City of Delaware

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POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2025



A LETTER FROM THE FINANCE DIRECTOR

DEAR CITIZENS OF THE CITY OF DELAWARE:

I'm pleased to share with you the City of Delaware's Popular Annual Financial Report (PAFR) for the year ending December 31, 2025. This report was prepared by our Finance Department with one goal in mind: to give you a clear, easy-to-understand overview of how your local government manages public funds.

The financial data in this report comes from our full Annual Comprehensive Financial Report — a much more detailed document that includes over 300 pages of financial statements, notes, and statistics. That report is prepared according to Generally Accepted Accounting Principles (GAAP) and is reviewed by an independent auditor. I'm proud to report that in 2025, the City once again received an unmodified (or "clean") opinion, meaning the audit found no major issues. You can read the full report anytime at www.cityofdelawareoh.gov.

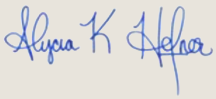
While the full report is technical, the PAFR is designed with you in mind. It highlights key financial information in a more accessible format and helps explain how public dollars are used to support services like public safety, parks, streets, and more. In 2024, this report received the Outstanding Achievement Award from the Government Finance Officers Association, and we're proud to continue that commitment to transparency.

Thank you for taking the time to learn more about your City's finances. If you have questions or ideas about how we can make this report even better, I'd like to hear from you. You can reach me at ahefner@cityofdelawareoh.gov.

Sincerely,



Alycia Hefner
Finance Director





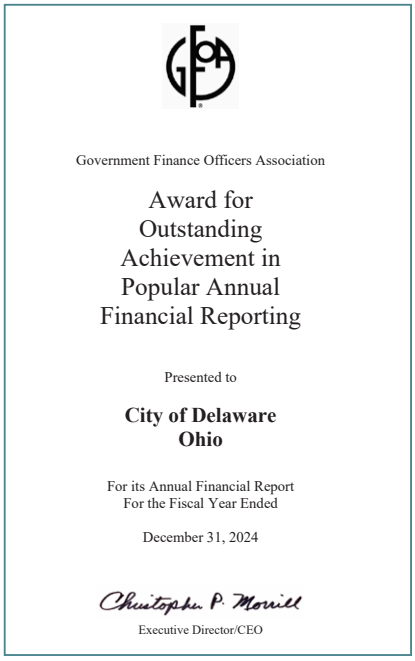
ELECTED AND CITY OFFICIALS

As of December 31, 2025

Back row: Linsey Griffith, Adam Haynes, Cory Hoffman, Kevin Rider
Front row: Catlin Frazier, Carolyn Riggle, Kyle Bogan

AWARDS

The City received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for 2024. The City has applied for the same award for 2025.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

City of Delaware Ohio

For its Annual Financial Report For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

In 2024, the City won the GFOA Triple Crown Award. This award recognizes governments that have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award.

CONTACTING THE CITY

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Delaware, OH 43015
P: 740.203.1000

Office Hours:
M-F, 8am–5pm

Website
cityofdelawareoh.gov

CITY GOVERNMENT



Citizens of the City of Delaware

Municipal Court Judges

Clerk of Court

Clerk of Council

City Council

Boards & Commissions

City Manager

Police

Information Technology

Legal

Fire/EMS

Economic Development

Planning & Comm. Development

Mgmt, Budget & Procurement

Public Utilities

- Water Treatment
- Wastewater Treatment
- Water Distribution
- Wastewater Collection
- Stormwater

Parks & Natural Resources

- Golf Course
- Cemetery
- Building Maintenance

City Manager Office

- Administrative Services
- Community Affairs

Finance

- Accounting
- Income Tax
- Utility Billing

Public Works

- Streets
- Engineering
- Traffic
- Refuse/ Recycling
- Fleet Maintenance
- Airport

BOARDS & COMMISSIONS

- Airport Commission
- Board of Zoning Appeals
- Charter Review Commission
- Civil Service Commission
- Finance Committee
- Parking & Safety Committee
- Public Records Committee
- Public Works & Public Utilities Committee
- Historic Preservation Commission
- Income Tax Board of Review
- Parks and Recreation Advisory Board
- Permanent Tax Advisory Committee
- Planning Commission
- Shade Tree Commission
- Sister City Advisory Board

LEGEND

T Elected Position

T Department (Appointed Director)

T Division

WHERE DOES THE MONEY COME FROM?

