

**DELAWARE COUNTY LAND  
REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

**Basic Financial Statements**

**For the Year Ended  
December 31, 2025**



**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

**BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

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Accountant's Compilation Report

To the Board of Directors  
Delaware County, Ohio

Management is responsible for the accompanying basic financial statements of the Delaware County Land Reutilization Corporation, which comprise the statements listed in the table of contents as of December 31, 2025 and for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be listed in the table of contents be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

*Julian & Grube, Inc.*

Westerville, Ohio  
March 9, 2026



**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

The management's discussion and analysis of the Delaware County Land Reutilization Corporation's (the "Corporation") financial performance provides an overall review of the Corporation's financial activities for the year ended December 31, 2025. The intent of this discussion and analysis is to look at the Corporation's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Corporation's financial performance.

**Financial Highlights**

Key financial highlights for 2025 are as follows:

- The total net position of the Corporation increased \$44,244 due to expenses of \$1,366,284, program revenues of \$1,313,525 and general revenues of \$97,003 during 2025.
- The general fund had revenues of \$1,415,385 and expenditures of \$1,366,284. The net increase in fund balance of the general fund was \$49,101.

**Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the Corporation as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the Corporation as a whole, presenting both an aggregate view of the Corporation'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.

**Reporting the Corporation as a Whole**

***Statement of Net Position and the Statement of Activities***

While this document contains only one activity used by the Corporation to provide programs and activities, the view of the Corporation as a whole looks at all financial transactions and asks the question, "How did we do financially during 2025?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Corporation's *net position* and changes in that net position. This change in net position is important because it tells the reader that, for the Corporation as a whole, the financial position of the Corporation has improved or diminished. The causes of this change may be the result of many factors, some financial, some not.

Governmental activities - The Corporation's programs and services are reported here. These services are funded primarily by intergovernmental revenues including state grants and other shared revenues.

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**Reporting the Corporation's Most Significant Funds**

***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund of the Corporation can be reflected as a governmental fund.

Fund financial reports provide detailed information about the Corporation's major fund. The Corporation uses the general fund to account for a multitude of financial transactions.

***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 fiscal year. Such information may be useful in evaluating a government's near-term financing 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.

***Notes to the Basic Financial Statements***

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

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**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**Government-Wide Financial Analysis**

The statement of net position provides the perspective of the Corporation as a whole. The table below provides a summary of the Corporation's net position at December 31, 2025 and 2024.

	Governmental Activities	
	2025	2024
<u>Assets</u>		
Current and other assets	\$ 295,819	\$ 344,045
Total assets	295,819	344,045
<u>Liabilities</u>		
Current and other liabilities	31,395	123,865
Total liabilities	31,395	123,865
<u>Net Position</u>		
Unrestricted	264,424	220,180
Total net position	\$ 264,424	\$ 220,180

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2025, the Corporation's assets exceeded liabilities by \$264,424. The largest assets were cash and cash equivalents and due from other governments which amounted to \$273,928 and \$20,488 at December 31, 2025, respectively. These were for grants from the Ohio Department of Development (ODOD). The largest liabilities were accounts payable and amounts due to other governments.

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**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

The table below shows the comparative analysis of changes in net position for 2025 and 2024.

	<b>Change in Net Position</b>	
	Governmental Activities	
	2025	2024
<u>Revenues</u>		
Program revenues:		
Operating grants and contributions	\$ 1,313,525	\$ 717,809
General revenues:		
Grants and entitlements	97,003	56,464
Total revenues	1,410,528	774,273
<u>Expenses:</u>		
General government	1,366,284	747,243
Total expenses	1,366,284	747,243
Change in net position	44,244	27,030
Net position at beginning of year	220,180	193,150
Net position at end of year	\$ 264,424	\$ 220,180

**Governmental Activities**

Governmental activities net position increased \$44,244 during 2025.

Expenses for 2025 totaled \$1,366,284. The expenses were for grant costs, insurance and professional services.

Program revenues totaled \$1,313,525. These were operating grants and contributions related to grants from the ODOD.

General revenues totaled \$97,003. This amount includes 0.50% of all collections of delinquent real property and manufactured and mobile home taxes in Delaware County.

**General Fund**

The fund balance of the general fund increased \$49,101 during 2025. This is the result of grants and delinquent tax collections from the County exceeding expenditures.

**Capital Assets**

As of December 31, 2025, the Corporation does not have any capital assets.

**Debt Administration**

As of December 31, 2025, the Corporation does not have any debt.

