

**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, 2025

# 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, 2025, and the related notes. We have also audited the total for all entities of the columns titled net pension asset, 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, 2025, 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 asset, 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, 2025, 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, 2025, and our report thereon, dated November 25, 2025, 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 21, 2026 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 21, 2026

**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, 2025**

Reporting Unit	Employer Contributions	Employer's Proportionate Share
Aetna Hose Hook and Ladder Co.	\$ 174,716	0.8643 %
Bethany Beach Fire	65,918	0.3261
Bethany Beach Police	164,566	0.8141
Blades Fire	40,252	0.1991
Blades Police	20,914	0.1035
Bridgeville	95,370	0.4718
Camden	126,017	0.6234
Camden Wyoming Fire Co.	103,560	0.5123
Carlisle Fire	41,585	0.2057
Cheswold Fire	31,998	0.1583
Cheswold Police	35,707	0.1766
Christiana Fire	190,431	0.9420
Clayton	125,096	0.6188
Dagsboro	53,468	0.2645
Delaware City Police	11,703	0.0579
Delmar Police	218,162	1.0792
Dewey Beach	148,763	0.7359
Dover	1,598,887	7.9094
Elsmere Police	86,232	0.4266
Felton Police	38,440	0.1902
Fenwick Island	68,309	0.3379
Frederica Police	6,310	0.0312
Georgetown	228,204	1.1289
Greenwood Fire	39,882	0.1973
Greenwood Police	24,266	0.1200
Harrington Fire	54,649	0.2703
Harrington Police	82,050	0.4059
Laurel Police	209,602	1.0369
Lewes Fire Department	185,354	0.9169
Lewes Police	193,416	0.9568
Middletown Police	585,386	2.8958
Milford	431,315	2.1336
Millsboro Fire	171,536	0.8486
Millsboro Police	207,546	1.0267
Milton	116,657	0.5771
Minquas Fire Company	50,452	0.2496

**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, 2025**

Reporting Unit	Employer Contributions	Employer's Proportionate Share
New Castle City	\$ 241,810	1.1962 %
New Castle County Police	5,755,843	28.4733
Newark	214,830	1.0627
Newport	71,572	0.3541
Ocean View	195,019	0.9647
Rehoboth Beach Police	279,876	1.3845
Robbins Hose Co.	11,320	0.0560
Roxana Police and Fire	69,300	0.3428
Seaford Fire	45,704	0.2261
Seaford Police	413,936	2.0477
Selbyville Police	103,075	0.5099
Smyrna Police	394,590	1.9520
South Bethany	65,916	0.3261
Townsend Police	32,398	0.1603
Wilmington Police and Fire	6,249,634	30.9160
Wyoming	43,355	0.2145
<b>Total</b>	<b>\$ 20,214,897</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, 2025**