Primary sources of revenue come from income tax, property tax, and charges for services.

Municipal Income Tax

The City relies on income tax as its main source of revenue. The total income tax rate is 1.85%, with each part dedicated to a specific purpose. The largest portion, at 1.00%, supports the City's general operations, like police and administration. Fire and EMS services have a dedicated 0.7% levy. The remaining 0.15% goes to parks and recreation. In 2024, voters approved continuing the 0.15% parks tax and expanded how it can be used – it now supports everyday parks programs and improvements, not just paying off past debt.

City Council directs at least 0.14% of the 1.00% allocated to general operations toward major capital projects. This portion can be adjusted yearly based on the City's needs.

Income tax collections are comprised of three sources: taxes withheld from employees working in the City, taxes from individual residents, and taxes on the net-profits of businesses doing business within the City. Employer withholding payments continue to make up the majority of the income tax revenue collected.

Income Tax Rates

The chart below shows how Delaware compares to other neighboring communities in their income tax rate.

City of Columbus	2.50%
City of Worthington	2.50%
City of Gahanna	2.50%
City of Dublin	2.00%
City of Westerville	2.00%
City of Delaware	**1.85%**
City of Newark	1.75%
City of Marysville	1.50%
City of Pataskala	1.50%

Source of Income Tax Revenue (Last Four Years)

	WITHHOLDING	%	RESIDENTIAL	%	BUSINESS	%	TOTAL
'25	$32,624,414	68.57%	$10,468,642	22.00%	$4,484,765	9.43%	$47,577,821
'24	$30,990,280	74.84%	$7,366,424	17.79%	$3,053,940	7.37%	$41,410,644
'23	$28,152,280	68.26%	$9,147,498	22.18%	$3,945,463	9.57%	$41,244,241
'22	$25,541,000	71.55%	$6,788,000	19.02%	$3,369,000	9.44%	$35,698,000

Years prior to 2023 are rounded to the nearest thousand

GLOSSARY OF TERMS

Capital Expenditures
Money the City spends to buy or improve long-lasting things like buildings, vehicles, land, or equipment. This includes major repairs or upgrades that extend the life of an asset.

Expenditure
The actual money the City spends. Spending is grouped into categories like employee pay and benefits, supplies, services, equipment, debt payments, and other transfers of funds.

Expense
Same as expenditures, but this term is used when talking about services that operate more like a business, such as utilities or internal service departments.

Fund
A way the City keeps track of money set aside for specific purposes. Each fund has its own budget and records for income and spending.

General Fund
The City's main checking account. It pays for most day-to-day services like police, fire, parks, and administration. It's mainly supported by taxes and fees.

GAAP (Generally Accepted Accounting Principles)
The standard rules used by accountants to make sure financial reports are clear, consistent, and accurate. These rules apply to both businesses and government agencies.

Government-Wide Financial Statements
A big-picture view of the City's finances, combining all departments and services. These statements show the value of what the City owns and owes, as well as its overall income and expenses.

Modified Accrual
The method the City uses to track money for most of its funds. It records income when it's expected soon and expenses when the bill comes due—except for long-term interest, which is recorded when it's paid.

Operational Expenditures
Everyday costs to keep departments running—such as employee salaries, supplies, and services—not including big purchases like vehicles or buildings.

Special Revenue Fund
A fund used when money must be spent for a specific purpose, like road repairs or park improvements, often because of legal or grant requirements.

Taxes
Money the City collects from residents and businesses to pay for public services that benefit the whole community. This does not include fees for services that benefit a specific person or property, like special assessments.

WHERE DOES THE MONEY COME FROM?

