



NEW CASTLE COUNTY COUNCIL ADMINISTRATIVE-FINANCE COMMITTEE MEETING

Co-Chair George Smiley, Seventh District
Co-Chair John Cartier, Eighth District

February 24, 2026
5:00 PM

VIRTUAL ZOOM WEBINAR MEETING** &
LOUIS L. REDDING CITY/COUNTY BUILDING
1ST FLOOR COUNCIL CHAMBERS
800 N. FRENCH STREET, WILMINGTON, DE 19801

AGENDA

A. Call To Order/Roll Call

B. Approval of Minutes - February 10, 2026

C. Review/Discussion of Resolution(s)

R26-041: AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AGREEMENT WITH BRANDYWINE RED CLAY ALLIANCE TO ASSIST IN THE PURCHASE OF A LAND CONSERVATION EASEMENT FOR THE PRESERVATION OF ±139 ACRES IN NEW CASTLE COUNTY

Prime Sponsor(s): Ms. Durham

D. Review/Discussion of Ordinance(s)

°26-011: AMEND THE FY2026 APPROVED OPERATING BUDGET INCREASE THE AUTHORIZED POSITION COUNT FOR THE DEPARTMENT OF ADMINISTRATION, OFFICE OF FINANCE BY FIVE POSITIONS FOR THE ASSESSMENT DIVISION

Prime Sponsor(s): Mr. Smiley, Mr. Cartier

°26-012: AMEND THE FY2026 APPROVED OPERATING BUDGET: TRANSFER FUNDING FROM THE GRANTS AND FIXED CHARGES BUDGET LINE ITEM OF COUNTY COUNCIL TO THE CONTRACTUAL SERVICES BUDGET LINE ITEM OF THE DEPARTMENT OF PUBLIC WORKS, DIVISION OF FLEET AND FACILITIES TO PROVIDE FUNDING FOR AUDIO/VIDEO IMPROVEMENTS AT APPOQUINIMINK LIBRARY

Prime Sponsor(s): Mr. Carter

°26-013: AMEND THE GRANTS BUDGET: APPROPRIATE FEDERAL FUNDS OF \$219,504.00 FROM THE CYBERSECURITY AND INFRASTRUCTURE SECURITY AGENCY PASSED THROUGH THE DELAWARE EMERGENCY MANAGEMENT AGENCY TO THE REBLAZE RENEWAL 2026 (SLCGP) GRANT, WHICH IS ADMINISTERED BY THE DEPARTMENT OF ADMINISTRATION, OFFICE OF TECHNOLOGY AND ADMINISTRATIVE SERVICES

Prime Sponsor(s): Mr. Smiley, Mr. Cartier

°26-014: AMEND THE GRANTS BUDGET:APPROPRIATE FEDERAL FUNDS OF \$225,569.00 FROM THE CYBERSECURITY AND INFRASTRUCTURE SECURITY AGENCY PASSED THROUGH THE DELAWARE EMERGENCY MANAGEMENT AGENCY TO THE NETSKOPE RENEWAL 2026 (SLCGP) GRANT, WHICH IS ADMINISTERED BY THE DEPARTMENT OF ADMINISTRATION, OFFICE OF TECHNOLOGY AND ADMINISTRATIVE SERVICES

Prime Sponsor(s): Mr. Smiley, Mr. Cartier

E. New Castle County Grant Requests/Community Events

- 2/24/26 Grant Matrix - Revised

F. Expense and Revenue Round Table

G. Other

-FY 2025 Annual Comprehensive Financial Report(ACFR) — Bob Wasserbach

H. Public Comment

I. Council Member Comment

J. Adjournment

AGENDA POSTED: Tuesday, February 17, 2026

*The agenda is posted (7) seven days in advance of the scheduled meeting in compliance with 29 *Del. C.* Section 10004(e)(2). The meeting may go into Executive Session to address issues that arise at the time of the meeting.

****Under Title 29, Section 10006A of *Delaware Code*, New Castle County Council is holding this meeting as a**

telephone and video conference, utilizing  Webinar. In addition, this meeting is open to the public in Council Chambers (800 N. French Street, Wilmington, DE 19801). The link to join the meeting via computer, smart device, or smart phone is : <https://zoom.us/j/377322142> You may also call into the meeting (audio) using the following call in numbers: 1-312-626-6799 or +1-646-558-8656 or +1-346-248-7799 or +1-669-900-9128 or +1-253-215-8782 or +1-301-715-8592. Then enter the Webinar ID: 377 322 142. If you do not have a good connection with one, please try the others. Additional information regarding phone functionality during the meeting is available at: <https://support.zoom.us/hc/en-us/articles/360029527911-Live-Training-Webinars>

Meeting materials, including a meeting agenda, legislation to be addressed during the meeting, and other materials related to the meeting are electronically accessible at <https://www.nccde.org/2351/Agendas-and-Minutes> Members of the public joining the meeting may be provided an opportunity to make comments in real time. A comment period will be administered by a moderator to ensure everyone may have an opportunity to comment.

If permitted to comment, you will not be able to speak until called upon by the moderator. For those appearing virtually, there are functions in the program that allow you to do this. Please see the link in the previous paragraph.

RESOLUTION NO. 26-041

**AUTHORIZING THE COUNTY EXECUTIVE TO EXECUTE AN AGREEMENT WITH
BRANDYWINE RED CLAY ALLIANCE TO ASSIST IN THE PURCHASE OF A LAND
CONSERVATION EASEMENT FOR THE PRESERVATION OF ±139 ACRES IN
NEW CASTLE COUNTY**

1 **WHEREAS**, Brandywine Red Clay Alliance ("Brandywine"), a 501(c)(3) Nonprofit
2 organization, is in the process of purchasing a land conservation easement of approximately 139
3 acres encompassing portions of tax parcel nos. 07-005.00-011, 07-005.00-036, and 07-005.00-
4 037, located at 1201 Snuff Mill Road, Wilmington, DE, 19807 ("Property"); and
5

6 **WHEREAS**, since 1945, Brandywine has worked to protect the environment by organizing
7 volunteers, connecting students and outdoor enthusiasts to nature, improving the quality and
8 quantity of water, and uniting its members in standing tall for the natural resources of local
9 communities; and
10

11 **WHEREAS**, New Castle County ("County") and Brandywine have reached an agreement
12 ("Agreement") memorializing their partnership arrangement regarding the Property, with the
13 County agreeing to provide One Million Dollars (\$1,000,000.00) to Brandywine in exchange for
14 third-party rights to enforce the land conservation easement, ensuring the preservation of the
15 Property in perpetuity; and
16

17 **WHEREAS**, the partnership furthers the recommendations in the *New Castle County Land*
18 *Preservation Task Force Report*, which urges the County to find creative solutions for maximizing
19 the quantity and quality of land preserved with the use of limited County funds; and
20

21 **WHEREAS**, the County Executive has presented the Agreement listed below to the New
22 Castle County Council for approval prior to the County Executive's signature; and
23

24 **WHEREAS**, New Castle County Council has determined that the purpose of the
25 Agreement listed below is to substantially advance, and is reasonably and rationally related to,
26 legitimate government interests (i.e. promoting the health, safety, morals, convenience, order,
27 prosperity and/or welfare of the present and future inhabitants of this County and State).
28

29 **NOW, THEREFORE, BE IT RESOLVED** by and for the County Council of New Castle
30 County that County Council hereby authorizes the County Executive to execute the Agreement
31 as attached as Exhibit "A" as the same may be amended or modified.

Adopted by County Council of
New Castle County on:

Monique Williams-Johns
President of County Council
of New Castle County

SYNOPSIS: This Resolution authorizes the County Executive to execute an agreement that memorializes the partnership between New Castle County and Brandywine Red Clay Alliance. The partnership will preserve approximately 139 acres located at 1201 Snuff Mill Road, Wilmington, DE, 19807 as part of the County's commitment to land conservation and open space preservation.

FISCAL IMPACT: The fiscal impact of this agreement is \$1,000,000 in FY2026. Funding is included in the Approved Capital Budget in the Open Space Preservation Capital Project. There is no ongoing cost as this is one time payment assistance.

Acknowledged by the Chief Financial Officer February 11, 2026.

AGREEMENT FOR ACQUISITION OF LAND CONSERVATION EASEMENT

THIS AGREEMENT FOR ACQUISITION OF A LAND CONSERVATION EASEMENT (“Agreement”), made by and between New Castle County (“County”), a political subdivision of the State of Delaware, and Brandywine Red Clay Alliance, a 501c3 Nonprofit, (“Brandywine”). The County and Brandywine are also sometimes referred to herein as the “Parties,” or as a “Party.”

WHEREAS, the County, desires to provide One Million Dollars (\$1,000,000.00) (“funds” or “funding”) to Brandywine to be used towards the purchase of a conservation easement as set forth herein; and

WHEREAS, Brandywine has agreed to use the funds for the purchase of a land conservation easement (“Easement”) of approximately 139 acres encompassing portions of tax parcel nos. 07-005.00-011, 07-005.00-36, and 07-005.00-37, whose physical address is 1201 Snuff Mill Road, Wilmington, DE (“Property”), from the current property owner(s) Frick Real Estate Associates LLC, Honey Badger Associates LLC, and Dog Island Associates LLC; and

WHEREAS, the Parties have agreed to be legally bound by the provisions of this Agreement with respect to the use of the funds.

NOW, THEREFORE, WITNESSETH, that, with the foregoing Recitals incorporated herein by reference and deemed essential parts hereof, and in consideration of the Parties’ mutual promises and agreements herein contained, the receipt and sufficiency of which consideration are hereby mutually acknowledged, and intending to be legally bound hereby, the County and the Brandywine hereby agree as follows:

1. **COUNTY OBLIGATION TO PAY FUNDS.** The County shall pay the funds solely upon Brandywine’s compliance with this Agreement and with the approval of New Castle County Council.
2. **LIMITATION OF FUNDING.** The funds shall be expended solely for the purchase of the Easement and for no other purpose. Any funding expended for a non-approved purpose shall become immediately due and owing to the County. If such repayment is not made within 30 days Brandywine agrees that any costs incurred in the collection of such repayment by the County shall be borne exclusively by Brandywine, and Brandywine hereby agrees to waive any legal claims challenging the County’s attempt to collect the repayment amount through judicial process. Nothing in this paragraph shall be read to limit other remedies as outlined herein or otherwise available at law or equity.
3. **EXPIRATION DATE.** Should Brandywine fail to obtain the Easement for the Property by December 31, 2026, this Agreement may be revoked by the County. The County may extend the Agreement expiration date in its sole discretion but only following a written request by Brandywine for an extension, which shall include the reasons the original completion date was not met.

4. **RESTRICTIVE COVENANTS AND OTHER LIMITATIONS.** Brandywine agrees that permanent restrictions requiring the perpetual use of the land for open space, natural resource conservation, agriculture, recreation, and/or public access shall be placed on the Property through the Easement, which shall be recorded at the New Castle County Office of the Recorder of Deeds.

5. **CONDITIONS PRECEDENT TO FUNDING.** At least 25 Business Days prior to the scheduled closing date for the Easement, Brandywine shall provide the County with proof of funds in the amount of six million (\$6,000,000) Dollars that were raised by Brandywine towards the total price of the Easement.

The County shall also have an opportunity to review the Easement agreement to ensure its third-party rights are properly preserved as stated in paragraph 7. Brandywine shall modify the Easement agreement as suggested by the County. The County shall not unreasonably withhold its approval of the final Easement.

6. **PROJECT COST OVERRUNS/OVER-FUNDING.** The County will not fund any portion of the purchase of the Easement in excess of this Agreement, and any cost overruns shall be the sole responsibility of Brandywine. The County will present the funds as identified above seven (7) business days before the closing for the Easement.

7. **COUNTY'S THIRD PARTY RIGHT OF ENFORCEMENT.** In the Easement agreement between Brandywine and the seller for the Property, the County's right to enforce the terms of the Easement shall be expressly reserved as follows:

“Grantor (Seller) hereby grants to New Castle County, a political subdivision of the State of Delaware, the right to enforce the terms of this easement. This third-party right of enforcement shall vest upon acceptance and recordation of the easement in the Office of the Recorder of Deeds of New Castle County and New Castle County shall have the authority to enforce any and all terms of the easement concurrently and without joining the Grantee (Brandywine).”

8. **BRANDYWINE AS AN INDEPENDENT CONTRACTOR.** At all times and for all purposes relative to the completion of the Easement purchase, Brandywine shall be deemed to be acting as an independent contractor, and no person/entity acting on Brandywine's behalf shall be deemed to be an employee or agent of the County or a joint employee of the Parties for any purpose. In no event shall this Agreement be construed as establishing a partnership, joint venture, or other business or similar relationship between the Parties, and nothing herein shall be construed to authorize either Party to act as an agent for the other.

9. **HOLD HARMLESS.** Brandywine shall indemnify and hold the County, its elected and appointed officials, officers, administrators, employees, agents, contractors, subcontractors, successors and assigns, or any of them, harmless from any and all claims, demands, suits, actions, damages and liabilities, including all costs of litigation and attorneys' fees, based upon or arising from any action performed or omitted to be performed by Brandywine and its officers, employees, agents and subcontractors under this Agreement, and shall, at the request of the County, defend any and all actions brought against the County based upon any such claims or demands.

Brandywine's agreement in this respect shall extend to payment of the County's court costs and legal fees in the enforcement of the provisions of this Paragraph and shall survive the termination or completion of this Agreement.

10. **DEFAULT/ENFORCEMENT OF THIS AGREEMENT.** The County shall have the right to enforce this Agreement and the terms of the Easement, as the case may be, by any proceedings at law or in equity against Brandywine or any person(s) or entity(ies) violating or attempting to violate any provision of any of the same; to restrain violations; to require specific performance; and/or to recover damages or request reimbursement of any funding made. The provisions of this paragraph shall survive the acquisition of the Easement upon the property acquired with the funds and shall be fully enforceable by the County upon learning of such actual or attempted default or violation, including following such settlement and the completion and close-out of purchase of the Easement. If the County determines that Brandywine is in violation of the terms of this Agreement or the Easement or that a violation of any of the same is threatened, the County shall give written notice to Brandywine of such violation and shall demand corrective actions sufficient to cure the violation. Where the violation involves a diminution in value of or injury to the property or interest purchased with the funding resulting from any use or activity inconsistent with the restrictions, permitted uses, or other limitations applicable thereto, Brandywine shall restore that portion of the subject property or interest so injured. If Brandywine fails to cure the violation within thirty (30) days after receipt of written notice thereof from the County, or under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, then by the expiration of the time specified by the County to cure the violation, the County may bring an action at law or equity in a Court of competent jurisdiction to enforce the terms of this Agreement, to enjoin the violation ex parte as necessary by temporary or permanent injunction, to recover any damages to which it may be entitled for violation of the terms of this Agreement or injury to any public interest protected by this Agreement, to require the restoration of the subject property or interest to the condition that existed prior to such injury, or seek reimbursement of any funding made earlier. Brandywine hereby acknowledges and agrees that the County's remedies at law for any violation of the terms of this Agreement are inadequate and that the County shall be entitled to the injunctive relief described in this Agreement, both prohibitive and mandatory, in addition to such other relief to which the County may be entitled, including specific performance of the terms of this Agreement without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. Any costs incurred by the County in enforcing the terms of this Agreement against Brandywine, including, without limitation, costs of suit and attorneys' fees, and any costs of restoration necessitated by Brandywine's violation of the terms of this Agreement, shall be borne by Brandywine.

11. **STATUTORY AND REGULATORY COMPLIANCE.** Brandywine shall comply with all applicable federal, state and local laws, ordinances, rules and regulations in the performance of this Agreement and purchase of the Easement.

12. **REPRESENTATIONS AS TO AUTHORITY.** Each Party represents unto the other that all necessary actions have been taken to approve this Agreement and that this Agreement is a legal, valid and binding obligation of each and legally enforceable in accordance with its terms.

13. **ASSIGNMENT PROHIBITED.** Brandywine shall not transfer or assign this Agreement, or its rights, duties, obligations or responsibilities hereunder, in whole or in part, without the prior written consent of the County.

14. **NO WAIVER.** The failure of any Party to insist upon strict performance of a covenant hereunder or of any obligation hereunder shall not be a waiver of such Party's right to demand strict compliance therewith in the future.

15. **SEVERABILITY.** If any provision of this Agreement is held to be illegal, void, invalid or unenforceable, it shall not affect the validity, legality or enforceability of the remaining portions of this Agreement, and if any provision is held to be inapplicable to any person, entity or circumstance, it shall, nevertheless, remain applicable and enforceable relative to all other persons, entities and circumstances.

16. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns.

17. **AMENDMENT.** No change, modification or amendment of this Agreement shall be valid or binding upon the Parties unless such change or modification shall be in writing and signed by the Party against whom the same is sought to be enforced.

18. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the Parties hereto regarding the subject matter contained herein and there are no agreements, representations, warranties or understandings between the parties other than those expressly set forth herein.

19. **JURISDICTION/VENUE.** The Parties agree that this Agreement shall be interpreted, enforced and governed under the laws of the State of Delaware. Any action to enforce or interpret this Agreement will be brought in the State of Delaware in New Castle County.

20. **EFFECTIVE DATE.** The effective date of this Agreement shall be the latest date of execution hereof by the Parties, as indicated herein below.

IN WITNESS WHEREOF, the Parties, by their undersigned, duly authorized officers/representatives, and intending to be legally bound hereby, have duly executed this Agreement on the dates appearing below.

NEW CASTLE COUNTY

Brandywine Red Clay Alliance

MARCUS A. HENRY
COUNTY EXECUTIVE

JAMES E. JORDAN, JR.
EXECUTIVE DIRECTOR, CEO

Date: _____

Date: _____

ORDINANCE NO. 26-011

**AMEND THE FY2026 APPROVED OPERATING BUDGET:
INCREASE THE AUTHORIZED POSITION COUNT FOR THE DEPARTMENT OF
ADMINISTRATION, OFFICE OF FINANCE BY FIVE POSITIONS FOR THE
ASSESSMENT DIVISION**

1 **WHEREAS**, New Castle County completed its first reassessment in over forty
2 years, and
3

4 **WHEREAS**, HB62, signed by the Governor in August of 2023, now requires that
5 each county reassess the value of real property in the county at least once every 5 years,
6 which will result in a significant operational impact on the Assessment Division, and
7

8 **WHEREAS**, New Castle County must add support to the assessment program to
9 comply with the State mandate, starting with additional personnel; and
10

11 **WHEREAS**, the International Association of Assessing Officers (IAAO)
12 recommends assessment office staffing to be based on one staff member per every 2,500
13 parcels; and
14

15 **WHEREAS**, this recommendation includes all aspects of assessment functions
16 including geographic information systems (GIS), legal services, and public relations which
17 are in other areas outside of the Assessment Office; and
18

19 **WHEREAS**, New Castle County has approximately 215,000 parcels which
20 according to this recommendation would require eighty-six (86) staff members; and
21

22 **WHEREAS**, the Assessment Division currently has twenty-nine (29) positions and
23 is requesting to add five (5) Certified Assessor II positions with an intended start date of
24 April 1, 2026.
25

26 **NOW, THEREFORE, THE COUNTY OF NEW CASTLE HEREBY ORDAINS:**
27

28 Section 1. The Annual Operating Budget for the fiscal year beginning July 1, 2025,
29 is hereby amended by deleting the matter stricken and adding the matter underscored on
30 the attached Exhibit "A."
31

32 Section 2. The foregoing amendment shall be considered a part of the Annual
33 Operating Budget for the fiscal year beginning July 1, 2025, and shall be effective
34 retroactively as though incorporated initially in the Annual Operating Budget.
35

36 Section 3. This Ordinance shall become effective immediately upon its adoption
37 by County Council and approval by the County Executive, or as otherwise provided in 9
38 *Del. C. § 1156.*

Adopted by County Council of
New Castle County on:

Monique Williams-Johns
President of County Council
of New Castle County

Approved on:

Marcus Henry
County Executive
New Castle County

SYNOPSIS: This Ordinance, if approved, will authorize five (5) additional positions to the FY2026 Approved Operating Budget for the Department of Administration, Office of Finance to add additional Certified Assessor II positions for the Assessment Division. In addition, funding for one-time training and supplies for the positions will be necessary.

FISCAL NOTE: This Ordinance, if approved, will amend the FY2026 Approved Operating Budget by increasing the authorized position count for the Department of Administration, Office of Finance from 87.15 to 92.15. The total authorized positions for the Department of Administration would increase from 168 to 173; and the total authorized positions for the FY2026 Approved Operating Budget will increase from 1,684 to 1,689.

The additional positions are anticipated to be hired effective April 1, 2026 and the estimated fiscal impact (Salaries/Benefits/Other) will be \$125,515 in FY2026, \$503,220 in FY2027 and \$503,235 in FY2028. FY2026 includes \$6,275 in one-time costs. Funding for these additional positions will be covered within the FY2026 Approved Operating Budget. In future years, it is estimated that adding these positions will generate more tax revenue to offset this expense due to the timeliness of quarterly additions to the tax roll.

New Castle County's resource needs for full staffing due to five-year assessments requirements are not included in the FY2027 and FY2028 projections. The Administration will be including more resources within its FY2027 Recommended Operating Budget.

Acknowledged by the Chief Financial Officer January 13, 2026.

COUNTY COUNCIL

Salaries and Wages		\$	2,708,793
Benefits			1,525,869
Training and Civic Affairs			70,593
Communication and Utilities			16,274
Materials and Supplies			58,748
Contractual Services			256,281
Equipment			3,363
Grants and Fixed Charges			311,293
Operating Transfer Charges			195,519
Total		\$	5,146,733
Total Authorized Full-Time Positions	35		

COUNTY EXECUTIVE

Salaries and Wages		\$	2,305,318
Benefits			1,293,169
Training and Civic Affairs			42,028
Communication and Utilities			19,550
Materials and Supplies			22,136
Contractual Services			254,841
Equipment			1,000
Grants and Fixed Charges			351,921
Contingency			55,000
Operating Transfer Charges			112,454
Total		\$	4,457,417
Total Authorized Full-Time Positions	17		

DEPARTMENT OF ADMINISTRATION

Salaries and Wages		\$	14,072,608
Benefits			7,834,901
Training and Civic Affairs			194,305
Communication and Utilities			8,380,342
Materials and Supplies			162,143
Contractual Services			8,853,545
Equipment			428,395
Grants and Fixed Charges			3,972,041
Operating Transfer Charges			1,197,550
Operating Transfer Credits			(14,044,103)
Total		\$	31,051,727
Total Authorized Full-Time Positions	<u>173</u>		168

DEPARTMENT OF PUBLIC WORKS

Salaries and Wages	\$	28,756,814
Benefits		16,093,269
Training and Civic Affairs		45,445
Communication and Utilities		27,456,675
Materials and Supplies		4,955,021
Contractual Services		11,127,535
Equipment		514,258
Grants and Fixed Charges		1,529,759
Land and Structures		50,000
Operating Transfer Charges		4,841,823
Operating Transfer Credits		(7,876,371)
Total	\$	87,494,228
Total Authorized Full-Time Positions	389	

DEPARTMENT OF LAND USE

Salaries and Wages	\$	8,986,033
Benefits		5,031,240
Training and Civic Affairs		66,975
Communication and Utilities		103,015
Materials and Supplies		109,127
Contractual Services		1,522,109
Equipment		68,340
Grants and Fixed Charges		56,500
Operating Transfer Charges		1,071,279
Total	\$	17,014,618
Total Authorized Full-Time Positions	113	

DEPARTMENT OF COMMUNITY SERVICES

Salaries and Wages	\$	13,653,916
Benefits		5,874,643
Training and Civic Affairs		18,920
Communication and Utilities		1,538,473
Materials and Supplies		1,627,339
Contractual Services		3,921,227
Equipment		42,919
Grants and Fixed Charges		3,235,149
Operating Transfer Charges		1,396,115
Operating Transfer Credits		(243,749)
Total	\$	31,064,952
Total Authorized Full-Time Positions	162	

DEPARTMENT OF PUBLIC SAFETY

Salaries and Wages	\$	78,231,240
Benefits		43,444,049
Training and Civic Affairs		205,206
Communication and Utilities		992,877
Materials and Supplies		1,319,347
Contractual Services		2,497,322
Equipment		2,411,783
Grants and Fixed Charges		11,672,041
Operating Transfer Charges		8,501,518
Total	\$	149,275,383
Total Authorized Full-Time Positions		729

REGISTER OF WILLS

Salaries and Wages	\$	1,219,161
Benefits		669,258
Training and Civic Affairs		34,950
Communication and Utilities		10,257
Materials and Supplies		10,053
Contractual Services		62,715
Equipment		2,800
Operating Transfer Charges		97,749
Total	\$	2,106,943
Total Authorized Full-Time Positions		20

RECORDER OF DEEDS

Salaries and Wages	\$	1,377,085
Benefits		764,405
Training and Civic Affairs		40,170
Communication and Utilities		30,665
Materials and Supplies		12,398
Contractual Services		83,945
Equipment		6,150
Grants and Fixed Charges		18,350
Operating Transfer Charges		172,975
Total	\$	2,506,143
Total Authorized Full-Time Positions		23

SHERIFF

Salaries and Wages		\$	1,482,722
Benefits			835,738
Training and Civic Affairs			29,452
Communication and Utilities			12,261
Materials and Supplies			21,259
Contractual Services			55,999
Equipment			5,000
Operating Transfer Charges			150,197
Total		\$	2,592,628
Total Authorized Full-Time Positions	21		

CLERK OF THE PEACE

Salaries and Wages		\$	538,617
Benefits			303,592
Training and Civic Affairs			9,600
Communication and Utilities			3,586
Materials and Supplies			7,939
Contractual Services			19,083
Equipment Replacement			0
Operating Transfer Charges			35,085
Total		\$	917,502
Total Authorized Full-Time Positions	7		

DEBT SERVICE

Debt Service		\$	47,892,496
Total		\$	47,892,496
Total Authorized Full-Time Positions			

ETHICS COMMISSION

Salaries and Wages		\$	44,477
Benefits			4,092
Training and Civic Affairs			10,500
Communication and Utilities			1,745
Materials and Supplies			2,450
Contractual Services			235,747
Equipment			500
Operating Transfer Charges			6,796
Total		\$	306,307
Total Authorized Full-Time Positions	0		

COUNCIL CONTINGENCY

Contingency	\$	225,000
Total	\$	225,000
<i>Total Authorized Full-Time Positions</i>		

EXECUTIVE CONTINGENCY

Contingency	\$	284,079
Total	\$	284,079
<i>Total Authorized Full-Time Positions</i>		

PERSONNEL CONTINGENCY

Contingency	\$	455,000
Total	\$	455,000
<i>Total Authorized Full-Time Positions</i>		

BENEFITS CONTINGENCY

Contingency	\$	1,763,275
Total	\$	1,763,275
<i>Total Authorized Full-Time Positions</i>		

DE PFML INS PROG CONTINGENCY

Contingency	\$	486,725
Total	\$	486,725
<i>Total Authorized Full-Time Positions</i>		

ATTRITION CONTINGENCY

Personal Services - Salaries and Wages	\$	(6,107,378)
Personal Services - Employee Benefits	\$	(3,442,422)
Total	\$	(9,549,800)
<i>Total Authorized Full-Time Positions</i>		

ONE-TIME CONTINGENCY

Contingency	\$	1,117,230
Total	\$	1,117,230

NEW CASTLE COUNTY

Salaries and Wages			\$	147,269,406
Benefits				80,231,803
Training and Civic Affairs				768,144
Communication and Utilities				38,565,720
Materials and Supplies				8,307,960
Contractual Services				28,890,349
Equipment				3,484,508
Grants and Fixed Charges				21,147,054
Debt Service				47,892,496
Land and Structures				50,000
Contingency				4,386,309
Operating Transfer Charges				17,779,060
Operating Transfer Credits				(22,164,223)
<i>Sub-Total New Castle County</i>			\$	376,608,586
<i>Total Authorized Full-Time Positions</i>	<u>1,689</u>	<u>1,684</u>		

RESERVE ACCOUNTS ANTICIPATED BALANCES AS OF DECEMBER 9, 2025 (UNAUDITED)

Tax Stabilization Reserve Account	41,409,374
Sewer Rate Stabilization Reserve Account	10,355,693
General Fund Budget Reserve Account	46,910,980
Sewer Fund Budget Reserve Account	19,038,698
<i>Total Reserves:</i>	117,714,745

ORDINANCE NO. 26-012

**AMEND THE FY2026 APPROVED OPERATING BUDGET:
TRANSFER FUNDING FROM THE GRANTS AND FIXED CHARGES BUDGET LINE
ITEM OF COUNTY COUNCIL TO THE CONTRACTUAL SERVICES BUDGET LINE ITEM
OF THE DEPARTMENT OF PUBLIC WORKS, DIVISION OF FLEET AND FACILITIES
TO PROVIDE FUNDING FOR AUDIO/VIDEO IMPROVEMENTS AT
APPOQUINIMINK LIBRARY**

1 **WHEREAS**, County Council has budgeted funding available in the Grants and Fixed
2 Charges Budget Line Item; and
3

4 **WHEREAS**, New Castle County Council wishes to provide funding to the Department
5 of Public Works, Division of Fleet and Facilities for audio/video improvements at
6 Appoquinimink Library; and
7

8 **WHEREAS**, the Appoquinimink Library has state-of-the-art sound and video studios
9 with a mixing room in between them; and
10

11 **WHEREAS**, the rooms currently lack audio-video wiring to enable communication
12 between the studios and the mixing rooms; and
13

14 **WHEREAS**, a contractor that specializes in these areas has proposed a solution that
15 has been vetted by the local musical community and will greatly expand the creative and
16 educational potential of the existing space; and
17

18 **WHEREAS**, the revenue measures heretofore adopted by the County Council are, in
19 the opinion of the County Executive, estimated to yield sums at least sufficient to balance the
20 proposed expenditures as set forth in the Annual Operating Budget as hereinafter amended.
21

22 **NOW, THEREFORE, THE COUNTY OF NEW CASTLE HEREBY ORDAINS:**
23

24 Section 1. The Annual Operating Budget Ordinance for the fiscal year beginning July
25 1, 2025, is hereby amended by deleting the material that is stricken and adding the material
26 that is underscored on the attached Exhibit "A."
27

28 Section 2. The foregoing amendment shall be considered a part of the Annual
29 Operating Budget for the fiscal year beginning July 1, 2025 and shall be effective as though
30 incorporated initially in the Annual Operating Budget Ordinance.
31

32 Section 3. This Ordinance shall become effective immediately upon its adoption by
33 County Council and approval by the County Executive, or as otherwise provided in 9 *Del. C.*
34 § 1156.

Adopted by County Council of
New Castle County on:

Monique Williams-Johns
President of County Council
of New Castle County

Approved on:

Marcus Henry
County Executive
New Castle County

SYNOPSIS: This Ordinance, if approved, will transfer \$5,687.00 from the County Council – Grants and Fixed Charges Budget Line Item to the Department of Public Works, Division of Fleet and Facilities Contractual Services Budget Line Item within the FY2026 Approved Operating Budget for audio/video improvements at Appoquinimink Library.

FISCAL NOTE: This Ordinance, if approved, will amend the FY2026 Approved Operating Budget by transferring \$5,687.00 from the County Council – Grants and Fixed Charges Budget Line Item to the Public Works, Division of Fleet and Facilities Contractual Services Budget Line Item for audio/video improvements at Appoquinimink Library.

This legislation will result in no increase to the FY2026 Approved Operating Budget as the legislation is a transfer of funds between Departments. There is no fiscal impact for FY2027 or FY2028.

Acknowledged by the Chief Financial Officer January 13, 2026.

