Delaware Public Health District

Delaware County, Ohio

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2024

Charles E. Harris & Associates, Inc.
CPAs and Government Consultants

OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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Members of the Board of Health
Delaware Public Health District
470 South Sandusky Street
Delaware, Ohio 43015

We have reviewed the *Independent Auditor's Report* of the Delaware Public Health District, Delaware County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2024 through December 31, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

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

January 23, 2026

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DELAWARE PUBLIC HEALTH DISTRICT
DELAWARE COUNTY
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INDEPENDENT AUDITOR'S REPORT

Delaware Public Health District
Delaware County
470 South Sandusky Street
Delaware, Ohio 43015

To the Members of the Board of Health and Management:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Delaware Public Health District, Delaware County, Ohio (the Health District), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Health District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Health District as of December 31, 2024, and the respective changes in financial position, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 3 to the financial statements, the Health District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement 101, *Compensated Absences*. We did not modify our opinion regarding these matters.

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 Health District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison for the General Fund, and schedules of net pension and other post-employment benefit liabilities/assets 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.

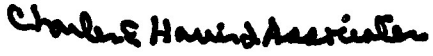
Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Health District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards (Schedule) 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/are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule 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 September 30, 2025 on our consideration of the Health District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Health District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health District's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
September 30, 2025

The discussion and analysis of Delaware Public Health District's financial performance provides an overall view of the Health District's financial activities for the year ended December 31, 2024. The intent of this discussion and analysis is to look at the Health District's financial performance as a whole; readers should also review notes to the basic financial statements, and the financial statements themselves, to enhance their understanding of the Health District's financial performance.

Financial Highlights

Key financial highlights for 2024 are as follows:

- The Health District's net position increased $1,314,028 as a result of this year's operations.
- General revenues accounted for $5,549,683 or 51.77 percent of all revenues. Program specific revenues for governmental activities in the form of charges for services and sales, grants, contributions, and interest accounted for $5,169,635 or 48.23 percent of total revenues of $10,719,318.
- The Health District had $9,405,290 in expenses related to governmental activities; $5,169,635 of these expenses were offset by program specific charges for services and sales, grants, contributions, and interest. General revenues support in governmental activities (primarily property tax, unrestricted grants, and allocations) totaled $5,549,683 and were adequate to provide for the remainder of services.
- The Health District's major fund is the general fund. The general fund had $9,058,385 in revenues and other financing sources and $7,598,111 in expenditures and other financing uses. During 2024, the general fund's fund balance increased $1,460,274 to $10,283,623.
- During 2024, nonmajor governmental funds decreased $484,517 to a balance of $1,540,757.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Delaware Public Health District as a financial whole, an entire operating entity. The statements then proceed to provide a detailed look at specific financial conditions.

The statement of net position and statement of activities provide information about the activities of the whole Health District, presenting both an aggregate view of the Health District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the Health District's most significant funds with all other nonmajor funds presented in total in one column.

Reporting the Health District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the Health District to provide programs and activities, the view of the Health District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2024?"

The statement of net position and the statement of activities answer this question. These statements include all assets, liabilities, and deferred outflows and inflows of resources using the accrual basis of accounting similar to the accounting used by most private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Health District's net position and changes in net position. This change in net position is important because it informs the reader that for the Health District as a whole, if the financial position of

the Health District has improved or diminished. However, in evaluating the overall position of the Health District, nonfinancial information such as the reliance on certain resources for operations and the need for continued growth will also need to be evaluated.

Reporting the Health District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the Health District's major funds. The Health District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the Health District's most significant funds. The Health District's major governmental fund is the general fund.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Health District maintains a multitude of individual governmental funds. The Health District has segregated these funds into major funds and nonmajor funds. The Health District's major governmental fund is the general fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation.

Notes to the Financial Statements – The notes provide additional information that is essential to full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information (RSI) – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Health District's net pension and OPEB liabilities and assets as well as budgetary comparison information.

The Health District as a Whole

Table 1 provides a summary of the Health District's net position at December 31, 2024 and 2023:

Table 1
Net Position

	Governmental Activities	
	2024	2023
Assets		
Current and Other Assets	$16,960,303	$15,757,242
Capital Assets, Net	10,716,961	10,355,091
Total Assets	27,677,264	26,112,333
Deferred Outflows	2,136,325	3,482,304
Liabilities		
Current and Other Liabilities	210,851	167,468
Long-Term Liabilities		
Due Within One Year	652,390	286,677
Other Amounts Due in More Than One Year	4,631,961	4,330,092
Net Pension/OPEB Liability	6,198,997	7,535,108
Total Liabilities	11,694,199	12,319,345
Deferred Inflows	4,472,072	4,526,961
Net Position		
Net Investment in Capital Assets	6,540,393	6,406,307
Restricted	1,688,081	1,307,496
Unrestricted	5,418,844	5,034,528
Total Net Position	$13,647,318	$12,748,331

The net pension liability (NPL) is the largest liability reported by the Health District at December 31, 2024 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for costs and liabilities related to pension. The Health District also reports a net OPEB liability (asset) at December 31, 2024 pursuant to GASB Statement 75, "Accounting and Financial Reporting for Other Postemployment Benefits—an Amendment of GASB Statement 45," which significantly revises accounting for costs and liabilities related to other postemployment benefits.

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

GASB 68 and GASB 75 require the net pension and OPEB liabilities and the net pension asset to equal the Health District's proportionate share of the plan's collective:

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

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

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

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

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

As indicated earlier, net position may serve over time as a useful indicator of the Health District's financial position.

Prior to the implementation of GASB 68 and GASB 75, the Health District reported a large balance for the net position of the Health District as a whole, as well as for its separate governmental activities. However, after implementation, the unrestricted portion of net position now has a much lower balance in governmental activities.

Total assets increased between years due to an increase in cash and cash equivalents, as well as an increase in capital assets, net, due to a new lease for vehicles.

Long-term liabilities increased due to the inception of a lease for vehicles, as noted above. The District also experienced decreases in net pension and OPEB liabilities as reported by the retirement plan. The liability is outside of the control of the Health District. The Health District contributes its statutorily required contributions to the pension systems; however, it is the pension system that collects, holds, and distributes pensions and OPEB to Health District employees, not the Health District itself. The pension and OPEB liabilities (assets), as well as related in

deferred outflows and inflows of resources, will fluctuate annually due to a number of factors, including investment returns, actuarial assumptions used, and the Health District's proportionate share of net pension and OPEB costs.

As a result, many end users of these financial statements will gain a clearer understanding of the Health District's actual financial condition by adding deferred inflows related to pension and OPEB and the net pension liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net pension and OPEB assets. Had the Health District not applied the requirements of GASB 68 and GASB 75, the unrestricted net position for the governmental activities would have been as follows for 2024 and 2023:

Table 2
Net Position Exclusive of Impact of GASB 68 and 75

	Governmental Activities	
	2024	2023
Unrestricted Net Position (with GASB 68/75)	$5,418,844	$5,034,528
GASB 68 Effects:		
Add:		
Deferred Inflows-Pension	244,294	259,259
Net Pension Liability	6,198,997	7,374,672
Restricted for Net Pension Asset	59,968	58,191
Subtract:		
Deferred Outflows-Pension	(1,946,956)	(3,006,973)
Net Pension Asset	(45,142)	(44,505)
GASB 75 Effects:		
Add:		
Deferred Inflows-OPEB	123,718	62,950
Net OPEB Liability	0	160,436
Restricted for Net OPEB Asset	278,042	0
Subtract:		
Deferred Outflows-OPEB	(189,369)	(475,331)
Net OPEB Asset	(212,391)	0
Unrestricted Net Position (without GASB 68/75)	$9,930,005	$9,423,227

As illustrated above, removal of the unfunded liability of the pension plan would result in a significantly higher unrestricted net position. In the State of Ohio, there is no legal means to enforce the unfunded liability of the pension plan against the Health District.

