

# **Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan**

Schedule of Employer Allocations and  
Schedule of Pension Amounts by Employer  
June 30, 2024

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



# Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan

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## **Independent Auditor's Report**

The Members of the Board of Pension Trustees  
Delaware Public Employees' Retirement System  
Dover, DE

### **Report on the Audit of the Schedules**

#### ***Opinions***

We have audited the schedule of employer allocations of the Delaware Public Employees' Retirement System (the System) County & Municipal Police and Firefighters' Pension Plan (the Plan) as of and for the year ended June 30, 2024, and the related notes. We have also audited the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (specified column totals) included in the schedule of pension amounts by employer of the Plan as of and for the year ended June 30, 2024, and the related notes.

In our opinion, the accompanying schedules referred to above present fairly, in all material respects, the employer allocations and net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating entities for the Plan as of and for the year ended June 30, 2024, 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedules section of our report. We are required to be independent of the Plan 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 Schedules***

Management is responsible for the preparation and fair presentation of these schedules 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 the schedules that are free from material misstatement, whether due to fraud or error.



### ***Auditor's Responsibilities for the Audit of the Schedules***

Our objectives are to obtain reasonable assurance about whether the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.

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 schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer, 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 schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.
- 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 Plan'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 schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer.

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.

### ***Other Matter***

We have audited, in accordance with GAAS and *Government Auditing Standards*, the financial statements of the Delaware Public Employees' Retirement System, which include the County & Municipal Police and Firefighters' Pension Plan, as of and for the year ended June 30, 2024, and our report thereon, dated November 25, 2024, expressed an unmodified opinion on those financial statements.



***Restriction on Use***

Our report is intended solely for the information and use of the System management, the Board of Pension Trustees, the Plan employers, and their auditors, and is not intended to be and should not be used by anyone other than these specified parties.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2025 on our consideration of the Plan'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 Plan'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 Plan's internal control over financial reporting and compliance.

*BDO USA, P.C.*

May 22, 2025

# Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan

## Schedule of Employer Allocations As of and for the Year Ended June 30, 2024

Reporting Unit	Employer Contributions	Employer's Proportionate Share
Aetna Hose Hook and Ladder Co.	\$ 148,122	0.9679 %
Bethany Beach	136,886	0.8945
Blades Fire	42,578	0.2782
Blades Police	22,571	0.1475
Bridgeville	74,598	0.4875
Camden	88,476	0.5781
Camden Wyoming Fire Co.	76,264	0.4983
Carlisle Fire	20,594	0.1346
Cheswold Fire	19,885	0.1299
Cheswold Police	36,317	0.2373
Christiana Fire	139,079	0.9088
Clayton	106,282	0.6945
Dagsboro	49,762	0.3252
Delmar Police	148,707	0.9717
Dewey Beach	100,307	0.6554
Dover	1,320,679	8.6298
Elsmere Police	67,241	0.4394
Felton Police	32,226	0.2106
Fenwick Island	49,374	0.3226
Fredrica Police	5,598	0.0366
Georgetown	185,790	1.2140
Greenwood Fire	26,542	0.1734
Greenwood Police	22,764	0.1487
Harrington Fire	41,210	0.2693
Harrington Police	77,528	0.5066
Laurel Police	144,920	0.9470
Lewes Fire Department	154,612	1.0103
Lewes Police	146,970	0.9604
Middletown Police	452,236	2.9551
Milford	345,595	2.2582
Millsboro Fire	134,534	0.8791
Millsboro Police	163,449	1.0680
Milton	54,207	0.3542
Minquas Fire Company	28,649	0.1872
New Castle City	162,271	1.0603
New Castle County Police	4,294,352	28.0609

# Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan

## Schedule of Employer Allocations As of and for the Year Ended June 30, 2024

Reporting Unit	Employer Contributions	Employer's Proportionate Share
Newark	\$ 112,051	0.7322 %
Newport	59,380	0.3880
Ocean View	150,044	0.9804
Rehoboth Beach Police	201,495	1.3166
Robbins Hose Co.	3,741	0.0244
Seaford	300,219	1.9617
Selbyville Police	81,915	0.5353
Smyrna Police	290,184	1.8962
South Bethany	45,676	0.2985
Townsend Police	17,194	0.1124
Wilmington Pol/FF	4,885,531	31.9239
Wyoming	35,072	0.2292
<b>Total</b>	<b>\$ 15,303,677</b>	<b>100.0000 %</b>