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

***Current Financial Related Activities***

The County formed the Delaware County Land Reutilization Corporation on January 26, 2018 and operations began during 2019. The Corporation is Delaware County's agent to help local County political subdivisions reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed, and other real property in Delaware County. The purpose of the Corporation is to help the County's political subdivisions strengthen neighborhoods in Delaware County by returning vacant and abandoned properties to productive use.

**Contacting the Corporation's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Corporation's finances and to show the Corporation's accountability for the money it receives. If you have questions about this report or need additional financial information please contact: Ms. Karen First, Fiscal Manager, Delaware County Commissioners, 91 N. Sandusky St., Delaware, Ohio 43015.

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**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

STATEMENT OF NET POSITION  
DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

	<b>Governmental Activities</b>
<b>Assets:</b>	
Cash and cash equivalents	\$ 273,928
Due from other governments	20,488
Prepayments	1,403
	<hr/>
Total assets	295,819
	<hr/>
<b>Liabilities:</b>	
Accounts payable	10,907
Contracts payable	1,743
Due to other governments	18,745
	<hr/>
Total liabilities	31,395
	<hr/>
<b>Net position:</b>	
Unrestricted	264,424
	<hr/>
Total net position	<u>\$ 264,424</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUND  
DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

	<b>General</b>
<b>Assets:</b>	
Cash and cash equivalents	\$ 273,928
Due from other governments	20,488
Prepayments	1,403
Total assets	\$ 295,819
<b>Liabilities:</b>	
Accounts payable	\$ 10,907
Contracts payable	1,743
Due to other governments	18,745
Total liabilities	31,395
<b>Deferred inflows of resources:</b>	
Intergovernmental	20,488
Total deferred inflows of resources	20,488
<b>Fund balances:</b>	
Nonspendable:	
Prepayments	1,403
Unassigned	242,533
Total fund balances	243,936
Total liabilities, deferred inflows of resources and fund balances	\$ 295,819

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

<b>Total governmental fund balances</b>	\$ 243,936
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>	
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred inflows in the funds.	<u>20,488</u>
<b>Net position of governmental activities</b>	<u><u>\$ 264,424</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

	<b>General</b>
<b>Revenues:</b>	
Intergovernmental	\$ 89,218
Investment income	7,785
Grant funding	1,318,382
Total revenues	1,415,385
<b>Expenditures:</b>	
Current:	
General government:	
Grant costs	1,353,257
Insurance	6,164
Professional services	6,560
Miscellaneous/other	303
Total expenditures	1,366,284
Net change in fund balances	49,101
<b>Fund balances at beginning of year</b>	194,835
<b>Fund balances at end of year</b>	<b>\$ 243,936</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

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, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

<b>Net change in fund balances - total governmental funds</b>	\$ 49,101
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	<u>(4,857)</u>
<b>Change in net position of governmental activities</b>	<u><u>\$ 44,244</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION**  
**DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**NOTE 1 - DESCRIPTION OF THE REPORTING ENTITY**

The Delaware County Land Reutilization Corporation (the "Corporation") is a county land reutilization corporation that was formed on January 26, 2018 when the Delaware County Board of Commissioners authorized the incorporation of the Corporation under Chapter 1724 of the Ohio Revised Code through resolution as a not-for-profit corporation under the laws of the State of Ohio. The purpose of the Corporation is for reclaiming, rehabilitating or reutilizing economically non-productive land throughout Delaware County (the "County"). The Corporation can potentially address parcels where the fair value of the property has been greatly exceeded by the delinquent taxes and assessed liens and are therefore not economically feasible to initiate foreclosure actions upon. By establishing the Corporation, the County can begin to address dilapidated housing issues in communities located in the County and also return properties to productive use. The Corporation has been designated as the County's agent to further its mission to reclaim, rehabilitate, and reutilize vacant, abandoned, tax foreclosed and other real property in the County by exercising the powers of the County under Chapter 5722 of the Ohio Revised Code.

Pursuant to Section 1724.03 (B) of the Ohio Revised Code, the Board of Directors of the Corporation shall be composed of five members and no more than nine members including, (1) the County Treasurer, (2) at least two members of the County Board of Commissioners, (3) one member who is a representative of the largest municipal corporation, based on the population according to the most recent federal decennial census, that is located in the County, (4) one member who is a representative of a township with a population of at least ten thousand in the unincorporated area of the township according to the most recent federal decennial census, and (5) any remaining members selected by the County Treasurer and the County Commissioners who are members of the Corporation board. The term of office of each ex officio director runs concurrently with the term of office of that elected official. The term of office of each appointed director is two years.

