



OHIO AUDITOR OF STATE
KEITH FABER



SOLID WASTE AUTHORITY OF CENTRAL OHIO
FRANKLIN COUNTY
DECEMBER 31, 2025

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1

Attachment: Annual Comprehensive Financial Report

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OHIO AUDITOR OF STATE KEITH FABER

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

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

Solid Waste District of Central Ohio
Franklin County
4239 London Groveport Road
Grove City, Ohio 43123

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities and each major fund of the Solid Waste Authority of Central Ohio, Franklin County, Ohio (SWACO) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 24, 2026.

Report on Internal Control Over Financial Reporting

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

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

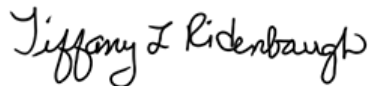
Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SWACO's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SWACO's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

June 24, 2026



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Solid Waste Authority of Central Ohio
Franklin County, Ohio

Year ended December 31, 2025

Annual Comprehensive Financial Report

of the

Solid Waste Authority of Central Ohio

Franklin County, Ohio

for the

Year ended December 31, 2025

Issued by the Solid Waste Authority of Central Ohio
Joseph A. Lombardi - Executive Director

Prepared by the Accounting and Finance Department
Patrick W. O'Block – Senior Accounting and Finance Manager
Andrew C. Ehlenbach – Senior Accountant and Budget Administrator



Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2025

Table of Contents

INTRODUCTORY SECTION

Transmittal Letter.....	1-1
Principal Officials	1-7
Table of Organization	1-8
SWACO District Boundaries	1-9
Government Finance Officers Association Certificate of Achievement	1-10

FINANCIAL SECTION

Independent Auditor's Report	2-1
Management's Discussion and Analysis	2-4
Basic Financial Statements:	
Statement of Net Position-Proprietary Funds	2-12
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds.....	2-14
Statement of Cash Flows-Proprietary Funds	2-15
Notes to Financial Statements	
1. Organization.....	2-17
2. Summary of Significant Accounting Policies.....	2-18
3. Cash and Investments	2-21
4. Restricted Assets	2-23
5. Closure/Post-Closure Funds Held by Trustee.....	2-23
6. Capital Assets.....	2-23
7. Lease Receivable	2-25
8. Defined Benefit Pension Plans.....	2-26
9. Post Employment Benefits.....	2-33
10. Debt Management	2-39
11. Landfill Closure and Post-Closure Care Costs.....	2-42
12. Service Agreements.....	2-42
13. Commitments and Contingencies.....	2-43
14. Risks and Uncertainties	2-43
15. Leases	2-44
16. Subsequent Events	2-45

Table of Contents (continued)

Required Supplementary Information Schedules:

Schedule of SWACO's Proportionate Share of Net Pension Liability	2-46
Schedule of SWACO's Proportionate Share of the Net OPEB Liability ...	2-47
Schedule of SWACO's Contributions	2-48
Notes to the Required Supplementary Information	2-49

STATISTICAL SECTION

Introduction to Statistical Section	3-1
Schedules of Net Position - All Funds, For Years Ended	
December 31, 2016 through 2025	3-2
Schedules of Revenues, Expenses, and Changes in Net Position -	
All Funds, For Years Ended December 31, 2016 through 2025	3-4
Schedules of Revenues, Expenses and Changes in Net Position	
2025 Budget to Actual (in thousands)	3-6
Solid Waste Received and Landfilled 2016 – 2025 (in tons)	3-8
Top Ten Customers 2016 – 2025 (tons received)	3-9
Disposal Rates 1991 - 2025	3-11
Franklin County Sanitary Landfill Airspace Capacity Total	
Permitted, Annual Used, and Permitted Remaining	
2016 - 2025 (cubic yards)	3-12
Generation Fee Tonnage Reported 2016 - 2025	3-13
SWACO Program Activity – Tons Collected 2016 – 2025	3-15
Household Hazardous Waste Collection 2016 – 2025 (in pounds)	3-16
Number of Employees by Function 2016 – 2025	3-17
Series 2013A Solid Waste Facility Improvements and Refunding Bonds	3-18
Series 2013B Solid Waste Facility Improvements and Refunding Bonds	3-19
Series 2016 Solid Waste Facilities Refunding Bonds	3-20
Series 2019 Solid Waste Facilities Refunding Bonds	3-21
Total and General Obligation Debt Ratios 2016 – 2025	3-23
Indirect Debt and Property Tax Limitations, June 17, 2026	3-24
Ten Largest Employers 2016 and 2025	
Franklin County, Ohio	3-25
District and Franklin County Demographic Statistics 2016 - 2025	3-26
Average Unemployment Rates 2016 – 2025	3-27
Capital Assets as of December 31, 2025	3-28

INTRODUCTORY SECTION

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June 24, 2026

To the SWACO Board of Trustees, and the residents and businesses in the Solid Waste District:

We are pleased to present SWACO's Annual Comprehensive Financial Report ("ACFR") for the year ended December 31, 2025.

The management of SWACO assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls it has established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, but not absolute, assurance that the financial statements are free of material misstatements.

The Auditor of the State of Ohio's Office has issued an unmodified opinion of SWACO's financial statements for the year ended December 31, 2025. The independent auditor's report is located at the beginning of the Financial Section of the report, Section 2.

The Management's Discussion and Analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of SWACO

A political subdivision of the State of Ohio, SWACO is one of 52 single and multi-county solid waste management districts established under Ohio's solid waste management program. The primary goal of the State's solid waste management program is reducing reliance on landfills for solid waste disposal in Ohio. As a solid waste district, SWACO is responsible for preparing, updating, and implementing a comprehensive solid waste management plan for the Franklin County Solid Waste Management District (the "District").

In addition to providing solid waste planning for the District, SWACO operates a sanitary landfill with a maximum daily capacity of 8,000 tons, two waste transfer stations with a combined capacity of approximately 3,000 tons per day, and various recycling and waste reduction programs.

SWACO is managed by an Executive Director who is appointed by the Board of Trustees. The Board of Trustees includes the following members:

- The President of the Franklin County Board of Commissioners or his/her designee
- One Member appointed by the Board of Commissioners
- The Mayor of the City of Columbus or his/her designee
- One Member appointed by the Mayor of Columbus
- The Health Commissioner of the Health District having the largest territorial jurisdiction with Franklin County, or their designee.
- One Member to be chosen by a majority of the Boards of Township Trustees
- One Member representing the public.
- One Member representing commercial, industrial, or institutional generators of solid waste.
- One Member representing the interest of citizens with no affiliation with a solid waste management company or significant generator of solid waste.

SWACO's mission is to manage the District's municipal solid waste stream to achieve environmentally responsible and cost-effective disposal, treat solid waste as a resource capable of yielding recovered materials and energy, reduce reliance on landfilling, and plan future disposal capacity for the District.

SWACO is also responsible for post closure care of the closed Model Landfill including maintenance of the integrity and effectiveness of the final cover, the leachate collection, ground water monitoring, and gas monitoring systems.

History of SWACO

SWACO was established in 1989, and its first two years were devoted to developing the initial solid waste management plan for the District. In 1991, SWACO purchased the 3,333 ton-per-day Franklin County Sanitary Landfill (the "Landfill") from the Franklin County Commissioners and, in 1993, added a 90-megawatt, 2,000 ton-per-day resource recovery facility (the "Waste-To-Energy Facility" or "WTEF") and two solid waste transfer facilities through a long-term lease with the City of Columbus (the "City"). SWACO also acquired the Franklin County (the "County") closed landfill (the "Model Landfill") as part of the acquisition of the operating Landfill.

SWACO closed all but the waste receiving portion of the WTEF at the end of 1994 because of its inability to generate revenues sufficient to operate the facility and pay the lease obligation to the City. SWACO converted the waste receiving portion of the facility to a solid waste transfer station and negotiated revised lease terms with the City. Pursuant to the modified lease, SWACO implemented new fees in 1999 applied to all solid waste generated within SWACO's jurisdiction and dedicated to the payment of the lease (see Note 11). In 2005, SWACO demolished the waste incineration portions of the facility, retaining the transfer station and certain buildings and structures that SWACO used for recycling activities. The remaining buildings and structures were destroyed by fire in 2008, leaving only the transfer station.

With closure of the WTEF in 1994 and the resulting loss of disposal capacity, SWACO began the process of obtaining a permit from the Ohio Environmental Protection Agency (the "OEPA") to expand the Landfill to meet the additional disposal requirements of the District. In 1997, the permit was approved adding 49 million cubic yards of capacity to the Landfill, sufficient to meet SWACO's disposal requirements for at least 25 years and increasing the daily capacity to 6,000 tons. A further modification to the permit, approved in 2009, added 3.5 million cubic yards to the Landfill's capacity and a new permit was approved in 2018 giving a total airspace of 97 million cubic yards. In 2011, the OEPA granted SWACO's request to increase its daily capacity from 6,000 to 8,000 tons.

The Solid Waste Plan

SWACO's Solid Waste Plan was originally adopted in 1993. The plan is subject to periodic updates, and the last update was approved by the OEPA on July 11, 2024. The current Solid Waste Plan includes the following recycling and waste reduction programs (among others):

Community Recycling

SWACO assists communities with contracting for curbside recycling service and improving their services. One of SWACO's most successful programs has been the bidding "Consortiums" that have been developed to assist local communities with bidding out their trash, recycling, and yard waste collection services. These Consortiums leverage the collective buying power of local communities to receive the best value and quality of service by going through a collaborative and cooperative bidding process together, organized and led by SWACO.

Yard Waste Composting Services

SWACO's Yard Waste Management Program is well established and successful. Integral to this program is the fact that virtually all of the communities that have curbside recycling also receive weekly pick-up of yard waste as part of their service contracts (34 out of the 36 curbside recycling communities). SWACO also contracts with local yard waste facilities so that residential yard waste is accepted free of charge, either through curbside collection or through residents taking their yard-waste material directly to the facilities. Over 110,000 tons of yard waste was collected through the program.

Household Hazardous Waste Collections

SWACO funds a permanent HHW facility that is open during the week for residents to drop off HHW materials such as paint, gasoline, batteries, chemicals, household cleaners, etc. The Permanent Collection Site has been highly successful with diversion of over 456 tons during 2025. SWACO also funds several mobile collection events annually. In 2025 SWACO sponsored four mobile collection events that serviced over 3,100 vehicles and was successful at diverting over 77 tons of HHW.

SWACO Recycling Drop-off Program

The Recycling Drop-off Program is one of SWACO's oldest programs. The program is essential for assisting residents without curbside service (such as those living in multi-family housing) by providing them with an opportunity to recycle. These locations also provide an outlet for excess material from residents that have curbside recycling. In 2025, SWACO's Drop Off Recycling Program includes 192 containers which are available at 70 locations across Franklin County. In 2025, the program collected 3,867 tons of material (7,733,340 lbs.), averaging about 329 tons (658,000 lbs.) of material per month.

Outreach, Education, Awareness, and Technical Assistance

SWACO has an extensive public outreach, education, and awareness program, including maintaining several web sites, including swaco.org, recycleright.org, savemorethanfood.org, and itsacrime.org. Using these sites, residents can learn about opportunities to reduce, reuse, and recycle, reducing the generation of food waste, and opportunities to donate or compost the food waste that they generate. SWACO also provides a presenter when requested by communities, business, schools or other groups within the District.

Budgetary Control

The Board of Trustees adopts an annual non-appropriated operating and capital improvements budget resolution. Budgetary control is maintained by the Board at the major account level (salaries, wages, and benefits; contracts, services, and supplies; capital outlays; etc.). The Statistical Section provides a budget to actual comparison for the year ending December 31, 2025.

SWACO maintains a five-year Capital Improvement Plan that serves as the basis to support each year's Board approved Capital Budget. Long term assets such as land and landfill cell construction have been financed through general obligation bond issuances. Operating capital is provided by revenue from ongoing landfill operations.

Local Economy and Economic Outlook

SWACO is located principally within Franklin County, with the City of Columbus as the largest city within the District. Government jobs provide the largest single source of employment within Columbus, due to the presence of city, state, county, and federal employers. The area also hosts The Ohio State University, Battelle Memorial Institute, the world's largest private not-for-profit research and development foundation, and the headquarters for several major corporations, including five U.S. Fortune

500 organizations. Both the City and the County maintain triple-A ratings on their long-term debt from the major rating agencies.

Long-Term Financial Planning

The SWACO Board of Trustees adopts annual operating and capital budgets that are supported by pro forma projections to extend the planning horizon from five to twenty-five years. Over the next twenty-five years, extensive capital improvements will be completed as SWACO constructs the remaining four phases of the Landfill and plans for its eventual closure and replacement.

Obligations for closure/post-closure care of the Franklin County Sanitary Landfill are currently cash funded annually through operating revenue and are restricted and held in an Ohio Environmental Protection Agency trust fund account.

The previously established post-closure fund for care of the closed Model Landfill has been exhausted. SWACO is ultimately responsible for the ongoing costs of maintaining the landfill cap and the landfill gas collection and control system, as well as the standard operating and maintenance costs. SWACO is currently able to fund these costs into the future through operating revenue generated by the operation of the currently active Franklin County Sanitary Landfill whose volumes and revenues are secured by the enactment of flow control within the district.

SWACO currently has an AAA rating from Standard and Poor's Corporation and an Aaa rating from Moody's Investors Service.

Major Initiatives

Administration Office Building (AOB) and Environmental Resource Center (ERC)

SWACO's programs team provides landfill tours and classroom learning to thousands of Central Ohio residents and school children each year operating from our ERC. As part of the landfill buildout, the previous ERC was demolished. A temporary trailer is currently serving as the ERC. A permanent building is required that includes classrooms, indoor and outdoor learning stations, and interactive educational exhibits. It has been determined that the current AOB can be expanded to include ERC functions. An addition is required to relocate AOB functions to the new building. Once completed, the current AOB will be renovated for the ERC. The design process started in 2024, and construction is expected in 2026. Completion of the project will be in 2027.

Capital Improvements

Gas Collection and Control Systems update for 2025 GCCS

This project is the annual construction to SWACO's gas collection and control system (GCCS) at FCSL. The project consists of relocating the gas header on the south side of the landfill to the perimeter berm from inside the limits of waste and installing new vertical wells in the Phase H5 area as well as replacing several failing wells.

Morse Road Transfer Station ("MRTS") Improvements

This project is ongoing from previous years. Currently, the design has been completed and an RFB is in progress. Construction is scheduled for 2025 and 2026 and includes regrading the tipping floor,

installing stormwater and sanitary sewer controls, adding a west disposal bay, incorporating a compactor to increase load sizes, and all associated modifications to accommodate the construction.

Phase H8A

This project includes the design and construction of the next solid waste cell. The project consists of an approximate 22-acre cell and will be constructed first, followed by the 6-acre separatory liner. Design started in 2023. The project includes earthwork, infrastructure relocation and new installation, building removal, and cell components to maintain operational approval from the Ohio Environmental Protection Agency (OEPA). Construction will occur in 2025 and 2026.

Programs Initiatives

The Innovations and Programs Department continued to grow and develop waste reduction and diversion programs and initiatives to service District residents and businesses. A few department accomplishments during 2025 include:

- Awarded approximately \$257,000 in grant dollars through the Community Waste Reduction grant program to support recycling and composting programs in partnership with 12 area municipalities, non-profit organizations, and other community/governmental entities.
- Facilitated approximately \$200,000 in Ohio EPA pass-through grants to local businesses
- Hosted 174 landfill tours, reaching 5,585 people.
- Involved in 138 presentations, tabling sessions, and webinars.
- Supported 47 public events through the Event Container Loan Program
- Helped 14 schools with recycling containers, signage, and education materials
- Helped 12 businesses become Business Recycling Champions
- Provided 4 communities with recycling carts through the Cart Grant program
- Piloted a textile recycling program and collected 27,000 lbs. of textiles

Awards and Acknowledgements

Certificate of Achievement for Excellence in Financial Reporting

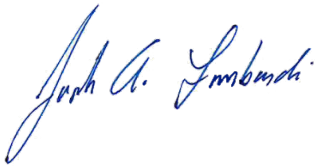
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to SWACO for its annual comprehensive financial report for the fiscal year ended December 31, 2024. This was the twenty-fifth consecutive year SWACO has received this award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR that satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR 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.

Acknowledgements

The Executive Director wishes to thank the employees of SWACO for their dedication and hard work. On behalf of the residents and staff of SWACO, the Executive Director also acknowledges the support and efforts of the Board of Trustees. These Board members, who serve without compensation, have provided valuable expertise and guidance to SWACO, and have made a significant investment of time to help the organization achieve its goals.

Sincerely,



Joseph A. Lombardi
Executive Director

Sincerely,



Patrick O'Block
Senior Accounting and Finance Manager

Principal Officials

As of June 24, 2026

Board of Trustees

(Appointed by or Representing)

Susan Tilgner, Madam Chair

*Appointed by the Board of Trustees
Representing the General Interests of
Citizens*

Kelly Scocco, Madam Vice Chair

*Appointed by the Mayor of the City of
Columbus*

Honorable John O'Grady

*President of the Franklin County
Board of Commissioners*

Ron McClure

*Appointed by a majority of the Boards of
Township Trustees in Franklin County*

Patrick King

*Appointed by the Board of Trustees
Representing the Public*

Sarah Jensen

*Designee of the Franklin County
Health Commissioner*

Stephen Sayre

*Designee of the Mayor of the City of
Columbus*

Randy Sokol

*Appointed by the Board of
Trustees representing Industrial,
Commercial, or Institutional
Waste Generators*

Kenneth N. Wilson

*Appointed by the Franklin County
Board of Commissioners*

Staff

Joseph Lombardi, Executive Director

Scott Perry, Assistant Executive Director

Rebecca Egelhoff, Director of Legal Affairs

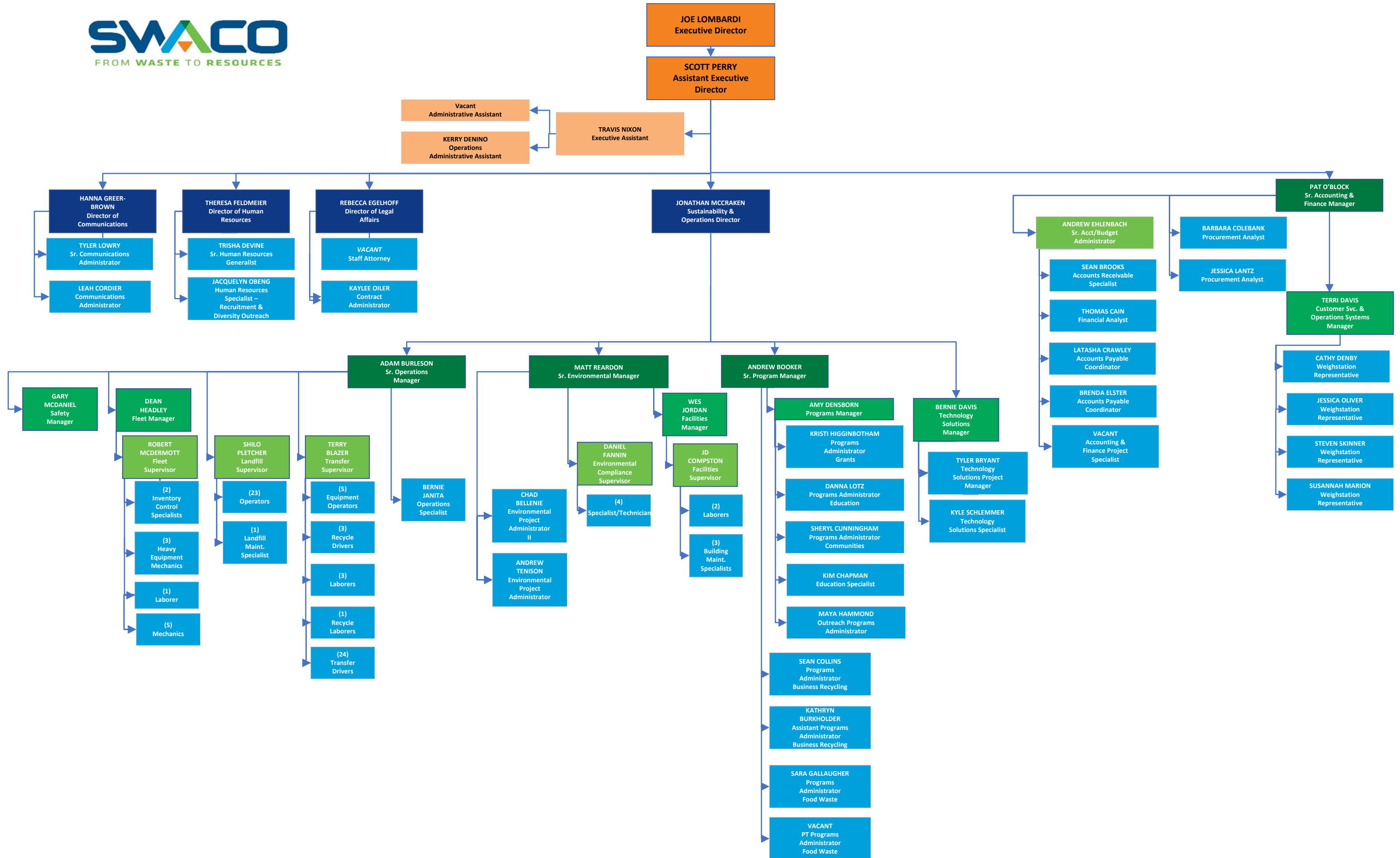
Theresa Feldmeier, Director of Human Resources

