OHIO AUDITOR OF STATE
KEITH FABER

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY
DECEMBER 31, 2024 AND 2023

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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Delaware County Transit Board
Delaware County
119 Henderson Court
Delaware, Ohio 43015

To the Board of Trustees:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Delaware County Transit Board, Delaware County, Ohio (the Board), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Delaware County Transit Board, Delaware County, Ohio as of December 31, 2024 and 2023, and the changes in financial position and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Board's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2025, on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

July 30, 2025

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DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(UNAUDITED)

As management of the Delaware County Transit Board, Delaware County, Ohio (the Board), we offer readers of the Board's basic financial statements this narrative overview and analysis of the financial activities of the Board for the year ended December 31, 2024 and 2023. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the basic financial statements taken as a whole.

Financial Highlights for 2024

The Board has a net position of $10,238,555. This net position results from the difference between total assets and deferred outflows of resources of $14,625,543 and total liabilities and deferred inflows of resources related to Pensions and OPEB of $4,386,988.

Current assets of $7,056,346 consist of non-restricted Cash and Cash Equivalents of $6,618,863; Intergovernmental/Accounts Receivable of $389,204; and prepaids of $48,279.

Current liabilities of $376,992 include Accounts Payable, Accrued Wages and related Payroll Accruals.

Financial Highlights for 2023

The Board has a net position of $9,978,192. This net position results from the difference between total assets and deferred outflows of resources of $13,854,776 and total liabilities and deferred inflows of resources related to Pensions and OPEB of $3,876,584.

Current assets of $7,417,969 consist of non-restricted Cash and Cash Equivalents of $5,857,443; Intergovernmental/Accounts Receivable of $1,471,518; and prepaids of $89,008.

Current liabilities of $365,758 include Accounts Payable, Accrued Wages and related Payroll Accruals.

Basic Financial Statements and Presentation

The financial statements presented by the Board are the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows. These statements are presented using the economic resources measurement focus and the accrual basis of accounting. The Board is structured as a single enterprise fund with revenues recognized when earned and measurable, not when received. Expenses are recognized when they are incurred, not when paid. Capital assets are capitalized and depreciated, except land, over their estimated useful lives.

The Statement of Net Position presents information on all the Board's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating. Net position increases when revenues exceed expenses. Increases in assets without a corresponding increase to liabilities results in increased net position, which indicate improved financial position.

The Statement of Revenues, Expenses and Changes in Net Position present information showing how the Board's net position changed during the year. This statement summarizes operating revenues and expenses along with non-operating revenues and expenses. In addition, this statement lists capital grant revenues received from federal, state and local governments.

The Statement of Cash Flows allows financial statement users to assess the Board's adequacy or ability to generate sufficient cash flows to meet its obligations in a timely manner. The statement is classified into three categories: 1) Cash flows from operating activities, 2) Cash flows from non-capital financing activities, and 3) Cash flows from capital and related financing activities.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Net Position

The Board's net position reflects investments in capital assets consisting of buses, an operating facility, and equipment less accumulated depreciation. The Board uses these capital assets to provide public transportation services in Delaware County, Ohio and in adjacent areas. The table below provides a summary of the Board's net position:

(Table 1)
Delaware County Transit Board
Condensed Summary of Net Position
For the Years Ended December 31, 2024, 2023, and 2022

	2024	2023	2022
Current Assets	$7,056,346	$7,417,969	$6,650,529
Net Pension/OPEB Asset	240,849	57,875	412,303
Capital Assets (Net of Accumulated Depreciation)	5,549,198	4,585,280	3,996,948
Deferred Outflows of Resources-Pensions	1,661,992	1,574,616	577,956
Deferred Outflows of Resources-OPEB	117,158	219,036	41,275
Total Assets & Deferred Outflows	14,625,543	13,854,776	11,679,011
Current Liabilities	376,992	365,758	273,488
Long Term Sick Liability	30,926	24,283	42,777
Net Pension Liability	3,830,456	3,369,633	927,463
Net OPEB Liability	-	71,469	-
Deferred Inflows of Resources-Pensions	52,949	21,869	1,153,161
Deferred Inflows of Resources-OPEB	95,665	23,572	343,161
Total Liabilities & Deferred Inflows	4,386,988	3,876,584	2,740,050
Net Position			
Invested in Capital Assets	5,549,198	4,585,280	3,996,948
Unrestricted	4,689,357	5,392,912	4,942,013
Total Net Position	$10,238,555	$9,978,192	$8,938,961

During fiscal year 2024, the Board's current assets decreased due to a significant decrease in intergovernmental receivables offset by an increase in cash on deposit. Capital assets increased due to the addition of capital assets offset by annual depreciation expense. Increased liabilities related to Pension adjustments had a negative impact.

During fiscal year 2023, the Board's current assets increased as we received federal COVID relief funds to support operations along with funds from a funding agreement with COTA. Asset values increased due to the addition of some Capital assets offset by annual depreciation expense. Increased liabilities related to Pension/OPEB adjustments had a negative impact.

Statement of Revenues, Expenses and Changes in Net Position

Table 2 reflects the changes in net position.

(Table 2)
Delaware County Transit Board
Condensed Summary of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2024, 2023, and 2022

Revenues:	**2024**	**2023**	**2022**
General Public Fares	$ 264,943	$ 188,362	$ 129,261
Special Transit Fares	820,073	610,918	626,277
Local Operating Funds	1,107,050	1,031,260	1,004,332
State Operating Funds	495,215	266,167	240,803
Federal Operating Funds	3,176,837	2,918,495	3,232,321
Federal Capital Funds	-	891,376	380,984
Other Non-Operating Funds	322,057	136,890	15,735
Total Revenues	6,186,175	6,043,468	5,629,713
Expenses:			
Operating Expenses			
Labor	2,579,279	2,090,007	1,818,912
Fringe Benefits	1,685,929	1,405,588	425,983
Contract Services	408,318	466,252	207,923
Materials and Supplies	507,822	397,501	410,961
Utilities	52,885	46,820	37,003
Casualty and Liability Insurance	126,010	111,286	114,856
Miscellaneous	48,795	30,207	17,882
Depreciation Expense	516,774	471,662	410,721
Total Expenses	5,925,812	5,015,202	3,444,241
Change in Net Position During the Year	260,363	1,024,145	2,185,472
Net Position, Beginning of Year	9,978,192	8,954,047	6,753,489
Change in Accounting Principle	-	-	15,086
Net Position, End of Year	$10,238,555	$9,978,192	$8,954,047

Financial Operating Results

During 2024, the Board's operating revenues exceed operating cost (excluding depreciation) by $455,080. This is a result of the Board receiving local support of $1,107,050 which was a payment from COTA to support transit operations. This payment was a result of a regional revenue agreement between the parties where the Board transferred available federal funds to COTA in exchange for local funds from COTA. For 2023 the Board also received increased federal support from COVID relief programs. These funds support public transit operations at a 100% funding level, to help ensure continued services to the public.