Table 3 shows the changes in net position for 2024 as compared to 2023.

Table 3
Changes in Net Position

	Governmental Activities	
	2024	2023
Revenues		
Program Revenues:		
Charges for Services	$3,062,230	$2,503,185
Operating Grants, Contributions, and Interest	2,107,405	1,420,155
Total Program Revenues	5,169,635	3,923,340
General Revenues:		
Property Taxes	4,148,041	4,007,355
Unrestricted Grants and Entitlements	1,149,175	927,120
Donations	23,814	8
Other	214,825	97,562
Gain on Sale of Assets	13,828	5,735
Total General Revenues	5,549,683	5,037,780
Total Revenues	10,719,318	8,961,120
Program Expenses		
Health:		
Environmental Health	2,424,767	2,294,366
Preventative Health	2,799,797	2,364,306
Community Health	1,491,809	1,224,544
Administration	2,545,194	2,921,235
Interest	143,723	134,787
Total Expenses	9,405,290	8,939,238
Change in Net Position	1,314,028	21,882
Net Position at Beginning of Year	12,748,331	12,726,449
Implementation of GASB No. 101	(415,041)	0
Net Position at Beginning of Year, as restated	12,333,290	12,726,449
Net Position at End of Year	$13,647,318	$12,748,331

In 2024, 51.77 percent of the Health District's total receipts were from general receipts, consisting mainly of property taxes levied for general Health District purposes and unrestricted grants and entitlements. Program receipts accounted for 48.23 percent of the Health District's total receipts in 2024. These receipts consist primarily of charges for services and sales for birth and death certificates, food service licenses, plumbing permits, home sewage treatment installation permits, swimming pool permits, water system permits, and state and federal operating grants.

The Health District continues to see increases in property tax revenue each year. This is primarily due to the growing community the Health District serves. Charges for services and sales increased between years due to an increase in various permit fees, as well as activity for clinic services. Operating grants, contributions, and interest also increased between years due to increases in funding for the injury prevention for older adults, enhanced operations, public health emergency planning, and medical reserve corps programs. These increases were partially offset by a decrease in funding for the public health workforce program.

Table 4
Health District Revenues

	Governmental Activities	
	Amount	Percentage of Total Revenues
Property Taxes	$4,148,041	38.70%
Charges for Services and Sales	3,062,230	28.57%
Operating Grants, Contributions, and Interest	2,107,405	19.66%
Grants and Entitlements not Restricted to Specific Programs	1,149,175	10.72%
Other	214,825	2.00%
Gain on Sale of Assets	13,828	0.13%
Contributions and Donations not Restricted to Specific Programs	23,814	0.22%
Total Revenues	$10,719,318	100.00%

On the statement of activities, you will see that the first column lists the major expenses of the Health District. The next column identifies the amount of these expenses. In 2024, the major program expenses for governmental activities were: environmental health, preventative health, community health, administration and interest on long-term debt, which accounted for 25.78, 29.77, 15.86, 27.06, and 1.53 percent of all governmental expenses, respectively. The next two columns of the statement entitled Program Revenues identify amounts paid by people who are directly charged for services and sales, grants, contributions, and interest received by the Health District that must provide a specific service. The net (expenses) revenues column compares the program revenues to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local townships and municipalities, taxpayers, state subsidies and cash balances of grant and fee programs. These net costs are paid from the general revenues which are presented at the bottom of the statement.

The statement of activities shows the cost of program services and the charges for services and sales, grants, contributions, and interest offsetting those services. Table 5 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 5
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Environmental Health	$2,424,767	$2,294,366	($253,556)	$187,611
Preventative Health	2,799,797	2,364,306	931,690	1,056,127
Community Health	1,491,809	1,224,544	1,242,192	1,078,923
Administration	2,545,194	2,921,235	2,171,606	2,558,450
Interest	143,723	134,787	143,723	134,787
Total Expenses	$9,405,290	$8,939,238	$4,235,655	$5,015,898

The Health District has attempted to limit its dependence upon property taxes and local subsidies by actively pursuing federal grants and charging allowable rates for services that are closely related to costs. The Health District provides many services mandated by the state that are unfunded. The Health District is prohibited from charging for these mandated services.

The expenses above include the net pension and OPEB expense (gain). The provision adoptions of GASB 68 and 75 distort the true financial position of the Health District, requiring the Health District to recognize a pension/OPEB adjustment that decreased expenses by $157,357 for the year ending December 31, 2024 and increased expenses by

$180,037 for the year ending December 31, 2023. As a result, it is difficult to ascertain the true operational cost of services and the change in cost of services from year to year. The chart in Table 6 shows total cost of services and net cost of services by function with the GASB Statement 68 and 75 and OPEB costs removed.

Table 6
Governmental Activities – GASB 68/75 Pension/OPEB Expenses Removed

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Environmental Health	$2,470,450	$2,238,613	($207,873)	$131,858
Preventative Health	2,846,897	2,312,890	978,790	1,004,711
Community Health	1,523,098	1,188,762	1,273,481	1,043,141
Administration	2,578,479	2,884,149	2,204,891	2,521,364
Interest on Long-Term Debt	143,723	134,787	143,723	134,787
Total Expenses	$9,562,647	$8,759,201	$4,393,012	$4,835,861

The Health District's Funds

All governmental funds had total revenues and other financing sources of $11,823,742 and expenditures and other financing uses of $10,847,985.

The net change in fund balance for the year was most significant in the general fund, which increased $1,460,274. The Health District experienced an increase in fund balance in the prior year as well. The increase for 2024 was relatively consistent with the increase for 2023.

General Fund Budgeting Highlights

The Health District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During 2024, the Health District amended its appropriations. The budgetary schedule reflects both the original and final appropriated amounts. The general fund's actual receipts collected were $8,717,306, which is 2.92 percent higher than the final budgeted receipts. The primary cause of this difference was reflected in intergovernmental receipts, due to an increase in state reimbursements, and advances in resulting from repayments of loans to other funds.

Overall, actual budgetary expenditures of $7,317,250 were 19.99 percent less than the final budgetary expenditures. The costs needed to provide services and charges were significantly less than the final budgeted expenses due to reduced general fund services performed by staff for the community health clinic program.

Capital Assets and Debt Administration

Capital Assets

At the end of the 2024, the Health District had $10,716,961 invested in land, land improvements, buildings, machinery and equipment, vehicles, and leased vehicles. Table 7 shows balances as of December 31, 2024 and 2023.

Table 7
Capital Assets at December 31
(Net of Depreciation)

	Governmental Activities	
	2024	2023
Land	$875,286	$875,286
Land Improvements	53,303	56,184
Buildings	8,968,736	9,153,658
Machinery and Equipment	214,146	140,815
Vehicles	279,473	129,148
Intangible Right to Use Leased Vehicles	326,017	0
Total Capital Assets	$10,716,961	$10,355,091

See note 6 of the notes to the basic financial statements for more information on the Health District's capital assets.

Debt

As of December 31, 2024, the Health District had $3,843,582 in a mortgage outstanding. See note 7 of the notes to the basic financial statements for more information regarding the Health District's debt and other long-term obligations.

Contacting the Health District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Health District's finances and to show the Health District's accountability for the money it receives. If you have questions about this report or need additional information, contact John Beal, Director of Finance at Delaware Public Health District, 470 S. Sandusky Street, Delaware, Ohio 43015, by phone at (740) 203-2010, or by email at jbeal@delawarehealth.org.