Hanna Greer-Brown, Director of Communications

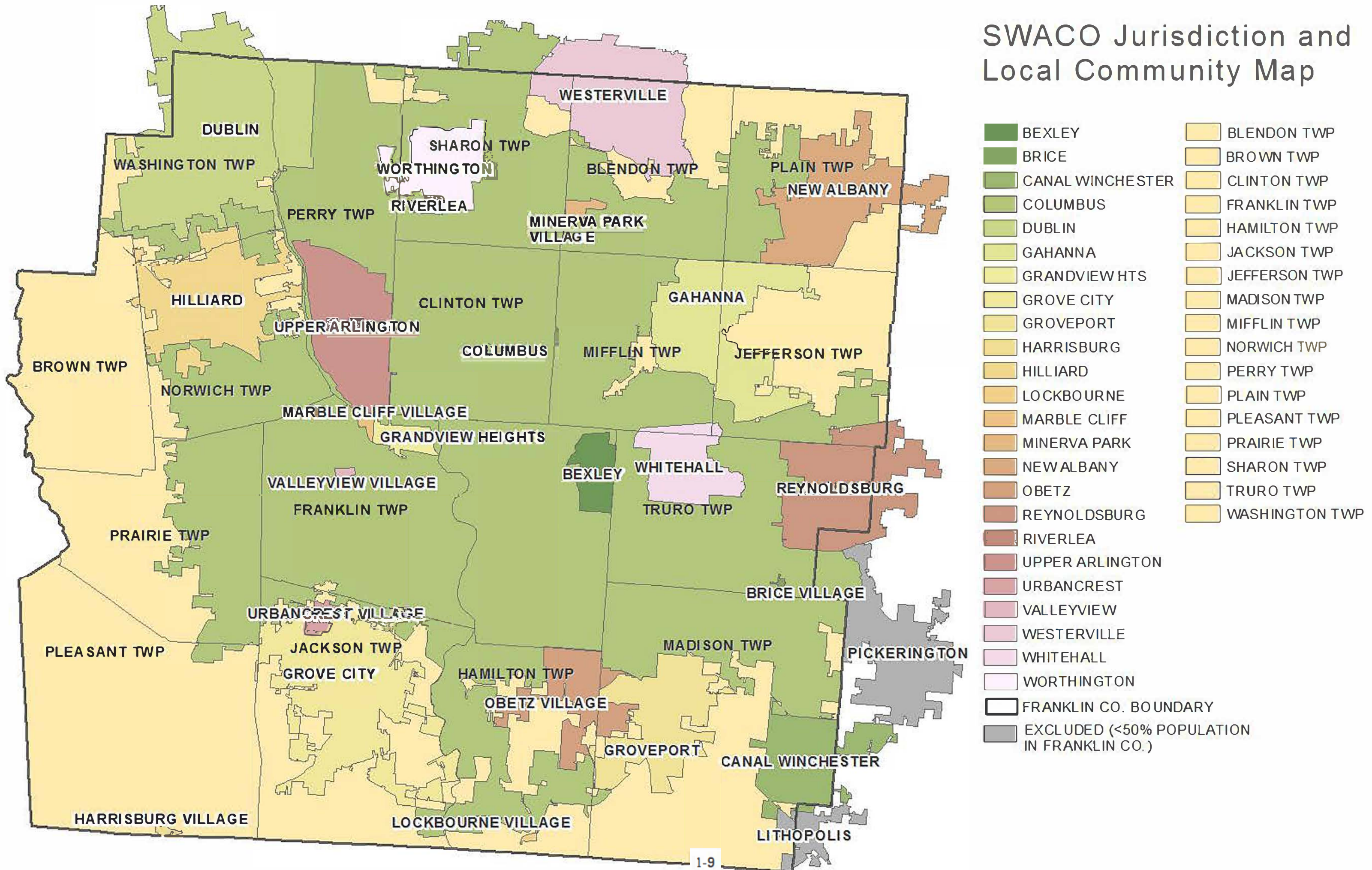
Jonathan McCracken, Director of Sustainability and Operations

Patrick O'Block, Senior Accounting and Finance Manager

Andrew Ehlenbach, Senior Accountant and Budget Administrator



SWACO Jurisdiction and Local Community Map





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Solid Waste Authority of Central Ohio

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

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800-282-0370

INDEPENDENT AUDITOR'S REPORT

Solid Waste Authority of Central Ohio
Franklin County
4239 London Groveport Road
Grove City, Ohio 43123

To the Board of Trustees:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and each major fund of the Solid Waste Authority of Central Ohio, Franklin County, Ohio (SWACO), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise SWACO's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Solid Waste Authority of Central Ohio, Franklin County, Ohio as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of SWACO, 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 SWACO'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 SWACO'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 SWACO's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Information

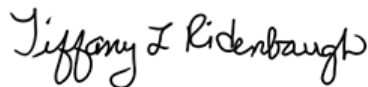
Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do 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 24, 2026, on our consideration of SWACO's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SWACO'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 SWACO's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

June 24, 2026

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SWACO

Management's Discussion & Analysis for the Year Ended December 31, 2025 (unaudited)

The Management's Discussion and Analysis ("MD&A") provides an overview of the financial performance of the Solid Waste Authority of Central Ohio (SWACO) and introduces SWACO's financial statements for the year ended December 31, 2025. The information contained in this MD&A should be considered in conjunction with the information presented in the letter of transmittal, beginning on page 1-1, and SWACO's financial statements and corresponding notes to the financial statements, which follow this section.

Overview of the Financial Statements

SWACO's financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America and promulgated by the Governmental Accounting Standard Board ("GASB"). The financial information of SWACO is accounted for in two enterprise funds in order to reflect limitations and restrictions placed on the use of available resources. The *Operating Fund* is used primarily to account for revenues and expenses related to the operation of SWACO's Sanitary Landfill and solid waste transfer facilities. Except for certain fees restricted to the payment of a lease obligation and related bonds, the fund may be used for any other lawful solid waste management purpose deemed appropriate by the Board of Trustees. Generation Fees in the *Program Fund* are restricted by state statute to certain solid waste reduction, recycling and reuse purposes. Generation fee proceeds are derived from \$5.00 per ton included in the tipping fee, and additional program funds are received from grant income.

Following this MD&A are the basic financial statements of SWACO together with notes, which are essential to a full understanding of the data contained in the financial statements. Included in the financial statements for SWACO are the following:

- **Statement of Net Position** – This statement presents information about all of SWACO's assets, liabilities, and deferred outflows and inflows with the difference between them reported as net position.
- **Statement of Revenues, Expenses and Changes in Net Position** - This statement includes all operating and non-operating revenues and expenses for SWACO and shows the change in SWACO's net position during the most recent year.
- **Statement of Cash Flows** – This statement reports cash and cash equivalent activities for the year. A reconciliation of operating income to net cash provided by operating activities is provided.
- **Notes to the financial statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.
- **Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning SWACO's funding obligation to provide pension and OPEB benefits to its employees.

Financial Highlights/Overview of 2025

- The assets and deferred outflows of resources for SWACO exceeded its liabilities and deferred inflows of resources at the close of the year ended December 31, 2025, by \$177.6 million (net position). Of SWACO's net position, \$66.2 million is invested in capital assets and is not available for future spending.
- SWACO's total net position increased \$16.3 million during 2025 with the total unrestricted net position being \$63.7 million. The Operating Fund's net position increased by \$16.8 million and the Program Fund net position decreased by approximately \$527,000.
- Capital assets increased approximately \$6.0 million from SWACO's investment in ongoing capital projects.

SWACO

Management's Discussion & Analysis for the Year Ended December 31, 2025 (unaudited)

Net position over time may serve as a useful indicator of a government's financial position. In the case of SWACO, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources at the close of the most recent year. The table below provides a summary of SWACO's net position for 2025 compared to 2024.

Net Position

	Operating and Program Funds Combined		
	2024	2025	Change
Assets			
Current and other assets	\$ 93,928,790	\$ 128,294,408	\$ 34,365,618
Closure/post-closure funds held by Trustee	35,608,331	38,765,329	3,156,998
Capital assets, net	118,398,747	124,432,165	6,033,418
Lease receivable, less current portion	854,402	763,405	(90,997)
Net OPEB asset	479,610	1,424,616	945,006
Total assets	249,269,880	293,679,923	44,410,043
Deferred outflows of resources			
Refundings	731,809	576,070	(155,739)
Pension & OPEB	4,889,577	4,450,869	(438,708)
Total deferred outflows of resources	5,621,386	5,026,939	(594,447)
Liabilities			
Current liabilities	13,208,706	47,987,362	34,778,656
Bonds and notes payable, less current portion	39,774,843	34,307,750	(5,467,093)
Landfill closure/post-closure liability	24,270,064	21,700,424	(2,569,640)
Compensated leave, less current portion	692,990	823,103	130,113
Lease payable, less current portion	793,655	709,650	(84,005)
Net pension liability	13,277,133	14,272,211	995,078
Total liabilities	92,017,391	119,800,500	27,783,109
Deferred inflows of resources			
Pension & OPEB	608,179	426,860	(181,319)
Leases	934,156	831,829	(102,327)
Total deferred inflows of resources	1,542,335	1,258,689	(283,646)
Net position			
Net investment in capital assets	69,558,846	66,212,419	(3,346,427)
Restricted	21,604,910	47,711,804	26,106,894
Unrestricted	70,167,784	63,723,450	(6,444,334)
Total net position	\$ 161,331,540	\$ 177,647,673	\$ 16,316,133

For reasons discussed below, many end users of this financial statement will gain a clearer understanding of SWACO's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability (asset) to the reported net position and subtracting deferred outflows related to pension and OPEB.

SWACO

Management's Discussion & Analysis for the Year Ended December 31, 2025 (unaudited)

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability (asset) to equal SWACO's proportionate share of each plan's collective:

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

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

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

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SWACO

Management's Discussion & Analysis for the Year Ended December 31, 2025 (unaudited)

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

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

Total assets increased by approximately \$44.4 million from the prior year primarily due to cash and current assets, landfill closure and post-closure funds, and capital assets.

OPERS experienced a decrease in unfunded pension liabilities during the most recent measurement period, largely driven by strong investment performance, reporting gains for the second year in a row, which improved their funded positions.

Other restricted net position includes approximately \$9.0 million pertaining to the Generation Fee, which is used for educational and outreach initiatives. The remaining unrestricted overall net position was \$63.7 million, which may be used to meet SWACO's ongoing obligations for operations.

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SWACO

Management's Discussion & Analysis for the Year Ended December 31, 2025 (unaudited)

Combined Revenues, Expenses, and Changes in Net Position

The 2024 and 2025 combined revenue, expenses, and changes in net position of both the Operating and Program Funds are presented and compared below.

Revenues, Expenses, and Changes in Net Position

	<u>Operating and Program Funds Combined</u>		
	<u>2024</u>	<u>2025</u>	<u>Change</u>
Operating revenues:			
Tipping and disposal fees	\$ 44,338,041	\$ 44,902,044	\$ 564,003
Waste transfer fees	6,647,416	6,141,841	(505,575)
Generation fees	6,288,417	6,311,647	23,230
Interfund charges	656,339	458,515	(197,824)
Sale of landfill gas	6,051,045	4,579,324	(1,471,721)
Other	234,716	670,918	436,202
<i>Total operating revenues</i>	<u>64,215,974</u>	<u>63,064,289</u>	<u>(1,151,685)</u>
Operating expenses:			
Salaries, wages and benefits	16,896,883	17,127,062	230,179
Contracts, services and supplies	20,833,523	19,542,886	(1,290,637)
Solid waste fees	6,342,997	6,300,311	(42,686)
Depreciation/Amortization	5,383,842	5,387,329	3,487
Landfill depletion	6,827,201	5,014,154	(1,813,047)
Landfill closing costs	5,173,422	(2,569,640)	(7,743,062)
Interfund charges	656,339	458,515	(197,824)
<i>Total operating expenses</i>	<u>62,114,207</u>	<u>51,260,617</u>	<u>(10,853,590)</u>
<i>Operating income (loss)</i>	2,101,767	11,803,672	9,701,905
Non-operating revenues (expenses):			
Interest expense	(1,631,388)	(1,598,523)	32,865
Investment income	4,890,392	6,802,025	1,911,633
Grants received (awarded)	111,759	(581,084)	(692,843)
Gain (loss) on sale of assets	(94,504)	(683)	93,821
Passthrough Grants	(200,000)	(227,101)	(27,101)
Lease revenue	102,327	102,327	-
<i>Total non-operating revenues (expenses), net</i>	<u>3,178,586</u>	<u>4,496,961</u>	<u>1,318,375</u>
<i>Change in Net Position Before Capital Contribution</i>	5,280,353	16,300,633	11,020,280
Capital Contribution	-	15,500	15,500
<i>Change in net position</i>	5,280,353	16,316,133	11,035,780
<i>Total net position - beginning</i>	156,051,187	161,331,540	5,280,353
<i>Total net position - ending</i>	<u>\$ 161,331,540</u>	<u>\$ 177,647,673</u>	<u>\$ 16,316,133</u>

Collectively, depletion and closure expense decreased by approximately \$9.6 million over the prior year. Landfill depletion expense is down approximately \$1.8 million from the previous year while closure expense decreased by approximately \$7.7 million from prior year. The major change from year to year is associated with the updated unit costs, additional infrastructure costs, and timing of the useful life of the landfill.

SWACO

Management's Discussion & Analysis for the Year Ended December 31, 2025 (unaudited)

Non-operating revenues and expenses resulted in net revenue of approximately \$4.5 million. The change from 2024 was driven primarily by increased investment earnings, as market conditions in 2025 were more favorable.

The following table provides a comparison of net position for SWACO's enterprise funds as of December 31, 2024, and 2025:

	Net Position 12/31/2024	Net Position 12/31/2025	Increase (Decrease)
Operating Fund	\$ 150,884,392	\$ 167,727,549	\$ 16,843,157
Program Fund	10,447,148	9,920,124	(527,024)

Operating Fund

The Operating Fund net position increased approximately \$16.8 million primarily due to lower operating expenses and higher investment income.

Restricted net position includes funds held by a trustee (EPA Trust Fund) for closure of the Franklin County Sanitary Landfill, net of the accrued liability for closure and post-closure care of the landfill. As of December 31, 2025, the EPA Trust Fund value was approximately \$38.5 million, and the recorded closure liability was approximately \$21.7 million.

Program Fund

Total net position decreased approximately \$527,000 from the prior year.

Overall, operating revenues remained relatively constant when compared to prior year. Non-operating transactions consisted of grant activities and interest earnings. This accounted for a decrease of approximately \$570,000 primarily in grant activity.

Capital Assets

SWACO's investments in capital assets include the Sanitary Landfill and related facilities and equipment, two transfer stations, a fleet maintenance facility, a landfill operations facility, the administrative office building and furnishings, and solid waste transfer vehicles and related equipment. The following table compares SWACO's investments in capital assets in the Operating and Program Funds as of the end of 2024 and 2025.

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SWACO

Management's Discussion & Analysis for the Year Ended December 31, 2025 (unaudited)

	Capital Assets					
	Operating Fund			Program Fund		
	2024	2025	Change	2024	2025	Change
<i>Capital assets not being depreciated/depleted/amortized:</i>						
Land and land improvements	\$ 24,206,806	\$ 24,206,806	\$ -	\$ -	\$ -	\$ -
Construction in progress	4,627,543	9,271,060	4,643,517	61,425	636,853	575,428
<i>Capital assets, net of accumulated depreciation, amortization and depletion:</i>						
Equipment and furnishings	8,467,295	11,086,758	2,619,463	364,669	320,908	(43,761)
Buildings and improvements	3,648,149	2,479,872	(1,168,277)	210,374	100,951	(109,423)
Transfer stations	4,314,632	7,381,616	3,066,984	-	-	-
Sanitary landfill	71,628,715	68,165,116	(3,463,599)	-	-	-
Right of use asset (intangible)	869,139	782,225	(86,914)	-	-	-
<i>Total capital assets, net</i>	<u>\$ 117,762,279</u>	<u>\$ 123,373,453</u>	<u>\$ 5,611,174</u>	<u>\$ 636,468</u>	<u>\$ 1,058,712</u>	<u>\$ 422,244</u>

The increase in the Operating Fund's capital asset balance is primarily due to the Jackson Pike Transfer Station improvements such as the first material handler being placed in-service along with an increase in construction in progress for improvement at the Morse Road Transfer Station and H8 cell construction at the Franklin County Sanitary Landfill.

The Program Fund's construction in progress increased due to the preliminary costs of the new Educational Resource Center and the Organics Project at Alum Creek.

See Note 6 for additional details of SWACO's capital asset activity during the year.

Debt Administration

SWACO's outstanding debt as of December 31, 2024, and 2025 is shown in the following table:

	2024	2025	Change
General obligation bonds, net	\$ 46,114,843	\$ 39,382,750	\$ (6,732,093)
Lease payable	876,656	793,655	(83,001)
Total	<u>\$ 46,991,499</u>	<u>\$ 40,176,405</u>	<u>\$ (6,815,094)</u>

In November 2025, SWACO issued Bond Anticipation Notes for the construction of an administrative office building/educational resource center and fleet and operations facility for \$35,000,000 with \$442,750 of premium that mature in November 2026. SWACO will work with its financial advisor to evaluate whether to roll the notes or to invest in long-term financing.

SWACO's ability to issue un-voted general obligation debt is subject to overlapping debt restrictions with other political subdivisions, but there is not a statutory direct debt limit on SWACO's ability to issue general obligation or revenue bonds. SWACO's debt capacity is more limited by market forces and its ability to raise tipping fees to levels required to pay debt service.

SWACO's general obligation bonds carry an AAA rating by Standard and Poor's and an Aaa rating by Moody's Investors Service. SWACO's debt management program is discussed in more detail in Note 10 of the financial statements (Debt Management).

SWACO

Management's Discussion & Analysis for the Year Ended December 31, 2025 (unaudited)

Economic Factors

Solid waste tons received at SWACO's facilities during 2025 were 1,275,899 tons versus 2024 receipts of 1,261,034 tons.

Request for Information

This financial report is designed to provide a general overview of SWACO's finances and to show accountability for money received by SWACO. For questions or for additional information regarding this report, write to SWACO, 4109 London Groveport Road, Grove City, Ohio 43123 or contact Patrick O'Block (614) 801-6415, or by e-mail at pat.oblock@swaco.org.