*See accompanying notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer.*

**Delaware Public Employees' Retirement System  
County & Municipal Police and Firefighters' Pension Plan**

**Schedule of Pension Amounts by Employer - As of and for the Year Ended June 30, 2024**

Employer	Net Pension Liability	Deferred outflow of resources					Deferred inflow of resources				Pension expense			
		Differences between expected and actual experience	Changes of assumptions	Net Difference between projected and actual earnings on pension plan investments	Changes in proportion	Total deferred outflows of resources	Differences between expected and actual experience	Changes of assumptions	Changes in proportion	Total deferred inflows of resources	Proportionate share of allocated plan pension expense	Net amortization of deferred amounts from changes in proportion	Employer's share of pension expense attributable to specific liabilities	Total pension expense
Aetna Hose Hook and Ladder Co.	\$ 154,834	353,433	18,307	150,297	25,204	547,241	23,154	53,880	290,586	367,620	174,577	(44,830)	(37)	129,710
Bethany Beach	143,089	326,622	16,918	138,895	12,501	494,936	21,397	49,793	26,930	98,120	161,334	(3,132)	(35)	158,167
Blades Fire	44,507	101,594	5,262	43,203	-	150,059	6,656	15,488	79,627	101,771	50,182	(11,375)	(11)	38,796
Blades Police	23,594	53,857	2,790	22,902	14,624	94,173	3,528	8,210	10,626	22,364	26,602	320	(6)	26,916
Bridgeville	77,979	177,998	9,220	75,693	1,801	264,712	11,661	27,135	14,677	53,473	87,922	(2,132)	(19)	85,771
Camden	92,485	211,111	10,935	89,775	15,826	327,647	13,830	32,183	16,374	62,387	104,278	(1,405)	(22)	102,851
Camden Wyoming Fire Co.	79,719	181,972	9,426	77,383	-	268,781	11,921	27,741	137,954	177,616	89,885	(22,487)	(19)	67,379
Carlisle Fire	21,527	49,138	2,545	20,896	-	72,579	3,219	7,491	38,513	49,223	24,272	(5,502)	(5)	18,765
Cheswold Fire	20,786	47,447	2,458	20,177	-	70,082	3,108	7,233	37,188	47,529	23,437	(5,313)	(5)	18,119
Cheswold Police	37,962	86,655	4,488	36,850	9,353	137,346	5,677	13,210	7,760	26,647	42,803	1,011	(9)	43,805
Christiana Fire	145,381	331,854	17,189	141,120	36,953	527,116	21,740	50,590	1,456	73,786	163,918	8,653	(35)	172,536
Clayton	111,099	253,600	13,136	107,843	5,328	379,907	16,613	38,661	19,766	75,040	125,265	(2,315)	(27)	122,923
Dagsboro	52,017	118,736	6,150	50,492	640	176,018	7,778	18,101	39,941	65,820	58,649	(6,510)	(13)	52,126
Delmar Police	155,445	354,827	18,379	150,890	425	524,521	23,245	54,093	64,288	141,626	175,266	(11,327)	(38)	163,901
Dewey Beach	104,852	239,342	12,397	101,780	10,454	363,973	15,679	36,487	37,882	90,048	118,222	(4,637)	(25)	113,560
Dover	1,380,525	3,151,259	163,225	1,340,065	147,400	4,801,949	206,441	480,404	301,777	988,622	1,556,556	(29,645)	(335)	1,526,576
Elsmere Police	70,288	160,442	8,310	68,228	10,673	247,653	10,511	24,459	9,357	44,327	79,250	(1,198)	(17)	78,035
Felton Police	33,686	76,893	3,983	32,699	5,631	119,206	5,037	11,722	1,563	18,322	37,981	208	(8)	38,181
Fenwick Island	51,611	117,810	6,102	50,099	28,658	202,669	7,718	17,960	12,792	38,470	58,192	1,482	(12)	59,662
Fredrica Police	5,851	13,356	692	5,680	-	19,728	875	2,036	10,468	13,379	6,597	(1,495)	3,872	8,974
Georgetown	194,209	443,311	22,962	188,517	80,196	734,986	29,042	67,582	47,725	144,349	218,973	7,320	(47)	226,246