State support increased and general public fares were higher as ridership continued to recover, which had been impacted by the national health crisis. Operating expenses show increased wages. Fringe Benefit costs were impacted due to higher long-term pension recognition costs. Materials and supplies increased primarily due to increasing fuel prices. Casualty and liability insurance costs were up slightly. Other expenses remained relatively consistent with prior year.

During 2023, the Board's operating revenues exceed operating cost (excluding depreciation) by $467,541. This is a result of the Board receiving local support of $1,031,260 which was a payment from COTA to support transit operations. This payment was a result of a regional revenue agreement between the parties where the Board transferred available federal funds to COTA in exchange for local funds from COTA. For 2022 the Board also received increased federal support from COVID relief programs. These funds support public transit operations at a 100% funding level, to help ensure continued services to the public.

State support increased and general public fares were higher as ridership continued to recover, which had been impacted by the national health crisis. Operating expenses show increased wages. Fringe Benefit costs were impacted due to higher long-term pension recognition costs. Materials and supplies were lower reflecting decreased fuel prices. Casualty and liability insurance costs were down slightly. Other expenses increased but remained relatively low.

In early 2021 Congress passed additional funding for public transit through the American Recovery Plan Act (ARPA) which were used in 2022, 2023 and 2024 by the Board to support public transit operations and the local recovery efforts from the national health crisis.

Management is not aware of any known facts, decisions, or conditions that will significantly affect net position or the results for future operations.

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Capital Assets

At the end of fiscal year 2024, the Board had $8,704,256 invested in land, operating facility, revenue vehicles, and equipment. Table 3 shows fiscal year 2024 balances in comparison to fiscal years 2023 and 2022 balances.

(Table 3)
Delaware County Transit Board
Statement of Capital Assets
For the Years Ended December 31, 2024, 2023, and 2022

	2024	2023	2022
Non-Depreciable Capital Assets			
Land	$ 325,507	$ 325,507	$ 325,507
Depreciable Capital Assets			
Facilities & Structures	2,859,068	2,859,068	2,859,068
Revenue Vehicles	5,029,645	3,637,852	2,628,858
Furniture, Equipment, and TE	490,036	401,137	350,137
Total Depreciable Capital Assets	8,378,749	6,898,057	5,838,063
Total Cost	$8,704,256	$7,223,564	$6,163,570
Accumulated Depreciation			
Facilities & Structures	(688,875)	(588,294)	(495,450)
Revenue Vehicles	(2,146,039)	(1,775,837)	(1,442,717)
Furniture, Equipment, & TE	(320,144)	(274,153)	(228,455)
Total Depreciation	(3,155,058)	(2,638,284)	(2,166,622)
Net Value	$ 5,549,198	$ 4,585,280	$ 3,996,948

Capital assets increased in both 2023 and 2024 due to current year additions exceeding depreciation expense. See Note 7 for additional information.

Request for Information

This financial report is designed to provide a general overview of the Board's finances. Questions concerning any of the information in this report or request for additional financial information should be addressed to the Executive Director, Delaware County Transit Board, 119 Henderson Court, Delaware, Ohio 43015.

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

STATEMENT OF NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Assets	**2024**	**2023**
Current Assets:		
Cash on Deposit	$ 6,618,863	$ 5,857,443
Accounts Receivable	48,926	22,603
Intergovernmental Receivable	340,278	1,448,915
Prepaids	48,279	89,008
Total Current Assets	7,056,346	7,417,969
Non-Current Assets:		
Net Pension Asset	109,234	57,875
Net OPEB Asset	131,615	-
Property, Facilities and Equipment		
Land - Non Depreciable	325,507	325,507
Facilities & Structures	2,859,068	2,859,068
Revenue Vehicles	5,029,645	3,637,852
Furniture & Equipment	445,349	356,450
Transit Enhancements	44,687	44,687
Subtotal	8,704,256	7,223,564
Less Accumulated Depreciation	(3,155,058)	(2,638,284)
Total Property, Facility and Equipment (net of accumulated depreciation)	5,549,198	4,585,280
Total Non-Current Assets	5,790,047	4,643,155
Deferred Outflows of Resources - Pensions	1,661,992	1,574,616
Deferred Outflows of Resources - OPEB	117,158	219,036
Total Assets and Deferred Outflows of Resources	$ 14,625,543	$ 13,854,776
Liabilities		
Current Liabilities		
Accounts Payable	82,905	141,637
Accrued Payroll, Withholdings, & Taxes	79,949	44,146
Accrued Leave Payable	214,138	179,975
Total Current Liabilities	376,992	365,758
Long Term Sick Liability	30,926	24,283
Net Pension Liability	3,830,456	3,369,633
Net OPEB Liability	-	71,469
Total Liabilities	4,238,374	3,831,143
Deferred Inflows of Resources - Pensions	52,949	21,869
Deferred Inflows of Resources - OPEB	95,665	23,572
Net Position		
Invested in Capital Assets	5,549,198	4,585,280
Unrestricted	4,689,357	5,392,912
Total Net Position	10,238,555	9,978,192
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 14,625,543	$ 13,854,776