Delaware Public Health District
Delaware County
Statement of Net Position
As of December 31, 2024

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments with Fiscal Agent	$ 11,392,103
Accounts Receivable	20,486
Due from Other Governments	851,700
Prepaid Items	79,999
Materials and Supplies Inventory	201,155
Property Taxes Receivable	4,157,327
Net Pension Asset	45,142
Net OPEB Asset	212,391
Nondepreciable Capital Assets	875,286
Depreciable Capital Assets, Net	9,841,675
Total Assets	27,677,264
Deferred Outflows of Resources	
Pension	1,946,956
OPEB	189,369
Total Deferred Outflows of Resources	2,136,325
Liabilities	
Accounts Payable	22,111
Accrued Wages Payable	122,173
Contracts Payable	420
Due to Other Governments	64,652
Accrued Interest Payable	1,495
Long-Term Liabilities:	
Due Within One Year	652,390
Due in More Than One Year	4,631,961
Net Pension Liability	6,198,997
Total Liabilities	11,694,199
Deferred Inflows of Resources	
Property Taxes Not Levied to Finance Current Year Operations	4,104,060
Pension	244,294
OPEB	123,718
Total Deferred Inflows of Resources	4,472,072
Net Position	
Net Investment in Capital Assets	6,540,393
Restricted for Environmental Health	961,191
Restricted for Preventative Health	371,406
Restricted for Community Health	16,389
Restricted for Administration	1,085
Restricted for Net Pension Asset	59,968
Restricted for Net OPEB Asset	278,042
Unrestricted	5,418,844
Total Net Position	$ 13,647,318

See accompanying notes to the basic financial statements.

Delaware Public Health District
Delaware County
Statement of Activities
For the Year Ended December 31, 2024

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:				
Health:				
Environmental Health	$ 2,424,767	$ 2,524,109	$ 154,214	$ 253,556
Preventative Health	2,799,797	347,229	1,520,878	(931,690)
Community Health	1,491,809	10,256	239,361	(1,242,192)
Administration	2,545,194	180,636	192,952	(2,171,606)
Interest on Long-Term Debt	143,723	-	-	(143,723)
Total Governmental Activities	$ 9,405,290	$ 3,062,230	$ 2,107,405	(4,235,655)
	General Revenues			
	Property Taxes Levied for General Purposes			4,148,041
	Grants and Entitlements not Restricted to Specific Programs			1,149,175
	Contributions and Donations not Restricted to Specific Programs			23,814
	Miscellaneous			214,825
	Gain on Sale of Assets			13,828
	Total General Revenues			5,549,683
	Change in Net Position			1,314,028
	Net Position Beginning of Year - As Previously Reported			12,748,331
	Adjustment for Implementation of New Accounting Pronouncement			(415,041)
	Net Position Beginning of Year - As Adjusted			12,333,290
	Net Postion End of Year			$ 13,647,318

See accompanying notes to the basic financial statements

Delaware Public Health District

Delaware County

Balance Sheet

Governmental Funds

As of December 31, 2024

	General	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Investments with Fiscal Agent	$ 9,318,688	$ 2,073,415	$ 11,392,103
Accounts Receivable	18,364	2,122	20,486
Due from Other Governments	743,618	108,082	851,700
Interfund Receivable	610,000	-	610,000
Prepaid Items	66,810	13,189	79,999
Materials and Supplies Inventory	201,155	-	201,155
Property Taxes Receivable	4,157,327	-	4,157,327
Total Assets	15,115,962	2,196,808	17,312,770
Liabilities			
Accounts Payable	16,764	5,347	22,111
Accrued Wages Payable	90,717	31,456	122,173
Contracts Payable	420	-	420
Due to Other Governments	55,404	9,248	64,652
Interfund Payable	-	610,000	610,000
Total Liabilities	163,305	656,051	819,356
Deferred Inflows of Resources			
Property Taxes Not Levied to Finance Current Year Operations	4,104,060	-	4,104,060
Unavailable Revenue	564,974	-	564,974
Total Deferred Inflows of Resources	4,669,034	-	4,669,034
Fund Balances			
Nonspendable	267,965	13,189	281,154
Restricted	-	1,341,948	1,341,948
Committed	40,753	-	40,753
Assigned	6,448	191,346	197,794
Unassigned (Deficit)	9,968,457	(5,726)	9,962,731
Total Total Fund Balance	10,283,623	1,540,757	11,824,380
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 15,115,962	$ 2,196,808	$ 17,312,770

See accompanying notes to the basic financial statements.

Delaware Public Health District

Delaware County

Reconciliation of Total Governmental Fund Balances to

Net Position of Governmental Activities

As of December 31, 2024

Total Governmental Fund Balances		$ 11,824,380
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		$ 10,716,961
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property Taxes	29,684	
Grants and Entitlements	535,290	
Total		$ 564,974
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated Absences Payable	(1,107,783)	
Accrued Interest Payable	(1,495)	
Leases Payable	(332,986)	
Mortgage Payable	(3,843,582)	
Total		$ (5,285,846)
The net pension and OPEB liabilities (assets) are not due and payable (receivable) in the current period; therefore, these liabilities (assets) and related deferred inflows/outflows are not reported in the governmental funds.		
Net Pension Asset	45,142	
Net OPEB Asset	212,391	
Deferred Outflows-Pension	1,946,956	
Deferred Outflows-OPEB	189,369	
Net Pension Liability	(6,198,997)	
Deferred Inflows-Pension	(244,294)	
Deferred Inflows-OPEB	(123,718)	
Total		$ (4,173,151)
Net Position of Governmental Activities		$ 13,647,318

See accompanying notes to the basic financial statements.

Delaware Public Health District

Delaware County

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2024

	General	(Formerly Major) Delaware Health District Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	$ 4,146,343	$ -	$ -	$ 4,146,343
Charges for Services	707,095	-	46,236	753,331
Licenses and Permits	1,472,475	-	796,330	2,268,805
Fines and Forfeitures	47,431	-	9,361	56,792
Intergovernmental	1,429,505	-	1,663,070	3,092,575
Contributions and Donations	101,225	-	-	101,225
Miscellaneous	214,465	-	360	214,825
Total Revenues	8,118,539	-	2,515,357	10,633,896
Expenditures				
Current:				
Health:				
Environmental Health	1,543,086	-	877,753	2,420,839
Preventative Health	1,804,411	-	1,160,626	2,965,037
Community Health	1,331,661	-	166,344	1,498,005
Administration	2,222,422	-	57,643	2,280,065
Capital Outlay	420,082	-	172,009	592,091
Debt Service:				-
Principal	21,567	-	105,202	126,769
Interest	4,882	-	138,832	143,714
Total Expenditures	7,348,111	-	2,678,409	10,026,520
Excess of Revenues Over (Under) Expenditures	770,428	-	(163,052)	607,376
Other Financing Sources (Uses)				
Transfers In	571,465	-	250,000	821,465
Proceeds from Sale of Capital Assets	13,828	-	-	13,828
Inception of Lease	354,553	-	-	354,553
Transfers Out	(250,000)	-	(571,465)	(821,465)
Total Other Financing Sources (Uses)	689,846	-	(321,465)	368,381
Net Change in Fund Balances	1,460,274	-	(484,517)	975,757
Fund Balances at Beginning of Year, As Previously Reported	8,823,349	593,017	1,432,257	10,848,623
Adjustments for Change in Major Funds	-	(593,017)	593,017	-
Fund Balances at Beginning of Year, As Adjusted	8,823,349	-	2,025,274	10,848,623
Fund Balances at End of Year	$ 10,283,623	$ -	$ 1,540,757	$ 11,824,380

See accompanying notes to the basic financial statements.

Delaware Public Health District
Delaware County
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2024

Net Change in Fund Balances - Total Governmental Funds		$ 975,757
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. These are the capital outlay and depreciation amounts for the current period:		
Capital Asset Additions	$ 692,091	
Current Year Depreciation	$ (310,066)	
Total		$ 382,025
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		$ (20,155)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Property Taxes	$ 1,698	
Grants and Entitlements	$ 86,594	
Charges for Services	$ (16,698)	
Total		$ 71,594
Repayment of lease and mortgage note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		$ 126,769
Other financing sources in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues in the statement of activities:		
Inception of Lease	$ (354,553)	
Total		$ (354,553)
Some expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Increase in Compensated Absences	$ (24,757)	
Increase in Accrued Interest Payable	$ (9)	
Total		$ (24,766)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pensions	$ 566,464	
Total		$ 566,464
Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities (assets) are reported as pension/OPEB expense (gain) in the statement of activities.		
Pensions	$ (435,204)	
OPEB	$ 26,097	
Total		$ (409,107)
Net Change in Net Position of Governmental Activities		$ 1,314,028

See accompanying notes to the basic financial statements.