The Corporation is a political subdivision of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organization Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus", the Corporation's primary government and basic financial statements include components units which are defined as legally separate organizations for which the Corporation is financially accountable. The Corporation is financially accountable for an organization if the Corporation appoints a voting majority of the organization's governing board and (1) the Corporation is able to significantly influence the programs or services performed or provided by the organization; or impose its will over the organization; or (2) the Corporation is legally entitled to or can otherwise access the organization's resources; or (3) the Corporation is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the Corporation is obligated for the debt of organization. The Corporation does not have any component units and does not include any organizations in its presentation. The Corporation's management believes these basic financial statements present all activities for which the Corporation is financially accountable. The Corporation is a component unit of Delaware County, Ohio.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION**  
**DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The Corporation's significant accounting policies are described below.

*Basis of Presentation*

The Corporation's basic financial statements consist of government-wide 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 Corporation as a whole. These statements include the financial activities of the primary government, except for the fiduciary funds. These statements usually distinguish between those activities of the Corporation that are governmental and those that are business-type. The Corporation, however, does not have any business-type activities or fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the Corporation at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Corporation's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. 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 interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Corporation, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing or draws from the general revenues of the Corporation.

Fund Financial Statements

During the year, the Corporation segregates transactions related to certain Corporation functions or activities in a fund in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Corporation at this more detailed level. The Corporation's general fund is its only governmental fund.

*Fund Accounting*

The Corporation uses fund accounting to segregate cash and investments that are restricted as to use. A fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and attaining certain objectives in accordance with special regulations, restrictions or limitations. For financial statement presentation purposes, the Corporation's fund is classified as governmental.

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be repaid. The difference between governmental fund assets plus deferred outflows of resources less liabilities plus deferred inflows of resources is reported as fund balance. The following is the Corporation's only governmental fund:

***General Fund*** - The general fund accounts for all financial resources that are received from the County Treasurer from penalties collected on delinquent property taxes and interest on those delinquencies. The general fund is eligible to receive 0.50% of all collections of delinquent real property and manufactured and mobile home taxes that are deposited into the County's Delinquent Tax Assessment and Collection Tax (DTACT) fund. The general fund balance is available to the Corporation for any purpose provided it is expended or transferred according to the general laws of Ohio.

*Measurement Focus*

Government-Wide Financial Statements

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

Fund Financial Statements

The general fund is 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 balance 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. 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 the general fund.

*Basis of Accounting*

Basis of accounting determines when transactions are recorded on the financial records and reported on the financial statements. Government-wide statements are prepared using the accrual basis of accounting. The general fund uses the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Revenues - Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the Corporation receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the 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 Corporation must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Corporation on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, intergovernmental revenue and operating grant sources are considered to be both measurable and available at year-end.

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. At December 31, 2025, there were no deferred outflows of resources.

In addition to liabilities, 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. For the Corporation, deferred inflows of resources include unavailable revenue.

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.

*Budgetary Process*

The Corporation is not bound by the budgetary laws prescribed by the Ohio Revised Code for purely governmental entities. The Board of Directors of the Corporation adopts an annual budget prior to the beginning of the fiscal year. Appropriations and subsequent amendments are approved by the Board of Directors during the year as required.

*Federal Income Tax*

The Corporation is exempt from federal income tax under Section 115(1) of the Internal Revenue Code.

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION**  
**DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*Cash and Cash Equivalents*

All monies received by the Corporation are deposited in demand deposit accounts. The Corporation invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The Corporation measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

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

Investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents.

*Prepayments*

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed. At year end, because prepayments are not available to finance future governmental fund expenditures, a nonspendable fund balance is recorded by an amount equal to the carrying value of the asset on the fund financial statements.

*Assets Held for Resale*

Assets held for resale represent properties purchased by or donated to the Corporation. All properties are recorded at the estimated net realizable value. The Corporation holds the properties until the home is either sold to a new owner, sold to an individual who will rehabilitate or the structure on the property is demolished. Properties with demolished structures could be transferred to the city or township they are in after demolition; parcels may be merged with adjacent parcels for development or green space projects; or the Corporation may sell other lots to the owners of adjacent parcels for a nominal cost. At December 31, 2025, there were no assets held for resale.

*Accrued Liabilities and Long-Term Obligations*

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

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 fund.

*Net Position*

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Corporation had no restricted net position at December 31, 2025.

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION**  
**DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*Intergovernmental Revenue*

The Corporation receives operating income through Delaware County. This money represents 0.50% of all collections on current unpaid and delinquent property taxes once these taxes are paid. Pursuant to ORC 321.263, these penalty and interest monies are collected by the County when taxes are paid and then are paid to the Corporation upon the Corporation's written request.

