



**AUDITED
FINANCIAL STATEMENTS**

DECEMBER 31, 2025 AND 2024

CHAGRIN RIVER
WATERSHED PARTNERS, INC.

INDEX

DECEMBER 31, 2025

(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2024)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Chagrin River Watershed Partners, Inc.

Opinion

We have audited the accompanying financial statements of the Chagrin River Watershed Partners, Inc. ("CRWP"), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CRWP as of December 31, 2025 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 CRWP 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 CRWP's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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, including omissions, are considered material if there is a substantial likelihood that individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with generally accepted auditing standards, 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 CRWP'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, on our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CRWP'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 matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited CRWP's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 15, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Concord, Ohio
May 14, 2026

H&J
Certified Public Accountants

CHAGRIN RIVER WATERSHED PARTNERS, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2024)

| | WITHOUT DONOR RESTRICTIONS | WITH DONOR RESTRICTIONS | 2025 | 2024 |
|---|-------------------------------|----------------------------|-------------------|---------------------|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 416,369 | \$ 9,647 | \$ 426,016 | \$ 459,661 |
| Short-Term Investments | 100,714 | - | 100,714 | 138,645 |
| Contract Receivable | 73,480 | - | 73,480 | 299,846 |
| Grant Receivable | - | - | - | 47,031 |
| Interest Receivable | - | - | - | 3,286 |
| Long-Term Investments | 200,000 | - | 200,000 | 200,000 |
| TOTAL ASSETS | \$ 790,563 | \$ 9,647 | \$ 800,210 | \$ 1,148,469 |
| LIABILITIES AND NET ASSETS | | | | |
| | | | | 5,689 |
| LIABILITIES | | | | |
| Accounts Payable | \$ 75,834 | \$ - | \$ 75,834 | \$ 216,052 |
| Deferred Revenue - Restoration | 377,289 | - | 377,289 | 481,874 |
| Deferred Revenue - Contracts | 14,445 | - | 14,445 | 5,689 |
| TOTAL LIABILITIES | 467,568 | - | 467,568 | 703,615 |
| NET ASSETS | | | | |
| Without Donor Restrictions | | | | |
| Undesignated | 122,995 | - | 122,995 | 197,823 |
| Board-Designated Stabilization Fund | 200,000 | - | 200,000 | 200,000 |
| With Donor Restrictions | - | 9,647 | 9,647 | 47,031 |
| TOTAL NET ASSETS | 322,995 | 9,647 | 332,642 | 444,854 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 790,563 | \$ 9,647 | \$ 800,210 | \$ 1,148,469 |

See accompanying notes.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

STATEMENTS OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2024)

| | WITHOUT DONOR RESTRICTIONS | WITH DONOR RESTRICTIONS | 2025 | 2024 |
|---------------------------------------|-------------------------------|----------------------------|-------------------|-------------------|
| PUBLIC SUPPORT AND REVENUE | | | | |
| PUBLIC SUPPORT | | | | |
| Governmental | \$ 765,256 | \$ - | \$ 765,256 | \$ 1,398,826 |
| Contributions - Membership Support | 147,566 | - | 147,566 | 141,756 |
| Contributions - Other | 141,721 | - | 141,721 | 61,119 |
| Net Assets Released from Restrictions | 37,384 | (37,384) | - | - |
| | <u>1,091,927</u> | <u>(37,384)</u> | <u>1,054,543</u> | <u>1,601,701</u> |
| REVENUE | | | | |
| Program Service Fees | 42,322 | - | 42,322 | 28,611 |
| Investment Return | 24,881 | - | 24,881 | 31,902 |
| | <u>67,203</u> | <u>-</u> | <u>67,203</u> | <u>60,513</u> |
| TOTAL PUBLIC SUPPORT AND REVENUE | 1,159,130 | (37,384) | 1,121,746 | 1,662,214 |
| EXPENSES | | | | |
| Program Services | 991,294 | - | 991,294 | 1,616,345 |
| Management and General | 235,702 | - | 235,702 | 200,993 |
| Fundraising | 6,962 | - | 6,962 | 2,870 |
| TOTAL EXPENSES | <u>1,233,958</u> | <u>-</u> | <u>1,233,958</u> | <u>1,820,208</u> |
| CHANGE IN NET ASSETS | (74,828) | (37,384) | (112,212) | (157,994) |
| NET ASSETS - BEGINNING OF YEAR | <u>397,823</u> | <u>47,031</u> | <u>444,854</u> | <u>602,848</u> |
| NET ASSETS - END OF YEAR | <u>\$ 322,995</u> | <u>\$ 9,647</u> | <u>\$ 332,642</u> | <u>\$ 444,854</u> |