See Accompanying Notes to the Basic Financial Statements

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Operating Revenues		
General Public Fares	$ 264,943	$ 188,362
Special Transit Fares	820,073	610,918
Local Operating Funds	1,107,050	1,031,260
State Operating Funds	495,215	266,167
Federal Operating Funds	3,176,837	2,918,495
Total Operating Revenues	5,864,118	5,015,202
Operating Expenses		
Labor	2,579,279	2,090,007
Fringe Benefits	1,685,929	1,405,588
Contract Services	408,318	466,252
Materials & Supplies	507,822	397,501
Utilities	52,885	46,820
Casualty & Liability Insurance	126,010	111,286
Miscellaneous Expenses	48,795	30,207
Total Operating Expenses	5,409,038	4,547,661
Operating Gain Excluding Depreciation	455,080	467,541
Depreciation	516,774	471,662
Operating Gain (Loss)	(61,694)	(4,121)
Non-Operating Revenues		
Federal Grant - Capital	-	891,376
Sale of Fixed Assets	6,698	-
Other Non-Operating Income	315,359	136,890
Total Non-Operating Revenue	322,057	1,028,266
Net Gain	260,363	1,024,145
Net Position, Beginning of Year as Previously Presented	9,978,192	8,938,961
Change in Accounting Principle (GASB 101)	-	15,086
Net Position, Beginning of Year as Restated	9,978,192	8,954,047
Net Position, End of Year	$ 10,238,555	$ 9,978,192

See Accompanying Notes to the Basic Financial Statements

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Operating Activities		
Cash Received From Customers	$ 6,946,432	$ 3,923,636
Cash Payments - Suppliers for Goods & Services	(1,161,833)	(994,320)
Cash Payments - Employees for Wages & Fringes	(3,864,544)	(3,230,896)
Net Cash Provided by (Used for) Operating Activities	1,920,055	(301,580)
Non-Capital Financing Activities		
Non-Transit Funds	226,460	136,892
Net Cash Provided by Non-Capital Financing Activities	226,460	136,892
Capital and Related Financing Activities		
Purchase of Equipment & Furniture	-	(51,002)
Purchase of Revenue Vehicles	(1,391,793)	(1,008,994)
Federal Capital Funds	-	891,376
Net Cash Used for Capital and Related Financing Activities	(1,385,095)	(168,620)
Net Increase (Decrease) in Cash and Cash Equivalents	761,420	(333,308)
Cash and Cash Equivalents at Beginning of Year	5,857,443	6,190,751
Cash and Cash Equivalents at End of Year	$ 6,618,863	$ 5,857,443

Reconciliation of Operating Gain/(Loss) to Net Cash Provided by/(Used in) Operating Activities

	2024	2023
Operating Gain/(Loss)	$ (61,694)	$ (4,121)
Adjustments to Reconcile Operating Gain (Loss) to Net Cash Provided by (Used in) Operating Activities		
Depreciation	516,774	471,662
Changes in Assets, Liabilities, and Deferrals:		
(Increase) / Decrease in Prepaid Items	40,729	(9,182)
(Increase) / Decrease in Accounts/Intergovernmental Receivables	1,082,314	(1,091,566)
Increase / (Decrease) in Accounts Payable	(58,732)	66,928
Increase / (Decrease) in Accrued Payroll, Benefits & Leave	76,609	21,934
Increase / (Decrease) in Net Pension/OPEB Assets	(182,974)	354,428
Increase / (Decrease) in Net Pension/OPEB Liabilities	389,354	2,513,639
(Increase) / Decrease in Deferred Outflows - Pensions/OPEB	14,502	(1,174,421)
(Decrease) / Increase in Deferred Inflows - Pensions/OPEB	103,173	(1,450,881)
Net Cash Provided by/(Used for) Operating Activities	$ 1,920,055	$ (301,580)

See Accompanying Notes to the Basic Financial Statements

1. DESCRIPTION OF ENTITY AND REPORTING ENTITY

Description of Entity - The Delaware County Transit Board (Board), is a County Transit Board established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. It was created pursuant to Section 306.01 of the Ohio Revised Code. The Board is not subject to federal or state income taxes.

The Board is directed by a 7 member Board of Trustees and they are appointed by the Delaware County Commissioners. The Board is responsible for the safe and efficient operation and maintenance of regional transportation within Delaware County.

The Board began using the name Delaware County Transit Board instead of Delaware Area Transit Agency during 2019 to better reflect the organization structure and to rebrand the organization.

Reporting Entity - The Board complies with the provisions of Statement No. 14 of the Governmental Accounting Standards Board (GASB) regarding the definition of the financial reporting entity. Accordingly, the accompanying financial statements include only the accounts and transactions of the Board. Under the criteria specified in Statement No. 14, the Board has no component units. The Board is, however, considered to be a related organization of Delaware County by virtue of the fact that the Board of Trustees is appointed by the County Commissioners.

These conclusions regarding the financial reporting entity are based on the concept of financial accountability. The Board is not financially accountable for any other organization nor is any other organization accountable for the Board. This is evidenced by the fact that the Board is a legally and fiscally separate and distinct organization under the provisions of the Ohio Revised Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The Board's basic financial statements consist of a Statement of Net Position, a Statement of Revenue, Expenses and Changes in Net Position, and a Statement of Cash Flows. The Board follows the accrual basis of accounting, whereby, revenues and expenses are recognized in the period earned or incurred. The measurement focus is on determination of net income, financial position, and cash flows. All transactions are accounted for in a single enterprise fund.

Non-exchange Transactions - The Board complies with the provisions of Statement No. 33 of the Governmental Accounting Standards Board (GASB) regarding the Accounting and Financial Reporting for Non-exchange Transactions. This statement requires that capital contributions be recognized as revenue. No capital contributions were received, and no related revenue was recognized as revenue in the Statement of Revenues, Expenses and Changes in Net Position for the Board.

The Board will continue applying all applicable pronouncements issued by the GASB.

Cash and Cash Equivalents - Cash and cash equivalents are carried at cost, which approximates fair value. Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are reported as cash on deposit on the financial statements.

Investments – The Board maintains all available funds on deposit with financial institutions with amounts on deposit protected by FDIC coverage or through a public fund depository agreement. The investment policy prohibits any type of investing that would be considered risk.

Materials and Supplies Inventory - Materials and supplies (including fuel) are purchased as needed and no parts or fuel inventory are maintained.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues and expenses, at and during the reported period. Actual results could differ from those estimates.

