



Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2024



New Castle County, Delaware

**NEW CASTLE COUNTY, DELAWARE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Matthew Meyer
County Executive

Michael Smith
Chief Financial Officer



Acknowledgements

New Castle County's Annual Comprehensive Financial Report was prepared by the Office of Finance, Accounting Division:

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Executive Assistant IV

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Accounting and Fiscal Officer

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Accountant III

Special thanks to all fiscal and accounting personnel throughout the County for their valuable assistance in providing accurate and timely financial data needed to prepare the Annual Comprehensive Financial Report.

New Castle County, Delaware
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024
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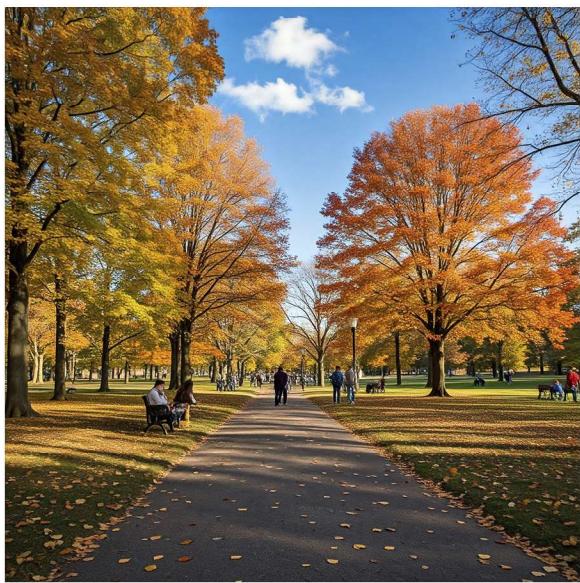
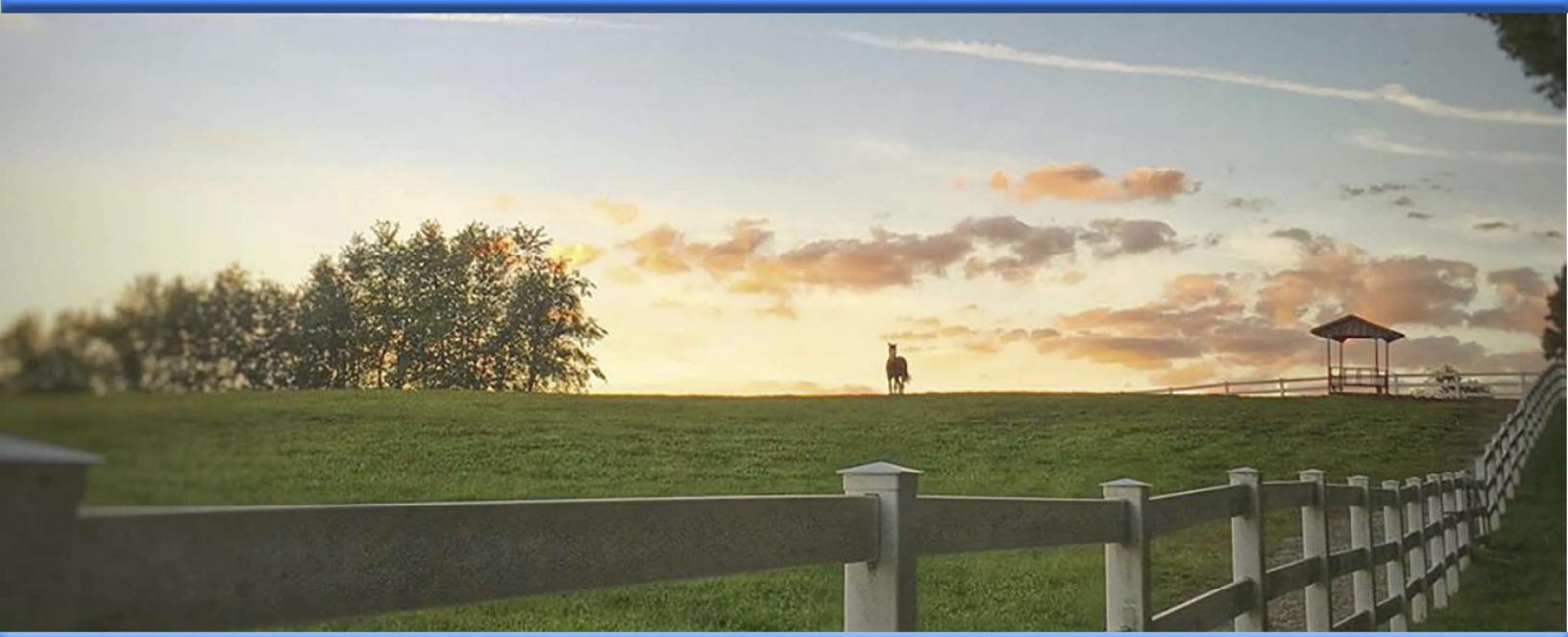
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NEW CASTLE COUNTY | DE
**PARKS &
RECREATION**

LIVE HEALTHY NEW CASTLE COUNTY

MATTHEW MEYER
COUNTY EXECUTIVE

MICHAEL SMITH
CHIEF FINANCIAL OFFICER



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NEW CASTLE, DE 19720
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OFFICE OF FINANCE

December 18, 2024

**To the Honorable Members of County Council
and Citizens of New Castle County:**

New Castle County Code requires New Castle County to provide information pertaining to the financial affairs of the County. To satisfy this requirement, each year the County publishes an Annual Comprehensive Financial Report (ACFR) which includes, as required by Code, financial statements that have been examined by an independent firm of certified public accountants. This complete set of financial statements is presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. Pursuant to that requirement, we are pleased to issue the Annual Comprehensive Financial Report of New Castle County, Delaware ("County"), for the fiscal year that ended June 30, 2024. This report will provide the public with a clear picture of New Castle County's financial situation.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, County management has established a comprehensive internal control framework that is designed to protect the County's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2024 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and the significant estimates made by management; and evaluating the overall financial statement presentation. CliftonLarsonAllen LLP concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2024 are fairly presented in conformity with GAAP. An unmodified opinion is the best opinion possible. The independent auditor's report is presented as the first component of the financial section of this report.

HONESTY ★ TRANSPARENCY ★ EFFICIENCY

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. New Castle County's MD&A can be found immediately following the report from the independent auditor.

Profile of New Castle County

New Castle County is located in the northern portion of the State of Delaware. New Castle County is the most populous county in Delaware, encompassing 426 square miles with a population density of 1,366 citizens per square mile. The County is bordered on the east for 40 miles by the Delaware River, on the north by Pennsylvania, on the west by Maryland, and on the south by Kent County, Delaware. The City of Wilmington, the County seat, is the largest incorporated city in the State.

The County Government was established on January 3, 1967, replacing the Levy Court Commission with a Council-Executive form of government. The powers and duties of the County Government are set forth in Chapter 11, Title 9 of the Delaware Code. The County Government is composed of a legislative body (the "Council") and an administrative body headed by the County Executive (the "Administration"), which includes five operating departments and four judiciary (row) offices.

The Council, which has all legislative powers, is composed of a President who is elected at-large, and twelve members, each representing one of the County's representative districts. The County Executive, who is elected at-large and is limited to not more than two consecutive four-year terms, is responsible for the entire range of executive, administrative and fiscal duties performed by all County departments, agencies and offices. The County Executive, with the advice and consent of County Council, appoints the general managers of the departments. The County Executive also appoints a Chief Administrative Officer, who assists the County Executive in the supervision of the executive and administrative agencies of the County, and is responsible by Code for the annual Operating Budget, the six-year Capital Program and the annual Capital Budget of the County.

New Castle County provides many governmental services. State Statute or County Code mandates the majority of these services. However, there are some services that are discretionary in nature, but are highly valued by the citizens of the County. Major public services/facilities include police protection, emergency medical services, emergency dispatch, land use, parks, recreation programs, libraries, housing, crossing guards, sewer services, and code enforcement.

A basis for preparing the County's ACFR was the identification of the reporting entity. The County has no component units for which it is financially accountable or for which the nature and significance of the relationship between the County and the component unit is such that exclusion would cause the County's financial statements to be misleading or incomplete.

The annual operating budget serves as the foundation for New Castle County's financial planning and control. County Council must formally adopt the annual operating budget by June 1. Appropriations are legislated at the departmental level by object level of expenditure. The Budget Office is authorized to make certain budgetary transfers within a department, as allowed by the County Code. All other changes must be approved by County Council. The County must adopt an annual operating and capital budget.

Economic Condition

Local economy. New Castle County is the State's primary economic center, representing a majority of the State's taxable base and population, and serves as its leading business, service and industrial center. The County is home to many industry-leading companies in the biotechnology and pharmaceutical fields. Enhancing this economic base is a service economy that consists of both traditional services as well as a significant financial services sector that has developed in response to direct State initiatives. Leading financial service companies in this field are Bank of America, JPMorgan Chase & Co., and Capital One, three major credit card issuers with offices in New Castle County.

New Castle County partnered with Discover Bank and The Grow America Fund (an affiliate of the National Development Council) to launch the Grow NCC Fund, providing eligible small businesses with loans offering longer loan terms and below market interest rates.

Our Fiscal Year 2025 Operating Budget builds on the historic success in public safety, improved public services, and government efficiencies achieved during my nearly eight years as County Executive, including:

- Opened 6 new pickleball courts in FY24 and completed extensive improvements to Delcastle Softball Complex.
- Continued to expand the Summer Youth Employment Program and created year-round youth employment opportunities with more than 55 workplace partners.
- Celebrated \$1.9m federal investment in New Castle County's Hope Center.
- Improved Rebecca Leithern Park in Newark.
- Unveiled blueprints for the reconstruction of the Newark Free Library.
- Awarded more than \$100,000 annually in scholarships to New Castle County students pursuing college degrees.
- Sustained Small Business Enterprise (SBE) program intended to help more small and diverse businesses to contract successfully with the County.
- Continued to seek out and award below market rate loans to small businesses in partnership with Discover Bank and The Grow America Fund.
- Launched MyNCC application to help neighbors report issues in our parks.
- Increased electronic payment options for constituents and businesses, increasing efficiency for payers and reducing payment processing costs.
- Expanded the Building Better Communities program with targeted grant opportunities to non-profits serving the Claymont neighborhood of Knollwood, Newark's Sparrow Run neighborhood, Richardson Park near Newport, Rose Gate in the Route 9 corridor, Brookside near Newark, Pleasantville near New Castle and Penn Rose neighborhood near Wilmington.

- Established the New Castle County Police Accountability Board and New Castle County Arts Commission.

The County's population grew to 578,592 in 2023, up from 553,340 in 2014. By the year 2030, it is estimated that the County's population will grow to approximately 595,892. Much of that growth is projected to be located in the southern portion of the County, in the fast-growing Middletown and Townsend areas.

Revenues and expenditures.

New Castle County's total expenditures in the Governmental funds have increased over the past 10 years to \$367.5 million in fiscal year 2024 from \$237.5 million in fiscal year 2015. Expenditures reached a high of \$507.6 million in fiscal year 2021 and a low of \$237.5 million in fiscal year 2015. Total governmental expenditures increased \$58.8 million from fiscal year 2023 to fiscal year 2024.

Public safety operating costs have shown the largest dollar increase, \$41.9 million, growing to \$142.1 million in 2024 from \$100.2 million in 2015. General government operating costs were \$61.9 million in fiscal year 2024 versus \$23.4 million in fiscal year 2015. This \$38.5 million increase represents the second largest expenditure increase over the past 10 years.

Taxes, including property, real estate transfer and hotel tax, represent 56.5 percent of fiscal year 2024 Governmental funds revenue. Tax revenues have increased \$33.4 million since fiscal year 2015. Intergovernmental revenue represents 25.3 percent of fiscal year 2024 Governmental funds revenue. Intergovernmental revenue has increased \$45.7 million since fiscal year 2015.

Long-term financial planning. New Castle County has a long history of being fiscally responsible. Concentrated efforts have been made to maintain the AAA ratings for the County's general obligation bonds. In September 2021, all three major rating agencies reaffirmed the County's triple-A credit rating. Attaining the top rating from all three agencies reflects the County's strong financial management and planning capabilities and the quality of its elected and administrative leadership. These ratings allow the County to borrow money at the most competitive interest rates, which maximize the County's ability to invest in critical infrastructure at the lowest cost to improve County services. The County will continue to seek ways to maintain these ratings to provide the finest quality services at the lowest cost.

It has been shown time and again that New Castle County has very strong financial management and prudent budgeting practices, which have enabled the County to maintain ample reserves, even during an economic and housing market crisis. The level of these reserves is one measure of the County's financial strength. County Council has legislated a Budget Reserve Account or "rainy day fund" in the General fund. The General fund reserve of \$45,312,006 was created to give added protection against a turbulent economy or any unfunded legislated mandates. Additionally, County Council has legislated the Tax Stabilization Reserve Account, \$72,191,868 which may be appropriated as needed to balance the annual operating budget or cover budgeted capital costs that otherwise would require the issuance of bonds or an increase in the tax rate. The Transfer Tax Proceeds Reserve Account, \$37,124,670, was legislated such that proceeds from the real estate transfer tax received in any fiscal year in excess of those certified shall be designated as cash in lieu of capital bond authorizations that would ordinarily be used to support construction of capital facilities, or land acquisition, economic development programs, or to defease or otherwise reduce the County's indebtedness.

Listed below are the core budgeting priorities that guide us in managing the County finances in a responsible manner:

- Live within our means, reducing spending to levels consistent with revenue.

- Reduce debt spending.
- Govern honestly, transparently and efficiently.
- Collaborate within county government and with other levels of government to improve public services.
- Invest aggressively in our future.

The Fiscal Year 2025 Capital Budget of \$34.2 million supports Public Works projects of \$28.3 million, Community Services projects of \$5.1 million, Public Safety projects of \$.4 million and Administration projects of \$.4 million. Major projects include the final construction costs of a new community library in Newark (\$4.7 million) and a new park in southern New Castle County (\$4.4 million); as well as repairing and improving our aging sewer system (\$11.0 million), park improvements (\$11.0 million). The Fiscal Year 2025 Capital Budget supports a variety of maintenance needs, safety programs and service improvements. Highlights include:

- Construction of a new community library in Newark,
- Replacement of cardiac monitors, public safety vests and equipment,
- Implementation of a new Land Use Information System,
- Replacement of the HVAC system for the Conner Building and begin design for HVAC replacement at the Government Center and Rockwood Mansion,
- On-going commitment to acquire and preserve properties to protect natural resources,
- County-wide Park Enhancements including drainage improvements and major park rehabilitation consistent with Park Townhall feedback,
- Construction of a second turf field, final paving of entrance and parking areas at Banning Park, and
- Structural stabilization, rehabilitation, and utility installation for the historic Ivyside House in Bechtel Park.

Relevant financial policies. New Castle County's continued commitment to balanced budgets, smart growth, sound infrastructure and prudent financial planning is intrinsic to providing a high quality of life for County residents. Many of the County's financial policies are designed to ensure that debt levels do not rise to an amount that would have an unfavorable impact on the County's finances. The total bonded debt limit for the General Fund is set at 3 percent of the total assessed taxable property value. As of June 30, 2024, the total General Fund bonded debt was 24.86 percent of the total debt limit.

Major initiatives. Our Fiscal Year 2025 Operating Budget funds the County's effort to provide for a safe, attractive, well-balanced community through quality services and programs. It provides funding for public safety, environmentally sound wastewater operations, quality development standards, effective code enforcement, recreational and cultural programs, partnerships with community groups and well-maintained public facilities including libraries and recreation centers. Our Fiscal Year 2025 Capital Budget supports security and building upgrades for various County facilities, purchase of fleet equipment, parkland improvements, playground equipment, sewer

facilities, library construction, upgrades for public safety, and technology upgrades and enhancements.

Additional initiatives include:

- In FY2025, added ten new paramedic positions and four new public safety operator positions,
- Invest \$30M in the 251 New Castle County parks and facilities, including a new turf field at Banning Park, upgraded softball facilities at Delcastle Park, new playgrounds at Rose Gate and Surratte Parks and adding 24 pickleball courts,
- Continue to monitor the County's wastewater with strategic partnership that began with BioBot and now with University of Delaware's CEWER program,
- Continue the success of the Targeted Analytical Policing System (TAPS), which has resulted in the continued reduction in crime and improved public satisfaction regarding quality-of-life complaints. The Division continues to see reductions in many of the crime categories, and
- Sustain the Project SEED program aimed at improving community self-sufficiency and violence reduction activities with additional programs and community investments.

The County continues to review and update capital projects and procedures. The review is an evaluation of all projects in the Capital Program, including operating budget impacts of new capital projects and integration of the County's comprehensive development planning process and infrastructure investments.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to New Castle County for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. The Certificate of Achievement is a prestigious national award, recognizing the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, the County publishes an easily readable and efficiently organized Annual Comprehensive Financial Report, which conforms to program standards. This report satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid only for a one-year period. New Castle County has received a Certificate of Achievement for the last 43 consecutive years (fiscal years ended 1981-2023). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the County also received the GFOA's Award for Distinguished Budget Presentation for its 2024 budget document. To qualify for the Distinguished Budget Presentation Award, GFOA judged the County's budget document to be proficient in certain program criteria as an operations guide, as a financial plan, and as a communications medium. This was the 34th consecutive year that the County received this award for its budget document.

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of our Office of Finance staff. Each member who shared in the preparation of

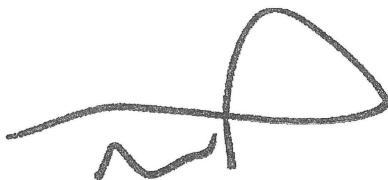
this report has our sincere appreciation. Appreciation is also expressed to all additional individuals who assisted in this effort.

In closing, we also would like to express our gratitude to the County Council for its continued support and interest in the financial affairs of our County and to the staff of every office of County government, for working diligently each day in the taxpayers' interest.

Respectfully submitted,



Matthew Meyer
County Executive



Michael Smith
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**New Castle County
Delaware**

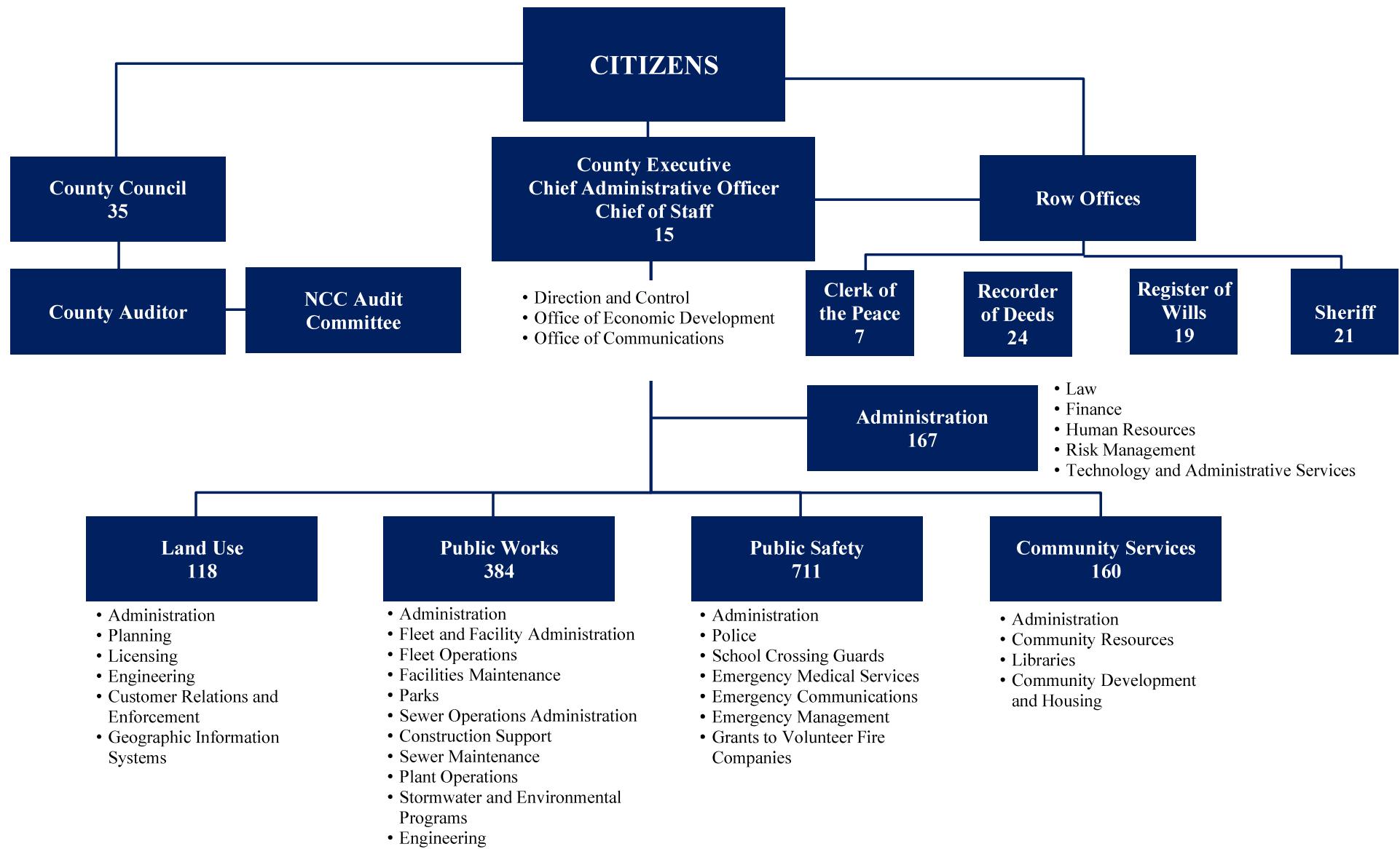
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Monell

Executive Director/CEO

FY2024 ORGANIZATION CHART



**NEW CASTLE COUNTY, DELAWARE
LIST OF PRINCIPAL OFFICIALS
AS OF JUNE 30, 2024**

EXECUTIVE

County Executive Matthew Meyer

COUNTY COUNCIL

President of Council	Karen Hartley-Nagle
First District	Brandon Toole
Second District	Dee Durham
Third District	Janet Kilpatrick
Fourth District	Penrose Hollins
Fifth District	Valerie George
Sixth District	David Carter
Seventh District	George Smiley
Eighth District	John J. Cartier
Ninth District	Timothy P. Sheldon
Tenth District	Jea P. Street
Eleventh District	David L. Tackett
Twelfth District	J. William Bell

ADMINISTRATIVE

Chief Administrative Officer	Vanessa Phillips
Chief Financial Officer	Michael Smith
Chief Human Resources Officer (Acting)	Patricia Purnell
Chief of Technology and Administrative Services (Acting)	John Yearly
Community Services General Manager	Carrie Casey
County Attorney	Wilson Davis
Director of Public Safety	Vaughn Bond
Land Use General Manager	Charuni Patibanda
Public Works General Manager (Acting)	Yvonne Gordon

ROW OFFICES

Clerk of the Peace	Lisa Darrah
Recorder of Deeds	Michael E. Kozikowski, Sr.
Register of Wills	Ciro Poppiti, III
Sheriff	Scott T. Phillips



Report of
Independent Public
Accountants



**New Castle County
Public Works**



INDEPENDENT AUDITORS' REPORT

Members of County Council
New Castle County, Delaware
New Castle, Delaware

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of New Castle County, Delaware, (the County) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County 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.

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 County'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.

Auditors' 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 auditors' report that includes our opinions. 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 County'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 County'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, the schedule of the changes in the County's net pension liability and related ratios and schedule of county contributions for the New Castle County, Delaware Employees' Pension Program, and the schedule of the County's proportionate share of the net pension liability/ (asset) and schedule of County contributions for the Delaware Municipal Police/Firefighter Pension Plan, the schedule of the changes in the County's net other postemployment benefits pension liability and related ratios, the schedule of county contributions for the other postemployment benefits and the Schedule of Investment Returns, as listed in the table of contents, 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 GAAS, 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 County's basic financial statements. The accompanying combining and individual fund statements and budgetary comparison schedules are presented for purposes of additional analysis and 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 GAAS. In our opinion, the accompanying combining and individual fund statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Members of County Council
New Castle County, Delaware

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2024, on our consideration of the County's internal control over financial reporting and on 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 County'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 County's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
December 18, 2024

Management's Discussion and Analysis



DEPARTMENT OF
LAND USE

Management's Discussion and Analysis

The following discussion and analysis of New Castle County's financial statements provides an overview of the financial activities of New Castle County for the fiscal year ended June 30, 2024. Please read it in conjunction with the transmittal letter, located at the front of this report, the basic financial statements, and the accompanying notes to those statements which follow this section.

Financial Highlights for Fiscal Year 2024

- The net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) of the County for fiscal year 2024 totaled \$308.4 million. Of this amount, \$168.7 million represents governmental activities net position, and \$139.7 million represents business-type net position.
- The current year change in net position for governmental activities was an increase of \$7.8 million and for the business-type activities a decrease of \$0.6 million.
- The General fund reported an ending fund balance of \$176.9 million, which represents a decrease of \$9.5 million from fiscal year 2023. The Sewer Facilities fund net position reported an ending balance of \$137.4 million, a decrease of \$0.6 million of total net position from fiscal year 2023.
- The County's total outstanding bonded debt as of June 30, 2024, was \$528.9 million.

Overview of the Annual Comprehensive Financial Report

The County's financial statements are composed of this Management's Discussion and Analysis (MD&A) and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides analysis and overview of the County's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains required supplementary information for the County's pension and other postemployment benefit plans. This report also includes other supplementary information as listed in the table of contents, along with the statistical tables.

Government-wide Financial Statements

The government-wide financial statements are presented in a manner similar to private-sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: 1) Statement of Net Position and 2) Statement of Activities. The fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The Statement of Net Position presents the County's total assets/deferred outflows of resources, and liabilities/deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a gauge as to whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing the change in the County's net position during the current fiscal year. All revenues and expenses are reported in this statement as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. The focus of this statement is the net cost of providing various activities to the citizens of the County.

Both of these government-wide financial statements have separate sections for the two different types of activities. These two types of activities are:

Governmental activities – The activities reflected in this section are general government, public safety, public works, community services, land use, and judiciary offices. These activities are supported mostly by taxes, charges for services, and operating grants and contributions.

Business-type activities – These activities include a sewer facilities system and an airport. These activities are intended to recover their cost of operation, including depreciation, primarily through user charges.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent, and how spending activities are controlled. The County divides its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – Most of the basic services provided by the County are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources, as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the County's financing requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

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

The County has ten individual governmental funds: General, Grants, Light Tax, Crossing Guard, Garstin Trust, Housing Trust, and four Capital Projects funds. Of these, the General and Grants funds are reported as major funds and are presented in separate columns on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balance. The Light Tax, Crossing Guard, Garstin Trust, Housing Trust, Facilities and Equipment, Park Development, Public Safety, and Miscellaneous Capital Improvement funds are combined into a single, aggregated column on these statements. Individual fund data for these eight nonmajor funds can be found on the combining statements.

Proprietary funds – These funds are used to show activities that operate in a manner similar to private business enterprises. Because these funds charge fees for services provided, they are known as enterprise funds. Like the government-wide financial statements, proprietary fund financial statements use the economic resources measurement focus and the accrual basis of accounting.

Proprietary fund statements provide the same type of information as the government-wide financial statements for business-type activities, only in more detail. The proprietary fund financial statements provide separate information for the Sewer Facilities fund and the New Castle County Airport fund. Of these two funds, only the Sewer Facilities fund is considered a major fund for the County.

Fiduciary funds – These funds are used to account for resources held for the benefit of parties outside of New Castle County. The fiduciary funds are not reflected in the government-wide financial statements, because the assets of these funds are not available to support the activities of the County. The economic resources measurement focus, and accrual basis of accounting are used for fiduciary funds, the same that are used for the proprietary funds.

The County has two fiduciary funds, the Pension Trust fund, and the Other Post-Employment Benefits Trust fund (OPEB). These funds are used to account for the activities of the defined benefit pension plan and the defined benefit OPEB plan for County employees. The fiduciary activities are reported in a separate statement of fiduciary net position and in a statement of changes in fiduciary net position. Individual fund data for these two funds can be found in the combining statements.

The fund financial statements can be found immediately following the government-wide financial statements.

Notes to the Financial Statements

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

Other Supplementary Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information, combining statements for the nonmajor funds, schedules of budget to actual comparisons, and the statistical tables.

Government-wide Financial Analysis

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. In the case of New Castle County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$308.4 million for fiscal year 2024, an increase of \$7.2 million from fiscal year 2023.

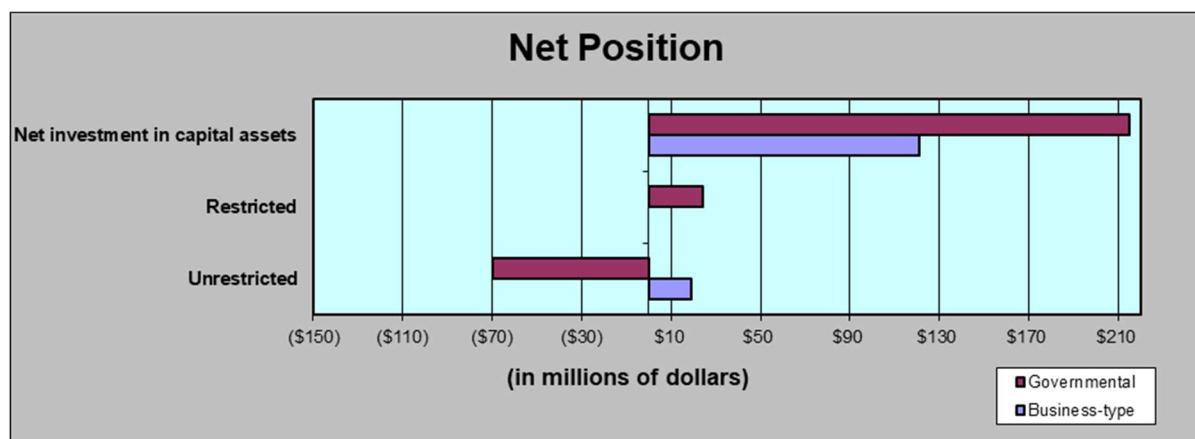
The following table reflects the condensed comparative Statement of Net Position:

New Castle County's Net Position
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current assets	\$ 369,879	\$ 409,520	\$ 72,000	\$ 77,065	\$ 441,879	\$ 486,585
Other non-current assets	-	3,230	-	-	-	3,230
Capital assets	402,964	365,758	500,225	502,369	903,189	868,127
Total assets	772,843	778,508	572,225	579,434	1,345,068	1,357,942
Deferred Outflows:						
	64,269	84,450	6,630	10,360	70,899	94,810
Liabilities:						
Long-term liabilities	485,312	515,742	422,326	438,288	907,638	954,030

Other liabilities	146,198	161,384	13,510	8,866	159,708	170,250
Total liabilities	631,510	677,126	435,836	447,154	1,067,346	1,124,280
Deferred Inflows:	36,881	24,906	3,342	2,379	40,223	27,285
Net position:						
Net investment in capital assets	215,153	192,425	120,800	123,898	335,953	316,323
Restricted	23,857	38,905	-	-	23,857	38,905
Unrestricted	(70,289)	(70,404)	18,877	16,363	(51,412)	(54,041)
Total net position	\$ 168,721	\$ 160,926	\$ 139,677	\$ 140,261	\$ 308,398	\$ 301,187

Long-term liabilities decreased \$46.4 million in Fiscal Year 2024 mainly from a combined decrease in net pension liability and net OPEB liability of \$35.4 million, a \$27.7 million reduction in bonds payable, as well as \$0.6 million in other various reductions, offset by a \$17.3 million increase in leases, financed purchases and SBITA liabilities.



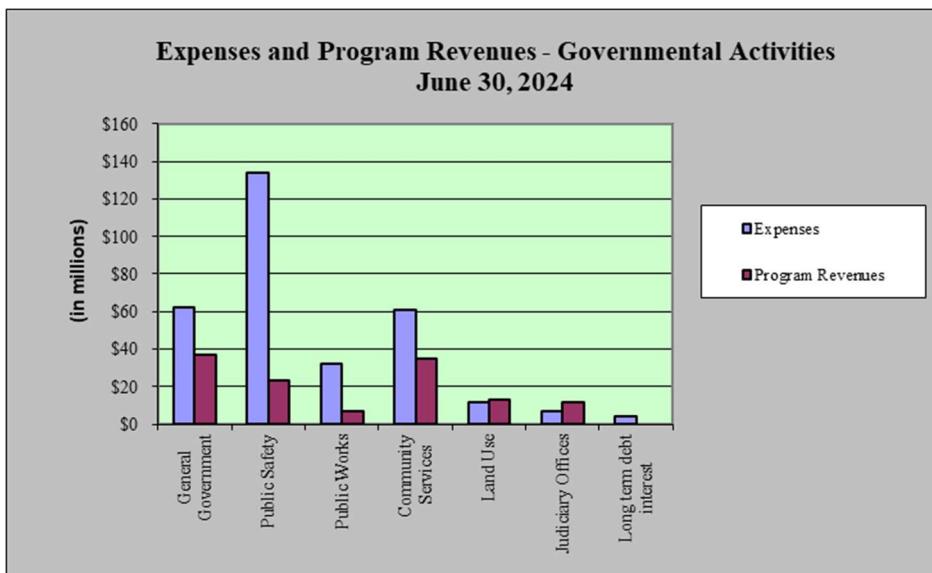
The largest portion of the County's net position totaling \$335.9 million, reflects its investment in capital assets (e.g., land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. This portion of net position increased by \$19.6 million from the prior year, primarily because of the net addition of capital assets of \$35.1 million, the decrease in related bond debt of \$27.8 million, the net increase in leases payable of (\$17.3 million), the net decrease in unspent bond proceeds of (\$17.5 million), the net increase of vouchers payable and retainage payable of (\$5.1 million) and deferred inflows from Public-Private Partnership agreements (\$3.4 million).

The second portion of net position, restricted net position of \$23.9 million, reported in the governmental activities, represents restricted balances for capital projects and special revenue funds.

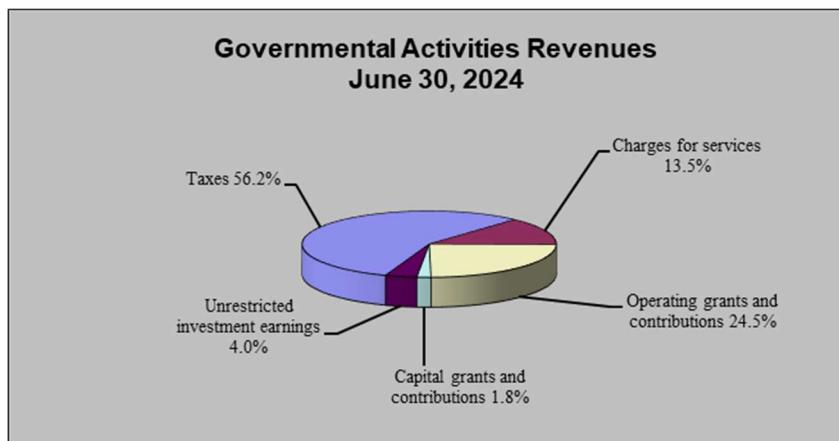
The remaining portion of net position, unrestricted net position, is a deficit balance of (\$51.4 million). The governmental activities reflect a deficit balance of (\$70.3 million), while the business-type activities have a balance of \$18.9 million. Unrestricted net position increased (\$0.1 million) in governmental activities from the prior year's unrestricted net position. The increase is mainly attributable to unrestricted revenues exceeding expenses by \$22.6 million, and the net effect of the increase in net investment in capital assets (\$22.7 million), described above. In business-type activities, unrestricted net position increased (\$2.5 million) from the prior year's unrestricted net position. The increase is mainly driven by the net effect of the sewer fund portion of the decrease in net investment in capital assets (\$3.1 million), described above, and expenses exceeding revenues (\$0.6 million). This decrease is explained in detail in the following section on business-type activities.

New Castle County, Delaware
Changes in Net Position
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 43,214	\$ 41,962	\$ 89,183	\$ 86,653	\$132,397	\$128,615
Operating grants and contributions	78,453	49,439	971	1,207	79,424	50,646
Capital grants and contributions	5,749	6,882	225	451	5,974	7,333
General revenues:						
Real estate taxes	145,819	148,489	-	-	145,819	148,489
Transfer tax	31,750	43,892	-	-	31,750	43,892
Hotel tax	2,162	2,074	-	-	2,162	2,074
Investment earnings	12,775	5,167	1,937	1,600	14,712	6,767
Total revenues	319,922	297,905	92,316	89,911	412,238	387,816
Expenses:						
General government	62,273	42,624	-	-	62,273	42,624
Public safety	134,116	136,994	-	-	134,116	136,994
Public works	31,656	27,145	-	-	31,656	27,145
Community services	61,161	59,254	-	-	61,161	59,254
Land use	12,315	13,232	-	-	12,315	13,232
Judiciary offices	6,696	7,075	-	-	6,696	7,075
Interest on long-term debt	3,910	5,867	-	-	3,910	5,867
Sewer	-	-	92,900	91,414	92,900	91,414
Airport	-	-	-	-	-	-
Total expenses	312,127	292,191	92,900	91,414	405,027	383,605
Increase (decrease) in net position	7,795	5,714	(584)	(1,503)	7,211	4,211
Net position – beginning	160,926	155,212	140,261	141,764	301,187	296,976
Net position – ending	\$ 168,721	\$ 160,926	\$ 139,677	\$ 140,261	\$ 308,398	\$ 301,187



Governmental activities. Governmental activities increased the County's net position by \$7.8 million. Governmental activities are represented by the following funds: General, Grants, Light Tax, Crossing Guard, Garstin Trust, Housing Trust, and Capital Projects. For the fiscal year ended June 30, 2024, revenues from governmental activities totaled \$319.9 million.