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SWACO
Statement of Net Position – Proprietary Funds
As of December 31, 2025

	Business-type Activities - Enterprise Funds		
	Operating Fund	Program Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 29,562,580	\$ 11,094,821	\$ 40,657,401
Investments	81,178,470		81,178,470
Accounts receivable, net	4,470,020	504,557	4,974,577
Lease receivable, current portion	90,997	-	90,997
Other assets	1,385,118	7,845	1,392,963
Total current assets	116,687,185	11,607,223	128,294,408
Non-current assets:			
Restricted: held by trustee for landfill closure/post-closure care:			
Cash and cash equivalents	150,290	-	150,290
Investments	38,362,968	-	38,362,968
Accrued interest receivable	252,071	-	252,071
Capital assets:			
Sanitary landfill, net of accumulated depletion	68,165,116	-	68,165,116
Buildings and equipment and furnishings, net of accumulated depreciation	20,948,246	421,859	21,370,105
Construction in progress	9,271,060	636,853	9,907,913
Land and land improvements	24,206,806	-	24,206,806
Right of use asset	782,225	-	782,225
Lease receivable, less current portion	763,405	-	763,405
Net OPEB asset	1,282,154	142,462	1,424,616
Total non-current assets	164,184,341	1,201,174	165,385,515
Total assets	280,871,526	12,808,397	293,679,923
Deferred outflows of resources			
Refundings	576,070	-	576,070
Pension	3,964,730	450,693	4,415,423
OPEB	32,512	2,934	35,446
Total deferred outflows of resources	\$ 4,573,312	\$ 453,627	\$ 5,026,939

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

SWACO
Statement of Net Position – Proprietary Funds
As of December 31, 2025

	Business-type Activities - Enterprise Funds		
	Operating Fund	Program Fund	Total
Liabilities			
Current liabilities:			
Accounts payable	\$ 1,953,471	\$ 1,269,018	\$ 3,222,489
Accrued wages and benefits	353,499	108,393	461,892
Accrued interest	116,625	-	116,625
Contracts payable	3,161,190	259,402	3,420,592
Notes payable	35,000,000	-	35,000,000
Premium on notes payable	442,750	-	442,750
Current maturities of bonds and notes payable	5,075,000	-	5,075,000
Compensated leave, current portion	35,675	8,918	44,593
Lease payable, current portion	84,005	-	84,005
Other payables	48,679	70,737	119,416
Total current liabilities	46,270,894	1,716,468	47,987,362
Non-current liabilities:			
Bonds and notes payable, less current portion, net	34,307,750	-	34,307,750
Landfill closure/post-closure liability	21,700,424	-	21,700,424
Compensated leave	658,482	164,621	823,103
Net pension liability	12,844,990	1,427,221	14,272,211
Lease Payable, less current portion	709,650	-	709,650
Total non-current liabilities	70,221,296	1,591,842	71,813,138
Total liabilities	116,492,190	3,308,310	119,800,500
Leases	831,829	-	831,829
Pension	97,285	-	97,285
OPEB	295,985	33,590	329,575
Total deferred inflows of resources	1,225,099	33,590	1,258,689
Net Position			
Net investment in capital assets:			
Other capital assets, net	65,413,109	799,310	66,212,419
Restricted:			
Solid waste plan	-	8,978,352	8,978,352
Closure/post-closure trust fund net of accrued liability - Franklin County Sanitary Landfill	17,064,905	-	17,064,905
Capital Projects	19,801,181	-	19,801,181
Net OPEB asset	1,282,154	142,462	1,424,616
Other Purposes	442,750	-	442,750
Unrestricted	63,723,450	-	63,723,450
Total Net Position	\$ 167,727,549	\$ 9,920,124	\$ 177,647,673

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

SWACO**Statement of Revenues, Expenses and Changes in Fund Net Position –
Proprietary Funds****For the Year Ended December 31, 2025**

	Business-type Activities - Enterprise Funds		
	Operating Fund	Program Fund	Total
Operating revenues:			
Tipping and disposal fees	\$ 44,902,044	\$ -	\$ 44,902,044
Waste transfer fees	6,141,841	-	6,141,841
Generation fees	-	6,311,647	6,311,647
Interfund charges	458,515	-	458,515
Sale of landfill gas	4,579,324	-	4,579,324
Other	573,174	97,744	670,918
Total operating revenues	56,654,898	6,409,391	63,064,289
Operating expenses:			
Salaries, wages and benefits	15,247,729	1,879,333	17,127,062
Contracts, services and supplies	15,757,123	3,785,763	19,542,886
Solid waste fees	6,300,311	-	6,300,311
Depreciation	5,042,080	258,335	5,300,415
Landfill depletion	5,014,154	-	5,014,154
Landfill closing costs	(2,569,640)	-	(2,569,640)
Interfund charges	-	458,515	458,515
Amortization of Leases	86,914	-	86,914
Total operating expenses	44,878,671	6,381,946	51,260,617
Operating income	11,776,227	27,445	11,803,672
Non-operating revenues (expenses):			
Interest expense	(1,598,523)	-	(1,598,523)
Investment income	6,563,809	238,216	6,802,025
Grants awarded	-	(781,084)	(781,084)
Gain (loss) on sale of assets	(683)	-	(683)
Grants received	-	200,000	200,000
Passthrough Grants	-	(227,101)	(227,101)
Lease revenue	102,327	-	102,327
Total non-operating expenses, net	5,066,930	(569,969)	4,496,961
Income (Loss) before Capital Contributions	16,843,157	(542,524)	16,300,633
Capital Contributions	-	15,500	15,500
Change in net position	16,843,157	(527,024)	16,316,133
Total net position - beginning	150,884,392	10,447,148	161,331,540
Total net position - ending	\$ 167,727,549	\$ 9,920,124	\$ 177,647,673

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

SWACO
Statement of Cash Flows – Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds		
	Operating Fund	Program Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 51,664,716	\$ -	\$ 51,664,716
Generation fees collected	-	6,342,128	6,342,128
Sale of landfill gas	4,978,357	-	4,978,357
Other receipts	573,174	97,744	670,918
Payments to or on behalf of employees for salaries, wages and benefits	(15,332,052)	(1,631,507)	(16,963,559)
Payments to vendors	(22,816,970)	(3,560,195)	(26,377,165)
Interfund charges	458,515	(458,515)	-
<i>Net cash provided by operating activities</i>	<u>19,525,740</u>	<u>789,655</u>	<u>20,315,395</u>
Cash flows from non-capital financing activities:			
Grants received	-	200,000	200,000
Grants awarded	-	(781,084)	(781,084)
Passthrough grants	-	(227,101)	(227,101)
<i>Net cash (used in) non-capital financing activities</i>	<u>-</u>	<u>(808,185)</u>	<u>(808,185)</u>
Cash flows from investing activities			
Proceeds from sales and maturities of investments	46,446,928	-	46,446,928
Purchase of investments	(50,389,151)	-	(50,389,151)
Interest received	3,778,352	238,213	4,016,565
Interfund cash clearing activity	(5,984,470)	5,984,470	-
<i>Net cash provided by (used in) investing activities</i>	<u>(6,148,341)</u>	<u>6,222,683</u>	<u>74,342</u>
Cash flows from capital and related financing activities			
Proceeds from sale of assets	10,631	-	10,631
Cash received from lease transactions	191,865	-	191,865
Landfill, facilities and equipment additions	(15,160,344)	(429,991)	(15,590,335)
Principal paid on bonds payable	(6,340,000)	-	(6,340,000)
Principal paid on leases	(83,001)	-	(83,001)
Interest paid and cost on debt refunded	(1,896,422)	-	(1,896,422)
Proceeds of short-term notes and premium	35,442,750	-	35,442,750
<i>Net cash provided by (used in) capital and related financing activities</i>	<u>12,165,479</u>	<u>(429,991)</u>	<u>11,735,488</u>
Net increase in cash and cash equivalents	25,542,878	5,774,162	31,317,040
Cash and cash equivalents, beginning of year	4,169,992	5,320,659	9,490,651
Cash and cash equivalents, end of year	<u>\$ 29,712,870</u>	<u>\$ 11,094,821</u>	<u>\$ 40,807,691</u>

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

SWACO
Statement of Cash Flows – Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds		
	Operating Fund	Program Fund	Total
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 11,776,227	\$ 27,445	\$ 11,803,672
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation/Amortization	5,128,994	258,335	5,387,329
Depletion	5,014,154	-	5,014,154
Landfill closing costs	(2,569,640)	-	(2,569,640)
Increase (Decrease) in cash resulting from changes in:			
Accounts receivable, net	1,019,864	30,481	1,050,345
Other assets	(344,672)	14,087	(330,585)
Net OPEB asset	(850,505)	(94,501)	(945,006)
Deferred outflows: pension	27,827	17,198	45,025
Deferred Outflows: OPEB	355,466	38,217	393,683
Accounts payable	(457,336)	146,084	(311,252)
Accrued wages and benefits	(359,442)	89,732	(269,710)
Other payables	42,472	65,397	107,869
Compensated leave	21,098	104,654	125,752
Net pension liability	895,570	99,508	995,078
Net OPEB liability	-	-	-
Deferred inflows: pension	(223,333)	(11,070)	(234,403)
Deferred inflows: OPEB	48,996	4,088	53,084
Net Cash Provided by Operating Activities	<u>\$ 19,525,740</u>	<u>\$ 789,655</u>	<u>\$ 20,315,395</u>
Non-cash capital and related financing activities (Operating Fund):			
SWACO purchased capital assets on account during 2025.	\$ 3,161,190	\$ 259,402	
SWACO purchased capital assets on account during 2024.	\$ 2,555,897	\$ 24,314	
Donated capital asset from another government during 2025.	\$ -	\$ 15,500	

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

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

1. Organization

The Solid Waste Authority of Central Ohio (SWACO) is a political subdivision of the State of Ohio, established in 1989 to develop and implement a comprehensive solid waste management plan for the Franklin County Solid Waste Management District (the “District,” principally Franklin County, but also including parts of five adjacent counties). SWACO is governed by a nine-member Board of Trustees appointed pursuant to statute. The Board consists of two members appointed by the Franklin County Board of County Commissioners (the “County”), two members appointed by the City of Columbus (the “City”), and additional members representing the County Board of Health, townships within SWACO, waste generators and the general public. As a governmental authority, SWACO is exempt from federal, state and local taxes. SWACO operates autonomously from the County and City, and the County and City have no fiscal responsibility for the operations of SWACO.

SWACO operates a sanitary landfill (the “Sanitary Landfill”) and two solid waste transfer facilities supported by tipping fees charged for solid waste disposal and transfer services at these facilities. SWACO also provides recycling programs, yard waste composting services, public education programs, and other activities designed to reduce the generation and disposal of solid waste within SWACO's jurisdiction. SWACO's waste-reduction activities are supported by a \$5.00 per ton waste Generation Fee levied on a majority of solid waste generated within the District.

The Sanitary Landfill was purchased from Franklin County in 1991. The Ohio Environmental Protection Agency (“OEPA”) approved a modification to the original County permit in 1997 increasing disposal capacity by approximately 49 million cubic yards (from 10.7 million cubic yards) and increasing the landfill acreage to 363 acres from approximately 116 acres. The modified permit allowed both vertical and horizontal expansion of the landfill. In 2008, SWACO submitted an application to the OEPA to further modify the permit to change the configuration of the landfill and further increase capacity. The modification was approved by the OEPA in 2009 and added approximately 3.5 million cubic yards of disposal capacity (see Note 5 – Closure/Post-closure Funds Held by Trustee). In 2018, SWACO received a new permit-to-install which allowed more airspace for disposal. SWACO estimates that it has sufficient landfill capacity to service the needs of the District for at least 40.2 years based on 2025 receipts.

As part of the purchase of the currently operating landfill, SWACO also acquired the Model Landfill, the County's closed former landfill. The Model Landfill has been closed since 1985, and SWACO assumed ongoing monitoring and closure requirements for the landfill when it was transferred from the County. In 1999, SWACO leased the landfill to a private entity to develop a public golf course on the site in conjunction with a project to remediate the landfill cap. On January 15, 2014, SWACO entered into an asset purchase agreement with Phoenix Golf Links, Ltd. to acquire all their operating assets located at SWACO's closed Model Landfill. The assets were purchased for \$2,375,000 and a related Model Landfill lease agreement was terminated at the same time. The golf course operation was closed in March 2015 due to declining revenue and excess costs.

SWACO derives its revenue principally from fees levied on the disposal of solid waste. SWACO collects these fees in two ways: 1) tipping fees charged for solid waste disposal and waste transfer services provided at SWACO facilities; and 2) fees assessed on all solid waste generated within the District. These fees are established pursuant to authorization within the Ohio Revised Code (“ORC”) and agreements established with private landfill owners. SWACO had one customer which accounted for approximately 24.1% of SWACO's total operating revenues for the year ended December 31, 2025. The customer accounted for approximately 26.26% of accounts receivable, trade at December 31, 2025

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

The accompanying financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statements, in that the statements include all organizations, activities, and functions for which SWACO (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization, and either SWACO's ability to impose its will over the organization's governing body or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, SWACO. There are no potential component units that meet the criteria imposed by GASB Statements included in SWACO's reporting entity.

2. Summary of Significant Accounting Policies

The significant accounting policies followed in preparation of these financial statements are summarized below. The accounting policies and financial reporting practices of SWACO conform to accounting principles generally accepted in the United States of America for governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

Measurement focus and basis of accounting: SWACO's funds are accounted for on a flow of economic resources measurement focus, and the financial statements have been prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned, and expenses are recorded when incurred.

Proprietary Fund: SWACO operates as an enterprise fund. Enterprise funds are used to account for the costs of providing goods or services to the general public on a continuing basis which are financed or recovered primarily through user charges or to report any activity for which a fee is charged to external users for goods or services, regardless of whether the government intends to fully recover the cost of the goods or services provided.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of SWACO are charges to customers for disposal services.

Basis of presentation: SWACO reports the following major proprietary funds:

The *Operating Fund* receives all income derived from the operations of SWACO's landfill and waste transfer facilities including tipping fees, waste transfer fees, investment income, and certain other revenues. Revenues are used to support the operations of SWACO's solid waste facilities and to pay certain costs of discontinued operations of SWACO. Operating Fund revenues are derived primarily from rates and charges established pursuant to ORC Section 343.08.

The *Program Fund* receives Generation Fees authorized by ORC Section 3734.57 paid on waste generated in the Solid Waste District and disposed of at SWACO's landfill or out-of-district landfills. Revenues are used only to support solid waste recycling, reuse, and reduction programs operated by SWACO in support of SWACO's solid waste plan. Interfund charges shown in the Program Fund under operating expenses are comprised of charges to the Program Fund for administrative and operational support.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Financial Statement Items

Cash and cash equivalents: SWACO considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents. SWACO follows GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, and discloses custodial, credit, and interest rate risks associated with cash and investments. The Statement of Cash Flows includes cash and cash equivalents as well as restricted cash and cash equivalents held by the trustee for the landfill closure/post-closure care.

Investments: Investments are carried at fair value, including accrued interest receivable. Unrealized gains and losses resulting from changes in fair value are reported as adjustments to investment income. SWACO does not invest in any form of derivatives or reverse repurchase agreements. SWACO's cash and investments are discussed in more detail in Note 3 (Cash and Investments).

Accounts receivable: SWACO extends credit to public and private customers of the landfill, transfer stations, and other SWACO facilities and reports amounts owed to SWACO net of any allowance for bad debts. As of December 31, 2025, the allowance for bad debt was zero. Accounts receivable also includes amounts owed by private transfer stations and landfills for solid waste received at the facilities, generated within the boundaries of SWACO and subject to the Generation Fee.

Restricted Assets: As discussed further in Note 4 (Restricted Assets), certain SWACO assets are restricted for debt service, capital projects, by State law, or for other purposes. When both restricted and unrestricted resources are available for a particular purpose, it is SWACO's discretion to use restricted resources first.

Landfill Gas Revenue: SWACO has entered into an agreement with a third party for the collection, processing, and sale of landfill gas generated at its sanitary landfill. Under this arrangement, SWACO is responsible for operating and maintaining the gas collection while the third party is responsible for the processing, and remits payments to SWACO based on the volume and/or market value of gas sold. The agreement is structured as a supply arrangement with variable consideration and does not meet the criteria for lease accounting under GASB Statement No. 87. Revenue from this arrangement is reported as operating revenue and recognized as earned in accordance with the terms of the agreement.

Landfill and Property, Plant, and Equipment: SWACO records asset acquisitions at cost and provides for depreciation in amounts adequate to amortize cost over the estimated useful lives of the assets using a straight-line method for financial reporting purposes, except for its landfill, which is depleted using a units-of-production method. The cost of buildings and equipment is depreciated using a straight-line method over their estimated useful lives of 10 to 20 years for buildings and 5 to 10 years for equipment. The capitalization threshold for capital assets is \$10,000. Maintenance, repairs and minor renewals are charged to expense as incurred, while major renewals and betterments are capitalized. The cost and related accumulated depreciation of assets sold or otherwise disposed of are removed from the related accounts, and resulting gains or losses are reflected in income.

Right of Use Assets: SWACO is reporting intangible right to use assets related to technology infrastructure. This intangible asset is being amortized in a systemic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Impairment of capital assets: SWACO will review a capital asset for possible impairment when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined. If it is determined that the service utility has significantly declined and that decline is unexpected, then SWACO will declare the asset impaired. The amount of impairment is determined by management based on a variety of factors including the asset's carrying value and the potential cash flows expected to be generated from that asset.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Compensated Absences: SWACO recognizes a liability for compensated absences for the leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment under the last-in-first-out flow assumption. The liability for compensated absences is reported as incurred.

Bond premiums: Bond premiums are included in bonds payable and are amortized over the term of the bonds using the effective interest rate method.

Bond issuance cost and deferred amounts on refundings: Bond issuance costs are expensed when incurred. Deferred amounts on refundings are recorded as a deferred outflow, and are amortized using the effective interest rate method over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Net Position: Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. *Net investment in capital assets* consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for acquisition, construction or improvements of those assets. Any unspent capital related to debt proceeds does not reduce *Net investment in capital assets*. Net position is reported as restricted when there are external restrictions imposed on their use, either contractually, by debt covenant, or by statute. SWACO applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification: Certain prior year amounts may be reclassified for consistency with current year presentation. These reclassifications would have no effect on the reported results.

Deferred Outflows/Inflows of Resources: In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For SWACO, deferred outflows of resources are reported on the statement of net position for pension (explained in Note 8 - Net Pension Liability), OPEB (explained in Note 9 - Defined Benefit OPEB Plans), and debt refundings. In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For SWACO, deferred inflows of resources are reported on the statement of net position for pension and OPEB explained in Notes 8 and 9, respectively. The deferred inflows related to leases are explained in Note 7.

Refundings: The issuance of refunding bonds resulted in a difference between the acquisition cost and the net carrying amount. This difference, reported in the financial statements as a deferred outflow of resources, is being amortized over the life of the bonds. More explanation is included in Note 10 (Debt Management).

SWACO

Notes to the Basic Financial Statements For the Year Ended December 31, 2025

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

Implementation of New Accounting Principles: For the year ended December 31, 2025, SWACO has implemented GASB Statement No. 102, *Certain Risk Disclosures*. GASB Statement No. 102 provides users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints as concentrations and constraints may limit a government's ability to acquire resources or control spending. The implementation of GASB Statement No. 102 did not have an effect on the financial statements of SWACO.

3. Cash and Investments

SWACO pools its cash and investments except for funds held by a trustee for landfill closure/post-closure care and funds held in escrow.

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

Investments: SWACO has adopted a formal investment policy in accordance with Section 135 of the ORC, the "Uniform Depository Act." Safety of principal is the foremost objective of the investment policy. Maintaining sufficient liquidity to meet SWACO's cash flow needs and return on investment are secondary goals of the policy. SWACO does not purchase any form of derivative.

In accordance with the ORC and SWACO's investment policy, SWACO is authorized to invest in: 1) bonds, notes, or other obligations of, or guaranteed by, the United States, or those for which the faith of the United States is pledged for the payment of principal and interest; 2) bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality; 3) certificates of deposit purchased from qualified banks and savings and loans; 4) bond and other obligations of the State of Ohio; 5) no-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; 6) the State Treasury Asset Reserve of Ohio managed by the Treasurer of the State of Ohio (STAR Ohio); and 7) subject to certain restrictions and limitations, short-term commercial paper and bankers acceptances.

During 2025, SWACO invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. SWACO measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value. Financial information may be obtained by visiting <http://www.tos.ohio.gov/starohio/>.

SWACO

Notes to the Basic Financial Statements For the Year Ended December 31, 2025

STAR Ohio reserves the right to limit participant transactions to \$250 million per day. Transactions in all of a participant's accounts will be combined for this purpose. Twenty-four hours advance notice to STAR Ohio is appreciated for purchases or redemptions of \$100 million or more. For 2025, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

Money Market Mutual Funds: The Money Market Mutual Funds consist of overnight investments with a financial institution in an open-end, institutional money market fund complying with SEC Rule 2a-7 and investing only in U.S. government or agency securities pursuant to SWACO's investment policy. In accordance with the provisions of GASB Statement No. 72 these amounts are classified as investments but are not categorized.

Interest Rate Risk: It is SWACO's policy to manage interest rate risk by targeting the duration of the portfolio. Management of interest rate risk is an integral part of an overall process that addresses total return, reinvestment risk, interest rate risk and credit risk.