Property, Facilities and Equipment - Property, facilities and equipment are stated at historical cost. The cost of maintenance and repairs is charged to operations as incurred. Donated capital assets are recorded at their acquisition value as of the date received. The Board maintains a capitalization threshold of $5,000.

Depreciation - Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, as follows:

Description	Years
Building and improvements	5 - 40
Land improvements	5 - 20
Transportation equipment	2 - 12
Other equipment	2 - 15

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position reports 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/expenditure) until then. For the Board, deferred outflows of resources are reported for pension and OPEB.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized until that time. For the Board, deferred inflows of resources include pension and OPEB.

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.

Net Position - Equity is displayed in two components as follows:

Invested in Capital Assets - This consists of capital assets, net of accumulated depreciation.

Unrestricted - This consists of net position that does not meet the definition of restricted or invested in capital assets.

Operating Revenues and Expenses - The Board has classified its revenues as either operating or non-operating. Operating revenues are those revenues that are generated directly from the primary activities. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the Board. Revenues and expenses not meeting this definition are reported as non-operating.

Recognition of Revenue and Receivables - The Federal Transit Administration (FTA) and the Ohio Department of Transportation (ODOT) provide financial assistance and make allocations directly to the Board for operations and acquisition of property and equipment. Operating grants and special fare assistance awards made on the basis of entitlement periods are recorded as grant receivables and revenue over the entitlement period. Capital grants for the acquisition of property and equipment (reimbursement type grants) are recorded as revenue when the expenditure has been made and the revenue is available. Capital grant funds received in advance of project costs being incurred are deferred.

When assets acquired with capital grants funds are disposed of, the Board is required to notify the granting agency. A proportional amount of the proceeds or fair market value, if any, of such property and equipment may be used to acquire like-kind replacement vehicles or remitted to the granting agency.

Accrued Leave Payable - The Board offers employees paid leave time (Leave) in the form of vacation, holiday pay, and sick leave. Accrued leave payable covers leave for which employees may receive cash payments either when used as time off or as a payout for unused leave upon termination of employment. These payments may occur during employment or at termination. Generally, accrued leave payable does not follow a fixed payment schedule.

Liabilities should be recognized for unused leave if it is attributable to services already rendered, the leave accumulates, and it is more likely than not that it will be used or paid out in cash. For the Board, this includes sick, vacation and holiday leave.

Liabilities for accrued leave should be recognized in the financial statements using the economic resources measurement focus for leave that has not been used and leave that has been used but not yet paid or settled.

A key component in determining the estimate of the amount of accumulated leave that will be used as time off is the flows assumption. The flows assumption determines whether leave used by employees will be attributed first to (a) the recognized liability at the date of the financial statements (a first-in, first-out (FIFO) assumption) or (b) the leave earned in the next reporting period (a last-in, first-out (LIFO) flows assumption. The Board uses the LIFO flows assumption for sick leave payable. Vacation and holiday leave payable is considered current and will be either used or paid in the next year based on Board policy.

3. EQUITY IN CASH AND DEPOSITS

The Board had bank balance of $559,374 and $385,397, respectively at December 31, 2024 and 2023, with financial institutions authorized to accept public funds. Of the bank balance at December 31, 2024, all deposits were covered by federal depository insurance and none were subject to custodial credit risk. Of the bank balance at December 31, 2023, $250,000 was covered by federal depository insurance and $135,397 was exposed to custodial risk and was collateralized with securities held by the pledging financial institutions trust department or agent but not in the Board's name.

Custodial credit risk is the risk that in the event of bank failure, the Board's deposits may not be returned to it. The Board has no deposit policy for custodial risk beyond the requirements of State statute. By Ohio law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds on deposit with that specific institution. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Protection of the Board's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) and 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.

At December 31, 2024, the Board had excess funds of $6.1 million invested in STAR Ohio. At December 31, 2023, the Board had excess funds of $5.47 million invested in STAR Ohio. STAR 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. The Board 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 a NAV per share that approximates fair value.

STAR Ohio's investments are not exposed to custodial credit risk, as defined by GASB Statement No. 40. Securities in STAR Ohio are insured, registered, held by STAR Ohio, or held in a specific trust account designated for STAR Ohio.

Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

For 2024 and 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice to PFA is appreciated for deposits and withdrawals of $100 million or more. STAR Ohio reserves the right to limit the transactions to $250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the participant will be combined for these purposes.

4. DEFINED BENEFIT PENSION PLANS

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 the Board'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 calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the Board's obligation for this liability to annually required payments. The Board cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the Board 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 remainder of this note includes the pension disclosures. See Note 5 for the OPEB disclosures.

Ohio Public Employees Retirement System (OPERS)

Plan Description - Board employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan, and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Effective January 1, 2022, new members may no longer select the Combined Plan, and current members may no longer make a plan change to this plan. In October 2023, the legislature approved House Bill (HB) 33 which allows for the consolidation of the combined plan with the traditional plan with the timing of the consolidation at the discretion of OPERS. As of December 31, 2023, the consolidation has not been executed. (The latest information available.) Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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 and combined plans 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):

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 Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	**Traditional Plan Formula:** 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan 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 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 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 plan state and local members 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 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 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 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 members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan 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 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:

	State and Local	
	Traditional	Combined
2024 Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee *	10.0 %	10.0 %
2024 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 are not used to fund the defined benefit retirement allowance.

** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension; however, effective July 1, 2022, a portion of the health care rate is funded with reserves.

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

For 2024, the Board’s contractually required contribution was $372,488 for the traditional plan and $23,440 for the combined plan. For 2023, the Board’s contractually required contribution was $314,439 for the traditional plan and $21,256 for the combined plan.