Tax revenues totaling \$179.7 million, comprised of property, real estate transfer taxes and a hotel tax, represent 56.2 percent of revenue. Tax revenue decreased by \$14.7 million from fiscal year 2023. Collection of the current tax levy remains strong at 99.3 percent, with a 10-year average of 99.1 percent. Property tax revenue decreased \$4.4 million, due to a five percent tax credit that was applied to the residential property tax line of fiscal year 2024 tax bills. Real estate transfer taxes yielded \$31.7 million, a decrease of \$12.1 million, or 38.2 percent below fiscal year 2023 due to a less active real estate market. Crossing Guard and Light taxes were a combined \$1.6 million higher than the prior year. The gross receipts tax on lodgings/hotels increased taxes by \$0.1 million from fiscal year 2023.

Charges for services, which account for \$43.2 million, or 13.5 percent of the governmental activities revenue, increased \$1.3 million from fiscal year 2023. This program revenue is derived from judiciary fees, \$12.5 million, primarily from real estate recording fees, Sheriff fees from foreclosed properties, and Register of Wills settlements; Land Use permits, fines and fees, \$13.0 million,

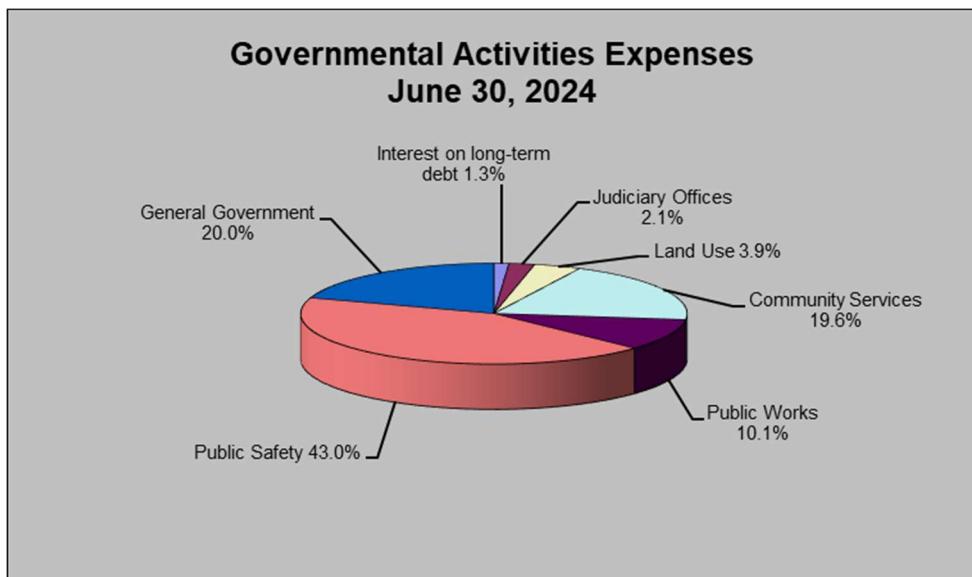
received primarily from building permits; Community Services revenues, \$5.2 million for grant related project income, recreation, and library activities; Public Safety-related services, \$3.2 million primarily from traffic fines, police contract duty services, and 911 reporting system fees; and general government and Public Works, \$9.3 million which includes rentals of buildings and park pavilions and for golf course fees.

Operating grants and contributions totaling \$78.5 million were derived primarily from the U.S. Department of Housing and Urban Development \$24.2 million, and an additional \$0.4 million from other housing authorities. These grants are used to aid low-income families in obtaining decent, safe, sanitary, and affordable rental housing, while also developing and expanding the supply of affordable housing. U.S. Department of Treasury funds of \$25.5 million were received from the CARES Act and ARPA-CSLRF to combat the coronavirus and its negative economic impact, with related \$4.8 million in interest. Revenues in the amount of \$15.6 million were received from the State of Delaware for the paramedic reimbursement program and the State pension contribution allocation on behalf of County police. State grants of \$2.4 million were received for State aid to our libraries, and a combined total of \$3.3 million was received from various Federal and State Departments to fund public safety programs that keep our citizens, police officers and streets safe. Interest income related to the Garstin Trust totaled \$0.4 million. Various other operating grants amounted to \$1.9 million to fund other programs.

Capital grants and contributions, which account for \$5.7 million, were primarily received from the State of Delaware – Dept of Treasury, \$1.7 million, American Rescue Plan Act (ARPA) funding, to be used towards the design and construction costs associated with a new regional library in Newark; State of Delaware – Dept of State, \$1.7 million, to be used towards the Brandywine Library HVAC system upgrade, as well as general roof renovations at various County facilities; State of Delaware – DNREC \$0.6 million, to be used for construction on the Greenway systems; Impact fees, \$0.6 million to be used towards the construction of the Southern Regional Park and rehab/upgrade work at various facilities; Technology fees, \$0.5 million to be used towards various human resources and row office information technology initiatives; State of Delaware – DELDOT, \$0.4 million, to be used towards public safety equipment and parkland improvements and State of Delaware – OMB, \$0.2 million, to be used towards neighborhood park improvements.

Unrestricted investment income of \$12.8 million was earned by the governmental activities and is comprised of investment earnings, \$8.6 million, and an unrealized gain on investments, \$4.2 million. This amount was \$7.6 million higher than what was earned in fiscal year 2023. An increase in investment performance was seen in FY 2024 due to a tightening of bond spreads across various sectors and subsequent price appreciation to existing holdings, attributable to lowering inflation risks and improved economic sentiments, leading to changes in Federal Reserve's rate outlook for potential rate cuts, coupled with portfolio managers' positioning and holdings selections, using conservative risk management approaches relative to benchmarks.

For fiscal year ended June 30, 2024, expenses for governmental activities totaled \$312.1 million. This represents a total increase of \$19.9 million, or 6.8 percent, from fiscal year 2023. Major functions represented by governmental activities include general government, public safety, public works, community services, land use, judiciary, and interest on debt.



General Government represents \$62.3 million, or 20.0 percent of the charges. This area supports services for the general administrative operations of the County. These costs increased \$19.6 million from the prior fiscal year. This was mainly due to the continued spend down of the American Rescue Plan Act grant (ARPA) in this fiscal year. These grant-related expenses contribute to the net increase of \$21.2 million in FY 24. An increase of light tax expenses of \$1.2 million as well as a \$1.0 million increase in costs associated with the Land Use information systems project, also contributed to the increase. This increase is offset by a \$2.6 million decrease in Pension expense, and the net effect of capital assets, \$1.1 million.

Public Safety accounted for \$134.1 million, or 43.0 percent of these expenses, which were used to support police services, emergency medical services, emergency communications, crossing guards, and grants to volunteer fire companies. Public Safety expenses decreased \$2.9 million from fiscal year 2023, due to the net effect of capital assets, \$6.6 million, and a \$2.2 million decrease in capital costs due to the renovations to the public safety facility that occurred in fiscal year 2023. This is offset by an increase of \$4.9 million in employee benefits, these expenses increased due additional appropriations needed to cover the cost of COLAs for the police pensions, and an increase of \$1.0 million in grant funding mainly for police equipment.

Community Services represents \$61.2 million, or 19.6 percent of these charges, primarily for libraries and recreation programs. This area also covers grant programs aimed at helping low-income families obtain affordable rental housing. Costs for Community Services increased \$1.9 million from 2023 mainly due to an increase in capital costs of \$1.0 million for the design/planning for a new Newark Library, an increase in grant-related expenses of \$1.3 million, mainly for contractual services, as well as other various increases totaling \$0.5 million; offset by a \$0.9 million reduction in expenses for the Housing Trust fund.

Public Works, which accounts for \$31.6 million, or 10.1 percent of these expenses, was used to support services for the operation of County parks, facilities, and vehicular fleet. These costs increased by \$4.5 million from fiscal year 2023. The change was attributable to increases of \$5 million related to Public-Private Partnership agreements, \$0.6 million in grant-related expenses for wastewater and electric vehicle grant programs, increases in capital costs for: park development, mainly at Rockwood and Delcastle Parks of \$2.2 million; and \$10.4 million for the continued purchase of the County's fleet vehicles and for HVAC upgrades at various facilities, and garage

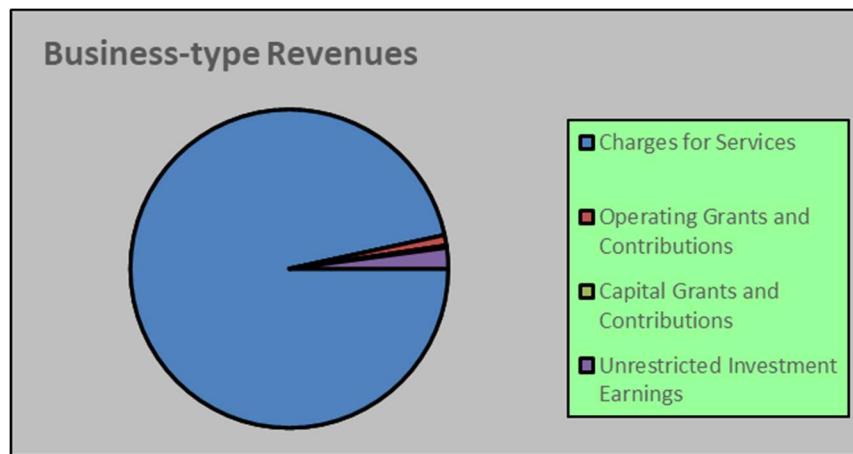
renovations; and \$1.0 million in salaries and benefits due to cost-of-living adjustments offset by decreases due to the net effect of capital assets, \$14.7 million.

Land Use represents \$12.3 million, or 3.9 percent of these costs, and was responsible for short and long-range comprehensive land use planning. The costs decreased \$0.9 million from fiscal year 2023. The decrease is mainly attributable to a decrease in pension expense of \$1.2 million, offset by an increase in salary costs of \$0.3 million.

Judiciary offices, which account for \$6.7 million, or 2.1 percent of the expenses, are composed of the four “row offices.” The Register of Wills performs responsibilities relating to wills; the Recorder of Deeds serves as depository for real estate transaction records; the Sheriff provides services to the State of Delaware Superior Court, Supreme Court, Court of Common Pleas, and Family Court; and the Clerk of the Peace issues marriage licenses. These costs show a decrease of \$0.4 million from the previous fiscal year mainly due to a \$0.6 million decrease in pension expense offset by salary increases of \$0.2 million.

Interest on long-term debt represents \$3.9 million, or 1.3 percent of the expenses, and is used to pay interest on the outstanding general obligation bonds related to governmental activities. These costs reflect a decrease of \$2.0 million based on the structure of the payment schedule for debt service on outstanding general obligation bonds, and right-of-use and subscription-based IT arrangements as well as the amortization of the deferred effect of bond refunding.

Business-type activities. Business-type activities decreased the County's net position by \$0.6 million. Key elements for revenues and expenditures are as follows:



Charges for Services totaling \$89.2 million are comprised of revenue that is primarily earned through sewer service charges to our customers. Residential customers generated approximately 49% percent of the sewer service charges, with the balance being received from industrial, commercial, and other non-residential user classes. The Charges for Services was \$2.5 million higher than what was earned in fiscal year 2023. The increase is primarily attributable to higher capital recovery fees collected (\$1.2 million), coupled with higher stormwater management (resulting from a one-time application fee for Village of Bayberry South) and survey and inspection fees collected (\$1.0 million and \$0.2 million, respectively).

Operating Grants and Contributions totaling \$1.0 million, comprised primarily of a combination of the Recovery Zone Economic Development Bond interest reimbursement of \$0.95 million and combination of miscellaneous revenue and gain on sale of capital assets of \$0.05 million.

Capital Grants and Contributions totaling \$0.2 million, comprised of funding from the State of DE – DELDOT for reimbursable costs related to the Claymont Regional Transit Center for the Governor Printz Interceptor upgrade, as well as for other sewer repairs and rehab work.

Investment income of \$1.9 million was earned by the business-type activities, comprised of investment earnings equaling \$2.3 million, and an unrealized loss on investments of (\$0.4 million). This amount was \$0.3 million higher than what was earned in fiscal year 2023. An increase in investment performance was seen in FY 2024 due to a tightening of bond spreads across various sectors, attributable to lowering inflation risks and improved economic sentiments, leading to changes in Federal Reserve's rate outlook for potential rate cuts, coupled with portfolio managers' positioning and holdings selections, using conservative risk management approaches relative to benchmarks.

Expenses, which total \$92.9 million, increased \$1.5 million from the previous year. Decreases were primarily driven by pension expenses of \$1.5 million and administrative and fixed charges of \$1.6 million, offset by increases in communications and utilities of \$3.5 million and contractual services of \$1.1 million. The decrease in pension expense was due to differences between projected to actual earnings, primarily driven by investment gains in FY24. The decrease in administrative/fixed charges was primarily due to operating budget decreases in FY24 for administrative cost allocation recovery for the Sewer fund. The increase in communications and utilities is primarily attributable to true up costs from FY23 paid in FY24 for the City of Wilmington sewer treatment plant, along with year over year increases to the annual base fee. The increase in contractual services is primarily attributable to the County's required match of the State's appropriation for the Debris Pit Remediation Program.

Governmental Funds Financial Analysis

Governmental funds. The governmental funds are comprised of the General fund, Grants fund, Light Tax fund, Crossing Guard fund, Garstin Trust fund, Housing Trust fund, and the following Capital Projects funds: Facilities and Equipment, Park Development, Public Safety, and Miscellaneous Capital Improvements. For the fiscal year ended June 30, 2024, New Castle County governmental funds reported a combined ending fund balance of \$218.4 million, a decrease of \$26.7 million from fiscal year 2023.

The General Fund is the primary operating fund of New Castle County. At the end of the current fiscal year, the fund balance of the General Fund was \$176.9 million. The fund balance of the County's General Fund decreased \$9.5 million during the current fiscal year. This change in fund balance is the net result of expenditures exceeding revenues by \$10.9 million, net revenue transfers to other funds of (\$10.1 million), lease/SBITA proceeds of \$11.1 million, and the sale of capital assets of \$0.4 million. The General fund made net interfund transfers to the Grants fund (\$0.2 million) to sponsor a summer camp for youth, to provide employment for youth during the summer months and to provide funding for senior home repair. Interfund transfers were also made to the Capital Projects Fund (\$9.9 million) to provide funding for EMS stations, parkland improvements, land preservation as well as for the purchase of fleet equipment and public safety equipment. Total revenues, \$234.9 million, were lower than the previous year by \$3.1 million, mainly due to a reduction in tax revenue caused by a less active real estate market offset by increased investment income due to a tightening of bond spreads across various sectors and subsequent price appreciation to existing holdings, combined with portfolio managers' positioning and holdings selections using conservative risk management approaches relative to benchmarks. Total expenditures, \$245.8 million, were higher than the previous year by \$21.1 million, mainly due to increased salary and benefit costs and the addition of \$11.1 million in new leases and SBITAs in FY 24. Sale of capital assets decreased by \$2.5 million year-over-year mainly due to the proceeds of the sale of one large parcel of land in the prior fiscal year.

One measure of the County's financial strength is the level of cash reserves. The County has legislated in the General fund a Budget Reserve account or "rainy day" fund, a Tax Stabilization

Reserve account, and a Transfer Tax Proceeds account. The Budget Reserve account equal to \$45.3 million as of June 30, 2024, was created to give added protection against a turbulent economy, or any unfunded legislated mandates. A ten-thirteenths vote from County Council is needed to appropriate these funds for the established conditions, or to change the percentage allocated to this reserve. The Tax Stabilization Reserve account, \$72.2 million at year end, was legislated so that funds could be appropriated as necessary to balance the annual operating budget, or to cover budgeted capital costs that would otherwise require the issuance of bonds or an increase in the tax rate. The Transfer Tax proceeds account, \$37.1 million at year end, was legislated to designate funds received beyond what was certified. These proceeds will be used to cover capital bond authorizations, reduce the County's indebtedness, or for economic initiatives. County Council is authorized to establish and appropriate these proceeds as may be necessary.

Other fund balance amounts, totaling \$10.8 million, have been dedicated in the General fund. These amounts are reported as nonspendable, committed and assigned. Nonspendable has been established as prepaid costs, \$1.5 million; committed includes library, \$0.01 million; and the Reassessment Reserve, \$7.0 million; and assigned is established for departmental encumbrances, \$1.2 million, and for the Hope Center homeless shelter, \$1.1 million; See Note 18 for additional information on these amounts.

The unassigned fund balance of \$11.6 million may serve as a useful measure of the County's net resources.

The Grants fund is used to account for certain operating activities of the County. General Government, Public Safety, Community Services, and Public Works are financed through this fund with revenue from federal, state, local, and private sources. The largest activity of the Grants fund was to address the COVID pandemic and the economic recovery. The second largest activity of the Grants fund was to provide aid to low-income families in obtaining decent, safe, sanitary, and affordable rental housing. The Grants fund ending fund balance is \$2.3 million for fiscal year 2024, an increase of \$0.1 million. The increase is primarily due to an increase in the IDEA Homebuyer/Homeowner Rehab grant and the Section 8 Housing grants.

Other governmental funds consist of the Light Tax fund, the Crossing Guard fund, the Garstin Trust fund, Housing Trust fund, and the Capital Projects funds. These funds are established to provide various services to the residents of New Castle County. The Light Tax fund provides street lighting to residents; the Crossing Guard fund provides crossing guards for the safety of children attending our local schools; the Garstin Trust fund provides care and maintenance of parks; while the Housing Trust fund provides funds to construct, purchase, and maintain permanently affordable housing units. For the fiscal year ending June 30, 2024, the Light Tax fund balance is \$2.0 million, a slight increase of \$0.2 million from the previous fiscal year. The Crossing Guard fund balance is \$1.0 million, which represents an increase of \$0.3 million. The Garstin Trust fund balance is \$3.7 million, which is an increase of \$0.2 million from the previous fiscal year. The Housing Trust fund balance is \$15.1 million, a decrease of \$0.6 million from the previous year, mainly due to the previous year funding to construct affordable housing for homeless veterans and individuals at or below 60% median area income.

New Castle County has four capital projects funds. The Facilities and Equipment fund accounts for the design, construction, and improvement of County buildings. The ending fund balance is \$6.6 million. The Park Development fund accounts for the acquisition and development of County parkland. This fund balance is \$0.9 million. The Public Safety fund, with an ending fund balance of \$8.3 million, provides continued funding for the Public Safety facility and other public safety projects. The Miscellaneous Capital Improvements fund is used to account for all other capital improvements. This fund balance is \$1.6 million. In total, the four capital projects funds reported a fund balance of \$17.4 million representing a decrease of approximately \$17.5 million from the previous year. The primary driver of the decreased fund balance was due to the last issuance of bonds occurring in October 2021.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements. Please refer to the business-type activities section listed previously for discussion of the activity in the proprietary funds.

Business-type activities reported unrestricted net position of \$19.1 million; \$4.7 million of this balance is comprised of capital recovery fees that are restricted by management for Sewer Fund debt service.

General Fund Budgetary Variances

Revenue budget. Revenue and transfers out budget differences between the original budget and final amended budget for fiscal year 2024 show increases of \$11.4 million. This increase is mainly due to increases in intergovernmental revenue, \$8.5 million; charge for services, \$1.8 million; and a net increase for transfers in of \$1.1 million (a \$1.2 million increase for transfers in offset by a \$0.1 million increase in transfers out). Intergovernmental revenue increased due to appropriations from the State of Delaware for the pension contribution allocation on behalf of County police. Charges for services increased for Hope Center room rentals. Transfers in changed for funding for increased Pension liability for changes to the County 2011 Pension plan. Transfers out changed for funds for the senior home repair program, the summer youth program, and summer camp funding.

Appropriation budget. Budgetary expenditure variances between the original (\$231.7 million) and prior year appropriations to the final budget (\$0.8 million) for fiscal year 2024 reflect an increase of \$12.6 million. This change is mainly attributed to increases in; Public Safety, \$4.7 million; Administration, \$3.8 million; Community Services, \$3.0 million; Executive Office, \$1.5 million; Public Works, \$0.6 million; offset by decreases in Land Use (\$0.5 million); Council (\$0.3 million); Judiciary offices (\$0.2 million). Public Safety increases were to cover the benefits charge for the pension passthrough for police COLAs, offset by salary and benefit attrition. Administration appropriations increased due to funding needed for the increased pension liability due to changes in the County 2011 pension plan and funding for salary and benefit costs for employee attrition offset by transfers of salary contingencies to fund shortfalls in other departments. Community Services saw increases due to funding for the Hope Center expenses and to fund salary and benefit shortfalls. Executive Office increases were to cover contributions to community grants and other donations and for salary shortfalls and strategic advisory services. Public Works appropriations increased mainly due to increased fuel costs. Land Use saw reductions mainly due to attrition adjustments to salaries and employee benefits. Council appropriations were reduced due to attrition adjustments to salaries and employee benefits and reductions in fixed charges due to appropriations to the County's youth employment grant. Judiciary Offices decreased due to attrition adjustments for salaries and benefits.

Budget to actual – revenue. Variances between actual revenue and budgeted revenue for fiscal year 2024 reflect a net negative variance of \$2.7 million, or 1.1 percent. Investment income showed a positive variance of \$8.1 million. The main contributor to portfolio outperformance was due to a tightening of bond spreads across various sectors and subsequent price appreciation, attributable to lowering inflation risks and improved economic sentiments, leading to changes in Federal Reserve's rate outlook for potential rate cuts, coupled with portfolio managers' positioning and holdings selections, using conservative risk management approaches relative to benchmarks. Miscellaneous revenue came in over budget by \$1.0 million due to an increase in prescription drug rebates received during the fiscal year. Charges for services were over budget by \$0.9 million mainly due to increased subdivision review fees, instant ticket fines and monitions fees collected. Licenses and permits were over budget by \$0.4 million due to increased filings of commercial/industrial office building permits and for permits for building additions. Revenue from leases showed a favorable variance of \$0.3 million since this revenue is not budgeted.

Intergovernmental revenue showed a positive variance of \$0.2 million mainly attributable to additional funding from the State of Delaware Office of Management and Budget for Paramedics offset by a decrease in federal funding from the Department of Justice for County police services provided when President Biden visits Delaware. Offsetting this positive variance, taxes were under budget by \$13.6 million, due to a slowdown in the real estate market resulting in decreased receipts of real estate transfer tax as well as less than anticipated receipt of property taxes.

Budget to actual – expenditure. Fiscal year 2024 reflected a positive variance between expenditures and final appropriations of \$10.3 million, or 4.2 percent. This positive variance was realized in most departments by managing expenditures while ensuring that service goals were met. Positive variances were reported in the following expenditure object levels: employee benefits, \$3.5 million; contractual services, \$2.8 million; salaries, \$2.7 million; contingencies, \$1.3 million; equipment, \$1.2 million; communications and utilities, \$0.6 million; materials and supplies, \$0.4 million; training, \$0.1 million; and intragovernmental credits, (\$2.3 million). Employee benefits had a positive variance because benefit savings were experienced since medical costs came in lower than budgeted as well as due to attrition savings across departments. Factors contributing to the positive variance realized in contractual services are less than anticipated usage of fleet vehicle repair services and information system support services, and a decrease in: facility repair services, software maintenance contracts, grass cutting services, attorney fees, janitorial services, HVAC repair services, fire and security services, legal fees, health and medical fees, advertising services, actuarial fees, printing costs, equipment and property rentals, telephone and other equipment repairs. Although a positive variance is shown in contractual services, some purchases of services have been deferred until the subsequent fiscal year, as evidenced by \$1.0 million in encumbrances against this line item. Salaries show a favorable variance due to attrition savings across departments. Contingencies showed a positive variance due to savings in other lines which did not necessitate expending from this budget line. Equipment charges were under budget by delaying purchases. Communications and utilities variances were favorable due to savings in electric service, phone service, postage, water service, as well as gas and oil heating and advertising services. Materials and supplies variances are favorable mainly due to savings in library books, clothing and uniforms, duplicating supplies and computer supplies. Training reflects a positive variance due to a decrease in seminar fees, trainer fees, conference fees, and membership dues. Intragovernmental credits reflect a difference from lower-than-expected charge backs for workers compensation, information systems, and motor vehicle costs.

Capital Assets and Long-term Debt Activity

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$903.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, building improvements, improvements other than buildings, equipment, infrastructure, right-to-use leased and subscription assets, and construction in progress.

New Castle County Capital Assets

(Net of Depreciation)

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 93,610	\$ 92,232	\$ 35,321	\$ 35,321	\$ 128,931	\$ 127,553
Buildings	151,000	152,512	21,329	22,154	172,329	174,666
Leased buildings	1,348	1,517	-	-	1,348	1,517
Building improvements	46,008	42,122	2,324	2,404	48,332	44,526
Improvements other than buildings	26,952	23,422	1,510	1,636	28,462	25,058
Equipment	56,923	48,569	13,214	12,840	70,137	61,409
Leased Equipment	4,844	52	12	-	4,856	52
Infrastructure	4,031	45	418,192	421,151	422,223	421,196
Subscription assets	7,124	306	76	-	7,200	306
Public private partnerships	3,077	-	-	-	3,077	-
Construction in progress	8,047	4,981	8,246	6,863	16,293	11,844
Total	\$ 402,964	\$ 365,758	\$ 500,224	\$ 502,369	\$ 903,188	\$ 868,127

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Various capitalized facilities and equipment costs totaled \$20.7 million. These expenditures consisted of \$9.2 million for the purchase of vehicles and special purpose equipment; \$3.1 million for replacement of HVAC system at Brandywine Library; \$2.4 million for renovations at Base D/Garage facility; \$1.8 million for various building rehabilitation work; \$0.4 million for roof renovations at various facilities; \$0.4 million for installation/upgrades to electric vehicle assets and neighborhood park paving, while the remaining \$3.4 million was used for lease payments on vehicles and other equipment.
- Community Services capital projects totaled \$1.8 million, of which \$1.7 million was used for the design/construction costs of a new regional library in Newark and \$0.1 million was used for various other community services and library projects.
- Park development expenditures during the year amounted to \$11.6 million. These expenditures included \$2.9 million for the construction of the Southern Regional Park; \$1.9 million for fence replacement at Carousel and parking lot construction and renovations/restorations at Rockwood parks; \$1.5 million for design/upgrades to restroom facilities at Delcastle Park; \$1.5 million for various small capital improvements at neighborhood parks; \$1.3 million for various greenway initiatives; \$0.8 million for replacement of/upgrades to aging neighborhood playgrounds at various facilities; \$0.6 million for repair/resurfacing courts at various facilities; \$.5 million for major drainage/rehab and replacement work at Bechtel Park, Park Bridge and Weiss Park facilities; \$.6 million for various other park rehab and improvements/initiatives.
- Public Safety capital projects totaled \$2.1 million, which included \$0.8 million for the purchase/upgrade of mobile and portable radio technology for NCC staff and replacement of 911 Center computers/monitors, \$0.5 million for replacement of 65 cardiac monitors; \$0.4 million for the design and construction of an emergency vehicle operations course (EVOC); \$0.3 million for specialized police equipment/licenses and vests for police/paramedics and \$0.1 million for renovations/upgrades to the Public Safety building and EMS stations.

- Miscellaneous capital improvements totaled \$8.2 million during the year. These improvements included \$4.2 million for the County's reassessment project, \$2.2 million for various right of use lease and subscription-based service arrangements and contracts, \$1.0 million for the new Land Use information system, \$0.6 million for data processing and consulting services, \$0.2 million for other information system(s) technology initiatives.
- In the Sewer Facilities fund, project expenditures amounted to \$14.8 million. The costs incurred were for various sewer interceptor and other sewer improvement projects, \$3.9 million; for various sewer rehabilitation projects, \$3.2 million; Christina River Force Main project, \$1.8 million; fleet equipment expenditures, \$1.2 million; Southern Sewer Service Area project, \$1.1 million and various sewer system replacements, repairs, upgrades and expansions, \$0.5 million. Additional capital expenditures in the Sewer Facilities Fund totaled \$3.1 million for stormwater rehabilitation, renovation and quality improvement projects.

Additional information on the County's capital assets can be found in Note 5 of the Notes to the Financial Statements.

Long-term debt. As of June 30, 2024, the County had total bonded debt outstanding of \$528.9 million. The total bonded debt is comprised of \$504.1 million in general obligation bonds and \$24.8 million in State of Delaware Water Pollution Control Revolving Fund Loans. Of the total bonded debt, \$150.2 million is subject to New Castle County's debt limit of \$604.1 million, leaving a legal debt margin of \$453.9 million. Delaware Code limits the amount of outstanding bonds the County can issue to 3 percent of the total assessed valuation of the taxable real estate. The Code excludes enterprise debt from the outstanding debt that is subject to the debt limit. The County's applicable outstanding debt is well below the legal debt limit.

New Castle County Outstanding Debt
Total Bonded Debt
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Total Bonded Debt	<u>\$150,215</u>	<u>\$165,805</u>	<u>\$378,734</u>	<u>\$390,339</u>	<u>\$528,949</u>	<u>\$556,144</u>

The County's bonds were first awarded the AAA rating in February 2001 by Standard and Poor's, and in October 2002, both Moody's Investor Service and Fitch Ratings awarded the Aaa/AAA bond rating. Concentrated efforts have been made to maintain these top ratings for the County's general obligation bonds, and the triple-A ratings have since been reaffirmed by all three agencies numerous times. In September 2021, all three agencies reaffirmed the Aaa/AAA ratings for the County's outstanding bonds and rated the County's Series 2021 bonds Aaa/AAA. The Aaa/AAA assignment is a solid, independent validation of the County's financial strength and stability. These rating agencies believe that the County's financial operation, with healthy reserve levels, will remain strong given prudent management and long-term planning. These high-grade ratings have reduced the cost of raising capital for County projects, resulting in substantial savings for taxpayers. The County continues to seek ways to maintain these top ratings so as to provide the finest quality services at the lowest cost.

The County secured various financed purchases with TD Equipment Finance Inc. in FY24. These agreements serve the purpose of the financing of new police and emergency service vehicles and equipment and new sewer service vehicles and equipment. Under the terms of each new agreement, payments are due in quarterly installments, over either a 3 year/36 month period or 5

year/60 month period, with interest rates varying from 4.12% to 5.19%. These additions in financed purchases for FY24 totaled \$10.5 million.

Additional information on the County's long-term debt can be found in Note 10 of the Notes to the Financial Statements.

Economic Factors and Fiscal Year 2025 Budgets

The County's unemployment rate as of June 2024 was 4.6 percent, which was slightly higher than the State of Delaware's rate of 4.0 percent, and higher than the national average of 4.1 percent. In the second quarter of 2024, estimated per capita personal income of Delaware residents was \$72,384.

The Fiscal Year 2025 Operating Budget is \$351.5 million, which is \$20.1 million or 6.06% more than last year's budget. Highlights of the County's operating budget include:

- Funding of \$90.1 million to provide for 415 police officers, civilian employees, and support services to protect our communities.
- Emergency Medical Services funding of \$25.9 million to fund 157 paramedics.
- Emergency Communications Center funding of \$14.8 million which includes staffing of 99 positions.
- Funding of \$6.3 million for our partnership with 21 local volunteer fire companies which provide our residents fire, ambulance, and rescue services.
- Sewer payment to the City of Wilmington of \$22.7 million for wastewater treatment.
- Library budget of \$17.0 million, which covers operating costs of our 10 County libraries and 5 contractual libraries.
- Information technology is funded at \$8.0 million to provide well-managed, secure, and accessible technology.
- Recreational, social, and cultural services that are fee-based are provided by offering programs to the public. The costs of these programs are defrayed with operating funding of \$7.1 million.
- Funding of \$7.2 million for licensing and enforcement of drainage, building, plumbing, and mechanical codes, with authorized staffing of 57 positions.

The Fiscal Year 2025 Capital Budget of \$34.2 million supports security and building upgrades for various County facilities, purchase of fleet equipment, parkland improvements, playground equipment, sewer facilities, library construction, upgrades for public safety and technology upgrades and enhancements. Highlights of the County's 2025 capital budget and program include \$11.0 million allocated to repairing and improving the County's sewer system, park improvements of \$11.0 million and \$4.7 million in final construction costs of a new community library in Newark.

The capital budget funds major capital programs as follows:

Major Capital Programs		
Sewer/Stormwater	\$	11,047,515
Parks		10,975,000
Facilities/Equipment		6,230,204
Community Services		5,129,482
Administration/Technology		425,000
Public Safety		400,515
Total	\$	<u>34,207,716</u>

Contacting New Castle County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of New Castle County's finances, and to demonstrate the County's accountability for the money it receives. Questions concerning this report, or requests for additional financial information should be directed to the Chief Financial Officer in the Office of Finance, New Castle County Government Center, 87 Reads Way, New Castle, Delaware 19720, telephone (302) 395-5170. Visit the County's website at www.newcastlde.gov.

Basic Financial Statements

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF NET POSITION

JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents (Note 2)	\$ 208,683,945	\$ 16,975,319	\$ 225,659,264
Investments (Note 2)	123,866,180	30,296,019	154,162,199
Receivables (net of allowances):			
Taxes, including interest and penalties (Note 3 and 4)	3,023,108	-	3,023,108
Accounts (Note 4)	10,743,829	-	10,743,829
Service charges (Note 4)	-	9,240,672	9,240,672
Lease (Note 4)	1,803,484	-	1,803,484
Lease - PPP (Note 4)	2,129,239	-	2,129,239
Other (Note 4)	869,736	367,628	1,237,364
Due from other governments (Note 4)	7,203,180	321,697	7,524,877
Due from other agencies (Note 4)	50,287	-	50,287
Prepaid items	1,471,732	-	1,471,732
Capital assets held for resale	824,899	-	824,899
Restricted:			
Cash and cash equivalents (Note 2)	9,208,941	14,798,507	24,007,448
Total current assets	369,878,560	71,999,842	441,878,402
Noncurrent assets:			
Capital assets, not being depreciated (Note 5)	101,657,204	43,566,641	145,223,845
Capital assets, being depreciated or amortized, net (Note 5)	301,307,288	456,657,853	757,965,141
Total noncurrent assets	402,964,492	500,224,494	903,188,986
Total Assets	772,843,052	572,224,336	1,345,067,388
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow from pensions (Note 26)	56,513,265	4,293,517	60,806,782
Deferred outflows from OPEB (Note 19)	7,756,193	1,033,736	8,789,929
Deferred effect of bond refunding, net	-	1,302,967	1,302,967
Total Deferred Outflows of Resources	64,269,458	6,630,220	70,899,678
LIABILITIES			
Current liabilities:			
Vouchers payable and other current liabilities	53,093,799	8,735,725	61,829,524
Retainage payable	398,563	247,824	646,387
Accrued interest payable	1,250,644	3,865,625	5,116,269
Escrowed amounts	13,579,359	608,037	14,187,396
Deferred/unearned revenue (Note 9)	77,875,639	52,924	77,928,563
General obligation bonds payable plus unamortized bond premium (Note 10)	17,167,171	12,398,979	29,566,150
Loans payable (Note 10)	-	1,544,975	1,544,975
Claims and judgments payable (Notes 10 and 14)	4,871,000	-	4,871,000
Lease payable/financed purchases/SBITAs (Notes 10, 21, 22 and 23)	5,388,225	1,254,533	6,642,758
Accrued compensated leave (Notes 8 and 10)	10,803,018	1,304,265	12,107,283
Estimated liability for landfill postclosure care (Notes 10 and 13)	101,000	-	101,000
Total current liabilities	184,528,418	30,012,887	214,541,305
Noncurrent liabilities:			
General obligation bonds payable plus unamortized bond premium (Note 10)	139,311,311	347,009,196	486,320,507
Loans payable (Notes 10)	-	23,284,415	23,284,415
Claims and judgments payable (Notes 10 and 14)	8,766,410	-	8,766,410
Lease payable/financed purchases/SBITAs (Notes 10, 21, 22 and 23)	19,801,466	3,000,917	22,802,383
Accrued compensated leave (Notes 8 and 10)	23,921,152	2,364,567	26,285,719
Net pension liability (Notes 10 and 26)	190,232,695	25,301,864	215,534,559
Net OPEB liability (Notes 10 and 19)	64,443,789	4,862,029	69,305,818
Estimated liability for landfill postclosure care (Notes 10 and 13)	505,000	-	505,000
Total noncurrent liabilities	446,981,823	405,822,988	852,804,811
Total Liabilities	631,510,241	435,835,875	1,067,346,116

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF NET POSITION

JUNE 30, 2024

	Governmental Activities	Business-type Activities	Primary Government Total
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows from pensions (Note 26)	14,657,494	1,456,567	16,114,061
Deferred inflows from OPEB (Note 19)	13,972,860	1,885,452	15,858,312
Deferred inflows from Lease Receivable (Note 21)	1,599,148	-	1,599,148
Deferred inflows from Lease Receivable - PPP (Note 24)	2,006,160	-	2,006,160
Deferred inflows from PPP (Note 24)	3,376,069	-	3,376,069
Deferred effect of bond refunding, net	1,269,393	-	1,269,393
Total Deferred Inflows of Resources	<u>36,881,124</u>	<u>3,342,019</u>	<u>40,223,143</u>
NET POSITION			
Net investment in capital assets	215,153,224	120,799,579	335,952,803
Restricted:			
Street light special assessment	1,966,666	-	1,966,666
School crossing guards	813,783	-	813,783
Parkland improvements	3,682,106	-	3,682,106
Affordable housing services	15,100,025	-	15,100,025
Section 8 grants	1,737,960	-	1,737,960
Operating grants programs	556,731	-	556,731
Unrestricted (Note 17)			
Capital recovery fees	-	4,744,310	4,744,310
Other unrestricted	<u>(70,289,350)</u>	<u>14,132,773</u>	<u>(56,156,577)</u>
Total Net Position	\$ 168,721,145	\$ 139,676,662	\$ 308,397,807

The accompanying notes to the financial statements are an integral part of this statement.