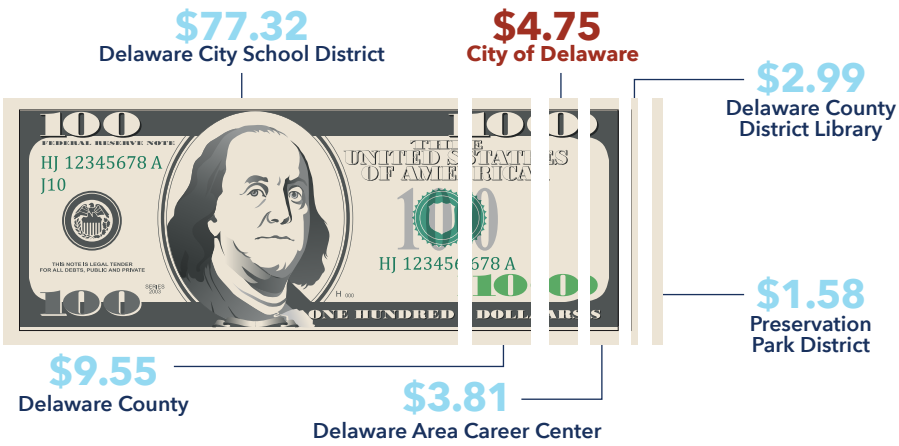
Property Tax – Where It Goes

Only a small portion of your property tax supports City operations. The City receives between $4.75 and $7.19 of every $100 of property tax paid. The Olentangy Local School District, Delaware City School District, Delaware Area Career Center, Delaware County, Berlin Township, Delaware County District Library, and the Preservation Parks District received a portion of the property tax revenue.

Understanding Property Tax

Property tax is based on the amount charged per $1,000 worth of taxable property value, also known as 'millage.' The County Auditor's office handles the administration of property taxes in the state of Ohio, by collecting and distributing the taxes paid to the appropriate jurisdiction.

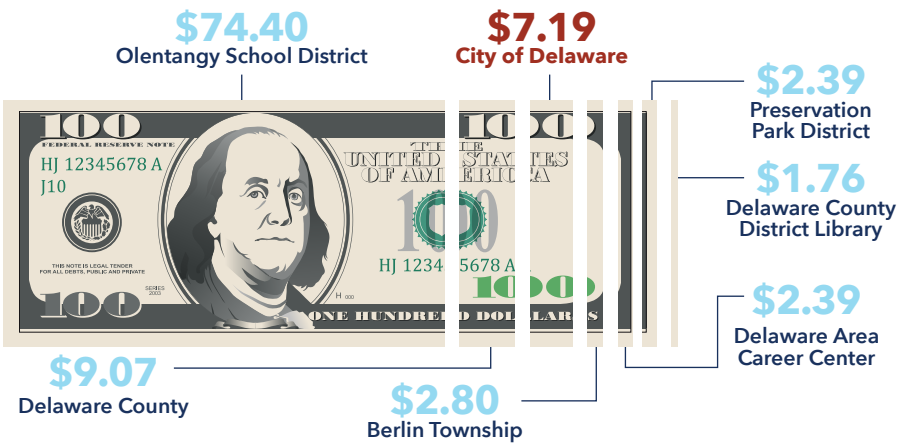
How $100 of Property Tax is Allocated in Delaware City School District



The Annual Tax Impact of a $200,000 Home in Delaware

Delaware City School District	$4,443.36
Delaware County	$548.96
City of Delaware	$272.89
Delaware Area Career Center	$219.01
Delaware County District Library	$171.60
Preservation Park District	$90.52
TOTAL	**$5,746.34**

How $100 of Property Tax is Allocated in Olentangy School District



The Annual Tax Impact of a $200,000 Home in Olentangy

Olentangy Local School District	$6,981.13
Delaware County	$850.89
Berlin Township	$674.88
Delaware Area Career Center	$262.46
City of Delaware	$224.13
Delaware County District Library	$224.13
Preservation Park District	$165.37
TOTAL	**$9,383.00**

WHAT ARE THE CITY'S FUNDS USED FOR?

Government Wide Financial Statement Expenses

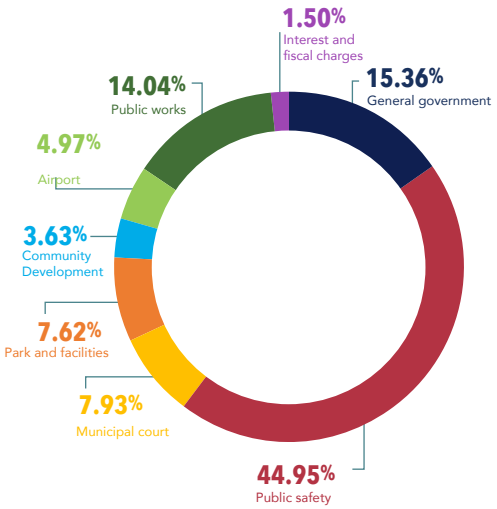
The majority of City of Delaware public funding – approximately 45 percent - goes toward public safety expenses related to the City's Police and Fire Department.