COUNTY COUNCIL

Salaries and Wages		\$	2,708,793
Benefits			1,525,869
Training and Civic Affairs			70,593
Communication and Utilities			16,274
Materials and Supplies			58,748
Contractual Services			256,281
Equipment			3,363
Grants and Fixed Charges	311,293		305,606
Operating Transfer Charges			195,519
Total	5,146,733	\$	<u>5,141,046</u>
Total Authorized Full-Time Positions	35		

COUNTY EXECUTIVE

Salaries and Wages		\$	2,305,318
Benefits			1,293,169
Training and Civic Affairs			42,028
Communication and Utilities			19,550
Materials and Supplies			22,136
Contractual Services			254,841
Equipment			1,000
Grants and Fixed Charges			351,921
Contingency			55,000
Operating Transfer Charges			112,454
Total		\$	<u>4,457,417</u>
Total Authorized Full-Time Positions	17		

DEPARTMENT OF ADMINISTRATION

Salaries and Wages		\$	14,072,608
Benefits			7,834,901
Training and Civic Affairs			194,305
Communication and Utilities			8,380,342
Materials and Supplies			162,143
Contractual Services			8,853,545
Equipment			428,395
Grants and Fixed Charges			3,972,041
Operating Transfer Charges			1,197,550
Operating Transfer Credits			(14,044,103)
Total		\$	<u>31,051,727</u>
Total Authorized Full-Time Positions	168		

DEPARTMENT OF PUBLIC WORKS

Salaries and Wages		\$	28,756,814
Benefits			16,093,269
Training and Civic Affairs			45,445
Communication and Utilities			27,456,675
Materials and Supplies			4,955,021
Contractual Services	11,127,535		<u>11,133,222</u>
Equipment			514,258
Grants and Fixed Charges			1,529,759
Land and Structures			50,000
Operating Transfer Charges			4,841,823
Operating Transfer Credits			(7,876,371)
Total	87,494,228	\$	<u>87,499,915</u>
Total Authorized Full-Time Positions	389		

DEPARTMENT OF LAND USE

Salaries and Wages		\$	8,986,033
Benefits			5,031,240
Training and Civic Affairs			66,975
Communication and Utilities			103,015
Materials and Supplies			109,127
Contractual Services			1,522,109
Equipment			68,340
Grants and Fixed Charges			56,500
Operating Transfer Charges			1,071,279
Total		\$	<u>17,014,618</u>
Total Authorized Full-Time Positions	113		

DEPARTMENT OF COMMUNITY SERVICES

Salaries and Wages		\$	13,653,916
Benefits			5,874,643
Training and Civic Affairs			18,920
Communication and Utilities			1,538,473
Materials and Supplies			1,627,339
Contractual Services			3,921,227
Equipment			42,919
Grants and Fixed Charges			3,235,149
Operating Transfer Charges			1,396,115
Operating Transfer Credits			(243,749)
Total		\$	<u>31,064,952</u>
Total Authorized Full-Time Positions	162		

DEPARTMENT OF PUBLIC SAFETY

Salaries and Wages	\$	78,231,240
Benefits		43,444,049
Training and Civic Affairs		205,206
Communication and Utilities		992,877
Materials and Supplies		1,319,347
Contractual Services		2,497,322
Equipment		2,411,783
Grants and Fixed Charges		11,672,041
Operating Transfer Charges		8,501,518
Total	\$	149,275,383
Total Authorized Full-Time Positions		729

REGISTER OF WILLS

Salaries and Wages	\$	1,219,161
Benefits		669,258
Training and Civic Affairs		34,950
Communication and Utilities		10,257
Materials and Supplies		10,053
Contractual Services		62,715
Equipment		2,800
Operating Transfer Charges		97,749
Total	\$	2,106,943
Total Authorized Full-Time Positions		20

RECORDER OF DEEDS

Salaries and Wages	\$	1,377,085
Benefits		764,405
Training and Civic Affairs		40,170
Communication and Utilities		30,665
Materials and Supplies		12,398
Contractual Services		83,945
Equipment		6,150
Grants and Fixed Charges		18,350
Operating Transfer Charges		172,975
Total	\$	2,506,143
Total Authorized Full-Time Positions		23

SHERIFF

Salaries and Wages		\$	1,482,722
Benefits			835,738
Training and Civic Affairs			29,452
Communication and Utilities			12,261
Materials and Supplies			21,259
Contractual Services			55,999
Equipment			5,000
Operating Transfer Charges			150,197
Total		\$	2,592,628
Total Authorized Full-Time Positions	21		

CLERK OF THE PEACE

Salaries and Wages		\$	538,617
Benefits			303,592
Training and Civic Affairs			9,600
Communication and Utilities			3,586
Materials and Supplies			7,939
Contractual Services			19,083
Equipment Replacement			0
Operating Transfer Charges			35,085
Total		\$	917,502
Total Authorized Full-Time Positions	7		

DEBT SERVICE

Debt Service		\$	47,892,496
Total		\$	47,892,496
Total Authorized Full-Time Positions			

ETHICS COMMISSION

Salaries and Wages		\$	44,477
Benefits			4,092
Training and Civic Affairs			10,500
Communication and Utilities			1,745
Materials and Supplies			2,450
Contractual Services			235,747
Equipment			500
Operating Transfer Charges			6,796
Total		\$	306,307
Total Authorized Full-Time Positions	0		

COUNCIL CONTINGENCY

Contingency	\$	225,000
Total	\$	225,000
<i>Total Authorized Full-Time Positions</i>		

EXECUTIVE CONTINGENCY

Contingency	\$	284,079
Total	\$	284,079
<i>Total Authorized Full-Time Positions</i>		

PERSONNEL CONTINGENCY

Contingency	\$	455,000
Total	\$	455,000
<i>Total Authorized Full-Time Positions</i>		

BENEFITS CONTINGENCY

Contingency	\$	1,763,275
Total	\$	1,763,275
<i>Total Authorized Full-Time Positions</i>		

DE PFML INS PROG CONTINGENCY

Contingency	\$	486,725
Total	\$	486,725
<i>Total Authorized Full-Time Positions</i>		

ATTRITION CONTINGENCY

Personal Services - Salaries and Wages	\$	(6,107,378)
Personal Services - Employee Benefits	\$	(3,442,422)
Total	\$	(9,549,800)
<i>Total Authorized Full-Time Positions</i>		

ONE-TIME CONTINGENCY

Contingency	\$	1,117,230
Total	\$	1,117,230

NEW CASTLE COUNTY

Salaries and Wages		\$	147,269,406
Benefits			80,231,803
Training and Civic Affairs			768,144
Communication and Utilities			38,565,720
Materials and Supplies			8,307,960
Contractual Services	<u>28,890,349</u>		<u>28,896,036</u>
Equipment			3,484,508
Grants and Fixed Charges	<u>21,147,054</u>		<u>21,141,367</u>
Debt Service			47,892,496
Land and Structures			50,000
Contingency			4,386,309
Operating Transfer Charges			17,779,060
Operating Transfer Credits			(22,164,223)
<i>Sub-Total New Castle County</i>		\$	376,608,586
<i>Total Authorized Full-Time Positions</i>	1,684		

RESERVE ACCOUNTS ANTICIPATED BALANCES AS OF DECEMBER 9, 2025 (UNAUDITED)

Tax Stabilization Reserve Account	41,409,374
Sewer Rate Stabilization Reserve Account	10,355,693
General Fund Budget Reserve Account	46,910,980
Sewer Fund Budget Reserve Account	19,038,698
<i>Total Reserves:</i>	117,714,745

ORDINANCE NO. 26-013

**AMEND THE GRANTS BUDGET:
APPROPRIATE FEDERAL FUNDS OF \$219,504.00 FROM THE CYBERSECURITY
AND INFRASTRUCTURE SECURITY AGENCY PASSED THROUGH THE
DELAWARE EMERGENCY MANAGEMENT AGENCY TO THE REBLAZE RENEWAL
2026 (SLCGP) GRANT, WHICH IS ADMINISTERED BY THE DEPARTMENT OF
ADMINISTRATION, OFFICE OF TECHNOLOGY AND ADMINISTRATIVE SERVICES**

1 **WHEREAS**, the State and Local Cybersecurity Grant Program (SLCGP) provides
2 funding to eligible state, local, and territorial (SLT) governments to manage and reduce
3 systemic cyber risk, thus improving the security of critical infrastructure and improving
4 the resilience of the services SLT governments provide their community; and
5

6 **WHEREAS**, funding will be transferred to New Castle County upon approval from
7 the Federal Emergency Management Agency (FEMA); and
8

9 **WHEREAS**, the County Executive has determined that grants anticipated to be
10 received from the Cybersecurity and Infrastructure Security Agency (CISA) will be
11 sufficient to cover the increase in the Grants Budget as hereinafter amended; and
12

13 **WHEREAS**, Council has determined that the provisions of this Ordinance
14 substantially advance, and are reasonably and rationally related to, legitimate
15 government interests (i.e., promoting the health, safety, morals, convenience, order,
16 prosperity and/or welfare of the present and future inhabitants of this State).
17

18 **NOW, THEREFORE, THE COUNTY OF NEW CASTLE HEREBY ORDAINS:**
19

20 Section 1. The Grants Budget as adopted by Ordinance No. 75-173 is hereby
21 amended by adding the material on the attached Exhibits "A", which shall be considered
22 underscored in its entirety.
23

24 Section 2. This Ordinance shall become effective immediately upon its adoption
25 by County Council and approval by the County Executive, or as otherwise provided by 9
26 *Del. C. § 1156*.
27

28 Section 3. It is the intent of the County Council that the provisions of this
29 Ordinance shall be effective February 28, 2026.

Adopted by County Council of
New Castle County on:

Monique Williams-Johns
President of County Council
of New Castle County

Approved on:

Marcus Henry
County Executive
New Castle County

SYNOPSIS: This Ordinance, if approved, will appropriate federal funds of \$219,504.00 from the Cybersecurity and Infrastructure Security Agency (CISA) passed through the Delaware Emergency Management Agency (DEMA) to the Reblaze Renewal 2026 (SLCGP) Grant, which will be administered by the Department of Administration, Office of Technology and Administrative Services.

FISCAL NOTE: This Ordinance, if approved, will amend the Grants Budget by appropriating federal funds of \$219,504.00 from the Cybersecurity and Infrastructure Security Agency (CISA) passed through the Delaware Emergency Management Agency (DEMA) to the Reblaze Renewal 2026 (SLCGP) Grant, which will be administered by the Department of Administration, Office of Technology and Administrative Services.

There is no match required and no impact to the Operating Budget. This increase will affect FY2026, FY2027, and FY2028, since the targeted program completion date for this grant is November 30, 2027.

Acknowledged by the Chief Financial Officer January 9, 2026.

DEPARTMENT:	Administration	EXHIBIT:	"A"
GRANT TITLE:	NetSkope Renewal 2026 (SLCGP)	Ordinance No.	26-013
PROGRAM TITLE:	NetSkope Renewal 2026 (SLCGP)		

Revenue	Current	Change	Revised
Federal	\$ 225,569.00	\$ -	\$ 225,569.00
State	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
Program Income	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -
Total	\$ 225,569.00	\$ -	\$ 225,569.00

Expense	Current	Change	Revised
Salaries and Wages	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -
Training/Civic Affairs	\$ -	\$ -	\$ -
Communication/Utilities	\$ -	\$ -	\$ -
Materials/Supplies	\$ -	\$ -	\$ -
Contractual Services	\$ 225,569.00	\$ -	\$ 225,569.00
Equipment	\$ -	\$ -	\$ -
Grants/Fixed Charges	\$ -	\$ -	\$ -
Land and Structures	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -
Operating Transfer Charges	\$ -	\$ -	\$ -
Operating Transfer Credits	\$ -	\$ -	\$ -
Total	\$ 225,569.00	\$ -	\$ 225,569.00

SUPPLEMENTAL INFORMATION

Estimated Program Initiation:	3/25/2026
Estimated Program Completion:	11/30/2027
The Local Match:	Found in (ORG):
Ordinance Passed:	Date Revised:

PROGRAM DESCRIPTION:

The State and Local Cybersecurity Grant Program (SLCGP) provides funding to eligible State, Local and Territorial (SLT) governments to manage and reduce systemic cyber risk, thus improving the security of critical infrastructure and improving the resilience of the services SLT governments provide to their community.

1/27/2026

Prime Sponsor(s): Mr. Smiley, Mr. Cartier
Requested by: Administration/Technology
Date of introduction: February 3, 2026

ORDINANCE NO. 26-014

**AMEND THE GRANTS BUDGET:
APPROPRIATE FEDERAL FUNDS OF \$225,569.00 FROM THE CYBERSECURITY
AND INFRASTRUCTURE SECURITY AGENCY PASSED THROUGH THE
DELAWARE EMERGENCY MANAGEMENT AGENCY TO THE NETSKOPE
RENEWAL 2026 (SLCGP) GRANT, WHICH IS ADMINISTERED BY THE
DEPARTMENT OF ADMINISTRATION, OFFICE OF TECHNOLOGY AND
ADMINISTRATIVE SERVICES**

1 **WHEREAS**, the State and Local Cybersecurity Grant Program (SLCGP) provides
2 funding to eligible state, local, and territorial (SLT) governments to manage and reduce
3 systemic cyber risk, thus improving the security of critical infrastructure and improving
4 the resilience of the services SLT governments provide their community; and
5

6 **WHEREAS**, funding will be transferred to New Castle County upon approval from
7 the Federal Emergency Management Agency (FEMA); and
8

9 **WHEREAS**, the County Executive has determined that grants anticipated to be
10 received from the Cybersecurity and Infrastructure Security Agency (CISA) will be
11 sufficient to cover the increase in the Grants Budget as hereinafter amended; and
12

13 **WHEREAS**, Council has determined that the provisions of this Ordinance
14 substantially advance, and are reasonably and rationally related to, legitimate
15 government interests (i.e., promoting the health, safety, morals, convenience, order,
16 prosperity and/or welfare of the present and future inhabitants of this State).
17

18 **NOW, THEREFORE, THE COUNTY OF NEW CASTLE HEREBY ORDAINS:**
19

20 Section 1. The Grants Budget as adopted by Ordinance No. 75-173 is hereby
21 amended by adding the material on the attached Exhibits "A", which shall be considered
22 underscored in its entirety.
23

24 Section 2. This Ordinance shall become effective immediately upon its adoption
25 by County Council and approval by the County Executive, or as otherwise provided by 9
26 *Del. C. § 1156*.
27

28 Section 3. It is the intent of the County Council that the provisions of this
29 Ordinance shall be effective March 25, 2026.

Adopted by County Council of
New Castle County on:

Monique Williams-Johns
President of County Council
of New Castle County

Approved on:

Marcus Henry
County Executive
New Castle County

SYNOPSIS: This Ordinance, if approved, will appropriate federal funds of \$225,569.00 from the Cybersecurity and Infrastructure Security Agency (CISA) passed through the Delaware Emergency Management Agency (DEMA) to the NetSkope Renewal 2026 (SLCGP) Grant, which will be administered by the Department of Administration, Office of Technology and Administrative Services.

FISCAL NOTE: This Ordinance, if approved, will amend the Grants Budget by appropriating federal funds of \$225,569.00 from the Cybersecurity and Infrastructure Security Agency (CISA) passed through the Delaware Emergency Management Agency (DEMA) to the NetSkope Renewal 2026 (SLCGP) Grant, which will be administered by the Department of Administration, Office of Technology and Administrative Services.

There is no match required and no impact to the Operating Budget. This increase will affect FY2026, FY2027, and FY2028, since the targeted program completion date for this grant is November 30, 2027.

Acknowledged by the Chief Financial Officer January 9, 2026.

DEPARTMENT:	Administration	EXHIBIT:	"A"
GRANT TITLE:	Reblaze Renewal 2026 (SLCGP)	Ordinance No.	26-014
PROGRAM TITLE:	Reblaze Renewal 2026 (SLCGP)		

Revenue	Current	Change	Revised
Federal	\$ 219,504.00	\$ -	\$ 219,504.00
State	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
Program Income	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -
Total	\$ 219,504.00	\$ -	\$ 219,504.00

Expense	Current	Change	Revised
Salaries and Wages	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -
Training/Civic Affairs	\$ -	\$ -	\$ -
Communication/Utilities	\$ -	\$ -	\$ -
Materials/Supplies	\$ -	\$ -	\$ -
Contractual Services	\$ 219,504.00	\$ -	\$ 219,504.00
Equipment	\$ -	\$ -	\$ -
Grants/Fixed Charges	\$ -	\$ -	\$ -
Land and Structures	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -
Operating Transfer Charges	\$ -	\$ -	\$ -
Operating Transfer Credits	\$ -	\$ -	\$ -
Total	\$ 219,504.00	\$ -	\$ 219,504.00

SUPPLEMENTAL INFORMATION

Estimated Program Initiation:	2/28/2026
Estimated Program Completion:	11/30/2027
The Local Match:	Found in (ORG):
Ordinance Passed:	Date Revised:

PROGRAM DESCRIPTION:

The State and Local Cybersecurity Grant Program (SLCGP) provides funding to eligible State, Local and Territorial (SLT) governments to manage and reduce systemic cyber risk, thus improving the security of critical infrastructure and improving the resilience of the services SLT governments provide to their community.

1/27/2026

Revised Grant Matrix

2/24/26

GRANT APPLICANT	AMOUNT REQUESTED / AMOUNT PROPOSED	INTENDED USE OF GRANT	Standard Accounting Practices/ Non-Discrimination Policy	PRIOR COUNCIL GRANTS IN CURRENT FISCAL YEAR	COUNCIL MEMBER
Friends of the Newark Free Library	\$2500/\$2500	Funds will be used to support free music programs open to the public.	Yes/Yes	No	George
Newark Symphony Orchestra (NSO)	\$2450/\$2450	Funds will assist with their free children's concert on YApril 26, 2026.	Yes/No	No	George
True Life Church of Newark	\$1300/\$1300	Funds will be used to help support their Special Needs Easter Egg Hunt which is open to all.	Yes/No	No	George
Project Act, Inc.	\$2500/\$1800	Funds will be used help host a community celebration recognizing woman who have made significant, positive contributions to the wellbeing, growth, and resilience of our local community	Yes/Yes	No	Williams-Johns
Black Mothers in Power	\$10,000/	Funds will be used to provide \$600 Scholarships to 16 participants in their Sankofa Doula Training & Certification Program	Yes/Yes	No	Williams-Johns



We'll get you there.

CPAs | CONSULTANTS | WEALTH ADVISORS

New Castle County, Delaware Year Ended June 30, 2025 Audit Results

January 20, 2026

Table of Contents

We welcome the opportunity to meet with you to discuss the results of our audit of the financial statements of New Castle County, Delaware for the year ended June 30, 2025. We completed our audit and have issued our report dated December 17, 2025.

CLA exists to create opportunities for our clients, our people, and our communities. We achieve this goal by living the CLA Promise: to know you and help you. The contact at CLA in connection with this communication is listed below:



Remi Omisore, CPA, MBA, CISA, CIA
Remi.Omisore@CLAConnect.com
(410)308-8157

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Scope and Deliverables

Scope of the Engagement

- * Issue opinions on the County and Pension Program Financial Statements
- * Single Audit - Audit of the Schedule of Expenditures of Federal Awards
- * Agreed-upon Procedures Real Estate Assessment Center (REAC) Report Filing

Responsibilities

- * Management is responsible for the preparation and fair presentation of these financial statements.
- * Auditors' responsibility is to express an opinion on the financial statements based on an audit and to conduct the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

Conclusion

- * Unmodified Opinion
- * Required communications - Communications to those charged with governance on key components
- * Report on internal control and compliance
- * Report on the Schedule of Expenditures of Federal Awards **(in process)**





Industry Trends and Developments



2025 Finance & Budget Office Concerns

1 Revenue Uncertainty

2 Expenditure Growth is outpacing Revenue

3 Unfunded Mandates

4 Personnel Costs

5 Infrastructure Funding

6 Unexpected Costs

7 Impact of OBBB



Turn challenges
into *opportunities*



Summary of Recently Issued GASB Standards

GASB 101 Compensated Absences

Fiscal years beginning after 12/15/2023 and all reporting periods thereafter.

FY2025

GASB 102 Certain Risk Disclosures

Fiscal years beginning after 6/15/2024 and all reporting periods thereafter.

FY2025



GASB 103 Financial Reporting Model Improvements

Fiscal years beginning after 6/15/2025 and all reporting periods thereafter.

FY2026

GASB 104 Disclosure of Certain Capital Assets

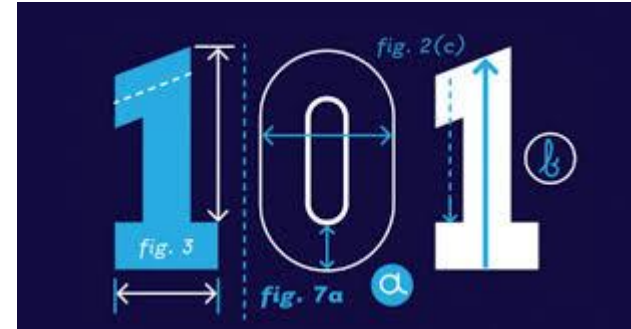
Fiscal years beginning after 6/15/2025 and all reporting periods thereafter.

FY2026



Statement 101—Compensated Absences

The Statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but has not yet been paid or settled. A liability for compensated absences should be recognized if the following are met:



☒ Leave is attributable to services already rendered

☒ Leave accumulates

☒ Leave is **more likely than not** to be used for time off or otherwise paid or settled

Leave Type	Recorded Amounts	Leave Type	Unrecorded Amount
Annual Leave	\$28,292,934	Annual Leave	\$ -
Sick Leave	\$12,060,066	Forfeited Sick Leave*	\$34,462,749
Other	\$3,031,216	Other	\$ -

*Management has determined that any sick leave balance over the vested balance will likely not be used for time off, paid, or settled.



Statement 102—Certain Risk Disclosures

The Statement requires state and local governments to disclose material concentrations and constraints in their financial statements. The standard is designed to enhance transparency and provide users of financial statements, such as taxpayers and investors, with information about risks that could impact a government's ability to meet its obligations or provide services.

A concentration or constraint must be disclosed if it meets three conditions:



Risk is known



Event is more likely than not to occur within 12 months



Risk/event will have a substantial impact

Concentrations

- Employers that employ a significant portion of the population
- Revenue Concentration
- **Narrow Tax Base**
- **Workforce covered by collective bargaining agreements**
- **Overreliance on county/state/federal funding**
- Reliance on suppliers/vendors for core operations

Constraints

- **Limitations on raising revenues**
- Limitations on spending
- **Limitation on the incurrence of debt**
- Mandated spending



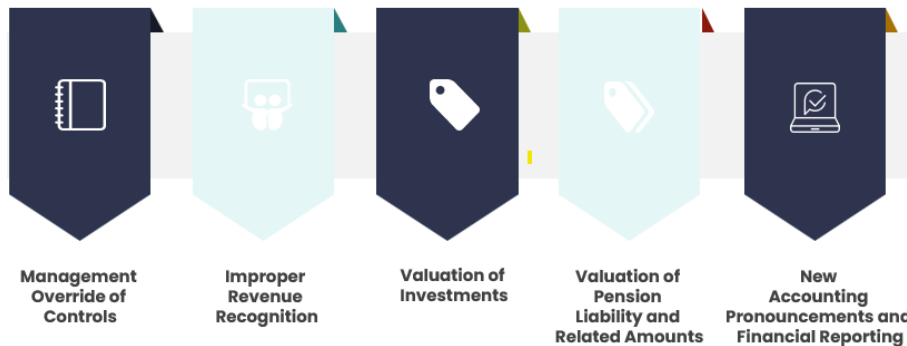
Audit Required Communications



Required Communications

Financial Reporting Risk Assessment Summary

Purpose of Audit



Significant Accounting Policies

- Note 1 to the financial statements
- Implementation of GASB 101 & 102

Significant Accounting Estimates

- *Fair value of financial instruments
- *Claims
- *OPEB & Pension Liability
- *AR allowance
- *Compensated Absence Liability

Audit Difficulties (None identified)

Material Weakness or Significant Deficiencies (SD-2025-001)

Current Year Changes

- *Transfer taxes up \$7 million
- *Utilized approximately \$42 million of Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Related Funding
- *Increase in investment earnings of \$4 million
- *PPP Transactions related to BPG Kirkwood (Soccer Club)
- *Note issuance of \$40M related to WIFIA, increased loan activity related to West Wing Project.



Pension & OPEB Estimates

Accounting estimates are an integral part of financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

ESTIMATE	INPUT	CURRENT RATE	1% DECREASE	CURRENT	1% INCREASE
2025					
Pension Liability	Discount Rate	7.00%	\$290,658,005	\$194,965,510	\$114,566,400
OPEB Liability	Discount Rate	6.00%	\$58,675,010	\$42,630,304	\$29,219,037
2024					
Pension Liability	Discount Rate	7.00%	\$306,693,494	\$211,278,352	\$132,356,145
OPEB Liability	Discount Rate	6.00%	\$87,716,620	\$69,305,818	\$53,972,849





Key Financial Statement Elements



Long Term Liabilities

Financial Statement Component	2025	2024	2023	25 vs 24 Change
Compensated Absences	\$ 43,384,216	\$ 38,393,002	\$ 36,416,990	\$4,991,214
Claims and Judgements	14,803,205	13,637,410	15,964,708	\$1,165,795
Lease/SBITA/Equipment Liability	30,981,201	29,445,141	12,137,266	\$1,536,060
Landfill Closure	539,000	606,000	785,000	(\$67,000)
Loans Payable	39,999,087	24,829,390	24,908,824	\$15,169,697
Bond Premiums	11,160,507	11,766,657	12,378,532	(\$606,150)
Bonds	475,160,000	504,120,000	531,235,000	(\$28,960,000)
OPEB Liability	42,630,304	69,305,818	72,247,646	(\$26,675,514)
Pension Liability	199,453,458	215,534,559	247,956,471	(\$16,081,101)
Total	\$858,110,978	\$907,637,977	\$954,030,437	(\$49,526,999)

Highlights

- Scheduled debt service principal payments of \$28.9 million were made during the year.
- The net pension liability decreased by \$16M mainly driven by investment performance.
- The net OPEB liability decreased by \$26M mainly driven by investment performance.
- The County entered into additional Loans through the WIFIA program for \$40M and had increased activity of \$16M through state financing programs.
- Compensated absences balances increased by \$5M.



Fund Balance (General Fund)

Financial Statement Component	2025	2024	2023
Non-spendable	\$1,844,178	\$1,468,651	\$1,468,728
Committed			
Budget Reserve	46,910,980	45,312,006	44,592,418
Tax Stabilization	81,069,001	72,191,868	74,171,478
Transfer Tax	38,098,171	37,124,670	41,724,670
Library	11,270	10,777	10,250
Strategic Economic Development	-	-	-
Reassessment Reserve	2,000,000	7,000,000	15,000,000
Assigned			
Departmental Purposes	3,128,439	2,268,662	2,786,728
Unassigned	5,106,306	11,554,641	6,665,766
Total	\$178,168,345	\$176,931,275	\$186,420,038

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.

Committed – Amounts that can be used only for specific purposes determined by a formal action by County Council ordinance.

Assigned – Amounts that are constrained by the County’s intent to be used for a specific purpose and these decisions can be made by management.

Unassigned – All amounts not included in other spendable classifications. Any deficit fund balances within the other governmental fund types are reported as unassigned.



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CPAs | CONSULTANTS | WEALTH ADVISORS

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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



NEW CASTLE COUNTY



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

Issued by the New Castle County Office of Finance

**NEW CASTLE COUNTY, DELAWARE
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Marcus Henry
County Executive

David Del Grande
Chief Financial Officer



Acknowledgements

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

Karen Wallace

Executive Assistant IV

Christine Piekarski

Senior Financial Officer

Richard Piekarski, Jr.

Senior Financial Officer

Linda Reed

Accounting and Fiscal Officer

Karen Gordy

Accountant III

Dethra Moon

Accountant II

Lisa Tilghman

Accountant I

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, 2025

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New Castle County, Delaware

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

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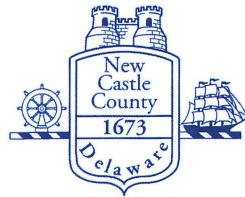


NEW CASTLE COUNTY | DE

PARKS & RECREATION

LIVE HEALTHY NEW CASTLE COUNTY





87 READS WAY
NEW CASTLE, DE 19720
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OFFICE OF FINANCE

December 17, 2025

**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, 2025. 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, 2025 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, 2025 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.

COLLABORATION ★ INNOVATION ★ DEDICATION

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 1,357 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.

Our Fiscal Year 2026 Operating Budget builds on the historic success in public safety, improved public services, and government efficiencies.

- Fully staffing New Castle County Police Department.
- Expanded the Summer Youth Employment Program and created year-round youth employment opportunities with more than 58 workplace partners.
- Celebrated \$11m federal investment in New Castle County's Hope Center through a SIPRA grant
- Improved Delcastle Park softball complex in Milltown.
- Continued the reconstruction of the Newark Free Library.
- Awarded more than \$50,000 annually in scholarships to New Castle County students pursuing college degrees.
- Announced a collaboration with the New Castle County Chamber of Commerce. This initiative will grant 10 unique, local businesses with a one-year Chamber membership.
- Continued to seek out and award below market rate loans to small businesses in partnership with Discover Bank and The Grow America Fund.
- Increased electronic payment options for constituents and businesses, increasing efficiency for payers and reducing payment processing costs.
- Re-establishing and staffing all New Castle County Boards and Commissions.

The County's population grew to 584,426 in 2025, up from 560,147 in 2016. By the year 2031, it is estimated that the County's population will grow to approximately 597,628. 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 \$376.4 million in fiscal year 2025 from \$241.5 million in fiscal year 2016. Expenditures reached a high of \$507.6 million in fiscal year 2021 and a low of \$241.5 million in fiscal year 2016. Total governmental expenditures increased \$8.9 million from fiscal year 2024 to fiscal year 2025.

General government operating costs have shown the largest dollar increase, \$46.5 million, growing to \$70.1 million in 2025 from \$23.6 million in 2016. Public safety operating costs were \$131.8 million in fiscal year 2025 versus \$100.4 million in fiscal year 2016. This \$31.4 million increase represents the second largest expenditure increase over the past 10 years.

Taxes, including property, real estate transfer and hotel tax, represent 55.6 percent of fiscal year 2025 Governmental funds revenue. Tax revenues have increased \$42.8 million since fiscal year 2016. Intergovernmental revenue represents 28.2 percent of fiscal year 2025 Governmental funds revenue. Intergovernmental revenue has increased \$62.6 million since fiscal year 2016.

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 July 2025, 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 \$46,910,980 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, \$81,069,001 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, \$38,098,171, 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 collaboratively, innovatively.
- Invest aggressively in our community's public safety.

The Fiscal Year 2026 Capital Budget of \$84.4 million continues to support the design and construction of a new community library in Newark (\$0.4 million); as well as repairing and improving our aging sewer system (\$55.5 million), park improvements (\$6.8 million), facility/equipment investments (\$14.0 million), and a county-wide computer communications network and implementation of additional technical business solutions throughout the County (\$5.3 million). The Fiscal Year 2026 Capital Budget supports a variety of maintenance needs, safety programs and service improvements, highlights include:

- Began demolition and reconstruction of a new community library in Newark

- Replacement of the HVAC system across the Gilliam Building
- On-going commitment to acquire and preserve properties to protect natural resources
- Improving drainage at Delcastle Park throughout fields with new pavement around playgrounds and fields
- Construction of a second turf field, final paving of entrance and parking areas at Banning Park
- Initiated redesign and reconstruction of Bechtel Park
- Replacement of playground equipment in 10 community parks
- Construction of new softball quad building at Delcastle 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, 2025, the total General Fund bonded debt was 21.94 percent of the total debt limit.

Major initiatives. Our Fiscal Year 2026 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 2026 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:

- Fund \$90.6 million for the Division of Police to provide for 415 police officers, civilian employees, and support services to protect our communities,
- Funding of \$18.0 million supports annual operating costs for the New Castle County library system, which includes 10 County libraries and 6 contractual libraries,
- Continue to monitor the County's wastewater with strategic partnership that began with BioBot and now with University of Delaware's CEWER program,
- Property Maintenance of grounds and forestry work is funded at \$11.1 million to maintain 6,156.6 acres of County-owned or managed land.

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, 2024. 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 44 consecutive years (fiscal years ended 1981-2024). 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 2025 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 35th consecutive year that the County received this award for its budget document.