Credit Risk: It is SWACO's policy to invest only in securities rated in the highest three (3) categories by at least one of the nationally recognized rating agencies (Standard & Poor's, Moody's Investors Service, and Fitch). SWACO's investment in federal agency coupon or discount securities meet these criteria. Investments in U.S. Agencies and the money market funds were rated AA+ and AAAm, respectively, by S&P Global Ratings and Aa1 by Moody's Investor Services. STAR Ohio was rated AAAm by S&P Global ratings. Negotiable certificates of deposit are fully covered by FDIC. Investments in U.S. government treasury securities are not considered to have credit risk.

The chart below summarizes SWACO's investments at fair value as of December 31, 2025:

Investments at December 31, 2025

	Measurement Value	Maturity in Years		% of Portfolio
		Less than 1	1-4	
Operating and Program Funds				
STAR Ohio	\$ 53,588	\$ 53,588	\$ -	0.04%
STAR Ohio Program Fund	5,558,377	5,558,377	-	4.40%
Money market mutual funds	144,499	144,499	-	0.11%
Commercial paper	2,575,377	2,575,377	-	2.04%
Federal agency securities	75,862,815	9,608,526	66,254,289	59.99%
Negotiable certificates of deposit	2,740,278	493,702	2,246,576	2.17%
Municipal Bonds	1,011,230	1,011,230	-	0.80%
	<u>87,946,164</u>	<u>19,445,299</u>	<u>68,500,865</u>	
Closure/Post-closure Trust Fund				
Money market mutual funds	150,290	150,290	-	0.12%
Commercial paper	2,482,920	2,482,920	-	1.96%
Federal agency securities	32,593,653	4,674,462	27,919,191	25.77%
Negotiable certificates of deposit	2,655,330	-	2,655,330	2.10%
Municipal Bonds	631,065	-	631,065	0.50%
	<u>38,513,258</u>	<u>7,307,672</u>	<u>31,205,586</u>	
Total	<u>\$ 126,459,422</u>	<u>\$ 26,752,971</u>	<u>\$ 99,706,451</u>	<u>100.00%</u>

Concentration of Credit Risk: SWACO will diversify investments by security type and institution limiting investment in any one non-treasury or non-U.S. Government Agency issuer to twenty-five percent (25%) of the fair value of the portfolio. As of December 31, 2025, no single issuer outside of Treasury or U.S. Government Agency securities exceeded the 25% limit.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

SWACO categorizes its fair value measurements 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 prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies SWACO's recurring fair value measurements as of December 31, 2025. SWACO's fair value investments are Level 2 since they are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data.

4. Restricted Assets/Net Position

Operating Fund: Restricted cash in the Operating Fund represents debt service accounts, capital improvement accounts (bond proceeds) and assets held by trustee (Note 5) for landfill closure/post-closure care. Restricted net position represents amounts restricted for landfill closure and post-closure care costs further explained in Note 11.

Program Fund: Restricted net position represents unexpended Generation Fees collected by SWACO that are restricted by State statute for the purpose of solid waste recycling, reuse, and reduction programs and implementation of SWACO's solid waste plan.

5. Closure/Post-Closure Funds Held by Trustee

In 1995, SWACO established a trust fund (the "Fund") with U.S. Bank for the benefit of the OEPA under OEPA rules applicable to SWACO requiring the owner or operator of a solid waste facility to provide financial assurance that funds will be available when needed for final closure, post-closure care, and/or corrective measures of the facility when the landfill stops accepting waste (either when at maximum capacity or if closed for other reasons). The amount to be funded for the financial assurance instrument, which is established in the landfill permit, and is subject to change due to inflation or other factors, is based on the maximum exposure of unclosed landfill area allowed in the permit and is calculated differently than SWACO's Landfill Closure Cost estimate for purposes of GASB Statement No. 18 (see Note 11 – Landfill Closure and Post-Closure Care Costs). The amount to be funded for the financial assurance estimate is paid in annual installments, called pay-in periods. Annual payments are made by SWACO and are calculated by dividing the financial assurance requirement less cash and investments in the Fund as of the calculation date by the number of years remaining in the pay-in period (seventeen years as of December 31, 2025).

The required fund payment in 2025 was approximately \$1,090,000. This value may be reviewed and updated in accordance with updated estimates for the closure liability. The Fund is restricted by the Director of the OEPA, and SWACO invests in those securities authorized by the ORC and SWACO's investment policy (see Note 3 – Cash and Investments). All amounts earned by the investments are reinvested in the Fund.

6. Capital Assets

The sanitary landfill and buildings and equipment are stated at cost and updated for the cost of additions and retirements during the year. It is SWACO's policy to capitalize items costing more than \$10,000 with a useful life greater than one year. The cost of buildings and equipment is depreciated using a straight-line method over their estimated useful lives of 10 to 20 years for buildings and 5 to 10 years for equipment.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Landfill development costs (land acquisition, engineering, construction and other direct costs associated with the permitting, development, and construction of landfill capacity) are capitalized and depleted based on the percentage of permitted capacity used during the year. Depletion is calculated based on cubic yards of solid waste disposed and placed in the landfill as measured through an annual aerial survey. Costs associated with development of the entire landfill, including cell construction, are depleted based on the percentage of total permitted capacity used (approximately 33.9% as of December 31, 2025).

As of the end of 2025, SWACO estimates total landfill development costs at approximately \$284.3 million, including approximately \$168.1 million expended through 2025 (including construction in progress) and approximately \$116.2 million estimated future costs to be expended over the remaining life of the landfill. SWACO recognized total accumulated depletion of \$96.3 million as of December 31, 2025, leaving an estimate of \$188.0 million in depletion expense over the remaining life of the landfill.

SWACO reports a right of use asset in accordance with GASB No. 87 for leased technology infrastructure assets.

A summary of capital assets at December 31, 2025, is shown on the following page.

Summary of Capital Assets at December 31, 2025

Operating Fund	Beginning Balance	Increases	Decreases	Ending Balance
<i>Capital assets, not being depreciated/ depleted/amortized:</i>				
Land	\$ 24,206,806	\$ -	\$ -	\$ 24,206,806
Construction in progress	4,627,543	7,893,397	(3,249,880)	9,271,060
<i>Total capital assets, not being depreciated/depleted/amortized</i>	<i>28,834,349</i>	<i>7,893,397</i>	<i>(3,249,880)</i>	<i>33,477,866</i>
<i>Capital assets, being depreciated/ depleted/amortized</i>				
Equipment and furnishings	37,369,062	5,630,011	(101,800)	42,897,273
Building and improvements	19,261,772	-	(81,143)	19,180,629
Transfer stations	13,895,439	3,941,554	(342,384)	17,494,609
Sanitary landfill	162,877,759	1,550,555	-	164,428,314
Intangible right to-use - equipment	1,129,881	-	-	1,129,881
<i>Total capital assets, being depreciated/depleted</i>	<i>234,533,913</i>	<i>11,122,120</i>	<i>(525,327)</i>	<i>245,130,706</i>
<i>Less accumulated depreciation/ depletion/amortization for:</i>				
Equipment and furnishing	(28,901,767)	(3,010,548)	101,800	(31,810,515)
Building and improvements	(15,613,623)	(1,156,962)	69,828	(16,700,757)
Transfer stations	(9,580,807)	(874,570)	342,384	(10,112,993)
Sanitary landfill	(91,249,044)	(5,014,154)	-	(96,263,198)
Intangible right to-use - equipment	(260,742)	(86,914)	-	(347,656)
<i>Total accumulated depreciation/ depletion/amortization</i>	<i>(145,605,983)</i>	<i>(10,143,148)</i>	<i>514,012</i>	<i>(155,235,119)</i>
<i>Total capital assets, being depreciated/depleted/amortized, net</i>	<i>88,927,930</i>	<i>978,972</i>	<i>(11,315)</i>	<i>89,895,587</i>
<i>Total capital assets, net</i>	<i>\$ 117,762,279</i>	<i>\$ 8,872,369</i>	<i>\$ (3,261,195)</i>	<i>\$ 123,373,453</i>

SWACO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2025

Program Fund	Beginning Balance	Increases	Decreases	Ending Balance
<i>Capital assets, not being depreciated:</i>				
Construction in progress	\$ 61,425	\$ 575,428	\$ -	\$ 636,853
<i>Total capital assets, not being depreciated</i>	<u>61,425</u>	<u>575,428</u>	<u>-</u>	<u>636,853</u>
<i>Capital assets, being depreciated:</i>				
Equipment and furnishings	1,163,516	105,151	-	1,268,667
Building and improvements	1,469,777	-	-	1,469,777
<i>Total capital assets, being depreciated</i>	<u>2,633,293</u>	<u>105,151</u>	<u>-</u>	<u>2,738,444</u>
<i>Less accumulated depreciation for:</i>				
Equipment and furnishings	(798,847)	(148,912)	-	(947,759)
Building and improvements	(1,259,403)	(109,423)	-	(1,368,826)
<i>Total accumulated depreciation</i>	<u>(2,058,250)</u>	<u>(258,335)</u>	<u>-</u>	<u>(2,316,585)</u>
<i>Total capital assets, being depreciated</i>	<u>575,043</u>	<u>(153,184)</u>	<u>-</u>	<u>421,859</u>
<i>Total capital assets, net</i>	<u>\$ 636,468</u>	<u>\$ 422,244</u>	<u>\$ -</u>	<u>\$ 1,058,712</u>

7. Lease Receivable

SWACO leases a building it owns, on property owned by the City of Columbus, to a third party. The term of the lease is eighteen years remitted in monthly payments to SWACO. SWACO also subleases property to a third party. After the current five years, the lease contains two more renewal options of five years each with payments remitted annually to SWACO.

SWACO is reporting a lease receivable that represents the discounted future monthly lease payments. The discount is being amortized using the straight-line method. For 2025, SWACO reported lease revenue of \$102,327 and interest revenue of \$12,949.

A summary of future payments to be received is as follows:

Year	Principal	Interest	Total
2026	\$ 90,997	\$ 11,490	\$ 102,487
2027	96,977	10,009	106,986
2028	98,477	8,509	106,986
2029	105,012	6,974	111,986
2030	52,754	5,750	58,504
2031 - 2035	248,749	19,461	268,210
2036 - 2038	161,436	3,990	165,426
	<u>\$ 854,402</u>	<u>\$ 66,183</u>	<u>\$ 920,585</u>

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

8. Defined Benefit Pension Plan

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension/OPEB Liability (Asset)

Pensions and OPEB 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 net pension/OPEB liability (asset) represents SWACO's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/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 this estimate annually.

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability and net OPEB liability (asset). Any liability for the contractually-required pension/OPEB contributions outstanding at the end of the year is included in accrued wages and benefits.

The remainder of this note includes the pension disclosures. See Note 9 for the OPEB disclosures.

Ohio Public Employees Retirement System (OPERS)

Plan Description - SWACO employees, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers two separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan, and the member-directed plan is a defined contribution plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in both plans, law enforcement and public safety divisions exist only within the traditional pension plan.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

The traditional pension plan also includes members of the legacy combined plan, a hybrid defined benefit/defined contribution plan referred to as the combined plan division of the traditional pension plan throughout this disclosure. Prior to January 1, 2024, the combined plan was a separate pension plan. Effective January 1, 2022, the combined plan was no longer available for member selection. In October 2023, the legislature approved House Bill (HB) 33 which allowed for the consolidation of the combined plan into the traditional pension plan. The combined plan was consolidated into the traditional pension plan effective January 1, 2024, and is tracked as a separate division within the traditional pension plan. No changes were made to the benefit design features of the combined plan as part of this consolidation so that members in this plan will experience no changes. Throughout this disclosure, references to the traditional pension plan are inclusive of the combined plan division, unless otherwise noted.

Members of the combined plan division earn a formula benefit similar to, but at a factor less than, the traditional pension plan benefit. This defined benefit is funded by employer contributions and associated investment earnings. Additionally, combined plan division member contributions are deposited into a defined contribution account in which the member self-directs the investment. Upon retirement or termination, the member may choose a defined contribution retirement distribution that is equal in amount to the member's contributions to the plan and investment gains or losses on those contributions. Members in this division may also elect to annuitize their defined contribution account balances.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. 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 in the traditional and combined plans 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 pension plan (applicable combined plan division requirements are separately identified) as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

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SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Pension Plan Formula: (Excluding Combined Plan Division) 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Pension Plan Formula: (Excluding Combined Plan Division) 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Pension Plan Formula: (Excluding Combined Plan Division) 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Division Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Division Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Division Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Traditional pension plan state and local members (excluding the combined plan division) who retire before meeting the age-and-years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The amount of a member's pension benefit vests at retirement.

Combined plan division members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit.

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.

When a traditional pension plan benefit recipient has received benefits for 12 months, the member is eligible for an annual cost of living adjustment (COLA). This COLA is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan division receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan division members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan division consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan division members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options and will continue to be administered by OPERS), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

institution, receipt of entire account balance, net of taxes withheld, or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

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

	Traditional Pension Plan State and Local Divisions	
	Excluding Combined Plan Division	Combined Plan Division
2025 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %
2025 Actual Contribution Rates		
Employer:		
Pension	14.0 %	12.0 %
Post-employment Health Care Benefits	0.0	2.0
Total Employer	14.0 %	14.0 %
Employee	10.0 %	10.0 %

* Member contributions within the combined plan division are not used to fund the defined benefit retirement allowance.

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll.

Employer contribution rates are actuarially determined within the constraints of statutory limits for each division and expressed as a percentage of covered payroll. For 2025, SWACO's contractually required contribution was \$1,530,084 for the traditional plan (including combined plan division). Of this amount, \$133,092 is reported as an accrued wages and benefits.

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The net pension liability for OPERS was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. SWACO's proportion of the net pension liability was based on SWACO'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:

	OPERS
Proportion of the Net Pension Liability:	
Current Measurement Period	0.0582170%
Prior Measurement Period	0.0507140%
Change in Proportion	0.0075030%
Proportionate Share of the Net	
Pension Liability	\$ 14,272,211
Pension Expense	\$ 2,335,784

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Effective January 1, 2024, the combined plan was consolidated with the traditional plan. The proportionate share percentage and net pension liability for the prior period reflects SWACO's share of contributions to the traditional plan only. The current year proportionate share and net pension liability reflects the consolidated traditional plan inclusive of the combined plan.

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period.

At December 31, 2025, SWACO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS
Deferred Outflows of Resources	
Net Difference between Projected and Actual	
Earnings on Pension Plan Investments	\$ 1,683,688
Differences between Expected and	
Actual Experience	273,077
Changes in Proportionate Share and	
Differences in Contributions	928,574
SWACO Contributions Subsequent	
to the Measurement Date	1,530,084
Total Deferred Outflows of Resources	<u>\$ 4,415,423</u>
Deferred Inflows of Resources	
Changes in Proportionate Share and	
Differences in Contributions	\$ 97,285
Total Deferred Inflows of Resources	<u>\$ 97,285</u>

\$1,530,084 reported as deferred outflows of resources related to pension resulting from SWACO contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS
2026	\$ 1,515,632
2027	2,133,579
2028	(649,611)
2029	(211,546)
Total	<u>\$ 2,788,054</u>

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the value 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.

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 was determined by an actuarial valuation as of December 31, 2024, using the following key actuarial assumptions and methods applied to all periods included in the measurement in accordance with the requirements of GASB 67:

	OPERS Traditional Plan
Wage Inflation	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation
COLA or Ad Hoc COLA:	
Pre-January 7, 2013 Retirees	3.0 percent, simple
Post-January 7, 2013 Retirees (Current Year)	2.9 percent, simple for calendar year 2025 then 2.05 percent, simple
Post-January 7, 2013 Retirees (Prior Year)	2.3 percent, simple through 2024, then 2.05 percent, simple
Investment Rate of Return	6.9 percent
Actuarial Cost Method	Individual Entry Age

For the prior year, the actuarial assumptions for the Combined Legacy Plan included future salary increases (including inflation) of 2.75 percent to 8.25 percent, including wage inflation.

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions. Post-retirement mortality rates are based on 115 percent 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.

During 2024, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, including the defined benefit component of the Combined Plan, and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 8.8 percent for 2024.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric real rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2024, these best estimates are summarized below:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00%	2.42%
Domestic Equities	21.00	5.70
Real Estate	13.00	4.17
Private Equity	15.00	8.40
International Equities	20.00	6.10
Risk Parity	2.00	4.40
Other investments	5.00	2.54
Total	100.00%	

A simple weighted sum of asset class returns will not yield the results shown on the above table given the process followed to adjust for inflation, the compounding to a given time period, and the impact of volatility and correlations to the portfolio.

Discount Rate The discount rate used to measure the total pension liability for the current year was 6.9 percent for the traditional pension plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of SWACO's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents SWACO's proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.90 percent, as well as what SWACO'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 (5.90 percent) or one-percentage-point higher (7.90 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
SWACO's Proportionate Share of the Net Pension Liability	\$ 23,348,510	\$ 14,272,211	\$ 6,729,885

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

9. Post Employment Benefits

See Note 8 for a description of the net OPEB liability (asset).

Ohio Public Employees Retirement System (OPERS)

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers two separate pension plans: the traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan and the member-directed plan is a defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, the 115 Health Care Trust (115 Trust), which was established in 2014 to fund health care for the Traditional Pension and Member-Directed plans. The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

With one exception, OPERS-provided health care coverage is neither guaranteed nor statutorily required. Ohio law currently requires Medicare Part A equivalent coverage or Medicare Part A premium reimbursement for eligible retirees and their eligible dependents.

OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents.

OPERS members enrolled in the Traditional Pension Plan retiring with an effective date of January 1, 2022, or after must meet the following health care eligibility requirements to receive an HRA allowance:

Age 65 or older Retirees Minimum of 20 years of qualifying service credit

Age 60 to 64 Retirees Based on the following age-and-service criteria:

Group A 30 years of total service with at least 20 years of qualified health care service credit;

Group B 31 years of total service credit with at least 20 years of qualified health care service credit; or

Group C 32 years of total service cred with at least 20 years of qualified health care service credit.

Age 59 or younger Based on the following age-and-service criteria:

Group A 30 years of qualified health care service credit;

Group B 32 years of qualified health care service credit at any age or 31 years of qualified health care service credit and at least age 52; or

Group C 32 years of qualified health care service credit and at least age 55.

Retirees who do not meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Members with a retirement date on or prior to December 1, 2014, with at least 10 years of qualifying health care service credit will continue to be eligible for the OPERS health care program. Members with a retirement date after December 1, 2014, but prior to January 1, 2022, who were eligible to participate in the OPERS health care program will continue to be eligible after January 1, 2022, as summarized in the following table:

Group A	Group B	Group C
Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>	Age and Service Requirements <i>December 1, 2014 or Prior</i>
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
<i>January 1, 2015 through</i> <i>December 31, 2021</i>	<i>January 1, 2015 through</i> <i>December 31, 2021</i>	<i>January 1, 2015 through</i> <i>December 31, 2021</i>
Age 60 with 20 years of service credit or Any Age with 30 years of service credit	Age 52 with 31 years of service credit or Age 60 with 20 years of service credit or Any Age with 32 years of service credit	Age 55 with 32 years of service credit or Age 60 with 20 years of service credit

See the Age and Service Retirement section of the OPERS ACFR for a description of Groups A, B and C.

Beginning January 1, 2014, qualifying contributing service credit for health care will be accumulated only if the member's eligible salary is at least \$1,000 per month. Partial health care credit will not be granted for months in which eligible salary is less than \$1,000. Credit earned prior to January 2014 will not be affected by this requirement.

Recipients of disability benefits prior to January 1, 2014, have continued access to the health care program while the disability benefit continues and will not be subject to the five-year rule described below. The allowance will be determined in the same manner as an age-and-service retiree. If the recipient does not meet minimum age-and-service requirements, the minimum allowance will be used. Recipients with an initial disability effective date on or after January 1, 2014, will have coverage during the first five years of disability benefits. After five years, the recipient must meet minimum age-and-service health care eligibility requirements or be enrolled in Medicare (due to disability status) to remain enrolled in the OPERS health care program. If enrolled, the allowance will be determined in the same way as an age-and-service retiree.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances are determined using a percentage based on years of service and the age when the individual is first eligible for the HRA, multiplied by the base allowance as determined by the Board.

The base allowance was \$1,200 per month for non-Medicare retirees and \$350 per month for Medicare retirees throughout 2024. The base allowance for Medicare retirees increased to \$400 per month in January 2025. Monthly allowances range between 51 percent and 90 percent of the base allowance for both non-Medicare and Medicare retirees.