Fire Department responses total more than 7,300 annually, and all personnel work and train daily to protect our community from four strategically based fire stations. Personnel totaled over 15,800 hours of training in multiple disciplines including fire suppression, officer development, emergency medical services, hazardous materials, and technical rescue. A fire department training grounds will commence construction in 2026 with two buildings, allowing firefighters to train on all aspects of the job, including live fire evolutions. A fifth fire station is planned to open in 2027, decreasing response times to the east side of our city. The department is staffed with 57 firefighters, 12 lieutenants, six captains, two assistant chiefs and one fire chief. The department has earned international accredited agency status through a self-assessment and accreditation program through 2026. Delaware is one of only 340 departments worldwide to be accredited.

City funds support a full service Police Department that protects more than 50,000 residents across 20 square miles. The department operates with a community policing philosophy, steeped in service, working closely with residents and local partners to address public safety concerns. Funding supports a staff of administrative officers, eight first line supervisors, fifty-one police officers, twelve professional staff members, and two part time parking control officers.

The General Government category includes a broad range of expenses related to the operation of the City. These expenses include for the Municipal Court, City Manager's Office, Administrative Services, Airport, Finance, Planning and Community Development and Building.

Total Expenses 2025



Total Expenses By Department/Function

	'25	'24	'23
General government	$10,275,076	$8,150,971	$9,146,725
Public safety	$30,078,623	$32,593,449	$31,327,823
Municipal court	$5,308,880	$4,810,670	$4,662,288
Park and facilities	$5,102,042	$4,646,737	$5,219,256
Community development	$2,425,588	$1,827,777	$1,020,490
Airport	$3,328,845	$2,281,537	$2,889,863
Public works	$9,395,884	$10,128,948	$7,863,823
Interest and fiscal charges	$1,002,036	$1,088,900	$1,189,748
TOTAL	**$66,916,974**	**$65,528,989**	**$63,320,016**
Change from Prior Year	2.12%	(3.49%)	(27.77%)





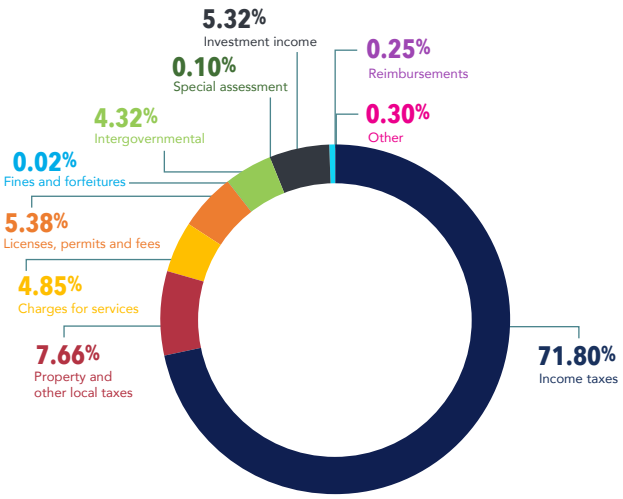
GENERAL FUND ANALYSIS

The General Fund is the City's primary operating fund. It accounts for the majority of the financial activity of the City, including all departments within the cost centers listed in the expense chart below. The Annual Comprehensive Financial Report reports the General Fund using a modified accrual basis of accounting. However, in order to break the numbers down to a more usable format, we have presented this information on a cash basis, which represents actual cash coming in and going out during 2025.

General Fund Revenue By Source – 3 Year Comparison

About 72% of the City's General Fund revenue is derived from income tax (71.80%) A total of 5.38% of City Revenue resulted from a variety of licenses, permits, and fees including building permits, engineering fees, and cable franchise fees. Intergovernmental revenue was primarily from homestead and rollback reimbursements from the State of Ohio and local government fund distributions.