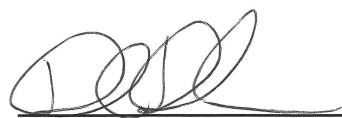
The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of our Office of Finance staff. Each member who shared in the preparation of this report has our sincere appreciation. Appreciation is also expressed to all additional individuals who assisted in this 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,



Marcus Henry
County Executive



David Del Grande
Chief Financial Officer





Government Finance Officers Association

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

Presented to

**New Castle County
Delaware**

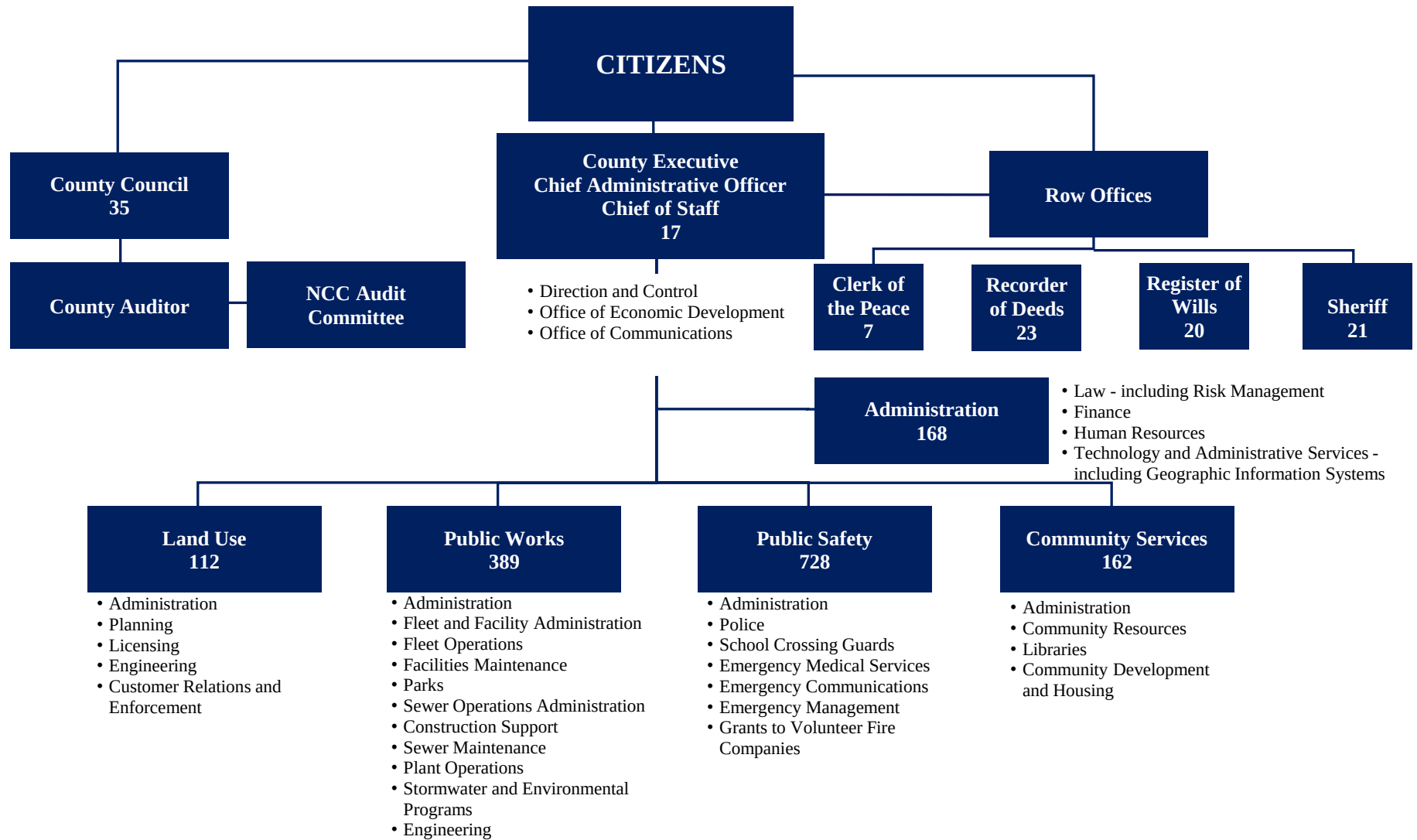
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

FY2025 ORGANIZATION CHART



Total Authorized Positions - 1,682

**NEW CASTLE COUNTY, DELAWARE
LIST OF PRINCIPAL OFFICIALS
AS OF JUNE 30, 2025**

EXECUTIVE

County Executive Marcus Henry

COUNTY COUNCIL

President of Council Monique Williams Johns
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 Kevin Caneco

ADMINISTRATIVE

Chief Administrative Officer Mona Parikh
Chief Financial Officer David Del Grande
Chief Human Resources Officer Dusty Blakey
Chief of Technology and Administrative Services John Yearly
Community Services General Manager Carrie Casey
County Attorney Aaron Goldstein
Director of Public Safety Elmer Setting
Land Use General Manager David Culver
Public Works General Manager Cleon Cauley

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, 2025, 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, 2025, 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.

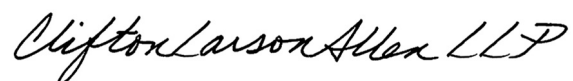
Other Information

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025, 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.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

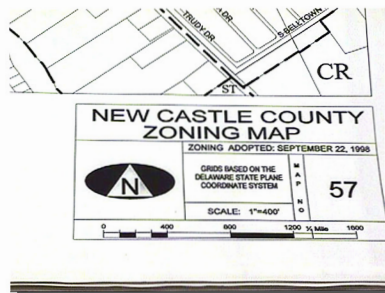
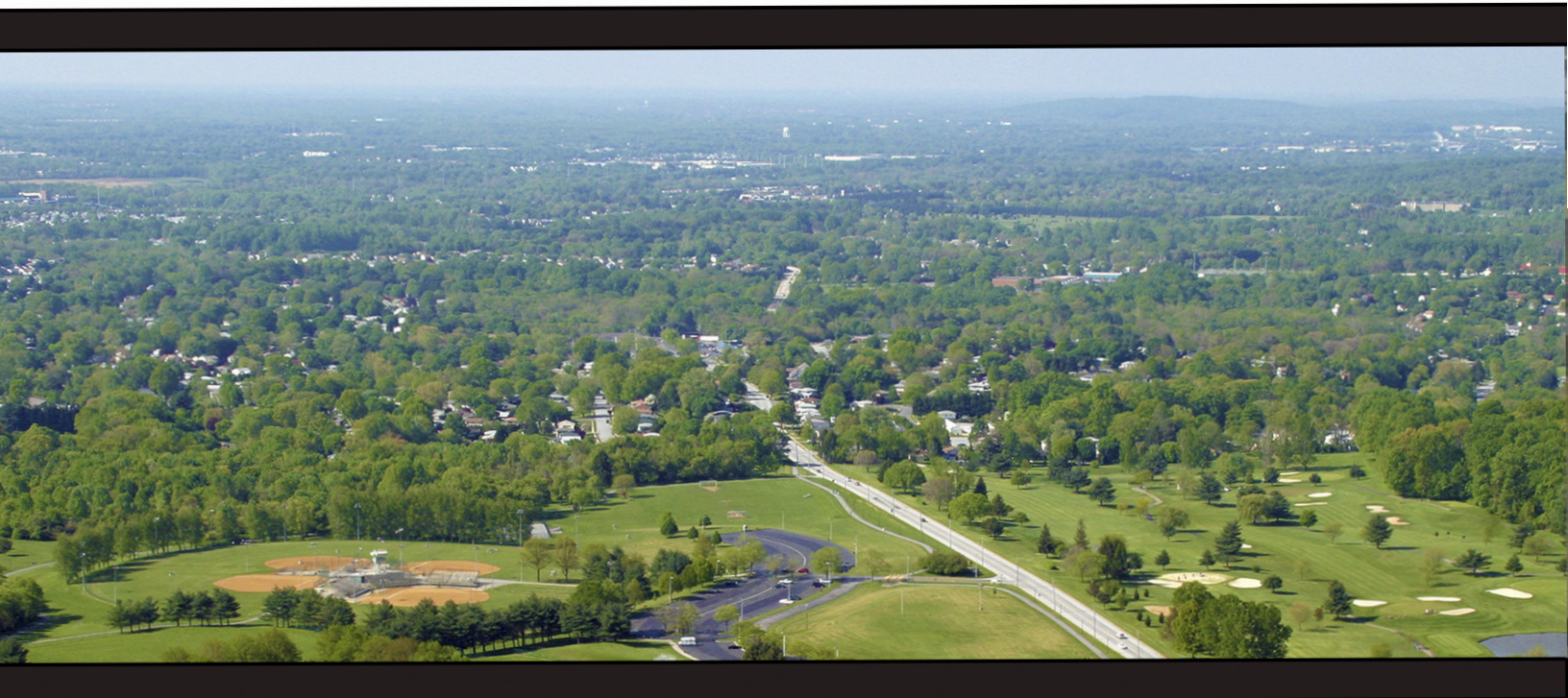
CliftonLarsonAllen LLP

Baltimore, Maryland
December 17, 2025

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, 2025. 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 2025

- The net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) of the County for fiscal year 2025 totaled \$326.3 million. Of this amount, \$182.8 million represents governmental activities net position, and \$143.5 million represents business-type net position.
- The current year change in net position for governmental activities was an increase of \$14.1 million and for the business-type activities an increase of \$3.8 million.
- The General fund reported an ending fund balance of \$178.2 million, which represents an increase of \$1.3 million from fiscal year 2024. The Sewer Facilities fund net position reported an ending balance of \$141.3 million, an increase of \$3.8 million of total net position from fiscal year 2025.
- The County's total outstanding bonded debt as of June 30, 2025, was \$515.2 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

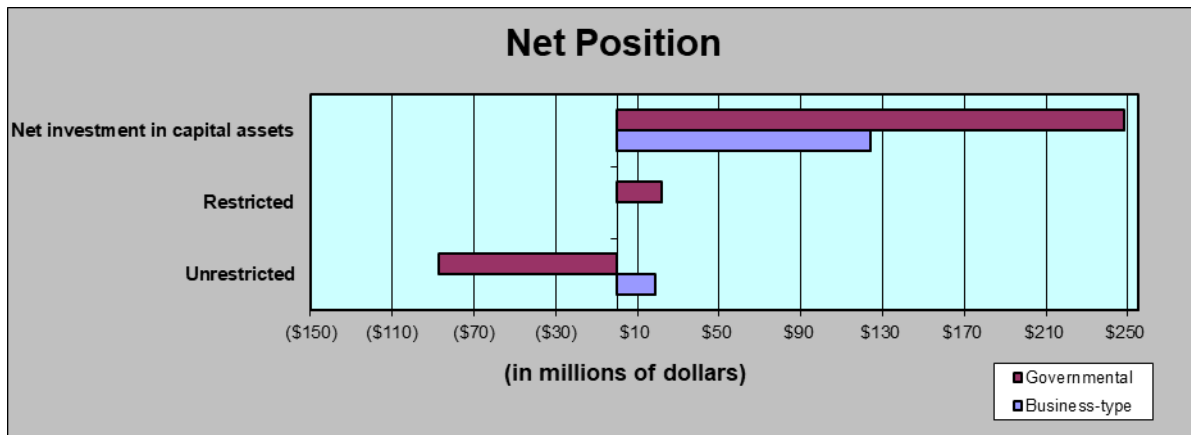
As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. In the case of New Castle County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$326.3 million for fiscal year 2025, an increase of \$17.9 million from fiscal year 2024

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	
	2025	2024	2025	2024	2025	2024
Assets:						
Current assets	\$ 301,234	\$ 369,879	\$ 65,163	\$ 72,000	\$ 366,397	\$ 441,879
Other non-current assets	-	-	-	-	-	-
Capital assets	421,644	402,964	512,477	500,225	934,121	903,189
Total assets	722,878	772,843	577,640	572,225	1,300,518	1,345,068
Deferred Outflows:	44,546	64,269	4,141	6,630	48,687	70,899
Liabilities:						
Long-term liabilities	436,873	485,312	421,238	422,326	858,111	907,638

Other liabilities	98,778	146,198	12,198	13,510	110,976	159,708
Total liabilities	535,651	631,510	433,436	435,836	969,087	1,067,346
Deferred Inflows:	48,958	36,881	4,844	3,342	53,802	40,223
Net position:						
Net investment in capital assets	247,662	215,153	123,161	120,800	370,823	335,953
Restricted	22,098	23,857	-	-	22,098	23,857
Unrestricted	(86,945)	(70,289)	20,340	18,877	(66,605)	(51,412)
Total net position	\$ 182,815	\$ 168,721	\$ 143,501	\$ 139,677	\$ 326,316	\$ 308,398

Long-term liabilities decreased \$49.5 million in Fiscal Year 2025 mainly from a combined decrease in net pension liability and net OPEB liability of \$42.8 million, a \$29.6 million reduction in bonds payable, offset by a \$15.2 million increase in loans payable, a \$5.0 million increase in compensated leave, a \$1.5 million increase in leases, financed purchases and SBITA liabilities, and a \$1.2 million increase in claims and judgments payable.



The largest portion of the County's net position totaling \$370.8 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 \$34.9 million from the prior year, primarily because of the net addition of capital assets of \$30.9 million, the decrease in related bond debt of \$29.6 million, the net increase in leases payable of (\$1.5 million), the increase of loans payable (\$15.2 million), the net decrease in unspent bond proceeds of (\$9.2 million), the net increase of vouchers payable and retainage of (\$0.2 million) and deferred inflows from Public-Private Partnership agreements (\$0.1 million).

The second portion of net position, restricted net position of \$22.1 million, reported in the governmental activities, represents restricted balances for capital projects and special revenue funds.

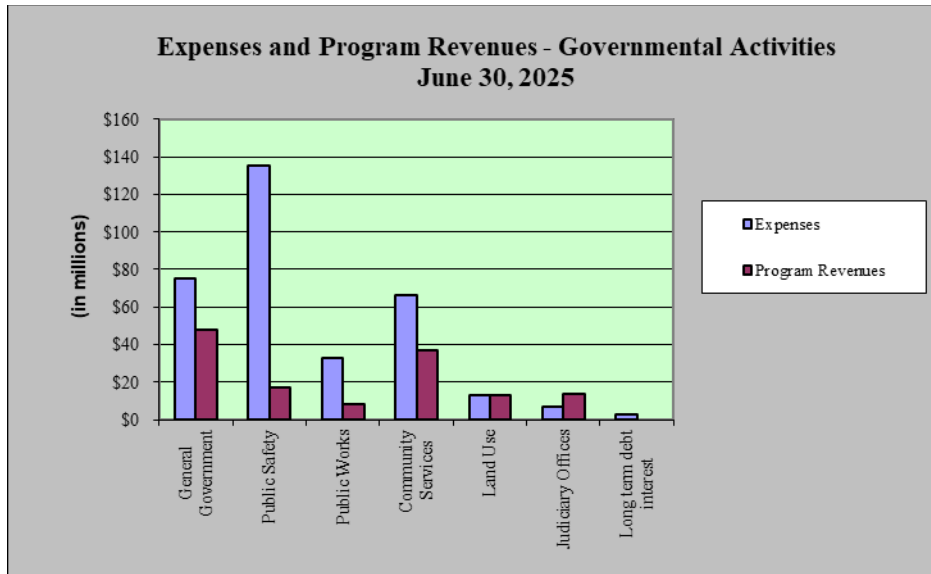
The remaining portion of net position, unrestricted net position, is a deficit balance of (\$66.6 million). The governmental activities reflect a deficit balance of (\$86.9 million), while the business-type activities have a balance of \$20.3 million. Unrestricted net position decreased (\$16.7 million) in

governmental activities from the prior year's unrestricted net position. The decrease is mainly attributable to expenses exceeding unrestricted revenues by \$15.8 million, and the net effect of the increase in net investment in capital assets (\$32.5 million), described above. In business-type activities, unrestricted net position increased (\$1.5 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 increase in net investment in capital assets (\$2.3 million), described above, and revenues exceeding expenses (\$3.8 million). This increase is explained in detail in the following section on business-type activities.

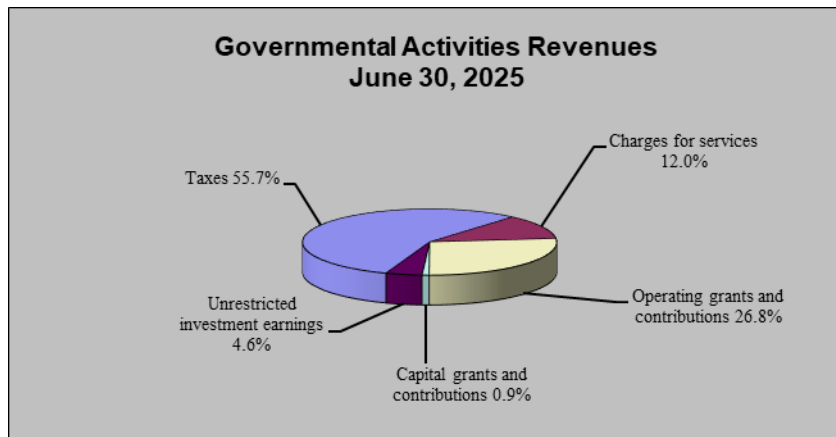
New Castle County, Delaware
Changes in Net Position

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues:						
Program revenues:						
Charges for services	\$ 41,626	\$ 43,214	\$ 91,164	\$ 89,183	\$132,790	\$132,397
Operating grants and contributions	92,851	78,453	1,014	971	93,865	79,424
Capital grants and contributions	3,115	5,749	27	225	3,142	5,974
General revenues:						
Real estate taxes	151,662	145,819	-	-	151,662	145,819
Transfer tax	38,790	31,750	-	-	38,790	31,750
Hotel tax	3,005	2,162	-	-	3,005	2,162
Investment earnings	16,001	12,775	2,663	1,937	18,664	14,712
Total revenues	347,050	319,922	94,868	92,316	441,918	412,238
Expenses:						
General government	74,895	62,273	-	-	74,895	62,273
Public safety	135,203	134,116	-	-	135,203	134,116
Public works	32,610	31,656	-	-	32,610	31,656
Community services	66,433	61,161	-	-	66,433	61,161
Land use	13,355	12,315	-	-	13,355	12,315
Judiciary offices	7,056	6,696	-	-	7,056	6,696
Interest on long-term debt	3,404	3,910	-	-	3,404	3,910
Sewer	-	-	91,044	92,900	91,044	92,900
Airport	-	-	-	-	-	-
Total expenses	332,956	312,127	91,044	92,900	424,000	405,027
 Increase (decrease) in net position	 14,094	 7,795	 3,824	 (584)	 17,918	 7,211
 Net position – beginning	 168,721	 160,926	 139,677	 140,261	 308,398	 301,187
Net position – ending	\$ 182,815	\$ 168,721	\$ 143,501	\$ 139,677	\$ 326,316	\$ 308,398



Governmental activities. Governmental activities increased the County's net position by \$14.1 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, 2025, revenues from governmental activities totaled \$347.1 million.



Tax revenues totaling \$193.5 million, comprised of property, real estate transfer taxes and a hotel tax, represent 55.7 percent of revenue. Tax revenue increased by \$13.8 million from fiscal year 2024. Collection of the current tax levy remains strong at 99.2 percent, with a 10-year average of 99.2 percent. Property tax revenue increased \$5.8 million, due to a five percent tax credit that was applied to the residential property tax line of fiscal year 2024 tax bills that was not applied in the current fiscal year. Real estate transfer taxes yielded \$38.8 million, an increase of \$7.1 million, or 22.4 percent above fiscal year 2024 due to a more active real estate market. Crossing Guard and Light taxes were a combined \$0.1 million lower than the prior year. The gross receipts tax on lodgings/hotels increased taxes by \$0.8 million from fiscal year 2024.

Charges for services, which account for \$41.6 million, or 12.0 percent of the governmental activities revenue, decreased \$1.6 million from fiscal year 2024. This program revenue is derived from judiciary fees, \$14.0 million, primarily from real estate recording fees, Sheriff fees from foreclosed properties, and Register of Wills settlements; Land Use permits, fines and fees, \$13.3 million,

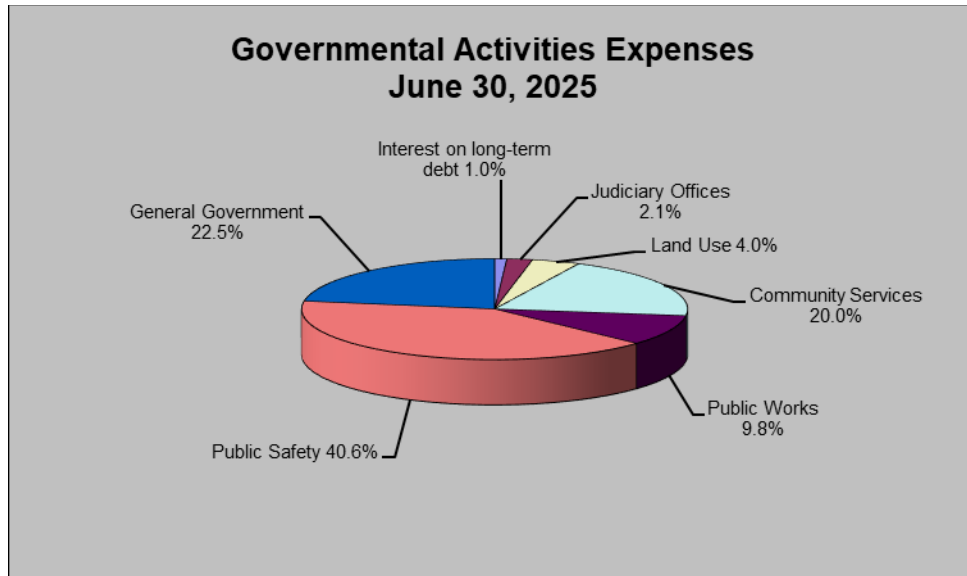
received primarily from building permits; Community Services revenues, \$5.2 million for grant related project income, recreation, and library activities; Public Safety-related services, \$3.8 million primarily from traffic fines, police contract duty services, and 911 reporting system fees; and general government and Public Works, \$5.3 million which includes rentals of buildings and park pavilions and for golf course fees.

Operating grants and contributions totaling \$92.9 million were derived primarily from the U.S. Department of Housing and Urban Development \$25.3 million, and an additional \$0.5 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 \$43.0 million were received from the ARPA-CSLFRF to combat the coronavirus and its negative economic impact. Revenues in the amount of \$11.1 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 \$2.6 million were received for State aid to our libraries, and a combined total of \$1.7 million was received from various Federal and State Departments to fund public safety programs that keep our citizens, police officers and streets safe. Public Works received \$6.2 million for parkland donation and federal funding for Opioid testing of wastewater. Interest income related to the Garstin Trust totaled \$0.4 million. Various other operating grants amounted to \$2.1 million to fund other programs.

Capital grants and contributions, which account for \$3.1 million, were primarily received from the State of Delaware – Dept of Treasury, \$2.3 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 Safety and Homeland Security, \$0.5 million, to be used towards the design, construction and purchase of related equipment for an emergency vehicle operations course; Impact fees, \$0.2 million to be used towards completion of Claymont and Appoquinimink library projects; State of Delaware – Office of Management and Budget and Department of Natural Resources and Environmental Control and TD Equipment Finance, \$0.1 million, for reimbursements from escrowed proceeds in the purchase of fleet equipment and usage towards general parkland improvement projects.

Unrestricted investment income of \$16.0 million was earned by the governmental activities and is comprised of investment earnings, \$12.3 million, and an unrealized gain on investments, \$3.7 million. This amount was \$3.2 million higher than what was earned in fiscal year 2024. An increase in investment performance was seen in FY 2025 due to effective duration management, coupled with portfolio managers' positioning and holdings selections, using conservative risk management approaches relative to benchmarks.

For fiscal year ended June 30, 2025, expenses for governmental activities totaled \$333.0 million. This represents a total increase of \$20.9 million, or 6.7 percent, from fiscal year 2024. 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 \$74.9 million, or 22.5 percent of the charges. This area supports services for the general administrative operations of the County. These costs increased \$12.6 million from the prior fiscal year. This was due to the continued spend down of the American Rescue Plan Act grant (ARPA) in this fiscal year. These grant-related expenses contribute to a net increase of \$4.9 million in FY 25. The net effect of capital assets, \$6.4 million, was another significant contributing factor, as well as a \$3.0 million increase in salaries and employee benefits expenses and a \$0.5 million increase in expenses for accrued compensated leave. An increase of light tax expenses of \$0.1 million and an increase in crossing guard expenses of \$0.1 million also contributed to the increase. This increase is offset by a \$2.4 million decrease in capital project costs.

Public Safety accounted for \$135.2 million, or 40.6 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 increased \$1.1 million from fiscal year 2024, due to a \$8.3 million increase in capital costs for a police range and emergency vehicle operations course, and the net effect of capital assets, \$3.3 million, offset by an \$8.8 million reduction in general fund costs mainly due to a reduction of over \$5 million for what was needed to cover the cost of COLAs for the police pensions, with the remainder explained by the reduction in expenses for SBITAs and leases, as well as a \$1.7 million dollar reduction in grant-related expenses, mainly due to decreases in salaries, benefits, equipment and contractual services expenses.

Community Services represents \$66.4 million, or 20.0 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 \$5.2 million from 2024 mainly due to an increase in capital costs of \$0.7 million for the construction of the new Newark Library, an increase in grant-related expenses of \$1.7 million mainly due to an increase in housing assistance payments, an increase of \$1.6 million in expenses for the Housing Trust fund, as well as the net effect of capital assets, \$1.0 million, and various miscellaneous expenses totaling an additional \$0.2 million.

Public Works, which accounts for \$32.6 million, or 9.8 percent of these expenses, was used to support services for the operation of County parks, facilities, and vehicular fleet. These costs increased by \$1.0 million from fiscal year 2024. The change was attributable to increases of \$5.6

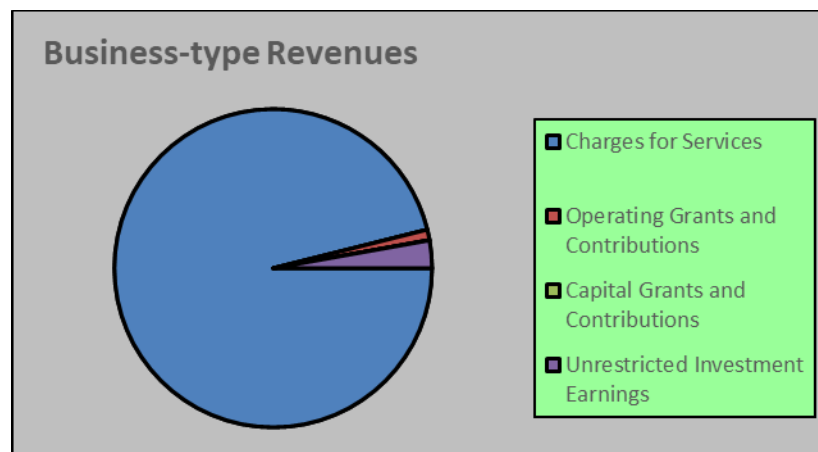
million in grant-related expenses for wastewater and electric vehicle grant programs, the net effect of capital assets, \$7.1 million, offset by decreases of \$4.5 million related to Public-Private Partnership agreements, and decreases in capital costs of \$7.2 million.

Land Use represents \$13.4 million, or 4.0 percent of these costs, and was responsible for short and long-range comprehensive land use planning. The costs increased \$1.1 million from fiscal year 2024. The increase is mainly attributable to increases in salary and benefit costs of \$0.3 million and a decrease in intergovernmental credits of \$0.7 million due to the transfer of the geographic information systems department from Land Use to Administration in FY 25, as well as \$0.1 million in miscellaneous costs.

Judiciary offices, which account for \$7.1 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 an increase of \$0.4 million from the previous fiscal year mainly due to salary and employee benefit cost increases of \$0.3 million as well as a \$0.1 million increase in the accrued compensated leave liability.

Interest on long-term debt represents \$3.4 million, or 1.0 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 \$0.5 million based on the structure of the payment schedule for debt service on outstanding general obligation bonds, as well as the amortization of the deferred effect of bond refunding.

Business-type activities. Business-type activities increased the County's net position by \$3.8 million. Key elements for revenues and expenditures are as follows:



Charges for Services totaling \$91.2 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 \$2.0 million higher than what was earned in fiscal year 2024. The increase is primarily attributable to increases in billing and delinquent sewer services charges year over year (\$1.8 million), along with increases in capital recovery fees and septic waste hauler fees (\$1.0 million), offset by decreases in stormwater management fees (\$0.8 million).

Operating Grants and Contributions totaling \$1.0 million, comprised primarily of a combination of the Recovery Zone Economic Development Bond interest reimbursement of \$0.8 million and combination of miscellaneous revenue and gain on sale of capital assets of \$0.2 million.

Capital Grants and Contributions totaling \$0.03 million, comprised of funding from the State of DE – DELDOT for reimbursable costs related to replacement, rehabilitation and repair work on sanitary sewer projects.

Investment income of \$2.7 million was earned by the business-type activities, comprised of investment earnings equaling \$1.9 million, and an unrealized gain on investments of \$0.8 million. This amount was \$0.8 million higher than what was earned in fiscal year 2024. An increase in investment performance was seen in FY 2025 due to effective duration management, coupled with portfolio managers' positioning and holdings selections, using conservative risk management approaches relative to benchmarks.

Expenses, which total \$91.1 million, decreased \$1.8 million from the previous year. Decreases were primarily driven by communications and utilities of \$2.3 million, pension and OPEB expenses of \$0.9 million, interest expenses of \$0.5 million and contractual services and other administrative charges of \$0.4 million, offset by increases in salaries and employee benefits expenses of \$1.1 million and depreciation and amortization of \$1.2 million. The decrease in pension and OPEB expenses was due to differences between projected to actual earnings, primarily driven by investment gains in FY25. The decrease in interest expenses was due to the maturities of bonds from outstanding debt service schedules. The increase in salaries and employee benefits was due to cost of living adjustments, along with increases in shares of claims costs. The increase in depreciation and amortization is due to the net increase/acquisition of depreciable assets year over year in the fund.

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, 2025, New Castle County governmental funds reported a combined ending fund balance of \$193.3 million, a decrease of \$25.1 million from fiscal year 2024.

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 \$178.2 million. The fund balance of the County's General Fund increased \$1.2 million during the current fiscal year. This change in fund balance is the net result of revenues exceeding expenditures by \$4.8 million, net revenue transfers to other funds of (\$4.6 million), lease/SBITA proceeds of \$0.2 million, and the sale of capital assets of \$0.8 million. The General fund made interfund transfers to the Grants fund (\$0.1 million) to provide funding for senior home repair and emergency housing, and received funding (\$8.2 million) from the Grants fund for interest proceeds from the ARPA grant as well as revenue from codebook sales. Interfund transfers were also made to the Capital Projects Fund (\$12.8 million) to provide funding for parkland improvements, land preservation as well as for the purchase of fleet equipment and public safety equipment. Total revenues, \$247.1 million, were higher than the previous year by \$12.2 million, mainly due to increased tax revenue caused by a more active real estate market and increased investment income due to effective duration management, coupled with portfolio managers' positioning and holdings selections, using conservative risk management approaches relative to benchmarks. Total expenditures, \$242.3 million, were lower than the previous year by \$3.5 million, mainly due to increased salary costs and fixed charges but offset by a reduction of new leases and SBITAs added in FY 25. Sale of capital assets increased by \$0.4 million year-over-year mainly due to the proceeds of the sale of one property in the 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 \$46.9 million as of June 30, 2025, 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, \$81.1 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, \$38.1 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 \$7.0 million, have been dedicated in the General fund. These amounts are reported as nonspendable, committed and assigned. Nonspendable has been established as prepaid costs, \$1.8 million; committed includes library, \$0.01 million; and the Reassessment Reserve, \$2.0 million; and assigned is established for departmental encumbrances, \$1.8 million, and for the Hope Center homeless shelter, \$1.4 million; See Note 18 for additional information on these amounts.

The unassigned fund balance of \$5.1 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 continuing activity related to the American Rescue Plan Act (ARPA) grant. 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 (\$0.8 million) for fiscal year 2025, which represents a decrease of \$3.1 million from the prior year.