Pension Liability (Asset)

The net pension liability (asset) for OPERS was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Board's proportion of the net pension liability (asset) was based on the Board's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share of the Board's defined benefit pension plans:

2023 OPERS	Traditional Plan	Combined Plan
Proportionate Share of the Net Pension Liability (Asset)	$3,830,456	($109,234)
Proportion of the Net Pension Liability	0.01463100%	0.0355370%
Proportionate Share of the Employer Pension Expense	$745,555	$3,542

2022 OPERS	Traditional Plan	Combined Plan
Proportionate Share of the Net Pension Liability (Asset)	$3,369,633	($57,875)
Proportion of the Net Pension Liability	0.011407%	0.024556%
Proportionate Share of the Employer Pension Expense	$663,826	$8,397

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

	Traditional Plan	Combined Plan	Total
Deferred Outflows of Resources - Pensions			
Difference between expected and actual experience	$62,606	$4,427	$67,033
Change in Assumptions	0	4,054	4,054
Difference between projected and actual earning on pension plan investments	773,149	17,766	790,915
Change in Proportions	402,240	1,822	404,062
Board's contributions subsequent to the measurement date	372,488	23,440	395,928
Total Deferred Outflows of Resources - Pensions	$1,610,483	$51,509	$1,661,992
Deferred Inflows of Resources - Pensions			
Differences between expected and actual experience	$0	$10,804	$10,804
Changes in proportion	0	42,145	42,145
Total Deferred Inflows of Resources – Pensions	$0	$52,949	$52,949

The reported $395,928 as deferred outflows of resources related to pension resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Traditional Plan	Combined Plan
Year Ending December 31:		
2025	$481,115	($3,335)
2026	373,593	(1,159)
2027	493,380	4,192
2028	(110,094)	(8,986)
2029	0	(5,505)
Thereafter	0	(10,087)
Total	$1,237,994	($24,880)

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

	Traditional Plan	Combined Plan	Total
Deferred Outflows of Resources - Pensions			
Difference between expected and actual experience	$111,925	$3,558	$115,483
Change in Assumptions	35,598	3,832	39,430
Difference between projected and actual earning on pension plan investments	960,451	21,092	981,543
Change in Proportions	100,314	2,151	102,465
Board's contributions subsequent to the measurement date	314,439	21,256	335,695
Total Deferred Outflows of Resources - Pensions	$1,522,727	$51,889	$1,574,616
Deferred Inflows of Resources - Pensions			
Differences between expected and actual experience	$0	$8,269	$8,269
Changes in proportion	0	13,600	13,600
Total Deferred Inflows of Resources - Pensions	$0	$21,869	$21,869

The reported $335,695 as deferred outflows of resources related to pension resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Traditional Plan	Combined Plan
Year Ending December 31:		
2024	$205,245	($807)
2025	249,839	2,271
2026	282,708	3,721
2027	470,496	7,418
2028	0	(1,688)
Thereafter	0	(2,097)
Total	$1,208,288	$8,818

Actuarial Assumptions – Pensions

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, 2023, using the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 67:

	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	2.75 percent	2.75 percent
Future Salary Increases, including inflation	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3.0 percent, simple	3.0 percent, simple
Post-January 7, 2013 Retirees (Current Year)	2.3 percent, simple through 2024, then 2.05 percent, simple	2.3 percent, simple through 2024, then 2.05 percent, simple
Post-January 7, 2013 Retirees (Prior Year)	3.0 percent, simple through 2023, then 2.05 percent, simple	3.0 percent, simple through 2023, then 2.05 percent, simple
Investment Rate of Return	6.9 percent	6.9 percent
Actuarial Cost Method	Individual Entry Age	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 and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 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 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Defined Benefit portfolio contains the investment assets of the Traditional Pension Plan, 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 a gain of 11.2 percent for 2023.

The allocation of investment assets within the Defined Benefit portfolio is approved by the Board as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit 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 asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2023, 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	24.00%	2.85%
Domestic Equities	21.00	4.27
Real Estate	13.00	4.46
Private Equity	15.00	7.52
International Equities	20.00	5.16
Risk Parity	2.00	4.38
Other investments	5.00	3.46
Total	100.00%	

Discount Rate The discount rate used to measure the total pension liability was 6.9 percent for the Traditional Pension Plan and Combined 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 benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Traditional Pension Plan and Combined Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Board's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the Board's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9 percent, as well as what the Board'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 (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

Board's Net Pension Liability (Asset) as of December 31, 2024	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Plan	$6,030	$3,830	$2,001
Combined Plan	($66)	($109)	($143)
		(in thousands)	

Board's Net Pension Liability (Asset) as of December 31, 2023	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Plan	$5,048	$3,370	$1,974
Combined Plan	($30)	($58)	($80)
		(in thousands)	

5. OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

Net OPEB Liability (Asset)

See Note 4 for the description of the net OPEB liability.

Ohio Public Employees Retirement System (OPERS)

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust. The 115 Health Care Trust (115 Trust or Health Care Trust) was established in 2014, under Section 115 of the Internal Revenue Code (IRC). The purpose of the 115 Trust is to fund health care for the Traditional Pension, Combined 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. Retirees in the Traditional Pension and Combined plans may have an allowance deposited into a health reimbursement arrangement (HRA) account to be used toward the health care program of their choice and other eligible expenses. An OPERS vendor is available to assist with the selection of a health care program

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 or Combined 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 heath care service credit and at least age 52; or

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

Members with a retirement date 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	**Age and Service Requirements**	**Age and Service Requirements**
December 1, 2014 or Prior	***December 1, 2014 or Prior***	***December 1, 2014 or Prior***
Any Age with 10 years of service credit	Any Age with 10 years of service credit	Any Age with 10 years of service credit
January 1, 2015 through December 31, 2021	***January 1, 2015 through December 31, 2021***	***January 1, 2015 through December 31, 2021***
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.

Eligible retirees may receive a monthly HRA allowance for reimbursement of health care coverage premiums and other qualified medical expenses. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are provided to eligible retirees, and are deposited into their HRA account.

The base allowance is determined by OPERS and is currently $1,200 per month for non-Medicare retirees and $350 per month for Medicare retirees. The retiree receives a percentage of the base allowance, calculated based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. 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.

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

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 access to the Connector and have a separate health care funding mechanism. A portion of employer contributions for these participants is allocated to a retiree medical account (RMA). Members who elect the Member-Directed Plan after July 1, 2015, will vest in the RMA over 15 years at a rate of 10 percent each year starting with the sixth year of participation. Members who elected the Member-Directed Plan prior to July 1, 2015, vest in the RMA over a five-year period at a rate of 20 percent per year. Upon separation or retirement, participants may use vested RMA funds for reimbursement of qualified medical expenses.