Retirees will have access to the OPERS Connector, which is a relationship with a vendor selected by OPERS to assist retirees participating in the health care program. The OPERS Connector may assist retirees in selecting and enrolling in the appropriate health care plan. While Medicare eligible retirees must use the Connector to select a vendor to be eligible to receive an HRA, non-Medicare eligible retirees may use the Connector or another vendor and still be eligible to receive an HRA.

When members become Medicare-eligible, recipients enrolled in OPERS health care programs must enroll in Medicare Part A (hospitalization) and Medicare Part B (medical).

SWACO

Notes to the Basic Financial Statements For the Year Ended December 31, 2025

OPERS reimburses retirees who are not eligible for premium-free Medicare Part A (hospitalization) for their Part A premiums as well as any applicable surcharges (late-enrollment fees). Retirees within this group must enroll in Medicare Part A and select medical coverage, and may select prescription coverage, through the OPERS Connector. OPERS also will reimburse 50 percent of the Medicare Part A premium and any applicable surcharges for eligible spouses. Proof of enrollment in Medicare Part A and confirmation that the retiree is not receiving reimbursement or payment from another source must be submitted. The premium reimbursement is added to the monthly pension benefit.

Participants in the Member-Directed Plan have a portion of the employer contribution credited to an individual retiree medical account. Interest accrues based on the investment performance of the stable value fund, not to exceed 4 percent. Members with an account prior to July 1, 2015, become vested in the account at a rate of 20 percent for each year of participation until the member is fully vested at the end of five years. Members establishing accounts on or after July 1, 2015, vest over 15 years at a rate of 10 percent each year starting with the sixth year of participation.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional pension plan (except for the combined division).

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2025, state and local employers contributed at a rate of 14.0 percent of earnable salary. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2025, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan (excluding the Combined Plan Division). Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan Division which has continued through 2025. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2025 was 4.0 percent. Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2025.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. For 2025, SWACO's contractually required contribution was \$0 for the traditional plan, exclusive of the combined plan.

SWACO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2025

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

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2023, rolled forward to the measurement date of December 31, 2024, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. SWACO's proportion of the net OPEB liability (asset) was based on SWACO's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>
Proportion of the Net OPEB Liability (Asset):	
Current Measurement Period	0.0607710%
Prior Measurement Period	<u>0.0531410%</u>
Change in Proportion	<u>0.0076300%</u>
 Proportionate Share of the Net	
OPEB Liability (Asset)	\$ (1,424,615)
OPEB Expense	(498,237)

At December 31, 2025, SWACO reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>
Deferred Outflows of Resources	
Net Difference between Projected and Actual	
Earnings on OPEB Plan Investments	\$ 29,335
Changes in Proportionate Share and	
Differences in Contributions	<u>6,110</u>
Total Deferred Outflows of Resources	<u>\$ 35,445</u>
 Deferred Inflows of Resources	
Differences between Expected and	
Actual Experience	\$ 69,338
Changes of Assumptions	205,559
Changes in Proportionate Share and	
Differences in Contributions	<u>54,678</u>
Total Deferred Inflows of Resources	<u>\$ 329,575</u>

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

Year Ending December 31:	<u>OPERS</u>
2026	\$ (175,786)
2027	113,839
2028	(171,704)
2029	<u>(60,479)</u>
Total	<u>\$ (294,130)</u>

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Actuarial Assumptions – OPERS

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.

Projections of health care costs 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 coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members.

The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent
	including wage inflation
Single Discount Rate	6.00 percent
Prior Year Single Discount Rate	5.70 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	4.08 percent
Prior Year Municipal Bond Rate	3.77 percent
Health Care Cost Trend Rate	5.5 percent, initial
	3.50 percent, ultimate in 2039
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions. Post-retirement mortality rates are based on 115 percent 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.

During 2024, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan Division, Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 10.0 percent for 2024.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees 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. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2024, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	37.00%	2.37%
Domestic Equities	26.00	5.70
Real Estate Investment Trust	5.00	5.00
International Equities	26.00	6.10
Risk Parity	3.00	4.40
Other investments	3.00	2.50
Total	100.00%	

A simple weighted sum of asset class returns will not yield the results shown on the above table given the process followed to adjust for inflation, the compounding to a given time period, and the impact of volatility and correlations to the portfolio.

Discount Rate A single discount rate of 6.0 percent was used to measure the total OPEB liability on the measurement date of December 31, 2024; however, the single discount rate used at the beginning of the year was 5.70 percent. 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 the actuarially determined contribution rates of 6.00. 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 2124. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2124, the duration of the projection period through which projected health care payments are fully funded. The tax-exempt municipal bond rate was not needed in the determination of the single discount rate.

Sensitivity of SWACO's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate The following table presents SWACO's proportionate share of the net OPEB liability calculated using the single discount rate of 6.00 percent, as well as what SWACO's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

	1% Decrease	Current Discount Rate	1% Increase
SWACO's Proportionate Share of the Net OPEB Liability (Asset)	\$ (707,374)	\$ (1,424,615)	\$ (2,023,067)

Sensitivity of SWACO's Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability (asset). The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability (asset) if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2025 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Trend Rate	1% Increase
SWACO's Proportionate Share of the Net OPEB Liability (Asset)	\$ (1,446,350)	\$ (1,424,615)	\$ (1,400,164)

10. Debt Management

Long-term Obligations

SWACO's outstanding long-term debt is summarized in the following table (excludes related premiums):

Outstanding Bonds as of December 31, 2025

Issue	Amount Issued	Maturities	Interest Rates
Series 2013A	9,375,000	2015 - 2026	1.50% - 4.00%
Series 2013B	9,540,000	2014 - 2032	0.45% - 5.00%
Series 2016	35,360,000	2016 - 2029	3.00% - 5.00%
Series 2019	19,575,000	2019 - 2032	1.75% - 2.75%

Series 2013A Bonds. On August 7, 2013, SWACO issued General Obligation (Limited Tax) Solid Waste Facilities Refunding Bonds, Series 2013A, in the amount of \$9,375,000. The proceeds of the bonds were used to refund \$9,815,000 of the outstanding \$13,540,000 Series 2010 Build America Bonds. At the time of issuance, the federal government provided a 35% subsidy on interest payments for these bonds. On June 20, 2013, SWACO received notification from the Internal Revenue Service that the subsidy would be reduced by 8.7% due to sequestration. This qualified as an extraordinary event and provided SWACO with the opportunity to refund a portion of the Series 2010 Build America Bonds under more favorable terms. The Series 2013A Bonds bear interest ranging from 1.5% to 4.0% with maturities of 13 years. The bonds are un-voted general obligations of SWACO and contain a pledge of the full faith and credit of SWACO for the payment of the principal and interest on the bonds when due.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Series 2013B Bonds. On August 7, 2013, SWACO issued General Obligation Taxable Solid Waste Facilities Refunding Bonds, Series 2013B, in the amount of \$9,540,000. The proceeds of the bonds were used to: refund \$340,000 of the outstanding \$1,495,000 Series 2004B bonds; refund \$1,140,000 of the outstanding \$19,165,000 Series 2008 bonds; and refund \$7,005,000 of the outstanding \$79,015,000 Series 2012 Bonds. In January 2013, SWACO entered into an agreement to lease land to a third party. The land leased qualified as private use, necessitating the defeasance of portions of Series 2004B, Series 2008 and Series 2012 under the Internal Revenue Code of 1986. The defeased tax- exempt bonds were refunded as taxable bonds with Series 2013B. The Series 2013B Bonds bear interest ranging from 0.45% to 5.0% with maturities of 19 years. The bonds are un-voted general obligations of SWACO and contain a pledge of the full faith and credit of SWACO for the payment of the principal and interest on the bonds when due.

Series 2016 Bonds: On December 20, 2016, SWACO issued General Obligation (Limited Tax) Solid Waste Facilities Refunding Bonds, Series 2016, in the amount of \$35,360,000. The proceeds of the bonds were used to: refund \$12,755,000 of the outstanding \$14,665,000 Series 2008 bonds, refund \$3,725,000 of the outstanding \$3,725,000 Series 2010 bonds, and \$19,795,000 of the outstanding \$57,920,000 Series 2012 bonds.

Series 2019 Bonds: On December 19, 2019, SWACO issued General Obligation (Limited Tax) Solid Waste Facilities Refunding Bonds, Series 2019 (Taxable), in the amount of \$19,575,000. The Series 2019 Bonds were issued for the purposes of paying part of the cost of refunding a portion of the following obligations of SWACO (collectively, the “Refunded Prior Bonds”): \$79,015,000 original principal amount General Obligation (Limited Tax) Solid Waste Facilities Improvement and Refunding Bonds, Series 2012, dated June 1, 2012 (the “Series 2012 Bonds”) and \$9,540,000 original principal amount Taxable Solid Waste Facilities Refunding Bonds, Series 2013B (the “Series 2013 Bonds” and collectively, the “Prior Bonds”), which were issued to finance and refinance the costs of certain facilities constituting solid waste facilities included in the General Facilities Plan of SWACO.

The Series 2019 refunding reduced the debt service payments over the next 13 years by approximately \$1.3 million and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$1.1 million.

It is anticipated that the debt service on the Series 2013A, Series 2013B, Series 2016, and Series 2019 bonds will be paid from SWACO’s tipping fees or other sources of revenues. However, Series 2013A, Series 2013B, Series 2016, and Series 2019 bonds are general obligation bonds secured by a pledge to levy ad valorem property taxes.

The following table summarizes SWACO’s annual debt service requirements to maturity for its general obligation bonds (including general obligation bonds issued by Franklin County on behalf of SWACO) and leases, outstanding as of December 31, 2025, categorized by source of payment.

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SWACO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2025

Paid from Tipping Fees
Series 2013A, 2013B, 2016, and 2019

Year ended December 31 2025,	<u>Principal</u>	<u>Interest</u>
2026	\$5,075,000	\$1,399,503
2027	5,340,000	1,156,593
2028	5,540,000	943,238
2029	5,490,000	729,685
2030	6,095,000	469,105
2031 – 2032	<u>11,185,000</u>	<u>443,025</u>
Total	<u>\$38,725,000</u>	<u>\$5,141,149</u>

Legal Debt Margins. SWACO's debt is not subject to direct debt limitations, but its un-voted general obligation debt (debt authorized by SWACO's Board of Trustees but not by a vote of the electors) is subject to overlapping debt restrictions with other political subdivisions. These limitations apply to each overlapping county, municipal corporation, school district or other issuing authority. Limitations apply to each county total and are not considered cumulatively. Total debt service charges for any one year of all overlapping debt may not exceed ten mills (1%) of the assessed property value within the overlapping jurisdictions. This determination is made by the respective county auditors each time a subdivision proposes to issue un-voted debt. At the time of SWACO's most recent un-voted debt issue in 2025 the maximum millage required in any overlapping jurisdictions was 6.1243 mills, leaving a margin of 3.8757 mills.

Summary of Debt and Long-Term Obligations

Including the bonds payable, net pension liability, net OPEB liability, leases, and compensated leave balances, long-term liability activity for the year ended December 31, 2025:

Operating and Program Funds	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>General obligation bonds payable:</i>					
Series 2013A bonds refunding	\$ 1,430,000	\$ -	\$ (935,000)	\$ 495,000	\$ 495,000
Series 2013B bonds refunding	1,240,000	-	(485,000)	755,000	370,000
Series 2016 bonds refunding	23,570,000	-	(4,785,000)	18,785,000	4,075,000
Series 2019 bonds refunding	18,825,000	-	(135,000)	18,690,000	135,000
Unamortized bond premiums	1,049,843	-	(392,093)	657,750	-
<i>Total general obligation bonds payable, net</i>	<u>46,114,843</u>	<u>-</u>	<u>(6,732,093)</u>	<u>39,382,750</u>	<u>5,075,000</u>
Landfill closure and post-closure liability (Note 11)	24,270,064	-	(2,569,640)	21,700,424	-
Net pension liability (Note 8)	13,277,133	995,078		14,272,211	-
Leases (Note 15)	876,656	-	(83,001)	793,655	84,005
Compensated leave*	741,944	125,752	-	867,696	44,593
Total debt and long-term liabilities	<u>\$ 85,280,640</u>	<u>\$ 1,120,830</u>	<u>\$ (9,384,734)</u>	<u>\$ 77,016,736</u>	<u>\$ 5,203,598</u>

*The change in compensated absences is a net change for the year.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

Short-Term Notes Payable

In November 2025, the Authority issued \$35,000,000 of Bond Anticipation Notes, Series 2025, for building projects, including the construction of an administrative office building/educational resource center and fleet and operations facility. The notes were issued at a premium of \$442,750 for total proceeds of \$35,442,750, with a stated interest rate of 4.00 percent and a maturity date of October 28, 2026. The notes will be retired from Operating fund.

11. Landfill Closure and Post-Closure Care Costs

State and federal laws and regulations require SWACO to place a final cover on its Sanitary Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although final closure and post-closure care costs will be paid only when the last phases of the landfill reach final waste elevation, in accordance with GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Post-Closure Care Costs, SWACO reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each Statement of Net Position date.

In calculating the annual depletion, SWACO uses the 2025 final closure cost estimate. The amount reported as Landfill Closure/Post-closure liability as of December 31, 2025, includes \$21.7 million representing the cumulative amount reported based on the use of 33.9% of the estimated capacity of the landfill, including the original permit and modifications in 1997, 2009, and 2018. SWACO will recognize the remaining estimated cost of closure and post-closure care costs as the remaining estimated capacity is filled. Per SWACO's annual report the landfill has a remaining useful life of approximately 40.2 years.

SWACO also maintains and monitors the Model Landfill, which has been closed since 1985. The Model Landfill is not subject to the same state and federal laws and regulations as the current operating landfill. To manage post-closure costs, SWACO leased the closed landfill to a private entity in 1999 to develop a public golf course on the site and leased the landfill gas collection system and sold the gas rights for the purpose of generating electricity. SWACO no longer carried a Landfill Closure/Post-closure care liability as of December 31, 2016. Future maintenance and repairs such as remediation costs for its gas system will be funded from operating funds.

On January 15, 2014, SWACO entered into an asset purchase agreement with Phoenix Golf Links, Ltd. to acquire all of their operating assets, located at SWACO's closed Model Landfill. The assets were purchased for \$2,375,000 and a related Model Landfill lease agreement was terminated at the same time. In March 2015, SWACO decided to close its golf course operation resulting in a write-down of the golf course clubhouse, land improvements, and deferred outflows of resources.

12. Service Agreements

SWACO entered into an agreement with a yard waste composting organization, to accept and process yard waste delivered by SWACO District constituents. This agreement was effective January 1, 2023, and extends to 2025, in 2025 this agreement was modified and will now run through the end of 2026. SWACO will disburse funds not to exceed \$950,000 annually.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

13. Commitments and Contingencies

As the operator of solid waste disposal and transfer facilities, SWACO is subject to environmental regulation by federal, state and local governmental authorities. These authorities have the power to enforce compliance with environmental laws and regulations and to obtain injunctions or impose fines in the case of violations. In addition, SWACO's operation of landfills subjects it to certain operational, monitoring, site maintenance, closure and post-closure obligations. As the result of this extensive regulation, SWACO may become subject to various judicial and administrative proceedings involving federal, state or local regulatory agencies. If these agencies find that SWACO's operations or facilities are not in compliance with applicable environmental regulations or operating permits, they could seek to impose fines on SWACO or to revoke or deny renewal of an operating permit held by SWACO. Failure to correct the problems to the satisfaction of the authorities could lead to curtailed operations or closure of the landfill or transfer stations.

Certain federal and state environmental laws impose strict liability on SWACO for such matters as contamination of water supplies or other environmental damage associated with its operation of solid waste facilities. If such contamination or environmental damage were to occur, the resulting cost to SWACO of corrective measures and cleanup could adversely affect SWACO's financial condition.

14. Risks and Uncertainties

SWACO is exposed to various risks of loss related to torts and general liability; theft of, damage to and destruction of assets; natural disasters; errors and omissions; employee health care claims, settlement claims, and injuries to employees. Insurance policies are procured for buildings and contents and certain equipment. In addition, a crime policy is in effect which covers SWACO for employee theft and dishonesty. There have been no significant changes in insurance coverage since the prior year. Settled claims have not exceeded commercial coverage in any of the past three years. SWACO purchases workers' compensation insurance through the State of Ohio to cover all employees. SWACO is exposed to various risks of loss related to torts and general liability; theft of, damage to and destruction of assets; natural disasters; errors and omissions; employee health care claims, settlement claims, and injuries to employees. Insurance policies are procured for buildings and contents and certain equipment. In addition, a crime policy is in effect which covers SWACO for employee theft and dishonesty. There have been no significant changes in insurance coverage since the prior year. Settled claims have not exceeded commercial coverage in any of the past three years. SWACO purchases workers' compensation insurance through the State of Ohio to cover all employees. SWACO also provides life insurance to all full-time employees at an amount equal to \$50,000 or one (1) year's base salary, whichever is greater as well as short-term disability benefit. These benefits are fully insured by SWACO through third parties.

SWACO purchases property insurance for all buildings and equipment, excluding over-the-road motor vehicles. SWACO maintains \$5.0 million in general liability, public official's liability, and motor vehicle liability insurance for claims in excess of \$1.0 million. SWACO retains the risk for claims of less than \$1.0 million.

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

SWACO provides health care benefits package to its employees under agreement with Franklin County. The County provides multiple health care benefit plans that cover approximately 6,600 employees of Franklin County, SWACO and other Central Ohio political subdivisions. There are approximately 14,200 plan subscribers when spouses and dependents and domestic partners are counted. During 2025, these benefits included a self-insured participating provider organization medical plan, a prescription drug program, a mental health and chemical dependency program, dental, vision, and employee assistance program (EAP) benefits. The program is administered by third parties who provide claims review and processing. Participating County agencies and other political subdivisions pay their proportionate shares of the premiums and may be charged for their pro-rata share of any reserve deficiency as determined by the plan's independent actuary. SWACO has not been assessed any charges other than its premiums for the years ended December 31, 2025, or 2024.

The Consolidated Omnibus Budget Reconciliation Act of 1986 requires SWACO to offer terminated or retired employees continued participation in SWACO's employee health care benefits program, provided that the employees pay the rate established by the plan administrator.

SWACO analyzes all outstanding and potential claims that have arisen or could arise due to the occurrence of a loss contingency on or before December 31, 2025. Those claims that are judged to have a high probability of requiring a settlement and for which the amount required to settle the claim is reasonably estimable are included. SWACO has \$352 in known claims at the end of 2025. SWACO is unable to quantify the monetary value of any potential claims and such claims should not have a material impact on the financial statements.

	2024	2025
Unpaid claims at January 1	\$ -	\$ 2,500
Incurred claims	2,500	222,886
Paid claims	-	(225,034)
Unpaid claims at December 31	<u>\$ 2,500</u>	<u>\$ 352</u>

15. Leases Payable

SWACO signed an agreement to lease technology infrastructure beginning May 3, 2019, through May 3, 2034. Due to the implementation of GASB Statement 87, this lease has met the criteria of a lease thus requiring it to be recorded by SWACO. The future lease payments were discounted based on the interest rate implicit in the lease or using SWACO's incremental borrowing rate. This discount is being amortized over the life of the lease.

A summary of the principal and interest amounts for the remaining lease is as follows:

Year	Principal	Interest	Total
2026	\$ 84,005	\$ 9,595	\$ 93,600
2027	85,020	8,580	93,600
2028	86,048	7,552	93,600
2029	87,089	6,511	93,600
2030	88,141	5,459	93,600
2031 - 2034	363,352	11,048	468,000
	<u>\$ 793,655</u>	<u>\$ 48,745</u>	<u>\$ 936,000</u>

SWACO

Notes to the Basic Financial Statements

For the Year Ended December 31, 2025

16. Subsequent Events

In February 2026, SWACO executed a lease agreement with a third-party to lease property for them to construct and operate a compressed natural gas refueling station there. The tenant is a retail supplier of CNG and will lease a portion of SWACO's land to construct, own, and operate, and maintain an unattended CNG refueling station there and will sell CNG from that station solely to SWACO. The contract does have a provision that SWACO has the option to purchase facility.