General Fund Revenues 2025

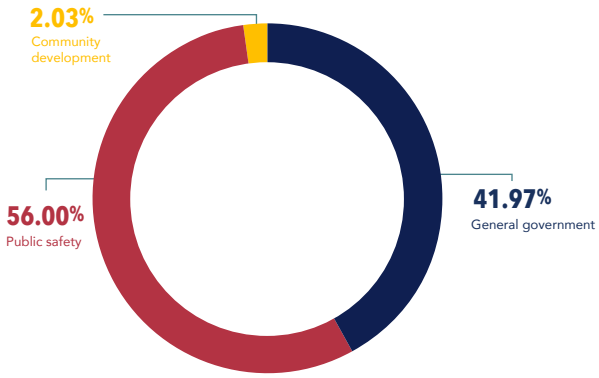


	'25	'24	'23
Income taxes	$25,717,148	$24,329,569	$22,289,388
Property and other local taxes	$2,744,871	$2,649,412	$1,958,581
Charges for services	$1,737,012	$1,583,472	$1,917,887
Licenses, permits and fees	$1,927,821	$2,062,477	$2,155,613
Fines and forfeitures	$5,763	$720	$80,306
Intergovernmental	$1,546,573	$1,524,735	$1,371,698
Special assessments	$34,550	$40,911	$19,796
Investment income	$1,907,364	$2,041,447	$3,047,506
Reimbursements	$90,392	$78,625	$157,908
Other	$105,817	$182,837	$152,054
TOTAL	**$35,817,311**	**$34,494,205**	**$33,150,737**
Change from Prior Year	3.84%	4.05%	17.96%

General Fund Expenditure By Function – 3 Year Comparison

The General fund is the main operating fund of the City and pays a significant amount of the personnel costs of City employees, as well as the day-to-day operating expenditures. Public safety is the largest category of expenditures, which includes the City's Police Department. The City accounts for Fire/EMS expenditures in a separate special revenue fund, because there is a voted income tax to support these costs. The General Government is the other significant expenditure category. These expenses include: City Council, the City Manager's Office, Administrative Services, Finance, and Planning and Community Development and Municipal Building.

General Fund Expenditure 2025



	'25	'24	'23
General government	$9,164,029	$9,728,011	$9,221,834
Public safety	$12,226,050	$11,506,957	$11,244,531
Community development	$443,283	$342,986	$559,267
TOTAL	**$21,833,362**	**$21,577,954**	**$21,025,632**
Change from Prior Year	1.18%	2.63%	2.95%

Budgetary Basis

A LOOK AT THE CITY'S DEBT

The City's outstanding debt continues to consist primarily of Bonds, Loans, and Bond Anticipation Notes (BANs). No new bonds or loans have been issued since 2021. The current notes have been issued and refinanced in multiple series, with balances being added to, paid down, and consolidated as project needs have evolved.

These notes have supported a range of capital investments, including the City's share of The Point Project, land and building acquisition and renovation and construction for Fire Station 305, the Sawmill Parkway extension, and various roadway improvements such as Merrick Boulevard and Bxybe Parkway.

In 2026, the City will transition a portion of its short term notes into longer term financing. These issuances will refinance existing notes for the Point and Fire Station 305 into various purpose bonds.

	PRINCIPAL OUTSTANDING 12/31/25
General Obligation (GO) & Income Tax (IT) Bonds	$23,115,000
Ohio Water Development Authority Loans	$24,158,243
Bond Anticipation Notes - Long Term	$31,950,000
Bond Anticipation Notes - Short Term	$2,000,000
Total Bonds, Loans, & Bond Anticipation Notes	$81,223,243

Major Initiatives

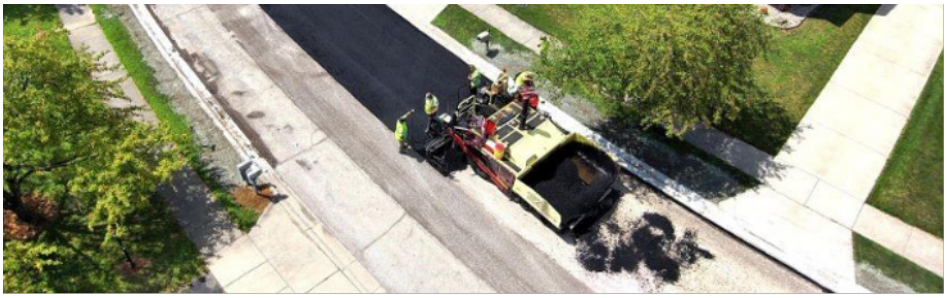
The City allocates at least 14% of the 1.0% General Fund income tax to capital improvements each year. These investments prioritize public and workforce safety, maximize external grant funding, and reflect community input while weighing the long-term costs of delaying essential projects.