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 plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. For fiscal year 2024, 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 2024, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan. Beginning July 1, 2022, there was a two percent allocation to health care for the Combined Plan which has continued through 2024. 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 2024 was 4.0 percent.

Effective July 1, 2022, a portion of the health care rate was funded with reserves which has continued through 2024.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Board's contractually required contribution was $4,056 for 2024 and $4,251 for 2023.

OPEB Liability (Asset)

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2022, rolled forward to the measurement date of December 31, 2023, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year.

The Board's proportion of the net OPEB liability (asset) was based on the Board's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	2023 OPERS
Proportion of the Net OPEB Liability Current Measurement Date	0.014583%
Proportionate Share of the Net OPEB Liability (Asset)	($131,615)
OPEB Expense	($25,055)

	2022 OPERS
Proportion of the Net OPEB Liability Current Measurement Date	0.011335%
Proportionate Share of the Net OPEB Liability (Asset)	$71,469
OPEB Expense	($89,497)

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At December 31, 2024, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred Outflows of Resources - OPEB	
Changes in assumptions	33,884
Difference between projected and actual investment earnings	79,042
Changes in proportion and differences in contributions	176
Board's contributions subsequent to the measurement date	4,056
Total Deferred Outflows of Resources - OPEB	$117,158
Deferred Inflows of Resources - OPEB	
Differences between expected and actual experience	$18,733
Changes in assumptions	56,577
Difference between projected and actual earning on OPEB plan investments	0
Changes in proportion and differences in contributions	20,355
Total Deferred Inflows of Resources - OPEB	$95,665

The reported $4,056 as deferred outflows of resources related to OPEB resulting from the Board's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS
Year Ending December 31:	
2025	($16,248)
2026	(1,152)
2027	61,527
2028	(26,690)
Total	($17,437)

At December 31, 2023, the Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS
Deferred Outflows of Resources - OPEB	
Difference between expected and actual experience	$0
Changes in assumptions	69,806
Difference between projected and actual investment earnings	141,941
Changes in proportion and differences in contributions	3,038
Board's contributions subsequent to the measurement date	4,251
Total Deferred Outflows of Resources - OPEB	$219,036
Deferred Inflows of Resources - OPEB	
Differences between expected and actual experience	$17,828
Changes in assumptions	5,744
Total Deferred Inflows of Resources - OPEB	$23,572

The reported $4,251 as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS
Year Ending December 31:	
2024	$26,297
2025	52,085
2026	44,262
2027	68,569
Total	$191,213

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 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 the System 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	5.70 percent
Prior Year Single Discount Rate	5.22 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.77 percent
Prior Year Municipal Bond Rate	4.05 percent
Health Care Cost Trend Rate	5.5 percent, initial 3.50 percent, ultimate in 2038
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 and 170 percent of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115 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 2023, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Defined Contribution portfolio and the Health Care portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans 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 14.0 percent for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for benefits provided through the defined benefit 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 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 asset class that is included in the Health Care portfolio's target asset allocation as of December 31, 2023, 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%	2.82%
Domestic Equities	25.00	4.27
Real Estate Investment Trust	5.00	4.68
International Equities	25.00	5.16
Risk Parity	3.00	4.38
Other investments	5.00	2.43
Total	100.00%	

Discount Rate A single discount rate of 5.70 percent was used to measure the total OPEB liability on the measurement date of December 31, 2023; however, the single discount rate used at the beginning of the year was 5.22 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) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent. (Fidelity Index's "20-Year Municipal GO AA Index") The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2070. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2070, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the Board's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the Board's proportionate share of the net OPEB liability calculated using the single discount rate of 5.70 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower 4.70 percent) or one-percentage-point higher (6.70 percent) than the current rate:

As of December 31, 2024	1% Decrease (4.7%)	Current Discount Rate (5.7%)	1% Increase (6.7%)
Board's Net OPEB Liability (Asset)	$72	($132)	($301)
		(in thousands)	

As of December 31, 2023	1% Decrease (4.22%)	Current Discount Rate (5.22%)	1% Increase (6.22%)
Board's Net OPEB Liability (Asset)	$243	$71	($70)
		(in thousands)	

Sensitivity of the Board's Proportionate Share of the Net OPEB Liability 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 or asset. The following table presents the net OPEB liability or asset calculated using the assumed trend rates, and the expected net OPEB liability or 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 with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2024 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 care 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.

As of December 31, 2024	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Board's Net OPEB Liability/Asset	$72	($132)	($301)
		(in thousands)	

As of December 31, 2023	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Board's Net OPEB Liability	$67	$71	$77
		(in thousands)	

6. RISK MANAGEMENT

For both 2024 and 2023, the Board participated in the Ohio Transit Risk Pool Association, (OTRP), related to its risk of property and casualty loss. Under this plan, the Board receives property and casualty loss coverage in exchange for premiums paid. OTRP retains responsibility for the payment of claims within specified self-insured retention limits prior to the application of coverage provided by excess insurance and reinsurance contracts. Per-occurrence retention for auto physical damage was $250,000 and the per-occurrence retention for commercial property damage was $100,000. OTRP's per-occurrence retention for liability claims (including auto liability, public officials' liability, and general liability) was $2,000,000. OTRP's per-occurrence retention for crime and fidelity coverage was $100,000. OTRP's per-occurrence retention for boiler and machinery was $50,000. For each per-occurrence claim within OTRP's self-insured retention, the Board is charged a deductible. Per occurrence, reinsurance coverage is maintained by OTRP equal to approximately $250,000,000 for qualified property losses and $10,000,000 for qualified casualty losses. Any underfunding of the plans liabilities is shared pro-rata by the members based on pool contribution factors comprised of population, full-time employees, vehicles, property values, budget, claims history times two and net operating expenses.

The Board continues to carry commercial insurance for all other risks of loss, including workers compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. There has not been a significant reduction in insurance coverage from the previous year.

