Potable Water Lines	485
Total Water Customers	17,472
Number of Fire Hydrants	4,104
Water Towers	14
Number of WaterShed and Bulk Water Stations	22

**SEWER SYSTEM**

Miles of Sewer Lines	376
Total Sewer Customers	19,755
Number of Pump Stations	71
Number of Treatment Plants	15
Number of Manholes	5,903

**GENERAL INFORMATION**

Population Served (Estimated)	49,388
Number of Employees	76

12560 Middleton Pike  
Bowling Green, OH 43402  
419-354-9090 \* 877-354-9090  
[www.nwwsd.org](http://www.nwwsd.org)

**NORTHWESTERN WATER AND  
SEWER DISTRICT  
WOOD COUNTY, OHIO**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2023**

***Zupka & Associates***  
**Certified Public Accountants**



**NORTHWESTERN WATER AND SEWER DISTRICT  
WOOD COUNTY, OHIO  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**NORTHWESTERN WATER AND SEWER DISTRICT  
WOOD COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

<b>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</b>	<b>Assistance Listing Number</b>	<b>Total Federal Expenditures</b>
<b><u>U.S. Department of Agriculture</u></b>		
<i>Direct Award</i>		
Water and Waste Disposal Systems for Rural Communities - Loan Program	10.760	\$ 7,909,100
Water and Waste Disposal Systems for Rural Communities - Grant Program	10.760	442,719
<i>Total ALN #10.760</i>		<u>8,351,819</u>
<b>Total U.S. Department of Agriculture</b>		<u>8,351,819</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>		
<i>Direct Award</i>		
<u>Community Development Block Grant/Entitlement Cluster</u>		
Community Development Block Grants/Entitlement Grants	14.218	169,845
<i>Total ALN #14.218</i>		<u>169,845</u>
<b>Total U.S. Department of Housing and Urban Development</b>		<u>169,845</u>
<b><u>U.S. Department of Defense</u></b>		
<i>Direct Award</i>		
Ohio Environmental Infrastructure Program - Section 506 of the Water Resources Development Act of 2000	12.U01	457,846
<i>Total ALN #12.U01</i>		<u>457,846</u>
<b>Total U.S. Department of Defense</b>		<u>457,846</u>
<b><u>U.S. Department of the Treasury</u></b>		
<i>Passed through Wood County</i>		
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	699,452
<i>Passed through Ohio Department of Development</i>		
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	3,786,060
<i>Total ALN #21.027</i>		<u>4,485,512</u>
<b>Total U.S. Department of the Treasury</b>		<u>4,485,512</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<u><u>\$ 13,465,022</u></u>

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

**NORTHWESTERN WATER AND SEWER DISTRICT  
WOOD COUNTY, OHIO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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**NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Northwestern Water and Sewer District, Ohio (the District), under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented 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 2: 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 the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3: INDIRECT COST RATE**

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

**NOTE 4: U.S. DEPARTMENT OF AGRICULTURE WATER AND WASTE DISPOSAL SYSTEMS FOR RURAL COMMUNITIES GRANT**

The U.S. Department of Agriculture (USDA) has approved \$7,909,100 in loans to the District for the purpose of financing water treatment in Henry County and the Village of McComb. The District has not received any funds for this loan. No payments were made on this loan in 2023.

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

Board of Trustees  
Northwestern Water and Sewer District  
Bowling Green, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Northwestern Water and Sewer District, Wood County, Ohio (the District), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated June 12, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

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

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

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

### **Purpose of this Report**

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



Zupka & Associates  
Certified Public Accountants

June 12, 2024

**INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees  
Northwestern Water and Sewer District  
Bowling Green, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

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

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

We have audited the 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 OMB *Compliance Supplement* that could have a direct and material effect on the District's major federal programs for the year ended December 31, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Northwestern Water and Sewer District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended December 31, 2023.

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

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

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements to the Northwestern Water and Sewer 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 Northwestern Water and Sewer 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 Northwestern Water and Sewer District's compliance with the requirements of each major federal program as a whole.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Northwestern Water and Sewer 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 Northwestern Water and Sewer 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 Northwestern Water and Sewer 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.

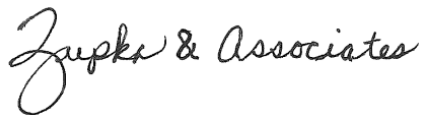
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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 that 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 also audited the financial statements of the District as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated June 12, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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.



Zupka & Associates  
Certified Public Accountants

June 12, 2024



**NORTHWESTERN WATER AND SEWER DISTRICT  
WOOD COUNTY, OHIO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
UNIFORM GUIDANCE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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

2023(i)	Type of Financial Statement Opinion	Unmodified
2023(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2023(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2023(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2023(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2023(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2023(v)	Type of Major Programs' Compliance Opinions	Unmodified
2023(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2023(vii)	Major Programs (list):  Water and Waste Disposal Systems for Rural Communities - ALN #10.760 COVID-19- Coronavirus State and Local Fiscal Recovery Funds - ALN #21.027	
2023(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2023(ix)	Low Risk Auditee?	No

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

None.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None.

**NORTHWESTERN WATER AND SEWER DISTRICT  
WOOD COUNTY, OHIO  
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

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The prior audit report, as of December 31, 2022, included no citations or instances of noncompliance.

# 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 9/3/2024**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)