See accompanying notes.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2024)

| | PROGRAM | MANAGEMENT AND GENERAL | FUNDRAISING | 2025 | 2024 |
|----------------------------------|------------|---------------------------|-------------|--------------|--------------|
| EXPENSES | | | | | |
| Salaries | \$ 525,388 | \$ 166,451 | \$ 5,894 | \$ 697,733 | \$ 684,062 |
| Payroll Taxes | 34,659 | 17,260 | 446 | 52,365 | 54,650 |
| Employee Benefits | 35,653 | 23,945 | 522 | 60,120 | 51,539 |
| Total Compensation | 595,700 | 207,656 | 6,862 | 810,218 | 790,251 |
| Program Consulting Services | 355,648 | - | - | 355,648 | 953,515 |
| Supplies | 11,260 | 3,888 | - | 15,148 | 27,259 |
| Office Rent and Utilities | 9,298 | 3,725 | - | 13,023 | 14,302 |
| Professional Services | 4,224 | 14,663 | - | 18,887 | 12,948 |
| Travel, Conferences and Meetings | 7,183 | 60 | 42 | 7,285 | 9,374 |
| Telecommunications | 4,637 | 948 | - | 5,585 | 4,816 |
| Insurance | 2,408 | 2,897 | - | 5,305 | 4,521 |
| Office Expense | 901 | 1,261 | - | 2,162 | 1,756 |
| Miscellaneous | 35 | 604 | 58 | 697 | 1,466 |
| TOTAL EXPENSES | \$ 991,294 | \$ 235,702 | \$ 6,962 | \$ 1,233,958 | \$ 1,820,208 |

See accompanying notes.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2024)

| | <u>2025</u> | <u>2024</u> |
|--|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in Net Assets | \$ (112,212) | \$ (157,994) |
| Adjustments to Reconcile Change in Net Assets to Cash Provided by (Used by) Operating Activities: | | |
| Changes in: | | |
| Contract Receivable | 226,366 | 1,409,663 |
| Grant Receivable | 47,031 | 52,969 |
| Interest Receivable | 3,286 | (3,286) |
| Accounts Payable | (140,218) | (918,944) |
| Deferred Revenue | (95,829) | (22,131) |
| Total Adjustments | <u>40,636</u> | <u>518,271</u> |
| Net Cash Provided by (Used by) Operating Activities | (71,576) | 360,277 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Sale of Short-Term Investments | 375,355 | 100,000 |
| Purchase of Short-Term Investments | (337,424) | (238,645) |
| Net Cash Provided by (Used by) Investing Activities | <u>37,931</u> | <u>(138,645)</u> |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (33,645) | 221,632 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | <u>459,661</u> | <u>238,029</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u>\$ 426,016</u> | <u>\$ 459,661</u> |

See accompanying notes.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

1. NATURE OF OPERATIONS AND MISSION STATEMENT

The Chagrin River Watershed Partners, Inc. (CRWP) is a 501(c)(3) non-profit organization that connects people and communities to care for the local water resources we depend on for drinking water, economic vitality, recreation, and wildlife habitat. CRWP's mission is to preserve and enhance the Chagrin River, Lake Erie, and other Ohio watersheds to ensure a sustainable future for people, plants, and animals. CRWP protects and restores streams, wetlands, and forests to safeguard water while reducing flooding and erosion impacts on homes, businesses, and infrastructure.