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SWACO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2025

Schedule of the SWACO's Proportionate Share of the Net Pension Liability

Year	SWACO's Proportion of the Net Pension Liability	SWACO's Proportionate Share of the Net Pension Liability	SWACO's Covered Payroll	SWACO's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<i>Ohio Public Employees' Retirement System (OPERS)</i>					
2025	0.0582170%	\$ 14,272,211	\$ 10,345,486	137.96%	80.99%
2024	0.0507140%	13,277,133	8,347,614	159.05%	79.01%
2023	0.0531720%	15,707,032	8,249,671	190.40%	75.74%
2022	0.0510970%	4,445,646	7,452,836	59.65%	92.62%
2021	0.0498640%	7,383,773	7,011,650	105.31%	86.88%
2020	0.0476240%	9,413,207	6,705,979	140.37%	82.17%
2019	0.0471550%	12,914,798	6,369,871	202.75%	74.70%
2018	0.0451451%	7,082,384	6,014,821	117.75%	84.66%
2017	0.0445022%	10,105,688	5,761,125	175.41%	77.25%
2016	0.0437840%	7,583,941	5,519,033	137.41%	81.08%

The amounts presented for each year were determined as of the measurement date, which is the prior year.

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SWACO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2025

Schedule of the SWACO's Proportionate Share of the Net OPEB Liability (Asset)

Year	SWACO's Proportion of the Net OPEB Liability (Asset)	SWACO's Proportionate Share of the Net OPEB Liability (Asset)	SWACO's Covered Payroll	SWACO's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
Ohio Public Employees' Retirement System (OPERS)					
2025	0.0607710%	\$ (1,424,615)	\$ 10,345,486	-13.77%	121.51%
2024	0.0531410%	(479,610)	8,347,614	-5.75%	107.76%
2023	0.0555560%	350,291	8,249,671	4.25%	94.79%
2022	0.0537840%	(1,684,597)	7,452,836	-22.60%	128.23%
2021	0.0525100%	(935,508)	7,011,650	-13.34%	115.57%
2020	0.0499550%	6,900,083	6,705,979	102.89%	47.80%
2019	0.0499850%	6,516,864	6,369,871	102.31%	46.33%
2018	0.0480888%	5,222,095	6,014,821	86.82%	54.14%
2017	0.0477410%	4,822,003	5,761,125	83.70%	54.04%

The amounts presented for each year were determined as of the measurement date, which is the prior year.

(1) Information prior to 2017 is not available.

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SWACO
Notes to the Basic Financial Statements
For the Year Ended December 31, 2025

Schedule of SWACO Contributions

<u>Year</u>	<u>Contractually Required Contribution - Pension (1)</u>	<u>Contractually Required Contribution - OPEB (1)</u>	<u>SWACO's Covered Payroll</u>	<u>Pension Contributions as a Percentage of Covered Payroll</u>	<u>OPEB Contributions as a Percentage of Covered Payroll</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>					
2025	\$ 1,530,084	\$ -	\$ 10,929,171	14.00%	0.00%
2024	1,448,368	-	10,345,486	14.00%	0.00%
2023	1,168,666	-	8,347,614	14.00%	0.00%
2022	1,154,954	-	8,249,671	14.00%	0.00%
2021	1,043,397	-	7,452,836	14.00%	0.00%
2020	981,631	-	7,011,650	14.00%	0.00%
2019	938,837	-	6,705,979	14.00%	0.00%
2018	891,782	-	6,369,871	14.00%	0.00%
2017	781,927	60,148	6,014,821	13.00%	1.00%
2016	691,335	115,223	5,761,125	12.00%	2.00%

(1) The contributions in relation to the contractually required contributions are equal to the contractually required contributions, resulting in zero contribution deficiency/excess.

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SWACO
Notes to the Required Supplementary Information
For the Year Ended December 31, 2025

NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions – OPERS

No changes to the assumptions below since 2022. Amounts reported beginning in 2022 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

	<u>2022</u>	<u>2019</u>	<u>2018 and 2017</u>	<u>2016 and prior</u>
Wage Inflation	2.75%	3.25%	2.75%	2.75%
Future Salary Increases, including wage inflation	2.75% to 10.75%	3.25% to 10.75%	3.25% to 10.75%	4.25% to 10.05%
COLA or Ad Hoc COLA:				
Pre-January 7, 2013 Retirees	3.00%, simple	3.00%, simple	3.00%, simple	3.00%, simple
Post-January 7, 2013 Retirees	see below	see below	see below	see below
Investment Rate of Return	6.90%	7.20%	7.50%	8.00%
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age	Individual Entry Age

The assumptions related to COLA or Ad Hoc COLA for Post-January 7, 2013, retirees are as follows:

2025	2.90%, simple through 2025, then 2.05%, simple
2024	2.30%, simple through 2024, then 2.05%, simple
2023	3.00%, simple through 2023, then 2.05%, simple
2022	3.00%, simple through 2022, then 2.05%, simple
2021	0.50%, simple through 2021, then 2.15%, simple
2020	1.40%, simple through 2020, then 2.15%, simple
2017-2019	3.00%, simple through 2018, then 2.15%, simple
2016 and prior	3.00%, simple through 2018, then 2.80%, simple

Changes in Benefit Terms – OPERS

There were no significant changes in benefit terms

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SWACO
Notes to the Required Supplementary Information
For the Year Ended December 31, 2025

NOTE 2 - NET OPEB LIABILITY (ASSET)

Changes in Assumptions - OPERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

<u>Assumption</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Wage Inflation	2.75%	2.75%	2.75%	2.75%	3.25%	3.25%	3.25%	3.25%
Single Discount Rate	6.00%	5.70%	5.22%	6.00%	6.00%	3.16%	3.96%	3.85%
Municipal Bond Rate	4.08%	3.77%	4.05%	1.84%	2.00%	2.75%	3.71%	3.31%
Health Care Cost Trend Rate	5.50%	5.50%	5.50%	5.50%	8.50%	10.50%	10.00%	7.50%

For calendar year 2019, the investment rate of return decreased from 6.50 percent to 6.00 percent.

Note: Information for fiscal years 2016 and 2017 are not available.

Changes in Benefit Terms – OPERS

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are reflected in 2021.

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STATISTICAL SECTION

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Solid Waste Authority of Central Ohio

Introduction to Statistical Section

The following statistical tables provide selected information on SWACO's financial trends, revenue capacity, operating information, debt capacity, and economic and demographic information.

Tables 1 and 2 provide ten years of financial information for SWACO. Table 3 is a budget to actual comparison for 2025.

Revenue capacity information on solid waste deliveries and tipping fees at SWACO facilities is presented in Tables 4 through 8. Table 8 provides generation fees reported by solid waste facilities receiving waste generated from within the Franklin County Solid Waste Management District (the "District") and disposed in an Ohio landfill.

Indicators of the level of demand for service are included in the tables throughout the statistical section along with tons received (Tables 4 and 5). This section also includes the top ten customer data (Table 5), tons generated (Table 8), and tons recycled (Table 9 and 10). Table 11 shows current and historical SWACO employees by function.

Tables 12 through 15 provide debt service schedules for SWACO's outstanding notes and bonds. Table 16 shows various debt ratios for SWACO. Table 16 includes total debt (notes and bonds) per capita, total obligation debt as a percent of SWACO assessed property valuation (although backed by a pledge to levy ad valorem property taxes, SWACO's general obligation bonds are paid from other sources, see note 10 to the financial statements), and annual debt service per ton paid from the landfill tipping fee. Table 17 shows the statutory debt limit on SWACO's ability to issue debt supported by property taxes. SWACO is not subject to direct debt limits.

Demographic information is presented for SWACO's solid waste district and Franklin County in Tables 18 through 20. Table 21 provides information on capital assets.

Table 1

SWACO
Schedules of Net Position - All Funds
For Years Ended December 31, 2016 through 2025
(in thousands)¹

Assets	Restated									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cash and cash equivalents	\$ 22,036	\$ 26,054	\$ 37,801	\$ 36,532	\$ 37,958	\$ 35,455	\$ 15,259	\$ 6,337	\$ 4,108	\$ 40,657
Restricted cash	12,622	9,789	6,127	6,560	1,975	7,749	8,909	10,189	11,043	-
Unrestricted and restricted investments	10,695	14,915	18,137	29,882	37,376	44,768	72,957	76,108	71,601	81,178
Accounts receivable, net	5,451	4,222	5,442	4,434	5,451	6,155	5,557	5,254	6,025	4,975
Grants receivable	-	-	-	71	10	-	-	-	-	-
Closure/post closure funds held by trustee	24,662	25,988	27,670	29,315	30,815	31,179	30,643	33,007	35,356	38,363
Sanitary Landfill, net of accum. deprec./depletion	33,351	29,422	47,884	44,306	45,830	50,840	47,944	45,102	71,629	68,165
Buildings and equipment, net of accum. depreciation	24,732	26,322	23,830	24,331	25,536	21,833	18,754	17,489	17,067	21,370
Construction in progress	609	3,579	96	2,568	6,848	4,666	5,415	26,778	4,628	9,908
Land and land improvements	23,719	23,719	23,907	24,207	24,207	24,207	24,207	24,207	24,207	24,207
Lease receivable	698	648	598	547	495	443	389	1,999	1,812	1,636
Net OPEB asset	-	-	-	-	-	936	1,685	-	480	1,425
Other assets	465	549	371	1,023	727	450	1,862	1,396	1,314	1,795
Total assets	159,040	165,207	191,863	203,776	217,228	228,681	233,581	247,866	249,270	293,679
Deferred outflows of resources:										
Refundings	2,795	2,447	1,918	1,693	1,478	1,274	1,081	900	732	576
Pension	2,920	3,964	1,885	4,102	1,661	1,414	2,207	6,630	4,460	4,415
OPEB	-	60	439	677	1,202	716	113	1,047	429	35
Total deferred outflows of resources	\$ 5,715	\$ 6,471	\$ 4,242	\$ 6,472	\$ 4,341	\$ 3,404	\$ 3,401	\$ 8,577	\$ 5,621	\$ 5,026

Table 1 (continued)

	2016	2017	2018	Restated 2019	2020	2021	2022	2023	2024	2025
Liabilities										
Accounts payable, deferred revenue, contracts payable and unearned income	\$ 5,747	\$ 3,167	\$ 4,052	\$ 4,229	\$ 3,765	\$ 6,195	\$ 3,848	\$ 9,013	\$ 5,852	\$ 6,643
Accrued wages and benefits	767	628	731	821	917	1,096	1,127	1,236	1,473	1,330
SWACO grants payable	45	11	-	-	-	-	-	-	-	-
Accrued interest	221	331	281	202	188	208	188	165	142	117
Bonds and notes payable (Note 10)	99,696	91,174	82,441	77,497	71,466	65,347	60,125	52,678	46,115	74,825
Lease obligation (Note 11)	-	-	-	-	-	-	959	959	877	794
Landfill closure/postclosure care liability (Note 12)	21,224	22,237	14,458	17,438	17,925	19,738	18,043	19,097	24,270	21,700
Net pension liability	7,584	10,106	7,083	12,915	9,413	7,384	4,446	15,707	13,277	14,272
Net OPEB liability	-	4,822	5,222	6,517	6,900	-	-	350	-	-
Other	2	1	5	1	-	5	-	-	11	120
Total liabilities	135,286	132,477	114,273	119,620	110,574	99,973	88,736	99,205	92,017	119,801
Deferred inflows of resources: pension	409	202	1,721	189	2,003	3,227	5,398	34	331	97
Deferred inflows of resources: OPEB	-	-	420	34	1,024	2,897	1,749	116	277	330
Deferred Lease	-	-	-	-	-	-	385	1,036	934	832
Total deferred inflows of resources	409	202	2,141	223	3,027	6,124	7,532	1,186	1,542	1,259
Net position										
Net investment in capital assets:										
WTEF, net of lease obligation and bonds payable	(9,671)	(4,603)	-	-	-	-	-	-	-	-
Other capital assets, net	(5,637)	(1,834)	14,510	18,989	31,879	36,984	38,932	61,795	69,559	86,013
Restricted:										
Closure/postclosure trust fund, net of accrued liability - Sanitary Landfill	3,437	3,751	13,213	11,877	12,891	11,492	12,688	14,107	11,338	17,065
Other restricted, net	12,556	8,499	4,898	4,802	5,027	6,442	7,943	8,675	10,267	10,846
Unrestricted	28,375	33,186	47,071	54,737	58,171	71,069	81,151	71,474	70,168	63,723
Total net position	\$ 29,060	\$ 38,999	\$ 79,692	\$ 90,405	\$ 107,968	\$ 125,987	\$ 140,714	\$ 156,051	\$ 161,332	\$ 177,647

¹ Totals may not add due to rounding.

Source: SWACO. All references to notes are to the Notes to Financial Statements beginning on page 2-23.

SWACO
Schedules of Revenues, Expenses, and Changes in Net Position - All Funds
For Years Ended December 31, 2016 through 2025
(in thousands)¹

	2016	2017	2018	Restated 2019	2020	2021	2022	2023	2024	2025
Revenues:										
Tipping and disposal fees	\$ 30,812	\$ 37,361	\$ 41,349	\$ 41,730	\$ 40,851	\$ 42,772	\$ 43,114	\$ 42,986	\$ 44,338	\$ 44,902
Waste transfer fees	6,432	6,445	6,676	6,198	6,566	7,225	7,465	7,211	6,647	6,142
Retired facility and waiver fees	9,631	2,329	-	-	-	-	-	-	-	-
Generation fees	5,362	5,610	5,984	6,002	5,907	6,181	6,165	6,239	6,288	6,312
Sale of landfill gas	2,708	4,722	6,823	3,441	4,348	8,637	7,784	4,842	6,051	4,579
Other	436	324	1,091	549	786	358	598	684	891	1,129
Operating revenues	55,381	56,791	61,923	57,920	58,458	65,173	65,126	61,962	64,215	63,064
Expenses:										
Salaries, wages and benefits	9,556	11,017	11,353	13,706	12,933	6,099	10,144	14,665	16,897	17,127
Contracts, services and supplies	11,853	12,276	13,724	13,946	13,627	16,179	18,522	18,611	20,834	19,543
Solid waste fees	5,279	5,495	5,801	5,848	5,760	6,029	6,043	6,151	6,343	6,300
Depreciation and depletion	8,198	9,582	(3,572)	8,802	7,898	14,103	12,849	9,741	12,211	10,401
Landfill closing expenses	911	1,014	(7,780)	2,981	487	1,813	(1,695)	1,054	5,173	(2,569)
Other	324	159	237	370	252	112	204	357	656	459
Operating expenses	36,121	39,543	19,763	45,653	40,957	44,335	46,067	50,579	62,114	51,261
Operating income	\$ 19,260	\$ 17,248	\$ 42,160	\$ 12,267	\$ 17,501	\$ 20,838	\$ 19,059	\$ 11,383	\$ 2,101	\$ 11,803

Table 2 (continued)

	2016	2017	2018	Restated 2019	2020	2021	2022	2023	2024	2025
Non-operating revenues (expenses):										
Interest expense	\$ (3,561)	\$ (3,032)	\$ (2,972)	\$ (3,327)	\$ (2,213)	\$ (2,141)	\$ (1,957)	\$ (1,803)	\$ (1,631)	\$ (1,599)
ERIP interest expense	-	-	-	-	-	-	-	-	-	-
Deferred Outflows: Phoenix	-	-	-	-	-	-	-	-	-	-
Interest earnings	608	601	1,398	2,646	2,238	(494)	(2,682)	5,735	4,890	6,802
Capital contributions received	-	-	-	-	-	-	-	-	-	-
Grant revenues	-	-	-	367	236	18	-	41	45	(27)
Grants awarded	(215)	(137)	(126)	(1,256)	(548)	(264)	73	(153)	(133)	(781)
Bad debt expense	-	-	-	-	-	-	-	-	-	-
Impairment of long-lived assets	-	-	-	-	-	-	-	-	-	-
Lease Revenue	-	-	-	-	-	-	-	55	102	102
Gain (loss) on disposal of assets	101	21	232	16	348	62	235	78	(95)	1
Total non-operating expenses	(3,067)	(2,547)	(1,468)	(1,554)	61	(2,819)	(4,331)	3,953	3,178	4,498
Change in net position	16,193	14,701	40,692	10,713	17,562	18,019	14,728	15,336	5,280	16,301
Total net position - beginning	12,867	29,060	38,999	79,691	90,405	107,967	125,986	140,714	156,051	161,331
Change in accounting principle^{2 3}	-	(4,762)	-	-	-	-	-	-	-	15
Total net position - ending	\$ 29,060	\$ 38,999	\$ 79,691	\$ 90,404	\$ 107,967	\$ 125,986	\$ 140,714	\$ 156,051	\$ 161,331	\$ 177,647

¹ Totals may not add due to rounding.

² SWACO implemented the provisions of GASB Statement No. 68 in 2015 and as a result of the change in accounting principle, recorded a restatement in 2014 net position.
and GASB Statement No. 75 in 2018 and a a result of the change in accounting principle, recorded a restatement in 2017 net position.

³ 2025 Capital Contributions added.

Source: SWACO

SWACO
Schedule of Revenues, Expenses and Changes in Net Position
2025 Budget to Actual (in thousands)¹

	Operating Fund			Program Fund			All Funds Total			
	Original Budget	Amended Budget	Actual	Original Budget	Amended Budget	Actual	Original Budget ⁴	Amended Budget ⁴	Actual	Budget Variance Positive (Negative)
Operating revenues:										
Tipping and disposal fees	\$ 44,172	\$ 44,172	\$ 44,902	\$ -	\$ -	\$ -	\$ 44,172	\$ 44,172	\$ 44,902	\$ 730
Waste transfer fees	7,107	7,107	6,142	-	-	-	7,107	7,107	6,142	(965)
Generation fees	-	-	-	6,466	6,466	6,312	6,466	6,466	6,312	(154)
Sale of landfill gas	6,000	6,000	4,579	-	-	-	6,000	6,000	4,579	(1,421)
Interfund charges ³	-	-	459	-	-	-	-	-	459	459
Other ³	173	173	573	1,125	1,125	98	1,298	1,298	671	(627)
Total operating revenues	57,452	57,452	56,655	7,591	7,591	6,410	65,043	65,043	63,065	(1,978)
Operating expenses:										
Salaries, wages and benefits ²	15,242	15,242	15,248	1,898	1,898	1,879	17,140	17,140	17,127	13
Contracts, services and supplies	18,656	18,656	15,757	4,022	4,022	3,786	22,678	22,678	19,543	3,135
Solid waste fees	6,366	6,366	6,300	-	-	-	6,366	6,366	6,300	66
Depreciation ³	-	-	5,042	-	-	258	-	-	5,300	(5,300)
Amortization of Leases	-	-	87	-	-	-	-	-	87	(87)
Depletion ³	-	-	5,014	-	-	-	-	-	5,014	(5,014)
Landfill closing costs ³	-	-	(2,570)	-	-	-	-	-	(2,570)	2,570
Interfund charges ³	-	-	-	-	-	459	-	-	459	(459)
Total operating expenses	40,264	40,264	44,878	5,920	5,920	6,382	46,184	46,184	51,260	(5,076)
Operating income	\$ 17,188	\$ 17,188	\$ 11,777	\$ 1,671	\$ 1,671	\$ 28	\$ 18,859	\$ 18,859	\$ 11,805	\$ (7,054)

Table 3 (continued)

	Operating Fund			Program Fund			All Funds Total			
	Original Budget	Amended Budget	Actual	Original Budget	Amended Budget	Actual	Original Budget	Amended Budget	Actual	Budget Variance Positive (Negative)
Non-operating revenues (expenses):										
Interest expense	\$ -	\$ -	\$ (1,599)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,599)	\$ (1,599)
Investment Income	-	-	6,564	-	-	238	-	-	6,802	6,802
Grants Received	-	-	-	-	-	(27)	-	-	(27)	(27)
Grants awarded	-	-	-	1,647	1,647	(781)	1,647	1,647	(781)	(2,428)
Gain (loss) on disposal of assets	-	-	(1)	-	-	-	-	-	(1)	(1)
Lease Revenue	-	-	102	-	-	-	-	-	102	102
 Total non-operating revenues (expenses)	 -	 -	 5,066	 1,647	 1,647	 (570)	 1,647	 1,647	 4,496	 2,849
 Income (Loss) before Capital Contributions	 17,188	 17,188	 16,843	 3,318	 3,318	 (542)	 20,506	 20,506	 16,301	 (4,205)
 Capital contributions received	 -	 -	 -	 -	 -	 15	 -	 -	 15	 15
 Change in net position	 17,188	 17,188	 16,843	 3,318	 3,318	 (527)	 20,506	 20,506	 16,316	 (4,190)
 Total net position - beginning (restated)	 -	 -	 150,884	 -	 -	 10,447	 -	 -	 161,331	 161,331
 Total net position - ending	 \$ 17,188	 \$ 17,188	 \$ 167,727	 \$ 3,318	 \$ 3,318	 \$ 9,920	 \$ 20,506	 \$ 20,506	 \$ 177,647	 \$ 157,141

¹ Totals may not add due to rounding.² Note - Salaries, wages and benefits significantly under budget due to GASB 68 Pension Liability Expense and GASB 75 OPEB expense calculation.³ Note - items indicated were not budgeted as they are non-cash items.⁴ Does not include contingency of \$1,244,000 via operating budget resolution 047-24.