The City's five-year Capital Improvements Program (CIP), updated annually, outlines planned investments in roadways, sidewalks, parks, trails, utility infrastructure, safety equipment, and public facilities.

Significant Projects in 2025 Include the Following:

- Paving of portions of Houk Road, Merrick Boulevard, Fair Avenue, Ohio, Neil, and Sheldon Streets.
- Work began on the Point project where US 36 and State Route 37 meet under an active Norfolk Southern railroad bridge.
- Several projects were bid out in the fall and will continue into 2026: Fire Station 305, Merrick Boulevard extension from Cambridge to Troy Road; Utilities projects along the South Industrial Loop and US 42 to support industrial and commercial growth along Sawmill Parkway.





QUICK FACTS

United States Census Bureau

48,628
Population estimates

$312,849
Median home value

64.7%
Owner occupied housing units

37.2
Median age

68.6%
Employment rate

47.8%
Bachelor's degree or higher

$98,786
Median household income

$42,305
Per capita income

TOP 2025 EMPLOYERS

Ranked by Percent of Total Withholding Taxes Paid

Delaware County	$1,481,908
Kroger Co	$1,124,581
Delaware City Schools	$890,246
OhioHealth Corp	$774,924
State of Ohio DAS	$754,988
Vertiv Corporation	$730,220
Honda of America Mfg Inc	$657,692
OhioHealth Physician Group	$610,097
Vertiv Holdings Co	$599,000
City of Delaware	$582,868

THERE IS ALWAYS SO MUCH TO DO IN DELAWARE.

First Fridays

First Friday celebrations are held downtown on the first Friday of every month. Each month offers a different themed event, free activities and businesses stay open late. More information is at mainstreetdelaware.com.

The Little Brown Jug

The September horse race is the premier event for 3-year-old pacing horses and provides a fascinating chapter in the more-than-a-century-old history of harness racing. This race is an exciting finish to the week-long Delaware County Fair. delawarecountyfair.com.

Downtown Farmers Markets

The Farmers Markets offer an enticing array of seasonal fresh produce, baked goods, flowers and plants and craft items on Saturday mornings from May to October. mainstreetdelaware.com.

Delaware Arts Festival

More than 170 exhibitor booths burst with the creativity of local and regional artists and craftspeople over two days each May. Food trucks and musical entertainment round out the 50-year-old arts and crafts showcase. delawareartsfestival.thecloudbizapp.com

Annual Performance Charity Car Show

The event features some of the best collector vehicles in the region. Happening each October, more than 500 vintage to late model vehicles fill downtown, providing a fun day for the community and car enthusiasts alike. performancecharitycarshow.com

Delaware County Beer & Wine Festival

This annual festival is held at Boardman Arts Park in downtown Delaware. The festival includes live music, art vendors, a silent auction and lots of beer and wine. boardmanartspark.org










Annual Olentangy River cleanup


Trails & Treats



Hidden Valley Golf Course


Home for the Holidays Parade



Jack Florance Pool

DELAWARE, OH

CITY OF DELAWARE
1 South Sandusky St. | Delaware, OH 43015



COMMUNITY PROFILE

The City of Delaware, with a population of approximately 48,628 is a full-service municipality that serves as the county seat for Delaware County, Ohio. The City is located 24 miles north along US Route 23 from Ohio's capital city, Columbus Ohio. The City encompasses about 20 square miles and was founded in 1808 by Moses Byxbe on the west bank of the Olentangy River. The village was named after the Delaware Native American tribe who shared the territory between Columbus and Lake Erie with other tribes.

Delaware was incorporated in 1816, and adopted a city charter in 1951 establishing a Council/Manager form of government whereby the City Manager is the chief executive and administrative officer of the City and is charged with the responsibility for the administration of all municipal affairs as empowered by the charter. The City is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution, various sections of the Ohio Revised Code, and the City's charter.