Note 1 – Reporting Entity

The Delaware Public Health District (the Health District), is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Health District is a combined health district as defined by section 3709.07 of the Ohio Revised Code. A nine-member Board of Health (the Board) governs the Health District. Five members are appointed by the District Advisory Council on behalf of the townships, villages, cities and county. The Board appoints a health commissioner who oversees the employment of all employees.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the Health District are not misleading.

Primary Government

The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the Health District. The Health District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services, the issuance of health-related licenses and permits, and emergency response planning.

The Delaware County Auditor acts as a fiscal agent for the Health District and the Delaware County Treasurer acts as custodian of all funds.

Component Units

Component units are legally separate organizations for which the Health District is financially accountable. The Health District is financially accountable for an organization if the Health District appoints a voting majority of the organization's governing board; and (1) the Health District is able to significantly influence the programs or services performed or provided by the organization; or (2) the Health District is legally entitled to or can otherwise access the organization's resources; the Health District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Health District is obligated for the debt of the organization. Component units may also include organization for which the Health District authorizes the issuance of debt or the levying of taxes or determines the budget if there is also the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Health District. The Health District has no component units.

Public Entity Risk Pool

The Health District participates in Public Entities Pool of Ohio, a public entity risk pool. This organization is presented in Note 8 to the financial statements.

The Health District's management believes these financial statements present all activities for which the Health District is financially accountable.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the Health District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP as applied to governmental units). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Health District's accounting policies are described below.

Basis of Presentation

The Health District's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Health District as a whole. These statements include the financial activities of the primary government. These statements distinguish between those activities of the Health District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions. The Health District has no business-type activities.

The statement of net position presents the governmental activities of the Health District at year end. The statement of activities compares expenses and program revenues for each program or function of the Health District's governmental activities. Expenses are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Health District is responsible. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and revenues of interest earned on grants that are required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Health District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing on a cash basis or draws from the general revenues of the Health District.

Fund Financial Statements

During the year, the Health District segregates transactions related to certain Health District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Health District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Fund Accounting

The Health District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the Health District are presented in a single category (governmental).

Governmental Funds

Governmental funds are those through which most governmental functions of the Health District are financed. The following is the Health District's major governmental fund:

General Fund – The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Health District for any purpose provided it is expended or transferred according to the general laws of Ohio.

The nonmajor governmental funds of the Health District account for and report grants and other resources whose use is restricted, committed or assigned to a particular purpose.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Health District are included on the statement of net position. The statement of activities presents increases (i.e., revenue) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows of resources, current liabilities, and current deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. The governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Differences in the accrual and the modified accrual bases of accounting arise in the recognition of revenue, the recording of deferred outflows and inflows of resources, and in the presentation of expenses versus expenditures.

Revenues-Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Health District, available means expected to be received within sixty days of year-end.

Nonexchange transactions, in which the Health District receives value without directly giving equal value in return, include intergovernmental contractual allocations from participating local governments, grants, entitlements, and donations. Revenue from intergovernmental contractual allocations, grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Health District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Health District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: grants and entitlements, licenses and permits, and charges for services.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represents 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. The Health District reports in the government-wide statement of net position deferred outflows of resources for amounts related to pensions and other postemployment benefits. Amounts related to pensions and other postemployment benefits will be further discussed in Notes 11 and 12.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The Health District reports deferred inflows of resources for property taxes, unavailable revenue, and pensions and other postemployment benefits. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2024, but which were levied to finance fiscal year 2025 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental funds balance sheet. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the Health District, unavailable revenue includes delinquent property taxes, intergovernmental grants, and charges for services. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Amounts related to pensions and other postemployment benefits will be further discussed in Notes 11 and 12.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Budgetary Process

All funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Health District may appropriate. The appropriations resolution is the Board of Health's authorization to spend resources and sets annual limits on disbursements plus encumbrances at the level of control selected by the Board of Health. The legal level of control has been established by the Board of Health at the fund, department, and object level for all funds.

Ohio Revised Code (ORC) Section 5705.28(C)(1) requires the Health District to file an estimate of contemplated revenue and expenses with the municipalities and townships within the Health District by about June 1 (forty-five days prior to July 15). The County Auditor cannot allocate property taxes from the municipalities and townships within the Health District if the filing has not been made.

ORC Section 3709.28 establishes budgetary requirements for the Health District, which are similar to ORC Chapter 5705 budgetary requirements. On or about the first Monday of April, the Health District must adopt an itemized appropriation measure. The appropriation measure, together with an itemized estimate of revenues to be collected during the next fiscal year, shall be certified to the county budget commission.

Subject to estimated resources, the Board of Health may, by resolution, transfer appropriations from one appropriation item to another, reduce or increase any item, create new items, and make additional appropriations or

reduce the total appropriation. Such appropriation modifications shall be certified to the county budget commission for approval.

The amounts reported as the original budgeted amounts on the budgetary statement reflects the amounts on the certificate of estimated resources in effect when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statement reflects the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Board of Health.

The appropriations resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budget reflect the first appropriation resolution that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriations passed by the Board of Health during the year.

Cash and Investments

The County Treasurer is the custodian for the Health District's cash and investments. The County's cash and investment pool holds the Health District's cash and investments, which are reported at the County Treasurer's carrying amount. Deposits and investments disclosures for the County as a whole may be obtained from the County, Donald Rankey, Delaware County Treasurer, 145 North Union Street, Delaware, Ohio 43015. The phone number is (740) 833-2480.

Accounts Receivable

Accounts receivables are stated as unpaid balances, less an allowance for doubtful accounts. The Health District provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Health District's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories consist of consumable supplies. Inventories are accounted for using the consumption method.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it is consumed.

Capital Assets

Capital assets are reported in the applicable governmental activities columns in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are defined by the Health District as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings	40-100 Years
Improvements Other than Buildings	20-100 Years
Machinery and Equipment	5-25 Years
Vehicles	10 Years

Amortization of intangible right to use leased assets is computed using the straight-line method over the shorter of the lease term or the useful life of the underlying asset.

Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The Health District's net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Health District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available. Restricted net position for pension and OPEB assets represents the corresponding restricted amounts held in trust by the pension and OPEB plans for future benefits, net of related deferred outflows and inflows of resources.

Interfund Transactions and Balances

Transfers within governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. On the fund financial statements, outstanding interfund loans are reported as "interfund receivables/payables".

Compensated Absences

The Health District follows the provisions of GASB Statement No. 101, "Compensated Absences". The Health District's employee vacation, compensatory time and sick policies generally provide for granting vacation and sick leave with pay in varying amounts. Benefits considered more likely than not to be used or settled as termination are recognized in the financial statements. The liability for vacation and sick leave is reported in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, and net pension/OPEB liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Leases and mortgages payable are recognized as a liability on the fund financial statements when due.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Health District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Board of Health. Those committed amounts cannot be used for any other purpose unless the Board of Health removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the Health District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Health or a Health District official delegated that authority by resolution, or by state statute.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Health District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Health District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2024.

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 (gain), 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.

Note 3 – Change in Accounting Principles and Restatement

Change in Accounting Principle

For fiscal year 2024, the Health District implemented Governmental Accounting Standards Board (GASB) Statement No. 100, "Accounting Changes and Error Corrections" and Statement No. 101, "Compensated Absences".

GASB Statement No. 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The implementation of GASB Statement No. 100 is presented on the financial statements of the District.