Source: SWACO

Table 4

SWACO
Solid Waste Received and Landfilled 2016 - 2025 (in tons)²

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Solid waste received by SWACO:										
Jackson Pike Transfer Station	263,927	261,643	255,130	236,381	258,653	290,129	320,503	312,415	256,519	300,902
Morse Road Transfer Station	251,196	254,338	278,781	258,607	266,324	288,013	278,562	266,285	274,538	194,929
Georgesville Road Transfer Station	-	-	-	-	-	-	-	-	-	-
Subtotal Transfer stations	515,123	515,981	533,911	494,987	524,977	578,142	599,065	578,700	531,057	495,831
Sanitary Landfill	575,679	621,368	694,033	745,449	652,784	652,401	639,530	653,793	729,977	779,950
Total solid waste received by SWACO	1,090,802	1,137,349	1,227,945	1,240,437	1,177,761	1,230,543	1,238,595	1,232,493	1,261,034	1,275,781
Adjustments ¹	(6,424)	(5,680)	(6,182)	(7,189)	(6,300)	(10,422)	(7,430)	(9,913)	(13,972)	(1,427)
Solid waste landfilled - Franklin County Sanitary Landfill	1,084,378	1,131,669	1,221,763	1,233,248	1,171,461	1,220,121	1,231,165	1,222,580	1,247,061	1,274,354
Tons landfilled per EPA report										

¹ Adjustments - carryover related to end of year inventory at transfer stations and shrinkage due to loss of water or removed from waste stream.

² Totals may not add due to rounding.

Source: SWACO

SWACO
Top Ten Customers 2016 - 2025
(tons received)^{2,3}

Customer	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City of Columbus Refuse Collection	306,795	314,531	321,067	315,860	343,122	335,297	312,824	302,850	293,663	290,418
Rumpke Waste/Rumpke Container/Rumpke Transfer	179,740	192,356	197,379	195,464	196,394	218,236	229,449	239,137	255,271	265,847
Local Waste Services LLC/ Local Waste Transfer	119,146	129,046	144,559	147,378	134,298	141,113	156,630	155,470	155,835	156,098
Republic Waste Systems	209,926	207,613	207,129	188,562	153,407	163,037	156,095	148,057	144,666	134,239
Boren Bothers	6,451	19,339	37,097	45,535	42,210	59,899	69,310	86,732	99,687	111,627
Waste Management of Ohio / Waste Management Transfer	110,139	121,036	125,032	120,614	105,147	98,514	86,577	94,574	85,540	80,180
Alpha Waste Services	*	#	#	7,277	9,570	10,879	13,027	15,321	17,464	16,870
Consolidated Container Group	*	*	*	*	*	*	#	7,373	15,191	12,733
Site Waste Service LLC	#	#	#	#	#	#	#	#	#	8,350
Aaron's 81 US 40 LLC	*	*	*	*	*	*	*	#	#	7,992
Site Services Group LLC	*	*	*	#	#	8,465	7,475	#	11,721	#
City\Street Engineer & Const.	7,399	7,352	7,168	6,076	4,269	#	#	6,811	6,948	#
Pride Hauling & Recycling LLC	*	*	*	#	#	#	#	6,815	#	*
Capitol Waste & Recycling	38,777	37,617	41,253	46,482	44,605	46,834	#	*	*	*
Granite Construction Company	#	#	#	#	#	#	22,106	*	*	*
Columbus Auto Shredding Inc.	12,902	15,140	37,885	40,672	30,667	25,005	14,092	*	*	*
Westrock	#	#	6,680	#	#	#	#	#	#	#
Total Top Ten Customers	1,010,014	1,056,396	1,132,418	1,119,996	1,067,958	1,107,279	1,067,586	1,063,140	1,085,986	1,084,354
Total tons received by SWACO¹	1,090,802	1,137,349	1,227,945	1,240,437	1,177,761	1,230,543	1,238,595	1,232,493	1,261,034	1,275,781
Top Ten customer % of total received	93%	93%	92%	90%	91%	90%	86%	86%	86%	85%

¹ Includes both in-district and out-of-district waste.

² Totals may not add due to rounding.

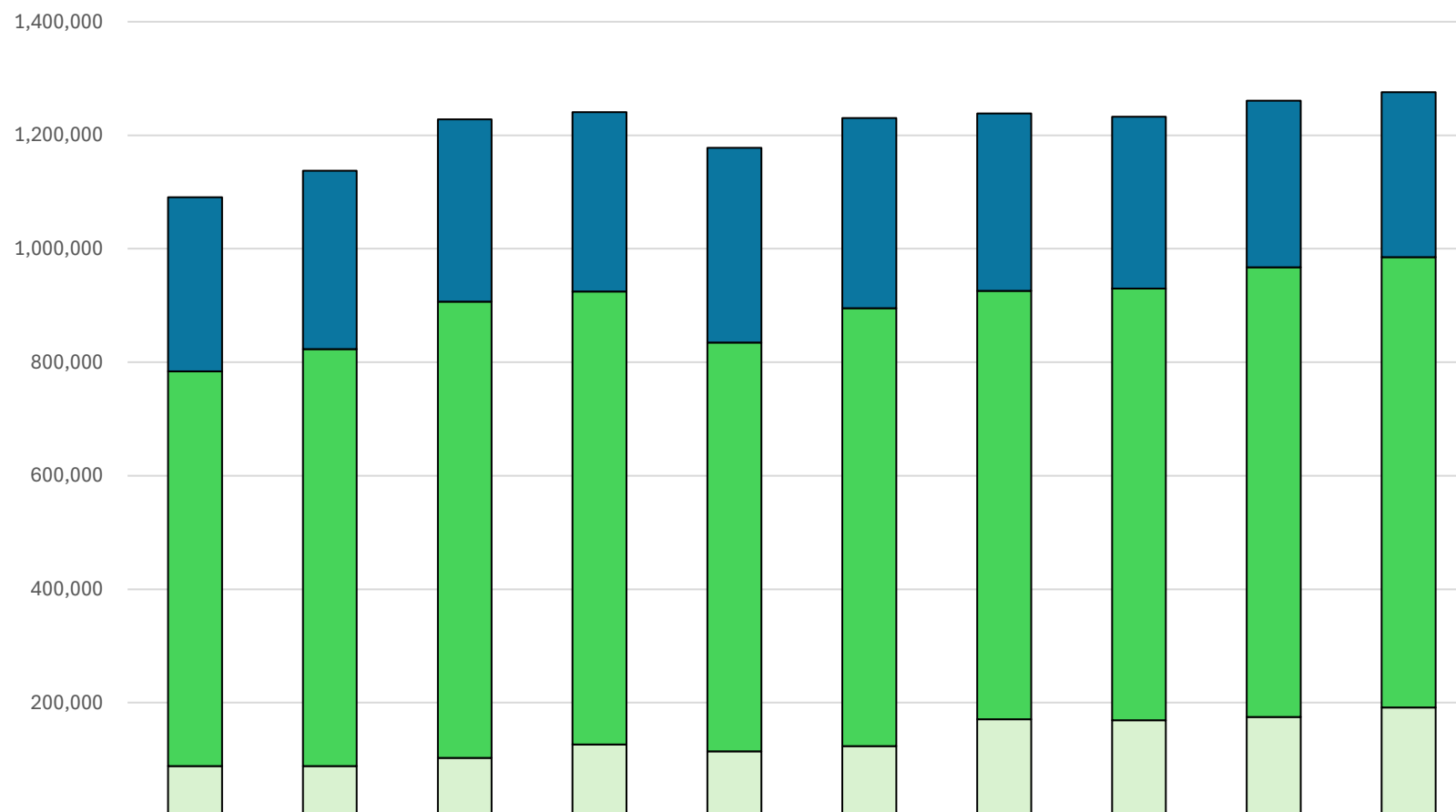
³ Table updated to reflect name changes and updated values.

Waste received from these customers is not reported when they are not ranked in the top ten.

* Indicates the waste hauler was not a SWACO customer in the year indicated.

Source: SWACO

SWACO Waste (Tons) 2016-2025



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City of Columbus Refuse Collection	306,795	314,531	321,067	315,860	343,122	335,297	312,824	302,850	293,663	290,418
Rest of Top Ten	695,820	734,513	804,183	798,060	720,567	771,982	754,762	760,290	792,323	793,935
All Others	88,187	88,304	102,695	126,517	114,072	123,264	171,009	169,353	175,047	191,428
Total	1,090,802	1,137,349	1,227,945	1,240,437	1,177,761	1,230,543	1,238,595	1,232,493	1,261,034	1,275,781

SWACO
Disposal Rates 1992-2025

Table 6

Effective Date	Franklin County Landfill	Jackson Pike Transfer ¹	Morse Road Transfer	Georgesville Rd. Transfer	Alum Creek Transfer	Compost Facilities	Charge Unit
4/1/1993	7.50	7.50	7.50	7.50	7.50	-	Cu. Yard
7/1/1993	13.25	13.00	13.50	13.00	13.00	-	Cu. Yard
6/1/1994 ²	49.00	49.00	49.00	49.00	49.00	-	Ton
9/1/1994	32.00	32.00	32.00	32.00	32.00	-	Ton
11/1/1994 ³	37.00	37.00	37.00	37.00	Closed	-	Ton
2/7/1996	33.00	37.00	44.00	40.00	-	-	Ton
3/11/1996	30.00	34.00	41.00	37.00	-	-	Ton
5/8/1996	27.00	31.00	38.00	34.00	-	-	Ton
4/8/1998 ⁴	20.00	30.00	31.00	31.00	-	-	Ton
4/1/1999 ⁵	27.00	37.00	38.00	38.00	-	-	Ton
10/4/1999	27.00	37.00	38.00	38.00	-	6.00 ⁶	Ton
1/1/2005	29.25	40.25	41.25	41.25	-	6.00	Ton
7/1/2005 ⁷	30.75	41.75	42.75	42.75	-	6.00	Ton
1/1/2006	32.25	44.25	45.25	45.25	-	6.00	Ton
1/1/2007	33.50	45.50	46.50	46.50	-	6.00	Ton
1/1/2008	33.50	45.50	46.50	46.50	-	6.00	Ton
1/1/2009	35.50	47.50	48.50	48.50	-	6.00	Ton
8/1/2009 ⁸	36.75	48.75	49.75	49.75	-	6.00 ⁹	Ton
1/1/2011 ¹⁰	39.75	51.75	52.75	52.75	-	-	Ton
1/1/2012	42.75	54.75	55.75	55.75	-	-	Ton
4/1/2017 ¹¹	\$ 39.75	\$ 51.75	\$ 52.75	Closed	\$ -	\$ -	Ton

¹ Prior to November 1, 1994, this was the Waste-to-Energy Facility.

² This fee was repealed effective September 1, 1994 and replaced with a fee of \$32 per ton.

³ Beginning August 2, 1994, all rates include a \$5.00/ton generation fee.

⁴ This rate is the rate for customers under contract with SWACO. Beginning 4/8/1998 and ending 12/31/2004 there was a non-contract rate of \$2.25 per ton more than the rate shown.

⁵ Rates include Retired Facility fee of \$7 per ton.

⁶ Transfer fee for commercial loads delivered to Bill R. Holbrook Compost Facility beginning 10/4/1999. Effective March 1, 2005, a fee of \$6.00 was implemented for commercial loads at all compost facilities.

⁷ Rate reflects \$1.50 per ton EPA rate increase.

⁸ Rate reflects \$1.25 per ton EPA rate increase.

⁹ Compost facility was closed December 2009.

¹⁰ In September 2010, the SWACO Board of Trustees approved a rate increase of \$3.00 per ton effective January 1, 2011, and an additional increase of \$3.00 per ton effective January 1, 2012.

¹¹ Effective April 1, 2017 the rate reflects an elimination of the \$7.00 Waste-to-Energy Facility, and an additional \$4.00 for a net decrease of \$3.00.

SWACO implemented a rate change effective April 1, 2017 that eliminated the need to collect this fee as adequate funds have been collected to pay the debt service related to the Waste-to-Energy Facility.

Source: SWACO

SWACO
Franklin County Sanitary Landfill Airspace Capacity
Total Permitted, Annual Used, and Permitted Remaining 2016 -2025
(cubic yards)

Year	Total Permitted Airspace	Annual Airspace Used	Permitted Airspace Remaining
2016	51,900,000 ¹	1,284,020	31,440,756
2017	51,900,000 ¹	1,411,139	30,029,617
2018	97,000,000	1,285,802	73,666,434 ³
2019	97,000,000	1,550,262	72,112,052
2020	97,000,000	1,520,483	71,038,214
2021	97,000,000	1,519,414	69,695,853
2022	97,000,000	1,727,895	68,287,384
2023	97,000,000	1,654,744	66,865,344
2024	97,000,000	1,631,220	65,533,941
2025	97,000,000	1,597,154	64,161,457

At Maximum
Permitted Receipts²

At 2025 Receipts

Remaining landfill life

21.9

40.2

¹ Total permitted airspace includes 3.5 million additional cubic yards for the OEPA 2009 permit.

² Maximum 8,000 tons per day or 2,288,000 annual tons per OEPA permit. Assumes a compaction rate of 0.76 tons per cubic yard.

³ In May of 2018, the Ohio EPA granted SWACO a new Permit to Install (PTI). The new PTI raised the total permitted airspace to 97,000,000.

Source: SWACO

SWACO
Generation Fee Tonnage Reported 2016 - 2025¹

Facilities	2016 ³	2017 ^{2,3}	2018	2019	2020 ⁴	2021	2022	2023	2024	2025
SWACO	1,059,238	1,134,798	1,181,437	1,185,564	1,174,179	1,230,543	1,238,595	1,232,493	1,261,034	1,275,781
Republic Waste	5,491	6,027	4,684	5,704	5,249	2,042	2,395	2,028	6,203	6,402
Rumpke Waste	22	5	-	-	-	21	-	-	-	414
Waste Management	7,642	6,891	10,517	9,123	2,170	3,634	3,156	32,094	26,450	18,948
Other	116	64	373	66	43	76	18	1,259	956	3,081
Total⁵	1,072,509	1,147,786	1,197,011	1,200,456	1,181,641	1,236,317	1,244,164	1,267,875	1,294,643	1,304,626

¹ The Generation Fee is charged on all solid waste generated within SWACO's jurisdiction and disposed in a sanitary landfill located in Ohio. Certain solid waste is exempt from the fee. The current \$5.00 per ton Generation Fee was enacted effective November 1, 1994. An interfund transfer is performed on certain materials to credit the Generation Fee where no funds are collected, yet the waste is subject to the fee.

² 2017 includes tonnage from prior periods that did not include Generation Fee revenue, but an allocation was performed to collect the Generation Fee \$5 per ton per an interfund transfer.

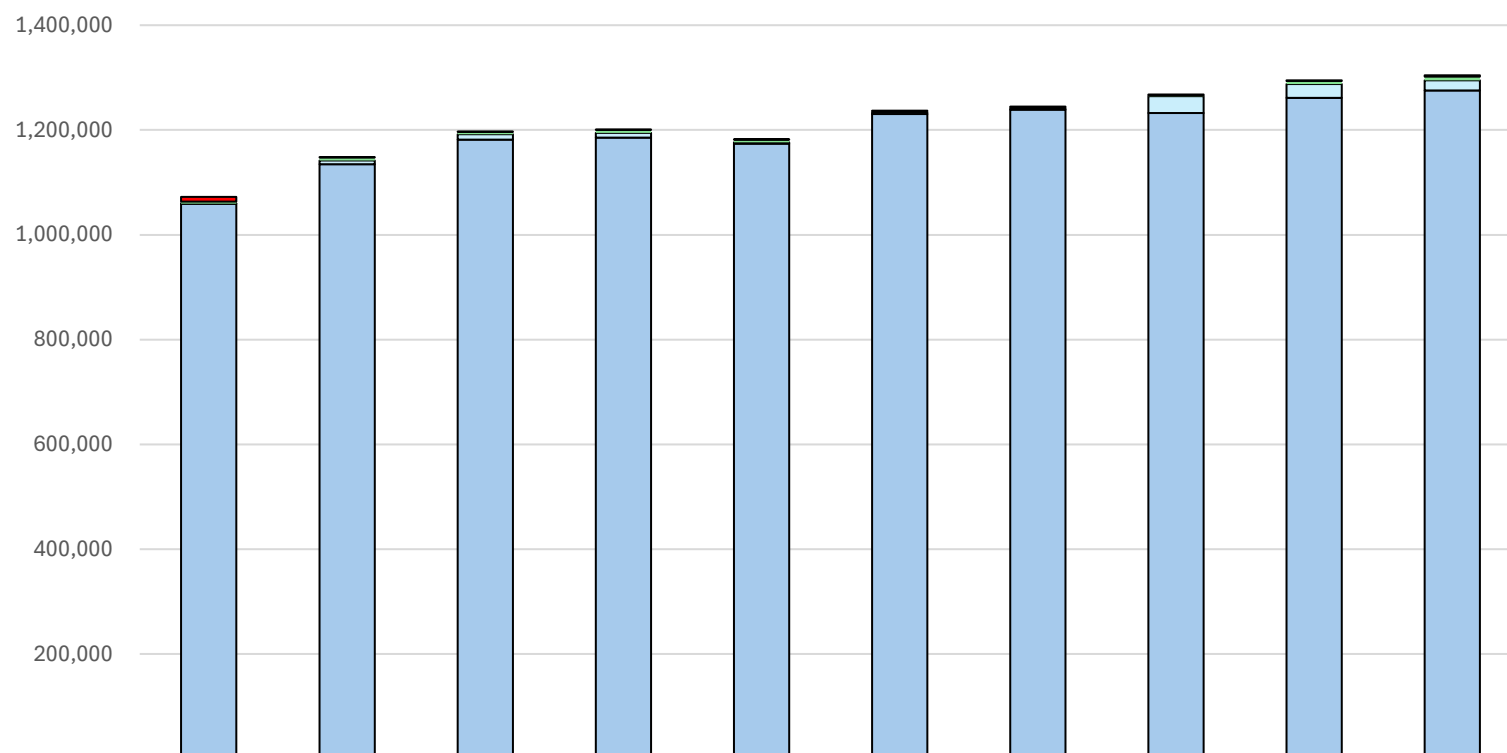
³ Adjusted totals for each facility, total amount for all remains the same.

⁴ Updated tonnage amounts.

⁵ Totals may not add due to rounding.

Source: SWACO

Generation Fee Tonnage Reported 2016-2025



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Other	9,288	64	373	66	43	76	18	1,259	956	3,081
Rumpke	22	5	-	-	-	21	-	-	-	414
Republic	3,707	6,027	4,684	5,704	5,249	2,042	2,395	2,028	6,203	6,402
Waste Management	254	6,891	10,517	9,123	2,170	3,634	3,156	32,094	26,450	18,948
SWACO	1,059,238	1,134,798	1,181,437	1,185,564	1,174,179	1,230,543	1,238,595	1,232,493	1,261,034	1,275,781
Total	1,072,508.7	1,147,785.7	1,197,011.0	1,200,457.0	1,181,641.0	1,236,317.0	1,244,164.0	1,267,874.5	1,294,643.0	1,304,626

Table 9

SWACO
SWACO Program Activity - Tons Collected 2016-2025

	2016	2017	2018	2019	2020	2021	2022	2023 ³	2024	2025
Total tons of waste recycled:										
Yard waste composting	291,519	334,422	348,282	297,528	268,659	305,741	434,859	129,164	110,448	110,910
Drop-off recycling	8,575	7,088	6,017	5,590	6,008	6,125	5,502	4,473	3,950	3,866
Household hazardous waste	260	252	194	250	330	353	334	338	417	456
Tire collection	n/a	n/a	n/a	n/a	n/a	n/a	32	51	102	60
Scrap metal recycling	82	46	46	48	n/a	16	92	42	91	99
Total²	300,436	341,808	354,538	303,416	274,997	312,234	440,819	134,068	115,008	115,391
Tires and White Goods Received 2016- 2025¹										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Tires (each)	14,388	12,735	8,860	9,496	7,794	4,063	6,119	7,689	9,075	6,977
White goods (each)	486	412	533	486	647	491	1,110	1,025	1,018	1,530

¹ Tires and white goods received by SWACO are removed from the waste stream and recycled. White goods are large appliances such as refrigerators, washing machines and clothes dryers.