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, 2025, the Light Tax fund balance is \$1.8 million, a slight decrease of \$0.2 million from the previous fiscal year. The Crossing Guard fund balance is \$1.4 million, which represents an increase of \$0.4 million. The Garstin Trust fund balance is \$3.9 million, which is an increase of \$0.2 million from the previous fiscal year. The Housing Trust fund balance is \$12.9 million, a decrease of \$2.2 million from the previous year, mainly due to 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 \$0.2 million. The Park Development fund accounts for the acquisition and development of County parkland. This fund balance is (\$4.2 million). The Public Safety fund, with an ending fund balance of (\$1.2 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 \$1.2 million. In total, the four capital projects funds reported a fund balance of (\$4.0 million) representing a decrease of approximately \$21.4 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 \$20.3 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 2025 show increases of \$4.8 million. This increase is mainly due to increases in intergovernmental revenue, \$3.0 million; charge for services, \$1.9 million; and a net increase for transfers out of \$0.1 million. 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 out changed for funds for the senior home repair program and for funding for emergency housing.

Appropriation budget. Budgetary expenditure variances between the original (\$231.7 million) and prior year appropriations to the final budget (\$1.2 million) for fiscal year 2025 reflect an increase of \$5.7 million. This change is mainly attributed to increases in: Administration, \$6.7 million; Community Services, \$2.6 million; Executive Office, \$1.2 million; offset by decreases in Public Safety (\$3.2 million); Debt Service (\$0.7 million); Public Works (\$0.4 million); Council (\$0.2 million); Judiciary offices (\$0.2 million); and Land Use (\$0.1 million). Administration appropriations increased mainly due to attrition adjustments for salaries and benefits. Community Services saw increases due to funding for the Hope Center expenses. Executive Office increases were to cover contributions to community grants and other donations and for salary shortfalls and to fund a fire service study. Public Safety decreases were mainly due to salary and benefit attrition adjustments. Public Works appropriations decreased mainly due to salary and benefit attrition adjustments. 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 2025 reflect a net positive variance of \$15.9 million, or 6.9 percent. Investment income showed a positive variance of \$8.9 million. The main contributor to portfolio outperformance was effective duration management, coupled with portfolio managers' positioning and holdings selections, using conservative risk management approaches relative to benchmarks. Taxes were over budget by \$4.4 million due to a more active real estate market. Charges for services were over budget by \$3.2 million mainly due to increased subdivision review fees, estate settlement fees, deeds and instruments, deeds corporation filing fees, as well as instant ticket fines and monitions fees collected. Revenue from leases and public-private partnerships showed a favorable variance of \$0.5 million since this revenue is not budgeted. Licenses and permits were slightly over budget by \$0.1 million due to increased filings of plumbing permits. Offsetting this positive variance, miscellaneous revenue came in below budget by \$0.8 million due to a change in methodology for the distribution of prescription drug rebates that occurred mid-fiscal year. Rentals were under budget by \$0.3 million due to less than anticipated revenue from rentals of the Gilliam and City/County buildings. Intergovernmental revenue showed a negative variance of \$0.1 million mainly attributable to less than anticipated real estate transfer tax from other municipalities.

Budget to actual – expenditure. Fiscal year 2025 reflected a positive variance between expenditures and final appropriations of \$15.1 million, or 6.2 percent. This positive variance was

realized in all departments by managing expenditures while ensuring that service goals were met. Positive variances were reported in the following expenditure object levels: salaries, \$8.7 million; contractual services, \$3.2 million; employee benefits, \$2.5 million; equipment, \$1.5 million; materials and supplies, \$0.9 million; communications and utilities, \$0.5 million; contingencies, \$0.1 million; training, \$0.1 million; debt service, \$0.1 million; and intragovernmental credits, (\$0.8 million). Salaries and employee benefits show a favorable variance 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 cleaning services, sanitary waste services, software maintenance contracts, grass cutting services, attorney fees, janitorial services, other professional 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 \$0.9 million in encumbrances against this line item. Equipment charges were under budget by delaying purchases. Materials and supplies variances are favorable mainly due to savings in library books, motor fuels, weapons, duplicating supplies, agricultural supplies, and computer supplies. Communications and utilities variances were favorable due to savings in electric service, phone service, postage, water service, as well as gas and oil heating. Contingencies showed a positive variance due to savings in other lines which did not necessitate expending from this budget line. Training reflects a positive variance due to a decrease in seminar fees, trainer fees, and conference fees. Debt service showed a positive variance due to less than anticipated interest payments. Intragovernmental credits reflect a difference from lower-than-expected charge backs for workers compensation, information systems, and motor vehicle costs. Offsetting the positive variance, fixed charges were over budget by \$1.8 million, mainly due to the reclassification of lease and SBITA payments into this line item, which are not budgeted.

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, 2025, amounts to \$934.1 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	
	2025	2024	2025	2024	2025	2024
Land	\$ 99,989	\$ 93,610	\$ 35,321	\$ 35,321	\$ 135,310	\$ 128,931
Buildings	147,763	151,000	20,509	21,329	168,272	172,329
Leased buildings	1,134	1,348	-	-	1,134	1,348
Building improvements	46,745	46,008	2,243	2,324	48,988	48,332
Improvements other than buildings	38,183	26,952	1,492	1,510	39,675	28,462
Equipment	58,948	56,923	13,873	13,214	72,821	70,137
Leased Equipment	4,239	4,844	6	12	4,245	4,856
Infrastructure	5,038	4,031	428,638	418,192	433,676	422,223
Subscription assets	6,137	7,124	60	76	6,197	7,200
Public private partnerships	2,936	3,077	-	-	2,936	3,077
Construction in progress	10,532	8,047	10,335	8,246	20,867	16,293
Total	\$ 421,644	\$ 402,964	\$ 512,477	\$ 500,224	\$ 934,121	\$ 903,188

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

- Various capitalized facilities and equipment costs totaled \$17.9 million. These expenditures consisted of \$7.2 million for the purchase of vehicles and special purpose equipment; \$1.9 million for various building rehabilitation work; \$1.4 million for renovations at Base D/Garage facility; \$0.7 million for installation/upgrades to electric vehicle assets; \$0.6 million for roof renovations and HVAC upgrades/replacements at various facilities; and \$0.2 million for Countywide security camera upgrades, while the remaining \$5.9 million was used for lease payments on vehicles and other equipment.
- Community Services capital projects totaled \$2.5 million, of which \$2.4 million was used for the design/construction costs of a new regional library in Newark and \$0.1 million was used for upgrades/renovations to the Rockwood Museum and Surratte Pool facilities.
- Park development expenditures during the year amounted to \$8.4 million. These expenditures included \$1.8 million for the construction of the Southern Regional Park; \$1.8 million for various upgrades, renovations and rehab at other regional park facilities; \$1.4 million for replacement of/upgrades to aging neighborhood playgrounds at local neighborhood parks; \$1.4 million for various parkland upgrades/renovations at various facilities; \$0.7 million for replacing fencing at Carousel Park and construction/renovation work at Rockford Park; \$0.6 million for various greenway and bicycle trail path initiatives; \$0.3 million for resurfacing basketball/tennis courts at various facilities and \$0.4 million for various other park rehab and improvements/initiatives.
- Public Safety capital projects totaled \$10.4 million, which included \$8.7 million for the design and construction of an emergency vehicle operations course (EVOC); \$0.7 million for ongoing 911 infrastructure upgrades and purchase of mobile radios; \$0.5 million for replacement of 65 cardiac monitors; \$0.3 million for various 911 center/HVAC system upgrades; and \$0.2 million for replacement of ballistic vests for police and paramedics.
- Miscellaneous capital improvements totaled \$5.4 million during the year. These improvements included \$4.1 million for the County's reassessment project, \$0.7 million for the new Land Use information system, \$0.4 million for the replacement of the County's information system firewalls; \$0.2 million for other information system(s) technology initiatives.
- In the Sewer Facilities fund, project expenditures amounted to \$30.1 million. The costs incurred were for the West Wing construction and design of the Wilmington Wastewater Treatment Plant discharge for the Southern Sewer Service area project, \$18.3 million; for various sewer rehabilitation projects, \$3.3 million; for various sewer interceptor and other sewer improvement projects, \$2.4 million; for the Christina River Force Main project, \$2.0 million; for fleet equipment expenditures, \$1.8 million; and various sewer system replacements, repairs, upgrades and expansions, \$0.4 million. Additional capital expenditures in the Sewer Facilities Fund totaled \$1.9 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, 2025, the County had total bonded debt outstanding of \$515.2 million. The total bonded debt is comprised of \$475.2 million in general obligation bonds and \$40.0 million in State of Delaware Water Pollution Control Revolving Fund Loans. Of the total bonded debt, \$133.4 million is subject to New Castle County's debt limit of \$608.2 million, leaving a legal debt margin of \$474.8 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	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Total Bonded Debt	<u>\$133.445</u>	<u>\$150.215</u>	<u>\$381.714</u>	<u>\$378.734</u>	<u>\$515.159</u>	<u>\$528.949</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 June 2025 (S&P) and in July 2025 (Moody's and Fitch), the rating agencies all reaffirmed the Aaa/AAA ratings for the County's outstanding bonds and rated the County's Series 2025 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 FY25. 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 3.70% to 5.40%. These additions in financed purchases for FY25 totaled \$8.9 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 2026 Budgets

The County's unemployment rate as of June 2025 was 4.6 percent, which was higher than the State of Delaware's rate of 4.0 percent, and higher than the national average of 4.1 percent.

The Fiscal Year 2026 Operating Budget is \$371.3 million, which is \$19.8 million or 5.62% more than last year's budget. Highlights of the County's operating budget include:

- Funding of \$90.6 million to provide for 415 police officers, civilian employees, and support services to protect our communities.
- Emergency Medical Services funding of \$26.8 million to fund 157 paramedics.
- Emergency Communications Center funding of \$15.4 million which includes staffing of 99 positions.
- Funding of \$6.6 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 \$23.7 million for wastewater treatment.
- Library budget of \$18.0 million, which covers operating costs of our 10 County libraries and 6 contractual libraries.
- Information technology is funded at \$9.1 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 \$7.5 million.
- Funding of \$7.7 million for licensing and enforcement of drainage, building, plumbing, and mechanical codes, with authorized staffing of 57 positions.

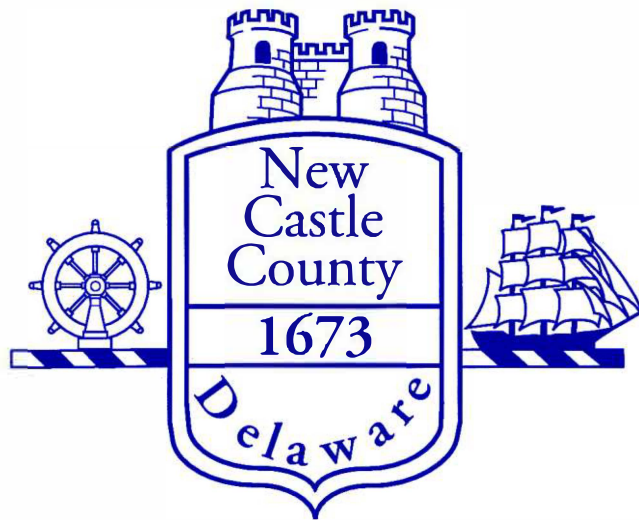
The Fiscal Year 2026 Capital Budget of \$84.4 million supports security and building upgrades for various County facilities, purchase of fleet equipment, parkland improvements, playground equipment, sewer facilities, library construction, upgrades for public safety and technology upgrades and enhancements. Highlights of the County's 2026 capital budget and program include \$55.5 million allocated to repairing and improving the County's sewer system, park improvements of \$6.9 million and \$3.5 million in rehabilitation costs for various County facilities.

The capital budget funds major capital programs as follows:

Major Capital Programs		
Sewer/Stormwater	\$	55,454,768
Parks		6,850,000
Facilities/Equipment		13,956,032
Community Services		800,000
Administration/Technology		5,925,000
Public Safety		1,388,448
Total	\$	<u>84,374,248</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.newcastlede.gov.



Basic Financial Statements

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF NET POSITION

JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents (Note 2)	\$ 124,684,266	\$ 11,396,473	\$ 136,080,739
Investments (Note 2)	152,936,801	36,639,798	189,576,599
Receivables (net of allowances):			
Taxes, including interest and penalties (Note 3 and 4)	3,191,314	-	3,191,314
Accounts (Note 4)	4,914,938	-	4,914,938
Service charges (Note 4)	-	7,187,717	7,187,717
Lease (Note 4)	1,634,795	-	1,634,795
Lease - PPP (Note 4)	2,206,337	-	2,206,337
Other (Note 4)	475,192	351,266	826,458
Due from other governments (Note 4)	5,339,648	1,929,553	7,269,201
Due from other agencies (Note 4)	60,857	-	60,857
Prepaid items	1,913,833	23,669	1,937,502
Capital assets held for resale	779,155	-	779,155
Restricted:			
Cash and cash equivalents (Note 2)	3,096,890	7,634,126	10,731,016
Total current assets	301,234,026	65,162,602	366,396,628
Noncurrent assets:			
Capital assets, not being depreciated (Note 5)	110,520,986	45,656,368	156,177,354
Capital assets, being depreciated or amortized, net (Note 5)	311,123,444	466,820,521	777,943,965
Total noncurrent assets	421,644,430	512,476,889	934,121,319
Total Assets	722,878,456	577,639,491	1,300,517,947
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow from pensions (Note 26)	39,375,407	2,227,245	41,602,652
Deferred outflows from OPEB (Note 19)	5,170,794	689,157	5,859,951
Deferred effect of bond refunding, net	-	1,224,580	1,224,580
Total Deferred Outflows of Resources	44,546,201	4,140,982	48,687,183
LIABILITIES			
Current liabilities:			
Vouchers payable and other current liabilities	45,911,293	7,128,302	53,039,595
Retainage payable	687,005	872,141	1,559,146
Accrued interest payable	1,096,712	3,730,281	4,826,993
Escrowed amounts	15,223,654	467,315	15,690,969
Deferred/unearned revenue (Note 9)	35,858,973	-	35,858,973
General obligation bonds payable plus unamortized bond premium (Note 10)	16,787,171	13,913,979	30,701,150
Loans payable (Note 10)	-	1,480,934	1,480,934
Claims and judgments payable (Notes 10 and 14)	4,984,000	-	4,984,000
Lease payable/financed purchases/SBITAs (Notes 10, 21, 22 and 23)	6,300,944	1,490,210	7,791,154
Accrued compensated leave (Notes 8 and 10)	11,899,332	1,268,074	13,167,406
Estimated liability for landfill postclosure care (Notes 10 and 13)	89,833	-	89,833
Total current liabilities	138,838,917	30,351,236	169,190,153
Noncurrent liabilities:			
General obligation bonds payable plus unamortized bond premium (Note 10)	122,524,140	333,095,217	455,619,357
Loans payable (Notes 10)	-	38,518,153	38,518,153
Claims and judgments payable (Notes 10 and 14)	9,819,205	-	9,819,205
Lease payable/financed purchases/SBITAs (Notes 10, 21, 22 and 23)	20,018,612	3,171,435	23,190,047
Accrued compensated leave (Notes 8 and 10)	27,482,206	2,734,604	30,216,810
Net pension liability (Notes 10 and 26)	175,896,757	23,556,701	199,453,458
Net OPEB liability (Notes 10 and 19)	40,621,872	2,008,432	42,630,304
Estimated liability for landfill postclosure care (Notes 10 and 13)	449,167	-	449,167
Total noncurrent liabilities	396,811,959	403,084,542	799,896,501
Total Liabilities	535,650,876	433,435,778	969,086,654

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF NET POSITION

JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows from pensions (Note 26)	10,336,649	1,019,093	11,355,742
Deferred inflows from OPEB (Note 19)	30,859,037	3,824,582	34,683,619
Deferred inflows from Lease Receivable (Note 21)	1,395,491	-	1,395,491
Deferred inflows from Lease Receivable - PPP (Note 24)	1,976,598	-	1,976,598
Deferred inflows from PPP (Note 24)	3,235,939	-	3,235,939
Deferred effect of bond refunding, net	1,154,893	-	1,154,893
Total Deferred Inflows of Resources	48,958,607	4,843,675	53,802,282
NET POSITION			
Net investment in capital assets	247,662,465	123,160,856	370,823,321
Restricted:			
Street light special assessment	1,809,353	-	1,809,353
School crossing guards	1,194,373	-	1,194,373
Parkland improvements	3,905,635	-	3,905,635
Affordable housing services	12,890,331	-	12,890,331
Section 8 grants	1,714,861	-	1,714,861
Operating grants programs	583,467	-	583,467
Unrestricted (Note 17)	(86,945,311)	20,340,164	(66,605,147)
Total Net Position	\$ 182,815,174	\$ 143,501,020	\$ 326,316,194

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

NEW CASTLE COUNTY, DELAWARE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

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		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 74,894,998	\$ 4,476,467	\$ 43,508,445	\$ -	\$ (26,910,086)	\$ -	\$ (26,910,086)
Public safety	135,202,659	3,769,250	13,081,517	512,969	(117,838,923)	-	(117,838,923)
Public works	32,610,210	851,633	6,711,979	129,226	(24,917,372)	-	(24,917,372)
Community services	66,433,415	5,170,932	29,549,232	2,472,813	(29,240,438)	-	(29,240,438)
Land use	13,355,040	13,298,525	-	-	(56,515)	-	(56,515)
Judiciary offices	7,055,577	14,058,783	-	-	7,003,206	-	7,003,206
Interest on long-term debt	3,403,772	-	-	-	(3,403,772)	-	(3,403,772)
Total governmental activities (See note 1)	332,955,671	41,625,590	92,851,173	3,115,008	(195,363,900)	-	(195,363,900)
Business-type activities:							
Sewer facilities	91,043,846	91,164,004	1,013,848	27,150	-	1,161,156	1,161,156
New Castle County airport	-	-	-	-	-	-	-
Total business-type activities	91,043,846	91,164,004	1,013,848	27,150	-	1,161,156	1,161,156
Total primary government	\$ 423,999,517	\$ 132,789,594	\$ 93,865,021	\$ 3,142,158	(195,363,900)	1,161,156	(194,202,744)
General revenues:							
Real estate tax					151,661,829	-	151,661,829
Transfer tax					38,789,712	-	38,789,712
Hotel tax					3,005,505	-	3,005,505
Unrestricted investment earnings					16,000,883	2,663,202	18,664,085
Total general revenues and transfers					209,457,929	2,663,202	212,121,131
Change in net position					14,094,029	3,824,358	17,918,387
Net position:							
Beginning of year					168,721,145	139,676,662	308,397,807
End of year					\$ 182,815,174	\$ 143,501,020	\$ 326,316,194

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

NEW CASTLE COUNTY, DELAWARE

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2025

	General	Grants	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash and cash equivalents (Note 2)	\$ 74,197,337	\$ 37,266,136	\$ 13,220,793	\$ 124,684,266
Investments (Note 2)	149,160,397	-	3,776,404	152,936,801
Receivables (net of allowances):				
Taxes, including interest and penalties (Note 3 and 4)	3,011,685	-	179,629	3,191,314
Accounts (Note 4)	4,914,938	-	-	4,914,938
Lease (Note 4)	1,634,795	-	-	1,634,795
Lease - PPP (Note 4)	2,206,337	-	-	2,206,337
Other (Note 4)	365,682	108,878	632	475,192
Due from other funds (Note 7)	-	-	6,329,140	6,329,140
Due from other governments (Note 4)	-	4,862,190	477,458	5,339,648
Due from other agencies (Note 4)	-	46,838	14,019	60,857
Cash - restricted	3,081,720	15,170	-	3,096,890
Capital assets held for resale	373,338	405,817	-	779,155
Prepaid costs	1,844,178	-	69,655	1,913,833
Total assets	\$ 240,790,407	\$ 42,705,029	\$ 24,067,730	\$ 307,563,166
LIABILITIES:				
Vouchers payable and accrued expenditures	\$ 22,885,782	\$ 4,837,021	\$ 4,175,749	\$ 31,898,552
Retainage payable	-	50,335	636,670	687,005
Due to other funds (Note 7)	3,133,126	-	3,196,014	6,329,140
Other liabilities	13,994,201	18,540	-	14,012,741
Escrowed amounts	15,208,484	15,170	-	15,223,654
Unearned revenues (Note 9)	373,338	35,485,635	-	35,858,973
Total liabilities	55,594,931	40,406,701	8,008,433	104,010,065
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue-lease receivable (Note 9)	\$ 1,395,491	\$ -	\$ -	\$ 1,395,491
Unavailable revenue-lease receivable-PPP (Note 9)	1,976,598	-	-	1,976,598
Unavailable revenue-grants fund (Note 9)	-	3,142,837	-	3,142,837
Unavailable revenue-room rentals (Note 9)	129,276	-	-	129,276
Unavailable revenue-hotel tax (Note 9)	711,033	-	-	711,033
Unavailable revenue-property taxes (Note 9)	2,814,733	-	68,506	2,883,239
Total deferred inflows of resources	7,027,131	3,142,837	68,506	10,238,474
FUND BALANCES:				
Nonspendable:				
Prepaid costs	1,844,178	-	69,655	1,913,833
Prepaid costs - Hope Center	-	-	-	-
Restricted for:				
Light tax	-	-	1,809,353	1,809,353
Crossing guard	-	-	1,125,867	1,125,867
Garstin trust	-	-	3,905,635	3,905,635
Housing trust	-	-	12,890,331	12,890,331
Grants	-	2,298,328	-	2,298,328
Capital projects	-	-	1,278,432	1,278,432
Committed to:				
Budget reserve	46,910,980	-	-	46,910,980
Tax stabilization reserve	81,069,001	-	-	81,069,001
Transfer tax proceeds	38,098,171	-	-	38,098,171
Library	11,270	-	-	11,270
Reassessment Reserve	2,000,000	-	-	2,000,000
Assigned to:				
Hope Center	1,369,683	-	-	1,369,683
Other departmental purposes	1,758,756	-	268,348	2,027,104
Unassigned	5,106,306	(3,142,837)	(5,356,830)	(3,393,361)
Total fund balances	178,168,345	(844,509)	15,990,791	193,314,627
Total liabilities, deferred inflows of resources, and fund balances	\$ 240,790,407	\$ 42,705,029	\$ 24,067,730	\$ 307,563,166

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, 2025

Total fund balances for governmental funds (Exhibit 3) \$ 193,314,627

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	\$ 110,520,986	
Other capital assets net of \$352,616,964 accumulated depreciation and amortization	311,123,444	
Total capital assets, net		421,644,430

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	5,755,268	
Difference between expected and actual retirement plan experience	27,377,142	
Difference between expected and actual retirement plan experience - OPEB	308,282	
Change in actuarial assumptions	530,746	
Change in actuarial assumptions - OPEB	4,862,512	
Difference between projected and actual investment earnings	4,766,255	
Change in proportionate share	945,996	
		44,546,201

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

Deferred effect of bond refunding	(1,154,893)	
Deferred inflow - Public-Private Partnership (PPP)	(3,235,939)	
Change in actuarial assumptions	(1,562,091)	
Difference between expected and actual retirement plan experience	(8,692,124)	
Difference between projected and actual investment earnings - OPEB	(5,078,185)	
Change in proportionate share	(82,434)	
Difference between expected and actual retirement plan experience - OPEB	(25,780,852)	
		(45,586,518)

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

6,866,385

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	(14,803,205)	
Accrued interest payable	(1,096,712)	
Accrued compensated leave	(39,381,538)	
Estimated liability for landfill postclosure care	(539,000)	
Lease obligations and financed purchases	(26,319,556)	
Unamortized bond premium	(5,866,311)	
Net pension liability	(175,896,757)	
Net OPEB liability	(40,621,872)	
General obligation bonds payable	(133,445,000)	
		(437,969,951)

Total net position of governmental activities (Exhibit 1) \$ 182,815,174

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, 2025

	General	Grants	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 180,730,350	\$ -	\$ 11,820,376	\$ 192,550,726
Charges for services	25,004,010	2,081,904	27,671	27,113,585
Licenses and permits	8,504,272	-	213,653	8,717,925
Intergovernmental	13,404,302	78,108,492	2,860,616	94,373,410
Lease revenue	250,343	-	-	250,343
PPP revenue	226,627	-	-	226,627
Investment income	12,308,028	105,986	212,371	12,626,385
Net appreciation in fair value of investments	3,546,197	-	195,264	3,741,461
Rentals	549,449	-	-	549,449
Miscellaneous	2,571,807	-	254,392	2,826,199
Total revenues	247,095,385	80,296,382	15,584,343	342,976,110
Expenditures:				
Current:				
General government	25,616,526	35,300,905	9,232,502	70,149,933
Public safety	126,751,717	2,656,830	2,369,610	131,778,157
Public works	19,709,811	6,234,344	184,106	26,128,261
Community services	29,051,254	31,067,804	2,451,018	62,570,076
Land use	13,271,330	-	-	13,271,330
Judiciary offices	7,032,711	-	-	7,032,711
Capital outlays	-	-	44,585,562	44,585,562
Debt service:				
Principal	16,770,000	-	-	16,770,000
Interest and other charges	4,069,374	-	-	4,069,374
Total expenditures	242,272,723	75,259,883	58,822,798	376,355,404
Excess (deficiency) of revenues over expenditures	4,822,662	5,036,499	(43,238,455)	(33,379,294)
Other Financing Sources (Uses):				
Transfers in	8,242,123	121,799	16,411,421	24,775,343
Transfers out	(12,876,945)	(8,298,398)	(3,600,000)	(24,775,343)
Financed purchases	-	-	7,218,926	7,218,926
Lease payable/SBITAs	247,821	-	-	247,821
Sale of capital assets	801,409	900	-	802,309
Total other financing sources (uses)	(3,585,592)	(8,175,699)	20,030,347	8,269,056
Net change in fund balances	1,237,070	(3,139,200)	(23,208,108)	(25,110,238)
Fund Balances:				
Beginning of year	176,931,275	2,294,691	39,198,899	218,424,865
End of year	\$ 178,168,345	\$ (844,509)	\$ 15,990,791	\$ 193,314,627

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, 2025

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)	\$ (25,110,238)
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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 (\$48,604,228) exceeded depreciation/amortization (\$27,623,461) in the current period.	20,980,767
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The net effect of various miscellaneous transactions involving capital asset disposals (capital assets (\$23,458,585), less accumulated depreciation (\$21,157,756), is to decrease net position.	(2,300,829)
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Revenues from PPP (\$140,130) in the statement of activities that do not provide current financial resources, are not reported as revenues in the funds.	140,130
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Revenues from property taxes (\$195,287), hotel tax (\$711,033), room rentals (\$83,799) and grant revenue (\$3,142,837) in the statement of activities that do not provide current financial resources, are not reported as revenues in the funds.	3,965,358
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Financed purchases proceeds (\$7,218,926) and Lease/SBITA proceeds (\$247,821) 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.	(7,466,747)
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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 (\$16,770,000), and lease, financed purchase and subscription arrangement payments (\$6,336,882) are a reduction of their related liability.	23,106,882
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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.	(18,572,280)
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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.	(19,471,576)
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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.	5,755,268
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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	(4,657,368)	
Claims and judgments payable	(1,165,795)	
Net pension liability	14,335,938	
Net OPEB liability	23,821,917	
Accrued interest payable	153,932	
Amortization of bond premium	397,171	
Deferred effect of bond refunding, net	114,499	
Estimated liability for landfill postclosure care	67,000	
		<u>33,067,294</u>

Change in net position of governmental activities (Exhibit 2)	<u>\$ 14,094,029</u>
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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, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 176,305,000	\$ 176,305,000	\$ 180,730,350	\$ 4,425,350
Charges for services	19,856,361	21,752,819	25,004,010	3,251,191
Licenses and permits	8,414,000	8,414,000	8,504,272	90,272
Intergovernmental	10,527,685	13,537,508	13,404,302	(133,206)
Lease revenue	-	-	250,343	250,343
PPP revenue	-	-	226,627	226,627
Investment income	7,020,400	7,020,400	12,308,028	5,287,628
Net appreciation in fair value of investments	-	-	3,546,197	3,546,197
Rentals	804,042	804,042	549,449	(254,593)
Miscellaneous	3,366,500	3,366,500	2,571,807	(794,693)
Total revenues	226,293,988	231,200,269	247,095,385	15,895,116
Expenditures:				
Current:				
General Government:				
Council:				
Salaries and wages	2,552,351	2,502,060	2,439,831	62,229
Fringe benefits	1,493,866	1,464,432	1,442,499	21,933
Training/civic affairs	70,388	87,104	78,296	8,808
Communications/utilities	17,483	18,693	15,452	3,241
Materials/supplies	62,776	36,083	30,578	5,505
Contractual services	432,215	430,715	397,398	33,317
Fixed charges/pass-thru-grants	440,233	348,041	339,588	8,453
Equipment	1,600	14,580	12,973	1,607
General and administrative credits	(11,701)	(11,701)	(11,701)	-
Total council	5,059,211	4,890,007	4,744,914	145,093
Executive:				
Salaries and wages	2,033,684	2,315,184	2,313,942	1,242
Fringe benefits	1,190,296	1,347,692	1,340,729	6,963
Training/civic affairs	31,904	51,178	51,723	(545)
Communications/utilities	16,798	21,636	20,201	1,435
Materials/supplies	22,236	19,836	19,609	227
Contractual services	253,829	630,311	608,028	22,283
Fixed charges/pass-thru-grants	43,000	638,000	619,994	18,006
Equipment	1,000	7,224	6,533	691
Contingencies	55,000	1,707	-	1,707
General and administrative credits	(87,198)	(87,198)	(87,198)	-
Total executive	3,560,549	4,945,570	4,893,561	52,009
Administration:				
Salaries and wages	8,347,205	12,801,592	12,502,680	298,912
Fringe benefits	4,791,384	7,410,198	7,049,195	361,003
Training/civic affairs	132,825	137,998	94,924	43,074
Communications/utilities	534,102	544,754	454,371	90,383
Materials/supplies	162,673	181,928	116,724	65,204
Contractual services	7,705,700	8,724,666	8,147,777	576,889
Fixed charges/pass-thru-grants	3,932,350	3,972,098	4,082,539	(110,441)
Equipment	392,900	523,161	424,006	99,155
Contingencies	1,706,539	163,536	-	163,536
Intragovernmental credits	(12,812,422)	(12,812,422)	(12,466,177)	(346,245)
General and administrative credits	(4,660,946)	(4,660,946)	(4,660,946)	-
Total administration	10,232,310	16,986,563	15,745,093	1,241,470

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, 2025
(CONTINUED)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
General Government:				
(Continued):				
Ethics Commission:				
Salaries and wages	\$ 40,200	\$ 42,200	\$ 42,062	\$ 138
Fringe benefits	4,181	5,181	4,374	807
Training/civic affairs	10,500	10,464	445	10,019
Communications/utilities	1,898	2,134	2,040	94
Materials/supplies	2,450	2,450	1,884	566
Contractual services	242,107	242,107	95,837	146,270
Equipment	500	300	-	300
Fixed charges/pass-thru-grants	-	-	3,246	(3,246)
Total ethics commission	301,836	304,836	149,888	154,948
Total general government	19,153,906	27,126,976	25,533,456	1,593,520
Public Safety:				
Salaries and wages	75,339,026	71,441,387	64,161,951	7,279,436
Fringe benefits	42,469,154	42,917,730	41,278,246	1,639,484
Training/civic affairs	190,856	145,693	116,419	29,274
Communications/utilities	1,007,306	1,039,169	983,708	55,461
Materials/supplies	1,022,026	1,524,048	1,277,578	246,470
Contractual services	9,882,229	9,789,423	8,943,659	845,764
Equipment	1,654,092	1,801,710	451,326	1,350,384
Fixed charges/pass-thru-grants	8,345,222	8,345,222	9,782,703	(1,437,481)
General and administrative credits	(243,873)	(243,873)	(243,873)	-
Total public safety	139,666,038	136,760,509	126,751,717	10,008,792
Public Works:				
Salaries and wages	11,289,605	10,959,367	10,306,302	653,065
Fringe benefits	6,518,904	6,325,618	6,045,020	280,598
Training/civic affairs	13,459	13,459	8,901	4,558
Communications/utilities	1,364,826	1,366,468	1,077,766	288,702
Materials/supplies	3,080,289	3,442,324	3,145,801	296,523
Contractual services	5,999,493	6,200,647	5,779,629	421,018
Fixed charges/pass-thru-grants	999,000	999,000	937,113	61,887
Equipment	92,110	70,947	64,766	6,181
Intragovernmental credits	(7,722,122)	(7,722,122)	(7,225,953)	(496,169)
General and administrative credits	(429,534)	(429,534)	(429,534)	-
Total public works	21,206,030	21,226,174	19,709,811	1,516,363
Community Services:				
Salaries and wages	12,519,168	12,792,345	12,778,975	13,370
Fringe benefits	5,565,327	5,730,380	5,719,249	11,131
Training/civic affairs	18,560	24,141	12,814	11,327
Communications/utilities	1,069,498	1,473,021	1,393,752	79,269
Materials/supplies	1,429,039	1,599,679	1,365,881	233,798
Contractual services	3,389,878	5,041,075	4,224,480	816,595
Fixed charges/pass-thru-grants	3,235,149	3,251,065	3,589,560	(338,495)
Equipment	18,900	34,474	27,769	6,705
Intragovernmental credits	(225,977)	(225,977)	(225,977)	-
Total community services	27,019,542	29,720,203	28,886,503	833,700