Exhibit 2

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 62,272,743	\$ 6,291,632	\$ 30,414,051	\$ 514,800	\$ (25,052,260)	\$ -	\$ (25,052,260)
Public safety	134,116,364	3,185,172	19,173,945	200,000	(111,557,247)	-	(111,557,247)
Public works	31,655,625	3,041,227	989,725	3,319,804	(24,304,869)	-	(24,304,869)
Community services	61,160,610	5,205,262	27,875,241	1,714,365	(26,365,742)	-	(26,365,742)
Land use	12,315,364	13,005,178	-	-	689,814	-	689,814
Judiciary offices	6,696,131	12,485,798	-	-	5,789,667	-	5,789,667
Interest on long-term debt	3,909,733	-	-	-	(3,909,733)	-	(3,909,733)
Total governmental activities (See note 1)	312,126,570	43,214,269	78,452,962	5,748,969	(184,710,370)	-	(184,710,370)
Business-type activities:							
Sewer facilities	92,900,346	89,183,055	970,694	224,780	-	(2,521,817)	(2,521,817)
New Castle County airport	-	-	-	-	-	-	-
Total business-type activities	92,900,346	89,183,055	970,694	224,780	-	(2,521,817)	(2,521,817)
Total primary government	\$ 405,026,916	\$ 132,397,324	\$ 79,423,656	\$ 5,973,749	(184,710,370)	(2,521,817)	(187,232,187)
General revenues:							
Real estate tax					145,818,928	-	145,818,928
Transfer tax					31,749,836	-	31,749,836
Hotel tax					2,161,801	-	2,161,801
Unrestricted investment earnings					12,774,360	1,937,593	14,711,953
Total general revenues and transfers					192,504,925	1,937,593	194,442,518
Change in net position					7,794,555	(584,224)	7,210,331
Net position:							
Beginning of year					160,926,590	140,260,886	301,187,476
End of year					\$ 168,721,145	\$ 139,676,662	\$ 308,397,807

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2024

	General	Grants	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash and cash equivalents (Note 2)	\$ 116,640,611	\$ 76,823,167	\$ 15,220,167	\$ 208,683,945
Investments (Note 2)	120,205,814	-	3,660,366	123,866,180
Receivables (net of allowances):				
Taxes, including interest and penalties (Note 3 and 4)	2,828,276	-	194,832	3,023,108
Accounts (Note 4)	10,743,829	-	-	10,743,829
Lease (Note 4)	1,803,484	-	-	1,803,484
Lease - PPP (Note 4)	2,129,239	-	-	2,129,239
Other (Note 4)	492,655	376,201	880	869,736
Due from other funds (Note 7)	-	-	22,850,345	22,850,345
Due from other governments (Note 4)	-	5,151,747	2,051,433	7,203,180
Due from other agencies (Note 4)	-	50,287	-	50,287
Cash - restricted	9,201,284	7,657	-	9,208,941
Capital assets held for resale	314,055	510,844	-	824,899
Prepaid costs	1,468,651	-	3,081	1,471,732
Total assets	\$ 265,827,898	\$ 82,919,903	\$ 43,981,104	\$ 392,728,905
LIABILITIES:				
Vouchers payable and accrued expenditures	\$ 27,756,985	\$ 3,021,553	\$ 4,324,279	\$ 35,102,817
Retainage payable	-	18,505	380,058	398,563
Due to other funds (Note 7)	22,850,345	-	-	22,850,345
Other liabilities	17,960,694	15,913	14,375	17,990,982
Escrowed amounts	13,571,702	7,657	-	13,579,359
Unearned revenues (Note 9)	314,055	77,561,584	-	77,875,639
Total liabilities	82,453,781	80,625,212	4,718,712	167,797,705
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-lease receivable (Note 9)	\$ 1,599,148	\$ -	\$ -	\$ 1,599,148
Unavailable revenue-lease receivable-PPP (Note 9)	2,006,160	-	-	2,006,160
Unavailable revenue-room rentals (Note 9)	213,075	-	-	213,075
Unavailable revenue-property taxes (Note 9)	2,624,459	-	63,493	2,687,952
Total deferred inflows of resources	6,442,842	-	63,493	6,506,335
FUND BALANCES:				
Nonspendable:				
Prepaid costs	1,461,426	-	3,081	1,464,507
Prepaid costs - Hope Center	7,225	-	-	7,225
Restricted for:				
Light tax	-	-	1,966,666	1,966,666
Crossing guard	-	-	750,290	750,290
Garstin trust	-	-	3,682,106	3,682,106
Housing trust	-	-	15,100,025	15,100,025
Grants	-	2,294,691	-	2,294,691
Capital projects	-	-	17,428,383	17,428,383
Committed to:				
Budget reserve	45,312,006	-	-	45,312,006
Tax stabilization reserve	72,191,868	-	-	72,191,868
Transfer tax proceeds	37,124,670	-	-	37,124,670
Library	10,777	-	-	10,777
Reassessment Reserve	7,000,000	-	-	7,000,000
Assigned to:				
Hope Center	1,060,407	-	-	1,060,407
Other departmental purposes	1,208,255	-	268,348	1,476,603
Unassigned	11,554,641	-	-	11,554,641
Total fund balances	176,931,275	2,294,691	39,198,899	218,424,865
Total liabilities, deferred inflows of resources, and fund balances	\$ 265,827,898	\$ 82,919,903	\$ 43,981,104	\$ 392,728,905

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

RECONCILIATION OF THE GOVERNMENTAL FUNDS FUND BALANCE TO THE STATEMENT OF NET POSITION

GOVERNMENTAL FUNDS

June 30, 2024

Total fund balances for governmental funds (Exhibit 3)	\$ 218,424,865
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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. These assets consist of:

Land and construction in progress	\$ 101,657,204
Other capital assets net of \$346,151,259 accumulated depreciation and amortization	301,307,288
Total capital assets, net	<u>402,964,492</u>

Deferred outflows of resources are recognized in the statement of net position, but are not reported in governmental funds:

Pension contributions after the measurement date	4,294,926
Difference between expected and actual retirement plan experience	25,734,362
Difference between expected and actual retirement plan experience - OPEB	462,423
Change in actuarial assumptions	6,276,390
Change in actuarial assumptions - OPEB	7,293,770
Difference between projected and actual investment earnings	19,608,902
Change in proportionate share	<u>598,685</u>
	<u>64,269,458</u>

Deferred inflows of resources are recognized in the statement of net position, but are not reported in governmental funds:

Deferred effect of bond refunding	(1,269,393)
Deferred inflow - Public-Private Partnership (PPP)	(3,376,069)
Change in actuarial assumptions	(2,087,736)
Difference between expected and actual retirement plan experience	(12,465,253)
Difference between projected and actual investment earnings - OPEB	(2,018,241)
Change in proportionate share	(104,505)
Difference between expected and actual retirement plan experience - OPEB	<u>(11,954,619)</u>
	<u>(33,275,816)</u>

Certain revenues reported in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.

2,901,027

Long-term liabilities and bonds payable are not due and payable in the current period and therefore are not reported in the funds. The balances of these liabilities are as follows:

Claims and judgments payable	(13,637,410)
Accrued interest payable	(1,250,644)
Accrued compensated leave	(34,724,170)
Estimated liability for landfill postclosure care	(606,000)
Lease obligations and financed purchases	(25,189,691)
Unamortized bond premium	(6,263,482)
Net pension liability	(190,232,695)
Net OPEB liability	(64,443,789)
General obligation bonds payable	<u>(150,215,000)</u>
	<u>(486,562,881)</u>

Total net position of governmental activities (Exhibit 1)

\$ 168,721,145

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General	Grants	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 167,852,486	\$ -	\$ 11,928,185	\$ 179,780,671
Charges for services	22,861,660	2,205,124	-	25,066,784
Licenses and permits	8,409,791	-	244,965	8,654,756
Intergovernmental	18,399,723	57,558,734	4,559,579	80,518,036
Lease revenue	280,227	-	-	280,227
PPP revenue	241,334	-	-	241,334
Investment income	8,435,657	4,911,302	128,504	13,475,463
Net appreciation in fair value of investments	4,188,909	-	253,226	4,442,135
Rentals	493,434	-	-	493,434
Miscellaneous	3,782,328	-	1,189,390	4,971,718
Total revenues	234,945,549	64,675,160	18,303,849	317,924,558
Expenditures:				
Current:				
General government	22,449,469	30,414,051	9,030,398	61,893,918
Public safety	135,417,598	4,309,906	2,357,324	142,084,828
Public works	19,607,242	597,995	199,247	20,404,484
Community services	28,948,045	29,411,219	828,833	59,188,097
Land use	12,453,760	-	-	12,453,760
Judiciary offices	6,807,274	-	-	6,807,274
Capital outlays	-	-	44,525,228	44,525,228
Debt service:				
Principal	15,590,000	-	-	15,590,000
Interest and other charges	4,544,796	-	-	4,544,796
Total expenditures	245,818,184	64,733,171	56,941,030	367,492,385
Excess (deficiency) of revenues over expenditures	(10,872,635)	(58,011)	(38,637,181)	(49,567,827)
Other Financing Sources (Uses):				
Transfers in	8,000,515	223,705	16,103,745	24,327,965
Transfers out	(18,087,418)	(61,275)	(6,179,272)	(24,327,965)
Financed purchases	-	-	9,199,436	9,199,436
Lease payable/SBTAs	11,070,731	4,675	2,194,589	13,269,995
Sale of capital assets	400,044	400	-	400,444
Total other financing sources (uses)	1,383,872	167,505	21,318,498	22,869,875
Net change in fund balances	(9,488,763)	109,494	(17,318,683)	(26,697,952)
Fund Balances:				
Beginning of year	186,420,038	2,185,197	56,517,582	245,122,817
End of year	\$ 176,931,275	\$ 2,294,691	\$ 39,198,899	\$ 218,424,865

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2024

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in fund balances-total governmental funds (Exhibit 4)	\$ (26,697,952)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays (\$62,534,577) exceeded depreciation/amortization (\$25,118,175) in the current period.	37,416,402
The net effect of various miscellaneous transactions involving capital asset disposals (capital assets (\$4,343,220), less accumulated depreciation (\$4,133,143)), is to decrease net position.	(210,077)
Revenues from PPP (\$3,376,068) in the statement of activities that do not provide current financial resources, are not reported as revenues in the funds.	(3,376,068)
Revenues from property taxes (\$50,105) and room rentals (\$213,075) in the statement of activities that do not provide current financial resources, are not reported as revenues in the funds.	162,970
Financed purchases proceeds (\$9,199,436) and Lease/SBITA payments (\$13,269,995) provided current financial resources to governmental funds, while the repayment of the long-term debt consumed current financial resources of governmental funds. This transaction has no effect on net position.	(22,469,431)
Governmental funds report debt service and lease/financed purchase principal payments as expenditures. However, these amounts are not recorded in the statement of activities, because bond principal payments (\$15,590,000), and lease, financed purchase and subscription arrangement payments (\$5,389,675) are a reduction of their related liability.	20,979,675
Decreases in operating expenses due to the decrease in pension expense for the amortization of deferred outflows and inflows of resources related to the net pension liability.	(29,909,875)
Decreases in operating expenses due to the decrease in OPEB expense for the amortization of deferred outflows and inflows of resources related to the net OPEB liability.	(1,323,321)
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employer contributions is reported as pension expense.	4,294,926
The change in expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The net change in these expenses are as follows:	
Accrued compensated leave	(1,881,609)
Claims and judgments payable	2,327,295
Net pension liability	25,057,368
Net OPEB liability	2,610,189
Accrued interest payable	123,393
Amortization of bond premium	397,171
Deferred effect of bond refunding, net	114,499
Estimated liability for landfill postclosure care	179,000
	<u>28,927,306</u>
Change in net position of governmental activities (Exhibit 2)	<u>\$ 7,794,555</u>

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 181,475,000	\$ 181,475,000	\$ 167,852,486	\$ (13,622,514)
Charges for services	20,092,774	21,916,774	22,861,660	944,886
Licenses and permits	7,999,000	7,999,000	8,409,791	410,791
Intergovernmental	9,741,121	18,206,638	18,399,723	193,085
Lease revenue	-	-	280,227	280,227
PPP revenue	-	-	241,334	241,334
Investment income	4,518,125	4,518,125	8,435,657	3,917,532
Net appreciation in fair value of investments	-	-	4,188,909	4,188,909
Rentals	748,029	748,029	493,434	(254,595)
Miscellaneous	2,768,000	2,768,000	3,782,328	1,014,328
Total revenues	227,342,049	237,631,566	234,945,549	(2,686,017)
Expenditures:				
Current:				
General Government:				
Council:				
Salaries and wages	2,428,665	2,335,857	2,256,121	79,736
Fringe benefits	1,428,590	1,373,999	1,302,225	71,774
Training/civic affairs	70,888	61,851	61,119	732
Communications/utilities	17,849	19,256	17,437	1,819
Materials/supplies	61,042	31,022	30,098	924
Contractual services	415,107	443,693	417,530	26,163
Fixed charges/pass-thru-grants	441,482	273,464	273,217	247
Equipment	1,600	19,766	19,333	433
General and administrative credits	(14,141)	(14,141)	(14,141)	-
Total council	4,851,082	4,544,767	4,362,939	181,828
Executive:				
Salaries and wages	1,777,524	1,798,358	1,797,785	573
Fringe benefits	1,045,578	1,051,186	1,021,568	29,618
Training/civic affairs	31,904	34,379	34,443	(64)
Communications/utilities	15,698	19,551	19,522	29
Materials/supplies	22,236	12,383	11,670	713
Contractual services	230,581	670,470	468,293	202,177
Fixed charges/pass-thru-grants	43,000	1,140,000	1,144,550	(4,550)
Equipment	1,000	1,000	79	921
Contingencies	55,000	9,025	-	9,025
General and administrative credits	(88,187)	(88,187)	(88,187)	-
Total executive	3,134,334	4,648,165	4,409,723	238,442
Administration:				
Salaries and wages	8,892,835	11,749,899	11,442,779	307,120
Fringe benefits	5,133,295	8,129,915	6,297,266	1,832,649
Training/civic affairs	130,625	125,761	100,400	25,361
Communications/utilities	490,567	521,844	508,696	13,148
Materials/supplies	158,147	143,194	124,761	18,433
Contractual services	7,728,702	7,950,214	7,583,750	366,464
Fixed charges/pass-thru-grants	3,932,350	3,925,350	2,353,815	1,571,535
Equipment	389,900	380,184	376,382	3,802
Contingencies	3,512,433	1,285,633	-	1,285,633
Intragovernmental credits	(12,098,321)	(12,098,321)	(10,223,982)	(1,874,339)
General and administrative credits	(5,216,903)	(5,216,903)	(5,216,903)	-
Total administration	13,053,630	16,896,770	13,346,964	3,549,806

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
General Government: (Continued):				
Ethics Commission:				
Salaries and wages	\$ 38,000	\$ 39,495	\$ 39,060	\$ 435
Fringe benefits	3,385	4,088	3,479	609
Training/civic affairs	10,500	10,500	1,749	8,751
Communications/utilities	1,922	1,922	1,564	358
Materials/supplies	2,450	2,450	181	2,269
Contractual services	297,341	297,341	56,508	240,833
Equipment	500	500	-	500
Fixed charges/pass-thru-grants	-	-	3,246	(3,246)
Total ethics commission	354,098	356,296	105,787	250,509
Total general government	21,393,144	26,445,998	22,225,413	4,220,585
Public Safety:				
Salaries and wages	65,517,945	63,282,702	61,422,876	1,859,826
Fringe benefits	38,420,436	45,130,140	44,291,336	838,804
Training/civic affairs	163,269	172,657	156,671	15,986
Communications/utilities	1,009,660	1,029,685	906,062	123,623
Materials/supplies	992,011	1,198,700	1,089,023	109,677
Contractual services	9,203,899	9,256,046	8,555,735	700,311
Equipment	1,464,881	1,628,804	475,816	1,152,988
Fixed charges/pass-thru-grants	6,492,175	6,791,770	8,133,110	(1,341,340)
General and administrative credits	(225,300)	(225,300)	(225,300)	-
Total public safety	123,038,976	128,265,204	124,805,329	3,459,875
Public Works:				
Salaries and wages	10,219,257	10,179,073	10,160,056	19,017
Fringe benefits	5,919,088	6,028,951	5,805,191	223,760
Training/civic affairs	13,459	17,559	17,526	33
Communications/utilities	1,366,353	1,378,927	971,603	407,324
Materials/supplies	3,055,434	3,545,113	3,390,482	154,631
Contractual services	5,991,816	6,153,108	5,430,140	722,968
Fixed charges/pass-thru-grants	1,000,000	1,000,000	878,505	121,495
Equipment	92,110	73,889	31,377	42,512
Intragovernmental credits	(7,438,785)	(7,438,785)	(7,140,243)	(298,542)
General and administrative credits	43,294	43,294	43,294	-
Total public works	20,262,026	20,981,129	19,587,931	1,393,198
Community Services:				
Salaries and wages	11,754,322	12,198,825	12,197,353	1,472
Fringe benefits	5,318,947	5,453,601	5,316,836	136,765
Training/civic affairs	18,560	22,354	17,150	5,204
Communications/utilities	935,330	1,243,768	1,222,018	21,750
Materials/supplies	1,383,163	1,575,269	1,443,805	131,464
Contractual services	3,578,873	5,519,426	5,386,778	132,648
Fixed charges/pass-thru-grants	3,110,149	3,110,149	3,388,517	(278,368)
Equipment	18,900	40,336	31,716	8,620
Intragovernmental credits	(190,829)	(190,829)	(190,829)	-
Total community services	25,927,415	28,972,899	28,813,344	159,555

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Land Use:				
Salaries and wages	\$ 7,628,019	\$ 7,262,351	\$ 6,995,909	\$ 266,442
Fringe benefits	4,463,996	4,248,903	4,010,255	238,648
Training/civic affairs	60,165	51,115	42,604	8,511
Communications/utilities	102,091	102,411	100,166	2,245
Materials/supplies	110,127	85,807	80,391	5,416
Contractual services	2,458,070	2,563,285	2,253,682	309,603
Fixed charges/pass-thru-grants	56,500	56,500	74,079	(17,579)
Equipment	44,485	55,400	48,755	6,645
Intragovernmental credits	(803,217)	(803,217)	(697,486)	(105,731)
General and administrative credits	(485,923)	(485,923)	(485,923)	-
Total land use	13,634,313	13,136,632	12,422,432	714,200
Register of Wills:				
Salaries and wages	1,081,015	1,055,021	1,006,780	48,241
Fringe benefits	616,908	601,618	561,868	39,750
Training/civic affairs	35,275	39,075	34,025	5,050
Communications/utilities	12,374	12,374	10,872	1,502
Materials/supplies	10,625	9,230	8,602	628
Contractual services	147,848	141,355	89,657	51,698
Fixed charges/pass-thru-grants	-	-	1,588	(1,588)
Equipment	1,950	6,038	4,945	1,093
Total register of wills	1,905,995	1,864,711	1,718,337	146,374
Recorder of Deeds:				
Salaries and wages	1,263,001	1,169,927	1,115,872	54,055
Fringe benefits	730,446	675,698	637,389	38,309
Training/civic affairs	43,170	36,970	34,763	2,207
Communications/utilities	33,977	30,977	24,137	6,840
Materials/supplies	12,398	9,315	7,068	2,247
Contractual services	227,720	245,003	226,537	18,466
Fixed charges/pass-thru-grants	18,350	18,350	26,756	(8,406)
Equipment	6,150	1,150	-	1,150
Total recorder of deeds	2,335,212	2,187,390	2,072,522	114,868

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2024
(CONTINUED)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Judiciary Offices: (Continued):				
Sheriff:				
Salaries and wages	\$ 1,260,692	\$ 1,259,632	\$ 1,258,722	\$ 910
Fringe benefits	737,678	742,054	726,530	15,524
Training/civic affairs	29,452	29,452	21,600	7,852
Communications/utilities	16,189	16,189	11,608	4,581
Materials/supplies	21,259	22,782	13,853	8,929
Contractual services	200,937	200,937	175,751	25,186
Equipment	5,000	5,000	-	5,000
Fixed charges/pass-thru-grants	-	-	1,588	(1,588)
Total sheriff	2,271,207	2,276,046	2,209,652	66,394
Clerk of the Peace:				
Salaries and wages	474,736	451,752	432,005	19,747
Fringe benefits	279,250	265,730	249,351	16,379
Training/civic affairs	14,130	14,130	9,000	5,130
Communications/utilities	5,168	5,168	3,757	1,411
Materials/supplies	5,424	5,424	4,312	1,112
Contractual services	49,344	61,819	56,155	5,664
Equipment	6,000	6,000	-	6,000
Fixed charges/pass-thru-grants	-	-	3,117	(3,117)
Total clerk of the peace	834,052	810,023	757,697	52,326
Total judiciary offices	7,346,466	7,138,170	6,758,208	379,962
Debt Service:				
Principal	15,590,000	15,590,000	15,590,000	-
Interest and other charges	4,544,797	4,544,797	4,544,796	1
Total debt service	20,134,797	20,134,797	20,134,796	1
Total expenditures	231,737,137	245,074,829	234,747,453	10,327,376
Excess of revenues over expenditures	(4,395,088)	(7,443,263)	198,096	7,641,359
Other Financing Sources (Uses):				
Transfers in	-	1,245,950	8,000,515	6,754,565
Transfers out	(8,718,772)	(8,887,418)	(18,087,418)	(9,200,000)
Sale of capital assets	220,040	220,040	400,044	180,004
Total other financing sources (uses)	(8,498,732)	(7,421,428)	(9,686,859)	(2,265,431)
Net change in fund balance	(12,893,820)	(14,864,691)	(9,488,763)	5,375,928
Adjustment to reconcile to GAAP basis:				
Expenditures not budgeted - Lease and SBITA payments	-	-	(11,070,731)	(11,070,731)
Revenues recognized on GAAP basis- Lease and SBITA	-	-	11,070,731	11,070,731
Fund Balance:				
Beginning of year	36,834,397	(9,948,118)	186,420,038	196,368,156
End of year	<u>\$ 23,940,577</u>	<u>\$ (24,812,809)</u>	<u>\$ 176,931,275</u>	<u>\$ 201,744,084</u>

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2024

	Business-type Activities - Enterprise Funds		
	Sewer Facilities	Nonmajor Fund New Castle County Airport	Total
ASSETS			
Current Assets:			
Cash and cash equivalents (Note 2)	\$ 16,919,261	\$ 56,058	\$ 16,975,319
Investments (Note 2)	30,296,019	-	30,296,019
Receivables (net of allowances):			
Service charges (Note 4)	9,240,672	-	9,240,672
Other (Note 4)	367,628	-	367,628
Due from other governments (Note 4)	321,697	-	321,697
Restricted cash and cash equivalents (Note 2)	14,798,507	-	14,798,507
Total current assets	<u>71,943,784</u>	<u>56,058</u>	<u>71,999,842</u>
Capital Assets: (Note 5)			
Land	33,162,038	2,158,912	35,320,950
Buildings	39,208,598	4,820,100	44,028,698
Building improvements	3,521,819	-	3,521,819
Equipment	53,306,032	1,000	53,307,032
Improvements other than buildings	4,434,446	43,682,500	48,116,946
Infrastructure	699,433,085	-	699,433,085
Construction in progress	8,245,691	-	8,245,691
Less accumulated depreciation/amortization	(343,246,127)	(48,503,600)	(391,749,727)
Total capital assets, net	<u>498,065,582</u>	<u>2,158,912</u>	<u>500,224,494</u>
Total noncurrent assets	<u>498,065,582</u>	<u>2,158,912</u>	<u>500,224,494</u>
Total assets	<u>570,009,366</u>	<u>2,214,970</u>	<u>572,224,336</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow from pensions (Note 26)	4,293,517	-	4,293,517
Deferred outflow from other post-employment benefits (Note 19)	1,033,736	-	1,033,736
Deferred effect of bond refunding, net (Note 10)	1,302,967	-	1,302,967
Total deferred outflows of resources	6,630,220	-	6,630,220
LIABILITIES			
Current Liabilities:			
Vouchers payable and accrued expenses	8,735,725	-	8,735,725
Retainage payable	247,824	-	247,824
Accrued interest payable	3,865,625	-	3,865,625
Unearned revenue	52,924	-	52,924
Escrowed amounts	608,037	-	608,037
General obligation bonds - current (Note10)	12,398,979	-	12,398,979
Loans payable - current (Note 10)	1,544,975	-	1,544,975
Lease payable/financed purchases/SBITAs (Notes 10, 21, 22 and 23)	1,254,533	-	1,254,533
Accrued compensated leave (Notes 8 and 10)	1,304,265	-	1,304,265
Total current liabilities	<u>30,012,887</u>	<u>-</u>	<u>30,012,887</u>
Noncurrent Liabilities:			
Net pension liability (Note 26)	25,301,864	-	25,301,864
Net other post-employment benefit liability (Note 19)	4,862,029	-	4,862,029
General obligation bonds payable (net of current portion) (Note10)	347,009,196	-	347,009,196
Loans payable (Note 10)	23,284,415	-	23,284,415
Lease payable/financed purchases/SBITAs (Notes 10, 21, 22 and 23)	3,000,917	-	3,000,917
Accrued compensated leave (Notes 8 and 10)	2,364,567	-	2,364,567
Total noncurrent liabilities	<u>405,822,988</u>	<u>-</u>	<u>405,822,988</u>
Total liabilities	<u>435,835,875</u>	<u>-</u>	<u>435,835,875</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow from pensions (Note 26)	1,456,567	-	1,456,567
Deferred inflow from other post-employment benefits (Note 19)	1,885,452	-	1,885,452
Total deferred inflows of resources	3,342,019	-	3,342,019
NET POSITION			
Net investment in capital assets	118,640,667	2,158,912	120,799,579
Unrestricted (Note 17)			
Capital recovery fees	4,744,310	-	4,744,310
Other unrestricted	14,076,715	56,058	14,132,773
Total net position	<u>\$ 137,461,692</u>	<u>\$ 2,214,970</u>	<u>\$ 139,676,662</u>

The accompanying notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Business - type Activities Enterprise Funds		
	Sewer Facilities	New Castle County Airport	Total
Operating Revenues:			
Charges for services	\$ 89,183,055	\$ -	\$ 89,183,055
Total operating revenues	89,183,055	-	89,183,055
Operating Expenses:			
Salaries and wages	14,647,288	-	14,647,288
Employee benefits	8,386,149	-	8,386,149
Training and civic affairs	17,653	-	17,653
Communications and utilities	25,871,563	-	25,871,563
Materials and supplies	1,323,265	-	1,323,265
Contractual services	9,212,330	-	9,212,330
Equipment	68,143	-	68,143
Depreciation and Amortization	17,545,929	-	17,545,929
Pension expense	339,625	-	339,625
OPEB expense	(202,041)	-	(202,041)
Administrative and fixed charges	4,367,764	-	4,367,764
Land and structure	34,800	-	34,800
Total operating expenses	81,612,468	-	81,612,468
Operating Income (loss)	7,570,587	-	7,570,587
Non-operating Revenues (Expenses):			
Investment income	2,324,535	-	2,324,535
Net depreciation in fair value of investments	(386,942)	-	(386,942)
RZEDB Interest Reimbursement	853,615	-	853,615
Interest expense	(11,388,567)	-	(11,388,567)
Financed purchases/Lease/SBITA interest expense	(114,016)	-	(114,016)
Other revenues/expenses	70,156	-	70,156
Gain/Loss on sale of capital assets	46,923	-	46,923
Bond premium amortization	214,705	-	214,705
Total non-operating revenues (expenses)	(8,379,591)	-	(8,379,591)
Income (loss) before contributions	(809,004)	-	(809,004)
Capital contributions	224,780	-	224,780
Change in net position	(584,224)	-	(584,224)
Net Position:			
Beginning of year	138,045,916	2,214,970	140,260,886
End of year	<u>\$ 137,461,692</u>	<u>\$ 2,214,970</u>	<u>\$ 139,676,662</u>

The notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Business - type Activities - Enterprise Funds		
	Sewer Facilities	New Castle County Airport	Totals
Cash Flows From Operating Activities:			
Cash received from customers	\$ 90,027,949	\$ -	\$ 90,027,949
Cash payments to employees for services	(22,667,398)	-	(22,667,398)
Cash payments to suppliers for goods and services	(41,617,703)	-	(41,617,703)
Customer deposits received	51,555	-	51,555
Customer deposits returned	(14,600)	-	(14,600)
Other revenue	89,795	-	89,795
Net cash provided by operating activities	25,869,598	-	25,869,598
Cash Flows From Capital and Related Financing Activities:			
RZEDB Interest Reimbursement	853,615	-	853,615
Debt Issuance	1,084,724	-	1,084,724
Principal paid on bond debt	(11,525,000)	-	(11,525,000)
Interest paid on bond debt	(10,970,848)	-	(10,970,848)
Principal paid on loan payable	(1,072,359)	-	(1,072,359)
Interest paid on loan payable	(515,664)	-	(515,664)
Principal paid on financed purchases/lease payable/sbita	(1,125,051)	-	(1,125,051)
Interest paid on financed purchases/lease payable/sbita	(114,016)	-	(114,016)
Payments to acquire, construct, or improve capital assets	(8,912,576)	-	(8,912,576)
Capital Transfers	449,443	-	449,443
Net cash used for capital and related financing activities	(31,847,732)	-	(31,847,732)
Cash Flows From Investing Activities:			
Income received on investments	2,383,022	-	2,383,022
Proceeds from sales of investments	17,361,294	-	17,361,294
Purchases of investments	(19,492,434)	-	(19,492,434)
Net cash provided/(used) by investing activities	251,882	-	251,882
Net increase in cash and cash equivalents	(5,726,252)	-	(5,726,252)
Cash and cash equivalents at beginning of year	37,444,020	56,058	37,500,078
Cash and cash equivalents at end of year	\$ 31,717,768	\$ 56,058	\$ 31,773,826

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Business - type Activities - Enterprise Funds		
	Sewer Facilities	New Castle County Airport	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating income/(loss)	\$ 7,570,587	\$ -	\$ 7,570,587
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation expense	17,545,929	-	17,545,929
Other revenue/(expense)	70,156	-	70,156
Effect of changes in operating assets, liabilities, deferred inflows and deferred outflows:			
Decrease/(Increase) in receivables	653,452	-	653,452
Increase/(Decrease) in vouchers payable and accrued expenses	(357,056)	-	(357,056)
Increase/(Decrease) in escrowed amounts	36,955	-	36,955
Increase/(Decrease) in other liabilities	211,992	-	211,992
Increase/(Decrease) in net pension liability	(4,134,807)	-	(4,134,807)
Increase/(Decrease) in deferred inflow from pensions	1,456,566	-	1,456,566
Decrease/(Increase) in deferred outflow from pensions	3,017,865	-	3,017,865
Increase/(Decrease) in net OPEB liability	(331,639)	-	(331,639)
Increase/(Decrease) in deferred inflow from OPEB	(493,164)	-	(493,164)
Decrease/(Increase) in deferred outflow from OPEB	622,762	-	622,762
Total reconciling adjustments	18,299,011	-	18,299,011
Net cash provided by operating activities	\$ 25,869,598	\$ -	\$ 25,869,598
Noncash Investing, Capital, and Financing Activities:			
Increase/(Decrease) in fair value of investments	\$ (386,942)	\$ -	\$ (386,942)
Increase/(Decrease) in assets related to lease payable	1,407,870	-	\$ 1,407,870
Reconciliation to the Statement of Net Position:			
Cash and cash equivalents	\$ 16,919,261	\$ 56,058	\$ 16,975,319
Restricted cash and cash equivalents	14,798,507	-	14,798,507
Cash and cash equivalents at end of year	\$ 31,717,768	\$ 56,058	\$ 31,773,826

The notes to the financial statements are an integral part of this statement.

NEW CASTLE COUNTY, DELAWARE**STATEMENT OF FIDUCIARY NET POSITION****FIDUCIARY FUNDS****June 30, 2024**

	Pension and OPEB Trusts
ASSETS	
Cash and cash equivalents (Note 2)	\$ 9,175,206
Investments: (Note 2)	
Common and preferred stock	67,033,293
Mutual funds	149,075,471
Real estate equity funds	5,814,089
Collective trusts	318,456,606
Private equity	58,424,374
Receivables (net of allowances):	
Other (Note 4)	<u>7,898,906</u>
Total assets	<u>615,877,945</u>
LIABILITIES	
Vouchers payable and accrued expenses	<u>660,888</u>
Total liabilities	<u>660,888</u>
NET POSITION	
Net position restricted for pensions	540,417,864
Net position restricted for other post employment benefits	<u>74,799,193</u>
Total Net Position	<u>\$ 615,217,057</u>

The accompanying notes to the financial statements are an integral part of this statement.

Exhibit 10

NEW CASTLE COUNTY, DELAWARE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Pension and OPEB Trusts
Additions:	
Contributions:	
Plan members	\$ 4,071,485
New Castle County	35,687,375
State of Delaware	8,365,517
Other contributions	<u>24,109</u>
 Total contributions	<u>48,148,486</u>
Investment income:	
Net increase in fair value of investments	28,594,834
Interest, dividends, and other income, including realized gains/losses	<u>22,808,265</u>
 Total investment income	<u>51,403,099</u>
Less investment expense	<u>2,597,686</u>
Net investment income	<u>48,805,413</u>
Total additions	<u>96,953,899</u>
Deductions:	
Benefit payments	56,624,263
Refunds of contributions	191,817
Administrative expenses	639,293
Other expenses, net	<u>23,988</u>
 Total deductions	<u>57,479,361</u>
Net increase in net position	<u>39,474,538</u>
Net position	
Beginning of year	<u>575,742,519</u>
End of year	<u>\$ 615,217,057</u>

The accompanying notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

- (1) Summary of Significant Accounting Policies
- (2) Deposits and Investments
- (3) Property Taxes
- (4) Receivables
- (5) Capital Assets
- (6) Construction Commitments
- (7) Interfund Receivables, Payables and Transfers
- (8) Compensated Leave
- (9) Unavailable / Unearned Revenue
- (10) Long-term Debt
- (11) Debt Margin and Bonds Authorized but Unissued
- (12) Defeasance of Debt
- (13) Landfill Postclosure Care Costs
- (14) Risk Management
- (15) Contingencies
- (16) Conduit Debt
- (17) Unrestricted Net Position – Business-type Activities
- (18) Fund Balance
- (19) Other Post Employment Benefits
- (20) On-Behalf Payments
- (21) Leases
- (22) Financed Purchases
- (23) Subscription-Based IT Arrangements (SBITAs)
- (24) Public-Private Partnerships (PPPs)
- (25) Deferred Compensation Plan
- (26) Defined Benefit Pension Plans
- (27) Tax Abatements
- (28) Subsequent Events

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(1) Summary of Significant Accounting Policies:

A. Financial Reporting Entity:

New Castle County Government was established on January 3, 1967, replacing the Levy Court Commission with a Council-Executive form of government. The powers and duties of the County Government are set forth in Chapter 11, Title 9 of the Delaware Code. The County Government is composed of (i) a legislative body (the "Council"), and (ii) an administrative body headed by the County Executive, (the "Administration"), which includes five operating departments and four judiciary (row) offices.

New Castle County, Delaware (the County) provides many governmental services. The majority of these services are mandated by statute or code; however, there are some services that are discretionary in nature and highly desired by the citizens of the County. Major public services/facilities include police protection, paramedic services, parks, recreation programs, libraries, sewer services and code enforcement.

The County's financial reporting entity is required to consist of all organizations for which the County is financially accountable or for which there is a significant relationship. The County has no component units in its financial reporting entity.

Related Organization

During the fiscal year ended June 30, 2021, the County purchased the Hope Center, which is owned by the County and operated by a third-party management company; residual, non-grant related activity is reported within the General Fund. A related 501c-3 organization, the New Castle County Hope Center, Inc. (the Center) was also formed to provide financial support to the Hope Center. The County contracted with an individual to establish the Center; however, the County is not responsible for appointing the members of the board, there is no financial benefit or burden relationship with the County and the County does not have any further accountability. Therefore, financial statements of the Center are not included in the County's financial statements.