GASB Statement No. 101 provides accounting and financial reporting guidance for recognition and measurement of compensated absences, which includes recognizing a liability for leave that is attributable to service already rendered and is more likely than not to be used or otherwise paid or settled. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The implementation of GASB Statement No. 101 has the following impact on beginning net position:

Net Position, As Reported, December 31, 2023	$12,748,331
Adjustment for Implementation of GASB 101	(415,041)
Net Position, As Adjusted, January 1, 2024	$12,333,290

Change within in the Financial Reporting Entity

For 2024, the Delaware Public Health District Building Fund presentation was adjusted from major to nonmajor due to no longer meeting the quantitative threshold for a major fund. This change is separately displayed in the financial statements.

Note 4 – Deposits and Investments

Cash on Hand

At December 31, 2024, the Health District held $952 in petty cash. This cash has been reported in the basic financial statements as "equity in pooled cash and investments".

Cash and Investments with Fiscal Agent

As required by the Ohio Revised Code, the Delaware County Auditor is the fiscal agent of the Health District. The Health District's cash pool, used by all funds, is deposited with the Delaware County Treasurer. The cash pool is commingled with the Delaware County's cash and investment pool and is not identifiable as to demand deposits or investments. All collections are remitted to the Delaware County Treasurer for deposit and all disbursements are made by warrants prepared by the Delaware County Auditor drawn on deposits held in the name of Delaware County. GASB 3 and GASB 40 requirements for Delaware County are presented in the County's December 31,

2024 annual comprehensive financial report. The fund balances are expressed in cash equivalents. Cash equivalents are available for immediate expenditure or liquid investments which are immediately marketable, have negligible credit risk, and mature within three months. The carrying amount of cash on deposit with the Delaware County Treasurer at December 31, 2024 was $11,391,151.

Note 5– Receivables

Receivables at December 31, 2024 consisted of charges for services (primarily billings from clinic services), property taxes, and intergovernmental receivables arising from grants. Receivables have been recorded to the extent that they are measurable at December 31, 2024. All receivables are expected to be collected in the subsequent year. Amounts due from other governments consisted of the following at year end:

Major Fund	
General Fund	
Homestead and Rollback	$245,647
Apportionments	250,000
Grants and Other Receivables	247,971
Total General Fund	743,618
Nonmajor Fund	
Grants	108,082
Total Governmental Activities	$851,700

Note 6 - Capital Assets

Capital asset activity for the governmental activities for the year ended December 31, 2024, was as follows:

	Balance 1/1/24	Additions	Reductions	Balance 12/31/24
Nondepreciable Capital Assets				
Land	$875,286	$0	$0	$875,286
Total Nondepreciable Capital Assets	875,286	0	0	875,286
Depreciable Capital Assets				
Land Improvements	57,625	0	0	57,625
Buildings	9,246,119	0	0	9,246,119
Machinery and Equipment	234,865	118,538	(35,628)	317,775
Vehicles	582,620	219,000	(186,299)	615,321
Intangible Right to Use Leased Assets	0	354,553	0	354,553
Total Depreciable Capital Assets	10,121,229	692,091	(221,927)	10,591,393
Less Accumulated Depreciation/Amortization				
Land Improvements	(1,441)	(2,881)	0	(4,322)
Buildings	(92,461)	(184,922)	0	(277,383)
Machinery and Equipment	(94,050)	(36,647)	27,068	(103,629)
Vehicles	(453,472)	(57,080)	174,704	(335,848)
Intangible Right to Use Leased Assets	0	(28,536)	0	(28,536)
Total Accumulated Depreciation/Amortization	(641,424)	(310,066)	201,772	(749,718)
Total Depreciable Capital Assets, Net	9,479,805	382,025	(20,155)	9,841,675
Governmental Activities Capital Assets, Net	$10,355,091	$382,025	($20,155)	$10,716,961

Of the current year depreciation/amortization total of $310,066, $28,536 presented as administration expense on the statement of activities relates to amortization of the Health District's intangible leased vehicle assets, which are included as Intangible Right to Use Leased Assets. With the implementation of Governmental Accounting Standards Board Statement No. 87, "Leases", a lease meeting the criteria of this statement requires the lessee to recognize the lease liability and an intangible right to use asset.

Depreciation/amortization expense was charged to governmental functions as follows:

Environmental Health	$24,248
Preventative Health	26,195
Administration	259,623
Total Depreciation/Amortization Expense	$310,066

Note 7 - Long-Term Obligations

During 2024, the following activity occurred in the Health District's governmental long-term obligations:

	Restated Balance 1/1/24	Additions	Reductions	Balance 12/31/24	Due Within One Year
Direct Placement:					
Mortgage Note Payable	$3,948,784	$0	($105,202)	$3,843,582	$109,415
Lease Payable	0	354,553	(21,567)	332,986	66,625
Net Pension Liability	7,374,672	0	(1,175,675)	6,198,997	0
Net OPEB Liability	160,436	0	(160,436)	0	0
Compensated Absences Payable*	1,083,026	24,757	0	1,107,783	476,350
Total Long-Term Debt Obligations	$12,566,918	$379,310	($1,462,880)	$11,483,348	$652,390

See Notes 11 and 12 for further information on the Health District's net pension asset and liability and net OPEB liability/asset, respectively. The Health District pays obligations related to employee compensation from the fund benefitting from their services.

On October 27, 2020, the Health District entered into an agreement with First Commonwealth Bank for the purpose of providing funds for the construction of a new Health District building. The agreement called for $4,000,000 in construction loan proceeds with the Health District providing the remaining balance for the project. Prior to 2022, the Health District has used local monies for project costs. The agreement calls for an interest only payment schedule until such time that the loan is finalized. The note underlying the loan calls for an interest rate of 3.50 percent through October 27, 2025 with a possible adjustment at that date, and a maturity date of October 27, 2030. Payments will be made from the new facility debt service fund.

Principal and interest requirements to retire the mortgage note payable outstanding at December 31, 2024 are as follows:

Year Ending December 31,	Principal	Interest
2025	$109,415	$134,620
2026	113,361	130,674
2027	117,450	126,585
2028	121,338	122,697
2029	126,063	117,972
2030	3,255,955	94,792
Total	$3,843,582	$727,340

Leases Payable

During 2024, the Health District entered into a five-year lease agreement with Enterprise for several vehicles.

Principal and interest requirements to for this agreement at December 31, 2024 are as follows:

Year Ending December 31,	Principal	Interest
2025	$66,625	$12,331
2026	69,090	9,866
2027	71,654	7,302
2028	74,308	4,648
2029	51,309	1,198
Total	$332,986	$35,345

Note 8 – Risk Management

The Health District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Health District insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Health District is a member of the Public Entities Pool of Ohio (Pool). The Pool assumes the risk of loss up to the limits of the Health District's policy. The Pool covers the following risks:

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2024:

Cash and Investments	$48,150,572
Actuarial Liabilities	22,652,556

The Health District did not have any significant reductions in coverage from the prior year. The Health District did not incur any claims that exceeded coverage in the prior three years.

Note 9 – Contingencies

Grants

The Health District receives significant financial assistance from numerous federal, state, and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the Health District; however, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the Health District.

Litigation

The Health District is not currently involved in litigation.

Note 10 – Significant Commitments - Encumbrances

The Health District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the Health District's commitments for encumbrances in the governmental funds were as follows:

Fund	Year-End Encumbrances
General Fund	$40,598
Litter Grant	35,148
Food Service	939
Water System	350
Bio Terrorism	360
Sewage Program	800
Total Year-End Encumbrances	$78,195

Note 11– Defined Benefit Pension Plans

The Statewide retirement system provides both pension benefits and other postemployment benefits (OPEB).

Net Pension/OPEB Liability (Asset)

The net pension/OPEB liability (asset) reported on the statement of net position represents a liability to (asset for) employees for pensions/OPEB. 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 obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

The Ohio Revised Code limits the District's obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the District 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 system may allocate a portion of the employer contributions to provide for 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 system to amortize unfunded pension/OPEB liabilities within 30 years. If the pension/OPEB amortization period exceeds 30 years, the 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 system to provide health care to eligible benefit recipients.