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, 2025
(CONTINUED)**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Land Use:				
Salaries and wages	\$ 7,373,053	\$ 7,293,821	\$ 7,096,308	\$ 197,513
Fringe benefits	4,286,740	4,240,366	4,162,144	78,222
Training/civic affairs	58,475	51,075	32,599	18,476
Communications/utilities	102,618	102,618	99,723	2,895
Materials/supplies	98,727	100,127	82,224	17,903
Contractual services	2,296,040	2,414,274	2,143,917	270,357
Fixed charges/pass-thru-grants	56,500	56,500	67,527	(11,027)
Equipment	34,250	66,382	60,871	5,511
General and administrative credits	(473,983)	(473,983)	(473,983)	-
Total land use	13,832,420	13,851,180	13,271,330	579,850
Register of Wills:				
Salaries and wages	1,159,211	1,131,352	1,081,614	49,738
Fringe benefits	660,186	643,880	614,391	29,489
Training/civic affairs	34,950	34,950	32,331	2,619
Communications/utilities	12,209	12,209	10,364	1,845
Materials/supplies	10,053	10,053	7,702	2,351
Contractual services	144,929	144,929	84,606	60,323
Fixed charges/pass-thru-grants	-	-	1,588	(1,588)
Equipment	2,800	2,800	2,613	187
Total register of wills	2,024,338	1,980,173	1,835,209	144,964
Recorder of Deeds:				
Salaries and wages	1,256,525	1,202,298	1,104,701	97,597
Fringe benefits	723,402	691,663	645,469	46,194
Training/civic affairs	40,170	40,170	35,480	4,690
Communications/utilities	33,689	29,829	20,503	9,326
Materials/supplies	12,398	10,573	8,873	1,700
Contractual services	244,983	260,836	236,789	24,047
Fixed charges/pass-thru-grants	18,350	18,350	26,756	(8,406)
Equipment	6,150	9,975	9,974	1
Total recorder of deeds	2,335,667	2,263,694	2,088,545	175,149

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, 2025
(CONTINUED)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Judiciary Offices:				
(Continued):				
Sheriff:				
Salaries and wages	\$ 1,380,772	\$ 1,353,771	\$ 1,300,738	\$ 53,033
Fringe benefits	804,406	788,603	769,112	19,491
Training/civic affairs	29,452	29,452	21,600	7,852
Communications/utilities	14,993	14,993	10,920	4,073
Materials/supplies	21,259	21,259	12,021	9,238
Contractual services	198,019	198,019	172,195	25,824
Equipment	5,000	5,000	2,461	2,539
Fixed charges/pass-thru-grants	-	-	1,588	(1,588)
Total sheriff	2,453,901	2,411,097	2,290,635	120,462
Clerk of the Peace:				
Salaries and wages	483,477	477,910	469,587	8,323
Fringe benefits	282,975	279,717	277,662	2,055
Training/civic affairs	9,600	8,600	7,200	1,400
Communications/utilities	5,484	4,484	2,994	1,490
Materials/supplies	8,754	7,829	6,233	1,596
Contractual services	49,092	56,233	50,647	5,586
Equipment	6,000	2,000	882	1,118
Fixed charges/pass-thru-grants	-	-	3,117	(3,117)
Total clerk of the peace	845,382	836,773	818,322	18,451
Total judiciary offices	7,659,288	7,491,737	7,032,711	459,026
Debt Service:				
Principal	17,470,000	16,770,000	16,770,000	-
Interest and other charges	4,169,374	4,169,374	4,069,374	100,000
Total debt service	21,639,374	20,939,374	20,839,374	100,000
Total expenditures	250,176,598	257,116,153	242,024,902	15,091,251
Excess of revenues over expenditures	(23,882,610)	(25,915,884)	5,070,483	30,986,367
Other Financing Sources (Uses):				
Transfers in	-	-	8,242,123	8,242,123
Transfers out	(7,811,421)	(7,876,945)	(12,876,945)	(5,000,000)
Sale of capital assets	266,040	266,040	801,409	535,369
Total other financing sources (uses)	(7,545,381)	(7,610,905)	(3,833,413)	3,777,492
Net change in fund balance	(31,427,991)	(33,526,789)	1,237,070	34,763,859
Adjustment to reconcile to GAAP basis:				
Expenditures not budgeted - Lease and SBITA payments	-	-	(247,821)	(247,821)
Revenues recognized on GAAP basis- Lease and SBITA	-	-	247,821	247,821
Fund Balance:				
Beginning of year	23,940,577	(24,812,809)	176,931,275	201,744,084
End of year	<u>\$ (7,487,414)</u>	<u>\$ (58,339,598)</u>	<u>\$ 178,168,345</u>	<u>\$ 236,507,943</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, 2025

	Business-type Activities - Enterprise Funds		
	Sewer Facilities	Nonmajor Fund New Castle County Airport	Total
ASSETS			
Current Assets:			
Cash and cash equivalents (Note 2)	\$ 11,340,415	\$ 56,058	\$ 11,396,473
Investments (Note 2)	36,639,798	-	36,639,798
Receivables (net of allowances):			
Service charges (Note 4)	7,187,717	-	7,187,717
Other (Note 4)	351,266	-	351,266
Due from other governments (Note 4)	1,929,553	-	1,929,553
Restricted cash and cash equivalents (Note 2)	7,634,126	-	7,634,126
Prepaid items	23,669	-	23,669
Total current assets	65,106,544	56,058	65,162,602
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	56,083,944	-	56,083,944
Improvements other than buildings	4,587,121	43,682,500	48,269,621
Infrastructure	725,141,548	-	725,141,548
Construction in progress	10,335,418	-	10,335,418
Less accumulated depreciation/amortization	(361,722,509)	(48,502,600)	(410,225,109)
Total capital assets, net	510,317,977	2,158,912	512,476,889
Total noncurrent assets	510,317,977	2,158,912	512,476,889
Total assets	575,424,521	2,214,970	577,639,491
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow from pensions (Note 26)	2,227,245	-	2,227,245
Deferred outflow from other post-employment benefits (Note 19)	689,157	-	689,157
Deferred effect of bond refunding, net (Note 10)	1,224,580	-	1,224,580
Total deferred outflows of resources	4,140,982	-	4,140,982
LIABILITIES			
Current Liabilities:			
Vouchers payable and accrued expenses	7,128,302	-	7,128,302
Retainage payable	872,141	-	872,141
Accrued interest payable	3,730,281	-	3,730,281
Escrowed amounts	467,315	-	467,315
General obligation bonds - current (Note10)	13,913,979	-	13,913,979
Loans payable - current (Note 10)	1,480,934	-	1,480,934
Lease payable/financed purchases/SBITAs (Notes 10, 21, 22 and 23)	1,490,210	-	1,490,210
Accrued compensated leave (Notes 8 and 10)	1,268,074	-	1,268,074
Total current liabilities	30,351,236	-	30,351,236
Noncurrent Liabilities:			
Net pension liability (Note 26)	23,556,701	-	23,556,701
Net other post-employment benefit liability (Note 19)	2,008,432	-	2,008,432
General obligation bonds payable (net of current portion) (Note10)	333,095,217	-	333,095,217
Loans payable (Note 10)	38,518,153	-	38,518,153
Lease payable/financed purchases/SBITAs (Notes 10, 21, 22 and 23)	3,171,435	-	3,171,435
Accrued compensated leave (Notes 8 and 10)	2,734,604	-	2,734,604
Total noncurrent liabilities	403,084,542	-	403,084,542
Total liabilities	433,435,778	-	433,435,778
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow from pensions (Note 26)	1,019,093	-	1,019,093
Deferred inflow from other post-employment benefits (Note 19)	3,824,582	-	3,824,582
Total deferred inflows of resources	4,843,675	-	4,843,675
NET POSITION			
Net investment in capital assets	121,001,944	2,158,912	123,160,856
Unrestricted (Note 17)	20,284,106	56,058	20,340,164
Total net position	\$ 141,286,050	\$ 2,214,970	\$ 143,501,020

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, 2025

Business - type Activities
Enterprise Funds

	Sewer Facilities	New Castle County Airport	Total
Operating Revenues:			
Charges for services	\$ 91,164,004	\$ -	\$ 91,164,004
Total operating revenues	<u>91,164,004</u>	<u>-</u>	<u>91,164,004</u>
Operating Expenses:			
Salaries and wages	14,999,586	-	14,999,586
Employee benefits	9,187,031	-	9,187,031
Training and civic affairs	17,448	-	17,448
Communications and utilities	23,559,059	-	23,559,059
Materials and supplies	1,297,845	-	1,297,845
Contractual services	8,910,103	-	8,910,103
Depreciation and Amortization	18,735,599	-	18,735,599
Pension expense	(116,364)	-	(116,364)
OPEB expense	(569,888)	-	(569,888)
Administrative and fixed charges	4,184,357	-	4,184,357
Land and structure	42,848	-	42,848
Total operating expenses	<u>80,247,624</u>	<u>-</u>	<u>80,247,624</u>
Operating Income (loss)	<u>10,916,380</u>	<u>-</u>	<u>10,916,380</u>
Non-operating Revenues (Expenses):			
Investment income	1,826,155	-	1,826,155
Net depreciation in fair value of investments	837,046	-	837,046
RZEDB Interest Reimbursement	823,454	-	823,454
Interest expense	(10,855,198)	-	(10,855,198)
Financed purchases/Lease/SBITA interest expense	(150,002)	-	(150,002)
Other revenues/expenses	158,738	-	158,738
Gain/Loss on sale of capital assets	31,656	-	31,656
Bond premium amortization	208,979	-	208,979
Total non-operating revenues (expenses)	<u>(7,119,172)</u>	<u>-</u>	<u>(7,119,172)</u>
Income (loss) before contributions	<u>3,797,208</u>	<u>-</u>	<u>3,797,208</u>
Capital contributions	27,150	-	27,150
Change in net position	<u>3,824,358</u>	<u>-</u>	<u>3,824,358</u>
Net Position:			
Beginning of year	<u>137,461,692</u>	<u>2,214,970</u>	<u>139,676,662</u>
End of year	<u>\$ 141,286,050</u>	<u>\$ 2,214,970</u>	<u>\$ 143,501,020</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, 2025

	Business - type Activities - Enterprise Funds		
	Sewer Facilities	New Castle County Airport	Totals
Cash Flows From Operating Activities:			
Cash received from customers	\$ 92,943,873	\$ -	\$ 92,943,873
Cash payments to employees for services	(23,994,173)	-	(23,994,173)
Cash payments to suppliers for goods and services	(38,076,977)	-	(38,076,977)
Customer deposits received	141,367	-	141,367
Customer deposits returned	(123,931)	-	(123,931)
Other revenue	151,824	-	151,824
Net cash provided by operating activities	31,041,983	-	31,041,983
Cash Flows From Capital and Related Financing Activities:			
RZEDB Interest Reimbursement	823,454	-	823,454
Debt Issuance	15,105,626	-	15,105,626
Principal paid on bond debt	(12,190,000)	-	(12,190,000)
Interest paid on bond debt	(10,467,589)	-	(10,467,589)
Principal paid on loan payable	(1,533,246)	-	(1,533,246)
Interest paid on loan payable	(444,567)	-	(444,567)
Principal paid on financed purchases/lease payable/sbita	(1,348,450)	-	(1,348,450)
Interest paid on financed purchases/lease payable/sbita	(147,700)	-	(147,700)
Payments to acquire, construct, or improve capital assets	(30,004,051)	-	(30,004,051)
Capital Transfers	27,150	-	27,150
Net cash used for capital and related financing activities	(40,179,373)	-	(40,179,373)
Cash Flows From Investing Activities:			
Income received on investments	1,900,897	-	1,900,897
Proceeds from sales of investments	32,210,113	-	32,210,113
Purchases of investments	(37,716,847)	-	(37,716,847)
Net cash provided/(used) by investing activities	(3,605,837)	-	(3,605,837)
Net increase/(decrease) in cash and cash equivalents	(12,743,227)	-	(12,743,227)
Cash and cash equivalents at beginning of year	31,717,768	56,058	31,773,826
Cash and cash equivalents at end of year	\$ 18,974,541	\$ 56,058	\$ 19,030,599

NEW CASTLE COUNTY, DELAWARE

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2025

	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)	\$ 10,916,380	\$ -	\$ 10,916,380
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation expense	18,735,599	-	18,735,599
Other revenue/(expense)	148,200	-	148,200
Effect of changes in operating assets, liabilities, deferred inflows and deferred outflows:			
Decrease/(Increase) in receivables	1,994,575	-	1,994,575
Increase/(Decrease) in vouchers payable and accrued expenses	127,612	-	127,612
Increase/(Decrease) in escrowed amounts	17,436	-	17,436
Increase/(Decrease) in other liabilities	(211,566)	-	(211,566)
Increase/(Decrease) in net pension liability	(1,745,163)	-	(1,745,163)
Increase/(Decrease) in deferred inflow from pensions	(437,473)	-	(437,473)
Decrease/(Increase) in deferred outflow from pensions	2,066,271	-	2,066,271
Increase/(Decrease) in net OPEB liability	(2,853,597)	-	(2,853,597)
Increase/(Decrease) in deferred inflow from OPEB	2,244,131	-	2,244,131
Decrease/(Increase) in deferred outflow from OPEB	39,578	-	39,578
Total reconciling adjustments	20,125,603	-	20,125,603
Net cash provided by operating activities	\$ 31,041,983	\$ -	\$ 31,041,983
Reconciliation to the Statement of Net Position:			
Cash and cash equivalents	\$ 11,340,415	\$ 56,058	\$ 11,396,473
Restricted cash and cash equivalents	7,634,126	-	7,634,126
Cash and cash equivalents at end of year	\$ 18,974,541	\$ 56,058	\$ 19,030,599
Noncash Investing, Capital, and Financing Activities:			
Increase/(Decrease) in fair value of investments	\$ 837,046	\$ -	\$ 837,046
Increase/(Decrease) in assets related to financed purchases/ lease payable/sbitas	\$ 1,728,674	\$ -	\$ 1,728,674
Capital Related Accounts Payable and Retainage	\$ 6,504,811	\$ -	\$ 6,504,811

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, 2025

	Pension and OPEB Trusts
ASSETS	
Cash and cash equivalents (Note 2)	\$ 10,023,645
Investments: (Note 2)	
Common and preferred stock	69,565,803
Mutual funds	166,415,773
Real estate equity funds	6,300,805
Collective trusts	339,837,138
Private equity	66,502,611
Receivables (net of allowances):	
Other (Note 4)	2,312,143
Total assets	660,957,918
LIABILITIES	
Vouchers payable and accrued expenses	667,681
Total liabilities	667,681
NET POSITION	
Net position restricted for pensions	574,460,128
Net position restricted for other post employment benefits	85,830,109
Total Net Position	\$ 660,290,237

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

NEW CASTLE COUNTY, DELAWARE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Pension and OPEB Trusts
Additions:	
Contributions:	
Plan members	\$ 4,174,107
New Castle County	34,474,136
State of Delaware	3,009,823
Other contributions	2,713
Total contributions	<u>41,660,779</u>
Investment income:	
Net increase in fair value of investments	40,760,303
Interest, dividends, and other income, including realized gains/losses	<u>24,069,730</u>
Total investment income	64,830,033
Less investment expense	<u>2,240,061</u>
Net investment income	<u>62,589,972</u>
Total additions	<u>104,250,751</u>
Deductions:	
Benefit payments	57,812,027
Refunds of contributions	344,183
Administrative expenses	697,282
Other expenses, net	<u>324,079</u>
Total deductions	<u>59,177,571</u>
Net increase in net position	45,073,180
Net position	
Beginning of year	<u>615,217,057</u>
End of year	<u><u>\$ 660,290,237</u></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, 2025

- (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, 2025
(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; 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, 2025
(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, 2025
(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, 2025
(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, 2025
(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 \$663,000 were processed during fiscal year 2025. The loan balance was \$946,579 at June 30, 2025, 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, 2025 were \$15,697,758.

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, 2025
(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:

<u>Assets</u>	<u>Years</u>
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, 2025
(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 various PPP agreements related to the design, operation, maintenance, and management of the Delcastle Tennis Facility, Delcastle Golf course, and New Castle Athletic Fields Complex. 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, 2025
(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. The Capital Projects funds had a deficit ending fund balance of (\$4,008,743). This deficit was attributable to expenses to date exceeding available cash for various projects. This deficit was resolved by the County in July/August 2025, through the issuance of new general obligation bonds to finance these various projects. The Grants fund has a deficit ending fund balance of (\$844,509). This deficit was attributable to the deferral of \$3.1 million in revenue not collected in during the 60-day collection window. This deficit will be resolved once the revenue is collected.

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, 2025. Supplemental appropriations to the original budget of \$5,731,300 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.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

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

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.

V. GASB Statements:

Adoption of New Accounting Pronouncements

During fiscal year ending June 30, 2025, the County adopted GASB 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 evaluated this statement and adjusted its reporting for compensated absences; however, the Statement did not have a material impact.

During fiscal year ending June 30, 2025, the County adopted GASB 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 evaluated this statement and determined there is no material impact to the County during fiscal year ending June 30, 2025; however, the County will reassess on a continual basis to ensure no new risks are identified.

In April of 2024, the GASB issued Statement No. 103 Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model through enhancements. This will be achieved by providing information that is essential for decision making and assessing the financial health of the government, as well as assessing the government's accountability. That objective is achieved by modifying existing requirements related to the Management's discussion and Analysis (MD&A), presentation of proprietary fund statements and net positions, information about major component units, budgetary comparison information and financial trends presented as statistics. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The County is currently evaluating the future impact of this statement.

In September of 2024, the GASB issued Statement No. 104 Disclosure of Certain Capital Assets. The objective of the statement is to ensure certain types of capital assets will be disclosed separately in the capital assets note disclosures required by Statement 34, Statement 87, Statement 94 and Statement No. 96. This Statement also requires additional disclosures for capital assets held for sale. The Statement requires that capital assets held for sale be evaluated each reporting period. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The County is currently evaluating the future impact of this statement.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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, 2025 was \$109,283,394. The bank balances were \$110,694,395. Of the \$112,276,577 in total deposits, none of the County's deposits were subject to custodial risk because they were collateralized as of June 30, 2025 with the exception of \$1,137,599 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 \$47,552,006 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, \$45,969,825 are unsecured investment instruments and therefore are reflected as uncollateralized.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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, 2025. 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	\$ 62,960,684	4.189	Govt	Moody's
US Government Agencies and Instrumentalities	9,363,961	0.570	Aa1	Moody's
Corporate Obligations	502,678		Aaa	Moody's
Corporate Obligations	497,370		Aa3	Moody's
Corporate Obligations	713,360		AA-	S&P
Corporate Obligations	1,530,972		A1	Moody's
Corporate Obligations	1,050,532		A+	S&P
Corporate Obligations	2,087,741		A2	Moody's
Corporate Obligations	3,104,293		A	S&P
Corporate Obligations	5,611,732		A3	Moody's
Corporate Obligations	8,326,482		A-	S&P
Corporate Obligations	7,128,200		Baa1	Moody's
Corporate Obligations	4,025,339		BBB+	S&P
Corporate Obligations	9,877,624		Baa2	Moody's
Corporate Obligations	2,549,749		BBB	S&P
Corporate Obligations	2,590,299		Baa3	Moody's
Corporate Obligations	599,105		BBB-	S&P
Corporate Obligations	1,590,704		NR/WR	
Subtotal - Corporate Obligations	51,786,180	3.242		
Asset Backed Securities	3,745,405		Aaa	Moody's
Asset Backed Securities	32,311,787		Aa1	Moody's
Asset Backed Securities	219,233		A1	Moody's
Asset Backed Securities	11,493,269		NR	
Subtotal - Asset Backed Securities	47,769,694	2.650		

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(2) Deposits and Investments (Continued):

Investments (Continued):

Investment Type	Fair Value	Weighted Average Modified Duration (Years)	Credit Rating	Rating Agency
Municipal Obligations	382,338		Aaa	Moody's
Municipal Obligations	689,398		Aa1	Moody's
Municipal Obligations	639,997		Aa2	Moody's
Municipal Obligations	81,033		AA	S&P
Municipal Obligations	1,266,851		Aa3	Moody's
Municipal Obligations	221,738		AA-	S&P
Municipal Obligations	2,021,577		A1	Moody's
Municipal Obligations	343,449		A+	S&P
Municipal Obligations	341,654		A2	Moody's
Municipal Obligations	391,625		A3	Moody's
Municipal Obligations	80,318		A-	S&P
Municipal Obligations	325,514		Baa2	Moody's
Municipal Obligations	7,134,184		NR/WR	
Subtotal - Municipal Obligations	<u>13,919,676</u>	4.800		
Subtotal Debt Securities	<u>185,800,195</u>			
Portfolio weighted modified duration		3.393		
Mutual Funds	<u>87,893,156</u>	N/A	N/A	
Total Investments at Fair Value	<u>273,693,351</u>	N/A	N/A	
US Treasury Bills (included in cash deposits)	1,739,855	N/A	N/A	
Money Market Mutual Funds (included in cash equivalents)	33,297,595	N/A	N/A	
Money Market Funds (included in cash equivalents)	3,844,587	N/A	N/A	
Total	<u><u>\$ 312,575,388</u></u>			

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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	\$ 62,960,684	\$ 3,180,067	\$ 43,808,444	\$ 13,279,916	\$ 2,692,257	0.50% - 5.25%
U.S. Government Agencies and Instrumentalities	9,363,961	342,447	3,652,458	3,747,724	1,621,332	0.38% - 7.83%
Corporate Obligations	51,786,180	3,361,257	39,078,695	6,550,994	2,795,234	0.90% - 8.88%
Municipal Obligations	13,919,676	320,506	6,855,478	4,714,176	2,029,516	0.00% - 7.10%
Asset Backed Securities	47,769,694	702,552	16,740,905	1,461,430	28,864,807	0.77% - 7.51%
Total	\$ 185,800,195	\$ 7,906,829	\$ 110,135,980	\$ 29,754,240	\$ 38,003,146	

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

Investment Type	Fair Value
Common and Preferred Stock	\$ 69,565,803
Mutual Funds	82,299,021
Real Estate Equity Funds	6,300,805
Subtotal Equity Securities	158,165,629
Collective Trusts	339,837,138
Private Equity	66,502,611
Total Investments at Fair Value	564,505,378
Short Term Investment Trusts (included in cash deposits)	7,087,788
Total	\$ 571,593,166

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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, 2025
(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, 2025
(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, 2025
(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 drivers 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, 2025:

Investments and Derivative Instruments Measured at Fair Value

	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2025
Investments by fair value level				
Debt Securities				
U.S. Treasury obligations	\$ -	\$ 62,960,684	\$ -	\$ 62,960,684
U.S. Government Agencies	-	9,363,961	-	9,363,961
Corporate Bonds	-	51,786,180	-	51,786,180
Asset Backed Securities	-	47,769,694	-	47,769,694
Municipal Obligations	-	13,919,676	-	13,919,676
Total Debt Securities	-	185,800,195	-	185,800,195
Fixed Income Mutual Funds	62,009,365	-	-	62,009,365
Equity Mutual Funds	25,883,791	-	-	25,883,791
Total investments in equity securities and mutual funds	87,893,156	-	-	87,893,156
Total investments, at fair value	\$ 87,893,156	\$ 185,800,195	\$ -	\$ 273,693,351

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, 2025
(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, 2025:

Investments and Derivative Instruments Measured at Fair Value

Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of June 30, 2025
Investments by fair value level				
Equity Securities				
Energy	\$ 2,290,838	\$ -	\$ -	\$ 2,290,838
Consumer discretionary	8,834,400	-	-	8,834,400
Health care	14,464,498	-	-	14,464,498
Materials	1,663,643	-	-	1,663,643
Consumer staples	7,525,207	-	-	7,525,207
Information technology	7,303,472	-	-	7,303,472
Industrials	9,848,589	-	-	9,848,589
Real estate	3,846,985	-	-	3,846,985
Utilities	424,560	-	-	424,560
Financials	11,466,241	-	-	11,466,241
Communication Services	1,897,370	-	-	1,897,370
Real estate equity funds	6,300,805	-	-	6,300,805
Mutual Funds				
Equity mutual funds	82,299,021	-	-	82,299,021
Total investments by fair value level	<u>158,165,629</u>	<u>-</u>	<u>-</u>	<u>158,165,629</u>
Investments measured at the net asset value (NAV)				
Private equity/private debt investments	-	-	-	66,502,611
Collective trusts - hedge funds	-	-	-	46,076,963
Collective trusts - real estate funds	-	-	-	28,536,404
Collective trusts - equities	-	-	-	104,365,064
Collective trusts - fixed income	-	-	-	160,858,707
Total investments measured at the NAV	<u>-</u>	<u>-</u>	<u>-</u>	<u>406,339,749</u>
Total investments	<u>\$ 158,165,629</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 564,505,378</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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	\$ 66,502,611	\$ 25,853,641	N/A	N/A
Collective trusts - hedge funds	46,076,963	-	Quarterly	90-95 days
Collective trusts - real estate funds	28,536,404	607,500	Quarterly	45 days
Collective trusts - equities	104,365,064	-	Daily	0-2 days
Collective trusts - fixed income	160,858,707	-	Daily	0 days
Total	<u>\$ 406,339,749</u>	<u>\$ 26,461,141</u>		

Investments in private equity and private debt funds consists of investments in twenty 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 four 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 one investment trust. 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, 2025
(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 \$3,972,338, and penalties and interest receivable of \$3,010,530 and are reduced by an allowance for uncollectible accounts of \$3,971,183 for 2025 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 2025 initial levy was assessed at \$20.3 billion.

(4) Receivables:

Receivables as of June 30, 2025 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:

	General	Grants	Sewer	Nonmajor / Fiduciary *	Total
Receivables					
Taxes	\$ 3,011,685	\$ -	\$ -	\$ 179,629	\$ 3,191,314
Service charges	-	-	7,187,717	-	7,187,717
Accounts	4,914,938	-	-	-	4,914,938
Lease	1,634,795	-	-	-	1,634,795
Lease - PPP	2,206,337	-	-	-	2,206,337
Other	365,682	108,878	351,266	2,312,775	3,138,601
Due from other governments	-	4,862,190	1,929,553	477,458	7,269,201
Due from other agencies	-	46,838	-	14,019	60,857
Total Receivables, Net	\$ 12,133,437	\$ 5,017,906	\$ 9,468,536	\$ 2,983,881	\$ 29,603,760

* 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, 2025
(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 \$6,730,987 and penalties and interest receivable of \$1,213,776 and are reduced by an allowance for uncollectible accounts of \$757,046 for 2025 which is determined by a review of account aging.

(5) Capital Assets:

Capital asset activity for the year ended June 30, 2025 was as follows:

	<u>Balance July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2025</u>
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 93,609,835	\$ 6,386,885	\$ (7,831)	\$ 99,988,889
Construction in progress	8,047,369	2,484,728	-	10,532,097
Total capital assets, not being depreciated/amortized	<u>101,657,204</u>	<u>8,871,613</u>	<u>(7,831)</u>	<u>110,520,986</u>
 Capital assets, being depreciated or amortized:				
Buildings	241,759,587	2,764,868	(3,061,709)	241,462,746
Building improvements	60,903,033	2,619,847	(616,657)	62,906,223
Other improvements	107,634,430	14,516,620	(1,500)	122,149,550
Equipment	212,429,935	18,386,252	(19,770,888)	211,045,299
Infrastructure	4,051,925	1,122,134	-	5,174,059
Buildings - PPP	104,601	-	-	104,601
Building improvements - PPP	2,636,513	-	-	2,636,513
Other improvements - PPP	776,108	9,500	-	785,608
Equipment - PPP	1,498,674	65,573	-	1,564,247
Right to use leased buildings	2,040,199	164,751	-	2,204,950
Right to use leased equipment	5,459,157	-	-	5,459,157
Subscription assets	8,164,385	83,070	-	8,247,455
Total capital assets, being depreciated and amortized	<u>647,458,547</u>	<u>39,732,615</u>	<u>(23,450,754)</u>	<u>663,740,408</u>
 Less accumulated depreciation for:				
Buildings	(90,759,924)	(4,541,849)	1,602,003	(93,699,770)
Building improvements	(14,894,971)	(1,482,639)	216,427	(16,161,183)
Other improvements	(80,682,500)	(3,283,689)	31	(83,966,158)
Equipment	(155,506,801)	(15,797,891)	19,207,335	(152,097,357)
Infrastructure	(20,765)	(115,025)	-	(135,790)
Buildings - PPP	(32,542)	(2,325)	-	(34,867)
Building improvements - PPP	(358,126)	(58,589)	-	(416,715)
Other improvements - PPP	(281,721)	(39,685)	-	(321,406)
Equipment - PPP	(1,266,968)	(115,000)	-	(1,381,968)
Less accumulated amortization for:				
Right to use leased buildings	(692,413)	(386,099)	7,484	(1,071,028)
Right to use leased equipment	(614,838)	(646,341)	41,372	(1,219,807)
Subscription assets	(1,039,690)	(1,154,329)	83,104	(2,110,915)
Total accumulated depreciation and amortization	<u>(346,151,259)</u>	<u>(27,623,461)</u>	<u>21,157,756</u>	<u>(352,616,964)</u>
 Total capital assets, being depreciated and amortized, net	<u>301,307,288</u>	<u>12,109,154</u>	<u>(2,292,998)</u>	<u>311,123,444</u>
 Governmental activities capital assets, net	<u><u>\$ 402,964,492</u></u>	<u><u>\$ 20,980,767</u></u>	<u><u>\$ (2,300,829)</u></u>	<u><u>\$ 421,644,430</u></u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(5) Capital Assets (Continued):

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Business-type activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 35,320,950	\$ -	\$ -	\$ 35,320,950
Construction in progress	8,245,691	2,089,727	-	10,335,418
Total capital assets, not being depreciated/amortized	<u>43,566,641</u>	<u>2,089,727</u>	<u>-</u>	<u>45,656,368</u>
 Capital assets, being depreciated or amortized:				
Buildings	44,028,698	-	-	44,028,698
Building improvements	3,521,819	-	-	3,521,819
Other improvements	48,116,946	152,675	-	48,269,621
Equipment	53,204,211	3,037,129	(260,217)	55,981,123
Infrastructure	699,433,085	25,708,463	-	725,141,548
Right to use leased equipment	17,750	-	-	17,750
Subscription assets	85,071	-	-	85,071
Total capital assets, being depreciated and amortized	<u>848,407,580</u>	<u>28,898,267</u>	<u>(260,217)</u>	<u>877,045,630</u>
 Less accumulated depreciation for:				
Buildings	(22,699,877)	(819,942)	-	(23,519,819)
Building improvements	(1,198,345)	(80,116)	-	(1,278,461)
Other improvements	(46,606,510)	(170,817)	-	(46,777,327)
Equipment	(39,989,729)	(2,378,995)	260,217	(42,108,507)
Infrastructure	(281,240,561)	(15,263,576)	-	(296,504,137)
Less accumulated amortization for:				
Right to use leased equipment	(5,917)	(5,538)	-	(11,455)
Subscription assets	(8,788)	(16,615)	-	(25,403)
Total accumulated depreciation and amortization	<u>(391,749,727)</u>	<u>(18,735,599)</u>	<u>260,217</u>	<u>(410,225,109)</u>
 Total capital assets, being depreciated and amortized, net	<u>456,657,853</u>	<u>10,162,668</u>	<u>-</u>	<u>466,820,521</u>
 Business-type activities capital assets, net	<u><u>\$ 500,224,494</u></u>	<u><u>\$ 12,252,395</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 512,476,889</u></u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(5) Capital Assets (Continued):

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

Governmental activities:

General Government	\$ 7,654,711
Public Works	11,971,456
Police	5,145,581
Community Services	2,786,537
Land Use	45,863
Judiciary Offices	19,313
Total depreciation/amortization expense-	
governmental activities	<u>\$ 27,623,461</u>

Business-type activities:

Sewer Facilities	\$ 18,735,599
Total depreciation/amortization expense-	
business-type activities	<u>\$ 18,735,599</u>

(6) Construction Commitments:

The County has active construction projects as of June 30, 2025. 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, 2025	Remaining Commitment
Buildings and facilities	\$ 5,106,762	\$ 1,922,396
Park development	2,221,981	529,617
Public safety	1,869,256	64,076
Subtotal	9,197,999	2,516,089
Sewer/stormwater construction	11,669,517	1,001,917
Total	<u>\$ 20,867,516</u>	<u>\$ 3,518,006</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, 2025
(Continued)

(6) Construction Commitments (Continued):

Encumbrance Commitments by Fund:

General Fund	\$ 1,758,756
Grants Fund	32,473,376
Sewer Facilities Fund	14,261,813
Nonmajor Funds	32,419,428
Total Encumbrances	<u>\$ 80,913,373</u>

(7) Interfund Receivables, Payables and Transfers:

The compositions of interfund balances as of June 30, 2025, are as follows:

Due To	Due From
	<u>General Fund</u>
Light Tax Fund	\$ 2,339,960
Crossing Guard Fund	1,402,775
Facilities and Equipment	1,274,338
Park Development	(2,903,531)
Public Safety	(292,483)
Miscellaneous Capital Improvements	1,312,067
Total	<u>\$ 3,133,126</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, 2025, are as follows:

	Transfers In						Total
	Grants Fund	General Fund	Facilities and Equipment	Public Safety	Park Development	Misc Capital Projects	
Transfers Out							
General Fund	\$ 65,524	\$ -	4,160,906	\$ 400,515	\$ 3,250,000	\$ 5,000,000	\$ 12,876,945
Grants Fund	56,275	8,242,123	-	-	-	-	8,298,398
Facilities and Equipment	-	-	2,350,000	-	-	-	2,350,000
Park Development	-	-	-	-	1,250,000	-	1,250,000
Total	<u>\$ 121,799</u>	<u>\$ 8,242,123</u>	<u>\$ 6,510,906</u>	<u>\$ 400,515</u>	<u>\$ 4,500,000</u>	<u>\$ 5,000,000</u>	<u>\$ 24,775,343</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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 provide funding for senior home repair and for emergency housing. The General Fund received ARPA interest proceeds and revenue from codebook sales from the Grants fund. The Capital Projects fund received proceeds from the General Fund to fund capital costs for parkland improvements, land preservation as well as for the purchase of fleet equipment and public safety equipment.