Greenwood Fire	27,744	63,331	3,280	26,931	-	93,542	4,149	9,655	49,637	63,441	31,282	(7,091)	(7)	24,184
Greenwood Police	23,795	54,316	2,813	23,098	5,185	85,412	3,558	8,280	13,775	25,613	26,829	(1,446)	(6)	25,377
Harrington Fire	43,078	98,331	5,093	41,815	-	145,239	6,442	14,990	77,070	98,502	48,570	(11,010)	(10)	37,550
Harrington Police	81,041	184,989	9,582	78,666	51,599	324,836	12,119	28,201	9,890	50,210	91,375	7,214	(20)	98,569
Laurel Police	151,487	345,793	17,911	147,048	43,020	553,772	22,653	52,715	4,406	79,774	170,803	7,200	(37)	177,966
Lewes Fire Department	161,618	368,919	19,109	156,882	-	544,910	24,168	56,241	278,813	359,222	182,227	(45,980)	(39)	136,208
Lewes Police	153,630	350,684	18,164	149,128	1,827	519,803	22,974	53,461	51,488	127,923	173,219	(8,651)	(37)	164,531
Middletown Police	472,729	1,079,075	55,893	458,875	58,720	1,652,563	70,691	164,503	29,345	264,539	533,007	2,190	(114)	535,083
Milford	361,255	824,620	42,713	350,668	96,633	1,314,634	54,021	125,712	43,876	223,609	407,319	6,874	(87)	414,106
Millsboro Fire	140,631	321,011	16,627	136,509	-	474,147	21,030	48,937	251,601	321,568	158,562	(35,943)	(34)	122,585
Millsboro Police	170,855	390,003	20,201	165,848	28,208	604,260	25,549	59,455	22,175	107,179	192,641	1,095	(41)	193,695
Milton	56,664	129,343	6,700	55,003	158,853	349,899	8,473	19,718	126,276	154,467	63,889	(1,018)	(14)	62,857
Minquas Fire Company	29,948	68,360	3,541	29,070	4,870	105,841	4,478	10,421	31,551	46,450	33,766	(4,011)	(7)	29,748
New Castle City	169,624	387,193	20,055	164,653	27,238	599,139	25,365	59,027	23,630	108,022	191,253	5,691	(41)	196,903
New Castle County Police	4,488,948	10,246,709	530,746	4,357,391	945,996	16,080,842	671,270	1,562,091	82,434	2,315,795	5,061,337	136,158	(1,088)	5,196,407
Newark	117,128	267,363	13,849	113,696	-	394,908	17,515	40,759	190,313	248,587	132,063	(29,707)	(28)	102,328
Newport	62,071	141,686	7,339	60,252	23,018	232,295	9,282	21,600	20,637	51,519	69,985	(503)	(15)	69,467
Ocean View	156,844	358,020	18,544	152,247	24,919	553,730	23,454	54,579	31,889	109,922	176,843	490	(38)	177,295
Rehoboth Beach Police	210,626	480,785	24,903	204,453	41,628	751,769	31,497	73,295	16,748	121,540	237,483	4,423	(51)	241,855
Robbins Hose Co.	3,911	8,927	462	3,796	-	13,185	585	1,361	6,997	8,943	4,409	(1,000)	(1)	3,408
Seaford	313,823	716,348	37,105	304,626	56,266	1,114,345	46,929	109,206	87,822	243,957	353,839	(5,290)	(76)	348,473
Selbyville Police	85,627	195,456	10,124	83,117	14,668	303,365	12,804	29,797	16,604	59,205	96,545	(653)	(21)	95,871
Smyrna Police	303,333	692,404	35,864	294,443	17,471	1,040,182	45,360	105,557	98,324	249,241	342,011	(9,488)	(73)	332,450
South Bethany	47,746	108,987	5,645	46,347	31,493	192,472	7,140	16,615	7,242	30,997	53,834	2,618	(12)	56,440
Townsend Police	17,973	41,027	2,125	17,447	-	60,599	2,688	6,255	31,079	40,022	20,265	(5,081)	(4)	15,180
Wilmington Pol/FF	5,106,916	11,657,315	603,811	4,957,249	932,791	18,151,166	763,680	1,777,135	133,454	2,674,269	5,758,103	131,164	(1,237)	5,888,030
Wyoming	36,661	83,685	4,335	35,587	110	123,717	5,482	12,758	25,854	44,094	41,336	(3,936)	(9)	37,391
Total	\$ 15,997,152	36,515,937	1,891,408	15,528,329	2,970,180	56,905,854	2,392,186	5,566,783	2,970,180	10,929,149	18,036,956	-	-	18,036,956