7. CAPITAL ASSETS

2024	January 1, 2024	Additions	Deletions	December 31, 2024
Non-Depreciable Capital Assets				
Land	$ 325,507	$ -	$ -	$ 325,507
Total Non- Depreciable Assets	325,507	-	-	325,507
Depreciable Capital Assets				
Facilities & Structures	2,859,068	-	-	2,859,068
Revenue Vehicles	3,637,852	1,391,793	-	5,029,645
Furnishings, Equipment, & TE	401,137	88,899	-	490,036
Total Depreciable Capital Assets	6,898,057	1,480,692	-	8,378,749
Total Cost	$ 7,223,564	$ 1,480,692	-	$ 8,704,256
Accumulated Depreciation				
Facilities & Structures	(588,294)	(100,581)	-	(688,875)
Revenue Vehicles	(1,775,837)	(370,202)	-	(2,146,039)
Furnishings, Equipment, & TE	(274,153)	(45,991)	-	(320,144)
Total Depreciation	$ (2,638,824)	$ (516,774)	-	$ (3,155,058)
Net Value	$ 4,585,280	$ 963,918	-	$ 5,549,198

2023	January 1, 2023	Additions	Deletions	December 31, 2023
Non-Depreciable Capital Assets				
Land	$ 325,507	$ -	$ -	$ 325,507
Total Non- Depreciable Assets	325,507	-	-	325,507
Depreciable Capital Assets				
Facilities & Structures	2,859,068	-	-	2,859,068
Revenue Vehicles	2,628,858	1,008,994	-	3,637,852
Furnishings, Equipment, & TE	350,137	51,000	-	401,137
Total Depreciable Capital Assets	5,838,063	1,059,994	-	6,898,057
Total Cost	$ 6,163,570	$ 1,059,994	-	$ 7,223,564
Accumulated Depreciation				
Facilities & Structures	(495,450)	(92,844)	-	(588,294)
Revenue Vehicles	(1,442,717)	(333,120)	-	(1,775,837)
Furnishings, Equipment, & TE	(228,455)	(45,698)	-	(274,153)
Total Depreciation	$ (2,166,622)	$ (471,662)	-	$ (2,638,284)
Net Value	$ 3,996,948	$ 588,332	-	$ 4,585,280

8. LONG-TERM SICK LIABILITY

The Board allows employees with 10 or more years of service to be paid out for unused sick leave upon retirement or death at a rate of 25% of up to 240 hours of time. During 2024 the amount of this liability increased from $26,965 to $33,608, an increase of $6,643. Of this amount, $2,682 is anticipated to be paid within the next year. During 2023 the amount of this liability increased from $26,358 to $26,965, an increase of $607.

9. CONTINGENT LIABILITIES

For the period January 1, 2023, to December 31, 2024, the Board received federal grants for specific purposes that are subject to review and audit by grantor agencies or their designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the Board believes such disallowance, if any, would be immaterial.

10. IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES AND RESTATEMENT

For the year ended December 31, 2024, the Board has implemented certain provisions of GASB Statement No. 99, *Omnibus 2022,* GASB Statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*, and GASB Statement No. 101, *Compensated Absences*.

GASB Statement No. 99 enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of certain provisions of GASB Statement No. 99 that relate to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 did not have an effect on the financial statements of the Board.

GASB Statement No. 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide a more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessment accountability. The implementation of GASB Statement No. 100 was incorporated into the financial statements of the Board.

GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences to promote consistency and better meet the information needs of financial statement users. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. For the Board, GASB Statement No. 101 decreased the liability and the related expenses as shown below.

Restatement of Net Position

December 31, 2022, as previously reported	$8,938,961
Change in Accounting Principle (GASB 101)	15,086
December 31, 2022, as restated	$8,954,047

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – PENSION/OPEB

Schedule of the Board's Proportionate Share of Net Pension Liability (Asset)
Last Ten Fiscal Years

Traditional Plan:	2024	2023	2022	2021	2020
Board's Proportion of the Net Pension Liability	0.014631%	0.011407%	0.010660%	0.010056%	0.009081%
Board's Proportionate Share of the Net Pension Liability/(Asset)	$3,830,456	$3,369,633	$927,463	$1,489,075	$1,794,921
Board's Covered Employee Payroll	$2,660,629	$2,245,996	$1,930,487	$1,547,042	$1,275,918
Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	143.97%	150.03%	48.04%	96.25%	140.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.01%	75.74%	92.62%	86.88%	82.17%

Traditional Plan:	2019	2018	2017	2016	2015
Board's Proportion of the Net Pension Liability	0.009130%	0.009637%	0.009482%	0.008558%	0.006896%
Board's Proportionate Share of the Net Pension Liability/(Asset)	$2,500,522	$1,511,858	$2,213,798	$1,480,932	$831,745
Board's Covered Employee Payroll	$1,215,229	$1,152,850	$1,220,699	$1,090,287	$871,774
Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	205.77%	131.14%	181.35%	135.83%	95.41%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%

Note: Amounts presented as of the Board's measurement date which is the prior year.

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – PENSION/OPEB

Schedule of the Board's Proportionate Share of Net Pension Liability (Asset)
Last Ten Fiscal Years

Combined Plan:	2024	2023	2022	2021	2020
Board's Proportion of the Net Pension Liability	0.035537%	0.024556%	0.020347%	0.021689%	0.018738%
Board's Proportionate Share of the Net Pension Liability/(Asset)	$(109,234)	$(57,875)	$(80,168)	$(62,608)	$(39,073)
Board's Covered Employee Payroll	$167,429	$151,878	$124,855	$92,761	$83,414
Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	-65.24%	-38.11%	-64.21%	-67.49%	-46.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	144.55%	137.14%	169.88%	157.67%	145.28%

Combined Plan:	2019	2018	2017	2016	2015
Board's Proportion of the Net Pension Liability	0.018624%	0.018824%	0.024125%	0.018470%	0.014598%
Board's Proportionate Share of the Net Pension Liability/(Asset)	$(20,826)	$(25,626)	$(15,876)	$(8,709)	$(15,876)
Board's Covered Employee Payroll	$78,228	$74,703	$73,864	$58,456	$46,740
Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	-26.62%	-34.30%	116.55%	181.35%	-21.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	126.64%	137.28%	114.83%	116.90%	114.83%

Note: Amounts presented as of the Board's measurement date which is the prior year.