B. Government-wide and Fund Financial Statements:

The accounting policies of New Castle County conform to generally accepted accounting principles generally accepted in the United States of America applicable to governments, including the presentation of the government-wide financial statements and the fund financial statements. Both of these are explained below.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, interfund activities have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: charges to customers who purchase, use, or directly benefit from goods, services or privileges provided by a given function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among the program revenues are reported as general revenues. The County does not allocate general government (indirect) expenses to other functions.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(1) Summary of Significant Accounting Policies (Continued):

B. Government-wide and Fund Financial Statements (Continued):

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds; however, the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, charges for services, permits, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major funds:

General Fund – This fund is the County's primary operating fund. It accounts for the general operating activities of the County, except for those required to be accounted for in another fund. General government, police, public works, community services, land use, judiciary offices, and general governmental debt service are financed through this fund with receipts from general property taxes, licenses and permits, investment income, rentals, charges for current services, intergovernmental and other revenue.

Grants Fund – This fund accounts for certain operating activities of the County. It accounts for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes. Public safety, public works, community services, general government, and land use are financed through this fund with revenue from federal, state, local and private sources.

Proprietary funds are used when it is intended to recover the cost of operation, including depreciation, primarily through user charges. The County reports the following major proprietary fund:

Sewer Facilities Fund – This fund is used to account for the operation and construction of sewage and stormwater collection systems and is financed primarily with revenue from user sewer service charges.

Additionally, the County reports the following governmental, proprietary, and fiduciary fund types:

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(1) Summary of Significant Accounting Policies (Continued):

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued):

Governmental

Light Tax Fund – This fund is used to account for lighting costs financed with revenues from users within the light districts.

Crossing Guard Fund – This fund is used to account for school crossing guard costs financed with revenues from users within the school districts.

Garstin Trust Fund – This fund is used to account for the costs of providing for the care, maintenance, and upkeep of county parks and related facilities financed with proceeds from an endowment.

Housing Trust Fund – This fund is used to account for the construction, purchase, and maintenance of permanently affordable housing units.

Capital Projects Funds – These funds are used to account for and report financial resources provided by bond proceeds, intergovernmental grants and private contributions that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The Capital Projects Funds consist of the following funds:

- **Facilities and Equipment** - Used to account for design, construction and improvements of County buildings.
- **Park Development** – This fund is used to account for the acquisition and development of County parkland.
- **Public Safety** - Used to account for improvements at the police building and facilities.
- **Miscellaneous Capital Improvements** - Used to account for all other construction improvements.

Proprietary

New Castle County Airport Fund – This proprietary fund is used to account for the County's ownership of an airport facility and related industrial park.

Fiduciary

Pension Trust Fund – This fiduciary fund is used to account for the assets of the pension fund which are held in a trustee capacity for the employees of New Castle County. The Pension Program, which is part of the County's legal entity, is a single employer defined benefit pension plan that provides benefits to eligible county employees.

Other Post Employment Benefits Trust Fund – This fiduciary fund is used to account for the assets of the other post employment benefits (OPEB) trust fund which are held in a trustee capacity for the retirees of New Castle County. The OPEB Program, which is part of the County's legal entity, is a single employer defined benefit OPEB plan that provides benefits to eligible county employees.

D. Interfund Eliminations:

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the governmental activities and the business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(1) Summary of Significant Accounting Policies (Continued):

E. Program Revenues:

Amounts reported as program revenues include: charges to customers for goods, services or privileges provided, operating grants and contributions, and capital grants and contributions. General revenues include all taxes.

F. Flow Assumption for Restricted Resources:

Net position is restricted when constraints placed on it are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted (committed, assigned, or unassigned) resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts.

G. Operating and Nonoperating Revenues:

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The sewer facilities fund, which is a major enterprise fund, accounts for the majority of our operating revenues and expenses. The principal operating revenues of the sewer fund are charges to customers for providing sewer services. Operating expenses for the enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All other revenues and expenses not meeting the above criteria are reported as nonoperating revenues and expenses.

H. Deposits and Investments:

Cash resources of the individual funds, excluding the Pension Trust fund and the OPEB Trust fund and certain endowment and grant funds, are combined to form a pool of cash and investments to maximize investment earnings.

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with maturities of three months or less from the date of acquisition.

As a depositor, New Castle County generally requires full and continuous collateralization of average monthly ledger balances that are greater than the amount insured by the FDIC. Securities pledged as collateral must have a fair value equal to or greater than 102% of the ledger balances in the accounts marked to market monthly, consisting of one or more of the following:

- U.S. Government securities
- U.S. Government agency or instrumentality securities
- State of Delaware securities.

As an investor, New Castle County may invest in a wide range of securities including:

- Securities issued by the U.S. Government and its Agencies or Instrumentalities, TIPS, certificates of deposit, cash and cash equivalents, time deposits, repurchase agreements, money market funds, and commercial paper.
- Corporate bonds, asset-backed securities, mortgage-backed securities issued by a U.S. Government agency or instrumentality, Yankee bonds, Eurodollar bonds, and sovereign debt.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(1) Summary of Significant Accounting Policies (Continued):

H. Deposits and Investments (Continued):

Pooled investment vehicles such as mutual funds may be utilized. The Pension Trust fund and OPEB Trust fund have separate investment policies. Please see Note 2 for more information on those policies.

I. Inventories:

Inventories are recorded as expenses/expenditures when acquired and are not considered material.

J. Advance Deposits, Prepaid Costs and Loans Receivable:

Metered postage and health care costs are recorded as prepaid items in both government-wide and fund financial statements. These items are recorded as expenses/expenditures when consumed.

The County established the Grow New Castle County Delaware Fund, part of the Grow America Fund, Inc. (GAF), to provide loans to promote economic development in New Castle County. This small business lending program is intended to help recruit businesses and expand existing businesses. The County deposited \$750,000 with GAF along with \$250,000 of grant funds provided by Discover Bank through the Delaware Community Foundation. The total lending ability will be up to \$4,000,000 because of the SBA 75% loan guarantee. Deposits not yet used for loans with GAF are restricted for small business lending. Loans of \$325,000 were processed during fiscal year 2024. The loan balance was \$313,474 at June 30, 2024, with interest at 1% per annum. The deposit with GAF is included in prepaid costs in the balance sheet and statement of net position.

K. Housing Loans:

The County issues rehab and Down Payment Settlement loans under the Community Development Block Grant (CDBG), various County and private revolving funds, and in the past has issued loans under the Home Investment (HOME) program; and records these loans as expenditures in the year the loans are made to participants. The HOME Program provides loans to housing developers on larger housing projects. Loans have a certain deferral period up to 20 years, with a repayment period of 10 years (total loan period of 30 years). The rehab loans are typically deferred and are not required to be paid back until the participating homeowner sells, transfers title to the rehabilitated property, or discontinues residence in the dwelling. In some cases, the loan repayment is forgiven under certain programs based upon an agreement with the owner under that county program. The County maintains detailed records of these loans and records loan principal and interest payments as program revenues in the year such payments are received. These loan balances are not included on the statement of net position or balance sheet of these financial statements due to their extended maturity dates and uncertainty of repayment and therefore have an allowance for the full amount. Loan balances outstanding as of June 30, 2024 were \$15,688,311.

L. Restricted Assets:

Restricted cash and cash equivalents in the governmental activities consist of Section 8 escrow funds required by the Department of Housing & Urban Development to be deposited into a separate depository account for the Family Self-Sufficiency (FSS) program. Upon the participants' successful completion of the program, the funds are paid to the FSS participants. Row Office funds represent deposits that are due to other agencies for collections of transfer taxes and sheriff fees. Restricted cash and cash equivalents in both the governmental and business-type activities also include unspent bond proceeds limited by applicable bond covenants to specific capital projects.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(1) Summary of Significant Accounting Policies (Continued):

M. Capital Assets:

Capital assets, which include land, buildings, building improvements, equipment, improvements other than buildings, and infrastructure assets, are recorded in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with a value of \$5,000 or more and a useful life in excess of one year. This capitalization threshold is applied to individual capital assets rather than to groups/sets of capital assets (e.g. chairs, desks, etc.). Such assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense subject to capitalization incurred by the County during the current fiscal year was immaterial.

Buildings, building improvements, equipment, improvements other than buildings, and infrastructure are depreciated by using the straight-line method over the estimated useful lives as follows:

Assets	Years
Buildings	45
Building Improvements	45
Equipment	5 - 20
Improvements other than buildings	20
Sewer System	45

N. Leases:

Right of Use Asset

Right-of-Use (ROU) assets are recognized at the lease commencement date and represent the County's right to use an underlying asset for the lease term. ROU assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement and initial direct costs.

Lease Liability

Lease liabilities represent the County's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the remaining lease term. Present value of lease payments are discounted based on the stated borrowing rate or, if a rate is not stated, an average borrowing rate calculated by the County.

The County's ROU lease assets are measured based on the corresponding lease liability adjusted for: (i) payments made to the lessor at or before the commencement date, (ii) initial direct costs incurred, and (iii) lease incentives under the lease. Options to renew or terminate the lease are recognized as part of ROU assets and lease liabilities when it is reasonably certain the options will be exercised.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

(Continued)

(1) Summary of Significant Accounting Policies (Continued):

N. Leases (Continued):

Deferred Inflows

Leases where the County is the lessor are recorded as deferred inflows until the resources become available in the applicable reporting period.

O. Subscription-Based IT Arrangements (SBITAs):

A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The County uses various SBITA assets. The related obligations are presented in the amounts equal to the present value of subscription payments, payable during the remaining SBITA term. The County did not incur expenses related to its SBITA activities such as termination penalties or losses due to impairment.

The County's SBITA assets are measured based on the corresponding subscription liability adjusted for: (i) payments made to the lessor at or before the commencement date, (ii) initial direct costs incurred, and (iii) lease incentives under the lease. Options to renew or terminate the lease are recognized as part of SBITA assets and subscription liabilities when it is reasonably certain the options will be exercised.

P. Public-Private Partnership (PPP):

The County has a PPP related to the design, operation, maintenance, and management of the Delcastle Tennis Facility and the Delcastle Golf course. The County recognizes underlying PPP assets as capital assets and deferred inflows of resources in its financial statements. The PPP capital assets and related deferred inflows of resources are amortized over the term of the PPP. In addition, the County recognizes a receivable and deferred inflows of resources related to future payments to be received. The installment receivable is initially measured at the commencement of the PPP term at the present value of payments expected to be received during the agreement term. The receivable is subsequently reduced by the principal portion of payments received. Deferred inflows of resources are initially measured at the value of the corresponding receivable, adjusted for payments received at or before the agreement commencement date. Deferred inflows of resources related to the PPP are recognized as revenues over the agreement term. The County calculates PPP receivable at the present value of payments expected to be received during the term outlined in the arrangement using a discount rate.

Q. Long-term Obligations:

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method.

R. Deferred Inflows/Outflows of Resources:

Deferred outflows of resources are defined as consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows increase net position, similar to assets and deferred inflows decrease net position, similar to liabilities. Additional detail regarding deferred inflows and outflows can be found in Notes 9, 19, 24, and 26.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

(Continued)

(1) Summary of Significant Accounting Policies (Continued):

S. Budgetary Information:

The County follows these procedures in developing its budget:

1. Prior to April 1, the County Executive submits to the County Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to review the proposed budget and obtain taxpayer comments.
3. Prior to June 1, the annual appropriated budget is enacted through legislation. Appropriations are legislated at the departmental level by object of expenditure. Appropriation control is maintained through the accounting system.

The Budget Office is authorized to make certain budgetary transfers within a department, as allowed by the County Code. All other changes must be approved by the County Council.

Formal budgetary integration and project controls are employed as a management control device for governmental funds. The County legally adopts an annual budget for the General Fund, Light Tax Fund, and Crossing Guard Fund. Where grant budgets are adopted, these are on a grant basis and generally overlap fiscal years. The Capital Projects Funds budgets are for more than one fiscal year and, in many cases, encompass a six-year period. Comparisons of budget to actual for a fiscal year do not present a meaningful comparison for these funds and are therefore not presented. As an alternative, inception to date budget and actual schedules are presented for the grants and capital projects funds.

Budgets for the governmental funds are adopted on a basis materially consistent with generally accepted accounting principles (GAAP). The final budgeted amounts are presented as amended through June 30, 2024. Supplemental appropriations to the original budget of \$12,557,939 were necessary and legislated during the year for the General fund. Unexpended appropriations in the operating budget lapse at year-end, while encumbered amounts are reappropriated in the subsequent year.

T. Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration and project control in all governmental funds. Amounts encumbered for a specific purpose for which amounts have not been previously restricted, committed, or assigned, are classified as assigned, and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent fiscal year.

While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to county regulations.

U. Use of Estimates:

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

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(1) Summary of Significant Accounting Policies (Continued):

V. GASB Statements:

Adoption of New Accounting Pronouncements

In April of 2022, the GASB issued Statement No. 99 Omnibus 2022. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative guidance by addressing practice issues identified during implementation of certain GASB statements. The requirements relating to financial guarantees and reporting of derivative are effective for fiscal years beginning after June 15, 2023. The County has evaluated this statement and determined it has addressed the requirements of this statement as it relates financial guarantees and reporting of derivatives.

In June of 2022, the GASB issued Statement No. 100 Accounting Changes and Error Corrections. The objective of this statement is to enhance 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 requirements for this statement are effective for fiscal years beginning after June 15, 2023. The County has evaluated this statement and determined it has addressed the requirements of this statement.

In June of 2022, the GASB issued Statement No. 101 Compensated Absences. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023. The County is currently evaluating the future impact of this statement.

In December 2023, the GASB issued Statement No. 102 Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this statement are effective for fiscal years beginning after June 14, 2024. The County is currently evaluating the future impact of this statement.

GASB Implementation Guide 2021-Question 5.1 provides clarification on issues related to capitalization thresholds for group purchases. The implementation of GASB Implementation Guide 2021-1 did not have an effect on the financial statements of the County.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments:

Custodial credit risk:

Deposits:

For deposits, custodial credit risk is the risk that in the event of the failure of a depository financial institution, a government might be unable to recover its deposits or related collateral securities. The carrying amount of the County's, Pension and OPEB's cash deposits and cash on hand at June 30, 2024 was \$155,692,077. The bank balances were \$155,194,037. In addition, \$836,383 in bank money market accounts were classified as deposits for purposes of custodial credit risk disclosure. Of the \$157,647,743 in total deposits, none of the County's deposits were subject to custodial risk because they were collateralized as of June 30, 2024 with the exception of \$1,254,188 of deposits which were not collateralized. The investment policies for the County and the Fiduciary funds do not address custodial credit risk for deposits.

Cash Equivalents:

Of the County's, Pension, and OPEB's \$103,149,841 in highly liquid investments (maturing in less than a year), consisting of a combination of investment types such as money market mutual funds, treasuries, commercial paper and agencies, \$100,706,912 are unsecured investment instruments and therefore are reflected as uncollateralized.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Investments (Continued):

The following is a schedule which details the County's and OPEB Trust fund's investments. The County has reviewed the credit ratings assigned by two of the major credit rating agencies (when two ratings are provided by the custodian) for each security as of June 30, 2024. The lower of the two ratings was used in this table.

Investment Type	Fair Value	Weighted Average Modified Duration (Years)	Credit Rating	Rating Agency
US Government Obligations	\$ 51,167,134	3.777	Govt	S&P
US Government Agencies and Instrumentalities	10,865,418	0.745	AA+	S&P
Corporate Obligations	92,966		Aaa	Moody's
Corporate Obligations	443,886		AA3	Moody's
Corporate Obligations	217,232		AA-	S&P
Corporate Obligations	1,973,669		A1	Moody's
Corporate Obligations	1,717,636		A+	S&P
Corporate Obligations	3,039,322		A2	Moody's
Corporate Obligations	2,853,792		A	S&P
Corporate Obligations	4,840,232		A3	Moody's
Corporate Obligations	6,251,815		A-	S&P
Corporate Obligations	6,514,495		Baa1	Moody's
Corporate Obligations	3,251,141		BBB+	S&P
Corporate Obligations	7,436,645		Baa2	Moody's
Corporate Obligations	1,441,916		BBB	S&P
Corporate Obligations	818,613		Baa3	Moody's
Corporate Obligations	141,501		BBB-	S&P
Corporate Obligations	747,084		NR/WR	
Subtotal - Corporate Obligations	41,781,945	2.947		
Asset Backed Securities	2,212,009		Aaa	Moody's
Asset Backed Securities	20,821,337		AA+	S&P
Asset Backed Securities	9,908,827		NR	
Subtotal - Asset Backed Securities	32,942,173	1.866		

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Investments (Continued):

Investment Type	Fair Value	Weighted Average Modified Duration (Years)	Credit Rating	Rating Agency
Municipal Obligations	\$ 468,605		Aaa	Moody's
Municipal Obligations	561,230		Aa1	Moody's
Municipal Obligations	653,979		Aa2	Moody's
Municipal Obligations	1,212,880		Aa3	Moody's
Municipal Obligations	167,603		AA-	S&P
Municipal Obligations	2,157,405		A1	Moody's
Municipal Obligations	337,916		A+	S&P
Municipal Obligations	328,011		A2	Moody's
Municipal Obligations	189,081		A	S&P
Municipal Obligations	384,893		A3	Moody's
Municipal Obligations	50,346		A-	S&P
Municipal Obligations	116,236		Baa2	Moody's
Municipal Obligations	7,116,978		NR/WR	
Subtotal - Municipal Obligations	<u>13,745,163</u>	4.702		
Subtotal Debt Securities	<u>150,501,833</u>			
Portfolio weighted modified duration		2.994		
Mutual Funds	78,478,225		N/A	N/A
Total Investments at Fair Value	<u>228,980,058</u>		N/A	N/A
US Treasury Bills (included in cash deposits)	19,188,355		N/A	N/A
Money Market Mutual Funds (included in cash equivalents)	74,359,632		N/A	N/A
Money Market Funds (included in cash equivalents)	836,382		N/A	N/A
Subtotal Cash Equivalents	<u>94,384,369</u>			
Total	<u>\$323,364,427</u>			

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Investments (Continued):

Investment Type	Fair Value	Investment Maturities (In Years)					Interest Rate
		Less than 1	1 - 5 years	6 - 10 years	10 + years		
U.S. Government Obligations	\$ 51,167,134	\$ 2,589,974	\$ 36,695,107	\$ 11,882,053	\$ -		0.25% - 5.25%
U.S. Government Agencies and Instrumentalities	10,865,418	6,233,864	2,201,360	419,271	2,010,923		0.38% - 8.83%
Corporate Obligations	41,781,945	3,456,707	32,488,912	5,410,731	425,595		0.70% - 7.95%
Municipal Obligations	13,745,163	730,540	6,505,495	4,782,454	1,726,674		0.00% - 7.09%
Asset Backed Securities	32,942,173	-	11,351,155	2,206,271	19,384,747		0.51% - 6.78%
Total	\$ 150,501,833	\$ 13,011,085	\$ 89,242,029	\$ 24,700,780	\$ 23,547,939		

The following is a schedule which details the Pension Trust fund's investments.

Investment Type	Fair Value
Common and Preferred Stock	\$ 67,033,293
Mutual Funds	74,257,611
Real Estate Equity Funds	5,814,089
Subtotal Equity Securities	147,104,993
Collective Trusts	318,456,606
Private Equity	58,424,374
Total Investments at Fair Value	523,985,973
Short Term Investment Trusts (included in cash deposits)	7,158,925
Total	\$ 531,144,898

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Investments (Continued):

New Castle County: Authority and responsibility for managing the County investment program is granted to the Chief Financial Officer via the County Executive, and is derived from Delaware Code, Title 9, Chapter 13.

Pension fund: New Castle County Code, Chapter 26 authorizes the Board of Trustees of the New Castle County Employees' Pension Program to manage the investment of the plan's assets.

OPEB fund: New Castle County Code, Chapter 26 authorizes the Board of Trustees of the Other Post-Employment Benefits (OPEB) Trust fund, which is separate and distinct from the pension fund, to invest funds in accordance with the investment policy the Board has adopted.

Interest rate risk: The County manages its exposure to interest rate risk by managing, in a conservative fashion, the duration and/or maturities of investments. For short-term investments, maturities (at the time of purchase) will be less than one year. For bond proceeds, maturities will depend on purpose/scope of projects underlying issue. For longer-term investments (reserve funds), average duration will not exceed ten years. While investment guidelines for longer-term portfolios do not directly address interest rate risk, there are limits on credit risk and concentration risk that limit overall risk in those portfolios.

The Pension Trust fund's investment policy states that investment managers who use derivatives in a portfolio must monitor changing risk exposures to ensure that they comply with duration and other risk exposure limits specified in the manager's guidelines on an ongoing basis. While the OPEB Trust fund's investment policy does not specifically address interest rate risk, there are limits on credit risk and concentration risk that limit overall risk in the portfolio.

Credit risk: Cash deposits and short-term investments (liquidity funds), as defined by policy, are invested conservatively in various cash and cash equivalent vehicles, such as publicly/not publicly traded money market funds, mutual or collateralized money market funds and short-term securities. For separately managed portfolios, other allowable investments include (at time of purchase):

Type of security	Target Max
US Treasuries & Agencies	No limit
Corporate Debt	60%
Repurchase Agreements	No limit
Certificate of Deposit and Time	25%

Corporate debt should be diversified by issuer and industry and may consist of bonds/notes not lower than A/A3 as measured by Moody's, Standard and Poor and Fitch. Commercial paper is rated A1/P1 or higher. Repurchase agreements should be collateralized 102% by direct U.S. Government or U.S. Government Agencies/Instrumentalities. Certificates of Deposit and Time Deposits should be collateralized 102% by same or from institutions rated at least 'A' or higher by two of the following: Moody's, Standard and Poor and Fitch.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Investments (Continued):

Credit risk: (Continued):

For longer term managed portfolios (reserve funds), asset allocation strategies and allowable securities are defined under the following parameters:

Type of security	Minimum Range	Maximum Range
US Treasuries & Agencies	10%	100%
TIPS	0%	10%
GNMA	0%	50%
Residential & Commercial Mortgage Backed	0%	35%
Asset Backed Securities	0%	15%
Yankees	0%	10%
US Corporates	0%	50%
Eurodollar Bonds	0%	10%
Sovereign Debt	0%	15%
Cash & Equivalents, and Other Short-Term Investments	0%	50%
Municipal/Taxable Municipals	0%	15%

Reserve fund portfolios must have a minimum average credit rating of A as rated by Standard & Poor's, Moody's or Fitch. Individual securities must be rated BBB/Baa to be purchased. Downgrades to securities to a non-investment grade rating by any one of the major credit rating services must be sold immediately, unless a review of a preponderance of extenuating evidence allows for retaining such a security. Excluding securities issued or guaranteed by the US Government or its agencies, securities of a single issuer shall not exceed 3% of the fair value of the overall portfolio(s).

The pooled fund, as defined by policy, is prohibited from making direct investments in the following: equities, preferred stock, private placements, futures or options, credit default swaps, speculative derivatives, collateralized mortgage obligations (CMO's), collateralized loan obligations (CLO's), and securities lending. The aforementioned policy restrictions are not applicable to mutual funds, exchange traded funds, or other commingled investments which are subject to fund specific guidelines that are not altered for individual investors.

Per the Pension Trust fund's investment policy, allowable investments include: 1) equities (developed, global and emerging markets), including common and preferred stocks of companies domiciled both within the U.S. and outside the U.S. that trade on U.S. or foreign exchanges and over the counter, 2) fixed income (developed, global and emerging markets), including U.S. Government and Federal Agency obligations, non-U.S. government/entities, corporate bonds, debentures, commercial paper, certificates of deposit, Yankee bonds, mortgage-backed securities and other domestically issued fixed income instruments deemed prudent by the investment managers, as well as high yield and multi-sector management 3) mutual funds and other types of commingled vehicles under 1) and 2) and 4) other assets, professionally managed commingled funds investing predominantly in real assets, real estate, hedge funds, private equity and opportunistic debt, and other types of risk parity/global asset allocation strategies that may include some of the vehicles listed above.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Investments: Credit risk (Continued):

The OPEB Trust fund's investment policy states that the minimum average credit quality of fixed income investments shall be investment grade (Standard & Poor's BBB; Moody's Baa) or higher upon purchase, and no more than 5% of the portfolio may be invested in securities with ratings below investment grade. Pooled investments such as mutual funds may be utilized.

Concentration of credit risk: Per the Pension Trust fund's investment policy, the following general asset allocation guidelines have been established:

	Target Allocation	Minimum Allocation	Maximum Allocation
Large Cap Passive U.S. Equities	8.0%	6.0%	18.0%
Large Cap U.S. Growth Equities	4.5%	0.0%	10.0%
Large Cap U.S. Value Equities	4.5%	0.0%	10.0%
Small Cap U.S. Growth Equities	3.0%	0.0%	5.0%
Small Cap U.S. Value Equities	3.0%	0.0%	5.0%
Non-U.S. Equities	15.0%	10.0%	20.0%
Dedicated Emerging Market Equities	2.0%	0.0%	5.0%
Hedge Funds	5.0%	0.0%	10.0%
Private Equity	6.0%	0.0%	12.0%
Real Estate	10.0%	0.0%	15.0%
Total "Equity Like"	55.0%	20.0%	85.0%
Core Bonds	7.0%	5.0%	12.0%
Multi-Sector Fixed Income	13.0%	5.0%	25.0%
Absolute Return Fixed Income	6.0%	0.0%	11.0%
Emerging Market Debt	5.0%	0.0%	10.0%
Opportunistic Debt	7.0%	0.0%	12.0%
Cash	1.0%	0.0%	5.0%
Total "Fixed Income Like"	39.0%	20.0%	80.0%

Other policy constraints on managers of the pension fund on the aforementioned investment types include a) for equities, to be diversified in industry and number, b) for domestic fixed income, to invest no more than 10% in any one issuer, except for obligations of the U.S. government, c) for global fixed income, to invest no more than 30% of the portfolio fair value of any single government or non-U.S. types of alternative investments (including hedge funds, private equity/opportunistic debt, real estate and real assets) that are made via commingled vehicles and the pension plan recognizes that the portfolios cannot be customized or altered for one investor. Accordingly, the pension plan adopts the investment guidelines of the commingled vehicles so long as they keep in the spirit and intent of the guidelines contained in the Pension Trust fund's investment policy.

The OPEB Trust fund's investment policy states that: a) with the exception of fixed income investments explicitly guaranteed by the U.S. government, no single investment security shall represent more than 5% of total Plan assets, and b) with the exception of passively managed investment vehicles seeking to match the returns on a broadly diversified market index, no single investment pool or mutual fund shall comprise more than 20% of total Plan assets. There were no concentrations of credit risk issues.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Fair Value Measurement of Investments

New Castle County categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles, as follows:

- Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 – Valuations based on quoted prices for similar assets or liabilities in active markets or identical assets or liabilities in less active markets, such as dealer or broker markets;
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drives are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

New Castle County and the OPEB Trust fund have the following recurring fair value measurements as of June 30, 2024:

Investments and Derivative Instruments Measured at Fair Value

	Fair Value Measurements Using						
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2024			
Investments by fair value level							
Debt Securities							
U.S. Treasury obligations	\$ -	\$ 51,167,134	\$ -	\$ 51,167,134			
U.S. Government Agencies		- 10,865,418		- 10,865,418			
Corporate Bonds		- 41,781,945		- 41,781,945			
Asset Backed Securities		- 32,942,173		- 32,942,173			
Municipal Obligations		- 13,745,163		- 13,745,163			
Total Debt Securities	-	150,501,833		150,501,833			
Fixed Income Mutual Funds		21,755,394	-	-	21,755,394		
Equity Mutual Funds		56,722,831	-	-	56,722,831		
Total investments in equity securities and mutual funds		78,478,225			78,478,225		
Total investments, at fair value	\$ 78,478,225	\$ 150,501,833			\$ 228,980,058		

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. There were no investments measured with Level 3 inputs.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Fair Value Measurement of Investments (Continued)

The Pension Trust has the following recurring fair value measurements as of June 30, 2024:

Investments and Derivative Instruments Measured at Fair Value

	Fair Value Measurements Using					Balance as of June 30, 2024	
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)				
Investments by fair value level							
Equity Securities							
Energy	\$ 2,634,665	\$ -	\$ -	\$ 2,634,665			
Consumer discretionary	8,448,830	-	-	8,448,830			
Health care	13,583,873	-	-	13,583,873			
Materials	1,878,654	-	-	1,878,654			
Consumer staples	7,418,005	-	-	7,418,005			
Information technology	7,255,694	-	-	7,255,694			
Industrials	10,218,508	-	-	10,218,508			
Real estate	3,542,160	-	-	3,542,160			
Utilities	724,477	-	-	724,477			
Financials	9,740,407	-	-	9,740,407			
Communication Services	1,588,020	-	-	1,588,020			
Real estate equity funds	5,814,089	-	-	5,814,089			
Mutual Funds							
Equity mutual funds	74,257,611	-	-	74,257,611			
Total investments by fair value level	<u>147,104,993</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,104,993</u>		
Investments measured at the net asset value (NAV)							
Private equity/private debt investments	-	-	-	-	58,424,374		
Collective trusts - hedge funds	-	-	-	-	42,022,180		
Collective trusts - real estate funds	-	-	-	-	33,127,038		
Collective trusts - equities	-	-	-	-	90,129,784		
Collective trusts - fixed income	-	-	-	-	153,177,604		
Total investments measured at the NAV	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,880,980</u>		
Total investments	<u>\$ 147,104,993</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 523,985,973</u>		

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Fair Value Measurement of Investments (Continued)

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. There were no investments measured with Level 2 or Level 3 inputs.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

Investment	Net Asset Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Private equity/private debt investments	\$ 58,424,374	\$ 30,070,516	N/A	N/A
Collective trusts - hedge funds	42,022,180	-	Quarterly	90-95 days
Collective trusts - real estate funds	33,127,038	4,050,000	Quarterly	45 days
Collective trusts - equities	90,129,784	-	Daily	0-2 days
Collective trusts - fixed income	153,177,604	-	Daily	0 days
Total	\$ 376,880,980	\$ 34,120,516		

Investments in private equity and private debt funds consists of investments in eighteen funds. The objectives of the Funds are to seek total return by managing a broad opportunity set of asset classes including, but not limited to, global equities, global bonds, commodities, currencies and cash. These investments are valued at the net asset value (NAV) of outstanding units. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

Collective Trusts-Hedge Funds consists of investments in three investment trusts. The objectives of the Funds are to seek total return by managing a broad opportunity set of asset classes including, but not limited to, global equities, global bonds, commodities, currencies and cash. These investments are valued at the net asset value (NAV) of units of the collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

Collective Trusts-Real Estate funds consists of an investment in three trusts. The objectives of the fund are to identify real estate projects with stabilized occupancies, that produce a relatively high level of current income combined with moderate appreciation potential. These investments are valued at the net asset value (NAV) of units of the collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

Collective Trusts-Equity Funds consists of investments in two investment trusts. The Fund's investment objective is to seek long-term capital appreciation through equity securities of companies located in emerging market countries. These investments are valued at the net asset value (NAV) of units of the collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(2) Deposits and Investments (Continued):

Fair Value Measurement of Investments (Continued)

Collective Trusts-Fixed Income Funds consists of an investment in five trusts. The objective of the fund is to outperform the Barclays Capital U.S. Government/Credit Index and the Barclays US Aggregate Total Return Index. These investments are valued at the net asset value (NAV) of units of the collective trusts. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

(3) Property Taxes:

Property taxes attach as an enforceable lien on property when levied. Unpaid property taxes may subject a property to sheriff's sale as the final instrument to satisfy past due balances. Taxes are levied on July 1 and are payable on or before September 30. Taxes paid after the payable date are assessed a six percent penalty for nonpayment and one percent penalty per month thereafter. The County bills and collects its own property taxes. County property tax revenues are recognized in the fiscal year levied. Tax receivables, as reported in the fund financial statements, consist of property tax receivable of \$3,745,256, and penalties and interest receivable of \$2,846,035 and are reduced by an allowance for uncollectible accounts of \$3,763,015 for 2024 which is determined by a review of account status and location.

Assessed values are established by the County at 100 percent of 1983 market value based upon the county-wide reassessment completed in 1985. Real property in the County for the FY 2024 initial levy was assessed at \$20.1 billion.

(4) Receivables:

Receivables as of June 30, 2024 for the County's individual major funds, nonmajor funds, and fiduciary funds in the aggregate, net of applicable allowances for uncollectible accounts are as follows:

Receivables	General	Grants	Sewer	Nonmajor / Fiduciary *	Total
Taxes	\$ 2,828,276	\$ -	\$ -	\$ 194,832	\$ 3,023,108
Service charges	-	-	9,240,672	-	9,240,672
Accounts	10,743,829	-	-	-	10,743,829
Lease	1,803,484	-	-	-	1,803,484
Lease - PPP	2,129,239	-	-	-	2,129,239
Other	492,655	376,201	367,628	7,899,786	9,136,270
Due from other governments	-	5,151,747	321,697	2,051,433	7,524,877
Due from other agencies	-	50,287	-	-	50,287
Total Receivables, Net	\$ 17,997,483	\$ 5,578,235	\$ 9,929,997	\$ 10,146,051	\$ 43,651,766

* Included in the Nonmajor/Fiduciary column are receivables for Light Tax fund, Crossing Guard fund, Garstin Trust fund, Facilities and Equipment Capital Projects fund, Park Development Capital Projects fund, Public Safety Capital Projects fund, Pension Trust fund, and the OPEB Trust fund.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(4) Receivables (Continued):

Residential sewer service charges are levied on January 1st and non-residential sewer service charges are billed quarterly and shall be due and payable as of January 1st, April 1st, July 1st and October 1st. Sewer service charges paid after the payable date are assessed a six percent penalty for nonpayment and a one percent penalty per month thereafter. The County bills and collects its own sewer service charges. Sewer service revenues are recognized in the fiscal year levied. Service charges receivables consist of sewer service receivable of \$8,386,466 and penalties and interest receivable of \$1,796,042 and are reduced by an allowance for uncollectible accounts of \$941,836 for 2024 which is determined by a review of account aging.