(8) Compensated Leave:

The County recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, eight types of leave qualify for liability recognition for compensated absences – sick, vacation, personal leave, shooting days, compensatory time, sick leave extensions, special event time and floating holidays. The liability for compensated absences includes salary-related benefits, where applicable.

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, 2025, total accumulated vacation leave for governmental fund types was \$25,844,126, (including accrued FICA and Medicare), total vested sick leave was \$10,694,299 (including accrued FICA and Medicare), and other total compensated leave was \$2,843,113 (including accrued FICA and Medicare). These amounts total to \$39,381,538 and are reported in the government-wide financial statements. At June 30, 2025, accumulated vacation, sick, and other compensated leave for Proprietary Funds in the amount of \$4,002,678 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, 2025, 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, 2025
(Continued)

(9) Unavailable / Unearned Revenue (Continued):

General Fund:

Property tax receivables-net	\$3,011,685	
Less: estimated 60-day collection 7/25 - 8/25	<u>(196,952)</u>	2,814,733
Hope Center Room Rentals	704,884	
Less: estimated 60-day collection 7/25 - 8/25	<u>(575,608)</u>	129,276
Hotel tax receivables		711,033
Lease receivables		1,395,491
Lease receivables - PPP		<u>1,976,598</u>
Total General Fund – Unavailable		7,027,131
Total General Fund – Unearned (Capital Assets Held for Resale)		373,338

Crossing Guard Fund:

Property tax receivables-net	73,356	
Less: estimated 60-day collection 7/25 - 8/25	<u>(4,850)</u>	
Total Crossing Guard Fund – Unavailable		68,506

Grants Fund:

Due from Other Governments	4,862,190	
Less: estimated 60-day collection 7/25 - 8/25	<u>(1,719,353)</u>	
Total Grants Fund – Unavailable		3,142,837
Unearned grant revenue	35,079,818	
Capital assets held for resale	<u>405,817</u>	
Total Grants Fund – Unearned		35,485,635
Total		<u>\$ 46,097,447</u>

Governmental funds report unavailable revenue of \$10,238,474, whereas the governmental activities report unavailable revenue of \$6,608,028.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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, 2025 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%	\$133,445,000
Business-type Activities:				
Sewer Facilities	<u>495,370,000</u>	2052	.29 – 5.00%	<u>341,715,000</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
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	8,972,530
2029	9,445,000	2,390,171	15,530,000	8,603,906
2030	9,450,000	2,081,231	14,755,000	8,123,121
2031-2035	39,560,000	6,566,583	78,575,000	33,945,354
2036-2040	24,400,000	1,827,643	88,520,000	22,125,435
2041-2045	4,620,000	98,706	64,295,000	10,361,904
2046-2050	-	-	31,960,000	2,615,745
2051-2052	-	-	5,280,000	132,874
	<u>\$ 133,445,000</u>	<u>\$ 22,119,874</u>	<u>\$ 341,715,000</u>	<u>\$ 114,149,161</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

10) Long-term Debt (Continued):

State of Delaware Water Pollution Control Revolving Fund (WPCRF) and US Environmental Protection Agency Water Infrastructure Finance and Innovation Act (WIFIA) 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 2025 \$16,702,943 was drawn to fund various projects.

<u>Purpose</u>	<u>Original Issue</u>	<u>Maturities</u>	<u>Interest Rates</u>	<u>Outstanding Amount</u>
Business-type Activities:				
Sewer Facilities (WPCRF)	\$90,958,446	2058	2.00 – 2.601%	\$39,799,048
Sewer Facilities (WIFIA)	12,587,629	2061	4.49%	200,039

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

Fiscal Year	Business-type Activities	
	Principal	Interest
2026	\$ 1,480,934	\$ 479,609
2027	2,062,862	779,168
2028	2,097,699	741,014
2029	2,130,341	697,619
2030	2,162,989	653,136
2031-2035	10,788,123	2,592,267
2036-2040	10,242,766	1,449,594
2041-2045	2,871,096	787,836
2046-2050	2,796,065	499,794
2051-2055	2,777,308	218,224
2056-2060	580,331	13,780
2061-2062	8,573	385
	<u>\$ 39,999,087</u>	<u>\$ 8,912,426</u>

The schedule above includes estimated debt service for WPCRF and WIFIA 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 \$75,370,645. Of this amount, \$17,086,336 had been drawn down as of June 30, 2025.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(10) Long-term Debt (Continued):

State of Delaware Water Pollution Control Revolving Fund (WPCRF) and US Environmental Protection Agency Water Infrastructure Finance and Innovation Act (WIFIA) Loans (Continued):

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 financing agreement assumed an original expected project completion date of July 31, 2026 (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 (collectively referred to term, representing interest at the rate of 1% per annum and an administrative fee at the rate of 1% per annum) 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 August 1, 2056.

Additionally, New Castle County (via Ordinance 24-144) authorized the issuance of up to \$40,000,000 in a general obligation bond through the United States Environmental Protection Agency Acting by and through the Administrator of the Environmental Protection Agency for the Department of Public Works Christina River Force Main Rehabilitation Project. 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, from time to 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 original loan agreement assumed an Amortization Start Date and Final Maturity Date based on an expected Project completion date of January 1, 2027, and is subject to change should the actual completion date vary from the expected date of completion. Interest at the rate of 4.49% per annum, and certain servicing fees (collectively referred to 'Fee'), shall be paid on the principal amount drawn and outstanding from the date drawn, on each January 1 and July 1. All unpaid principal and Fee shall be paid in full on July 1, 2061, provided that the Final Maturity Date shall be no later than the date that is thirty-five (35) years following the Substantial Completion Date. As of 6/30/2025, the County expects the project to be completed by May 2028.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(10) Long-term Debt (Continued):

State of Delaware Water Pollution Control Revolving Fund (WPCRF) and US Environmental Protection Agency Water Infrastructure Finance and Innovation Act (WIFIA) 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 \$1,686,101 through 6/30/2025). 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 6/30/2025 – total accrued \$2,626,795, of which \$997,000 was funded from the loan and \$1,629,795 was funded through DELDOT). As of 6/30/2025, the County expects that the project will be completed in January 2026.

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, 2025
(Continued)

(10) Long-term Debt (Continued):

Changes in Long-term Liabilities:

Long-term liability activity for the year ended June 30, 2025, was as follows:

Liability	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Due Within One Year
Governmental Activities:					
Compensated leave	\$ 34,724,170	\$ 16,323,380	\$ 11,666,012	\$ 39,381,538	\$ 11,899,332
Claims and judgment costs	13,637,410	5,444,270	4,278,475	14,803,205	4,984,000
Financed purchases	11,923,967	7,218,926	4,547,353	14,595,540	4,587,012
Lease payable/SBITAs	13,265,724	247,821	1,789,529	11,724,016	1,713,932
Estimated liability for landfill postclosure care costs	606,000	-	67,000	539,000	89,833
Unamortized bond premium	6,263,482	-	397,171	5,866,311	397,171
Bonds	150,215,000	-	16,770,000	133,445,000	16,390,000
Net OPEB liability	64,443,789	-	23,821,917	40,621,872	-
Net pension liability	190,232,695	232,741	14,568,679	175,896,757	-
Governmental activity Long-term liabilities	\$ 485,312,237	\$ 29,467,138	\$ 77,906,136	\$ 436,873,239	\$ 40,061,280
Business-type activities:					
Compensated leave	\$ 3,668,832	\$ 1,577,056	\$ 1,243,210	\$ 4,002,678	\$ 1,268,074
Financed purchases	4,180,913	1,728,674	1,318,940	4,590,647	1,463,831
Lease payable/SBITAs	74,537	19,591	23,130	70,998	26,379
Loans payable	24,829,390	16,702,943	1,533,246	39,999,087	1,480,934
Unamortized bond premium	5,503,175	-	208,979	5,294,196	208,979
Bonds	353,905,000	-	12,190,000	341,715,000	13,705,000
Net OPEB liability	4,862,029	-	2,853,597	2,008,432	-
Net pension liability	25,301,864	-	1,745,163	23,556,701	-
Business-type activity Long-term liabilities	\$ 422,325,740	\$ 20,028,264	\$ 21,116,265	\$ 421,237,739	\$ 18,153,197

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, 2025 totaled \$191,786,679. The County's legal debt margin for general obligation debt at year end was \$474,789,583. 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, 2025
(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, 2025, \$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 (EPA) on November 18, 1993. While the general work has been completed, in 2017 the EPA requested that additional groundwater characterization be determined which led to an approved workplan in May 2019 with the EPA for additional investigation. This workplan included additional monitoring wells and increased the scope of the site groundwater monitoring program. The County is currently performing the required maintenance and monitoring functions. The estimated cost to comply with post-closure regulations is \$539,000. 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 four fiscal years. Changes in the liability during the past two years are as follows:

	<u>Governmental</u>	
	<u>2025</u>	<u>2024</u>
Unpaid claims, beginning balance	\$13,637,410	\$15,964,708
Incurred claims	5,444,270	319,310
Claim payments and adjustments	<u>(4,278,475)</u>	<u>(2,646,608)</u>
Unpaid claims, ending balance	<u>\$14,803,205</u>	<u>\$13,637,410</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(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.

The County is a defendant in various litigation matters involving administrative law claims, tax-related claims, allegations of wrongful discharge and other employment-related claims, use of excessive force, civil rights violations, and automobile accident claims. 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.

Additionally, the County is involved in a number of other actions related to tax billings, property assessments, land use appeals, and other matters. In February 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 a contract with a third-party vendor to conduct a general reassessment. Through 6/30/25, \$16.2 million in reassessment expenses have been paid from a reassessment reserve account initially funded with \$30.0 million. County Council adopted a resolution declaring its intention to not increase tax revenues following reassessment, which is otherwise permitted by Delaware law up to 15% compared to the previous fiscal year. The vendor completed the reassessment in February 2025. In the event claims relating to the vendor's contractual performance completing the reassessment are brought against the County, the vendor owes the County contractual defense and indemnity for those claims. The effective date of the reassessment was July 1, 2024, and the values of all parcels within the County are to be effective for the fiscal year beginning July 1, 2025. The County is now required by Delaware law to reassess property at least once every five years, which will result in future assessment-related expenses.

Overall, reassessment is expected to have no material impact on the County's property tax collections. The Office of Finance certified to County Council in May 2025 that the total value of all real property in the County which has been assessed and subject to taxation is \$96.92 billion net of tax exemptions. The general reassessment prompted the filing of 5,208 formal appeals with the New Castle County Board of Assessment Review, with an estimated total \$1.61 billion of assessment subject to taxation that is at-risk pending resolution of the formal appeals. The Board of Assessment Review will begin to hold hearings for the formal appeals during the summer of 2025, and it is anticipated it will take several months to resolve them all. Based on the estimated at-risk assessments, the County established a revenue neutral target for the fiscal year beginning July 1, 2025, which included assumptions for tax collections and assessment appeals with unknown outcomes. County Council adopted property tax rates which, in conjunction with other anticipated sources of revenue, are estimated to yield sufficient revenue to balance the proposed budget for the fiscal year beginning July 1, 2025.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(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, 2025, 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 \$20,340,164 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.
- **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** (\$1,913,833): Prepaid costs are reserved to cover charges that will be incurred within the next ninety days.
- **Restricted:**
 - **Light tax** (\$1,809,353): This balance is restricted for lighting costs financed with revenues from users within the light districts.
 - **Crossing guard** (\$1,125,867): This balance is restricted for school crossing guard costs financed with revenues from users within the school districts.
 - **Garstin trust** (\$3,905,635): This balance is restricted for the care, maintenance, and upkeep of parks in New Castle County.
 - **Housing trust** (\$12,890,331): This balance is restricted for costs to construct, purchase, and maintain permanently affordable housing units.
 - **Grants** (\$2,298,328): This balance is restricted for use in accordance with the purpose of grant agreements.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(18) Fund Balance (Continued):

- **Capital projects** (\$1,278,432): This balance is restricted for acquisition or construction of capital facilities or equipment other than those financed by proprietary funds.
- **Committed:**
 - **Budget reserve** (\$46,910,980): The budget reserve was legislated to set aside resources of twenty percent of the General Fund's Fiscal Year 2025 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** (\$81,069,001): 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** (\$38,098,171): 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** (\$11,270): County Council is authorized to appropriate this fund balance.
 - **Reassessment Reserve** (\$2,000,000): County Council is authorized to appropriate this fund balance.
- **Assigned:**
 - **Hope Center** (\$1,369,683): These funds are used to account for activities related to the Hope Center.
 - **Departmental purposes** (\$2,027,104): 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, 2025. County Council appropriated fund balance for these encumbrances. The separation of these funds by function is detailed below:
 - **General Government** - \$464,293
 - **Public Works** - \$632,186
 - **Community Services** - \$227,453
 - **Land Use** - \$30,858
 - **Public Safety** - \$380,996
 - **Judiciary Offices** - \$22,970
 - **Crossing Guard** - \$268,348

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(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, 2024, the date of the latest actuarial valuation:

Medical/Drug		Life	
Actives	1,293	Actives	1,293
Retirees	909	Retirees	909
Total	<u>2,202</u>		<u>2,202</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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 2025, the County contributed \$6,733,001 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, 2025:

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, 2025
(Continued)

(19) Other Post Employment Benefits (Continued):

Rate of Return:

For the year ended June 30, 2025, 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, 2025, were as follows:

Total OPEB Liability	\$128,460,413
Plan Fiduciary Net Position	<u>85,830,109</u>
County's Net OPEB Liability	<u>\$ 42,630,304</u>
Plan Fiduciary Net Position as a percentage of Total OPEB liability	66.8%

Actuarial Methods and Assumptions:

The total OPEB liability was determined by an actuarial valuation as of July 1, 2024, 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 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 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, 2025
(Continued)

(19) Other Post Employment Benefits (Continued):

Asset Class	Long-Term Expected Real Return - Portfolio	Weight
Domestic Equity	5.90%	35%
International Equity	6.25%	35%
Fixed Income – U.S.	2.50%	30%
Total Weighted Average Real Return	5.00%	100%
Plus Inflation	2.75%	
Total Return Without Adjustment	7.75%	
Risk Adjustment	-1.75%	
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:

	1% Decrease	Current Discount Rate	1% Increase
Discount rate	5.00%	6.00%	7.00%
Total OPEB Liability	\$ 144,505,119	\$ 128,460,413	\$ 115,049,146
Plan Net Position	85,830,109	85,830,109	85,830,109
Net OPEB Liability	\$ 58,675,010	\$ 42,630,304	\$ 29,219,037
Ratio of Plan Net Position to Total OPEB Liability	59.40%	66.81%	74.60%

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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	\$ 109,653,809	\$ 128,460,413	\$ 151,377,751
Plan Net Position	85,830,109	85,830,109	85,830,109
Net OPEB Liability	\$ 23,823,700	\$ 42,630,304	\$ 65,547,642
Ratio of Plan Net Position to Total OPEB Liability	78.27%	66.81%	56.70%

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, 2025, were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) – (b)
Balances at 6/30/24	\$144,105,011	\$74,799,193	\$69,305,818
Changes for the year:			
Service cost	4,156,135	-	4,156,135
Interest	8,726,184	-	8,726,184
Changes in benefit terms	-	-	-
Difference between expected & actual experience	(22,793,916)	-	(22,793,916)
Changes in assumptions	-	-	-
Contributions – employer	-	6,733,001	(6,733,001)
Contributions – employee	-	1,100,954	(1,100,954)
Net investment income	-	10,051,114	(10,051,114)
Benefit payments	(5,733,001)	(6,833,955)	1,100,954
Administrative expense	-	(20,198)	20,198
Net changes	(15,644,598)	11,030,916	(26,675,514)
Balances at 6/30/25	\$128,460,413	\$85,830,109	\$42,630,304

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(19) Other Post Employment Benefits (Continued):

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

As of June 30, 2025, \$2,008,432 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 \$40,621,872 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 \$1,812,772 in OPEB expense and as of June 30, 2025, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Experience (gain) or loss	\$ 348,234	\$ (28,978,481)
Changes of assumptions	5,511,717	-
Net difference between projected and actual earnings on plan investments	-	(5,705,138)
Total	<u>\$ 5,859,951</u>	<u>\$ (34,683,619)</u>

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

<u>Fiscal Year ended June 30</u>	<u>Amount</u>
2026	\$ (4,308,492)
2027	(7,077,491)
2028	(4,929,464)
2029	(3,960,505)
2030	(2,849,240)
After 2030	(5,698,476)
Total	<u>\$ (28,823,668)</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(19) Other Post Employment Benefits (Continued):

STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2025

ASSETS

Cash/Cash Equivalents	<u>\$ 1,743,984</u>
Investments:	
Mutual funds	<u>84,116,752</u>
Total assets	<u>85,860,736</u>

LIABILITIES

Vouchers payable and accrued expenses	<u>30,627</u>
Total liabilities	<u>30,627</u>

NET POSITION

Total Net Position	<u><u>\$ 85,830,109</u></u>
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NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(19) Other Post Employment Benefits (Continued):

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

Additions:

Contributions:

Plan members	\$ 1,100,954
New Castle County	6,733,001

Total contributions	7,833,955
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Investment income:

Net increase in fair value of investments	6,583,789
Interest, dividends, and other income, including realized gains/losses	3,530,144

Total investment income	10,113,933
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Less: investment expense	62,819
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Net investment income	10,051,114
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Total additions	17,885,069
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Deductions:

Benefit payments	6,833,955
Administrative expenses	20,198

Total deductions	6,854,153
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Net increase in net position	11,030,916
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Net position

Beginning of year	74,799,193
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End of year	\$ 85,830,109
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NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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 2025 was \$3,009,823.

(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, which as of January 2025 was extended through 2055. 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 \$199,179 in lease revenue and \$51,164 in interest revenue during the current fiscal year related to these leases. As of June 30, 2025, the County's lease receivable for lease payments is \$1.6 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, 2025, the deferred inflow of resources was \$1.4 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:

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>
ROU Equipment	\$ 5,459,157	\$ 17,750
ROU Buildings	2,204,951	-
Less: accumulated amortization	<u>(2,290,835)</u>	<u>(11,455)</u>
	<u>\$ 5,373,273</u>	<u>\$ 6,295</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(21) Leases (Continued):

Total future minimum lease payments under lease agreements 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>	
2026	\$ 713,474	\$ 210,399	\$ 6,044	\$ 145	\$ 930,062
2027	568,113	183,219	-	-	751,332
2028	534,995	159,573	-	-	694,568
2029	553,119	135,982	-	-	689,101
2030	579,152	111,443	-	-	690,595
2031-2035	2,035,586	225,504	-	-	2,261,090
2036 and thereafter	650,746	93,815	-	-	744,561
	<u>\$ 5,635,185</u>	<u>\$ 1,119,935</u>	<u>\$ 6,044</u>	<u>\$ 145</u>	<u>\$ 6,761,309</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 1.13% to 7.6% per annum.

The assets acquired through financed purchases are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Equipment	\$ 52,412,281	\$ 17,678,518
Less: accumulated depreciation	<u>(33,561,598)</u>	<u>(11,825,950)</u>
	<u>\$ 18,850,683</u>	<u>\$ 5,852,568</u>

Total future minimum payments under financed purchases agreements 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>	
2026	\$ 4,587,012	\$ 564,305	\$ 1,463,831	\$ 162,273	\$ 6,777,421
2027	4,301,407	370,450	1,273,595	111,892	6,057,344
2028	3,064,302	200,400	959,172	64,372	4,288,246
2029	1,964,617	77,258	600,883	29,520	2,672,278
2030	678,202	15,338	293,165	6,994	993,699
Total minimum payments	<u>\$ 14,595,540</u>	<u>\$ 1,227,751</u>	<u>\$ 4,590,646</u>	<u>\$ 375,051</u>	<u>\$ 20,788,988</u>

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Subscription assets	\$ 8,247,455	\$ 85,071
Less: accumulated amortization	<u>(2,110,915)</u>	<u>(25,403)</u>
	<u>\$ 6,136,540</u>	<u>\$ 59,668</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>	
2026	\$ 1,000,458	\$ 226,858	\$ 20,335	\$ 2,004	\$ 1,249,655
2027	1,028,598	182,187	21,250	1,089	1,233,124
2028	1,104,130	134,860	23,370	86	1,262,446
2029	540,240	106,438	-	-	646,678
2030	564,564	82,113	-	-	646,677
2031-2034	<u>1,850,841</u>	<u>89,192</u>	<u>-</u>	<u>-</u>	<u>1,940,033</u>
	<u>\$ 6,088,831</u>	<u>\$ 821,648</u>	<u>\$ 64,955</u>	<u>\$ 3,179</u>	<u>\$ 6,978,613</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 \$51,421 in PPP revenue and \$58,038 in interest revenue during the current fiscal year related to this PPP. As of June 30, 2025, the County's PPP receivable is \$1,341,986. 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, 2025, the deferred inflow of resources was \$1,135,289.

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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 \$75,806 in PPP revenue and \$35,465 in interest revenue during the current fiscal year related to this PPP. As of June 30, 2025, the County's PPP receivable is \$755,774. 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, 2025, the deferred inflow of resources was \$735,843.

BPG:

On June 18, 2024, the County entered into an agreement with BPG Kirkwood, LLC in regard to the Kirkwood Soccer Club. The terms of this agreement conclude March 31, 2050. The County granted BPG Kirkwood, LLC the right and privilege to operate, manage, maintain, improve and promote the Kirkwood Soccer Club. 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 3.64%. The County recognized \$3,905 in PPP revenue and \$1,992 in interest revenue during the current fiscal year related to this PPP. As of June 30, 2025, the County's PPP receivable is \$108,578. 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, 2025, the deferred inflow of resources was \$105,465.

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	785,608
PPP Equipment	1,564,247
Less: accumulated depreciation	(2,154,955)
	<u>\$ 2,936,014</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, 2025
(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, 2025
(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, 2025
(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 37.32% 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, 2024, valuation is used to establish the contribution level for the year ended June 30, 2025.

The total pension liability was determined as of June 30, 2025 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, 2025
(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. An updated experience study is currently being performed with data being available for next year's ACFR.

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, 2025, 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	5.82%	23%
International Equity	5.98%	17%
Fixed Income – U.S.	3.53%	31%
Real Estate	6.35%	10%
Private Markets	8.50%	13%
Hedge Funds	4.28%	5%
Cash	0.88%	1%
Total Weighted Average Real Return	5.41%	100%
Plus inflation	2.75%	
Total return without Adjustment	8.16%	
Risk adjustment	-1.16%	
Total Expected Return	7.00%	

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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 Single Discount Rate was based on an expected return on pension plan investments of 7.00% and a municipal bond rate of 5.20%. 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 2125.

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	\$865,118,133	\$769,424,638	\$689,026,528
Plan Net Position	574,460,128	574,460,128	574,460,128
Net Pension Liability	<u>\$290,658,005</u>	<u>\$194,964,510</u>	<u>\$114,566,400</u>
Ratio of Plan Net Position to Total Pension Liability	66.40%	74.66%	83.37%

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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, 2025, were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) – (b)
Balances at 6/30/24	\$751,696,216	\$540,417,864	\$211,278,352
Changes for the year:			
Service cost	7,122,318	-	7,122,318
Interest	51,071,738	-	51,071,738
Differences between expected and actual experience	10,856,621	-	10,856,621
Changes in benefit terms	-	-	-
Contributions – employer	-	30,750,958	(30,750,958)
Contributions – employee	-	3,073,153	(3,073,153)
Net investment income	-	52,541,571	(52,541,571)
Benefit payments, including refunds of employee contributions	(51,322,255)	(51,322,255)	-
Administrative expense	-	(1,001,163)	1,001,163
Net changes	17,728,422	34,042,264	(16,313,842)
Balances at 6/30/25	\$769,424,638	\$574,460,128	\$194,964,510

As of June 30, 2025, \$23,556,701 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 \$171,407,809 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 \$29,673,947 in Pension expense for fiscal year 2025 and as of June 30, 2025, 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	\$ 19,276,213	\$ (9,039,947)
Changes in actuarial assumptions	-	-
Net difference between projected and actual earnings on plan investments	490,329	-
Total	\$ 19,766,542	\$ (9,039,947)

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(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>	
2026	\$ 17,980,609
2027	(2,314,324)
2028	(2,802,035)
2029	(2,137,655)
Total	<u>\$ 10,726,595</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, 2025
(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, 2024.

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, 2025, 2024, and 2023: 14.98%, 12.74%, and 11.34%. The County's contributions to the plan for the same fiscal years were \$5,755,268; \$4,294,926, and \$3,869,384, 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, 2024 in the Schedule of Employer Allocations in the DPERS County and Municipal Police and Firefighters' Pension Plan report. The proportionate share percentage is 28.1%, a decrease of 1.5% from the year ending June 30, 2023.

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, 2025
(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	33.6%	5.7%
International equity	13.9%	5.7%
Fixed income	25.3%	2.0%
Alternative investments	21.7%	7.8%
Cash and equivalents	5.5%	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)	(\$77,121,000)	(\$15,997,152)	\$40,156,000
County's Proportionate Share	(\$21,640,859)	(\$4,488,948)	\$11,268,142

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 \$558,280 in Pension expense in fiscal year 2025 and, as of June 30, 2025 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, 2025
(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	\$ 5,755,268	\$ ---
Proportionate share increase	945,996	(82,434)
Experience (gain) or loss	10,246,709	(671,270)
Changes of assumptions	530,746	(1,562,091)
Net difference between projected and actual earnings on plan investments	4,357,391	-
Total	\$ 21,836,110	\$ (2,315,795)

The County reported \$5,755,268 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, 2026. 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>	
2026	\$ 1,812,244
2027	1,812,244
2028	1,812,244
2029	1,812,244
2030	1,812,244
2031-2034	4,703,827
Total	\$ 13,765,047

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	\$194,964,510	\$19,766,542	\$ (9,039,947)	\$29,673,947
DPERS (proportionate share)	4,488,948	21,836,110	(2,315,795)	558,280
Total Pension Plans	\$199,453,458	\$41,602,652	\$(11,355,742)	\$30,232,227

NEW CASTLE COUNTY, DELAWARE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025
(Continued)

(27) Tax Abatements:

There were no tax abatements granted during the fiscal year ended June 30, 2025 requiring disclosure under GASB Statement No. 77.

(28) Subsequent Events:

On July 22nd, 2025, the County issued \$76,060,000 (par amount) of General Obligation Bonds Series 2025, which will be used to fund various capital projects authorized by County Council: \$56,620,000 in the Capital Projects funds and \$19,440,000 in the Sewer Facilities fund. The coupon interest rates on the Series 2025 bonds range from 4.375% to 5.00% with a true interest cost (TIC) of 4.17% as a result of the bonds being issued at a premium. The last maturity date of the governmental bonds is October 1, 2045 and of the business-type bonds is October 1, 2054.

On November 25th, 2025, 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 \$17,679,097. The loan will be used to finance construction of the Richardson Park Sewage Pump Station and appurtenances, 625 linear feet of 42-inch gravity sewer, 70 linear feet of 36-inch gravity sewer and 520 linear feet of 24-inch and 30-inch ductile iron force main. The loan interest rate will be 2.00%, with the loan secured through a general obligation bond by the County. After the project has been completed, principal and interest payments shall be paid semi-annually in an amount sufficient to amortize the outstanding balance over twenty-five years.