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – PENSION/OPEB

Schedule of the Board's Contributions
Last Ten Fiscal Years

	2024	2023	2022	2021	2020
Contractually Required Contribution	$395,928	$335,695	$287,748	$229,573	$211,660
Contributions in Relation to the Contractually Required Contribution	$395,928	$335,695	$287,748	$229,573	$211,660
Contribution Deficiency (Excess)	-	-	-	-	-
Board's Covered-Employee Payroll	$2,828,057	$2,397,824	$2,055,343	$1,639,807	$1,518,907
Contribution as a Percentage of Covered-Employee Payroll	14%	14%	14%	14%	14%

	2019	2018	2017	2016	2015
Contractually Required Contribution	$190,307	$181,084	$159,582	$135,880	$164,088
Contributions in Relation to the Contractually Required Contribution	$190,307	$181,084	$159,582	$135,880	$164,088
Contribution Deficiency (Excess)	-	-	-	-	-
Board's Covered-Employee Payroll	$1,359,328	$1,293,457	$1,227,553	$1,132,333	$1,367,400
Contribution as a Percentage of Covered-Employee Payroll	14%	14%	13%	12%	12%

Note: Amounts presented as of the Board's measurement date which is the prior year.

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – PENSION/OPEB

Schedule of the Board's Proportionate Share of Net OPEB Liability (Asset)
Last Eight Fiscal Years

Traditional Plan:	2024	2023	2022	2021	2020
Board's Proportion of the Net OPEB Liability	0.014583%	0.011335%	0.010604%	0.010160%	0.009211%
Board's Proportionate Share of the Net OPEB Liability/(Asset)	($131,615)	$71,469	$(332,134)	$(181,009)	$1,272,278
Board's Covered Employee Payroll	$2,660,629	$2,245,991	$1,930,487	$1,547,046	$1,359,328
Board's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-4.95%	3.18%	-17.20%	-11.70%	93.60%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	107.76%	94.79%	128.23%	115.57%	47.80%

Traditional Plan:	2019	2018	2017
Board's Proportion of the Net OPEB Liability	0.009438%	0.009100%	0.009851%
Board's Proportionate Share of the Net OPEB Liability/(Asset)	$1,230,492	$1,076,153	$1,000,944
Board's Covered Employee Payroll	$1,293,457	$1,227,553	$1,294,563
Board's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	95.13%	87.67%	77.31%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.05%

Note: Amounts presented as of the Board's measurement date which is the prior year. Although this schedule is intended to show information for ten years, information prior to 2017 is not available.

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

REQUIRED SUPPLEMENTARY INFORMATION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM – PENSION/OPEB

Schedule of the Board's Contributions - OPEB
Last Nine Fiscal Years

	2024	2023	2022	2021	2020
Contractually Required Contribution	$4,056	$4,251	$2,738	$551	$987
Contributions in Relation to the Contractually Required Contribution	$4,056	$4,251	$2,738	$551	$987
Contribution Deficiency (Excess)	-	-	-	-	-
Board's Covered-Employee Payroll	$2,660,629	$2,397,824	$1,930,487	$1,547,046	$1,518,907
Contribution as a Percentage of Covered-Employee Payroll	.2%	.2%	.1%	.1%	.1%

	2019	2018	2017	2016
Contractually Required Contribution	$1,221	$12,237	$13,151	$22,646
Contributions in Relation to the Contractually Required Contribution	$1,221	$2,237	$13,151	$22,646
Contribution Deficiency (Excess)	-	-	-	-
Board's Covered-Employee Payroll	$1,359,328	$1,293,457	$1,227,553	$1,132,333
Contribution as a Percentage of Covered-Employee Payroll	0%	0%	1%	2%

Note – Beginning in 2016, OPERS used a trust fund as the vehicle for all health care plans; therefore, information prior to 2016 is not presented. The OPEB plan includes the members from the traditional plan, the combined plan, and the member directed plan.

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

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:

	2022	2019	2018 and 2017	2016 and prior
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:

2024	2.30%, simple through 2024, 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.

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:

Assumption	2024	2023	2022	2021	2020	2019
Wage Inflation	2.75%	2.75%	2.75%	3.25%	3.25%	3.25%
Single Discount Rate	5.70%	5.22%	6.00%	6.00%	3.16%	3.96%
Municipal Bond Rate	3.77%	4.05%	1.84%	2.00%	2.75%	3.71%
Health Care Cost Trend Rate	5.50%	5.50%	5.50%	8.50%	10.50%	10.00%

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

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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DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

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

FEDERAL GRANTOR *Pass Through Grantor* Program Title	Federal Assistance Listing Number	Pass Through Entity Identification Number	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION			
Direct Program			
Federal Transit Cluster:			
Federal Transit - Formula Grant	20.507	N/A	$ 486,478
COVID-19 Federal Transit Formula Grant	20.507	N/A	2,222,248
Total Federal Transit Cluster			2,708,726
Direct Program			
Transit Services Program Cluster:			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	N/A	490,226
Total Transit Services Program Cluster:			490,226
Total U.S. Department of Transportation			3,198,952
Total Expenditures of Federal Awards			**$ 3,198,952**

The accompanying notes are an integral part of this schedule.

DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

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

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require the Board to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Board has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE D – INDIRECT COST RATE

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

OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
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800-282-0370

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

Delaware County Transit Board
Delaware County
119 Henderson Court
Delaware, Ohio 43015

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 Delaware County Transit Board, Delaware County, Ohio (the Board) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements and have issued our report thereon dated July 30, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board'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 the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

July 30, 2025

OHIO AUDITOR OF STATE
KEITH FABER

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

Delaware County Transit Board
Delaware County
119 Henderson Court
Delaware, Ohio 43015

To the Board of Trustees:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

July 30, 2025

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DELAWARE COUNTY TRANSIT BOARD
DELAWARE COUNTY

SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2024

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE
KEITH FABER

DELAWARE COUNTY TRANSIT BOARD

DELAWARE 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 8/21/2025

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

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