*See accompanying notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer.*

# **Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan**

## **Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer**

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### **1. Plan Description**

The County & Municipal Police and Firefighters' Pension Plan (the Plan) is a cost sharing multiple-employer defined-benefit pension plan established in the Delaware Code. The Plan is administered by the Delaware Public Employees' Retirement System (DPERS).

The General Assembly is responsible for setting benefits and contributions and amending plan provisions; administrative rules and regulations are adopted and maintained by the Board of Pension Trustees (the Board).

The management of the Plan is the responsibility of the Board. The Board is comprised of five members appointed by the Governor and confirmed by the State Senate, plus two ex-officio members. The daily operation is the responsibility of the Office of Pensions. Although Plan assets are comingled with assets of other Plans and Funds for investment purposes, the Plan's assets may be used only for the payment of benefits to the members of the Plan in accordance with the terms of the Plan.

The following are brief descriptions of the Plan in effect as of June 30, 2024. For a more complete description, please refer to the DPERS Annual Comprehensive Financial Report.

Separately issued financial statements for DPERS are available from the Office of Pensions at [www.delawarepensions.com](http://www.delawarepensions.com).

#### **(a) Plan Description and Eligibility**

The plan covers police officers and firefighters employed by a county or municipality of the State that have joined the Plan.

#### **(b) Service Benefits**

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 (excluding overtime and special pay).

#### **(c) Vesting**

Five years of credited service.

#### **(d) Retirement**

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.

#### **(e) Disability Benefits**

##### ***Duty - Total Disability***

75% of final average monthly compensation plus 10% for each dependent not to exceed 25% for all dependents.

# **Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan**

## **Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer**

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### ***Duty - Partial Disability***

Calculated the same as Service Benefits, subject to minimum 50% of final average monthly compensation.

### ***Non-Duty***

Same as Service Benefits, total disability subject to a minimum 50% of final average monthly compensation plus 5% of each dependent not to exceed 20% for all dependents. Partial disability to a minimum of 30% of final average monthly compensation.

### ***(f) Survivor Benefits***

If employee is receiving a pension, then eligible survivor receives a minimum of 50% of pension; if employee is active, eligible survivor receives 75% of pension the employee would have received at age 62. If the member is killed in the line of duty, the eligible survivor receives 75% of the member's compensation.

### ***g) Burial Benefit***

\$7,000 per active member.

## **2. Basis of Presentation**

The Schedules of Employer Allocations and Pension Amounts by Employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of DPERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of DPERS or the participating employers. The accompanying schedules have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

## **3. Allocation Methodology**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in the Plan to recognize their proportionate share of the collective net pension (asset)/liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The allocation percentages presented in the Schedule of Employer Allocations and applied to the amounts presented in the Schedule of Pension Amounts by Employer are based on the ratio of each employer's contribution to the Plan's total employer contributions during the measurement period July 1, 2023 through June 30, 2024, adjusted to remove contributions to separately finance specific liabilities of an individual employer. Employer contributions to the Plan are recognized when due pursuant to legal requirements. The Board of Pension Trustees determines employer contributions. Employer contributions were 12.74% of earnings for the Fiscal Year 2024.

# Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan

## Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer

The following is a reconciliation of employer contributions reported on the June 30, 2024 Annual Comprehensive Financial Report to the employer contributions presented in the Schedule of Employer Allocations:

Annual Comprehensive Financial Report	\$ 15,308
Employer contributions to separately finance specific liabilities	(4)
<b>Schedule of Employer Allocations</b>	<b>\$ 15,304</b>

### 4. Collective Net Pension Liability and Actuarial Information

The components of the collective net pension liability of the participating employers at June 30, 2024 were as follows (in thousands):

Employers' total pension liability	\$ 659,510
Plan fiduciary net position	(643,513)
<b>Employers' net pension liability</b>	<b>\$ 15,997</b>

#### *Actuarial Assumptions*

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024. This actuarial valuation used the following actuarial assumptions:

#### *Actuarial Assumptions*

Investment rate of return/discount rate <sup>(1)</sup>	7.0 %
Projected salary increases <sup>(1)</sup>	2.5% + Merit
Cost of living adjustments	0.0 %

(1) Inflation is included at 2.5%.

The total pension liability is measured based on assumptions pertaining to the interest rates, inflation rates, and employee demographic behavior in future years. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates the larger the impact on future financial statements.

Mortality assumptions are based on the Pub-2010 mortality tables with gender adjustments for employees, healthy annuitants, and disabled retirees as well as 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 amounts of the changes.

# Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan

## Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer

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.