CRWP started in 1996 with 16 member cities, villages, townships, counties, and park districts in the Chagrin River watershed. Over 30 years, CRWP has grown to 35 members and works with hundreds of partner organizations and communities across Ohio. CRWP co-leads the Central Lake Erie Basin Collaborative, a network of organizations working together for healthy watersheds, thriving communities, and a cleaner Lake Erie.

Over the last 30 years, a \$3.4 million investment in membership dues by local communities, counties, and park districts has leveraged more than \$77 million in funding and partner support to steward streams, plan for sustainable development, and implement nature-based solutions that improve water quality, restore wildlife habitat, and enhance parks to connect people with local streams and Lake Erie. CRWP's on-the-ground work enhances quality of life, reduces long-term infrastructure and environmental costs, and strengthens resilience to storms and flooding. Since 1996, we have worked with our members and partners to:

- Protect or restore over 948 miles of streams and stream corridors
- Plant over 72,000 trees
- Filter over 300 billion gallons of polluted stormwater runoff
- Connect with over 399,000 people to protect our waters

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying financial statements of CRWP have been prepared on the accrual basis and include the assets, liabilities and financial activities of all program services of CRWP. In accordance with U.S. generally accepted accounting principles, the financial statements report the changes in and totals of each net asset class based on the existence of donor restrictions. Net assets are classified as without donor restrictions or with donor restrictions as described below:

Net assets without donor restrictions: Net assets are available for support of CRWP's operations and are not subject to donor-imposed restrictions or restricted gifts whose restrictions were met during the year. CRWP's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets are subject to donor-imposed restrictions expected to be met either by actions of CRWP or passage of time. This includes amounts subject to donor-imposed restrictions stipulating that the corpus be held in perpetuity with investment income on the principal used for a specified purposes outlined by the donor.

SUMMARIZED FINANCIAL INFORMATION

The financial statements and notes to financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with CRWP's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

Certain amounts in the prior-year summarized comparative information have been reclassified to be consistent with the presentation in the current-year financial statements. These classifications had no impact on changes in net assets as previously presented.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash equivalents are highly liquid investments with an original maturity of three months or less at the date of purchase. Because of the short maturity of these financial instruments, the carrying value approximates the fair value.

CONCENTRATION OF CREDIT RISK

CRWP maintains cash and cash equivalents at financial institutions that may exceed federally insured limits. The Federal Deposit Insurance Corporation (FDIC) insures deposits up to \$250,000 per institution. CRWP has not experienced any losses in such accounts and believes it is not exposed to significant credit risk.

CRWP also invests funds in a professionally managed portfolio that contains various securities. Such investments are exposed to various risks, such as fluctuations in market value and credit risk. The investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

A significant portion of CRWP's revenue is derived from governmental sources.

RECEIVABLES AND CREDIT POLICIES

Receivables are stated at the amounts management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to expense and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management evaluated receivables as of December 31, 2025 and has determined that an allowance for doubtful accounts is immaterial to these financial statements.

INVESTMENTS

Investments in marketable securities with readily determinable fair values are included in the statement of financial position at fair value. Fair value is determined by reference to exchange or dealer-quoted market prices. If a quoted market price is not available, fair value is estimated using quoted market prices for similar investment securities. Changes in investments carried at fair value are reflected as investment income in the accompanying statement of activities.

FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). CRWP groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

These levels are:

- Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
- Level 2 Other observable inputs, either directly or indirectly, including:
- Quoted prices for similar assets/liabilities in active markets;
 - Quoted prices for identical or similar assets in non-active markets;
 - Inputs other than quoted prices that are observable for the asset/liability; and,
 - Inputs that are derived principally from or corroborated by other observable market data.
- Level 3 Unobservable inputs that cannot be corroborated by observable market data.

PROPERTY AND EQUIPMENT

These assets are stated at cost or fair value at date of acquisition. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. CRWP's policy is to capitalize equipment and fixtures with a cost in excess of \$5,000 per unit and real property and improvements with a cost in excess of \$10,000.