Required Supplementary Information

NEW CASTLE COUNTY, DELAWARE EMPLOYEES' PENSION PROGRAM
(A Component Unit of New Castle County, Delaware)
Required Supplementary Information
June 30, 2025

Schedule of Changes in Net Pension Liability and Related Ratios*

	Fiscal Year 2025	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
Total Pension Liability										
Service Cost	\$ 7,122,318	\$ 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
Interest	51,071,738	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
Changes in benefit terms	-	1,564,581	-	-	-	-	-	-	-	-
Difference between expected and actual experience	10,856,621	(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
Changes in assumptions	-	-	-	-	30,811,236	-	39,786,800	-	(1,789,625)	11,647,493
Benefit payments, including refunds	(51,322,255)	(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)
Net Change in Total Pension Liability	17,728,422	(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
Total Pension Liability - Beginning 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
Total Pension Liability - End of Year	\$ 769,424,638	\$ 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
Plan Fiduciary Net Position										
Contributions - employer	\$ 30,750,958	\$ 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
Contributions - member	3,073,153	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
Net investment income (loss)	52,541,571	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)
Benefit payments, including refunds	(51,322,255)	(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)
Administrative expenses	(677,084)	(635,841)	(636,549)	(615,712)	(574,320)	(743,098)	(830,410)	(717,800)	(682,369)	(660,453)
Other expenses	(324,079)	(23,988)	(64,800)	(56,465)	(107)	(31,633)	(61,202)	(16,704)	(33,285)	-
Net Change in Plan Fiduciary Net Position	34,042,264	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)
Plan Fiduciary Net Position - Beginning 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
Plan Fiduciary Net Position - End of Year	\$ 574,460,128	\$ 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
Net Pension Liability - Beginning 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
Net Pension Liability - End of Year	\$ 194,964,510	\$ 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
Plan Fiduciary Net Position as a percentage of Total Pension Liability	74.7%	71.9%	67.3%	68.6%	77.9%	69.2%	70.2%	74.2%	72.2%	68.5%
Covered Payroll	\$ 76,511,233	\$ 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
Net Pension Liability as a percentage of Covered Payroll	254.8%	288.8%	357.1%	337.0%	237.1%	319.9%	306.8%	245.9%	265.4%	298.1%

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 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 Component Unit of New Castle County, Delaware)
Required Supplementary Information
June 30, 2025

SCHEDULE OF COUNTY CONTRIBUTIONS
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 30,750,958	\$ 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
Contributions in relation to the actuarially determined contribution	30,750,958	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
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 76,511,233	\$ 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
Contributions as a percentage of covered payroll	40.19%	51.27%	41.00%	45.20%	45.43%	42.00%	35.86%	35.95%	27.97%	27.60%

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. 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, 2025

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:

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportionate share of the net pension asset/(liability)	28%	30%	31%	32%	32%	33%	33%	33%	33%	33%
County's proportionate share of the net pension asset/(liability)	\$ 4,488,948	\$ 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	\$ 38,406,165	\$ 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	11.7%	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%	97.6%	102.0%	128.2%	96.7%	93.3%	94.1%	97.0%	94.7%	102.0%

NEW CASTLE COUNTY, DELAWARE
DPERS County and Municipal Police and Firefighters' Pension Plan
Required Supplementary Information
June 30, 2025

SCHEDULE OF COUNTY CONTRIBUTIONS
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Required contribution	\$ 5,753,243	\$ 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
Contributions in relation to the required contribution	5,755,268	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
Contribution deficiency/(excess)	<u>\$ (2,025)</u>	<u>\$ (1,663)</u>	<u>\$ (17,427)</u>	<u>\$ (30)</u>	<u>\$ (42,957)</u>	<u>\$ (4,190)</u>	<u>\$ (10)</u>	<u>\$ (58,940)</u>	<u>\$ (37,014)</u>	<u>\$ (826)</u>
Covered payroll	\$38,406,165	\$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
Contributions as a percentage of covered payroll	14.99%	12.74%	11.39%	16.03%	16.73%	16.85%	16.68%	11.63%	13.91%	13.85%

NEW CASTLE COUNTY, DELAWARE
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

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

<u>Total OPEB Liability</u>	<u>Fiscal Year 2025</u>	<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>
Service Cost	\$ 4,156,135	\$ 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	8,726,184	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	(22,793,916)	-	870,588	-	(31,618,315)	-	(12,553,801)	-	-
Changes in assumptions	-	-	-	-	19,291,017	-	6,494,167	-	-
Benefit payments, including refunds	(5,733,001)	(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	(15,644,598)	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	144,105,011	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	\$ 128,460,413	\$ 144,105,011	\$ 137,295,480	\$ 130,406,146	\$ 124,049,236	\$ 130,880,687	\$ 123,699,357	\$ 218,610,414	\$ 207,020,478
<u>Plan Fiduciary Net Position</u>									
Contributions - employer	\$ 6,733,001	\$ 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	10,051,114	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	(5,733,001)	(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	(20,198)	(3,452)	(20,581)	(4,558)	(16,501)	(9,241)	(15,478)	(4,010)	(16,475)
Net Change in Plan Fiduciary Net Position	11,030,916	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	74,799,193	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	\$ 85,830,109	\$ 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	\$ 69,305,818	\$ 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	\$ 42,630,304	\$ 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	66.8%	51.9%	47.4%	44.3%	53.7%	39.1%	39.0%	20.4%	19.5%
Covered Payroll	\$ 114,917,397	\$ 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	37.1%	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, 2025

SCHEDULE OF COUNTY CONTRIBUTIONS
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 8,050,517	\$ 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
Contributions in relation to the actuarially determined contribution	6,733,001	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
Contribution deficiency	<u>\$ 1,317,516</u>	<u>\$ 3,330,551</u>	<u>\$ 3,298,901</u>	<u>\$ 3,138,844</u>	<u>\$ 1,299,248</u>	<u>\$ 4,411,627</u>	<u>\$ 3,646,943</u>	<u>\$ 10,304,169</u>	<u>\$ 8,381,992</u>	<u>\$ 7,698,183</u>
Covered payroll	\$114,917,397	\$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
Contributions as a percentage of covered payroll	5.86%	6.12%	6.25%	5.72%	7.64%	5.61%	6.26%	8.94%	11.29%	11.49%

SCHEDULE OF INVESTMENT RETURNS
Last 10 Fiscal Years*

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expenses	13.40%	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, 2025**

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, 2024.

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.

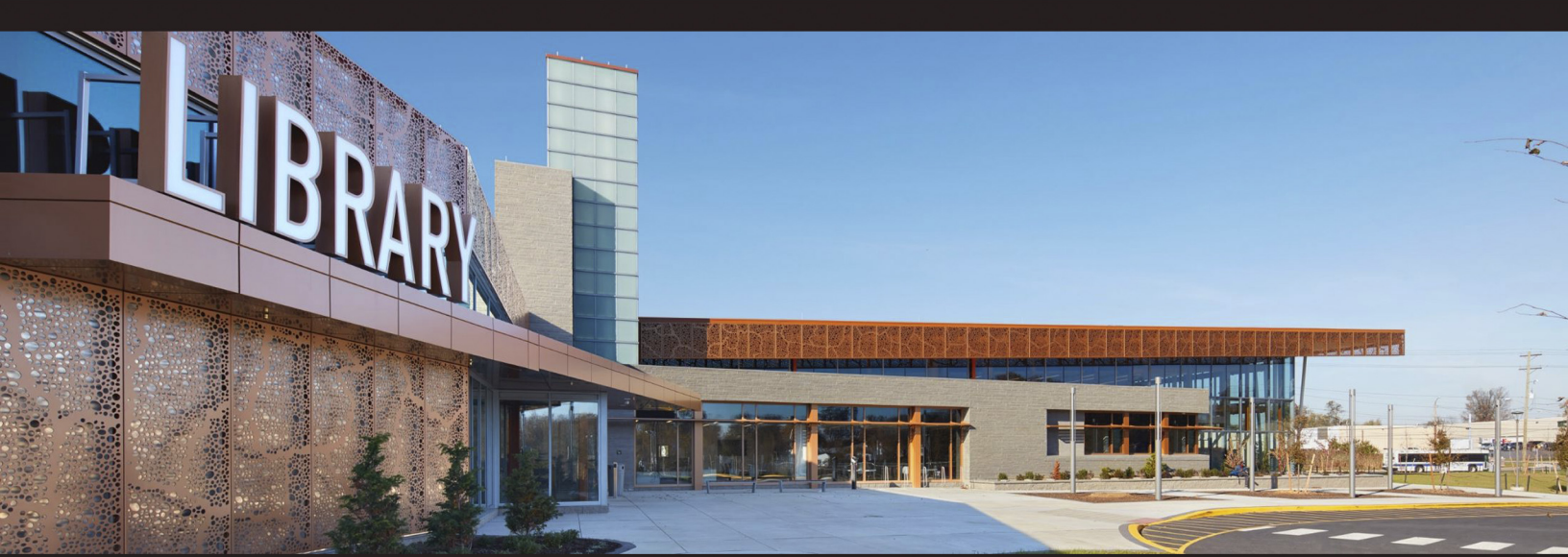
Changes of benefit terms: There was a significant decrease in the cost of the post-Medicare (post-65) plan premiums from \$417.30 per month in 2016 to \$110.23 per month in 2018. This accounted for nearly all of the large decrease in the County's total OPEB liability. The retiree cost share for retirees 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, 2025

	Special Revenue					Capital Projects					
					Total Special Revenue Funds	Facilities and Equipment	Park Development	Public Safety	Miscellaneous Capital Improvements	Total Capital Projects Funds	Total Nonmajor Governmental Funds
	Light Tax	Crossing Guard	Garstin Trust	Housing Trust							
ASSETS:											
Cash and cash equivalents	\$ -	\$ -	\$ 128,599	\$ 13,092,194	\$ 13,220,793	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,220,793
Investments	-	-	3,776,404	-	3,776,404	-	-	-	-	-	3,776,404
Receivables (net of allowances):											
Taxes, including interest and penalties	106,273	73,356	-	-	179,629	-	-	-	-	-	179,629
Other	-	-	632	-	632	-	-	-	-	-	632
Due from other funds	2,339,960	1,402,775	-	-	3,742,735	1,274,338	-	-	1,312,067	2,586,405	6,329,140
Due from other governments	-	-	-	-	-	457,696	19,762	-	-	477,458	477,458
Due from private sources	-	-	-	-	-	-	1,050	12,969	-	14,019	14,019
Prepaid costs	-	-	-	-	-	69,655	-	-	-	69,655	69,655
Total assets	\$ 2,446,233	\$ 1,476,131	\$ 3,905,635	\$ 13,092,194	\$ 20,920,193	\$ 1,801,689	\$ 20,812	\$ 12,969	\$ 1,312,067	\$ 3,147,537	\$ 24,067,730
LIABILITIES:											
Vouchers payable and accrued expenditures	\$ 636,880	\$ 13,410	\$ -	\$ 201,863	\$ 852,153	\$ 1,425,489	\$ 1,220,254	\$ 528,955	\$ 148,898	\$ 3,323,596	\$ 4,175,749
Due to other funds	-	-	-	-	-	-	2,903,531	292,483	-	3,196,014	3,196,014
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	191,282	35,276	410,112	-	636,670	636,670
Total liabilities	636,880	13,410	-	201,863	852,153	1,616,771	4,159,061	1,231,550	148,898	7,156,280	8,008,433
DEFERRED INFLOWS OF RESOURCES:											
Unavailable revenue-property taxes	-	68,506	-	-	68,506	-	-	-	-	-	68,506
FUND BALANCES:											
Nonspendable:											
Prepaid costs						69,655	-	-	-	69,655	69,655
Restricted for:											
Light tax	1,809,353	-	-	-	1,809,353	-	-	-	-	-	1,809,353
Crossing guard	-	1,125,867	-	-	1,125,867	-	-	-	-	-	1,125,867
Garstin trust	-	-	3,905,635	-	3,905,635	-	-	-	-	-	3,905,635
Housing trust	-	-	-	12,890,331	12,890,331	-	-	-	-	-	12,890,331
Capital projects	-	-	-	-	-	115,263	-	-	1,163,169	1,278,432	1,278,432
Assigned for:											
Crossing guard	-	268,348	-	-	268,348	-	-	-	-	-	268,348
Unassigned (Note 18)	-	-	-	-	-	-	(4,138,249)	(1,218,581)	-	(5,356,830)	(5,356,830)
Total fund balances	1,809,353	1,394,215	3,905,635	12,890,331	19,999,534	184,918	(4,138,249)	(1,218,581)	1,163,169	(4,008,743)	15,990,791
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,446,233	\$ 1,476,131	\$ 3,905,635	\$ 13,092,194	\$ 20,920,193	\$ 1,801,689	\$ 20,812	\$ 12,969	\$ 1,312,067	\$ 3,147,537	\$ 24,067,730

NEW CASTLE COUNTY, DELAWARE
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	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	\$ 7,930,698	\$ 3,889,678	\$ -	\$ -	\$ 11,820,376	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,820,376
Charges for Service	-	-	-	27,671	27,671	-	-	-	-	-	27,671
Licenses and permits	-	-	-	213,653	213,653	-	-	-	-	-	213,653
Intergovernmental	-	-	-	-	-	2,321,950	38,666	500,000	-	2,860,616	2,860,616
Investment income	-	-	212,371	-	212,371	-	-	-	-	-	212,371
Net appreciation in fair value of investments	-	-	195,264	-	195,264	-	-	-	-	-	195,264
Miscellaneous Revenue	-	-	-	-	-	241,423	-	12,969	-	254,392	254,392
Total revenues	7,930,698	3,889,678	407,635	241,324	12,469,335	2,563,373	38,666	512,969	-	3,115,008	15,584,343
Expenditures:											
Current:											
General government	8,088,011	1,144,491	-	-	9,232,502	-	-	-	-	-	9,232,502
Public safety	-	2,369,610	-	-	2,369,610	-	-	-	-	-	2,369,610
Public Works	-	-	184,106	-	184,106	-	-	-	-	-	184,106
Community Services	-	-	-	2,451,018	2,451,018	-	-	-	-	-	2,451,018
Capital outlays	-	-	-	-	-	20,397,900	8,349,975	10,408,186	5,429,501	44,585,562	44,585,562
Total expenditures	8,088,011	3,514,101	184,106	2,451,018	14,237,236	20,397,900	8,349,975	10,408,186	5,429,501	44,585,562	58,822,798
Excess (deficiency) of revenues over expenditures	(157,313)	375,577	223,529	(2,209,694)	(1,767,901)	(17,834,527)	(8,311,309)	(9,895,217)	(5,429,501)	(41,470,554)	(43,238,455)
Other Financing Sources (Uses):											
Transfers in	-	-	-	-	-	6,510,906	4,500,000	400,515	5,000,000	16,411,421	16,411,421
Transfers out	-	-	-	-	-	(2,350,000)	(1,250,000)	-	-	(3,600,000)	(3,600,000)
Financed purchases	-	-	-	-	-	7,218,926	-	-	-	7,218,926	7,218,926
Leases payable/SBITAs	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	11,379,832	3,250,000	400,515	5,000,000	20,030,347	20,030,347
Net change in fund balances	(157,313)	375,577	223,529	(2,209,694)	(1,767,901)	(6,454,695)	(5,061,309)	(9,494,702)	(429,501)	(21,440,207)	(23,208,108)
Fund Balances:											
Beginning 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
End of year	<u>\$ 1,809,353</u>	<u>\$ 1,394,215</u>	<u>\$ 3,905,635</u>	<u>\$ 12,890,331</u>	<u>\$ 19,999,534</u>	<u>\$ 184,918</u>	<u>\$ (4,138,249)</u>	<u>\$ (1,218,581)</u>	<u>\$ 1,163,169</u>	<u>\$ (4,008,743)</u>	<u>\$ 15,990,791</u>

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, 2025

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 7,877,484	\$ 7,877,484	\$ 7,930,698	\$ 53,214
Expenditures:				
General government	8,496,529	8,496,529	8,088,011	408,518
Excess (deficiency) of revenues over expenditures	(619,045)	(619,045)	(157,313)	461,732
Fund Balance:				
Beginning of year	1,966,666	1,966,666	1,966,666	-
End of year	<u>\$ 1,347,621</u>	<u>\$ 1,347,621</u>	<u>\$ 1,809,353</u>	<u>\$ 461,732</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, 2025 (1)

	Actual			
	Prior Years	Current Year	Total to Date	Grant Budget
Revenues:				
Intergovernmental	\$ 997,416,863	\$ 78,108,492	\$ 1,075,525,355	1,149,754,490
Charges for services	69,804,026	2,081,904	71,885,930	74,863,227
Investment income	10,162,440	105,986	10,268,426	2,182,182
Total revenues	1,077,383,329	80,296,382	1,157,679,711	1,226,799,899
Expenditures:				
General government	378,152,181	35,300,905	413,453,086	440,557,234
Public safety	95,339,435	2,656,830	97,996,265	101,298,087
Public works	1,744,304	6,234,344	7,978,648	9,655,905
Community services	625,545,580	31,067,804	656,613,384	700,712,175
Land use	5,417,043	-	5,417,043	5,626,362
Total expenditures	1,106,198,543	75,259,883	1,181,458,426	1,257,849,763
Deficiency of revenues over expenditures	(28,815,214)	5,036,499	(23,778,715)	(31,049,864)
Other Financing Sources:				
Leases	4,675	-	4,675	-
Net transfers in	31,074,691	(8,176,599)	22,898,092	31,049,864
Sale of capital assets	30,539	900	31,439	-
Total Financing Sources	31,109,905	(8,175,699)	22,934,206	31,049,864
Net change in fund balance	\$ 2,294,691	(3,139,200)	\$ (844,509)	\$ -
Fund Balance:				
Beginning of year		2,294,691		
End of year		\$ (844,509)		

(1) Encompassing current grant file information.

NEW CASTLE COUNTY, DELAWARE

CAPITAL PROJECTS FUNDS

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

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2025

	Actual			
	Prior Years	Current Year	Total to Date	Project Authorization
Revenues:				
Intergovernmental	\$ 41,409,526	\$ 2,860,616	\$ 44,270,142	\$ 61,033,598
Contributions from Private Sources	3,107,425	-	3,107,425	3,413,626
Other	7,651,440	254,392	7,905,832	9,013,757
Total revenues	52,168,391	3,115,008	55,283,399	73,460,981
Expenditures:				
General government	30,485,078	5,429,501	35,914,579	40,066,513
Public safety	35,386,984	10,408,186	45,795,170	51,445,462
Public works	155,136,752	26,210,127	181,346,879	229,943,155
Community services	38,971,335	2,537,748	41,509,083	82,497,940
Total expenditures	259,980,149	44,585,562	304,565,711	403,953,070
Deficiency of revenues over expenditures	(207,811,758)	(41,470,554)	(249,282,312)	(330,492,089)
Other Financing Sources/(Uses):				
Debt issuance	154,779,166	-	154,779,166	254,298,328
Bond premium	11,588,259	-	11,588,259	11,592,846
Financed purchases	7,376,614	7,218,926	14,595,540	-
Leases	1,989	-	1,989	-
SBITAs	1,529,775	-	1,529,775	-
Net transfers	49,967,419	12,811,421	62,778,840	64,600,915
Total other financing sources	225,243,222	20,030,347	245,273,569	330,492,089
Net change in fund balances	\$ 17,431,464	(21,440,207)	\$ (4,008,743)	\$ -
Fund Balances:				
Beginning of year		17,431,464		
End of year		\$ (4,008,743)		

(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, 2025

	Budgeted Amounts			Variance with Final Budget (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 3,868,690	\$ 3,868,690	\$ 3,889,678	\$ 20,988
Expenditures:				
General government	1,144,491	1,144,491	1,144,491	-
Public safety	2,761,199	2,761,199	2,369,610	391,589
Total expenditures	3,905,690	3,905,690	3,514,101	391,589
Other Financing Sources:				
Leases	-	-	-	-
Operating Transfers in	-	-	-	-
Operating Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES	-	-	-	-
Net change in fund balance	(37,000)	(37,000)	375,577	412,577
Fund Balance:				
Beginning of year	1,018,638	1,018,638	1,018,638	-
End of year	\$ 981,638	\$ 981,638	\$ 1,394,215	\$ 412,577

NEW CASTLE COUNTY, DELAWARE

BALANCE SHEET BY SUBFUND

GENERAL FUND

June 30, 2025

General Fund

	General	Jean W. Sinclair Trust	Reassessment Reserve	Hope Center	Total General Fund
ASSETS:					
Cash and cash equivalents	\$ 71,201,465	\$ 11,270	\$ 2,000,000	\$ 984,602	\$ 74,197,337
Investments	149,160,397	-	-	-	149,160,397
Receivables (net of allowances):					
Taxes, including interest and penalties	3,011,685	-	-	-	3,011,685
Accounts	4,209,631	-	-	705,307	4,914,938
Lease	1,634,795	-	-	-	1,634,795
Lease - PPP	2,206,337	-	-	-	2,206,337
Other	365,682	-	-	-	365,682
Due from other funds	-	-	-	-	-
Cash - restricted	3,081,720	-	-	-	3,081,720
Capital assets held for resale	373,338	-	-	-	373,338
Prepaid costs	1,844,178	-	-	-	1,844,178
Total assets	\$ 237,089,228	\$ 11,270	\$ 2,000,000	\$ 1,689,909	\$ 240,790,407
LIABILITIES:					
Vouchers payable and accrued expenditures	\$ 22,746,570	\$ -	\$ -	\$ 139,212	\$ 22,885,782
Due to other funds	3,133,126	-	-	-	3,133,126
Other liabilities	13,994,201	-	-	-	13,994,201
Escrowed amounts	15,208,484	-	-	-	15,208,484
Unearned revenues	373,338	-	-	-	373,338
Total liabilities	55,455,719	-	-	139,212	55,594,931
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue-lease receivable	1,395,491	-	-	-	1,395,491
Unavailable revenue-lease receivable-PPP	1,976,598	-	-	-	1,976,598
Unavailable revenue-room rentals	-	-	-	129,276	129,276
Unavailable revenue-hotel tax	711,033	-	-	-	711,033
Unavailable revenue-property taxes	2,814,733	-	-	-	2,814,733
Total deferred inflows of resources	6,897,855	-	-	129,276	7,027,131
FUND BALANCES:					
Nonspendable:					
Prepaid costs	1,844,178	-	-	-	1,844,178
Committed to:					
Budget reserve	46,910,980	-	-	-	46,910,980
Tax stabilization reserve	81,069,001	-	-	-	81,069,001
Transfer tax proceeds	38,098,171	-	-	-	38,098,171
Library	-	11,270	-	-	11,270
Reassessment Reserve	-	-	2,000,000	-	2,000,000
Assigned to:					
Hope Center	-	-	-	1,369,683	1,369,683
Other departmental purposes	1,707,018	-	-	51,738	1,758,756
Unassigned	5,106,306	-	-	-	5,106,306
Total fund balances	174,735,654	11,270	2,000,000	1,421,421	178,168,345
Total liabilities, deferred inflows of resources, and fund balances	\$ 237,089,228	\$ 11,270	\$ 2,000,000	\$ 1,689,909	\$ 240,790,407

NEW CASTLE COUNTY, DELAWARE

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

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2025

	General Fund				
	General	Jean W. Sinclair Trust	Reassessment Reserve	Hope Center	Total General Fund
Revenues:					
Taxes	\$ 180,730,350	\$ -	\$ -	\$ -	\$ 180,730,350
Charges for services	22,740,912	-	-	2,263,098	25,004,010
Licenses and permits	8,504,272	-	-	-	8,504,272
Intergovernmental	13,404,302	-	-	-	13,404,302
Lease revenue	250,343	-	-	-	250,343
PPP revenue	226,627	-	-	-	226,627
Investment income (loss)	12,307,535	493	-	-	12,308,028
Net appreciation in fair value of investments	3,546,197	-	-	-	3,546,197
Rentals	549,449	-	-	-	549,449
Miscellaneous	2,534,750	-	-	37,057	2,571,807
Total revenues	244,794,737	493	-	2,300,155	247,095,385
Expenditures:					
Current:					
General government	25,616,526	-	-	-	25,616,526
Public safety	126,751,717	-	-	-	126,751,717
Public works	19,709,811	-	-	-	19,709,811
Community services	27,055,358	-	-	1,995,896	29,051,254
Land use	13,271,330	-	-	-	13,271,330
Judiciary offices	7,032,711	-	-	-	7,032,711
Debt service:					
Principal	16,770,000	-	-	-	16,770,000
Interest and other charges	4,069,374	-	-	-	4,069,374
Total expenditures	240,276,827	-	-	1,995,896	242,272,723
Excess (deficiency) of revenues over expenditures	4,517,910	493	-	304,259	4,822,662
Other Financing Sources (Uses):					
Transfers in	8,242,123	-	-	-	8,242,123
Transfers out	(7,876,945)	-	(5,000,000)	-	(12,876,945)
Lease payable/SBITAs	247,821	-	-	-	247,821
Sale of capital assets	801,409	-	-	-	801,409
Total other financing sources (uses)	1,414,408	-	(5,000,000)	-	(3,585,592)
Net change in fund balances	5,932,318	493	(5,000,000)	304,259	1,237,070
Fund Balances:					
Beginning of year	168,803,336	10,777	7,000,000	1,117,162	176,931,275
End of year	\$ 174,735,654	\$ 11,270	\$ 2,000,000	\$ 1,421,421	\$ 178,168,345

NEW CASTLE COUNTY, DELAWARE
COMBINING STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

June 30, 2025

	Pension Trust	Other Postemployment Benefits Trust	Total Fiduciary Funds
ASSETS			
Cash and cash equivalents (Note 2)	\$ 8,279,661	\$ 1,743,984	\$ 10,023,645
Investments: (Note 2)			
Common and preferred stock	69,565,803	-	69,565,803
Mutual funds	82,299,021	84,116,752	166,415,773
Real estate equity funds	6,300,805	-	6,300,805
Collective trusts	339,837,138	-	339,837,138
Private equity	66,502,611	-	66,502,611
Receivables (net of allowances):			
Other (Note 4)	2,312,143	-	2,312,143
Total assets	575,097,182	85,860,736	660,957,918
LIABILITIES			
Vouchers payable and accrued expenses	637,054	30,627	667,681
Total liabilities	637,054	30,627	667,681
NET POSITION			
Total Net Position	\$ 574,460,128	\$ 85,830,109	\$ 660,290,237

NEW CASTLE COUNTY, DELAWARE
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Pension Trust	Other Postemployment Benefits Trust	Total Fiduciary Funds
Additions:			
Contributions:			
Plan members	\$ 3,073,153	\$ 1,100,954	\$ 4,174,107
New Castle County	27,741,135	6,733,001	34,474,136
State of Delaware	3,009,823	-	3,009,823
Other contributions	2,713	-	2,713
Total contributions	33,826,824	7,833,955	41,660,779
Investment income:			
Net increase in fair value of investments	34,176,514	6,583,789	40,760,303
Interest, dividends, and other income, including realized gains/losses	20,539,586	3,530,144	24,069,730
Total investment income	54,716,100	10,113,933	64,830,033
Less investment expense	2,177,242	62,819	2,240,061
Net investment income	52,538,858	10,051,114	62,589,972
Total additions	86,365,682	17,885,069	104,250,751
Deductions:			
Benefit payments	50,978,072	6,833,955	57,812,027
Refunds of contributions	344,183	-	344,183
Administrative expenses	677,084	20,198	697,282
Other expenses, net	324,079	-	324,079
Total deductions	52,323,418	6,854,153	59,177,571
Net increase in net position	34,042,264	11,030,916	45,073,180
Net position			
Beginning of year	540,417,864	74,799,193	615,217,057
End of year	<u>\$ 574,460,128</u>	<u>\$ 85,830,109</u>	<u>\$ 660,290,237</u>

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

Exhibit

Financial Trends

B-1 to B-5

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

Revenue Capacity

C-1 to C-4

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

Debt Capacity

D-1 to D-4

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.

Demographic and Economic Information

E-1 to E-2

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

Operating Information

F-1 to F-3

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.

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)

	2016 (1)	2017	2018 (2)	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$120,590	\$121,493	\$132,728	\$138,622	\$147,889	\$180,154	\$175,526	\$192,425	\$215,153	\$247,662
Restricted	11,699	15,942	14,031	13,406	12,253	10,610	36,965	38,905	23,857	22,098
Unrestricted	(146,974)	(167,609)	(241,937)	(163,882)	(132,142)	(87,236)	(57,279)	(70,404)	(70,289)	(86,945)
Total governmental activities net position	<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>	<u>\$ 182,815</u>
Business-type activities										
Net investment in capital assets	\$149,931	\$129,604	\$131,750	\$128,142	\$128,231	\$142,924	\$121,485	\$123,898	\$120,800	\$123,161
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	13,066	26,181	10,697	26,770	27,184	7,290	20,279	16,363	18,877	20,340
Total business-type activities net position	<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>	<u>\$143,501</u>
Primary government										
Net investment in capital assets	\$270,521	\$251,097	\$264,478	\$266,764	\$276,120	\$323,078	\$297,011	\$316,323	\$335,953	\$370,823
Restricted	11,699	15,942	14,031	13,406	12,253	10,610	36,965	38,905	23,857	22,098
Unrestricted	(133,908)	(141,428)	(231,240)	(137,112)	(104,958)	(79,946)	(37,000)	(54,041)	(51,412)	(66,605)
Total primary government net position	<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>	<u>\$326,316</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	2016 (1)	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
General government	\$ 33,516	\$ 36,884	\$ 30,391	\$ 29,813	\$ 59,467	\$ 276,859	\$ 70,407	\$ 42,624	\$ 62,273	\$ 74,895
Public safety	109,328	115,072	118,764	119,453	91,935	76,399	109,890	136,994	134,116	135,203
Public works	19,627	23,836	22,439	27,144	22,941	29,068	29,829	27,145	31,656	32,610
Community services	46,751	47,408	48,665	50,402	48,857	48,627	52,701	59,254	61,161	66,433
Land use	12,503	12,382	12,121	13,138	12,260	12,700	13,301	13,232	12,315	13,355
Judiciary offices	7,306	7,342	7,238	7,373	6,582	6,725	6,632	7,075	6,696	7,056
Interest on long-term debt	6,764	6,891	7,471	7,147	6,052	5,470	5,012	5,867	3,910	3,404
Total governmental activities expenses	<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>	<u>332,956</u>
Business-type activities:										
Sewer facilities	80,756	80,047	80,586	86,076	84,732	87,420	96,660	91,414	92,900	91,044
New Castle County airport	2	1	-	-	-	-	-	-	-	-
Total business-type activities expenses	<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>	<u>91,044</u>
Total primary government expenses	<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>	<u>424,000</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Land use	9,133	9,916	10,525	12,377	13,677	11,413	12,111	13,223	13,005	13,299
Judiciary offices	15,669	18,078	17,772	14,824	14,297	17,252	17,232	12,776	12,486	14,059
Other activities	11,341	11,245	11,428	10,849	10,709	9,871	15,965	15,963	17,723	14,268
Operating grants and contributions	30,494	31,752	32,917	33,325	62,839	305,240	78,091	49,439	78,453	92,851
Capital grants and contributions	4,541	7,460	5,862	4,447	3,632	5,064	10,890	6,882	5,749	3,115
Total governmental activities program revenues	<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>	<u>137,592</u>
Business-type activities:										
Charges for services-Sewer	71,918	72,049	71,702	82,421	79,607	79,373	88,187	86,653	89,183	91,164
Operating grants and contributions	1,866	488	932	992	1,065	2,694	1,912	1,207	971	1,014
Capital grants and contributions	-	-	-	-	-	-	-	451	225	27
Total business-type activities program revenues	<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>	<u>92,205</u>
Total primary government program revenues	<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>	<u>229,797</u>
Net (Expense) Revenue										
Governmental activities	(164,617)	(171,364)	(168,585)	(178,648)	(142,940)	(107,008)	(153,483)	(193,908)	(184,711)	(195,364)
Business-type activities	(6,974)	(7,511)	(7,952)	(2,663)	(4,060)	(5,353)	(6,561)	(3,103)	(2,521)	1,161
Total primary government net expenses	<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>	<u>(194,203)</u>

NEW CASTLE COUNTY, DELAWARE

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Real estate tax	\$ 149,779	\$ 154,984	\$ 159,850	\$ 165,823	\$ 176,768	\$ 144,111	\$ 146,474	\$ 148,489	\$ 145,819	\$ 151,662
Transfer tax	-	-	-	-	-	35,761	63,468	43,892	31,750	38,790
Hotel tax	-	-	-	-	-	1,532	2,168	2,074	2,162	3,005
Unrestricted investment earnings	2,363	891	263	6,408	7,526	1,131	(6,942)	5,167	12,774	16,001
Transfers	-	-	-	-	(1,500)	-	-	-	-	-
Special item - effect of change in OPEB benefit terms	-	-	-	89,741	-	-	-	-	-	-
Total governmental activities	<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>	<u>209,458</u>
Business-type activities:										
Unrestricted investment earnings	790	299	844	2,923	3,062	153	(1,889)	1,600	1,937	2,663
Transfers	-	-	-	-	1,500	-	-	-	-	-
Special item - effect of change in OPEB benefit terms	-	-	-	12,205	-	-	-	-	-	-
Total business-type activities	<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>	<u>2,663</u>
Total primary government	<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>	<u>212,121</u>
Change in Net Position										
Government activities	(12,475)	(15,489)	(8,472)	83,324	39,854	75,527	51,685	5,714	7,794	14,094
Business-type activities	(6,184)	(7,212)	(7,108)	12,465	502	(5,200)	(8,450)	(1,503)	(584)	3,824
Total primary government	<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>	<u>\$ 17,918</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)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Fund balances:										
Nonspendable	\$ 859,815	\$ 3,836,550	\$ 3,894,586	\$ 3,083,813	\$ 15,758	\$ 563,579	\$ 723,941	\$ 1,468,728	\$ 1,468,651	\$ 1,844,178
Committed	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	168,089,422
Assigned	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	3,128,439
Unassigned	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	5,106,306
Total general fund	<u>\$ 92,358,639</u>	<u>\$ 90,332,724</u>	<u>\$ 86,733,886</u>	<u>\$ 93,632,746</u>	<u>\$ 133,641,341</u>	<u>\$ 156,962,628</u>	<u>\$ 184,871,305</u>	<u>\$ 186,420,038</u>	<u>\$ 176,931,275</u>	<u>\$ 178,168,345</u>
All other governmental funds										
Fund balances:										
Nonspendable	\$ -	\$ -	\$ 101,270	\$ 46,389	\$ 3,794	\$ -	\$ -	\$ 38,968	\$ 3,081	\$ 69,655
Restricted	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	23,307,946
Assigned	-	-	268,348	268,348	268,348	268,348	268,348	268,348	268,348	268,348
Unassigned	(883,184)	-	(2,125,618)	-	-	(1,205,682)	-	-	-	(8,499,667)
Total all other governmental funds	<u>\$ 18,725,129</u>	<u>\$ 36,188,869</u>	<u>\$ 23,384,227</u>	<u>\$ 38,698,337</u>	<u>\$ 26,500,374</u>	<u>\$ 29,713,944</u>	<u>\$ 64,802,159</u>	<u>\$ 58,702,779</u>	<u>\$ 41,493,590</u>	<u>\$ 15,146,282</u>