The proportionate share of the plan's unfunded benefits is presented as a long-term net pension liability or net OPEB liability on the financial statements. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in due to other governments on the financial statements.

The remainder of this note includes the pension disclosures. See note 12 for the OPEB disclosures.

Ohio Public Employees Retirement System

Plan Description - District 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
Statutory Maximum Contribution Rates		
Employer	14.0 %	14.0 %
Employee*	10.0 %	10.0 %
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 and are expressed as a percentage of covered payroll.

The Health District's contractually required contributions were $560,965 for the traditional plan and $5,499 for the combined plan for 2024. Of these amounts, $71,210 is reported as *due to other governments*.

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

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

	Traditional	Combined	Total
Proportion of the Net Pension Liability (Asset):			
Current Measurement Date	0.0236780%	0.0146860%	
Prior Measurement Date	0.0249650%	0.0188830%	
Change in Proportionate Shre	-0.0012870%	-0.0041970%	
Proportionate Share of the:			
Net Pension Liability	$6,198,997	$0	$6,198,997
Net Pension Asset	0	(45,142)	(45,142)
Pension Expense	431,482	3,722	435,204

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

	Traditional	Combined	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$101,318	$1,829	$103,147
Net difference between projected and actual earnings on pension plan investments	1,251,221	7,342	1,258,563
Changes of assumptions	0	1,677	1,677
Changes in proportion and differences between Health District contributions and proportionate share of contributions	0	17,105	17,105
Health District contributions subsequent to the measurement date	560,965	5,499	566,464
Total Deferred Outflows of Resources	$1,913,504	$33,452	$1,946,956
Deferred Inflows of Resources			
Differences between expected and actual experience	$0	$4,465	$4,465
Changes in proportion and differences between Health District contributions and proportionate share of contributions	225,668	14,161	239,829
Total Deferred Inflows of Resources	$225,668	$18,626	$244,294

$566,464 reported as deferred outflows of resources related to pension resulting from Health District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/increase in net pension asset in 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	Combined	Total
Year Ending December 31:			
2025	$132,815	$1,523	$134,338
2026	373,769	2,426	376,195
2027	798,459	4,641	803,100
2028	(178,172)	(810)	(178,982)
2029	0	527	527
Thereafter	0	1,020	1,020
Total	$1,126,871	$9,327	$1,136,198

Actuarial Assumptions

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 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 Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for 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 11.2 percent for 2023.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees 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 real 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 rates of return were provided by the Board's investment consultant. For each major class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2023 and 2022, these best estimates are summarized below:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
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 for the current year was 6.9 percent for the traditional plan and the 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 benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Health District's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the Health District'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 Health District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Health District's proportionate share of the net pension liability (asset)			
Traditional	$9,758,888	$6,198,997	$3,238,203
Combined	(27,316)	(45,142)	(59,185)

Note 12–Postemployment Benefits

Net OPEB Liability (Asset)

See Note 11 for a description of the net OPEB liability (asset).

Ohio Public Employees Retirement System

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 traditional pension plan and combined plan 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 health 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. The Health District's contractually required contribution was $0 for 2024.

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

The net OPEB liability (asset) 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 payments, and interest accruals during the year. The Health District's proportion of the net OPEB liability (asset) was based on the Health District's share of contributions to the retirement system relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense (gain):

Proportion of the Net OPEB Liability (Asset):	
Current Measurement Date	0.0235330%
Prior Measurement Date	0.0254450%
Change in Proportionate Share	-0.0019120%
Proportionate Share of the:	
Net OPEB Asset	($212,391)
OPEB Gain	(26,097)

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

Deferred Outflows of Resources	
Net difference between projected and actual earnings on OPEB plan investments	$127,553
Changes of assumptions	54,679
Changes in proportion and differences between Health District contributions and proportionate share of contributions	7,137
Total Deferred Outflows of Resources	$189,369

Deferred Inflows of Resources	
Differences between expected and actual experience	$30,231
Changes of assumptions	91,300
Changes in proportion and differences between Health District contributions and proportionate share of contributions	2,187
Total Deferred Inflows of Resources	$123,718

$0 reported as deferred outflows of resources related to OPEB resulting from Health District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/increase of the net OPEB asset in 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB for the year ended December 31, 2024 will be recognized in OPEB expense as follows:

Year Ending December 31:	
2025	($2,988)
2026	12,423
2027	99,287
2028	(43,071)
Total	$65,651

Actuarial Assumptions – OPERS

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The actuarial valuation used the following key actuarial assumptions and methods applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	2.75 percent
Projected Salary Increases,	2.75 to 10.75 percent including wage inflation
Single Discount Rate	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 Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. 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 14.0 percent for 2023.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of geometric rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
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 OPEB liability (asset) on the measurement date of December 31, 2023. A single discount rate of 5.22 percent was used to measure the OPEB liability (asset) on the measurement date of December 31, 2022. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long- term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.77 percent (Fidelity Index's "20-Year Municipal GO AA Index") for the year ended December 31, 2023. This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 4.05

percent (Fidelity Index's "20-Year Municipal GO AA Index") for the year ended December 31, 2022. 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 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 Health District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate The following table presents the County's proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 5.70 percent, as well as what the County's proportionate share of the net OPEB liability (asset) 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:

	1% Decrease (4.70%)	Discount Rate (5.70%)	1% Increase (6.70%)
Health District's proportionate share of the net OPEB liability (asset)	$116,724	($212,391)	($485,015)

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

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

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Health District's proportionate share of the net OPEB asset	($221,210)	($212,391)	($202,384)

Note 13 – Other Employee Benefits

Compensated Absences

Employees earn between 12 and 30 days of vacation time per year depending upon service with the Health District. Up to three times the employee's annual rate may be carried over into the next calendar year. Vacation time more than three times the employee's annual rate will be forfeited by the employee.

Employees earn sick leave at the rate of 4.6 hours per 80 hours worked. Sick leave accumulation is unlimited. Upon retirement or death, an employee with five to nine years of service can be paid 25% of their sick leave balance up to 480 hours. Employees with 10 years of service or more can be paid 50% of their sick leave balance up to 480 hours. Any sick leave hours an employee brings from another government is not eligible to be paid out.

Non-exempt employees are paid their unused comp time balance upon separation.

Note 14 - Fund Balance

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Health District is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balance	General	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable for:			
Prepaid Items	$66,810	$13,189	$79,999
Materials and Supplies Inventory	201,155	0	201,155
Total Nonspendable	267,965	13,189	281,154
Restricted for:			
Campgrounds	0	7,537	7,537
Food Service	0	321,751	321,751
Water System	0	18,654	18,654
Solid Waste	0	40,227	40,227
Swimming Pool	0	197,113	197,113
Women Infants Children	0	206,219	206,219
Injury Prevention	0	3,728	3,728
Safe Route 23 Corridor	0	12,144	12,144
Bio Terrorism	0	162,115	162,115
Sewage Program	0	366,083	366,083
Mosquito Grant	0	6,377	6,377
Total Restricted	0	1,341,948	1,341,948
Committed for:			
Severance	40,753	0	40,753
Assigned for:			
Debt Service	0	191,346	191,346
Future Obligations	6,448	0	6,448
Total Assigned	6,448	191,346	197,794
Unassigned (Deficit)	9,968,457	(5,726)	9,962,731
Total Fund Balance	$10,283,623	$1,540,757	$11,824,380

Note 15 – Interfund Activity

Transfers

During 2024, the Health District transferred $250,000 from the general fund to the new facility debt service fund for the purpose of providing funds for debt service requirements. The DGHD new office fund transferred $562,437 to the general fund to return funds originally transferred from the general fund for the building project that were ultimately not needed.