Repairs and maintenance, which are not considered betterments and do not extend the useful life of property, are charged to expense as incurred. When property and equipment are retired or otherwise disposed of, the asset and accumulated depreciation are removed from the accounts and the resulting profit or loss is reflected in income.

REVENUE AND REVENUE RECOGNITION

Unconditional promises to give are recognized at fair value when there is sufficient verifiable evidence of the donor's commitment. The gifts are reported as either net assets without donor restrictions or net assets with donor restriction if they are received with donor stipulations that sufficiently limit the use of the donated assets. When a donor restriction expires, through the passage of time or when the purpose is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported on the statement of activities and changes in net assets as net assets released from restriction. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions support.

CRWP receives grants and contracts from governmental agencies and private organizations to support specific programs. Unconditional grant awards are recorded as contribution revenue in the period which they are awarded. Grants awards having the existence of a condition, but lacking in both the existence of a barrier and right of return to the resource provider, are classified as restricted contribution revenue until the conditions of the award are met. Conditional grant awards are recognized as revenue when the conditions on which they depend are substantially met. Amounts received in advance are recorded as refundable advances.

Revenue from fees for services is earned as services are provided and is reported at an estimated net realizable amount due from third-party payers, and others for services rendered.

Gains and losses on investments are reported as increases or decreases to net assets without donor restrictions unless their use is restricted by donor-imposed stipulation or by state law.

CRWP records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

CRWP recognizes in-kind services in accordance with applicable accounting standards if the services received (a) create or enhance non-financial assets or (b) require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

In 2025 and 2024, donated legal and technical other services amounted to \$450 and \$135, respectively.

CRWP receives significant volunteer services that support its programs, fundraising activities, and management.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of program and supporting service activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses reflects the natural classification detail of expenses by function. Certain costs are attributed to more than one program or supporting function and, therefore, require allocation among the programs and supporting services benefited. Management believes their allocations are done on a reasonable and consistent basis.

LEASES

CRWP leases office space under a month-to-month operating arrangement. As the lease does not extend beyond a one-year period, it is considered a short-term lease under applicable accounting standards. Accordingly, no right-of-use asset or lease liability has been recorded.

INCOME TAX STATUS

CRWP is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. CRWP currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

3. FAIR VALUE MEASUREMENT

The fair value of investment assets, measured on a recurring basis at December 31 are as follows:

| | Fair Value Measurements Using: | | | Total |
|------------------------|--|---|--|-------------------|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | |
| <u>2025</u> | | | | |
| Cash Equivalents | \$ 5,000 | \$ - | \$ - | \$ 5,000 |
| Certificate of Deposit | 100,714 | - | - | 100,714 |
| Money Market Funds | 195,000 | - | - | 195,000 |
| | <u>\$ 300,714</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 300,714</u> |
| <u>2024</u> | | | | |
| Cash Equivalents | \$ 189,891 | \$ - | \$ - | \$ 189,891 |
| Certificate of Deposit | 138,645 | - | - | 138,645 |
| Money Market Funds | 10,109 | - | - | 10,109 |
| | <u>\$ 338,645</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 338,645</u> |

4. DEFERRED REVENUE

Restoration

In December 2023, CRWP received a payment of \$500,000 from a private entity as a form of injunctive relief resulting from a State of Ohio lawsuit. These funds are designated for restoring specific areas of the East Branch Chagrin River. CRWP has signed a Memorandum of Understanding with the Ohio Environmental Protection Agency (EPA) to oversee the restoration efforts. Due to the stipulation that expenses must be approved by the Ohio EPA, these funds are recorded as deferred revenue on the financial statements.

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

Contracts

CRWP receives funding under various governmental contracts to support program activities. Certain of these contracts provide for advance payments to CRWP prior to the incurrence of allowable costs or the achievement of specified performance milestones.

Amounts received in advance are recorded as deferred revenue in the accompanying statement of financial position. Revenue is recognized as CRWP incurs eligible expenditures or otherwise satisfies the conditions of the agreements.