² Totals may not add due to rounding.

³ Adjusted 2023 amounts

Source: SWACO

SWACO
Household Hazardous Waste Collection 2016 - 2025
(in pounds)

Material classification	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Bulked flammables	136,594	95,917	122,770	98,859	119,659	133,644	150,681	135,128	193,621	180,925	183,824
Paint	388,821	192,707	92,030	52,275	75,345	133,356	205,976	153,788	148,635	249,215	244,110
Aerosol-pesticides	69,603	52,600	70,803	53,220	77,988	100,457	90,843	78,366	82,247	98,490	108,367
Used oil /antifreeze	33,598	46,261	31,225	48,644	54,151	62,706	47,835	50,987	44,071	49,432	77,940
Putty & adhesives	37,570	35,837	44,795	33,174	40,603	48,544	44,994	58,013	55,131	58,046	75,752
Aerosol-flammables	25,152	22,048	26,056	22,789	31,272	19,266	31,682	27,263	29,290	34,495	34,349
Household cleaners	16,456	15,673	16,912	16,618	22,070	26,626	19,593	24,858	13,659	14,846	24,745
Lead/acid batteries	14,251	19,877	21,330	16,983	21,508	26,561	23,747	20,771	21,773	18,985	31,075
Acids/bases	14,231	8,695	11,701	9,543	14,457	19,896	18,030	17,266	16,051	18,037	20,798
Fluorescent light bulbs	8,264	7,947	9,579	8,950	9,544	11,993	11,487	12,071	10,689	14,718	14,647
Dry cell batteries	11,057	12,216	12,378	9,766	10,175	15,925	7,926	15,846	12,232	19,632	12,907
Propane cylinders	3,544	3,013	3,139	2,682	4,475	4,810	3,436	3,959	4,072	4,161	4,958
Oxidizers	3,903	3,673	5,023	6,174	7,242	8,291	6,886	10,624	7,770	26,549	10,720
NiCad batteries	508	1,036	1,187	1,230	1,403	2,138	1,687	1,761	1,299	1,662	1,801
Lithium batteries	348	1,090	1,099	1,387	1,328	3,309	2,853	4,402	1,964	2,151	1,421
Reactive lab pack/alum paint	558	1,033	554	741	431	1,832	1,912	11,570	4,570	5,519	4,300
Fire extinguishers	827	431	1,157	849	962	1,219	1,378	1,679	1,768	1,772	4,026
Elemental mercury	118	75	216	445	367	459	540	740	529	602	21
Poisons	767	239	924	83	857	2,382	205	910	924	3,648	1,328
Cylinders	90	90	296	91	197	262	245	-	279	610	724
Freon	1	1	242	187	17	138	51	65	213	242	296
Miscellaneous waste	383	644	1,419	272	2,717	443	2,048	-	1,888	3,580	1,667
Asbestos	-	-	2	-	1	-	77	49	2	4	1
Lab pack A	-	-	-	-	-	-	-	-	-	-	-
Lab pack B	-	-	-	-	-	-	-	-	-	-	-
Loosepack fuels	-	-	-	-	2,984	35,605	30,925	-	24,304	25,747	51,255
Total:	766,644	521,103	474,837	384,962	499,753	659,862	705,037	630,116	676,981	833,068	911,032

Source: SWACO and Environmental Enterprises, Inc.

Table 11

SWACO
Number of Employees by Function 2016-2025²

Function	2016¹	2017¹	2018¹	2019¹	2020	2021	2022	2023	2024	2025
Administration	14	17	18	17.5	15.5	17.5	16.5	21	21.5	22.0
Operations ³	85	85.5	85.5	89	89	92	95	98	101	104
Programs	4.5	5	4	6	6	8	8	7	10.5	12.0
Total	103.5	107.5	107.5	112.5	110.5	117.5	119.5	126.0	133.0	138.0

¹ Part-time employees counted as half (0.5) regardless of the number of hours worked per week.

² Employees working in 2 or more departments are reported in the department in which the highest percentage of their time is worked.

³ Drop Box Recycling is funded by the Program Fund, but is included in Operations.

Source: SWACO

Table 12

SWACO
Series 2013A Solid Waste Facility Improvements and Refunding Bonds

Year	Principal	Coupon	Interest	Total Debt Service
2026	495,000	4.000%	19,800	514,800
Total	<u>\$ 495,000</u>		<u>\$ 19,800</u>	<u>\$ 514,800</u>

Net interest cost (%) 2.731%

Totals may not add due to rounding.

Source: SWACO; see Note 10 to the financial statements.

Table 13

SWACO
Series 2013B Solid Waste Facility Improvements and Refunding Bonds

Year	Principal	Coupon	Interest	Total Debt Service
2026	370,000	4.375%	33,513	403,513
2027	385,000	4.500%	17,325	402,325
Total	\$ 755,000		\$ 50,838	\$ 805,838

Net interest cost (%) 2.710%

Totals may not add due to rounding.

Note: Series 2019 refunded \$2,545,000 of the outstanding \$79,015,000 Series 2012 bonds in 2013.

Source: SWACO; see Note 10 to the financial statements.

Table 14

SWACO
Series 2016 Solid Waste Facilities Refunding Bonds

Year	Principal	Coupon	Interest	Total Debt Service
2026	4,075,000	5.000%	841,250	4,916,250
2027	4,815,000	4.000%	637,500	5,452,500
2028	4,985,000	4.000%	444,900	5,429,900
2029	4,910,000	5.000%	245,500	5,155,500
Total	<u>\$ 18,785,000</u>		<u>\$ 2,169,150</u>	<u>\$ 20,954,150</u>

Net interest cost (%) 2.966%

Totals may not add due to rounding.

Note: Series 2016 refunded \$12,755,000 of the outstanding \$14,665,000 Series 2008 bonds, \$3,725,000 of the outstanding \$3,725,000 Series 2010 bonds, and \$19,795,000 of the outstanding \$57,920,000 Series 2012 bonds.

Source: SWACO; see Note 10 to the financial statements.

Table 15

SWACO
Series 2019 Solid Waste Facilities Refunding Bonds

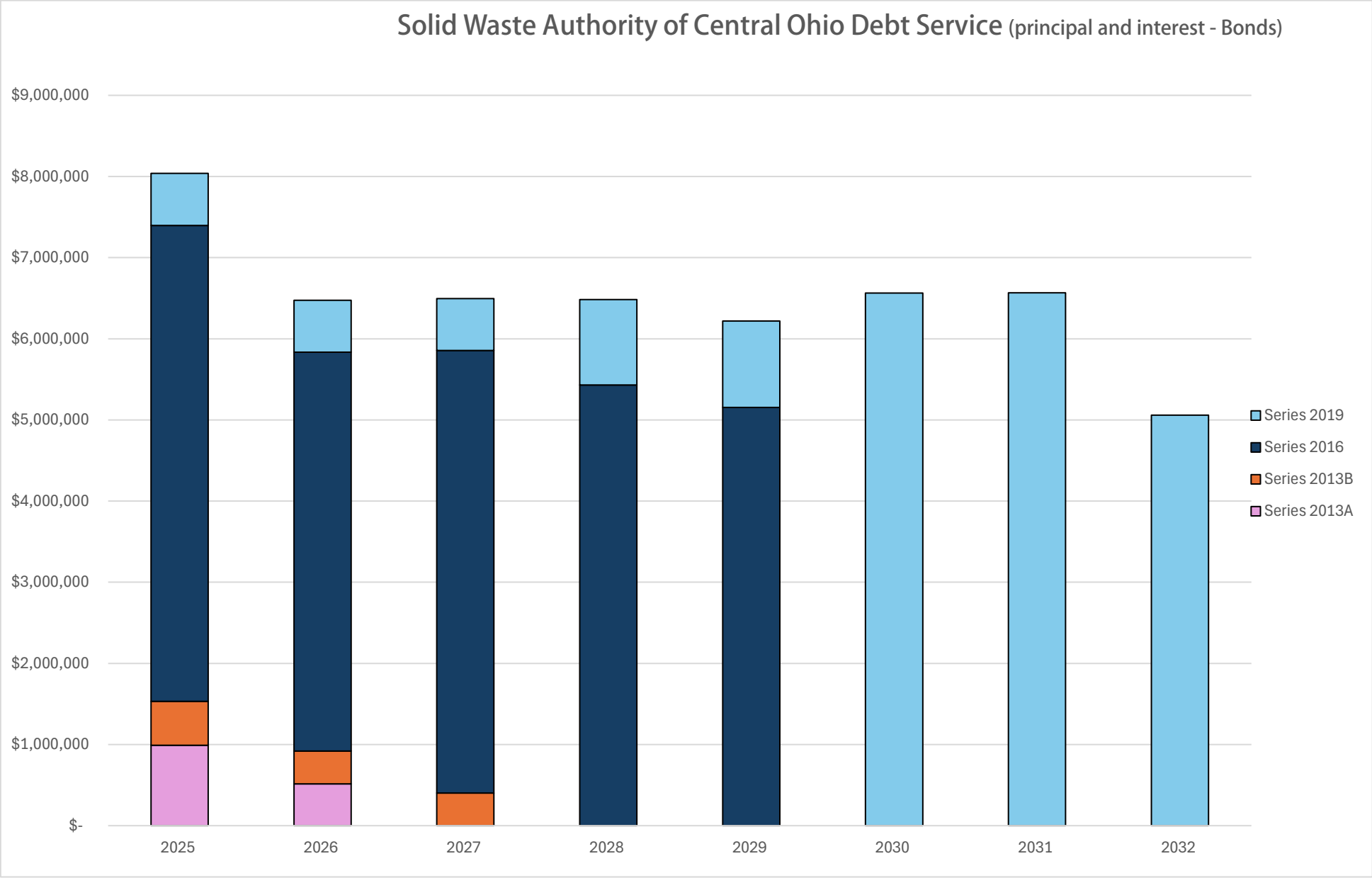
Year	Principal	Coupon	Interest	Total Debt Service
2026	135,000	2.350%	504,940	639,940
2027	140,000	2.450%	501,767	641,767
2028	555,000	2.550%	498,338	1,053,338
2029	580,000	2.600%	484,185	1,064,185
2030	6,095,000	2.650%	469,105	6,564,105
2031	6,260,000	2.750%	307,588	6,567,588
2032	4,925,000	2.750%	135,438	5,060,438
Total	\$ 18,690,000		\$ 2,901,360	\$ 21,591,360

Net interest cost (%) 2.750%

Totals may not add due to rounding.

Note: Series 2019 refunded portions of the Series 2012 and 2013B bonds

Source: SWACO; see Note 10 to the financial statements.



Source: SWACO
Does not include short term bond anticipation note.

SWACO
Total and General Obligation Debt Ratios 2016 - 2025

Tax Year		Total SWACO Debt ¹ (thousands)	SWACO District Population ²	Total SWACO Debt Per Capita	SWACO General Obligation Debt ³ (thousands) ⁵	District Assessed Property Valuation (AV) ^{2,7} (thousands) ⁵	SWACO G.O. Debt as a Percent of AV	Annual Debt Service Paid from Tipping Fees (thousands)	Solid Waste Received by SWACO (tons)	Annual Debt Service Paid from Tipping Fees Per Ton Received
2015	2016	112,691	1,235,273	91	109,019	27,907,630	0.39%	8,265	1,068,812	7.73
2016	2017	99,696	1,265,068	79	99,696	28,390,374	0.35%	9,296 ^{4,6}	1,090,802	8.52
2017	2018	91,174	1,293,183	71	91,174	31,617,408	0.29%	5,831 ⁴	1,137,349	5.13
2018	2019	82,441	1,338,776	62	82,441	31,996,365	0.26%	6,256 ⁴	1,227,945	5.09
2019	2020	77,496	1,369,869	57	77,496	N/A	N/A	8,129 ⁴	1,240,437	6.55
2020	2021	71,466	1,385,688	52	71,466	N/A	N/A	8,042	1,177,761	6.83
2021	2022	65,347	1,384,073	47	65,347	38,789,658	0.17%	8,036	1,230,543	6.53
2022	2023	56,905	1,382,523	41	56,905	39,472,123	0.14%	8,042	1,238,595	6.49
2023	2024	52,678	1,383,799	38	52,678	53,417,953	0.10%	8,040	1,232,493	6.52
2024	2025	46,115	1,412,014	33	46,115	53,061,150	0.09%	8,038	1,261,034	6.38
2025	2026	\$ 40,177	1,450,707	28	\$ 40,177	\$ 54,079,204	0.07%	\$ 6,475	1,275,781	\$ 5.08

¹ Includes the WTEF lease, General Obligation Bonds, and taxable notes; net of reserve accounts, unamortized premiums

, unamortized cost of issuance and bond anticipation notes. (See Notes 10 and 11 to the financial statements).

² See Table 19.

³ Total General obligation bonds. Excludes WTEF lease, taxable notes and reserve accounts.

⁴ General obligation bonds principal and interest excluding a portion of Series 2012 bonds (paid from Retired Facility and Waiver Fees).

⁵ Note prior year District Assessed Property Valuation and SWACO General Obligation Debt have been updated.

⁶ Annual debt service paid from tipping fees updated.

⁷ Ohio Municipal Advisory Counsel.

Source: SWACO

SWACO
Indirect Debt and Property Tax Limitations, June 17, 2025

SWACO's debt is not subject to direct debt limits, but its unvoted general obligation debt (debt authorized by the Board of Trustees but not by a vote of the electors) is subject to overlapping restrictions with each respective county and school district. Limitations apply to each county total and should not be considered cumulatively. Total debt service charges for any one year of all overlapping debt must not exceed ten mills (1%) of the assessed property value. This determination is made by the respective county auditors each time a subdivision proposes to issue unvoted debt. The most recent data prepared by the county auditors for this purpose was as of May 27, 2025.

Overlapping Jurisdictions	Millage required	Unallocated Millage
SWACO, Franklin County, the City of Hilliard, Dublin City School District, Washington Township & Central Ohio JVS	5.7181	4.2819
SWACO, Licking County, the City of Reynoldsburg, Southwest Licking Local School District, Etna Township & Licking County C-TEC	3.7143	6.2857
SWACO, Union County, the City of Dublin, Washington Township, Dublin City School District, & Tolles Career and Tech	6.1019	3.8981
SWACO, Delaware County, the City of Westerville, Westerville City School District, & Olentangy LSD	5.4483	4.5517
SWACO, Fairfield County, Reynoldsburg and Violet Township, Pickerington Local School District & Eastland Career Center	3.6736	6.3264

Source OMAC

Table 18

SWACO
Ten Largest Employers 2025 and 2016
Franklin County, Ohio

Employer	2025¹			Employer	2016¹	
	Principal Business	Number of Employees	% of Total Employment		Number of Employees	% of Total Employment
The Ohio State University	Education	36,433	5.0%	Ohio State University	29,601	4.4%
Ohio Health	Health Care	28,115	3.8%	State of Ohio	23,680	3.5%
State of Ohio	Government	24,264	3.3%	JPMorgan Chase & Co.	18,700	2.8%
JPMorgan Chase	Finance	18,242	2.5%	OhioHealth	15,417	2.3%
Nationwide Children's Hospital	Health Care	16,411	2.2%	Nationwide Mutual Insurance Co.	13,570	2.0%
Kroger Co.	Retail	14,000	1.9%	Kroger Co.	10,713	1.6%
Nationwide Mutual Insurance Co.	Insurance	11,000	1.5%	Honda North America Inc.	10,701	1.6%
City of Columbus	Government	9,202	1.3%	Nationwide Children's Hospital	9,262	1.4%
Amazon	Retail	7,558	1.0%	Mount Carmel Health Systems	8,840	1.3%
Honda North America, Inc.	Health care	7,500	1.0%	City of Columbus	8,616	1.3%
Subtotal		172,725	23.5%	Subtotal	149,100	22.2%
Total estimated Franklin County employment ¹		732,600	100.0%	Total estimated Franklin County employment ¹	672,700	100.0%

¹City of Columbus ACFR

Note: This table includes full-time employees only.

Table 19

District and Franklin County Demographic Statistics 2016 - 2025^{1,5}

Tax Year	District Population²	Total Assessed Value Taxable District Property³ (in thousands)	Franklin County Only			Total Assessed Value Taxable County Property (in thousands)^{4,3}
			Population^{2,4}	Per Capita Income^{2,4}	Median Age^{2,4}	
2016	1,265,068	28,390,374 ⁴	1,253,522	48,941	34	27,067,823
2017	1,293,183	31,617,408 ⁴	1,291,981	50,514	34	30,155,157
2018	1,338,776	31,996,365 ⁴	1,318,164	52,315	34	30,506,017
2019	1,369,869	N/A ⁴	1,318,175	52,315	34	30,506,017
2020	1,385,688	N/A ⁴	1,323,807	55,294	N/A	N/A
2021	1,384,073	38,789,657 ⁴	1,321,414	N/A	N/A	N/A
2022	1,382,523	39,472,124 ⁴	1,321,820	N/A	N/A	N/A
2023	1,383,799	53,417,953 ⁴	1,323,807	N/A	N/A	N/A
2024	1,412,014	53,061,150 ⁴	1,328,013	71,680	35	50,570,693
2025	1,450,707	\$ 54,079,204 ⁴	1,363,268	N/A	35	\$ 51,296,691

¹ The SWACO solid waste district is principally within Franklin County but also includes parts of five adjacent counties.

² U.S.Department of Commerce, Bureau of the Census and the Mid-Ohio Regional Planning Commission.

³ Assessed valuation reflects tax year. Source is Ohio Municipal Advisory Council.

⁴ Franklin County Auditor/Woods & Poole Economics, Inc./Mid-Ohio Regional Planning Commission.

⁵ Previous values updated.

Sources: SWACO except as noted above.

Table 20

Average Unemployment Rates 2016 - 2025

Year	Franklin County	State of Ohio	United States
2016	4.0% ²	4.9% ²	4.9% ²
2017	4.0% ²	5.0% ²	4.4% ²
2018	3.7% ²	4.5% ²	3.9% ²
2019	3.2% ³	4.1% ³	3.7% ³
2020	4.9% ¹	5.6% ³	6.7% ³
2021	4.8% ¹	4.9% ¹	5.3% ¹
2022	3.4% ¹	4.0% ¹	3.6% ¹
2023	3.2% ²	3.5% ²	3.6% ²
2024	4.1% ²	5.0% ²	5.3% ²
2025	4.5% ²	4.8% ²	4.3% ²

¹ Ohio Department of Job and Family Services, Bureau of Labor Market Information.

² City of Columbus, Ohio, Annual Comprehensive Financial Report.

³ United States Bureau of Labor Statistics.

SWACO
Capital Assets as of December 31, 2025

Sanitary Landfill

See Note 6 - Capital Assets, page 2-32 and Table 7 in the Statistical Section for additional information on the landfill.

	Capacity	Year
<u>Transfer Stations</u>	<u>(tons per day)</u>	<u>Constructed</u>
Jackson Pike	1,780	1983
Morse Road Eco-Station	1,000	2013

	Square	Year
<u>Facilities</u>	<u>Footage</u>	<u>Constructed</u>
Administrative Office Building	8,500	2002
Fleet Maintenance Garage	11,120	2000
Landfill Operations Facility	12,800	2005
4065 London-Groveport Rd.	4,280	2008
2512 Jackson Pike	27,500	2008

Landfill Equipment

Landfill compactors	6
Landfill dozers	8
Excavator/grader/track loader	6
Articulated dump trucks	4
Trailer tippers	4
Water trucks	2
Other landfill vehicles and equipment	30

Transfer Station Equipment

Transfer tractors	37
Transfer trailers	36
Front-end loaders	5
Trackhoes	0
Service vehicles and other	10
Material handlers	3

Recycling Programs

Recycled materials front-load trucks	4
Drop-box containers	246

Other vehicles and equipment

Roll-off trucks	2
Pickup trucks	28
Cars and passenger vans	3
Street sweepers	3
Large mowers	3
Cargo trailers	2
Miscellaneous	15

OHIO AUDITOR OF STATE KEITH FABER



SOLID WASTE AUTHORITY OF CENTRAL OHIO

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 7/9/2026

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