(5) Capital Assets:

Capital asset activity for the year ended June 30, 2024 was as follows:

	<u>Balance</u> <u>July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2024</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 92,231,895	\$ 1,377,940	\$ -	\$ 93,609,835
Construction in progress	4,981,036	3,066,333	-	8,047,369
Total capital assets, not being depreciated	<u>97,212,931</u>	<u>4,444,273</u>	<u>-</u>	<u>101,657,204</u>
Capital assets, being depreciated or amortized:				
Buildings	238,797,234	2,962,353	-	241,759,587
Building improvements	55,603,572	5,299,461	-	60,903,033
Other improvements	101,423,803	6,210,627	-	107,634,430
Equipment	195,107,256	21,337,298	(4,014,619)	212,429,935
Infrastructure	57,251	3,994,674	-	4,051,925
Buildings - PPP	-	104,601	-	104,601
Building improvements - PPP	-	2,636,513	-	2,636,513
Other improvements - PPP	-	776,108	-	776,108
Equipment - PPP	-	1,498,674	-	1,498,674
Right to use leased buildings	1,879,451	160,748	-	2,040,199
Right to use leased equipment	371,846	5,407,113	(319,802)	5,459,157
Subscription assets	471,050	7,702,134	(8,799)	8,164,385
Total capital assets, being depreciated and amortized	<u>593,711,463</u>	<u>58,090,304</u>	<u>(4,343,220)</u>	<u>647,458,547</u>
Less accumulated depreciation for:				
Buildings	(86,284,646)	(4,475,278)	-	(90,759,924)
Building improvements	(13,481,739)	(1,413,232)	-	(14,894,971)
Other improvements	(78,002,280)	(2,680,220)	-	(80,682,500)
Equipment	(146,538,076)	(12,791,726)	3,823,001	(155,506,801)
Infrastructure	(12,095)	(8,670)	-	(20,765)
Buildings - PPP	-	(32,542)	-	(32,542)
Building improvements - PPP	-	(358,126)	-	(358,126)
Other improvements - PPP	-	(281,721)	-	(281,721)
Equipment - PPP	-	(1,266,968)	-	(1,266,968)
Less accumulated amortization for:				
Right to use leased assets	(682,234)	(931,249)	306,232	(1,307,251)
Subscription assets	(165,157)	(878,443)	3,910	(1,039,690)
Total accumulated depreciation and amortization	<u>(325,166,227)</u>	<u>(25,118,175)</u>	<u>4,133,143</u>	<u>(346,151,259)</u>
Total capital assets, being depreciated and amortized, net	<u>268,545,236</u>	<u>32,972,129</u>	<u>(210,077)</u>	<u>301,307,288</u>
Governmental activities capital assets, net	<u>\$ 365,758,167</u>	<u>\$ 37,416,402</u>	<u>\$ (210,077)</u>	<u>\$ 402,964,492</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(5) Capital Assets (Continued):

	Balance		Balance	
	July 1, 2023	Increases	Decreases	June 30, 2024
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 35,320,950	\$ -	\$ -	\$ 35,320,950
Construction in progress	6,862,522	1,383,169	-	8,245,691
Total capital assets, not being depreciated	<u>42,183,472</u>	<u>1,383,169</u>	<u>-</u>	<u>43,566,641</u>
Capital assets, being depreciated or amortized:				
Buildings	44,028,698	-	-	44,028,698
Building improvements	3,521,819	-	-	3,521,819
Other improvements	48,065,247	51,699	-	48,116,946
Equipment	50,938,785	2,671,157	(405,731)	53,204,211
Infrastructure	688,238,071	11,195,014	-	699,433,085
Right to use leased equipment	11,360	17,750	(11,360)	17,750
Subscription assets	-	85,071	-	85,071
Total capital assets, being depreciated and amortized	<u>834,803,980</u>	<u>14,020,691</u>	<u>(417,091)</u>	<u>848,407,580</u>
Less accumulated depreciation for:				
Buildings	(21,874,530)	(825,347)	-	(22,699,877)
Building improvements	(1,117,534)	(80,811)	-	(1,198,345)
Other improvements	(46,429,182)	(177,328)	-	(46,606,510)
Equipment	(38,098,526)	(2,294,606)	403,403	(39,989,729)
Infrastructure	(267,087,429)	(14,153,132)	-	(281,240,561)
Less accumulated amortization for:				
Right to use leased assets	(10,776)	(5,917)	10,776	(5,917)
Subscription assets	-	(8,788)	-	(8,788)
Total accumulated depreciation and amortization	<u>(374,617,977)</u>	<u>(17,545,929)</u>	<u>414,179</u>	<u>(391,749,727)</u>
Total capital assets, being depreciated and amortized, net	<u>460,186,003</u>	<u>(3,525,238)</u>	<u>(2,912)</u>	<u>456,657,853</u>
Business-type activities capital assets, net	<u>\$ 502,369,475</u>	<u>\$ (2,142,069)</u>	<u>\$ (2,912)</u>	<u>\$ 500,224,494</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(5) Capital Assets (Continued):

Depreciation/amortization expense was charged to functions/programs of the County as follows:

Governmental activities:

General Government	\$ 5,042,374
Public Works	12,454,151
Police	4,878,083
Community Services	2,671,710
Land Use	51,889
Judiciary Offices	19,968
Total depreciation/amortization expense-governmental activities	<u>\$ 25,118,175</u>

Business-type activities:

Sewer Facilities	\$ 17,545,929
Total depreciation/amortization expense-business-type activities	<u>\$ 17,545,929</u>

(6) Construction Commitments:

The County has active construction projects as of June 30, 2024. The projects include building and facility renovations, park development, public safety, and sewer construction. At year end, the County's commitments with contractors for construction in progress are as follows:

Project	Expended Through June 30, 2024	Remaining Commitment
Buildings and facilities	\$ 3,656,730	\$ 221,933
Park development	2,114,758	589,443
Public safety	973,612	388,892
Subtotal	<u>6,745,100</u>	<u>1,200,268</u>
Sewer/stormwater construction	9,547,960	98,196
Total	<u>\$ 16,293,060</u>	<u>\$ 1,298,464</u>

The building and facilities portion of the commitment and the park development portion of the commitment are financed primarily by general obligation bonds and state funding. The Public safety portion of the commitment is financed by general obligation bonds, impact fees and state funding. The sewer construction portion of the commitment is financed by general obligation bonds, state loan and federal (ARPA) funding.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(6) Construction Commitments (Continued):

Encumbrance Commitments by Fund:

General Fund	\$ 1,208,255
Grants Fund	24,657,602
Sewer Facilities Fund	11,060,386
Nonmajor Funds	30,426,228
Total Encumbrances	<u>\$ 67,352,471</u>

(7) Interfund Receivables, Payables and Transfers:

The compositions of interfund balances as of June 30, 2024, are as follows:

Due To	Due From	
	General Fund	
Light Tax Fund	\$ 2,447,135	
Crossing Guard Fund	1,041,215	
Facilities and Equipment	5,962,418	
Park Development	2,777,594	
Public Safety	8,470,522	
Miscellaneous Capital Improvements	2,151,461	
Total	<u>\$ 22,850,345</u>	

During normal operations, the County has numerous short-term transactions between funds. The amounts due to the Light Tax fund, Crossing Guard fund, and the Capital Projects funds from the General fund represent the cash that is swept daily and invested with General fund proceeds.

The compositions of inter-fund transfers during the fiscal year ended June 30, 2024, are as follows:

Transfers Out	Transfers In					
	Grants Fund	General Fund	Facilities and Equipment	Public Safety	Park Development	Total
General Fund	\$ 162,945	\$ 8,000,000	5,175,932	\$ 792,840	\$ 3,955,701	\$ 18,087,418
Grants Fund	60,760	515	-	-	-	61,275
Facilities and Equipment	-		6,179,272	-	-	6,179,272
Total	<u>\$ 223,705</u>	<u>\$ 8,000,515</u>	<u>\$ 11,355,204</u>	<u>\$ 792,840</u>	<u>\$ 3,955,701</u>	<u>\$ 24,327,965</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(7) Interfund Receivables, Payables and Transfers (Continued):

During the fiscal year, several inter-fund transactions occurred between funds. The General Fund contributed proceeds to the Grants Fund to sponsor a summer camp for youth, to provide employment for youth during the summer months and to provide funding for senior home repair. The General Fund received reimbursement from the Grants fund for youth employment funding. The Capital Projects fund received proceeds from the General Fund to fund capital costs for EMS stations, parkland improvements, land preservation as well as for the purchase of fleet equipment and public safety equipment.

(8) Compensated Leave:

The County accrues a liability for vacation, sick, and other compensated leave as the leave is earned by the employees to the extent it is probable that the County will compensate the employees for the leave through paid time off or some other means, such as cash payments at termination or retirement.

County employees earn vacation leave depending on their length of service. Vacation leave, depending on years of service, accumulates on a monthly basis and is fully vested when earned. Accumulated vacation leave cannot exceed 30 days or 50 days, depending on union affiliation, at the end of any calendar year. All unused vacation leave is paid upon leaving County service. County employees earn one day of sick leave for each completed month of service. Accumulation of sick leave is unlimited. All employees have vested rights for payment of accumulated unused sick leave. This severance payment is for a maximum of 20 days for voluntary termination and a maximum of 100 days for retirement, layoffs and death. For employees hired on or before June 30, 1977, payment is based on one day paid for each day accrued. For employees hired on or after July 1, 1977, payment is based on one day paid for each two days accrued. All vacation leave, sick leave, and other compensated leave is accrued in the government-wide and proprietary fund financial statements.

At June 30, 2024, total accumulated vacation leave for governmental fund types was \$23,047,313, (including accrued FICA and Medicare), total vested sick leave was \$9,680,739 (including accrued FICA and Medicare), and other total compensated leave was \$1,996,118 (including accrued FICA and Medicare). These amounts total to \$34,724,170 and are reported in the government-wide financial statements. At June 30, 2024, accumulated vacation, sick, and other compensated leave for Proprietary Funds in the amount of \$3,668,832 have been included in accrued expenses. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

(9) Unavailable / Unearned Revenue:

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of June 30, 2024, the various components of unavailable or unearned revenue reported in the governmental funds were as follows:

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(9) Unavailable / Unearned Revenue (Continued):

General Fund:

Property tax receivables-net	\$2,828,276
Less: estimated 60-day collection 7/24 - 8/24	<u>(203,817)</u>
	2,624,459
Hope Center Room Rentals	664,855
Less: estimated 60-day collection 7/24 - 8/24	<u>(451,780)</u>
	213,075
Lease receivables	1,599,148
Lease receivables - PPP	<u>2,006,160</u>
Total General Fund – Unavailable	6,442,842
Total General Fund – Unearned (Capital Assets Held for Resale)	314,055

Crossing Guard Fund:

Property tax receivables-net	68,543
Less: estimated 60-day collection 7/23 - 8/23	<u>(5,050)</u>
Total Crossing Guard Fund – Unavailable	63,493

Grants Fund:

Unearned grant revenue	77,050,022
Capital assets held for resale	510,844
Police duty fund	<u>718</u>
Total Grants Fund – Unearned	77,561,584
Total	<u><u>\$ 84,381,974</u></u>

Governmental funds report unavailable revenue of \$6,506,335, whereas the governmental activities report unavailable revenue of \$6,981,377.

As of June 30, 2024, unearned revenue reported in the business-type funds was as follows:

Sewer Fund:

Unearned revenue	\$ 52,924
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NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(10) Long-term Debt:

General Obligation Bonds:

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

All bonds outstanding as of June 30, 2024 are general obligation debt supported by the full faith and credit of the County and are summarized as follows:

<u>Purpose</u>	<u>Original Issue</u>	<u>Maturities</u>	<u>Interest Rates</u>	<u>Outstanding Amount</u>
Governmental Activities	\$232,175,000	2042	.29 – 5.00%	\$150,215,000
Business-type Activities: Sewer Facilities	<u>495,370,000</u>	2052	.29 – 5.00%	<u>353,905,000</u>
TOTAL	<u>\$727,545,000</u>			<u>\$504,120,000</u>

The County has always paid principal and interest on its bonds in a timely manner. In the event the County fails to make timely payment of principal or interest on its bonds, the registered owners of the bonds on which the default in payment has occurred may sue the County for breach of contract.

Annual debt service requirements to maturity for general obligation bonds were as follows:

Fiscal Year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 16,770,000	\$ 4,069,374	\$ 12,190,000	\$ 10,467,589
2026	16,390,000	3,478,040	13,705,000	9,882,672
2027	16,265,000	3,006,039	13,235,000	9,385,620
2028	13,315,000	2,671,461	15,860,000	8,972,529
2029	9,445,000	2,390,171	15,530,000	8,603,906
2030-2034	41,295,000	7,769,057	76,925,000	36,178,832
2035-2039	29,875,000	2,585,824	86,240,000	24,639,087
2040-2044	6,860,000	219,281	71,995,000	12,385,780
2045-2049	-	-	40,400,000	3,804,048
2050-2052	-	-	7,825,000	296,687
	<u>\$ 150,215,000</u>	<u>\$ 26,189,247</u>	<u>\$ 353,905,000</u>	<u>\$ 124,616,750</u>

State of Delaware Water Pollution Control Revolving Fund (WPCRF) Loans:

The purpose of these loans is to finance all or a portion of construction costs associated with the County's approved wastewater projects, consisting of sewer repair, septic elimination, and stormwater management ponds rehabilitation projects. The County's repayment obligation constitutes a general obligation of the County, secured by a pledge of its full faith, credit and taxing power. During fiscal year 2024 \$992,925 was drawn on the WPCRF to fund various projects.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(10) Long-term Debt (Continued):

State of Delaware Water Pollution Control Revolving Fund (WPCRF) Loans (Continued):

<u>Purpose</u>	<u>Original Issue</u>	<u>Maturities</u>	<u>Interest Rates</u>	<u>Outstanding Amount</u>
Business-type Activities:				
Sewer Facilities	<u>\$59,176,770</u>	2044	2.00 – 2.601%	<u>\$24,829,390</u>

Annual debt service requirements to maturity for WPCRF loans are as follows:

Fiscal Year	Business-type Activities	
	Principal	Interest
2025	\$ 1,544,975	\$ 511,653
2026	1,525,736	479,191
2027	1,550,031	446,886
2028	1,574,822	414,082
2029	1,600,118	380,768
2030-2034	7,996,625	1,395,478
2035-2039	8,387,503	542,213
2040-2044	649,580	16,237
	<u>\$ 24,829,390</u>	<u>\$ 4,186,508</u>

The schedule above includes estimated debt service for WPCRF loans that are in the process of being drawn down because the related projects are in the construction stage. The maximum potential amount of these loans combined is \$38,505,016. Of this amount, \$7,887,068 had been drawn down as of June 30, 2024.

On January 26, 2024, New Castle County entered into a financing agreement with the Delaware Water Pollution Control Revolving Fund, acting by and through the Delaware Department of Natural Resources and Environmental Control (DNREC), a public agency of the State of Delaware, for a loan in the amount of \$22,033,016. The funds borrowed will finance costs associated with the installation of approximately 18,000 linear feet of dual parallel force mains and a regional pumping station, to convey sewage from the Upper West Wing Sewer Service Area to Mt. Pleasant Interceptor, for treatment at the Borrower's Water Farm #1 Regional Wastewater Treatment Plant.

The financing agreement assumed an expected project completion date of October 31, 2025 (Amortization Start Date). The projected date of completion is subject to an extension if such extension is mutually agreed upon. After the Amortization Start Date, fee and principal shall be payable on the outstanding principal amounts drawn semiannually, on each payment date, commencing on the second payment date following the Amortization Start Date and continuing on each of the next 59 following payment dates, in an amount sufficient to amortize all principal drawn with substantially equal semiannual payments of principal and fee over thirty (30) years. All unpaid principal and fee shall be paid in full on February 1, 2056. As of 6/30/2024, the County expects the project to be completed by October 2026.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(10) Long-term Debt (Continued):

State of Delaware Water Pollution Control Revolving Fund (WPCRF) Loans (Continued):

On June 30, 2022, New Castle County entered into a financing agreement with the Delaware Water Pollution Control Revolving Fund (DNREC), acting by and through the Delaware Department of Natural Resources and Environmental Control, a public agency of the State of Delaware, for a loan in the amount of \$997,000. The project for which the funds were borrowed will finance a portion of the costs associated with the restoration of 1,767 linear feet of an unnamed tributary of the Christina River at Robscott Manor Park in Newark, Delaware.

In conjunction with the agreement, the County entered into a tri-party agreement with DNREC and the State of Delaware, Department of Transportation (DELDOT). Under the tri-party agreement, the project is sponsored by and will be completed by DELDOT, with authorization for DELDOT to submit reimbursement requests, to be approved by the County, to be paid directly to DELDOT from DNREC. Additional financing for project would also be provided by DELDOT (authorized appropriations of \$1,393,901 through 6/30/2024). Long-term maintenance responsibility for the project will be assumed by the County.

Once the project is confirmed completed, all principal amount advanced and outstanding will be forgiven. If the project is not completed, the amortization start date and repayment will commence, with principal amount advanced and outstanding and interest (at the rate of 1.00% per annum and an administrative fee at the rate of 1.00% per annum) payable semi-annually on each January 1 and July 1, commencing on the amortization start date and amortized over twenty (20) years in substantially equal semiannual payments. While the project remains active, project related expenditures will be recorded as other accrued liabilities (through 6/30/2024 – total accrued \$1,782,170, of which \$891,085 was funded from the loan and \$891,085 was funded through DELDOT). As of 6/30/2024, the County expects that the project will be completed in FY 2025.

The general obligations and loans of the County have certain events of default that include: (A) failure to make payment of principal or interest when due; failure to perform or observe any of the covenants, agreements or conditions of the Agreement and continuing disclosure requirements. (B) When an event of default occurs, the lender may discontinue advances of loan proceeds and/or declare immediately due and payable all payments due or to become due under the Agreement.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(10) Long-term Debt (Continued):

Changes in Long-term Liabilities:

Long-term liability activity for the year ended June 30, 2024, was as follows:

Liability	Balance			Balance June 30, 2024	Due Within One Year
	July 1, 2023	Additions	Reductions		
Governmental Activities:					
Compensated leave	\$ 32,842,561	\$ 12,472,803	\$ 10,591,194	\$ 34,724,170	\$ 10,803,018
Claims and judgment costs	15,964,708	319,310	2,646,608	13,637,410	4,871,000
Financed purchases	6,184,395	9,199,436	3,459,864	11,923,967	3,782,112
Lease payable/SBITAs	1,925,540	13,269,995	1,929,811	13,265,724	1,606,113
Estimated liability for landfill postclosure care costs	785,000	-	179,000	606,000	101,000
Unamortized bond premium	6,660,652	-	397,170	6,263,482	397,171
Bonds	165,805,000	-	15,590,000	150,215,000	16,770,000
Net OPEB liability	67,053,978	-	2,610,189	64,443,789	-
Net pension liability	218,519,800	7,485,944	35,773,049	190,232,695	-
Governmental activity					
Long-term liabilities	\$ 515,741,634	\$ 42,747,488	\$ 73,176,885	\$ 485,312,237	\$ 38,330,414
Business-type activities:					
Compensated leave	\$ 3,574,429	\$ 1,373,094	\$ 1,278,691	\$ 3,668,832	\$ 1,304,265
Financed purchases	4,026,839	1,305,048	1,150,974	4,180,913	1,248,590
Lease payable/SBITAs	492	102,821	28,776	74,537	5,943
Loans payable	24,908,824	992,925	1,072,359	24,829,390	1,544,975
Unamortized bond premium	5,717,880	-	214,705	5,503,175	208,979
Bonds	365,430,000	-	11,525,000	353,905,000	12,190,000
Net OPEB liability	5,193,668	-	331,639	4,862,029	-
Net pension liability	29,436,671	-	4,134,807	25,301,864	-
Business-type activity					
Long-term liabilities	\$ 438,288,803	\$ 3,773,888	\$ 19,736,951	\$ 422,325,740	\$ 16,502,752

For the governmental activities, compensated leave, claims and judgment costs, estimated liability for landfill postclosure care costs, and net pension and OPEB liabilities are liquidated by the General Fund.

(11) Debt Margin and Bonds Authorized but Unissued:

Bonds authorized but unissued at June 30, 2024 totaled \$132,297,333. The County's legal debt margin for general obligation debt at year end was \$453,946,335. Delaware Code allows for the exclusion of Enterprise debt from the legal debt margin.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(12) Defeasance of Debt:

In FY 2022, the County defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, assets in the trust account and the liability for the defeased bonds are not included in the County's financial statements. As of June 30, 2024, \$119.3 million of bonds outstanding are considered defeased.

(13) Landfill Postclosure Care Costs:

State and federal laws and regulations require that New Castle County perform certain maintenance and monitoring functions at the Army Creek Landfill (ACL) for thirty years after closure. This landfill has not collected waste at this site since 1968. The ACL closure was completed and accepted by the United States Environmental Protection Agency on November 18, 1993. The County is currently performing the required maintenance and monitoring functions. The estimated cost to comply with postclosure regulations is \$606,000. However, the actual cost may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The annual operating costs for maintenance and monitoring the landfill site will continue to be funded by the County and recorded as a long-term liability in the governmental activities in the Statement of Net Position.

(14) Risk Management:

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the County is self-insured and also carries commercial insurance. The County currently reports all of its risk management activities in the General Fund. The County recognizes expenditures/expenses in the General Fund. Claims expenditures/expenses and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported and claims and adjustment expenses. Claim liabilities are based upon actuarial calculations which consider the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, other economic and social factors, specific incremental claim adjustment expenses, and salvage and subrogation. There were no settlements exceeding insurance coverage for the past three fiscal years. Changes in the liability during the past two years are as follows:

	<u>Governmental</u>	
	<u>2024</u>	<u>2023</u>
Unpaid claims, beginning balance	\$15,964,708	\$16,373,692
Incurred claims	319,310	2,950,288
Claim payments and adjustments	(2,646,608)	(3,359,272)
Unpaid claims, ending balance	<u>\$13,637,410</u>	<u>\$15,964,708</u>

(15) Contingencies:

The Federal and State governments participate in funding certain County capital projects and operating grants, and the County has recorded receivables in the Capital Projects and Operating Grants Funds for the portion of the costs incurred on projects and grants to be funded from these sources. The costs charged to the funding agency are subject to audit and approval by the agency and, in the event of disallowance, must be funded by the County. Management does not believe that any material amounts of such costs will be disallowed by the funding agency.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(15) Contingencies (Continued):

The County is a defendant in various litigation matters wherein plaintiffs have claimed substantial damages. In many if not all of these cases, the County disputes liability and the degree of damages. These matters are in various stages of litigation and the issues of liability and damages have not been resolved. The possible monetary liability, if any, on the part of the County in these actions is not currently determinable. However, the County does not currently expect any of these actions to materially adversely affect the County's financial position or exceed available insurance coverage to the extent the claims are not subject to the County's limitation of liability under Delaware law.

The County is involved in a number of other actions related to tax billings, property assessments, land use appeals, and other matters. In February of 2021, the County resolved litigation that sought to compel the County to undertake a general reassessment of all real property within the County for the first time since 1983. The County entered into a contract with a third-party vendor to conduct a general reassessment. The reassessment is to be completed by February of 2025. The general reassessment is estimated to cost \$20 million, of which \$12.1M has been paid as of 6/30/24. The reassessment will be paid from a Reassessment Reserve Account, funded with \$7 million as of 6/30/24. County Council has adopted a resolution declaring its intention not to increase tax revenues by 15% after reassessment as permitted by Delaware law. Reassessment is expected to have little to no material impact on the County's property tax collections.

The County is also involved in a number of other actions related to tax billings, assessment valuations, land use board appeals, and other administrative matters. The County does not currently expect any of these actions to materially adversely affect the County's financial position.

(16) Conduit Debt:

Conduit debt obligations refer to certain limited-obligation revenue bonds or similar debt instruments issued by the County for the purpose of providing capital financing for a third party that is not part of the County's reporting Entity. The County has authorized and issued various series of revenue bonds and recovery zone facility bonds to provide funds for various commercial, industrial, housing and agricultural development projects. In the opinion of bond counsel, such bonds are not subject to the debt limit imposed by the Delaware Code, but are payable solely from proceeds of the bonds and certain other revenues and special funds created under the indenture pursuant to which such bonds were issued. The County does not have an obligation to pay the bonds other than from such sources; therefore, such amounts have not been included in the financial statements. As of June 30, 2024, conduit debt in an aggregate principal amount of \$8,000,000 was outstanding.

(17) Unrestricted Net Position – Business-type Activities:

Business-type activities reported unrestricted net position of \$18,877,083 of which \$4,744,310 is comprised of capital recovery fees that are restricted by management for Sewer Fund debt service.

(18) Fund Balance:

Fund balances are classified as follows:

- **Nonspendable** - Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** – the portion of the net position of a governmental fund that represents resources subject to externally enforceable constraints.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(18) Fund Balance (Continued):

- **Committed** – Amounts that can be used only for specific purposes determined by a formal action by County Council ordinance.
- **Assigned** – Balances include amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. These decisions can be made by County Council or the Chief Financial Officer through the Key Financial Policies.
- **Unassigned** – All amounts not included in other spendable classifications. Any deficit fund balances within the other governmental fund types are reported as unassigned.

Fund balance amounts have been designated as nonspendable, restricted, committed, and assigned in the Governmental Funds for specific purposes as follows:

- **Nonspendable:**
 - **Prepaid costs** (\$1,471,732): Prepaid costs are reserved to cover charges that will be incurred within the next ninety days.
- **Restricted:**
 - **Light tax** (\$1,966,666): This balance is restricted for lighting costs financed with revenues from users within the light districts.
 - **Crossing guard** (\$750,290): This balance is restricted for school crossing guard costs financed with revenues from users within the school districts.
 - **Garstin trust** (\$3,682,106): This balance is restricted for the care, maintenance, and upkeep of parks in New Castle County.
 - **Housing trust** (\$15,100,025): This balance is restricted for costs to construct, purchase, and maintain permanently affordable housing units.
 - **Grants** (\$2,294,691): This balance is restricted for use in accordance with the purpose of grant agreements.
 - **Capital projects** (\$17,428,383): This balance is restricted for acquisition or construction of capital facilities or equipment other than those financed by proprietary funds.
- **Committed:**
 - **Budget reserve** (\$45,312,006): The budget reserve was legislated to set aside resources of twenty percent of the General Fund's Fiscal Year 2024 estimated revenue to cover unanticipated deficits or revenue reductions caused by a turbulent economy and/or unfunded legislated mandates. A ten-thirteenths vote from County Council through an Ordinance is needed to appropriate these funds for the established conditions or to change the percentage allocated to this fund.
 - **Tax stabilization reserve** (\$72,191,868): This reserve account was legislated so that funds could be appropriated as necessary to balance the annual operating budget or to cover budgeted capital costs that would otherwise require the issuance of bonds or an increase in the tax rate. County Council is authorized through an Ordinance to establish these reserves and appropriate these reserves as may be necessary.
 - **Transfer tax** (\$37,124,670): This balance was legislated to designate funds received beyond what was certified to cover capital bond authorizations, reduce the County's indebtedness, or for economic initiatives. County Council is authorized through an Ordinance to establish and appropriate these proceeds as may be necessary.
 - **Library** (\$10,777): County Council is authorized to appropriate this fund balance.
 - **Reassessment Reserve** (\$7,000,000): County Council is authorized to appropriate this fund balance.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(18) Fund Balance (Continued):

- **Assigned:**
 - **Hope Center** (\$1,060,407): These funds are used to account for activities related to the Hope Center.
 - **Departmental purposes** (\$1,476,603): The Chief Financial Officer, through the Key Financial Policies, assigns funds to be set aside to cover orders placed for goods and services that were committed prior to June 30, 2024. County Council appropriated fund balance for these encumbrances. The separation of these funds by function is detailed below:
 - **General Government** - \$262,335
 - **Public Works** - \$393,441
 - **Community Services** - \$119,897
 - **Land Use** - \$163,981
 - **Public Safety** - \$246,803
 - **Judiciary Offices** - \$21,798
 - **Crossing Guard** - \$268,348

(19) Other Post Employment Benefits:

Plan Description:

The New Castle County, Delaware Other Post Employment Benefits (OPEB) Trust Fund is a single-employer defined benefit OPEB plan (the Plan) administered by the OPEB Board of Trustees. Section 26.03.911 of the New Castle County Code assigns the authority to adopt and amend the trust agreement to the OPEB Board of Trustees. The OPEB Board of Trustees shall be separate and distinct from the Employees' Retirement System Board of Trustees established by Section 2.05.505 of the New Castle County Code. The Board consists of six current County employees outlined in 26.03.911C of County Code.

The Plan is considered part of the County's financial reporting entity and is included in the County's financial statements as a trust fund. A separate report for the OPEB trust fund is not prepared.

New Castle County permanent active employees are eligible to continue group insurance coverage after retirement provided that: retiring employees have coverage in effect when they stop working; retirement commences on the first of the month following the last day they were employed; and all requirements to receive their pension, in addition to vesting, are met. Retirees/spouses who are eligible for Medicare Parts A and B must enroll for Medicare Coverage in order to retain coverage under the County's plans.

Membership consisted of the following at July 1, 2022, the date of the latest actuarial valuation:

Medical/Drug		Life	
Actives	1,302	Actives	1,302
Retirees	925	Retirees	925
Total	<u><u>2,227</u></u>		<u><u>2,227</u></u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(19) Other Post Employment Benefits (Continued):

Benefits Provided:

The Plan provides healthcare, prescription drug, and life insurance benefits to eligible retirees and their spouses and dependents through several insurance providers.

Funding Policy and Contributions:

The Trust is funded through deposits of County operating appropriations and other contributions made by the County as an employer, retiree contributions, earnings from investments, refunds, reimbursements, or any other appropriate source. The County's cost of providing retiree medical coverage and life insurance is paid out of the OPEB Trust, in addition to any fees and expenses authorized by the Board. For fiscal year 2024, the County contributed \$6,541,561 to the Plan to prefund benefits and fund current benefits.

The County's policy is to contribute the pay-as-you-go cost plus an additional \$1,000,000 to the Trust each year.

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees of the New Castle County OPEB Board. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation policy as of June 30, 2024:

Asset Class	Target Allocation
Domestic Equity	35%
International Equity	35%
Fixed Income – Investment Grade	30%
Fixed Income – Below-Investment Grade	0%
Cash	0%
Total	100%

Concentrations of Investments:

The Plan is invested entirely in mutual funds and therefore contains no individual investments that represent more than five percent of the Plan's net position that are required to be disclosed.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(19) Other Post Employment Benefits (Continued):

Rate of Return:

For the year ended June 30, 2024, the annual money-weighted rate of return on OPEB plan investments, net of investment expense, was 13.4%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested and other cash flows during the year.

Funded Status:

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 the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Net OPEB Liability:

The components of the net OPEB liability of the County as of June 30, 2024, were as follows:

Total OPEB Liability	\$144,105,011
Plan Fiduciary Net Position	<u>74,799,193</u>
County's Net OPEB Liability	<u>\$ 69,305,818</u>
Plan Fiduciary Net Position as a percentage of Total OPEB liability	51.9%

Actuarial Methods and Assumptions:

The total OPEB liability was determined by an actuarial valuation as of July 1, 2022, using the Entry Age actuarial cost method. The actuarial assumptions include a 6.00% investment rate of return, net of expenses and including inflation, and annual medical and prescription inflation trends varying from 6.50% to 4.25%.

Mortality rates were based on the RP-2014 Combined Healthy Mortality Table with Blue Collar adjustments and generational projections using Scale SSA with a 1 year set forward for females. 50% of these rates are applied for pre-retirement deaths. Mortality rates for Disabled members were based on the RP-2014 Disabled tables for disabled lives, projected generationally with Scale SSA.

The assumed rate of return remained unchanged at 6.00% since the prior year.

Long-Term Expected Rate of Return:

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. This is then modified through a Monte-Carlo simulation process, by which a (downward) risk adjustment is applied to the baseline expected return.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(19) Other Post Employment Benefits (Continued):

Asset Class	Long- Term Expected Real Return - Portfolio	Weight
Domestic Equity	6.20%	35%
International Equity	6.50%	35%
Fixed Income – U.S.	2.30%	30%
Total Weighted Average Real Return	5.14%	100%
Plus inflation	2.75%	
Total return without Adjustment	7.89%	
Risk adjustment	-1.89%	
Total Expected Return	6.00%	

Discount Rate:

The discount rate used to measure the total OPEB liability is 6.00%. The County's funding expectations/policy is to contribute approximately \$1,000,000 per year to the Trust, in addition to amounts to cover annual benefits for retirees.

Based on this information, the OPEB plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members.

Therefore, the long-term expected rate of return on OPEB Trust investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the net OPEB liability to changes in the discount rate:

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Discount rate	5.00%	6.00%	7.00%
Total OPEB Liability	\$ 162,515,813	\$ 144,105,011	\$ 128,772,042
Plan Net Position	74,799,193	74,799,193	74,799,193
Net OPEB Liability	<u>\$ 87,716,620</u>	<u>\$ 69,305,818</u>	<u>\$ 53,972,849</u>
Ratio of Plan Net Position to Total OPEB Liability	46.03%	51.91%	58.09%

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(19) Other Post Employment Benefits (Continued):

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates:

The following presents the net OPEB liability of the Trust, calculated using the healthcare trend rate of 6.50% to an ultimate rate of 4.25%, as well as what the County's net OPEB liability would be if it were calculated using trend rates for each year that are 1.00% lower or 1.00% higher than the current rates:

	Current Ultimate		
	1% Decrease	Trend Rate	1% Increase
Ultimate Trend	3.25%	4.25%	5.25%
Total OPEB Liability	\$ 123,432,919	\$ 144,105,011	\$ 169,388,637
Plan Net Position	74,799,193	74,799,193	74,799,193
Net OPEB Liability	<u>\$ 48,633,726</u>	<u>\$ 69,305,818</u>	<u>\$ 94,589,444</u>
Ratio of Plan Net Position to Total OPEB Liability	60.60%	51.91%	44.16%

Net OPEB Liability and Deferred Outflows/Inflows of Resources:

The County's change in Total OPEB Liability, Plan Fiduciary Net Position, and Net OPEB Liability for the year ended June 30, 2024, were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) – (b)
Balances at 6/30/23	\$137,295,480	\$65,047,834	\$72,247,646
Changes for the year:			
Service cost	4,035,083	-	4,035,083
Interest	8,316,009	-	8,316,009
Changes in benefit terms	-	-	-
Difference between expected & actual experience	-	-	-
Changes in assumptions	-	-	-
Contributions – employer	-	6,541,561	(6,541,561)
Contributions – employee	-	1,061,195	(1,061,195)
Net investment income	-	8,754,811	(8,754,811)
Benefit payments	(5,541,561)	(6,602,756)	1,061,195
Administrative expense	-	(3,452)	3,452
Net changes	6,809,531	9,751,359	(2,941,828)
Balances at 6/30/24	\$144,105,011	\$74,799,193	\$69,305,818

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(19) Other Post Employment Benefits (Continued):

Net OPEB Liability and Deferred Outflows/Inflows of Resources (continued):

As of June 30, 2024, \$4,862,029 of the net OPEB liability is reported as a liability in the business-type activities in the government-wide statement of net position and in the proprietary fund type in the fund financial statement of net position. The remaining \$64,443,789 of the net OPEB liability is reported as a liability related to the governmental funds and is only recorded in the governmental activities in the government-wide statement of net position.

Investment gains and losses for each year will be recognized over five years. Demographic gains and losses as well as assumption changes will be recognized over the average remaining lifetimes of all plan participants, which could vary from year to year. In general, the impact of any plan changes will be recognized immediately.

The County recognized \$5,052,652 in OPEB expense and as of June 30, 2024, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Experience (gain) or loss	\$ 522,352	\$ (13,550,707)
Changes of assumptions	8,267,577	-
Net difference between projected and actual earnings on plan investments	-	(2,307,605)
Total	\$ 8,789,929	\$ (15,858,312)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year ended June 30	Amount
2025	\$ (2,634,457)
2026	(347,985)
2027	(3,116,984)
2028	(968,957)
Total	<u>\$ (7,068,383)</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(19) Other Post Employment Benefits (Continued):

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

ASSETS

Investments:	
Mutual funds	<u>\$ 74,817,860</u>
Total assets	<u>74,817,860</u>

LIABILITIES

Vouchers payable and accrued expenses	<u>18,667</u>
Total liabilities	<u>18,667</u>

NET POSITION

Total Net Position	<u>\$ 74,799,193</u>
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NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(19) Other Post Employment Benefits (Continued):

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

Additions:

Contributions:

Plan members	\$ 1,061,195
New Castle County	<u>6,541,561</u>
Total contributions	<u>7,602,756</u>

Investment income:

Net increase in fair value of investments	6,913,195
Interest, dividends, and other income, including realized gains/losses	<u>1,922,112</u>
Total investment income	8,835,307
Less: investment expense	<u>80,496</u>

Net investment income

Total additions

Deductions:

Benefit payments	6,602,756
Administrative expenses	<u>3,452</u>

Total deductions

Net increase in net position

Net position

Beginning of year	<u>65,047,834</u>
End of year	<u>\$ 74,799,193</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(20) On-Behalf Payments:

The County receives a pension contribution from the State of Delaware for New Castle County Police to the Employees' Pension Program. This on-behalf payment is recorded in the General Fund as intergovernmental revenue and expenditure paid to the Pension Trust Fund. This amount for FY 2024 was \$8,365,517.

(21) Leases:

Leases Receivable:

On July 1, 1995, the Delaware River and Bay Authority (DRBA) assumed responsibility for the New Castle County Airport under the terms of a 30-year lease. The DRBA has reimbursed the County for all debt service payments attributable to the Airport fulfilling its required lease payments. This arrangement is structured to reduce operating losses at the airport while advancing overall economic development and job creation within the County. This agreement was deemed to be a non-exchange transaction and not applicable under GASB 87, Leases.

The County is the lessor in several property lease agreements leasing land and buildings to various third parties. The terms of these leases range from one to thirty years. The County computes lease receivables at the commencement of the lease term, calculated at the present value of payments expected to be received during the term outlined in the leasing arrangement. The County recognized \$224,909 in lease revenue and \$55,318 in interest revenue during the current fiscal year related to these leases. As of June 30, 2024, the County's lease receivable for lease payments is \$1.8 million. In addition, the County has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2024, the deferred inflow of resources was \$1.6 million.

Leases Payable:

In addition, the County has entered into non-cancellable lease agreements for buildings and copier equipment. Payments are due in monthly installments with interest rates varying from 1.63% to 4.41%.

The assets acquired through leases are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
ROU Equipment	\$ 5,459,157	\$ 17,750
ROU Buildings	2,040,199	-
Less: accumulated amortization	(1,307,251)	(5,917)
	<u>\$ 6,192,105</u>	<u>\$ 11,833</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(21) Leases (Continued):

Total future minimum lease payments under lease agreements are as follows:

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 913,581	\$ 235,991	\$ 5,943	\$ 394	\$ 1,155,909
2026	663,226	205,435	6,210	126	874,997
2027	513,502	180,423	-	-	693,925
2028	536,933	157,636	-	-	694,569
2029	555,124	133,977	-	-	689,101
2030-2034	2,559,829	303,582	-	-	2,863,411
2035 and thereafter	716,950	115,886	-	-	832,836
	<u>\$ 6,459,145</u>	<u>\$ 1,332,930</u>	<u>\$ 12,153</u>	<u>\$ 520</u>	<u>\$ 7,804,748</u>

(22) Financed Purchases:

The County has entered into numerous agreements for the financing of new police and emergency service vehicles and equipment and new sewer service vehicles and equipment. Payments are due in monthly/quarterly installments with interest rates varying from .96% to 7.6% per annum.

The assets acquired through financed purchases are as follows:

	Governmental	Business-Type
	Activities	Activities
Equipment	\$ 48,887,694	\$ 15,949,844
Less: accumulated depreciation	<u>(32,976,076)</u>	<u>(10,534,333)</u>
	<u>\$ 15,911,618</u>	<u>\$ 5,415,511</u>

Total future minimum payments under financed purchases agreements are as follows:

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 3,782,112	\$ 437,700	\$ 1,248,591	\$ 130,419	\$ 5,598,822
2026	2,925,079	305,565	1,144,770	93,951	4,469,365
2027	2,566,061	187,793	940,152	57,951	3,751,957
2028	1,721,889	90,733	610,699	25,463	2,448,784
2029	928,826	18,906	236,701	6,319	1,190,752
Total minimum payments	<u>\$ 11,923,967</u>	<u>\$ 1,040,697</u>	<u>\$ 4,180,913</u>	<u>\$ 314,103</u>	<u>\$ 17,459,680</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(23) Subscription-Based IT Arrangements (SBITAs):

The County has entered into several subscription-based IT agreements for the financing of Public Safety information technology initiatives. Payments are made annually with interest rates ranging from 2.10% to 4.412%.