CRWP's governmental contracts are subject to audit and adjustment by the funding agencies. Any disallowed costs could result in amounts owed back to the grantor.

Total deferred revenue at December 31, 2025 and 2024 was \$391,734 and \$487,563, respectively, which relates to advance payments received under restoration agreements and governmental contracts.

These amounts are recognized as revenue as related expenditures are incurred or conditions are satisfied.

6. NET ASSETS

Without Donor Restrictions - Board-Designated

CRWP maintains a "Budget Stabilization Fund" to create asset balances to allow for shortfalls from economic fluctuations, single or multi-year project opportunities, or capital expenditures. All withdrawals from the account require Board approval. Interest and earnings from the cash reserve accrue to general operations. The fund is not considered to be a quasi-endowment fund, but a liquidity reserve.

At December 31, 2025 and 2024, the balance in the board designated fund was \$200,000.

With Donor Restrictions

Net assets with donor restrictions were as follows for the years ended December 31:

| PURPOSE | 2025 | | | |
|---------------------------------------|-------------------------|---------------|--|----------------------|
| | BEGINNING NET ASSETS | CONTRIBUTIONS | NET ASSETS RELEASED FROM RESTRICTION | ENDING NET ASSETS |
| Central Lake Erie Basin Collaborative | \$ 47,031 | \$ - | \$ (37,384) | \$ 9,647 |
| PURPOSE | 2024 | | | |
| | BEGINNING NET ASSETS | CONTRIBUTIONS | NET ASSETS RELEASED FROM RESTRICTION | ENDING NET ASSETS |
| Central Lake Erie Basin Collaborative | \$ 105,564 | \$ - | \$ (58,533) | \$ 47,031 |
| Green Stormwater Infrastructure | 25,919 | - | (25,919) | - |
| NOPEC CLEB Capacity Building | 6,343 | - | (6,343) | - |
| Invasive Species Program | 2,500 | - | (2,500) | - |
| | <u>\$ 140,326</u> | <u>\$ -</u> | <u>\$ (93,295)</u> | <u>\$ 47,031</u> |

7. RETIREMENT PLAN

CRWP has a SIMPLE IRA defined contribution retirement plan. CRWP's contribution to the plan was approximately \$20,800 (2025) and \$20,500 (2024).

CHAGRIN RIVER WATERSHED PARTNERS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

8. AVAILABILITY AND LIQUIDITY

The following represents CRWP's financial assets at December 31:

| | 2025 | 2024 |
|--|------------|------------|
| Financial Assets at Year-End: | | |
| Cash and Cash Equivalents | \$ 426,016 | \$ 459,661 |
| Receivables | 73,480 | 299,846 |
| Investments | 300,714 | 338,645 |
| Total Financial Assets | 800,210 | 1,098,152 |
| Less Amounts not Available to be Used Within One Year: | | |
| Net Assets with Donor Restrictions - Cash | (9,647) | - |
| Net Assets with Donor Restrictions - Receivables | - | (47,031) |
| Designated by the Board for Operating Reserve | (200,000) | (200,000) |
| | (209,647) | (247,031) |
| Financial Assets Available to meet General Expenditures Over the Next Twelve Months | \$ 590,563 | \$ 851,121 |

Financial assets are considered unavailable when subject to donor restrictions or Board designations. Although Board-designated amounts are not intended for general expenditure, they may be made available if necessary.

CRWP is supported in part by restricted grants. Because a grantor's restriction requires resources to be used in a particular manner or in a future period, CRWP must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of CRWP's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, CRWP invests its cash in excess of daily requirements in interest-bearing savings and money market funds. Additionally, there is a fund established by the governing board that may be drawn upon the event of financial distress or an immediate liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. The balance in this fund was \$200,000 as of December 31, 2025.

9. SUBSEQUENT EVENTS

In preparing these financial statements, CRWP has evaluated events and transactions for potential recognition or disclosure through May 14, 2026, the date the financial statements were available to be issued.