*Fund Balance*

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

*Nonspendable Fund Balance* - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) 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, for example, inventories, prepaid amounts and property acquired for resale, unless the use of the proceeds from the collection of the sale of those properties is restricted, committed or assigned.

*Restricted Fund Balance* - The restricted classification is used 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 imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance* - The committed fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Corporation's Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board of Directors remove 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 Fund Balance* - Assigned fund balance includes amounts that are constrained by the Corporation's intent to be used for specific purposes, but are neither restricted nor committed. In the general fund, assigned amounts represent intended uses established by policies of the Board of Directors. The Board of Directors have by resolution authorized the Treasurer to assign fund balance. The Board of Directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

*Unassigned Fund Balance* - Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The Corporation applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

*Estimates*

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

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT’S COMPILATION REPORT)

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*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 Corporation Administration and that are either unusual in nature or infrequent in occurrence. The Corporation had no extraordinary or special items during 2025.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**Change in Accounting Principles**

For 2025, the Corporation has implemented GASB Statement No. 102, “*Certain Risk Disclosures*”.

GASB Statement No. 102 improves financial reporting by providing users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government’s financial condition. The implementation of GASB Statement No. 102 did not have an effect on the financial statements of the Corporation.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

**A. Deposits with Financial Institutions**

At December 31, 2025, the carrying amount of all Corporation deposits was \$17,649 and the bank balance of all deposits was \$17,649. All of the bank balance was covered by FDIC.

**B. Investments**

As of December 31, 2025, the Corporation had the following investments and maturities:

<u>Measurement/ investment type</u>	<u>Measurement Amount</u>	<u>Investment Maturities 6 months or less</u>
<i>Amortized cost:</i>		
STAR Ohio	\$ 256,279	\$ 256,279

The Corporation’s investments are valued using quoted market prices (Level 1 inputs).

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the Corporation’s investment policy limits investment portfolio maturities to five years or less.

*Credit Risk:* Standard & Poor’s has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized rating agency. The Corporation has no policy dealing with credit risk beyond the requirements of State statute.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Corporation has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

**DELAWARE COUNTY LAND REUTILIZATION CORPORATION  
DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(SEE ACCOUNTANT'S COMPILATION REPORT)

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The Corporation places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Corporation at December 31, 2025:

<u>Measurement/ investment type</u>	<u>Measurement Amount</u>	<u>% of Total</u>
<i>Amortized cost:</i>		
STAR Ohio	\$ 256,279	100.00

**C. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2025:

<u>Cash and investments per note disclosure</u>	
Carrying amount of deposits	\$ 17,649
Investments	256,279
Total	<u>\$ 273,928</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	<u>\$ 273,928</u>

**NOTE 5 - RISK MANAGEMENT**

*Nonprofit Organization Directors and Officers Liability Insurance*

The Corporation is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2025, the Corporation contracted with Cincinnati Insurance Company for Nonprofit Organization Directors and Officers Liability Insurance.

The limitations of coverages are as follows:

General Liability:	
Limits of Insurance - each occurrence	\$1,000,000
Damage to rented premises	\$100,000
Medical expense	\$5,000
Personal & adverse injury	\$1,000,000
General aggregate	\$2,000,000
Products	\$2,000,000
Vehicles:	
Combined Single Limit	\$1,000,000
Excess Liability:	
Umbrella - each occurrence	\$1,000,000
Nonprofit Organization Director and Officers Liability:	
Limit of Insurance - aggregate	\$2,000,000

Settled claims have not exceeded the amount of coverage in any of the past three years and there has been no significant change in coverage from the prior year.

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DELAWARE COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 6 - TRANSACTIONS WITH DELAWARE COUNTY**

Pursuant to and in accordance with Section 321.261 (B) of the Ohio Revised Code, the Corporation has been authorized by the Delaware County Board of Commissioners to receive 0.50% of all collections of delinquent real property and manufactured and mobile home taxes that are deposited into the County's Delinquent Tax Assessment and Collection Tax (DTACT) fund and will be available for appropriation by the Corporation to fund operations. During 2025, the Corporation had revenues of \$89,218 related to the DTACT fund.

During 2025, the Corporation paid \$49,100 to the County.

**NOTE 7 - RECEIVABLES**

At December 31, 2025, the Corporation had receivables in the amount of \$20,488 due from the Ohio Department of Development (ODOD) for amounts due to the Corporation for grant programs. These amounts are reported as "due from other governments" on the basic financial statements.

**NOTE 8 - CONTINGENCIES**

**A. Grants**

The Corporation received financial assistance from governmental agencies in the form of grants. The disbursements of funds received under these programs generally require 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 general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Corporation.

**B. Litigation**

There are currently no matters in litigation with the Corporation as a defendant.