The assets acquired through SBITAs are as follows:

	Governmental Activities	Business-Type Activities
Subscription assets	\$ 8,164,385	\$ 85,071
Less: accumulated amortization	<u>(1,039,690)</u>	<u>(8,788)</u>
	<u><u>\$ 7,124,695</u></u>	<u><u>\$ 76,283</u></u>

Total minimum payments under SBITAs are as follows:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2025	\$ 695,341	\$ 267,739	\$ -	\$ -	\$ 963,080
2026	1,004,139	223,178	17,601	4,738	1,249,656
2027	1,032,381	178,404	21,328	1,011	1,233,124
2028	1,108,190	130,799	23,455	-	1,262,444
2029	542,230	104,447	-	-	646,677
2030-2034	<u>2,424,298</u>	<u>162,412</u>	<u>-</u>	<u>-</u>	<u>2,586,710</u>
	<u><u>\$ 6,806,579</u></u>	<u><u>\$ 1,066,979</u></u>	<u><u>\$ 62,384</u></u>	<u><u>\$ 5,749</u></u>	<u><u>\$ 7,941,691</u></u>

(24) Public-Private Partnerships (PPP):

Tennis:

On September 20, 2016, with amendment on July 6, 2018, the County entered into an agreement with Classic Tennis 2, LLC in regard to the Delcastle Tennis Facility. The terms of this agreement conclude December 31, 2043. The County granted Classic Tennis the right and privilege to operate, manage, maintain, improve and promote the Delcastle Tennis Facility. Ownership resides with the County. The County calculates PPP receivable at the present value of payments expected to be received during the term outlined in the arrangement using a discount rate of 4.41%. The County recognized \$61,101 in PPP revenue and \$56,137 in interest revenue during the current fiscal year related to this PPP. As of June 30, 2024, the County's PPP receivable is \$1,298,706. In addition, the County has a deferred inflow of resources associated with this agreement that will be recognized as revenue over the term. As of June 30, 2024, the deferred inflow of resources was \$1,191,468.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(24) Private-Public Partnerships (PPP) (Continued):

Golf:

On January 1, 2009, with amendment on March 10, 2015, the County entered into an agreement with Delcastle Golf, LLC in regard to the Delcastle Golf Course. The terms of this agreement conclude December 31, 2033. The County granted Delcastle Golf, LLC the right and privilege to operate, manage, maintain, improve and promote the Delcastle Golf Course. Ownership resides with the County. The County calculates PPP receivable at the present value of payments expected to be received during the term outlined in the arrangement using a discount rate of 4.41%. The County recognized \$85,757 in PPP revenue and \$38,339 in interest revenue during the current fiscal year related to this PPP. As of June 30, 2024, the County's PPP receivable is \$830,533. In addition, the County has a deferred inflow of resources associated with this agreement that will be recognized as revenue over the term. As of June 30, 2024, the deferred inflow of resources was \$814,692.

Assets acquired as part of these agreements are as follows:

	Governmental Activities
PPP Buildings	\$ 104,601
PPP Building Improvements	2,636,513
PPP Other Improvements	776,108
PPP Equipment	1,498,674
Less: accumulated depreciation	(1,939,357)
	<u>\$ 3,076,539</u>

(25) Deferred Compensation Plan:

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years.

As required by IRC Section 457 (g), the County's Deferred Compensation Plan (DCP) Trust Agreement provides that all assets and income of the DCP are held in the DCP Trust for the exclusive benefit of participants and their beneficiaries. Therefore, these assets are not the property of the County and will not be subject to the claims of the County's general creditors.

All costs and expenses of administering the plan are borne by the participants.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans:

New Castle County, Delaware Employees' Pension Program

Plan Description and Provisions:

New Castle County maintains a single-employer, defined benefit pension plan that covers substantially all full-time County employees (except for police employees who are covered by the Delaware Municipal Police/Firefighter Pension Plan) as well as part-time school crossing guards. Benefits are administered under the County's Pension Program (Program) by a quasi-independent agency, which issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the Finance division of the Department of Administration.

The Program consists of five separate pension plans with members' benefits varying according to the plan in which they participate. Membership in a particular plan generally is based upon the date of employment. The Program's five pension plans are: the County Employees' Pension Plan (Plan); the Employees' Retirement System (the System); the Alternate Pension Plan (the Closed Plan); the County 2011 Plan (Hybrid Plan); and, the School Crossing Guards' Pension Plan (Crossing Guards' Plan). Upon organization of the Program, all of the assets of the County's previously separate pension plans were pooled and made available to satisfy the obligations to members under any of the plans. Consequently, the plans are not considered to be separate for actuarial, funding, or financial reporting purposes.

Benefits Provided:

The Program provides retirement, disability, and death benefits to Program members and beneficiaries. Retirement benefits for members of the System include automatic post-retirement benefit increases. Those benefits are established under the provisions of the County Code and may be amended by action of the County Council.

County employees covered by the Plan and hired before December 15, 2006, become eligible for benefits upon 15 years of credited service and attainment of age 60, 10 years of credited service and attainment of age 62, 5 years of credited service and attainment of age 65, or 30 years of credited service. Employees hired after December 15, 2006, become eligible upon 15 years of credited service and age 60, 10 years of credited service and age 62, or 30 years of credited service. The amount of the monthly service or disability pension payable to a Plan member equals 1/60 of his or her final average compensation multiplied by the number of years of his or her credited service, taken to the nearest 1/12 of a year, provided that:

- A. Beginning no earlier than age 62, the service pension payable shall in no case exceed 1% of final average compensation plus 0.5% of final average compensation in excess of 30% of covered compensation plus 0.5% of final average pay in excess of covered compensation, the sum of which is multiplied by years of service not in excess of 30 and:
- B. The disability pension, when combined with the disability or old age insurance benefit for which he or she is eligible under the federal Social Security Act, without taking into account any increases in such benefit after payments commence, shall not exceed 75% of final average compensation.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans (Continued):

New Castle County, Delaware Employees' Pension Program (Continued)

Benefits Provided (Continued):

For participants who are age 55 prior to January 1, 1997, benefits shall not be less than 75% of final average compensation less the age 62 Social Security benefit; the result to be multiplied by a ratio not to exceed 1, the numerator of which is the participant's years of credited service and the denominator of which is 30 years. Benefits are proportionately less for members with less than 30 years of credited service.

County nonpolice employees covered by the System and hired before December 15, 2006, become eligible for benefits at age 60, 55, or 50, provided they have completed at least 5, 15, or 25 years of service, respectively, or at any age upon attaining 30 years of credited service. Nonpolice employees hired after December 15, 2006, become eligible for benefits at age 60, 55, or 50, provided they have completed at least 10, 15, or 25 years of service, respectively, or at any age upon attaining 30 years of credited service. Police members become eligible to retire after 20 years if they complete a minimum of 15 years of service during the 20-year period or at age 50 with at least 10 years of service and have not obtained a refund. Police are subject to mandatory retirement at age 55. Normal monthly retirement benefits for nonpolice System members are calculated based upon a monthly average of the member's highest base salary or wage, excluding overtime and shift premium compensation, for 36 months (12 months for police members with at least 15 years of credited service), whether or not consecutive, multiplied by a specific percentage that ranges from 1.7% to 2.5% and multiplied by years of service. Police pensions are calculated at 2.5% of final average salary for each year of police service. Benefits are limited to 80% of the average salary calculated above. Service retirement benefits for nonpolice employees are automatically increased January 1st each year by 2% of the initial benefit beginning the earlier of five years of retirement or attaining age 60 and one year of retirement. Service retirement benefits for police members are automatically increased each year beginning after three years of retirement or age 60 and 1 year of retirement by a 3% cost of living adjustment compounded annually.

Under the Closed Plan, County members are eligible for benefits upon completion of 20 years of credited service or at age 60 and completion of 15 years of credited service. Normal monthly retirement benefit is calculated based upon a monthly average of a member's highest wage, excluding overtime and shift premium compensation, for 60 consecutive months, multiplied by 2.5% and further multiplied by the total years of service. Benefits range from a minimum of \$200 per month to a maximum of \$300 per month.

Under the Guard Plan, members hired before December 15, 2006, become eligible for benefits upon 15 years of credited service and attainment of age 60, 10 years of credited service and attainment of age 62, 5 years of credited service and attainment of age 65, or 30 years of credited service. Employees hired after December 15, 2006, become eligible upon 15 years of credited service and age 60, 10 years of credited service and age 62, or 30 years of credited service. The annual service retirement benefit is equal to \$10 per month for each year of credited service.

Under the Hybrid Plan, members hired after November 1, 2011, become eligible for benefits upon 10 years of credited service and attainment of age 65, or upon 30 years of credited service, regardless of age. The amount of monthly service retirement benefit is equal to 1% of his or her final average salary multiplied by the number of years and partial years of credited service, taken to the nearest month. If they are a County Emergency Medical Services Division Employee or a County Emergency Communications Division Employee, they become eligible for benefits with 10 years of credited service and attainment of age 60, or upon 25 years of service, regardless of age. The amount of the monthly service benefit for these individuals

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024

(Continued)

(26) Defined Benefit Pension Plans (Continued):

New Castle County, Delaware Employees' Pension Program (Continued)

Benefits Provided (Continued):

is 1.2% of his or her final average salary multiplied by the number of years and partial years of credited service, taken to the nearest month.

The Program also provides death and disability benefits.

Contribution Requirements:

The requirements for County and employee contributions are established under County Code and may be amended by action of the County Council. The requirements for State contributions are established under State Statute. The required contribution rates of active Program members are as follows:

Plan	3% of annual compensation in excess of \$5,980 plus 2% of annual compensation in excess of the social security taxable wage base
System	7.0% (police members) and 5% (non-police members) of base salary or wages
Closed Plan	No contribution required
Crossing Guards' Plan	\$10 per bi-weekly pay period
County 2011 Plan	5% of base salary for Emergency Medical Services Division Employees and Emergency Communications Division Employees; 3% of base salary for all other employees

State contributions to the Program are for police members of the System and are based on a ratable share of the State's tax on insurance premiums. The share provided to the County is based on the relative number of police employees covered by the County Program compared to the total number of state, county, and municipal police employees in the State covered by pension plans that are eligible to participate in the distribution of the tax.

The County is required by County Code to contribute to the Program based on an actuarial valuation. The current rate is 35.96% of annual covered payroll.

Actuarial Assumptions:

The actuarial valuations are used to determine the contributions to be made by the County in the fiscal year starting six months after the valuation date. For example, the January 1, 2023, valuation is used to establish the contribution level for the year ended June 30, 2024.

The total pension liability was determined as of June 30, 2024 using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.00% investment rate of return and (b) projected salary increases of 3.25% (7.75% for General employees with less than 10 years of service and 2.75% for Crossing Guards). The assumptions include post-retirement benefit increases for members of the System and a 2.75% inflation rate assumption. The annual required contribution for the year was determined on a percentage of payroll basis.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans (Continued):

New Castle County, Delaware Employees' Pension Program (Continued)

Actuarial Assumptions (Continued):

Mortality rates were based on the RP-2014 Combined Healthy Mortality Tables (Blue Collar), as appropriate, with adjustments for mortality improvements based on Scale SSA projected on a generational basis. RP-2014 Disabled tables were used for the valuation of disabled members.

A full experience study was conducted in 2018 and several assumptions were updated, including the ones listed above as well as the assumed rates of termination, disability, and retirement.

Long-Term Expected Rate of Return:

The long-term expected rate of return on pension program investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension program investment expense and inflation) are developed for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Finally, the arithmetic portfolio expected return is converted into a geometric expected return using assumed asset class standard deviations and correlations.

Best estimates of arithmetic real rates of return for each major asset class included in the pension program's target asset allocation as of June 30, 2024, and the final investment return assumption, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Weight</u>
Domestic Equity	5.57%	23%
International Equity	5.81%	17%
Fixed Income – U.S.	3.26%	31%
Real Estate	5.96%	10%
Private Markets	8.29%	13%
Hedge Funds	4.10%	5%
Cash	0.74%	1%
Total Weighted Average Real Return	5.17%	100%
Plus inflation	<u>2.75%</u>	
Total return without Adjustment	7.92%	
Risk adjustment	-0.92%	
Total Expected Return	7.00%	

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans (Continued):

New Castle County, Delaware Employees' Pension Program (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on those assumptions, the pension plan's fiduciary net position is sufficient to finance the benefit payments of current plan members through the year 2124.

Therefore, the long-term expected rates of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.00%	7.00%	8.00%
Total Pension Liability	\$847,111,358	\$751,696,216	\$672,774,009
Plan Net Position	540,417,864	540,417,864	540,417,864
Net Pension Liability	\$306,693,494	\$211,278,352	\$132,356,145
Ratio of Plan Net Position to Total Pension Liability	63.80%	71.89%	80.33%

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans (Continued):

New Castle County, Delaware Employees' Pension Program (Continued)

Net Pension Liability and Deferred Outflows/Inflows of Resources:

The County's change in Total Pension Liability, Plan Fiduciary Net Position, and Net Pension Liability for the year ended June 30, 2024, were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at 6/30/23	\$758,651,156	\$510,694,685	\$247,956,471
Changes for the year:			
Service cost	6,905,228	-	6,905,228
Interest	51,589,798	-	51,589,798
Differences between expected and actual experience	(16,801,223)	-	(16,801,223)
Changes in benefit terms	1,564,581	-	1,564,581
Contributions – employer	-	37,511,331	(37,511,331)
Contributions – employee	-	3,010,290	(3,010,290)
Net investment income	-	40,074,711	(40,074,711)
Benefit payments, including refunds of employee contributions	(50,213,324)	(50,213,324)	-
Administrative expense	-	(659,829)	659,829
Net changes	(6,954,940)	29,723,179	(36,678,119)
Balances at 6/30/24	\$751,696,216	\$540,417,864	\$211,278,352

As of June 30, 2024, \$25,301,864 of the net pension liability is reported as a liability in the business-type activities in the government-wide statement of net position and in the proprietary fund type in the fund financial statement of net position. The remaining \$185,976,488 of the net pension liability is reported as a liability related to the governmental funds and is only recorded in the governmental activities in the government-wide statement of net position.

The County recognized \$37,581,896 in Pension expense for fiscal year 2024 and as of June 30, 2024, reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 20,246,633	\$ (12,920,585)
Changes in actuarial assumptions	6,162,248	-
Net difference between projected and actual earnings on plan investments	12,475,131	-
Total	\$ 38,884,012	\$ (12,920,585)

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans (Continued):

New Castle County, Delaware Employees' Pension Program (Continued)

Net Pension Liability and Deferred Outflows/Inflows of Resources (Continued):

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

<u>Fiscal Year Ended June 30</u>		
2025	\$	11,327,143
2026		18,571,287
2027		(1,723,646)
2028		(2,211,357)
Total	\$	<u>25,963,427</u>

Delaware Public Employees' Retirement System (DPERS) County and Municipal Police and Firefighters' Pension Plan

Plan Description:

The County contributes to a governmental cost-sharing multiple-employer defined benefit pension plan administered by the Delaware Public Employees' Retirement System (DPERS). The plan, which is the DPERS County and Municipal Police and Firefighters' Pension Plan, covers County police employees hired on or after February 1, 1993. Benefit provisions of the plan are established under the provisions of State law and may be amended by an act of the State legislature. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The Delaware Public Employees' Retirement System issues a publicly available financial report that includes financial statements for the plan. That report may be obtained by writing to the State Board of Pension Trustees and Office of Pensions, McArdle Building, Suite 1, 860 Silver Lake Boulevard, Dover, Delaware 19904.

Benefits Provided:

Service benefits provided by this plan are as follows: 2.5% of final average monthly compensation multiplied by years of credited service up to 20 years, plus 3.5% of final average monthly compensation multiplied by years of service in excess of 20 years. For this plan, final average monthly compensation is the monthly average of the highest three consecutive years of compensation. Retirement eligibility is age 62 with 5 years of service, age plus credited service (but not less than 10 years) equals 75, or 20 years of credited service.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans (Continued):

DPERS County and Municipal Police and Firefighters' Pension Plan (Continued)

Measurement Date:

The measurement date of the plan is as of June 30, 2023.

Contributions:

The contribution policy is set by State law and requires contributions by active members and by participating employers. Plan members are required to contribute 7% of base compensation. The contributions required of participating employers are based on an actuarial valuation and are expressed as a percentage of annual covered payroll during the period for which the amount is determined. The County was required to contribute at the following rates for the fiscal years ending June 30, 2024, 2023, and 2022: 12.74%, 11.34%, and 16.03%. The County's contributions to the plan for the same fiscal years were \$4,294,926, \$3,869,384, and \$5,112,970, respectively. Those amounts are equal to or greater than the required contribution for each year.

Actuarial assumptions:

The investment rate of return/discount rate was assumed to be 7.0%, with projected salary increases at 2.5% plus a merit increase, and no cost-of-living adjustments were included. Inflation is included at 2.5%. The total pension liabilities are measured based on assumptions pertaining to the interest rates, inflation rates, and employee demographic behavior in future years.

Mortality rates were based on the Pub-2010 Mortality Tables with gender adjustments for employees, healthy annuitants and disabled retirees and an adjusted version on MP-2020 mortality improvement scale on a fully generational basis.

Projected benefit payments do not include the effects of projected ad hoc cost-of-living adjustments (ad hoc COLAs) as they are not substantively automatic. The primary considerations relevant to making this determination include the historical pattern of granting the changes and the consistency in the amount of the changes.

The County's proportionate share of the net pension asset/(liability) is equal to the collective net pension asset/(liability) multiplied by our proportionate share percentage for fiscal year ending June 30, 2023 in the Schedule of Employer Allocations in the DPERS County and Municipal Police and Firefighters' Pension Plan report. The proportionate share percentage is 29.6%, a decrease of 1.1% from the year ending June 30, 2022.

The difference between expected and actual experience and the change in assumptions with regard to economic and demographic factors, and the change in employer proportionate share are amortized over the average of the expected remaining service life of active and inactive members which is 10 years.

The difference between the actual earnings on plan investments compared to the plan's expected rate of return of 7.0% is amortized over a closed period of 5 years.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans (Continued):

DPERS County and Municipal Police and Firefighters' Pension Plan (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by an asset allocation percentage, which is based on the nature and mix of current and expected plan investments, and by adding expected inflation.

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.8%	5.7%
International equity	15.9%	5.7%
Fixed income	25.2%	2.0%
Alternative investments	19.3%	7.8%
Cash and equivalents	5.8%	0.0%
Total	100.0%	

Sensitivity of the Net Pension Asset/(Liability) to Changes in the Discount Rate

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Total DPERS County and Municipal Police and Firefighters' Pension Plan Net Pension Asset/(Liability)	(\$102,241,000)	(\$14,375,923)	\$57,487,000
County's Proportionate Share	(\$30,269,979)	(\$4,256,207)	\$17,019,887

Pension plan fiduciary net position: Detailed information about the DPERS County and Municipal Police and Firefighters' Pension Plan's fiduciary net position is available in the separately issued financial report.

Net Pension Liability and Deferred Outflows/Inflows of Resources:

The County recognized \$826,641 in Pension expense in fiscal year 2024 and, as of June 30, 2024 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(26) Defined Benefit Pension Plans (Continued):

DPERS County and Municipal Police and Firefighters' Pension Plan (Continued)

Net Pension Liability and Deferred Outflows/Inflows of Resources (Continued):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions subsequent to measurement date	\$ 4,294,926	\$ ---
Proportionate share increase	598,685	(104,505)
Experience (gain) or loss	7,815,125	(1,001,235)
Changes of assumptions	839,971	(2,087,736)
Net difference between projected and actual earnings on plan investments	8,374,063	-
Total	\$ 21,922,770	\$ (3,193,476)

The County reported \$4,294,926 as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended June 30</u>		
2025	\$ 2,280,843	
2026	2,280,843	
2027	2,280,843	
2028	2,280,843	
2029-2034	<u>5,310,996</u>	
Total	<u>\$ 14,434,368</u>	

The following table provides aggregate information for the County's pension plans:

	<u>Net Pension Liability/(Asset)</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
New Castle County Pension Plan	\$211,278,352	\$38,884,012	\$(12,920,585)	\$37,581,896
DPERS (proportionate share)	4,256,207	21,922,770	(3,193,476)	826,641
Total Pension Plans	<u>\$215,534,559</u>	<u>\$60,806,782</u>	<u>\$(16,114,061)</u>	<u>\$38,408,537</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(Continued)

(27) Tax Abatements:

As of June 30, 2024, New Castle County provides one tax abatement requiring disclosure under GASB Statement No. 77:

Ordinance No. 19-115 provides an exemption from County property taxes on property purchased by Dot Foods, Inc. ("Dot Foods") at 301 American Blvd. in Bear, Delaware, for any increase in assessed valuation attributable to new construction or renovation of the property. The exemption commenced on July 1, 2020 and will continue for five years or until a total of \$150,000 in property taxes have been exempted, whichever first occurs. This property tax exemption will sunset no later than June 30, 2025. If Dot Foods sells or leases any part of the property to any third party or if it files for bankruptcy, the exemption will terminate as of the date of the sale, lease or bankruptcy. Dot Foods will forfeit the otherwise applicable County tax exemption for the following County fiscal year if it fails to pay timely all County sewer service charges or annual school taxes. It will forfeit the County tax exemption in its entirety and be obligated to pay all amounts previously exempted if it does not create 201 new full-time positions by May 30, 2025. \$30,450 in County property taxes qualified for this tax abatement in fiscal year 2024, with a cumulative total of \$150,000 through fiscal year 2024.

(28) Subsequent Events:

On July 26, 2024, New Castle County entered into a financing agreement with the Delaware Water Pollution Control Revolving Fund, acting by and through the Delaware Department of Natural Resources and Environmental Control (DNREC), a public agency of the State of Delaware, for a loan in the amount of \$33,000,000. The funds borrowed will finance costs associated with the installation of approximately a) 2,000 linear feet of new 84-inch force main piping to serve as permanent bypass piping around the Heald Street Bridge, b) 5,700 linear feet of 84-inch force main piping to serve as permanent bypass piping around the Market Street Bridge, and c) 2,000 linear feet of a new 36 inch force main extending from the Market Street Pump Station, all as part of the Christina River Force Main Rehabilitation Project. The County expects the project to be completed by July 31, 2027.

On October 30, 2024, New Castle County entered into a master agreement with the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency, and a loan agreement under the Water Infrastructure Finance and Innovation Act ("WIFIA"). The master agreement allows New Castle County to request, over time, an aggregate principal amount not to exceed \$33,088,961 or so much thereof as shall be advanced. The proceeds will be used to pay a portion of the costs of the Christina River Force Main Rehabilitation Project. The loan agreement permits New Castle County to draw against the master agreement for an amount of up to \$12,587,629. The project for which the loan agreement was borrowed will finance the costs associated with the installation of approximately 2,000 linear feet of new 84-inch force main piping to serve as permanent bypass piping around the Heald Street Bridge, along with costs of issuance. The County expects the project to be completed by January 1, 2027.

Required Supplementary Information

NEW CASTLE COUNTY, DELAWARE EMPLOYEES' PENSION PROGRAM
(A Pension Trust Fund of New Castle County, Delaware)
Required Supplementary Information
June 30, 2024

Schedule of Changes in Net Pension Liability and Related Ratios*

	Fiscal Year 2024	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Total Pension Liability										
Service Cost	\$ 6,905,228	\$ 7,724,997	\$ 7,405,676	\$ 7,622,511	\$ 6,782,145	\$ 8,002,663	\$ 7,578,587	\$ 7,700,742	\$ 7,847,444	\$ 7,733,029
Interest	51,589,798	48,871,839	48,531,093	45,222,885	44,219,774	43,722,887	42,043,474	41,203,676	40,893,316	40,243,005
Changes in benefit terms	1,564,581	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(16,801,223)	32,219,081	874,739	10,034,013	7,265,293	(3,143,686)	3,123,070	(2,077,314)	1,314,713	1,188,291
Changes in assumptions	-	-	-	30,811,236	-	39,786,800	-	(1,789,625)	11,647,493	721,980
Benefit payments, including refunds	(50,213,324)	(48,942,780)	(47,062,315)	(45,393,295)	(44,182,032)	(42,835,175)	(41,141,436)	(39,523,627)	(37,813,325)	(36,345,952)
Net Change in Total Pension Liability	(6,954,940)	39,873,137	9,749,193	48,297,350	14,085,180	45,533,489	11,603,695	5,513,852	23,889,641	13,540,353
Total Pension Liability - Beginning of Year	758,651,156	718,778,019	709,028,826	660,731,476	646,646,296	601,112,807	589,509,112	583,995,260	560,105,619	546,565,266
Total Pension Liability - End of Year	\$ 751,696,216	\$ 758,651,156	\$ 718,778,019	\$ 709,028,826	\$ 660,731,476	\$ 646,646,296	\$ 601,112,807	\$ 589,509,112	\$ 583,995,260	\$ 560,105,619
Plan Fiduciary Net Position										
Contributions - employer	\$ 37,511,331	\$ 28,472,096	\$ 30,292,363	\$ 30,026,272	\$ 26,734,944	\$ 22,504,179	\$ 22,677,474	\$ 17,259,347	\$ 17,035,119	\$ 18,025,370
Contributions - member	3,010,290	2,715,773	2,645,904	2,790,057	2,586,225	2,639,998	2,688,889	2,679,140	2,840,013	2,779,085
Net investment income (loss)	40,074,711	36,222,670	(44,631,943)	108,424,912	18,563,905	26,769,755	36,749,800	46,007,003	(8,901,831)	15,220,117
Benefit payments, including refunds	(50,213,324)	(48,942,780)	(47,062,315)	(45,393,295)	(44,182,032)	(42,835,175)	(41,141,436)	(39,523,627)	(37,813,327)	(36,345,952)
Administrative expenses	(635,841)	(636,549)	(615,712)	(574,320)	(743,098)	(830,410)	(717,800)	(682,369)	(660,453)	(581,179)
Other expenses	(23,988)	(64,800)	(56,465)	(107)	(31,633)	(61,202)	(16,704)	(33,285)	-	-
Net Change in Plan Fiduciary Net Position	29,723,179	17,766,410	(59,428,168)	95,273,519	2,928,311	8,187,145	20,240,223	25,706,209	(27,500,479)	(902,559)
Plan Fiduciary Net Position - Beginning of Year	510,694,685	492,928,275	552,356,443	457,082,924	454,154,613	445,967,468	425,727,245	400,021,036	427,521,515	428,424,074
Plan Fiduciary Net Position - End of Year	\$ 540,417,864	\$ 510,694,685	\$ 492,928,275	\$ 552,356,443	\$ 457,082,924	\$ 454,154,613	\$ 445,967,468	\$ 425,727,245	\$ 400,021,036	\$ 427,521,515
Net Pension Liability - Beginning of Year	\$ 247,956,471	\$ 225,849,744	\$ 156,672,383	\$ 203,648,552	\$ 192,491,683	\$ 155,145,339	\$ 163,781,867	\$ 183,974,224	\$ 132,584,104	\$ 118,141,192
Net Pension Liability - End of Year	\$ 211,278,352	\$ 247,956,471	\$ 225,849,744	\$ 156,672,383	\$ 203,648,552	\$ 192,491,683	\$ 155,145,339	\$ 163,781,867	\$ 183,974,224	\$ 132,584,104
Plan Fiduciary Net Position as a percentage of Total Pension Liability	71.9%	67.3%	68.6%	77.9%	69.2%	70.2%	74.2%	72.2%	68.5%	76.3%
Covered Payroll	\$ 73,162,580	\$ 69,442,796	\$ 67,024,711	\$ 66,089,534	\$ 63,622,011	\$ 62,750,893	\$ 63,082,234	\$ 61,704,013	\$ 61,711,130	\$ 62,272,733
Net Pension Liability as a percentage of Covered Payroll	288.8%	357.1%	337.0%	237.1%	319.9%	306.8%	245.9%	265.4%	298.1%	212.9%

Notes to schedule:

Benefit changes: None

Changes of assumptions: In 2021, there was a change in assumption for the COLAs for Police participants. It is now assumed that annuities will increase by 3.00% per annum compounded, with an offset for expected State COLA amounts. This is a change from the previous assumption of 1.80% with no offset. In 2019, amounts reported as changes of assumptions resulted primarily from adjustments to the discount rate, salary increases, and inflation. Also in 2019, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2014 Combined Healthy Mortality Tables (Blue Collar) for purposes of developing mortality rates. In 2015, 2016 and 2017, the only changes in actuarial assumptions were due to the change in the GASB discount rate.

NEW CASTLE COUNTY, DELAWARE EMPLOYEES' PENSION PROGRAM
(A Pension Trust Fund of New Castle County, Delaware)
Required Supplementary Information
June 30, 2024

SCHEDULE OF COUNTY CONTRIBUTIONS
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 37,511,331	\$ 28,472,096	\$ 30,292,363	\$ 30,026,272	\$ 26,734,944	\$ 22,504,179	\$ 22,677,474	\$ 17,259,347	\$ 17,035,119	\$ 19,158,322
Contributions in relation to the actuarially determined contribution	37,511,331	28,472,096	30,292,363	30,026,272	26,734,944	22,504,179	22,677,474	17,259,347	17,035,119	18,025,371
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,132,951
Covered payroll	\$ 73,162,580	\$ 69,442,796	\$ 67,024,711	\$ 66,089,534	\$ 63,662,011	\$ 62,750,893	\$ 63,082,234	\$ 61,704,013	\$ 61,711,130	\$ 62,272,733
Contributions as a percentage of covered payroll	51.27%	41.00%	45.20%	45.43%	42.00%	35.86%	35.95%	27.97%	27.60%	28.95%

Note: Actuarial contributions are determined as a percentage of payroll. This rate is applied to actual payroll to determine the employer contribution. The County amounts include funds received from the State of Delaware. There has also been one time period, 2014 through 2015, in which the actuarial contribution rate was phased in over a period of several years. The County and Retirement Board's current policy is to contribute the full actuarial cost each year going forward.

NEW CASTLE COUNTY, DELAWARE
 Required Supplementary Information
 June 30, 2024

DPERS County and Municipal Police and Firefighters' Pension Plan

Schedule of the County's Proportionate Share of the Net Pension Asset/(Liability)

Measurement Date June 30*:

	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's proportionate share of the net pension asset/(liability)	30%	31%	32%	32%	33%	33%	33%	33%	33%
County's proportionate share of the net pension asset/(liability)	\$ 4,256,207	\$ (3,229,737)	\$ 43,901,432	\$ (4,905,086)	\$ (9,545,673)	\$ (7,663,479)	\$ (3,278,567)	\$ (5,301,474)	\$ 1,724,155
County's covered payroll	\$ 33,699,078	\$ 33,967,875	\$ 31,896,070	\$ 29,076,581	\$ 29,378,545	\$ 28,459,289	\$ 26,451,763	\$ 24,292,287	\$ 23,203,998
County's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	12.6%	9.5%	137.6%	16.9%	32.5%	26.9%	12.4%	21.8%	7.4%
Plan fiduciary net position as a percentage of the total pension asset/(liability)	97.6%	102.0%	128.2%	96.7%	93.3%	94.1%	97.0%	94.7%	102.0%

*A full 10-year trend is unavailable at this time. Per GASB 67 standards, this schedule covers the time period in which data was available for the Pension plan.

NEW CASTLE COUNTY, DELAWARE
DPERS County and Municipal Police and Firefighters' Pension Plan
Required Supplementary Information
June 30, 2024

SCHEDULE OF COUNTY CONTRIBUTIONS
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Required contribution	\$ 4,293,263	\$ 3,851,957	\$ 5,112,940	\$ 5,089,826	\$ 4,896,496	\$ 4,900,341	\$ 3,250,051	\$ 3,642,408	\$ 3,364,482	\$ 3,290,327
Contributions in relation to the required contribution	4,294,926	3,869,384	5,112,970	5,132,783	4,900,686	4,900,351	3,308,991	3,679,422	3,365,308	3,293,491
Contribution deficiency/(excess)	\$ (1,663)	\$ (17,427)	\$ (30)	\$ (42,957)	\$ (4,190)	\$ (10)	\$ (58,940)	\$ (37,014)	\$ (826)	\$ (3,164)
Covered payroll	\$ 33,699,078	\$ 33,967,875	\$ 31,896,070	\$ 30,680,085	\$ 29,076,581	\$ 29,378,545	\$ 28,459,289	\$ 26,451,763	\$ 24,292,287	\$ 23,203,998
Contributions as a percentage of covered payroll	12.74%	11.39%	16.03%	16.73%	16.85%	16.68%	11.63%	13.91%	13.85%	14.19%

NEW CASTLE COUNTY, DELAWARE
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024

OTHER POST EMPLOYMENT BENEFITS TRUST FUND
Schedule of Changes in Net OPEB Liability and Related Ratios*

	<u>Fiscal Year 2024</u>	<u>Fiscal Year 2023</u>	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2017</u>
Total OPEB Liability								
Service Cost	\$ 4,035,083	\$ 3,602,073	\$ 3,497,158	\$ 3,367,370	\$ 3,269,291	\$ 2,691,193	\$ 4,370,366	\$ 4,243,074
Interest	8,316,009	7,879,010	7,515,156	8,521,618	8,118,407	15,171,003	14,404,594	13,711,845
Changes in benefit terms	-	-	-	-	-	(101,946,003)	-	-
Difference between expected and actual experience	-	870,588	-	(31,618,315)	-	(12,553,801)	-	-
Changes in assumptions	-	-	-	19,291,017	-	6,494,167	-	-
Benefit payments, including refunds	(5,541,561)	(5,462,337)	(4,655,404)	(6,393,141)	(4,206,368)	(4,767,616)	(7,185,024)	(8,956,954)
Net Change in Total OPEB Liability	6,809,531	6,889,334	6,356,910	(6,831,451)	7,181,330	(94,911,057)	11,589,936	8,997,965
Total OPEB Liability – Beginning of Year	137,295,480	130,406,146	124,049,236	130,880,687	123,699,357	218,610,414	207,020,478	198,022,513
Total OPEB Liability – End of Year	\$ 144,105,011	\$ 137,295,480	\$ 130,406,146	\$ 124,049,236	\$ 130,880,687	\$ 123,699,357	\$ 218,610,414	\$ 207,020,478
Plan Fiduciary Net Position								
Contributions - employer	\$ 6,541,561	\$ 6,462,337	\$ 5,655,404	\$ 7,393,141	\$ 5,206,368	\$ 5,767,616	\$ 8,185,024	\$ 9,956,954
Net investment income	8,754,811	6,274,983	(9,844,164)	14,503,559	1,883,359	2,776,954	3,170,902	4,374,426
Benefit payments	(5,541,561)	(5,462,337)	(4,655,404)	(6,393,141)	(4,206,368)	(4,767,616)	(7,185,024)	(8,956,954)
Administrative expenses	(3,452)	(20,581)	(4,558)	(16,501)	(9,241)	(15,478)	(4,010)	(16,475)
Net Change in Plan Fiduciary Net Position	9,751,359	7,254,402	(8,848,722)	15,487,058	2,874,118	3,761,476	4,166,892	5,357,951
Plan Fiduciary Net Position - Beginning of Year	65,047,834	57,793,432	66,642,154	51,155,096	48,280,978	44,519,502	40,352,610	34,994,659
Plan Fiduciary Net Position - End of Year	\$ 74,799,193	\$ 65,047,834	\$ 57,793,432	\$ 66,642,154	\$ 51,155,096	\$ 48,280,978	\$ 44,519,502	\$ 40,352,610
Net OPEB Liability – Beginning of Year	\$ 72,247,646	\$ 72,612,714	\$ 57,407,082	\$ 79,725,591	\$ 75,418,379	\$ 174,090,912	\$ 166,667,868	\$ 163,027,854
Net OPEB Liability – End of Year	\$ 69,305,818	\$ 72,247,646	\$ 72,612,714	\$ 57,407,082	\$ 79,725,591	\$ 75,418,379	\$ 174,090,912	\$ 166,667,868
Plan Fiduciary Net Position as a percentage of Total OPEB Liability	51.9%	47.4%	44.3%	53.7%	39.1%	39.0%	20.4%	19.5%
Covered Payroll	\$ 106,861,658	\$ 103,410,671	\$ 98,920,781	\$ 96,769,619	\$ 92,738,592	\$ 92,129,438	\$ 91,541,524	\$ 88,155,776
Net OPEB Liability as a percentage of Covered Payroll	64.9%	69.9%	73.4%	59.3%	86.0%	81.9%	190.1%	189.1%

*A full 10-year trend is unavailable at this time. Per GASB 74 standards, this schedule covers the time period in which data was available for the OPEB plan.