Interfund Balances

The Health District had the following interfund balances at December 31, 2024:

	Interfund Receivable	Interfund Payable
Major Fund:		
General Fund	$610,000	$0
Nonmajor Funds:		
Injury Prevention	0	110,000
Enhanced Operations	0	200,000
Public Health Workforce Development	0	200,000
Medical Reserve Corp	0	100,000
Total Nonmajor Funds	0	610,000
Total	$610,000	$610,000

The general fund advanced funds to nonmajor special revenue funds to provide operating funds for programs that receive funding on a reimbursement basis. These balances are expected to be repaid in 2025.

Note 16 – Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Health District. Property tax revenue received during 2024 for real and public utility property taxes represents collections of 2023 taxes.

2024 real property taxes are levied after October 1, 2024, on the assessed value as of January 1, 2024, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2024 real property taxes are collected in and intended to finance 2024.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2024 public utility property taxes which became a lien December 31, 2023, are levied after October 1, 2024, and are collected in 2025 with real property taxes.

The full tax rate for all Health District operations for the year ended December 31, 2024 was $0.70 per $1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2024 property tax receipts were based are as follows:

	Tax Year 2023
Real Property	$12,860,043,550
Tangible Public Utility Property	515,295,190
Total Assessed Valuation	$13,375,338,740

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Health District. The County Auditor periodically remits to the Health District its portion of the taxes collected.

Delaware Public Health District

Delaware County

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budget Basis)

General Fund

For the Year Ended December 31, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Orignial	Final	Actual	
Revenues				
Property Taxes	$ 4,102,781	$ 4,102,781	$ 4,129,185	$ 26,404
Charges for Services	788,389	875,178	799,999	(75,179)
Fines, Licenses, and Permits	1,441,195	1,441,195	1,518,201	77,006
Intergovernmental	1,170,669	1,034,013	1,251,397	217,384
Contributions and Donations	-	-	27,794	27,794
Miscellaneous	274,759	364,626	214,465	(150,161)
Total Revenues	7,777,793	7,817,793	7,941,041	123,248
Expenditures				
Current:				
Environmental Health	1,559,885	2,045,026	1,565,272	(479,754)
Preventative Health	1,592,382	1,991,727	1,564,925	(426,802)
Community Health	1,469,483	1,786,914	1,341,303	(445,611)
Administration	1,994,870	2,952,677	2,129,741	(822,936)
Capital Outlay	100,000	119,000	66,009	(52,991)
Total Expenditures	6,716,620	8,895,344	6,667,250	(2,228,094)
Excess of Revenues Over (Under) Expenditures	1,061,173	(1,077,551)	1,273,791	2,351,342
Other Financing Sources (Uses)				
Transfers In	652,135	652,135	562,437	(89,698)
Advances In	-	-	200,000	200,000
Transfers Out	(250,000)	(250,000)	(250,000)	-
Advances Out	-	-	(400,000)	(400,000)
Proceeds from Sale of Capital Assets	-	-	13,828	13,828
Total Other Financing Sources (Uses)	402,135	402,135	126,265	(275,870)
Net Change in Fund Balances	1,463,308	(675,416)	1,400,056	2,075,472
Fund Balances at Beginning of Year	7,790,959	7,790,959	7,790,959	-
Prior Year Encumbrances Appropriated	45,369	45,369	45,369	-
Fund Balances at End of Year	$ 9,299,636	$ 7,160,912	$ 9,236,384	$ 2,075,472

See accompanying notes to the required supplementary information.

Delaware Public Health District
Delaware County
Required Supplementary Information
Schedule of the Health District's Proportionate Share of the Net Pension Liability (Asset)
Last Five Years (1)

	2020	2021	2022	2023	2024
Ohio Public Employees Retirement System - Traditional Plan					
Health District's proportion of the net pension liability	0.0255000%	0.0272930%	0.0271490%	0.0249650%	0.0236780%
Health District's proportionate share of the net pension liability	$ 5,040,248	$ 4,041,499	$ 2,362,073	$ 7,374,672	$ 6,198,997
Health District's covered payroll	$ 3,594,872	$ 3,844,079	$ 3,940,122	$ 3,869,936	$ 3,897,443
Health District's proportionate share of the net pension liability as a percentage of its covered payroll	140.21%	105.14%	59.95%	190.56%	159.05%
Plan fiduciary net position as a percentage of the total pension liability	82.17%	86.88%	92.62%	75.74%	79.01%
Ohio Public Employees Retirement System - Combined Plan					
Health District's proportion of the net pension asset	0.028107%	0.015375%	0.012133%	0.018883%	0.014686%
Health District's proportionate share of the net pension asset	$ (58,610)	$ (44,382)	$ (47,805)	$ (44,505)	$ (45,142)
Health District's covered payroll	$ 125,121	$ 67,757	$ 55,314	$ 87,064	$ 67,436
Health District's proportionate share of the net pension asset as a percentage of its covered payroll	-46.84%	-65.50%	-86.42%	-51.12%	-66.94%
Plan fiduciary net position as a percentage of the total pension liability	145.28%	157.67%	169.88%	137.14%	144.55%

(1) Amounts presented as of the Health District's measurement date which is the prior year. Although this schedule is intended to show information for ten years, information prior to 2020 is not available. An additional column will be added each year.
See accompanying notes to the required supplementary information.

Delaware Public Health District
Delaware County
Required Supplementary Information
Schedule of the Health District's Proportionate Share of the Net OPEB Liability (Asset)
Last Five Years (1)

	2020	2021	2022	2023	2024
Ohio Public Employees Retirement System Health District's proportion of the net OPEB liability (asset)	0.0260050%	0.0276590%	0.0271770%	0.0254450%	0.0235330%
Health District's proportionate share of the net OPEB liability (asset)	$ 3,591,966	$ (492,767)	$ (851,225)	$ 160,436	$ (212,391)
Health District's covered payroll	$ 3,719,993	$ 3,911,836	$ 3,995,436	$ 3,957,000	$ 3,964,879
Health District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	96.56%	-12.60%	-21.30%	4.05%	-5.36%
Plan fiduciary net position as a percentage of the total OPEB liability	47.80%	115.57%	128.23%	94.79%	107.76%

(1) Amounts presented as of the Health District's measurement date which is the prior year. Although this schedule is intended to show information for ten years, information prior to 2020 is not available. An additional column will be added each year.
See accompanying notes to the required supplementary information.

Delaware Public Health District
Delaware County
Required Supplementary Information
Schedule of Health District Contributions
Last Six Years (1)

	2019	2020	2021	2022	2023	2024
Contractually required contribution - pension - Traditional Plan	$ 503,282	$ 538,171	$ 551,617	$ 541,791	$ 545,642	$ 560,965
Contractually required contribution - pension - Combined Plan	17,517	9,486	7,744	12,189	9,441	5,499
Contractually required contribution - OPEB	-	-	-	-	-	-
Contractually required contribution - total	520,799	547,657	559,361	553,980	555,083	566,464
Contributions in relation to the contractually required contribution	520,799	547,657	559,361	553,980	555,083	566,464
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Health District's covered payroll	$ 3,719,993	$ 3,911,836	$ 3,995,436	$ 3,957,000	$ 3,964,879	$ 4,046,171
Contributions as a percentage of covered payroll - pension	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Contributions as a percentage of covered payroll - OPEB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Contributions as a percentage of covered payroll - total	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

(1) Although this schedule is intended to show information for ten years, information prior to 2019 is not available. An additional column will be added each year.
See accompanying notes to the required supplementary information.

Note 1 - Budgetary

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures, and changes in fund balance-budget and actual (budget basis) for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed, or assigned fund balance (GAAP basis).
4. Certain funds are accounted for as separate funds internally with legally adopted budgets (budget basis) that do not meet the definition of special revenue funds under general accepted accounting principles and were reported with the general fund (GAAP basis).

Adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis are as follows:

Budget Basis	$1,400,056
Net Adjustment for Revenue Accruals	177,498
Net Adjustment for Expenditure Accruals	(632,597)
Net Adjustment of Other Sources/Uses	554,553
Adjustment for Encumbrances	40,598
Perspective Differences – Severance Fund	(79,834)
GAAP Basis	$1,460,274

Note 2 – Ohio Public Employees Retirement System

Pension

Changes in benefit terms

There were no significant changes in benefit terms for 2015 through 2017.

For 2018, COLAs provided up to December 31, 2018 will be based upon a simple, 3 percent COLA. COLAs provided after December 31, 2018 continue to be simple, but will be based upon the annual percentage change in the Consumer Price Index (CPI), and not greater than 3 percent.

There were no significant changes in benefit terms for 2019 or 2020.

For 2021, in October 2020, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to .5 percent simple through 2021 then 2.15 percent simple.

For 2022, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from .5 percent simple through 2021 then 2.15 percent simple to 3 percent simple through 2022 then 2.05 percent simple.

There were no significant changes in benefit terms for 2023 or 2024.

Changes in assumptions

There were no significant changes in assumptions for 2015 through 2018.

For 2018, the employer contribution rate allocated to pensions increased from 13.00 percent to 14.00 percent.

For 2019, the investment rate of return decreased from 7.5 percent to 7.2 percent.

There were no significant changes in assumptions for 2020 or 2021.

For 2022, the investment rate of return decreased from 7.2 percent to 6.9 percent.

There were no significant changes in assumptions for 2023 or 2024.

OPEB

Changes in benefit terms

There were no significant changes in benefit terms for 2018 through 2024.

Changes in assumptions

Changes in assumptions for 2018 were as follows:

- The single discount rate decreased from 4.23 percent to 3.85 percent.
- The employer contribution rate allocated to health care decreased from 1.00 percent to 0.00 percent.

For 2019, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 3.85 percent to 3.96 percent.
- The investment rate of return decreased from 6.5 percent to 6 percent.
- The municipal bond rate increased from 3.31 percent to 3.71 percent.
- The initial health care cost trend rate increased from 7.5 percent to 10 percent.

For 2020, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate decreased from 3.96 percent to 3.16 percent.
- The municipal bond rate decreased from 3.71 percent to 2.75 percent.

For 2021, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 3.16 percent to 6.00 percent.
- The municipal bond rate decreased from 2.75 percent to 2.00 percent.
- The initial health care cost trend rate decreased from 10.50 percent to 8.50 percent.

For 2022, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The wage inflation rate decreased from 3.25 percent to 2.75 percent.
- The municipal bond rate decreased from 2.00 percent to 1.84 percent.

- The initial health care cost trend rate decreased from 8.50 percent to 5.50 percent.

For 2023, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate decreased from 6.00 percent to 5.22 percent.
- The municipal bond rate increased from 1.84 percent to 4.05 percent.

For 2024, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The single discount rate increased from 5.22 percent to 5.70 percent.
- The municipal bond rate decreased from 4.05 percent to 3.77 percent.

Delaware Public Health District
Delaware Health
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Name of Agency or Department	ALN	Name of Program	Passthrough Identifying Number	Receipts	Through Subreceipien	Expenditures
United States Department of Agriculture						
Passed Through the Ohio Deparment of Health:						
	10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	02110011WA1724	$ 564,261	$ -	$ 489,816
	10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	02110011WA1825	89,495	-	130,168
		Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children		653,756	-	619,984
Total United States Department of Agricluture				653,756	-	619,984
United States Department of Transportation						
Passed Through the Ohio Deparment of Public Safety:						
Highway Safety Cluster:						
	20.600	State and Community Highway Safety	69A37523300004020OH0	41,799	-	35,676
	20.600	State and Community Highway Safety	69A37524300004020OH0	3,344	-	9,238
		Total State and Community Highway Safety		45,143	-	44,914
		Total Highway Safety Cluster		45,143	-	44,914
Total United States Department of Transportation				45,143	-	44,914
United States Department of Health and Human Services						
Passed Through the Ohio Deparment of Health:						
	93.069	Public Health Emergency Preparedness	02110012PH1524	152,214	-	128,876
	93.069	Public Health Emergency Preparedness	02110012PH0125	30,661	-	130,133
		Total Public Health Emergency Preparedness		182,875	-	259,009
	93.268	Immunization Cooperative Agreements	02110012GV0624	26,340	-	5,313
	93.268	Immunization Cooperative Agreements	02110012GV0725	6,739	-	5,540
		Total Immunization Cooperative Agreements		33,079	-	10,853
	93.323	COVID-19-Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	COVID-19, 02110012EO0323	431,929	-	339,769
	93.991	Preventive Health and Health Services Block Grant	02110014IF0124	110,000	-	85,098
	93.991	Preventive Health and Health Services Block Grant	02110014IF0225	-	-	30,257
		Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response		110,000	-	115,355
	93.994	Maternal and Child Health Services Block Grant to the States	02110011CK0224	1,784	-	1,784
	93.994	Maternal and Child Health Services Block Grant to the States	02110011CK0224-01	3,900	-	870
		Total Maternal and Child Health Services Block Grant to the States		5,684	-	2,654
	93.439	State Physical Activity and Nutrition	NU58DP006505	25,000	20,000	5,000
	93.967	Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	02110012WF0223	67,952	-	91,438
	93.008	Medical Reserve Corps Small Grant Program	02110011MR0124	94,588	-	110,851
	93.136	Injury Prevention and Control Research and State and Community Based Programs	02110011YS0124	40,000	-	10,078
	93.136	Injury Prevention and Control Research and State and Community Based Programs	02110012YS0125	18,750	-	9,109
		Total Injury Prevention and Control Research and State and Community Based Programs		58,750	-	19,187
Total United States Department of Health and Human Services				1,009,857	20,000	954,116
Total Federal Expenditures				$ 1,708,756	$ 20,000	$ 1,619,014

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C – INDIRECT COST RATE

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

NOTE D - SUBRECIPIENTS

The Health District passes certain federal awards received from the Ohio Department of Health to other governments or not-for-profit agencies (subrecipients). As Note B describes, the Health District reports expenditures of Federal awards to subrecipients when paid in cash.

As a pass-through entity, the Health District has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE E - MATCHING REQUIREMENTS

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

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Certified Public Accountants Fax - (216) 436-2411

REPORT ON INTERNAL CONTOL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Delaware Public Health District
Delaware County
470 South Sandusky Street
Delaware OH 43015

To the Members of the Board of Health and Management:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Delaware Public Health District, Delaware County, Ohio (the Health District) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Health District's basic financial statements and have issued our report thereon dated September 30, 2025, wherein we noted the Health District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*.

Report on Internal Control Over Financial Reporting

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

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

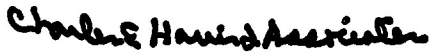
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of this Report

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



Charles E. Harris & Associates, Inc.
September 30, 2025

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

Delaware Public Health District
Delaware County
470 South Sandusky Street
Delaware, Ohio 43015

To the Members of the Board of Health and Management:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

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

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

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

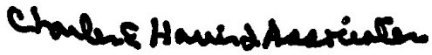
Report on Internal Control Over Compliance

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

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

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

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



Charles E. Harris & Associates, Inc.
September 30, 2025

DELAWARE PUBLIC HEALTH DISTRICT
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):**	WIC Special Supplemental Nutrition Program for Women, Infants, and Children (ALN 10.557)
(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[1]

None

3. FINDINGS FOR FEDERAL AWARDS

None

DELAWARE PUBLIC HEALTH DISTRICT
DELAWARE COUNTY

SUMMARY SCHEDULE OF PRIOR FINDINGS
2 CFR § 200.511(b)
PREPARED BY MANGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024

Finding Number	Finding Summary	Status	Additional Information
2023-001	Significant Deficiency – Financial Statement Presentation	Corrected	N/A

OHIO AUDITOR OF STATE
KEITH FABER

DELAWARE PUBLIC HEALTH DISTRICT

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 2/5/2026

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