NEW CASTLE COUNTY, DELAWARE

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes (1)	\$ 149,741	\$ 155,004	\$ 160,023	\$ 165,930	\$ 176,546	\$ 181,316	\$ 211,953	\$ 194,535	\$ 179,781	\$ 192,551
Charges for services	25,622	26,804	26,607	26,667	24,874	25,358	30,655	24,701	25,067	27,114
Licenses and permits	6,674	7,817	7,821	7,489	9,537	8,071	8,590	9,076	8,655	8,718
Intergovernmental	34,885	40,132	38,025	36,327	65,876	309,960	91,826	55,587	80,518	94,373
Lease revenue (4)	-	-	-	-	-	-	-	238	280	250
PPP revenue (5)	-	-	-	-	-	-	-	-	241	227
Investment income	2,365	1,346	531	6,597	7,672	2,160	(7,386)	8,716	17,918	16,368
Rentals	732	725	841	732	721	571	681	489	493	549
Contributions from private sources	778	10	-	30	-	688	-	42	-	-
Miscellaneous	1,503	1,741	2,742	2,139	4,031	3,072	2,828	4,477	4,972	2,826
Total revenues	<u>222,300</u>	<u>233,579</u>	<u>236,590</u>	<u>245,911</u>	<u>289,257</u>	<u>531,196</u>	<u>339,147</u>	<u>297,861</u>	<u>317,925</u>	<u>342,976</u>
Expenditures										
General government	23,649	26,221	26,609	24,777	56,002	298,458	64,482	38,993	61,894	70,150
Public safety	100,370	105,594	108,673	105,385	84,132	79,004	116,605	126,794	142,085	131,778
Public works	11,504	13,640	11,839	15,498	15,579	16,980	17,608	17,075	20,404	26,128
Community services	43,380	44,001	44,599	45,108	45,147	47,484	50,146	55,519	59,188	62,570
Land use	11,438	11,564	11,346	11,846	11,699	13,311	12,873	12,019	12,454	13,271
Judiciary offices	6,641	6,836	6,753	6,605	6,242	7,028	6,425	6,422	6,807	7,033
Capital outlays	26,930	39,049	25,488	28,201	24,049	25,475	30,947	31,691	44,525	44,586
Debt service										
Principal	10,242	13,103	13,335	14,031	14,285	13,185	13,305	14,995	15,590	16,770
Interest	7,390	6,611	7,363	6,963	7,225	6,682	5,713	5,147	4,545	4,069
Total expenditures	<u>241,544</u>	<u>266,619</u>	<u>256,005</u>	<u>258,414</u>	<u>264,360</u>	<u>507,607</u>	<u>318,104</u>	<u>308,655</u>	<u>367,492</u>	<u>376,355</u>
Excess of revenues over (under) expenditures	(19,244)	(33,040)	(19,415)	(12,503)	24,897	23,589	21,043	(10,794)	(49,567)	(33,379)
Other Financing Sources (Uses):										
Transfers in	6,170	4,278	6,218	6,362	5,400	23,525	17,070	22,224	24,328	24,775
Transfers out	(6,170)	(4,278)	(6,218)	(6,362)	(6,900)	(23,525)	(17,070)	(22,224)	(24,328)	(24,775)
Debt issuance	-	37,600	-	28,040	-	-	36,150	-	-	-
Bond premium (net of issuance costs)	-	2,409	-	2,050	-	-	3,855	-	-	-
Issuance of refunding bonds	-	2,210	-	-	-	-	57,450	-	-	-
Payment to refunded bond escrow agent (2)	-	-	-	-	-	-	(57,450)	-	-	-
Leases/financed purchases/SBITAs	2,807	5,952	2,786	4,205	4,277	2,637	1,425	3,296	22,469	7,467
Sale of capital assets	127	307	226	421	137	309	524	2,947	400	802
Total other financing sources (uses)	<u>2,934</u>	<u>48,478</u>	<u>3,012</u>	<u>34,716</u>	<u>2,914</u>	<u>2,946</u>	<u>41,954</u>	<u>6,243</u>	<u>22,869</u>	<u>8,269</u>
Net change in fund balances	<u>\$ (16,310)</u>	<u>\$ 15,438</u>	<u>\$ (16,403)</u>	<u>\$ 22,213</u>	<u>\$ 27,811</u>	<u>\$ 26,535</u>	<u>\$ 62,997</u>	<u>\$ (4,551)</u>	<u>\$ (26,698)</u>	<u>\$ (25,110)</u>
Debt service as a percentage of noncapital expenditures	8.1%	8.6%	8.8%	9.0%	9.0%	4.3%	6.6%	7.2%	6.6%	6.4%
Bonded debt service as a percentage of total general governmental expenditures (3)	7.3%	7.4%	8.1%	8.1%	8.1%	3.9%	6.0%	6.5%	5.5%	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)

<u>Fiscal Year</u>	<u>Property Tax (1)</u>	<u>Transfer Tax</u>	<u>Crossing Guards (1)</u>	<u>Light Tax(1)</u>	<u>Total</u>
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
2025	141,940,638	38,789,712	3,889,678	7,930,698	192,550,726

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)

<u>Fiscal Year</u>	<u>Residential Property (3)</u>	<u>Commercial Property</u>	<u>Less: Tax Exempt Property (4)</u>	<u>Total Taxable Assessed Value (1)</u>	<u>Total Direct Tax Rate (2)</u>	<u>Estimated Actual Value</u>
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	*
2025	13,932,739	10,586,832	4,245,085	20,274,486	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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Direct Rates:										
Unincorporated area:										
New Castle County										
General operating budget	\$ 0.2436	\$ 0.2436	\$ 0.2436	\$ 0.2801	\$ 0.2711	\$ 0.2562	\$ 0.2523	\$ 0.2523	\$ 0.2523	\$ 0.2523
Local service function budget	0.4570	0.4570	0.4570	0.5256	0.5329	0.5542	0.5588	0.5543	0.5531	0.5531
Total Direct Rate (1)	\$ 0.7006	\$ 0.7006	\$ 0.7006	\$ 0.8057 (7)	\$ 0.8040	\$ 0.8104	\$ 0.8111	\$ 0.8066	\$ 0.8054	\$ 0.8054
Incorporated areas: (6)										
Arden	0.5821	0.5821	0.5821	0.6694	0.7572	0.7531	0.7515	0.7335	0.7362	0.7378
Bellefonte	0.6966	0.6966	0.6966	0.8011	0.7926	0.7998	0.7966	0.7953	0.7938	0.7910
Newark	0.2436	0.2436	0.2436	0.2801	0.2904	0.2562	0.2523	0.2523	0.2523	0.2523
Elsmere	0.3193	0.3193	0.3193	0.3672	0.3192	0.2973	0.2916	0.3674	0.3821	0.3905
Newport	0.2838	0.2838	0.2838	0.3263	0.3554	0.3435	0.3360	0.4554	0.3643	0.3636
New Castle	0.2529	0.2529	0.2529	0.2908	0.3192	0.3032	0.2975	0.3331	0.3543	0.3408
Delaware City	0.2529	0.2529	0.2501	0.2876	0.3192	0.3071	0.3014	0.4987	0.4948	0.4938
Middletown	0.2529	0.2529	0.2529	0.2908	0.3192	0.2849	0.2801	0.2996	0.3039	0.3041
Odessa	0.3640	0.3640	0.3640	0.4186	0.3772	0.3599	0.3600	0.3548	0.3643	0.3636
Townsend	0.3616	0.3616	0.3616	0.4158	0.3466	0.3347	0.3314	0.3213	0.3257	0.3261
Wilmington	0.2436	0.2436	0.2436	0.2801	0.2711	0.2562	0.2523	0.2523	0.2523	0.2523
Ardentown	0.5821	0.5821	0.5821	0.6694	0.7572	0.7588	0.7561	0.7392	0.7432	0.7490
Smyrna	0.7006	0.7006	0.7006	0.8057	0.8040	0.8104	0.8111	0.8066	0.8054	0.8054
Ardencroft	0.5821	0.5821	0.5821	0.6694	0.7572	0.7581	0.7565	0.7447	0.7412	0.7430
Clayton	0.7006	0.7006	0.7006	0.8057	0.8040	0.8104	0.8111	0.8066	0.8054	0.8054
Overlapping Rates:										
School Districts:										
Appoquinimink District	1.7707	1.8473	2.1024	2.1024	2.2461	2.5001	2.5404	2.5833	2.5975	3.1454
Brandywine District	2.1835	2.4435	2.4435	2.4435	2.5385	2.5385	2.5385	2.5385	2.5185	2.7685
Christina District	2.0900	2.3800	2.3850	2.3850	2.4850	2.9382	3.0440	3.1310	3.1800	3.2240
Colonial District	1.7360	1.7360	2.0430	2.0430	2.1930	2.1930	2.1730	2.1730	2.0660	2.2960
Red Clay District	1.9840	2.1740	2.3140	2.3140	2.3080	2.3080	2.2980	2.2980	2.2980	2.6580
New Castle County Vo-Tech	0.1550	0.1583	0.1603	0.1603	0.1710	0.1710	0.1695	0.1740	0.1740	0.2100
Smyrna District	1.4191	1.4065	1.3780	1.3780	1.3813	1.3621	1.6120	1.6524	1.6750	1.4162
Polytech (4)	0.1163	0.1220	0.1251	0.1251	0.1272	0.1298	0.1291	0.1247	0.1308	0.1301
Municipalities (3):										
Wilmington	1.8550	1.8550	1.9950	1.9950	1.9950	1.9950	1.9950	2.1150	2.1450	2.1150
Newark	0.7737	0.7737	0.7737	0.8047	0.8047	0.9120	0.9120	0.9348	0.9815	1.0551
Elsmere (5)	0.8750	0.8750	0.8750	0.8750	0.8750	0.8750	0.8750	0.8750	1.1250	1.1250
Newport	1.0712	1.0712	1.0712	1.0712	1.2318	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	1.1900	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	0.8000	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	0.5000	0.5000	0.5000	0.5000	0.4000	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, 2025

(amounts expressed in thousands)

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Delmarva Power & Light Co.	\$ 519,093	1	2.56%	\$ 328,060	1	1.77%
Verizon Delaware LLC (1)	172,531	2	0.85	281,513	2	1.52
Dupont Specialty Products USA LLC	140,115	3	0.69	-	-	-
AWCI Inc.	99,308	4	0.49	89,936	6	0.48
DPIF2 DE 1 New Castle LLC	95,776	5	0.47	-	-	-
Bank of America National Assoc.	86,911	6	0.43	124,787	5	0.67
JPMorgan Chase Bank National Assoc.	71,246	7	0.35	-	-	-
Delaware City Refining Company, LLC	70,740	8	0.35	-	-	-
Manufacturers & Traders Trust Co.	56,252	9	0.28	56,569	10	0.30
Chase Bank USA National Assoc	54,558	10	0.27	-	-	-
E. I. Dupont de Nemours & Co	-	-	-	236,988	3	1.28
AstraZeneca Pharmaceuticals LP	-	-	-	130,936	4	0.71
Barley Mill, LLC	-	-	-	58,588	7	0.32
Christiana Mall LLC	-	-	-	57,756	8	0.31
The Chemours Company FC LLC	-	-	-	56,647	9	0.30
	<u>\$ 1,366,530</u>		<u>6.74%</u>	<u>\$ 1,421,780</u>		<u>7.66%</u>

(1) In FY 2025 and FY 2016, 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
2016	\$ 111,777,226	\$ 110,570,085	98.9	\$ 593,998	\$ 111,164,083	99.5
2017	113,011,393	111,770,567	98.9	443,962	112,214,529	99.3
2018	113,528,395	112,594,765	99.2	720,210	113,314,975	99.8
2019	131,782,816	130,845,128	99.3	702,380	131,547,508	99.8
2020	132,811,856	131,788,047	99.2	703,902	132,491,949	99.8
2021	134,273,183	133,279,945	99.3	718,655	133,998,600	99.8
2022	135,890,759	134,797,463	99.2	697,890	135,495,353	99.7
2023	137,764,928	136,716,193	99.2	190,671	136,906,864	99.4
2024	138,511,359	137,540,016	99.3	390,830	137,930,846	99.6
2025	139,266,391	138,198,393	99.2	-	138,198,393	99.2

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	Financed Purchases	Leases	SBITAs		General Obligation Bonds	Financed Purchases	Leases	SBITAs	Loans Payable			
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)	6,479	307	(4),(5)		384,186 (2)	3,060	5	(4)	25,414	607,309	1.59	1,063.48
2023	172,466 (2)	6,184	1617	309 (4),(6)		371,148 (2)	4,026	1	(4)	24,909	580,660	1.42	1,003.57
2024	156,478 (2)	11,924	6459	6,807 (4),(6)		359,408 (2)	4,181	12	62 (4),(6)	24,829	570,160	*	980.59
2025	139,311 (2)	14,596	5635	6,089 (4),(6)		347,009 (2)	4,591	6	65 (4),(6)	39,999	557,301	*	*

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

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
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	581,444	20,138,711	540,716 (2), (3)	2.7	929.95
2025	584,426	20,274,486	526,320 (2), (3)	2.6	*

(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, 2025

Jurisdiction	Total Debt Outstanding	Percentage Applicable to New Castle County	Amount Applicable to New Castle County
New Castle County	\$ 165,630,867 (2)	100%	\$ 165,630,867
School Districts:			
Appoquinimink	100,855,330	100	100,855,330
Brandywine	23,703,988	100	23,703,988
Christina	11,341,818	100	11,341,818
Colonial	33,586,375	100	33,586,375
Red Clay	31,274,594	100	31,274,594
New Castle VoTech	92,649,566	100	92,649,566
Smyrna (1)	15,565,688	29	4,514,050
Total Districts	308,977,359		297,925,721
Municipalities:			
Middletown	32,986,877	100	32,986,877
Newark	33,634,382	100	33,634,382
Wilmington	80,739,415	100	80,739,415
Total Municipalities	147,360,674		147,360,674
Total Overlapping Debt	456,338,033		445,286,395
Total Direct and Overlapping Debt	\$ 621,968,900		\$ 610,917,262

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)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total assessed taxable value at July 1	<u>\$ 18,557,224</u>	<u>\$ 18,776,801</u>	<u>\$ 18,970,815</u>	<u>\$ 19,055,907</u>	<u>\$ 19,274,354</u>	<u>\$ 19,458,255</u>	<u>\$ 19,611,603</u>	<u>\$ 19,913,627</u>	<u>\$ 20,138,711</u>	<u>\$ 20,274,486</u>
Debt limit - 3% of total assessed value	<u>\$ 556,717</u>	<u>\$ 563,304</u>	<u>\$ 569,124</u>	<u>\$ 571,677</u>	<u>\$ 578,231</u>	<u>\$ 583,748</u>	<u>\$ 588,348</u>	<u>\$ 597,409</u>	<u>\$ 604,161</u>	<u>\$ 608,235</u>
Amount of debt applicable to debt limit: (2)										
Total bonded debt (3)	399,945	487,230	464,840	518,930	492,560	468,655	558,875	556,144	528,949	515,159
Less:										
Deductions allowed by Delaware Code (1, 3):										
Sewer facilities	<u>(246,785)</u>	<u>(307,534)</u>	<u>(298,478)</u>	<u>(338,560)</u>	<u>(326,475)</u>	<u>(315,755)</u>	<u>(378,075)</u>	<u>(390,339)</u>	<u>(378,734)</u>	<u>(381,714)</u>
Total amount of debt applicable to debt limit	<u>153,160</u>	<u>179,696</u>	<u>166,362</u>	<u>180,370</u>	<u>166,085</u>	<u>152,900</u>	<u>180,800</u>	<u>165,805</u>	<u>150,215</u>	<u>133,445</u>
Legal debt margin	<u>\$ 403,557</u>	<u>\$ 383,608</u>	<u>\$ 402,762</u>	<u>\$ 391,307</u>	<u>\$ 412,146</u>	<u>\$ 430,848</u>	<u>\$ 407,548</u>	<u>\$ 431,604</u>	<u>\$ 453,946</u>	<u>\$ 474,790</u>
Total net debt applicable to the limit as a percentage of debt limit	27.51%	31.90%	29.23%	31.55%	28.72%	26.19%	30.73%	27.75%	24.86%	21.94%

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 defeased 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		Personal Income (1) (000 Omitted)	Per Capita Income		School Enrollment (4)	Unemployment Rate (5)
2016	560,147	(1)	\$ 28,802,867	\$ 51,859	(1)	78,892	4.8
2017	563,423	(1)	30,156,725	54,198	(1)	79,113	4.9
2018	564,568	(1)	31,739,233	56,745	(1)	79,164	3.9
2019	562,694	(1)	33,064,369	59,175	(1)	79,578	3.6
2020	558,863	(1)	33,666,443	59,955	(1)	79,767	13.0
2021	571,708	(1)	36,125,614	63,189	(1)	78,073	5.9
2022	571,058	(1)	38,211,010	66,397	(1)	78,878	4.9
2023	578,592	(1)	40,959,895	70,792	(1)	78,943	4.5
2024	581,444	(2)	*	46,756	(3)	78,930	4.6
2025	584,426	(2)	*	*	(3)	78,783	4.6

Sources:

- (1) Bureau of Economic Analysis, BEA.gov. The tracking of these statistics discontinued in 2024.
- (2) Delaware Population Consortium
- (3) United States Census Bureau
- (4) Delaware Department of Education, Public School Enrollment.
- (5) 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

2025				2016			
<u>Industry Description</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Industry Description</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Health care and social assistance	58,126	1	19.0%	Health care and social assistance	46,030	1	15.7%
Finance and insurance	38,192	2	12.5%	Finance and insurance	37,209	2	12.7%
Retail trade	28,319	3	9.3%	Retail Trade	33,019	3	11.2%
Education	26,391	4	8.6%	Professional & technical services	23,068	4	7.9%
Accommodation and food services	22,086	5	7.2%	Administration and waste services	22,539	5	7.7%
Professional & technical services	21,407	6	7.0%	Accommodation and food services	22,383	6	7.6%
Transportation and warehousing	20,632	7	6.7%	State government	16,251	7	5.5%
Administration and waste services	17,333	8	5.7%	Local government	15,227	8	5.2%
Construction	14,925	9	4.9%	Construction	13,237	9	4.5%
Manufacturing	10,601	10	3.5%	Manufacturing	12,592	10	4.3%
Total	<u>258,012</u>		<u>84.3%</u>	Total	<u>241,555</u>		<u>83.8%</u>
Total Employees in New Castle County	<u>305,956</u>		<u>100.0%</u>	Total Employees in New Castle County	<u>293,589</u>		<u>100.0%</u>

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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government:										
County Council										
Legislation	32	32	32	32	32	32	32	32	32	32
Audit	2	2	2	2	2	3	3	3	3	3
	<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>	<u>35</u>
County Executive										
Direction and Control	12	11	12	12	12	12	12	12	13	15
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	1
	<u>13</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>15</u>	<u>17</u>
Dept of Administration										
Law	23	18	18	18	18	18	18	18	18	18
Administrative Services	42	41	40	32	32	32	31	31	32	38
Finance	77	77	78	73	73	73	73	89	89	83
Human Resources and Risk Management	19	24	25	25	26	26	28	28	28	29
	<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>	<u>168</u>
Total General Government	<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>	<u>220</u>
Public Safety:										
Administration	8	8	8	8	8	8	8	9	9	14
Police Operations	417	432	432	434	434	434	449	449	449	447
Crossing Guards	3	3	3	3	3	3	3	3	3	3
Emergency Services	217	217	223	225	240	240	240	250	250	264
Total Public Safety	<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>	<u>728</u>
Public Works:										
Non-Sewer related:										
Administration	18.5	18.5	17.5	16.5	15.5	14.5	14.5	15.5	15.5	14.5
Internal Services	6	6	6	6	5	5	5	6.8	6.8	6.8
Fleet Operations	32	31	30	29	29	29	29	29	29	29
Facilities Maintenance	36	36	34	33	33	33	33	31	31	31
Parks	66	67	65	62	64	65	66	66	71	76
Engineering	35	35	35	35	34	32	32	32	32	32
Total Non-Sewer related	<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>	<u>189.3</u>
Sewer:										
Sewer Operations Administration	10.5	10.5	10.5	10.5	9.5	10.5	10.5	9.7	10.7	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	52	52
Stormwater and Environmental Program	17	17	17	17	19	20	20	20	20	21
Total Sewer	<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>	<u>199.7</u>
Total Public Works	<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>	<u>389</u>

NEW CASTLE COUNTY, DELAWARE

FULL-TIME COUNTY EMPLOYEE POSITIONS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS										
Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Community Services:										
Administration	16	15	16	15	15	15	16	15	15.2	15.7
Community Resources	17	19	25	26	27	27	27	28	27	28
Community Development/Housing	33	32	30	30	29	29	32	32	31.8	32.3
Libraries	82	84	84	84	84	84	86	86	86	86
Total Community Services	<u>148</u>	<u>150</u>	<u>155</u>	<u>155</u>	<u>155</u>	<u>155</u>	<u>161</u>	<u>161</u>	<u>160</u>	<u>162</u>
Land Use:										
Administration	10	10	9	8	8	14	14	14	14	13
Planning	18	17	17	19	19	19	20	19	19	20
Licensing	59	58	51	46	46	46	46	47	47.5	47.5
Engineering	-	-	8	8	10	10	10	10	9.5	9.5
Customer Relations and Enforcement	31	30	30	27	27	22	22	22	22	22
Geographic Information Systems	-	-	-	5	5	5	5	6	6	-
Total Land Use	<u>118</u>	<u>115</u>	<u>115</u>	<u>113</u>	<u>115</u>	<u>116</u>	<u>117</u>	<u>118</u>	<u>118</u>	<u>112</u>
Judiciary Offices:										
Register in Chancery (A)	3	3	3	3	3	3	2	-	-	-
Register of Wills	19	19	19	18	18	19	19	19	19	20
Recorder of Deeds	27	27	25	25	25	24	24	24	24	23
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	<u>77</u>	<u>77</u>	<u>75</u>	<u>74</u>	<u>74</u>	<u>74</u>	<u>73</u>	<u>71</u>	<u>71</u>	<u>71</u>
Total Full-Time Employees	<u>1,586</u>	<u>1,600</u>	<u>1,604</u>	<u>1,586</u>	<u>1,604</u>	<u>1,606</u>	<u>1,629</u>	<u>1,655</u>	<u>1,661</u>	<u>1,682</u>

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

LAST TEN FISCAL YEARS										
Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025-Est.
County Council										
Avg. constituency represented per district	46,500	47,016	46,500	46,500	46,500	47,560	47,560	47,560	47,560	47,560
Resolutions/ordinances adopted	337	361	325	353	348	374	395	400	380	380
Administration										
Finance										
% of current property tax levy collected	98.9	98.9	99.0	97.0	99.2	99.3	99.2	99.5	99.3	99.4
% of vendor invoices processed within thirty days	84.4	80.4	67.1	75.0	69.7	79.5	81.9	82.1	84.3	85.0
Assessment										
Real property parcels	209,400	210,100	210,200	210,300	211,500	211,900	213,000	213,500	214,000	214,800
Exemption applications processed	1,355	1,418	1,541	1,501	1,229	1,233	1,386	1,351	1,247	1,300
Human Resources										
Applications received	4,003	4,788	5,194	5,450	4,797	5,374	7,506	4,383	6,286	6,000
New retirees /actual retirements	73	90	69	123	96	129	151	129	62	65
Public Works										
Fleet Operations										
Average cost per mile per vehicle	\$ 0.37	\$ 0.34	\$ 0.34	\$ 0.36	\$ 0.44	\$ 0.47	\$ 0.62	\$ 0.60	\$ 0.65	\$ 0.60
Engineering										
CIP budget (millions) / # of projects	\$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	\$34.2/ 46
Property Maintenance										
Acres maintained	5,923	5,923	5,934	5,940	6,045	6,045	6,045	6,045	6,045	6,050
Parks maintained	245	248	248	248	249	249	249	249	249	250
Wastewater										
Miles of sewer line maintained	1,744	1,764	1,764	1,764	1,804	1,811	1,818	1,825	1,830	1,835
Pump stations in operation	176	175	175	175	172	172	173	187	184	184
Number of residential sewer service accounts	118,653	119,582	119,582	121,723	122,344	123,648	125,110	125,980	126,074	127,150
Community Services										
Administration										
Number of seniors served	27,316	30,473	33,285	35,663	26,374	43,514***	14,548	19,810	23,826	25,000
Total participants in Com Resources programs	322,829	382,596	322,384	305,979	236,039	202,697***	196,062	244,317	275,368	289,000
Libraries										
Average number of items checked out per week	73,109	68,616	68,492	69,243	51,280	30,584***	46,263	50,326	57,246	53,077
Visits annually	2,354,342	2,334,895	2,292,579	2,310,372	1,599,025	253,569***	883,331	1,259,787	1,388,112	1,630,000
Community Development & Housing										
Number of units rehabbed (CDBG)/repair	56	59	55	62	66	59	74	101	73	114

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

NEW CASTLE COUNTY, DELAWARE
OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS										
Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025-Est.
Land Use										
Administration										
Number of walk-in customers	23,646	25,064	23,680	23,689	15,573	n/a	n/a	n/a	n/a	n/a
Number of customer phone calls	21,162	55,085	50,845	53,752	43,075	54,639	58,342	54,052	50,913	50,000
Planning										
No. Board of Adjustment applications processed	161	196	185	175	126	174	156	139	138	120
Land Use plans submitted and reviewed	143	135	114	114	114	112	134	136	94	90
Licensing										
Number of permits issued	16,529	16,425	16,214	16,262	16,021	16,762	17,002	15,419	14,798	15,031
Inspections performed	59,700	53,257	56,143	52,875	57,353	56,029	59,328	59,421	55,198	56,093
Customer Service and Enforcement										
Calls received by Customer Service	33,101	****	****	****	****	****	****	****	****	****
Code Enforcement cases assigned	9,706	9,496	9,812	8,854	8,128	7,979	9,609	7,350	8,023	8,500
Public Safety										
Emergency Communications										
Calls for service **	267,407	253,726	292,758	292,341	268,113	285,236	440,404	304,354	407,821	391,979
Emergency Services										
Annual paramedic responses	45,811	50,139	52,191	54,250	53,490	57,405	39,302	25,384	40,138	42,084
No. of people trained/recertified in CPR by EMS division	969	1,264	712	1,498	172	212	223	324	120	659
School Crossing Guards										
Number of schools serviced	83	83	84	86	86	87	87	88	88	88
Number of stations guarded	230	232	232	230	231	233	233	236	238	238
Register of Wills										
Files opened	2,646	2,748	2,806	2,702	2,560	2,975	3,275	3,150	2,964	3,091
Estates probated	1,473	1,537	1,530	1,508	1,430	1,714	1,878	1,792	1,700	1,770
Recorder of Deeds										
Deeds recorded and indexed	13,565	14,261	14,930	14,337	13,929	16,147	17,000	13,006	12,300	13,000
Mortgages recorded and indexed	17,764	19,007	17,243	15,467	21,230	32,616	30,000	15,164	14,700	15,000
Sheriff										
Prisoner commitments	11	*	*	*	*	*	*	*	-	-
Service trips for court documents	49,523	49,313	50,642	42,973	30,079	22,164	24,762	36,429	24,415	25,560
Clerk of the Peace										
Marriage licenses issued	2,825	2,746	2,148	2,646	1,983	2,819	2,900	3,000	2,552	2,600
Marriage ceremonies performed	1,035	1,041	828	837	261	-	750	1,040	1,042	1,100

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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety:										
Police										
Number of stations/substations	4	6	6	6	5	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	3,225	3,225	3,225	3,225	3,225	3,225	3,225	3,225	3,225	3,225
Local/district park acreage	2,698	2,698	2,709	2,715	2,820	2,820	2,820	2,821	2,820	2,825
Parks	245	248	248	248	249	249	249	249	249	250
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	70	96	96	96	94	96	96
Football fields	3	3	3	5	5	5	5	5	5	5
Basketball courts	100	100	100	91	91	91	91	91	90	90
Tennis courts	70	70	70	60	68	68	59	57	59	59
Soccer fields	38	38	38	15	24	24	24	24	24	24
Big toy play equipment units	131	131	131	131	127	127	125	128	126	126
Museums	1	1	1	1	1	1	1	1	1	1
Pickleball Courts	-	-	-	-	-	-	-	20	28	28
Fleet										
Fleet vehicles and equipment	1,806	1,806	1,832	1,832	1,834	1,881	1,855	1,850	1,885	1,889
Sewer Facilities										
Sanitary sewer (miles)	1,744	1,764	1,764	1,790	1,804	1,811	1,818	1,825	1,830	1,835
Pump stations	176	175	175	175	172	172	173	187	184	184
Treatment plants	4	4	4	4	4	4	4	3	3	3
Community Services:										
Libraries:										
Number of libraries directly administered	9	10	10	10	10	10	10	10	10	10
Circulation (millions)	4.0	3.7	3.6	3.6	2.6	1.6	2.4	2.6	2.7	2.5
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. In January of 2025, this lease was extended for an additional 30 years. All capital improvements at the County Airport are financed and managed by DRBA.

NEW CASTLE COUNTY, DELAWARE



2025 Annual Comprehensive Financial Report



Management
New Castle County, Delaware
New Castle, Delaware

In planning and performing our audit of the 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, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and other matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding those matters are summarized below. We previously provided a written communication dated December 17, 2025, on the entity's internal control. This letter does not affect our report on the financial statements dated December 17, 2025, nor our internal control communication dated December 17, 2025.

Information Technology and General Computer Controls

CLA recommends that County management formally review and update its IT organization-wide policies related to system security, password standards, user access management, change management, and data backup and recovery at least annually to ensure alignment with evolving cybersecurity threats, regulatory requirements, and operational needs. Regular updates should include version control and documented revision histories to promote accountability and consistency across the organization. This approach will help safeguard organizational systems and data, ensure employee awareness of security responsibilities, and maintain resilience through effective change and recovery practices.

In addition, we recommend the County consider implementing a formal information security policy that addresses the following:

- standards for system access,
- incident response,
- backup and recovery,
- data management,
- physical access,
- minimum security baseline standards, and
- vendor management.

The policy should also outline the importance of data, the need to protect information, roles and responsibilities, enforcement policy, and basic information security tactics such as least privilege, defense in depth, risk assessment, audit, etc.

We will review the status of this comment during our next audit engagement. We have already discussed this comment and related suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, the members of County Council, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Baltimore, Maryland
December 17, 2025



Office of Technology and Administrative Services

Robert Wasserbach
County Auditor
New Castle County, De.

According to the recent annual financial and business-type activities review provided by Clifton Larsen in their letter to you and management, there was concern about the absence of formal policies provided by Information Systems as stated below:

“we recommend the County consider implementing a formal information security policy that addresses the following: standards for system access, incident response, backup and recovery, data management, physical access, minimum security baseline standards, and vendor management. The policy”

We have engaged the services of Infotech, a third-party research and consulting firm, to assist New Castle County IT in developing and maintaining formal administrative policies. These policies will address the previously noted recommendations as well as additional IT-related guidelines intended to strengthen and support the County’s IT operations. In addition to, we are involving our new department legal person provided by the Office of Law to review and help establish these policies.

This initiative has been a long-standing recommendation from CLA, and we are pleased to finally move it forward. The drafting and refinement process is underway and will require careful attention to detail; however, these policies will ultimately be incorporated into our broader personnel framework governing computer use and related standards. We anticipate these policies, as well as a few more, to be implemented in the coming months.

Office of Technology and Administrative Services
New Castle County Govt.