NEW CASTLE COUNTY, DELAWARE
OTHER POST EMPLOYMENT BENEFITS TRUST FUND
(An OPEB Trust Fund of New Castle County, Delaware)

Required Supplementary Information

June 30, 2024

SCHEDULE OF COUNTY CONTRIBUTIONS
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 9,872,112	\$ 9,761,238	\$ 8,794,248	\$ 8,692,389	\$ 9,617,995	\$ 9,414,559	\$ 18,489,193	\$ 18,338,946	\$ 17,582,179	\$ 22,562,637
Contributions in relation to the actuarially determined contribution	6,541,561	6,462,337	5,655,404	7,393,141	5,206,368	5,767,616	8,185,024	9,956,954	9,883,996	9,361,876
Contribution deficiency	\$ 3,330,551	\$ 3,298,901	\$ 3,138,844	\$ 1,299,248	\$ 4,411,627	\$ 3,646,943	\$ 10,304,169	\$ 8,381,992	\$ 7,698,183	\$ 13,200,761
Covered payroll	\$ 106,861,658	\$ 103,410,671	\$ 98,920,781	\$ 96,769,619	\$ 92,738,592	\$ 92,129,438	\$ 91,541,524	\$ 88,155,776	\$ 86,003,417	\$ 85,476,731
Contributions as a percentage of covered payroll	6.12%	6.25%	5.72%	7.64%	5.61%	6.26%	8.94%	11.29%	11.49%	10.95%

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expenses	13.40%	10.90%	-14.80%	28.30%	3.90%	6.20%	7.90%	12.60%

*A full 10-year trend is unavailable at this time. Per GASB 74 standards, this schedule covers the time period in which data was available for the OPEB plan.

**NEW CASTLE COUNTY, DELAWARE
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024**

NEW CASTLE COUNTY, DELAWARE OTHER POST EMPLOYMENT BENEFITS PLAN

Notes to Required Supplementary Information

Valuation date: The total OPEB liability was determined by an actuarial valuation as of July 1, 2022.

Methods or assumptions used to determine contribution rates:

Actuarial cost method: Entry Age

Amortization method: Level Dollar

Amortization period: 30 years

Investment Return: 6.00%, net of investment expense and including inflation

Healthcare Trend: 6.5% initially, grading down to 4.25% ultimate

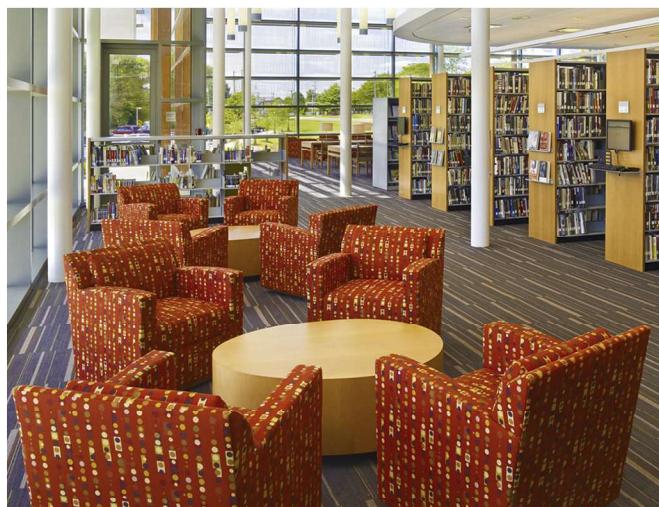
Mortality rates:

Mortality rates were based on the RP-2014 Combined Mortality Tables with Blue Collar adjustments and generational projections using Scale SSA with a 1 year set forward for females. 50% of these rates are applied for pre-retirement deaths. Mortality rates for Disabled members were based on the RP-2014 Disabled tables projected generationally with Scale SSA.

Changes of actuarial assumptions: There were no changes in actuarial assumptions since the prior year.

Changes of benefit terms: There was a significant decrease in the cost of the post-Medicare (post-65) plan premiums from \$417.30 per month in 2016 to \$110.23 per month in 2018. This accounted for nearly all of the large decrease in the County's total OPEB liability. The retiree cost share for retirees in the EPO and PPO plans increased by 14% and 12%, respectively. These cost-sharing changes accounted for a significant portion of the decrease in the total OPEB liability as well.

Combining and Individual Fund Financial Statements and Schedules



**NEW CASTLE
LIBRARIES**

DELAWARE

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- **Light Tax Fund** – Used to account for lighting costs financed with revenues from users within the light districts.
- **Crossing Guard Fund** – Used to account for school crossing guard costs financed with revenues from users within the school districts.
- **Garstin Trust Fund** – Used to account for the costs of providing for the care, maintenance, and upkeep of county parks and related facilities financed with proceeds from an endowment.
- **Housing Trust Fund** – Used to account for costs to construct, purchase, and maintain permanently affordable housing units.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources provided by bond proceeds, intergovernmental grants, and private contributions used for the acquisition or construction of capital facilities and for equipment purchases other than those financed by proprietary funds.

- **Facilities and Equipment** – Used to account for design, construction, and improvements of County buildings and for equipment purchases.
- **Park Development** – Used to account for the acquisition and development of County parkland.
- **Public Safety** – Used to account for improvements at the police building and facilities and for equipment purchases.
- **Miscellaneous Capital Improvements** – Used to account for all other construction improvements and equipment purchases.

NEW CASTLE COUNTY, DELAWARE

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

June 30, 2024

	Special Revenue				Total Special Revenue Funds	Facilities and Equipment	Capital Projects			Total Capital Projects Funds	Total Nonmajor Governmental Funds
	Light Tax	Crossing Guard	Garstin Trust	Housing Trust			Park Development	Public Safety	Miscellaneous Capital Improvements		
ASSETS:											
Cash and cash equivalents	\$ -	\$ -	\$ 31,155	\$ 15,189,012	\$ 15,220,167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,220,167
Investments	-	-	3,660,366	-	3,660,366	-	-	-	-	-	3,660,366
Receivables (net of allowances):											
Taxes, including interest and penalties	126,289	68,543	-	-	194,832	-	-	-	-	-	194,832
Other	-	-	804	-	804	76	-	-	-	76	880
Due from other funds	2,447,135	1,041,215	-	-	3,488,350	5,962,418	2,777,594	8,470,522	2,151,461	19,361,995	22,850,345
Due from other governments	-	-	-	-	-	1,501,433	550,000	-	-	2,051,433	2,051,433
Prepaid costs	-	-	-	-	-	3,081	-	-	-	3,081	3,081
Total assets	\$ 2,573,424	\$ 1,109,758	\$ 3,692,325	\$ 15,189,012	\$ 22,564,519	\$ 7,467,008	\$ 3,327,594	\$ 8,470,522	\$ 2,151,461	\$ 21,416,585	\$ 43,981,104
LIABILITIES:											
Vouchers payable and accrued expenditures	\$ 606,758	\$ 27,627	\$ 10,219	\$ 88,987	\$ 733,591	\$ 698,937	\$ 2,152,934	\$ 194,401	\$ 544,416	\$ 3,590,688	\$ 4,324,279
Due to other funds	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	14,375	14,375	14,375
Retainage payable	-	-	-	-	-	128,458	251,600	-	-	380,058	380,058
Total liabilities	606,758	27,627	10,219	88,987	733,591	827,395	2,404,534	194,401	558,791	3,985,121	4,718,712
DEFERRED INFLOWS OF RESOURCES:											
Unavailable revenue-property taxes	-	63,493	-	-	63,493	-	-	-	-	-	63,493
FUND BALANCES:											
Nonspendable:											
Prepaid costs											
Restricted for:											
Light tax	1,966,666	-	-	-	1,966,666	-	-	-	-	-	1,966,666
Crossing guard	-	750,290	-	-	750,290	-	-	-	-	-	750,290
Garstin trust	-	-	3,682,106	-	3,682,106	-	-	-	-	-	3,682,106
Housing trust	-	-	-	15,100,025	15,100,025	-	-	-	-	-	15,100,025
Capital projects	-	-	-	-	-	6,636,532	923,060	8,276,121	1,592,670	17,428,383	17,428,383
Assigned for:											
Crossing guard	-	268,348	-	-	268,348	-	-	-	-	-	268,348
Unassigned (Note 18)	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	1,966,666	1,018,638	3,682,106	15,100,025	21,767,435	6,639,613	923,060	8,276,121	1,592,670	17,431,464	39,198,899
Total liabilities, deferred inflows of resources, and fund balances											
	\$ 2,573,424	\$ 1,109,758	\$ 3,692,325	\$ 15,189,012	\$ 22,564,519	\$ 7,467,008	\$ 3,327,594	\$ 8,470,522	\$ 2,151,461	\$ 21,416,585	\$ 43,981,104

NEW CASTLE COUNTY, DELAWARE

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue					Capital Projects					Total Nonmajor Governmental Funds
	Light Tax	Crossing Guard	Garstin Trust	Housing Trust	Total Special Revenue Funds	Facilities and Equipment	Park Development	Public Safety	Miscellaneous Capital Improvements	Total Capital Projects Funds	
Revenues:											
Taxes	\$ 8,186,281	\$ 3,741,904	\$ -	\$ -	\$ 11,928,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,928,185
Licenses and permits	-	-	-	244,965	244,965	-	-	-	-	-	244,965
Intergovernmental	-	-	-	-	-	3,408,732	950,847	200,000	-	4,559,579	4,559,579
Investment income	-	-	128,504	-	128,504	-	-	-	-	-	128,504
Net appreciation in fair value of investments	-	-	253,226	-	253,226	-	-	-	-	-	253,226
Miscellaneous Revenue	-	-	-	-	-	174,590	500,000	-	514,800	1,189,390	1,189,390
Total revenues	8,186,281	3,741,904	381,730	244,965	12,554,880	3,583,322	1,450,847	200,000	514,800	5,748,969	18,303,849
Expenditures:											
Current:											
General government	7,995,538	1,034,860	-	-	9,030,398	-	-	-	-	-	9,030,398
Public safety	-	2,357,324	-	-	2,357,324	-	-	-	-	-	2,357,324
Public Works	-	-	199,247	-	199,247	-	-	-	-	-	199,247
Community Services	-	-	-	828,833	828,833	-	-	-	-	-	828,833
Capital outlays	-	-	-	-	-	22,543,921	11,645,823	2,119,973	8,215,511	44,525,228	44,525,228
Total expenditures	7,995,538	3,392,184	199,247	828,833	12,415,802	22,543,921	11,645,823	2,119,973	8,215,511	44,525,228	56,941,030
Excess (deficiency) of revenues over expenditures	190,743	349,720	182,483	(583,868)	139,078	(18,960,599)	(10,194,976)	(1,919,973)	(7,700,711)	(38,776,259)	(38,637,181)
Other Financing Sources (Uses):											
Transfers in	-	-	-	-	-	11,355,204	3,955,701	792,840	-	16,103,745	16,103,745
Transfers out	-	-	-	-	-	(6,179,272)	-	-	-	(6,179,272)	(6,179,272)
Financed purchases	-	-	-	-	-	9,199,436	-	-	-	9,199,436	9,199,436
Leases payable/SBITAs	-	253	-	-	253	-	-	-	2,194,336	2,194,336	2,194,589
Total other financing sources (uses)	-	253	-	-	253	14,375,368	3,955,701	792,840	2,194,336	21,318,245	21,318,498
Net change in fund balances	190,743	349,973	182,483	(583,868)	139,331	(4,585,231)	(6,239,275)	(1,127,133)	(5,506,375)	(17,458,014)	(17,318,683)
Fund Balances:											
Beginning of year	1,775,923	668,665	3,499,623	15,683,893	21,628,104	11,224,844	7,162,335	9,403,254	7,099,045	34,889,478	56,517,582
End of year	\$ 1,966,666	\$ 1,018,638	\$ 3,682,106	\$ 15,100,025	\$ 21,767,435	\$ 6,639,613	\$ 923,060	\$ 8,276,121	\$ 1,592,670	\$ 17,431,464	\$ 39,198,899

NEW CASTLE COUNTY, DELAWARE

LIGHT TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 8,081,677	\$ 8,081,677	\$ 8,186,281	\$ 104,604
Expenditures:				
General government	<u>8,561,216</u>	<u>8,561,216</u>	<u>7,995,538</u>	<u>565,678</u>
Excess (deficiency) of revenues over expenditures	(479,539)	(479,539)	190,743	670,282
Fund Balance:				
Beginning of year	<u>1,775,923</u>	<u>1,775,923</u>	<u>1,775,923</u>	<u>-</u>
End of year	<u>\$ 1,296,384</u>	<u>\$ 1,296,384</u>	<u>\$ 1,966,666</u>	<u>\$ 670,282</u>

NEW CASTLE COUNTY, DELAWARE

GRANTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024 (1)

	Actual			
	Prior Years	Current Year	Total to Date	Grant Budget
Revenues:				
Intergovernmental	\$ 939,858,129	\$ 57,558,734	\$ 997,416,863	1,106,981,899
Charges for services	67,629,041	2,205,524	69,834,565	71,860,901
Investment income	5,251,138	4,911,302	10,162,440	2,096,854
Total revenues	1,012,738,308	64,675,560	1,077,413,868	1,180,939,654
Expenditures:				
General government	347,738,130	30,414,051	378,152,181	440,041,521
Public safety	91,029,529	4,309,906	95,339,435	98,676,688
Public works	1,146,309	597,995	1,744,304	1,845,095
Community services	596,134,361	29,411,219	625,545,580	667,687,572
Land use	5,417,043	-	5,417,043	5,650,709
Total expenditures	1,041,465,372	64,733,171	1,106,198,543	1,213,901,585
Deficiency of revenues over expenditures	(28,727,064)	(57,611)	(28,784,675)	(32,961,931)
Other Financing Sources:				
ROU Leases	-	4,675	4,675	-
Net transfers in	30,912,261	162,430	31,074,691	32,961,931
Total Financing Sources	30,912,261	167,105	31,079,366	32,961,931
Net change in fund balance	\$ 2,185,197	109,494	\$ 2,294,691	\$ -
Fund Balance:				
Beginning of year		2,185,197		
End of year		\$ 2,294,691		

(1) Encompassing current grant file information.

CAPITAL PROJECTS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

	Actual			Project Authorization
	Prior Years	Current Year	Total to Date	
Revenues:				
Intergovernmental	\$ 36,849,947	4,559,579	\$ 41,409,526	\$ 54,491,282
Contributions from Private Sources	3,107,425	-	3,107,425	3,413,626
Other	6,462,050	1,189,390	7,651,440	8,776,988
Total revenues	46,419,422	5,748,969	52,168,391	66,681,896
Expenditures:				
General government	22,398,229	8,215,511	30,613,740	34,641,513
Public safety	33,267,011	2,119,973	35,386,984	51,344,947
Public works	127,416,667	32,347,621	159,764,288	213,681,661
Community services	37,129,212	1,842,123	38,971,335	73,868,459
Total expenditures	220,211,119	44,525,228	264,736,347	373,536,579
Deficiency of revenues over expenditures	(173,791,697)	(38,776,259)	(212,567,956)	(306,854,683)
Other Financing Sources/(Uses):				
Debt issuance	154,859,349	-	154,859,349	243,476,930
Bond premium	11,588,259	-	11,588,259	11,588,259
Financed purchases	2,724,531	9,199,436	11,923,967	-
Leases	(1,764)	5,593	3,829	-
SBITAs	(532,146)	2,188,743	1,656,597	-
Net transfers	40,042,946	9,924,473	49,967,419	51,789,494
Total other financing sources	208,681,175	21,318,245	229,999,420	306,854,683
Net change in fund balances	\$ 34,889,478	(17,458,014)	\$ 17,431,464	\$ -
Fund Balances:				
Beginning of year		34,889,478		
End of year		\$ 17,431,464		

(1) This schedule covers only current projects. Amounts in Prior Years column and Project Authorization column include only projects that were active in the current fiscal year.

NEW CASTLE COUNTY, DELAWARE

CROSSING GUARD FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 3,717,082	\$ 3,717,082	\$ 3,741,904	\$ 24,822
Expenditures:				
General government	1,034,860	1,034,860	1,034,860	-
Public safety	2,692,222	2,820,909	2,357,324	463,585
Total expenditures	3,727,082	3,855,769	3,392,184	463,585
Other Financing Sources:				
Leases	-	-	253	(253)
Operating Transfers in	-	-	-	-
Operating Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES	-	-	253	(253)
Net change in fund balance	(10,000)	(138,687)	349,973	488,660
Fund Balance:				
Beginning of year	668,665	668,665	668,665	-
End of year	\$ 658,665	\$ 529,978	\$ 1,018,638	\$ 488,660

NEW CASTLE COUNTY, DELAWARE

BALANCE SHEET BY SUBFUND

GENERAL FUND

June 30, 2024

General Fund						
	General	Jean W. Sinclair Trust	Reassessment Reserve	Hope Center		Total General Fund
ASSETS:						
Cash and cash equivalents	\$ 108,359,494	\$ 10,777	\$ 7,000,000	\$ 1,270,340	\$	116,640,611
Investments	120,205,814	-	-	-		120,205,814
Receivables (net of allowances):						
Taxes, including interest and penalties	2,828,276	-	-	-		2,828,276
Accounts	10,128,980	-	-	614,849		10,743,829
Lease	1,803,484	-	-	-		1,803,484
Lease - PPP	2,129,239	-	-	-		2,129,239
Other	492,655	-	-	-		492,655
Due from other funds	-	-	-	-		-
Cash - restricted	9,201,284	-	-	-		9,201,284
Capital assets held for resale	314,055	-	-	-		314,055
Prepaid costs	1,461,426	-	-	7,225		1,468,651
Total assets	\$ 256,924,707	\$ 10,777	\$ 7,000,000	\$ 1,892,414	\$	265,827,898
LIABILITIES:						
Vouchers payable and accrued expenditures	\$ 27,194,808	\$ -	\$ -	\$ 562,177	\$	27,756,985
Due to other funds	22,850,345	-	-	-		22,850,345
Other liabilities	17,960,694	-	-	-		17,960,694
Escrowed amounts	13,571,702	-	-	-		13,571,702
Unearned revenues	314,055	-	-	-		314,055
Total liabilities	81,891,604	-	-	562,177	\$	82,453,781
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue-lease receivable	1,599,148	-	-	-		1,599,148
Unavailable revenue-lease receivable-PPP	2,006,160	-	-	-		2,006,160
Unavailable revenue-room rentals	-	-	-	213,075		213,075
Unavailable revenue-property taxes	2,624,459	-	-	-		2,624,459
Total deferred inflows of resources	6,229,767	-	-	213,075	\$	6,442,842
FUND BALANCES:						
Nonspendable:						
Prepaid costs	1,461,426	-	-	7,225		1,468,651
Committed to:						
Budget reserve	45,312,006	-	-	-		45,312,006
Tax stabilization reserve	72,191,868	-	-	-		72,191,868
Transfer tax proceeds	37,124,670	-	-	-		37,124,670
Library	-	10,777	-	-		10,777
Reassessment Reserve	-	-	7,000,000	-		7,000,000
Assigned to:						
Hope Center	-	-	-	1,060,407		1,060,407
Other departmental purposes	1,158,725	-	-	49,530		1,208,255
Unassigned	11,554,641	-	-	-	\$	11,554,641
Total fund balances	168,803,336	10,777	\$ 7,000,000	1,117,162	\$	176,931,275
Total liabilities, deferred inflows of resources, and fund balances	\$ 256,924,707	\$ 10,777	\$ 7,000,000	\$ 1,892,414	\$	265,827,898

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES BY SUBFUND

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2024

	General Fund					Total General Fund	
	General	Jean W. Sinclair Trust	Reassessment Reserve	Hope Center			
Revenues:							
Taxes	\$ 167,852,486	\$ -	\$ -	\$ -	\$ 1,926,414	\$ 167,852,486	
Charges for services	20,935,246	-	-	-	-	22,861,660	
Licenses and permits	8,409,791	-	-	-	-	8,409,791	
Intergovernmental	18,399,723	-	-	-	-	18,399,723	
Lease revenue	280,227	-	-	-	-	280,227	
PPP revenue	241,334	-	-	-	-	241,334	
Investment income (loss)	8,435,130	527	-	-	-	8,435,657	
Net appreciation in fair value of investments	4,188,909	-	-	-	-	4,188,909	
Rentals	493,434	-	-	-	-	493,434	
Miscellaneous	3,751,128	-	-	31,200	-	3,782,328	
Total revenues	232,987,408	527	-	1,957,614	-	234,945,549	
Expenditures:							
Current:							
General government	22,449,469	-	-	-	-	22,449,469	
Public safety	135,417,598	-	-	-	-	135,417,598	
Public works	19,607,242	-	-	-	-	19,607,242	
Community services	26,075,981	-	-	2,872,064	-	28,948,045	
Land use	12,453,760	-	-	-	-	12,453,760	
Judiciary offices	6,807,274	-	-	-	-	6,807,274	
Debt service:							
Principal	15,590,000	-	-	-	-	15,590,000	
Interest and other charges	4,544,796	-	-	-	-	4,544,796	
Total expenditures	242,946,120	-	-	2,872,064	-	245,818,184	
Excess (deficiency) of revenues over expenditures	(9,958,712)	527	-	(914,450)	-	(10,872,635)	
Other Financing Sources (Uses):							
Transfers in	8,000,515	-	-	-	-	8,000,515	
Transfers out	(10,087,418)	-	(8,000,000)	-	-	(18,087,418)	
Lease payable/SBITAs	11,070,369	-	-	362	-	11,070,731	
Sale of capital assets	400,044	-	-	-	-	400,044	
Total other financing sources (uses)	9,383,510	-	(8,000,000)	362	-	1,383,872	
Net change in fund balances	(575,202)	527	(8,000,000)	(914,088)	-	(9,488,763)	
Fund Balances:							
Beginning of year	169,378,538	10,250	15,000,000	2,031,250	-	186,420,038	
End of year	\$ 168,803,336	\$ 10,777	\$ 7,000,000	\$ 1,117,162	\$ -	\$ 176,931,275	

NEW CASTLE COUNTY, DELAWARE

COMBINING STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

June 30, 2024

	Pension Trust	Other Postemployment Benefits Trust	Total Fiduciary Funds
ASSETS			
Cash and cash equivalents (Note 2)	\$ 9,175,206	\$ -	\$ 9,175,206
Investments: (Note 2)			
Common and preferred stock	67,033,293	-	67,033,293
Mutual funds	74,257,611	74,817,860	149,075,471
Real estate equity funds	5,814,089	-	5,814,089
Collective trusts	318,456,606	-	318,456,606
Private equity	58,424,374	-	58,424,374
Receivables (net of allowances):			
Other (Note 4)	7,898,906	-	7,898,906
Total assets	541,060,085	74,817,860	615,877,945
LIABILITIES			
Vouchers payable and accrued expenses	642,221	18,667	660,888
Total liabilities	642,221	18,667	660,888
NET POSITION			
Total Net Position	\$ 540,417,864	\$ 74,799,193	\$ 615,217,057

NEW CASTLE COUNTY, DELAWARE
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Pension Trust	Other Postemployment Benefits Trust	Total Fiduciary Funds
Additions:			
Contributions:			
Plan members	\$ 3,010,290	\$ 1,061,195	\$ 4,071,485
New Castle County	29,145,814	6,541,561	35,687,375
State of Delaware	8,365,517	-	8,365,517
Other contributions	24,109	-	24,109
Total contributions	40,545,730	7,602,756	48,148,486
Investment income:			
Net increase in fair value of investments	21,681,639	6,913,195	28,594,834
Interest, dividends, and other income, including realized gains/losses	20,886,153	1,922,112	22,808,265
Total investment income	42,567,792	8,835,307	51,403,099
Less investment expense	2,517,190	80,496	2,597,686
Net investment income	40,050,602	8,754,811	48,805,413
Total additions	80,596,332	16,357,567	96,953,899
Deductions:			
Benefit payments	50,021,507	6,602,756	56,624,263
Refunds of contributions	191,817	-	191,817
Administrative expenses	635,841	3,452	639,293
Other expenses, net	23,988	-	23,988
Total deductions	50,873,153	6,606,208	57,479,361
Net increase in net position	29,723,179	9,751,359	39,474,538
Net position			
Beginning of year	510,694,685	65,047,834	575,742,519
End of year	\$ 540,417,864	\$ 74,799,193	\$ 615,217,057

STATISTICAL SECTION

This part of the New Castle County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Exhibit

B-1 to B-5

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

C-1 to C-4

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

D-1 to D-4

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

E-1 to E-2

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the county provides and the activities it performs.

F-1 to F-3

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

NEW CASTLE COUNTY, DELAWARE

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(accrual basis of accounting)
(amounts expressed in thousands)

	2015 (1)	2016	2017	2018 (2)	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$110,575	\$120,590	\$121,493	\$132,728	\$138,622	\$147,889	\$180,154	\$175,526	\$192,425	\$215,153
Restricted	15,214	11,699	15,942	14,031	13,406	12,253	10,610	36,965	38,905	23,857
Unrestricted	(127,999)	(146,974)	(167,609)	(241,937)	(163,882)	(132,142)	(87,236)	(57,279)	(70,404)	(70,289)
Total governmental activities net position	<u>\$ (2,210)</u>	<u>(\$14,685)</u>	<u>(\$30,174)</u>	<u>\$ (95,178)</u>	<u>\$ (11,854)</u>	<u>\$ 28,000</u>	<u>\$ 103,528</u>	<u>\$ 155,212</u>	<u>\$ 160,926</u>	<u>\$ 168,721</u>
Business-type activities										
Net investment in capital assets	\$148,646	\$149,931	\$129,604	\$131,750	\$128,142	\$128,231	\$142,924	\$121,485	\$123,898	\$120,800
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	20,536	13,066	26,181	10,697	26,770	27,184	7,290	20,279	16,363	18,877
Total business-type activities net position	<u>\$169,182</u>	<u>\$162,997</u>	<u>\$155,785</u>	<u>\$142,447</u>	<u>\$154,912</u>	<u>\$155,415</u>	<u>\$150,214</u>	<u>\$141,764</u>	<u>\$140,261</u>	<u>\$139,677</u>
Primary government										
Net investment in capital assets	\$259,221	\$270,521	\$251,097	\$264,478	\$266,764	\$276,120	\$323,078	\$297,011	\$316,323	\$335,953
Restricted	15,214	11,699	15,942	14,031	13,406	12,253	10,610	36,965	38,905	23,857
Unrestricted	(107,463)	(133,908)	(141,428)	(231,240)	(137,112)	(104,958)	(79,946)	(37,000)	(54,041)	(51,412)
Total primary government net position	<u>\$166,972</u>	<u>\$148,312</u>	<u>\$125,611</u>	<u>\$ 47,269</u>	<u>\$ 143,058</u>	<u>\$ 183,415</u>	<u>\$ 253,742</u>	<u>\$ 296,976</u>	<u>\$ 301,187</u>	<u>\$ 308,398</u>

(1) Governmental activities and business-type activities net position as of June 30, 2014 are restated due to changes in accounting for pensions required by GASB 68; business-type activities net position as of June 30, 2014 is also restated due to treatment of capital recovery fees.

(2) Governmental activities and business-type activities net position as of June 30, 2017 are restated due to changes in accounting for OPEB required by GASB 75.

NEW CASTLE COUNTY, DELAWARE

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)
(amounts expressed in thousands)

Expenses	2015 (1)	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
General government	\$ 35,655	\$ 33,516	\$ 36,884	\$ 30,391	\$ 29,813	\$ 59,467	\$ 276,859	\$ 70,407	\$ 42,624	\$ 62,273
Public safety	104,391	109,328	115,072	118,764	119,453	91,935	76,399	109,890	136,994	134,116
Public works	17,913	19,627	23,836	22,439	27,144	22,941	29,068	29,829	27,145	31,656
Community services	43,074	46,751	47,408	48,665	50,402	48,857	48,627	52,701	59,254	61,161
Land use	10,905	12,503	12,382	12,121	13,138	12,260	12,700	13,301	13,232	12,315
Judiciary offices	6,663	7,306	7,342	7,238	7,373	6,582	6,725	6,632	7,075	6,696
Interest on long-term debt	5,964	6,764	6,891	7,471	7,147	6,052	5,470	5,012	5,867	3,910
Total governmental activities expenses	<u>224,565</u>	<u>235,795</u>	<u>249,815</u>	<u>247,089</u>	<u>254,470</u>	<u>248,094</u>	<u>455,848</u>	<u>287,772</u>	<u>292,191</u>	<u>312,127</u>
Business-type activities:										
Sewer facilities	76,061	80,756	80,047	80,586	86,076	84,732	87,420	96,660	91,414	92,900
New Castle County airport	52	2	1	-	-	-	-	-	-	-
Total business-type activities expenses	<u>76,113</u>	<u>80,758</u>	<u>80,048</u>	<u>80,586</u>	<u>86,076</u>	<u>84,732</u>	<u>87,420</u>	<u>96,660</u>	<u>91,414</u>	<u>92,900</u>
Total primary government expenses	<u>300,678</u>	<u>316,553</u>	<u>329,863</u>	<u>327,675</u>	<u>340,546</u>	<u>332,826</u>	<u>543,268</u>	<u>384,432</u>	<u>383,605</u>	<u>405,027</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Land use	8,355	9,133	9,916	10,525	12,377	13,677	11,413	12,111	13,223	13,005
Judiciary offices	15,010	15,669	18,078	17,772	14,824	14,297	17,252	17,232	12,776	12,486
Other activities	11,169	11,341	11,245	11,428	10,849	10,709	9,871	15,965	15,963	17,723
Operating grants and contributions	32,868	30,494	31,752	32,917	33,325	62,839	305,240	78,091	49,439	78,453
Capital grants and contributions	1,677	4,541	7,460	5,862	4,447	3,632	5,064	10,890	6,882	5,749
Total governmental activities program revenues	<u>69,079</u>	<u>71,178</u>	<u>78,451</u>	<u>78,504</u>	<u>75,822</u>	<u>105,154</u>	<u>348,840</u>	<u>134,289</u>	<u>98,283</u>	<u>127,416</u>
Business-type activities:										
Charges for services-Sewer	68,675	71,918	72,049	71,702	82,421	79,607	79,373	88,187	86,653	89,183
Operating grants and contributions	1,763	1,866	488	932	992	1,065	2,694	1,912	1,207	971
Capital grants and contributions	-	-	-	-	-	-	-	-	451	225
Total business-type activities program revenues	<u>70,438</u>	<u>73,784</u>	<u>72,537</u>	<u>72,634</u>	<u>83,413</u>	<u>80,672</u>	<u>82,067</u>	<u>90,099</u>	<u>88,311</u>	<u>90,379</u>
Total primary government program revenues	<u>139,517</u>	<u>144,962</u>	<u>150,988</u>	<u>151,138</u>	<u>159,235</u>	<u>185,826</u>	<u>430,907</u>	<u>224,388</u>	<u>186,594</u>	<u>217,795</u>
Net (Expense) Revenue										
Governmental activities	(155,486)	(164,617)	(171,364)	(168,585)	(178,648)	(142,940)	(107,008)	(153,483)	(193,908)	(184,711)
Business-type activities	(5,675)	(6,974)	(7,511)	(7,952)	(2,663)	(4,060)	(5,353)	(6,561)	(3,103)	(2,521)
Total primary government net expenses	<u>(161,161)</u>	<u>(171,591)</u>	<u>(178,875)</u>	<u>(176,537)</u>	<u>(181,311)</u>	<u>(147,000)</u>	<u>(112,361)</u>	<u>(160,044)</u>	<u>(197,011)</u>	<u>(187,232)</u>

NEW CASTLE COUNTY, DELAWARE

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2015 (1)	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental activities:										
Real estate tax	\$ 146,418	\$ 149,779	\$ 154,984	\$ 159,850	\$ 165,823	\$ 176,768	\$ 144,111	\$ 146,474	\$ 148,489	\$ 145,819
Transfer tax	-	-	-	-	-	-	35,761	63,468	43,892	31,750
Hotel tax	-	-	-	-	-	-	1,532	2,168	2,074	2,162
Unrestricted investment earnings	1,477	2,363	891	263	6,408	7,526	1,131	(6,942)	5,167	12,774
Transfers	-	-	-	-	-	(1,500)	-	-	-	-
Special item - effect of change in OPEB benefit terms	-	-	-	-	89,741	-	-	-	-	-
Total governmental activities	<u>147,895</u>	<u>152,142</u>	<u>155,875</u>	<u>160,113</u>	<u>261,972</u>	<u>182,794</u>	<u>182,535</u>	<u>205,168</u>	<u>199,622</u>	<u>192,505</u>
Business-type activities:										
Unrestricted investment earnings	203	790	299	844	2,923	3,062	153	(1,889)	1,600	1,937
Transfers	-	-	-	-	-	1,500	-	-	-	-
Special item - effect of change in OPEB benefit terms	-	-	-	-	12,205	-	-	-	-	-
Total business-type activities	<u>203</u>	<u>790</u>	<u>299</u>	<u>844</u>	<u>15,128</u>	<u>4,562</u>	<u>153</u>	<u>(1,889)</u>	<u>1,600</u>	<u>1,937</u>
Total primary government	<u>148,098</u>	<u>152,932</u>	<u>156,174</u>	<u>160,957</u>	<u>277,100</u>	<u>187,356</u>	<u>182,688</u>	<u>203,279</u>	<u>201,222</u>	<u>194,442</u>
Change in Net Position										
Government activities	(7,591)	(12,475)	(15,489)	(8,472)	83,324	39,854	75,527	51,685	5,714	7,794
Business-type activities	(5,472)	(6,184)	(7,212)	(7,108)	12,465	502	(5,200)	(8,450)	(1,503)	(584)
Total primary government	<u>\$ (13,063)</u>	<u>\$ (18,659)</u>	<u>\$ (22,701)</u>	<u>\$ (15,580)</u>	<u>\$ 95,789</u>	<u>\$ 40,356</u>	<u>\$ 70,327</u>	<u>\$ 43,235</u>	<u>\$ 4,211</u>	<u>\$ 7,210</u>

(1) Governmental activities and business-type activities net position as of June 30, 2014 are restated due to changes in accounting for pensions required by GASB 68; business-type activities net position as of June 30, 2014 is also restated due to treatment of capital recovery fees.

NEW CASTLE COUNTY, DELAWARE

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund										
Fund balances:										
Nonspendable	\$ 430,348	\$ 859,815	\$ 3,836,550	\$ 3,894,586	\$ 3,083,813	\$ 15,758	\$ 563,579	\$ 723,941	\$ 1,468,728	\$ 1,468,651
Committed	86,885,580	78,141,417	75,362,993	72,051,126	81,568,688	122,766,059	151,768,786	177,456,093	175,498,816	161,639,321
Assigned	1,883,240	9,590,112	8,975,172	6,974,779	5,281,440	5,280,796	976,698	3,287,181	2,786,728	2,268,662
Unassigned	4,056,261	3,767,295	2,158,009	3,813,395	3,698,805	5,578,728	3,653,565	3,404,090	6,665,766	11,554,641
Total general fund	\$ 93,255,429	\$ 92,358,639	\$ 90,332,724	\$ 86,733,886	\$ 93,632,746	\$ 133,641,341	\$ 156,962,628	\$ 184,871,305	\$ 186,420,038	\$ 176,931,275
All other governmental funds										
Fund balances:										
Nonspendable	\$ -	\$ -	\$ -	\$ 101,270	\$ 46,389	\$ 3,794	\$ -	\$ -	\$ 38,968	\$ 3,081
Restricted	34,138,751	19,608,313	36,188,869	25,140,227	38,383,600	26,228,232	30,651,278	64,533,811	58,395,463	41,222,161
Assigned	-	-	-	268,348	268,348	268,348	268,348	268,348	268,348	268,348
Unassigned	-	(883,184)	-	(2,125,618)	-	-	(1,205,682)	-	-	-
Total all other govermental funds	\$ 34,138,751	\$ 18,725,129	\$ 36,188,869	\$ 23,384,227	\$ 38,698,337	\$ 26,500,374	\$ 29,713,944	\$ 64,802,159	\$ 58,702,779	\$ 41,493,590

NEW CASTLE COUNTY, DELAWARE
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)
 (amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes (1)	\$ 146,374	\$ 149,741	\$ 155,004	\$ 160,023	\$ 165,930	\$ 176,546	\$ 181,316	\$ 211,953	\$ 194,535	\$ 179,781
Charges for services	23,024	25,622	26,804	26,607	26,667	24,874	25,358	30,655	24,701	25,067
Licenses and permits	6,791	6,674	7,817	7,821	7,489	9,537	8,071	8,590	9,076	8,655
Intergovernmental	34,863	34,885	40,132	38,025	36,327	65,876	309,960	91,826	55,587	80,518
Lease revenue (4)	-	-	-	-	-	-	-	-	238	280
PPP revenue (5)	-	-	-	-	-	-	-	-	-	241
Investment income	1,570	2,365	1,346	531	6,597	7,672	2,160	(7,386)	8,716	17,918
Rentals	744	732	725	841	732	721	571	681	489	493
Contributions from private sources	298	778	10	-	30	-	688	-	42	-
Miscellaneous	2,546	1,503	1,741	2,742	2,139	4,031	3,072	2,828	4,477	4,972
Total revenues	216,210	222,300	233,579	236,590	245,911	289,257	531,196	339,147	297,861	317,925
Expenditures										
General government	23,379	23,649	26,221	26,609	24,777	56,002	298,458	64,482	38,993	61,894
Public safety	100,229	100,370	105,594	108,673	105,385	84,132	79,004	116,605	126,794	142,085
Public works	13,714	11,504	13,640	11,839	15,498	15,579	16,980	17,608	17,075	20,404
Community services	41,608	43,380	44,001	44,599	45,108	45,147	47,484	50,146	55,519	59,188
Land use	10,765	11,438	11,564	11,346	11,846	11,699	13,311	12,873	12,019	12,454
Judiciary offices	6,539	6,641	6,836	6,753	6,605	6,242	7,028	6,425	6,422	6,807
Capital outlays	20,847	26,930	39,049	25,488	28,201	24,049	25,475	30,947	31,691	44,525
Debt service										
Principal	13,824	10,242	13,103	13,335	14,031	14,285	13,185	13,305	14,995	15,590
Interest	6,628	7,390	6,611	7,363	6,963	7,225	6,682	5,713	5,147	4,545
Total expenditures	237,533	241,544	266,619	256,005	258,414	264,360	507,607	318,104	308,655	367,492
Excess of revenues over (under) expenditures	(21,323)	(19,244)	(33,040)	(19,415)	(12,503)	24,897	23,589	21,043	(10,794)	(49,567)
Other Financing Sources (Uses):										
Transfers in	5,339	6,170	4,278	6,218	6,362	5,400	23,525	17,070	22,224	24,328
Transfers out	(5,339)	(6,170)	(4,278)	(6,218)	(6,362)	(6,900)	(23,525)	(17,070)	(22,224)	(24,328)
Debt issuance	20,670	-	37,600	-	28,040	-	-	36,150	-	-
Bond premium (net of issuance costs)	4,345	-	2,409	-	2,050	-	-	3,855	-	-
Issuance of refunding bonds	53,021	-	2,210	-	-	-	-	57,450	-	-
Payment to refunded bond escrow agent (2)	(53,021)	-	-	-	-	-	-	(57,450)	-	-
Leases/financed purchases/SBITAs	6,301	2,807	5,952	2,786	4,205	4,277	2,637	1,425	3,296	22,469
Sale of capital assets	426	127	307	226	421	137	309	524	2,947	400
Total other financing sources (uses)	31,742	2,934	48,478	3,012	34,716	2,914	2,946	41,954	6,243	22,869
Net change in fund balances	\$ 10,419	\$ (16,310)	\$ 15,438	\$ (16,403)	\$ 22,213	\$ 27,811	\$ 26,535	\$ 62,997	\$ (4,551)	\$ (26,698)
Debt service as a percentage of noncapital expenditures	9.5%	8.1%	8.6%	8.8%	9.0%	9.0%	4.3%	6.6%	7.2%	6.6%
Bonded debt service as a percentage of total general governmental expenditures (3)	8.6%	7.3%	7.4%	8.1%	8.1%	8.1%	3.9%	6.0%	6.5%	5.5%

Notes:

(1) See Exhibit B-5 for tax revenues by source.