Best estimates of geometric real rates of return for each major asset class included in the Plan's current and expected asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return	10-year Average Asset Allocation
Domestic equity	5.7%	33.6%
International equity	5.7	13.9
Fixed income	2.0	25.3
Alternative investments	7.8	21.7
Cash and equivalents	-	5.5

### ***Discount Rate***

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at rates determined by the Board of Pension Trustees, actuarially determined. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### ***Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate***

The following presents the collective net pension liability, calculated using the discount rate of 7.0%, as well as what the collective net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate (in thousands):

	1% Decrease	Discount Rate	1% Increase
Collective net pension (asset) / liability	\$ 77,121	\$ 15,997	\$ (40,156)

# Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan

## Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer

### 5. Collective Deferred Outflows of Resources and Deferred Inflows of Resources

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2024:

	Measurement period ending June 30	Amortization Period	Beginning of year balance	Additions	Deductions	End of year balance
<b>Deferred Outflows of Resources:</b>						
Differences between expected and actual experience	2024	8 years	\$ -	\$ 17,085,125	\$ (2,135,641)	\$ 14,949,484
	2023	8 years	11,676,141	-	(1,668,020)	10,008,121
	2022	9 years	6,241,467	-	(891,639)	5,349,828
	2018	10 years	7,875,923	-	(1,968,980)	5,906,943
	2016	10 years	603,117	-	(301,556)	301,561
Subtotal			26,396,648	17,085,125	(6,965,836)	36,515,937
Net difference between projected and actual earnings on pension plan investments	2024	5 years	-	(18,509,649)	3,701,930	(14,807,719)
	2023	5 years	8,354,469	-	(2,088,617)	6,265,852
	2022	5 years	77,770,103	-	(25,923,367)	51,846,736
	2021	5 years	(55,553,082)	-	27,776,542	(27,776,540)
	2020	5 years	(2,286,944)	-	2,286,944	-
Subtotal			28,284,546	(18,509,649)	5,753,432	15,528,329
Changes of assumptions	2017	10 years	2,837,111	-	(945,703)	1,891,408
<b>Total</b>			<b>\$ 39,085,831</b>	<b>\$ (1,424,524)</b>	<b>\$ (2,158,107)</b>	<b>\$ 53,935,674</b>
<b>Deferred Inflows of Resources:</b>						
Differences between expected and actual experience	2021	10 years	\$ (1,005,503)	\$ -	\$ 167,584	\$ (837,919)
	2020	10 years	(26,325)	-	5,265	(21,060)
	2019	10 years	(501,165)	-	100,233	(400,932)
	2017	10 years	(1,247,211)	-	415,738	(831,473)
	2015	10 years	(601,599)	-	300,797	(300,802)
Subtotal			(3,381,803)	-	989,617	(2,392,186)
Changes of assumptions	2021	10 years	(6,122,933)	-	1,020,489	(5,102,444)
	2016	10 years	(928,679)	-	464,340	(464,339)
Subtotal			(7,051,612)	-	1,484,829	(5,566,783)
<b>Total</b>			<b>\$ (10,433,415)</b>	<b>\$ -</b>	<b>\$ 2,474,446</b>	<b>\$ (7,958,969)</b>

# Delaware Public Employees' Retirement System County & Municipal Police and Firefighters' Pension Plan

## Notes to Schedule of Employer Allocations and Schedule of Pension Amounts by Employer

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense as follows (in thousands):

*Year ending June 30,*

2025	\$	1,971
2026		30,211
2027		3,757
2028		(300)
2029		3,507
Thereafter		6,831
<b>Total</b>	<b>\$</b>	<b>45,977</b>

### *Changes in Proportion*

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 8 years for the 2024 amounts.

## **6. Collective Pension Expense**

The components of collective pension expense for the year ending June 30, 2024 are as follows (in thousands):

Service cost	\$	23,890
Interest on total pension liability		43,810
Member contributions		(8,808)
Administrative expense		219
Projected earnings on pension plan investments		(40,758)
Recognition of deferred outflows and inflows of resources:		
Differences between projected and actual earnings on pension plan investments		(5,753)
Differences between expected and actual experience		5,976
Changes of assumptions		(539)
<b>Pension expense</b>	<b>\$</b>	<b>18,037</b>

## **7. Subsequent Events**

The Plan evaluated all subsequent events through May 22, 2025, the date that the schedules were available to be issued.



## **Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Schedules Performed in Accordance with *Government Auditing Standards***

The Members of the Board of Pension Trustees  
Delaware Public Employees' Retirement System  
Dover, DE

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the schedule of employer allocations and the total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (specified column totals) included in the schedule of pension amounts by employer of the Delaware Public Employees' Retirement System - County & Municipal Police and Firefighters' Pension Plan (the Plan) as of and for the year ended June 30, 2024, and the related notes and have issued our report thereon dated May 22, 2025.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer, we considered the Plan'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 schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

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

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



## **Report on Compliance and Other Matters**

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

## **Purpose of This Report**

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

*BDO USA, P.C.*

May 22, 2025