(2) Included in Debt Service expense in 2017 due to a current refunding

(3) Excludes debt service of Enterprise Funds.

(4) Post GASB 87 Implementation

(5) Post GASB 94 Implementation

NEW CASTLE COUNTY, DELAWARE

REAL ESTATE TAX REVENUE BY SOURCE - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax (1)	Transfer Tax	Crossing Guards (1)	Light Tax(1)	Total
2015	\$ 110,973,803	\$ 25,791,522	\$ 3,940,242	\$ 5,668,131	\$ 146,373,698
2016	111,473,621	29,044,675	3,760,878	5,461,444	149,740,618
2017	113,314,065	32,651,718	3,535,350	5,502,960	155,004,093
2018	112,891,868	36,866,613	3,705,590	6,558,488	160,022,559
2019	126,128,330 (2)	29,428,190	3,716,704	6,656,726	165,929,950
2020	135,031,861 (2)	31,918,030	3,375,256	6,220,546	176,545,693
2021	136,031,661	35,760,346	3,207,987	6,316,392	181,316,386
2022	138,498,156	63,468,339	3,268,907	6,717,596	211,952,998
2023	140,282,056	43,892,226	3,355,346	7,005,593	194,535,221
2024	136,102,650	31,749,836	3,741,904	8,186,281	179,780,671

1) Includes penalties and interest.

2) Property tax increase of 7.5%

NEW CASTLE COUNTY, DELAWARE

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(in thousands of dollars)

Fiscal Year	Residential Property (3)	Commercial Property	Less: Tax Exempt Property (4)	Total Taxable Assessed Value (1)	Total Direct Tax Rate (2)	Estimated Actual Value
2015	\$ 12,306,710	\$ 10,266,437	\$ 4,215,135	\$ 18,358,012	0.7006	*
2016	12,407,486	10,377,421	4,227,683	18,557,224	0.7006	*
2017	12,588,485	10,427,187	4,238,871	18,776,801	0.7006	*
2018	12,754,570	10,470,089	4,253,844	18,970,815	0.7006	*
2019	12,912,916	10,409,251	4,266,258	19,055,907	0.8057 (5)	*
2020	13,094,215	10,434,028	4,253,889	19,274,354	0.8040	*
2021	13,263,442	10,438,671	4,243,858	19,458,255	0.8104	*
2022	13,445,794	10,429,721	4,263,912	19,611,603	0.8111	*
2023	13,638,360	10,529,979	4,254,712	19,913,627	0.8066	*
2024	13,800,416	10,578,503	4,240,208	20,138,711	0.8054	*

Source: New Castle County-Department of Land Use-Annual Certification

Note: (1) The County last conducted a County-wide reassessment of all real property on July 1, 1985.
 Real property is assessed at 100% of the 1983 market value.

(2) Represents basic County tax rate to all unincorporated areas. See Exhibit C-2 for incorporated rates.

(3) Residential property amounts are shown net of senior and disability exemptions.

(4) These amounts represent general exemptions only. They do not include senior and disability exemptions, which are already accounted for in the Residential Property column (see Note 3 immediately above).

(5) Per Substitute 1 to Ordinance 18-061, property owners were provided a one-time credit which resulted in a net effective tax rate increase of 7.5% for 2019 (effectively resulting in a rate of \$.7531).

*Property in the County is not reassessed annually, therefore the estimated actual value is not available.

NEW CASTLE COUNTY, DELAWARE

PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS

(PER \$100 OF ASSESSED VALUE)

LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Direct Rates:										
Unincorporated area:										
New Castle County										
General operating budget	\$ 0.2436	\$ 0.2436	\$ 0.2436	\$ 0.2436	\$ 0.2801	\$ 0.2711	\$ 0.2562	\$ 0.2523	\$ 0.2523	\$ 0.2523
Local service function budget	0.4570	0.4570	0.4570	0.4570	0.5256	0.5329	0.5542	0.5588	0.5543	0.5531
Total Direct Rate (1)	\$ 0.7006	\$ 0.7006	\$ 0.7006	\$ 0.7006	\$ 0.8057	(7)	\$ 0.8040	\$ 0.8104	\$ 0.8111	\$ 0.8066
Incorporated areas: (6)										
Arden	0.5821	0.5821	0.5821	0.5821	0.6694	0.7572	0.7531	0.7515	0.7335	0.7362
Bellefonte	0.6966	0.6966	0.6966	0.6966	0.8011	0.7926	0.7998	0.7966	0.7953	0.7938
Newark	0.2436	0.2436	0.2436	0.2436	0.2801	0.2904	0.2562	0.2523	0.2523	0.2523
Elsmere	0.3193	0.3193	0.3193	0.3193	0.3672	0.3192	0.2973	0.2916	0.3674	0.3821
Newport	0.2838	0.2838	0.2838	0.2838	0.3263	0.3554	0.3435	0.3360	0.4554	0.3643
New Castle	0.2529	0.2529	0.2529	0.2529	0.2908	0.3192	0.3032	0.2975	0.3331	0.3543
Delaware City	0.2529	0.2529	0.2529	0.2501	0.2876	0.3192	0.3071	0.3014	0.4987	0.4948
Middletown	0.2529	0.2529	0.2529	0.2529	0.2908	0.3192	0.2849	0.2801	0.2996	0.3039
Odessa	0.3640	0.3640	0.3640	0.3640	0.4186	0.3772	0.3599	0.3600	0.3548	0.3643
Townsend	0.3616	0.3616	0.3616	0.3616	0.4158	0.3466	0.3347	0.3314	0.3213	0.3257
Wilmington	0.2436	0.2436	0.2436	0.2436	0.2801	0.2711	0.2562	0.2523	0.2523	0.2523
Ardentown	0.5821	0.5821	0.5821	0.5821	0.6694	0.7572	0.7588	0.7561	0.7392	0.7432
Smyrna	0.7006	0.7006	0.7006	0.7006	0.8057	0.8040	0.8104	0.8111	0.8066	0.8054
Ardencroft	0.5821	0.5821	0.5821	0.5821	0.6694	0.7572	0.7581	0.7565	0.7447	0.7412
Clayton	0.7006	0.7006	0.7006	0.7006	0.8057	0.8040	0.8104	0.8111	0.8066	0.8054
Overlapping Rates:										
School Districts:										
Appoquinimink District	1.7647	1.7707	1.8473	2.1024	2.1024	2.2461	2.5001	2.5404	2.5833	2.5975
Brandywine District	2.1835	2.1835	2.4435	2.4435	2.4435	2.5385	2.5385	2.5385	2.5385	2.5185
Christina District	2.0900	2.0900	2.3800	2.3850	2.3850	2.4850	2.9382	3.0440	3.1310	3.1800
Colonial District	1.7360	1.7360	1.7360	2.0430	2.0430	2.1930	2.1930	2.1730	2.1730	2.0660
Red Clay District	1.7710	1.9840	2.1740	2.3140	2.3140	2.3080	2.3080	2.2980	2.2980	2.2980
New Castle County Vo-Tech	0.1533	0.1550	0.1583	0.1603	0.1603	0.1710	0.1710	0.1695	0.1740	0.1740
Smyrna District	1.3077	1.4191	1.4065	1.3780	1.3780	1.3813	1.3621	1.6120	1.6524	1.6750
Polytech (4)	0.1128	0.1163	0.1220	0.1251	0.1251	0.1272	0.1298	0.1291	0.1247	0.1308
Municipalities (3):										
Wilmington	1.8550	1.8550	1.8550	1.9950	1.9950	1.9950	1.9950	1.9950	2.1150	2.1450
Newark	0.7065	0.7737	0.7737	0.7737	0.8047	0.8047	0.9120	0.9120	0.9348	0.9815
Elsmere (5)	0.8750	0.8750	0.8750	0.8750	0.8750	0.8750	0.8750	0.8750	0.8750	1.1250
Newport	1.0712	1.0712	1.0712	1.0712	1.0712	1.2318	1.2318	1.2318	1.2318	1.2318
New Castle	1.2000	1.2000	1.2000	1.2000	1.2000	1.2000	1.2000	1.2000	1.2000	1.2000
Delaware City	1.0900	1.0900	1.0900	1.0900	1.1900	1.1900	1.1900	1.1900	1.1900	1.1900
Middletown	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
Townsend	0.2600	0.2600	0.2600	0.2600	0.2600	0.8000	0.8000	0.8000	0.8000	0.8000
Odessa (2)	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
Bellefonte	0.5500	0.5500	0.5500	0.5500	0.5500	0.5000	0.5000	0.5000	0.5000	0.4000

Notes: (1) Represents basic County tax rate applicable to all unincorporated areas.

(2) Residential rates.

(3) Exclusive of basic County tax rate.

(4) Applies to properties in the Smyrna School District.

(5) Residential rates. Commercial rate is \$1.20 per \$100 of assessed value. In addition, Elsmere charges a flat rate of \$436.60 per residential or commercial unit.

(6) All incorporated areas include the general operating budget rate as shown under the unincorporated area of New Castle County for each respective year.

(7) Per Substitute 1 to Ordinance 18-061, property owners were provided a one-time credit which resulted in a net effective tax rate increase of 7.5% for 2019 (effectively resulting in a rate of \$.7531).

NEW CASTLE COUNTY, DELAWARE

PRINCIPAL PROPERTY TAXPAYERS

June 30, 2024

(amounts expressed in thousands)

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Delmarva Power & Light Co.	\$ 498,433	1	2.47%	\$ 324,419	1	1.77%
Verizon Delaware LLC (1)	172,897	2	0.86	257,257	3	1.40
Dupont Specialty Products USA LLC	140,116	3	0.70	-	-	-
AWCI Inc.	98,635	4	0.49	88,786	6	0.48
DPIF2 DE 1 New Castle LLC	95,776	5	0.47	-	-	0.00
Bank of America National Assoc.	86,911	6	0.43	-	-	-
JPMorgan Chase Bank National Assoc.	71,246	7	0.35	-	-	-
Delaware City Refining Company, LLC	67,590	8	0.34	-	-	-
CRISP Partners LLC	61,608	9	0.31	-	-	-
Manufacturers & Traders Trust Co.	56,252	10	0.28	56,569	9	0.31
E. I. Dupont de Nemours & Co	-	-	-	293,475	2	1.59
AstraZeneca Pharmaceuticals LP	-	-	-	155,783	4	0.85
Bracebridge Corporation	-	-	-	126,391	5	0.69
Chase Bank USA National Assoc	-	-	-	63,705	7	0.35
Barley Mill, LLC	-	-	-	58,588	8	0.32
Christiana Mall LLC	-	-	-	49,727	10	0.27
	<u>\$ 1,349,464</u>		<u>6.70%</u>	<u>\$ 1,474,700</u>		<u>8.03%</u>

(1) In FY 2024 and FY 2015, some property owned by Verizon was titled in the name of Diamond State Telephone Co.

Source: New Castle County Assessment Division

NEW CASTLE COUNTY, DELAWARE
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for Fiscal Year (1)	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount (2)	Percent of Levy
2015	\$ 110,635,797	\$ 109,510,528	99.0	\$ 567,919	\$ 110,078,447	99.5
2016	111,777,226	110,570,085	98.9	567,853	111,137,938	99.4
2017	113,011,393	111,770,567	98.9	426,377	112,196,944	99.3
2018	113,528,395	112,594,765	99.2	697,848	113,292,613	99.8
2019	131,782,816	130,845,128	99.3	672,197	131,517,325	99.8
2020	132,811,856	131,788,047	99.2	660,935	132,448,982	99.7
2021	134,273,183	133,279,945	99.3	661,542	133,941,487	99.8
2022	135,890,759	134,797,463	99.2	615,859	135,413,322	99.6
2023	137,764,928	136,716,193	99.2	56,378	136,772,571	99.3
2024	138,511,359	137,540,016	99.3	-	137,540,016	99.3

Notes: (1) Represents initial annual levy plus quarterly additions.

(2) Represents property tax collections in the General Fund only; excludes the crossing guard tax and tax penalties/interest.

NEW CASTLE COUNTY, DELAWARE

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(dollar amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Leases/Financed Purchases/SBTTAs	General Obligation Bonds	Leases/Financed Purchases/SBTTAs	Loans Payable				
2015	\$ 179,566 (2)	\$ 10,972 (3),(5)	\$ 282,944 (2)	\$ 2,859 (3)	\$ 2,054	\$ 478,395	1.69	\$ 859.21	
2016	168,336 (2)	9,832 (3),(5)	275,548 (2)	4,522 (3)	2,251	460,489	1.60	822.09	
2017	196,788 (2)	12,122 (3),(5)	338,194 (2)	4,493 (3)	2,087	553,684	1.84	982.71	
2018	181,289 (2)	10,434 (3),(5)	326,947 (2)	4,493 (3)	7,008	530,171	1.67	939.07	
2019	195,209 (2)	9,898 (3),(5)	366,209 (2)	4,385 (3)	10,278	585,979	1.77	1,041.38	
2020	179,638 (2)	9,959 (3),(5)	352,499 (2)	3,316 (3)	19,164	564,576	1.68	1,010.22	
2021	165,215 (2)	8,445 (3),(5)	340,236 (2)	2,357 (3)	24,468	540,721	1.50	945.80	
2022	187,858 (2)	6,786 (4),(5)	384,186 (2)	3,065 (4)	25,414	607,309	1.59	1,063.48	
2023	172,466 (2)	8,110 (4),(6)	371,148 (2)	4,027 (4)	24,909	580,660	1.42	1,003.57	
2024	156,478 (2)	25,190 (4),(6)	359,408 (2)	4,255 (4),(6)	24,829	570,160	*	*	

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

(1) See Exhibit E-1 for personal income and population data.

(2) Includes unamortized bond premium. See Note 10 for details.

(3) Pre-GASB 87 implementation

(4) Post-GASB 87 implementation

(5) Pre-GASB 96 implementation

(6) Post-GASB 96 implementation

* Not available

Exhibit D-2

NEW CASTLE COUNTY, DELAWARE
RATIO OF GENERAL BONDED DEBT
TO ASSESSED VALUE AND GENERAL BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Taxable Assessed Value (000 Omitted)	General Obligation Bonded Debt (000 Omitted)	Percentage of Long-Term Bonded Debt to Assessed Value	Long-Term Bonded Debt Per Capita
2015	556,786	\$ 18,358,012	\$ 462,510 (2)	2.5	\$ 830.68
2016	560,147	18,557,224	443,884 (2)	2.4	792.44
2017	563,423	18,776,801	534,982 (2)	2.8	949.52
2018	564,568	18,970,815	508,236 (2)	2.7	900.22
2019	562,694	19,055,907	561,418 (2)	2.9	997.73
2020	558,863	19,274,354	532,137 (2)	2.8	952.18
2021	571,708	19,458,255	505,451 (2)	2.6	884.11
2022	571,058	19,611,603	572,044 (2)	2.9	1,001.73
2023	578,592	19,913,627	568,522 (2), (3)	2.9	982.60
2024	*	20,138,711	540,716 (2), (3)	2.7	*

(1) Bureau of Economic Analysis, BEA.gov.

(2) Includes unamortized bond premium.

(3) Includes loans payable.

* Not available

NEW CASTLE COUNTY, DELAWARE
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF JUNE 30, 2024

Jurisdiction	Total Debt Outstanding	Percentage Applicable to New Castle County	Amount Applicable to New Castle County
New Castle County	\$ 181,668,173 (2)	100%	\$ 181,668,173
School Districts:			
Appoquinimink	90,113,358	100	90,113,358
Brandywine	27,837,010	100	27,837,010
Christina	14,613,308	100	14,613,308
Colonial	7,776,160	100	7,776,160
Red Clay	30,914,215	100	30,914,215
New Castle VoTech	44,547,403	100	44,547,403
Smyrna (1)	15,349,010	29	4,451,213
Total Districts	231,150,464		220,252,667
Municipalities:			
Middletown	34,782,567	100	34,782,567
Newark	31,866,692	100	31,866,692
Wilmington	87,577,035	100	87,577,035
Total Municipalities	154,226,294		154,226,294
Total Overlapping Debt	385,376,758		374,478,961
Total Direct and Overlapping Debt	\$ 567,044,931		\$ 556,147,134

Note: (1) The percentage of overlapping debt is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the school districts' taxable assessment that is within the County's boundaries and dividing it by the County's total taxable assessed value. Approximately 71% of the Smyrna School District's total property assessment lies outside the boundaries of New Castle County.

(2) Includes leases/financed purchases and unamortized bond premium. See Note 10.

Sources: New Castle County Office of Finance, Statewide School Districts' Debt Service Accounts, and Municipalities' Departments of Finance.

NEW CASTLE COUNTY, DELAWARE

COMPUTATION OF LEGAL DEBT MARGIN

LAST TEN FISCAL YEARS

(amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total assessed taxable value at July 1	\$ 18,358,012	\$ 18,557,224	\$ 18,776,801	\$ 18,970,815	\$ 19,055,907	\$ 19,274,354	\$ 19,458,255	\$ 19,611,603	\$ 19,913,627	\$ 20,138,711
Debt limit - 3% of total assessed value	\$ 550,740	\$ 556,717	\$ 563,304	\$ 569,124	\$ 571,677	\$ 578,231	\$ 583,748	\$ 588,348	\$ 597,409	\$ 604,161
Amount of debt applicable to debt limit: (2)										
Total bonded debt	416,310	399,945	487,230	464,840	518,930	492,560	468,655	558,875	556,144 (3)	528,949
Less:										
Deductions allowed by Delaware Code (1):										
Sewer facilities	(252,909)	(246,785)	(307,534)	(298,478)	(338,560)	(326,475)	(315,755)	(378,075)	(390,339) (3)	(378,734)
Total amount of debt applicable to debt limit	163,401	153,160	179,696	166,362	180,370	166,085	152,900	180,800	165,805	150,215
Legal debt margin	\$ 387,339	\$ 403,557	\$ 383,608	\$ 402,762	\$ 391,307	\$ 412,146	\$ 430,848	\$ 407,548	\$ 431,604	\$ 453,946
Total net debt applicable to the limit as a percentage of debt limit	29.67%	27.51%	31.90%	29.23%	31.55%	28.72%	26.19%	30.73%	27.75%	24.86%

Note: (1) In accordance with Title 9, Delaware Code Sec. 1163(a)(7), the aggregate principal of all outstanding bonds of New Castle County may not be in excess of 3% of the total assessed valuation of the taxable real estate. The "outstanding bonds" are not to include any bonds, notes, etc. issued for the purpose of financing certain Special Assessment and Enterprise Fund projects and facilities, or issued in anticipation of tax or other revenues, or which are secured by a pledge of obligations of or guaranteed by the U. S. Government or any agency or instrumentality thereof or which do not pledge the full faith and credit of the County. Debt secured by pledged funds is not included in the above schedule because it is considered defeated in-substance.

(2) Amounts for legal debt margin exclude premium for consistency.

(3) Includes loans payable, starting in FY 2023

NEW CASTLE COUNTY, DELAWARE

DEMOGRAPHIC STATISTICS

LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (1) (000 Omitted)	Per Capita Income (1)	School Enrollment (2)	Unemployment Rate (3)
2015	556,786	\$ 28,235,100	\$ 50,820	78,656	5.2
2016	560,147	28,802,867	51,859	78,892	4.8
2017	563,423	30,156,725	54,198	79,113	4.9
2018	564,568	31,739,233	56,745	79,164	3.9
2019	562,694	33,064,369	59,175	79,578	3.6
2020	558,863	33,666,443	59,955	79,767	13.0
2021	571,708	36,125,614	63,189	78,073	5.9
2022	571,058	38,211,010	66,397	78,878	4.9
2023	578,592	40,959,895	70,792	78,943	4.5
2024	*	*	*	78,930	4.6

Sources:

- (1) Bureau of Economic Analysis, BEA.gov.
- (2) Delaware Department of Education, Public School Enrollment.
- (3) State of Delaware Department of Labor, Bureau of Labor Statistics

* Figures not available.

NEW CASTLE COUNTY, DELAWARE
EMPLOYMENT BY TYPE OF EMPLOYER
CURRENT YEAR AND NINE YEARS AGO

2024			2015		
Industry Description	Employees	Rank	Industry Description	Employees	Rank
					Percentage of Total County Employment
Health care and social assistance	81,793	1	Health care and social assistance	44,752	1
Retail trade	51,073	2	Finance and insurance	37,019	2
Accommodation and food services	45,296	3	Retail Trade	32,499	3
Finance and insurance	43,794	4	Professional and technical services	23,350	4
Education	39,725	5	Administrative and waste services	21,833	5
Administration and waste services	29,173	6	Accommodation and food services	21,425	6
Professional & technical services	29,061	7	State government	16,123	7
Manufacturing	26,729	8	Local government	15,164	8
Construction	25,827	9	Construction	13,255	9
Transportation and warehousing	25,673	10	Manufacturing	11,252	10
Total	<u>398,144</u>		Total	<u>236,672</u>	
Total Employees in New Castle County	<u>498,106</u>		Total Employees in New Castle County	<u>288,386</u>	
					82.1%
					100.0%

Note: The United States Department of Labor, Employment & Training Administration has informed the Delaware Department of Labor that pursuant to 20 CFR (Code of Federal Regulations) Part 603, this information (the names of Delaware's top employers) is confidential and may not be disclosed to the public. Therefore, information about employment by industry is provided.

Source: Delaware Department of Labor - Office of Occupational and Labor Market Information (LMI.delaware.gov/qcew).

NEW CASTLE COUNTY, DELAWARE

FULL-TIME COUNTY EMPLOYEE POSITIONS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
County Council										
Legislation	33	32	32	32	32	32	32	32	32	32
Audit	1	2	2	2	2	2	3	3	3	3
	<u>34</u>	<u>34</u>	<u>34</u>	<u>34</u>	<u>34</u>	<u>34</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>
County Executive										
Direction and Control	12	12	11	12	12	12	12	12	12	13
Office of Economic Development	1	1	1	1	1	1	1	1	1	1
Office of Communications	-	-	2	1	1	1	1	1	1	1
	<u>13</u>	<u>13</u>	<u>14</u>	<u>15</u>						
Dept of Administration										
Law	23	23	18	18	18	18	18	18	18	18
Administrative Services	42	42	41	40	32	32	32	31	31	32
Finance	77	77	77	78	73	73	73	73	89	89
Human Resources and Risk Management	19	19	24	25	25	26	26	28	28	28
	<u>161</u>	<u>161</u>	<u>160</u>	<u>161</u>	<u>148</u>	<u>149</u>	<u>149</u>	<u>150</u>	<u>166</u>	<u>167</u>
Total General Government										
	<u>208</u>	<u>208</u>	<u>208</u>	<u>209</u>	<u>196</u>	<u>197</u>	<u>198</u>	<u>199</u>	<u>215</u>	<u>217</u>
Public Safety:										
Administration	9	8	8	8	8	8	8	9	9	9
Police Operations	405	417	432	432	434	434	434	449	449	449
Crossing Guards	3	3	3	3	3	3	3	3	3	3
Emergency Services	216	217	217	223	225	240	240	240	250	250
Total Public Safety										
	<u>633</u>	<u>645</u>	<u>660</u>	<u>666</u>	<u>670</u>	<u>685</u>	<u>685</u>	<u>700</u>	<u>711</u>	<u>711</u>
Public Works:										
Non-Sewer related:										
Administration	18.5	18.5	18.5	17.5	16.5	15.5	14.5	14.5	15.5	15.5
Internal Services	6	6	6	6	6	5	5	5	6.8	6.8
Fleet Operations	32	32	31	30	29	29	29	29	29	29
Facilities Maintenance	36	36	36	34	33	33	33	33	31	31
Parks	66	66	67	65	62	64	65	66	66	71
Engineering	36	35	35	35	35	34	32	32	32	32
Total Non-Sewer related										
	<u>194.5</u>	<u>193.5</u>	<u>193.5</u>	<u>187.5</u>	<u>181.5</u>	<u>180.5</u>	<u>178.5</u>	<u>179.5</u>	<u>180.3</u>	<u>185.3</u>
Sewer:										
Sewer Operations Administration	10.5	10.5	10.5	10.5	10.5	9.5	10.5	10.5	9.7	10.7
Construction Support	63	63	63	63	63	63	63	63	63	63
Sewer Maintenance	53	53	53	53	53	53	53	53	53	53
Plant Operations	53	53	53	53	53	53	53	53	53	52
Stormwater and Environmental Program	17	17	17	17	17	19	20	20	20	20
Total Sewer										
	<u>196.5</u>	<u>196.5</u>	<u>196.5</u>	<u>196.5</u>	<u>196.5</u>	<u>197.5</u>	<u>199.5</u>	<u>199.5</u>	<u>198.7</u>	<u>198.7</u>
Total Public Works										
	<u>391</u>	<u>390</u>	<u>390</u>	<u>384</u>	<u>378</u>	<u>378</u>	<u>378</u>	<u>379</u>	<u>379</u>	<u>384</u>

NEW CASTLE COUNTY, DELAWARE

FULL-TIME COUNTY EMPLOYEE POSITIONS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Community Services:										
Community Services:										
Administration	16	16	15	16	15	15	15	16	15	15.2
Community Resources	17	17	19	25	26	27	27	27	28	27
Community Development/Housing	33	33	32	30	30	29	29	32	32	31.8
Libraries	83	82	84	84	84	84	84	86	86	86
Total Community Services	149	148	150	155	155	155	155	161	161	160
Land Use:										
Land Use:										
Administration	10	10	10	9	8	8	14	14	14	14
Planning	18	18	17	17	19	19	19	20	19	19
Licensing	59	59	58	51	46	46	46	46	47	47.5
Engineering	-	-	-	8	8	10	10	10	10	9.5
Customer Relations and Enforcement	31	31	30	30	27	27	22	22	22	22
Geographic Information Systems	-	-	-	-	5	5	5	5	6	6
Total Land Use	118	118	115	115	113	115	116	117	118	118
Judiciary Offices:										
Judiciary Offices:										
Register in Chancery (A)	3	3	3	3	3	3	3	2	-	-
Register of Wills	19	19	19	19	18	18	19	19	19	19
Recorder of Deeds	27	27	27	25	25	25	24	24	24	24
Sheriff	21	21	21	21	21	21	21	21	21	21
Clerk of the Peace	7	7	7	7	7	7	7	7	7	7
Total Judiciary Offices	77	77	77	75	74	74	74	73	71	71
Total Full-Time Employees	1,576	1,586	1,600	1,604	1,586	1,604	1,606	1,629	1,655	1,661

Source: New Castle County Budget Office

Notes:

(A) Effective 1/1/2002 became a State of Delaware Agency.

NEW CASTLE COUNTY, DELAWARE

OPERATING INDICATORS BY FUNCTION/PROGRAM

Function	LAST TEN FISCAL YEARS									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024-Est.
County Council										
Avg. constituency represented per district	46,500	46,500	47,016	46,500	46,500	46,500	47,560	47,560	47,560	47,560
Resolutions/ordinances adopted	368	337	361	325	353	348	374	395	400	390
Administration										
Finance										
% of current property tax levy collected	99.0	98.9	98.9	99.0	97.0	99.2	99.3	99.2	99.5	99.6
% of vendor invoices processed within thirty days	86.0	84.4	80.4	67.1	75.0	69.7	79.5	81.9	82.1	81.5
Assessment										
Real property parcels	208,400	209,400	210,100	210,200	210,300	211,500	211,900	213,000	213,500	214,000
Exemption applications processed	1,346	1,355	1,418	1,541	1,501	1,229	1,233	1,386	1,351	1,300
Human Resources										
Applications received	3,847	4,003	4,788	5,194	5,450	4,797	5,374	7,506	4,383	5,500
New retirees	89	73	90	69	123	96	129	151	129	151
Public Works										
Fleet Operations										
Average cost per mile per vehicle	\$ 0.83	\$ 0.37	\$ 0.34	\$ 0.34	\$ 0.36	\$ 0.44	\$ 0.47	\$ 0.62	\$ 0.60	\$ 0.65
Engineering										
CIP budget (millions) / # of projects	\$58.4 / 48	\$59.7 / 59	\$55.5 / 68	\$35.3 / 51	\$48.2 / 55	\$75.9 / 49	\$65.2 / 53	\$60.4 / 45	\$39.5 / 46	\$75.6 / 53
Property Maintenance										
Acres maintained	5,894	5,923	5,923	5,934	5,097	5,099	5,099	5,099	5,099	5,099
Parks maintained	248	245	248	248	248	249	249	249	249	249
Wastewater										
Miles of sewer line maintained	1,744	1,744	1,764	1,764	1,764	1,804	1,811	1,818	1,825	1,830
Pump stations in operation	176	176	175	175	175	172	172	173	187	184
Number of residential sewer service accounts	117,597	118,653	119,582	119,582	121,723	122,344	123,648	125,110	125,980	126,074
Community Services										
Administration										
Number of seniors served	22,596	27,316	30,473	33,285	35,663	26,374	43,514***	14,548	19,810	19,950
Total participants in Com Resources programs	308,729	322,829	382,596	322,384	305,979	236,039	202,697***	196,062	244,317	256,000
Libraries										
Average number of items checked out per week	76,405	73,109	68,616	68,492	69,243	51,280	30,584***	46,263	50,326	51,923
Visits annually	2,358,123	2,354,342	2,334,895	2,292,579	2,310,372	1,599,025	253,569***	883,331	1,259,787	1,632,000
Community Development & Housing										
Number of units rehabbed (CDBG)/repair	84	56	59	55	62	66	59	74	101	111

Sources: New Castle County Comprehensive Annual Budget Summary - Departmental submissions.

NEW CASTLE COUNTY, DELAWARE

OPERATING INDICATORS BY FUNCTION/PROGRAM

Function	LAST TEN FISCAL YEARS									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024-Est.
Land Use										
Administration										
Number of walk-in customers	24,630	23,646	25,064	23,680	23,689	15,573	n/a	n/a	n/a	n/a
Number of customer phone calls	39,277	21,162	55,085	50,845	53,752	43,075	54,639	58,342	54,052	55,055
Planning										
No. Board of Adjustment applications processed	165	161	196	185	175	126	174	156	139	150
Land Use plans submitted and reviewed	127	143	135	114	114	114	112	112	136	94
Licensing										
Number of permits issued	16,237	16,529	16,425	16,214	16,262	16,021	16,767	17,002	15,409	14,798
Inspections performed	51,517	59,700	53,257	56,143	52,875	57,353	56,029	59,328	59,421	55,198
Customer Service and Enforcement										
Calls received by Customer Service	33,101	33,101	****	****	****	****	****	****	****	****
Code Enforcement cases assigned	9,706	9,706	9,496	9,812	8,854	8,128	7,979	9,609	7,350	8,500
Public Safety										
Emergency Communications										
Calls for service **	250,114	267,407	253,726	292,758	292,341	268,113	285,236	440,404	304,354	271,207
Emergency Services										
Annual paramedic responses	41,548	45,811	50,139	52,191	54,250	53,490	57,405	39,302	25,384	26,375
No. of people trained/recertified in CPR by EMS division	1,268	969	1,264	712	1,498	172	212	223	324	400
School Crossing Guards										
Number of schools serviced	83	83	83	84	86	86	87	87	88	88
Number of stations guarded	230	230	232	232	230	231	233	233	236	238
Register of Wills										
Files opened	2,707	2,646	2,748	2,806	2,702	2,560	2,975	3,275	3,150	2,964
Estates probated	1,517	1,473	1,537	1,530	1,508	1,430	1,714	1,878	1,792	1,700
Recorder of Deeds										
Deeds recorded and indexed	12,636	13,565	14,261	14,930	14,337	13,929	16,147	17,000	13,006	12,300
Mortgages recorded and indexed	17,096	17,764	19,007	17,243	15,467	21,230	32,616	30,000	15,164	14,700
Sheriff										
Prisoner commitments	1	11	*	*	*	*	*	*	*	*
Service trips for court documents	49,670	49,523	49,313	50,642	42,973	30,079	22,164	24,762	36,429	24,855
Clerk of the Peace										
Marriage licenses issued	2,791	2,825	2,746	2,148	2,646	1,983	2,819	2,900	3,000	3,100
Marriage ceremonies performed	846	1,035	1,041	828	837	261	-	750	1,040	1,200

Sources: New Castle County Comprehensive Annual Budget Summary - Departmental submissions.

* Effective November 2010, prisoner transfer responsibility was transferred to Capitol Police.

** Effective FY 2015, calls for service include County Police, Paramedic Services, and Volunteer Fire Companies

***2021 includes virtual programs provided during the COVID-19 pandemic

****Effective FY2017, Customer Service and Enforcement calls are reported with Administration customer phone calls.

NEW CASTLE COUNTY, DELAWARE

CAPITAL ASSET STATISTICS BY FUNCTION

LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety:										
Police										
Number of stations/substations	4	4	6	6	6	5	5	5	5	5
Emergency Services										
Number of paramedic stations/substations	9	9	9	9	9	9	9	9	9	9
Public Works:										
Parks										
Regional park acreage	3,200	3,225	3,225	3,225	3,225	3,225	3,225	3,225	3,225	3,225
Local/district park acreage	2,694	2,698	2,698	2,709	2,715	2,820	2,820	2,820	2,821	2,820
Parks	248	245	248	248	248	249	249	249	249	249
Golf courses	1	1	1	1	1	1	1	1	1	1
Riding stables	1	1	1	1	1	1	1	1	1	1
Softball/baseball fields	92	92	92	92	70	96	96	96	94	96
Football fields	3	3	3	3	5	5	5	5	5	5
Basketball courts	100	100	100	100	91	91	91	91	91	90
Tennis courts	70	70	70	70	60	68	68	59	57	59
Soccer fields	38	38	38	38	15	24	24	24	24	24
Big toy play equipment units	131	131	131	131	131	127	127	125	128	126
Museums	1	1	1	1	1	1	1	1	1	1
Pickleball Courts	-	-	-	-	-	-	-	-	20	28
Fleet										
Fleet vehicles and equipment	1,729	1,806	1,806	1,832	1,832	1,834	1,881	1,855	1,850	1,885
Sewer Facilities										
Sanitary sewer (miles)	1,744	1,744	1,764	1,764	1,790	1,804	1,811	1,818	1,825	1,830
Pump stations	176	176	175	175	175	172	172	173	187	184
Treatment plants	4	4	4	4	4	4	4	4	3	3
Community Services:										
Libraries:										
Number of libraries directly administered	9	9	10	10	10	10	10	10	10	10
Circulation (millions)	4.0	4.0	3.7	3.6	3.6	2.6	1.6	2.4	2.6	2.7
Airport*	1	1	1	1	1	1	1	1	1	1

Sources: Various County departments.

* On June 30, 1995, New Castle County transferred operation and control of the New Castle County Airport to the Delaware River and Bay Authority (DRBA), vis-à-vis a 30-year lease agreement. All capital improvements at the County Airport are financed and managed by DRBA.

NEW CASTLE COUNTY, DELAWARE



2024 Annual Comprehensive Financial Report