Employer	Net Pension Asset	Deferred outflows of resources				Deferred inflows of resources					Pension expense		
		Differences between expected and actual experience	Changes of assumptions	Changes in proportion	Total deferred outflows of resources	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 inflows of resources	Proportionate share of allocated pension expense	Net amortization of deferred amounts from changes in proportion	Total pension expense
Aetna Hose Hook and Ladder Co.	\$ 107,603	255,399	8,174	48,778	312,351	17,927	35,280	15,556	242,155	310,918	131,414	(40,948)	90,466
Bethany Beach Fire	40,597	96,359	3,084	-	99,443	6,764	13,311	5,869	85,540	111,484	49,581	(12,220)	37,361
Bethany Beach Police	101,352	240,562	7,699	31,161	279,422	16,885	33,230	14,653	22,143	86,911	123,780	650	124,430
Blades Fire	24,790	58,841	1,883	20,749	81,473	4,130	8,128	3,584	68,252	84,094	30,276	(8,411)	21,865
Blades Police	12,880	30,572	978	23,529	55,079	2,146	4,223	1,862	8,790	17,021	15,731	2,459	18,190
Bridgeville	58,736	139,412	4,462	5,367	149,241	9,786	19,258	8,492	11,907	49,443	71,734	(1,638)	70,096
Camden	77,611	184,212	5,895	13,023	203,130	12,930	25,446	11,220	25,328	74,924	94,785	(1,809)	92,976
Camden Wyoming Fire Co.	63,779	151,383	4,845	-	156,228	10,626	20,912	9,221	119,129	159,888	77,893	(23,010)	54,883
Carlisle Fire	25,611	60,789	1,945	-	62,734	4,267	8,397	3,703	51,675	68,042	31,278	(8,168)	23,110
Cheswold Fire	19,707	46,775	1,497	-	48,272	3,283	6,461	2,849	39,314	51,907	24,068	(6,375)	17,693
Cheswold Police	21,991	52,197	1,670	23,367	77,234	3,664	7,210	3,179	6,558	20,611	26,857	2,973	29,830
Christiana Fire	117,281	278,371	8,909	28,091	315,371	19,539	38,453	16,956	9,966	84,914	143,235	7,407	150,642
Clayton	77,043	182,865	5,852	24,082	212,799	12,836	25,260	11,138	16,375	65,609	94,092	538	94,630
Dagsboro	32,930	78,160	2,501	16,268	96,929	5,486	10,797	4,761	33,099	54,143	40,217	(4,284)	35,933
Delaware City Police	7,207	17,107	547	-	17,654	1,201	2,363	1,042	15,186	19,792	8,802	(2,169)	6,633
Delmar Police	134,360	318,909	10,206	236	329,351	22,385	44,053	19,425	81,924	167,787	164,093	(14,406)	149,687
Dewey Beach	91,619	217,461	6,960	8,359	232,780	15,264	30,039	13,246	52,391	110,940	111,894	(7,518)	104,376
Dover	984,710	2,337,250	74,800	309,547	2,721,597	164,054	322,860	142,361	252,900	882,175	1,202,621	4,940	1,207,561
Elsmere Police	53,108	126,054	4,034	11,972	142,060	8,848	17,413	7,678	7,308	41,247	64,860	490	65,350
Felton Police	23,674	56,191	1,798	9,758	67,747	3,944	7,762	3,423	1,117	16,246	28,913	1,548	30,461
Fenwick Island	42,070	99,854	3,196	24,373	127,423	7,009	13,794	6,082	14,415	41,300	51,380	1,325	52,705
Frederica Police	3,886	9,224	295	1,407	10,926	647	1,274	562	8,973	11,456	4,746	(1,295)	3,451
Georgetown	140,545	333,588	10,676	88,090	432,354	23,415	46,081	20,319	40,048	129,863	171,646	9,951	181,597
Greenwood Fire	24,562	58,299	1,866	-	60,165	4,092	8,053	3,551	48,804	64,500	29,998	(7,985)	22,013
Greenwood Police	14,945	35,472	1,135	11,794	48,401	2,490	4,900	2,161	11,342	20,893	18,252	(435)	17,817
Harrington Fire	33,657	79,886	2,557	-	82,443	5,607	11,035	4,866	66,337	87,845	41,105	(11,050)	30,055
Harrington Police	50,533	119,941	3,839	69,196	192,976	8,419	16,568	7,306	8,232	40,525	61,715	10,936	72,651
Laurel Police	129,088	306,396	9,806	35,180	351,382	21,506	42,325	18,663	26,919	109,413	157,655	3,400	161,055
Lewes Fire Department	114,155	270,951	8,671	24,494	304,116	19,018	37,428	16,504	232,832	305,782	139,416	(42,481)	96,935
Lewes Police	119,120	282,735	9,049	2,203	293,987	19,846	39,056	17,221	42,330	118,453	145,480	(8,467)	137,013
Middletown Police	360,523	855,716	27,386	63,703	946,805	60,064	118,206	52,122	24,180	254,572	440,305	7,620	447,925
Milford	265,635	630,496	20,178	111,823	762,497	44,255	87,095	38,404	36,110	205,864	324,419	14,398	338,817
Millsboro Fire	105,644	250,751	8,025	8,010	266,786	17,601	34,638	15,273	215,658	283,170	129,023	(34,799)	94,224
Millsboro Police	127,822	303,391	9,710	33,981	347,082	21,295	41,909	18,480	17,858	99,542	156,108	2,303	158,411
Milton	71,846	170,529	5,458	135,764	311,751	11,970	23,556	10,387	162,787	208,700	87,745	(7,217)	80,528
Minquas Fire Company	31,072	73,750	2,360	3,896	80,006	5,177	10,188	4,492	42,927	62,784	37,948	(6,349)	31,599
New Castle City	148,924	353,478	11,312	22,595	387,385	24,811	48,828	21,530	53,719	148,888	181,880	(5,997)	175,883
New Castle County Police	3,544,866	8,413,880	269,273	791,826	9,474,979	590,582	1,162,266	512,491	168,531	2,433,870	4,329,324	116,647	4,445,971
Newark	132,308	314,039	10,050	-	324,089	22,043	43,380	19,128	247,316	331,867	161,587	(42,094)	119,493
Newport	44,079	104,624	3,348	27,994	135,966	7,344	14,452	6,373	16,575	44,744	53,834	1,141	54,975
Ocean View	120,107	285,078	9,123	23,828	318,029	20,010	39,380	17,364	26,904	103,658	146,686	819	147,505

**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, 2025**

Employer	Net Pension Asset	Deferred outflows of resources				Deferred inflows of resources					Pension expense		
		Differences between expected and actual experience	Changes of assumptions	Changes in proportion	Total deferred outflows of resources	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 inflows of resources	Proportionate share of allocated pension expense	Net amortization of deferred amounts from changes in proportion	Total pension expense
Rehoboth Beach Police	\$ 172,368	409,122	13,093	34,102	456,317	28,717	56,515	24,920	31,442	141,594	210,512	1,876	212,388
Robbins Hose Co.	6,972	16,548	530	-	17,078	1,162	2,286	1,008	14,274	18,730	8,515	(2,182)	6,333
Roxana Police and Fire	42,680	101,302	3,242	-	104,544	7,111	13,994	6,170	89,928	117,203	52,125	(12,847)	39,278
Seaford Fire	28,148	66,811	2,138	-	68,949	4,690	9,229	4,069	59,309	77,297	34,377	(8,473)	25,904
Seaford Police	254,932	605,091	19,365	46,347	670,803	42,472	83,585	36,856	95,221	258,134	311,347	(8,446)	302,901
Selbyville Police	63,481	150,675	4,822	18,398	173,895	10,576	20,814	9,178	13,501	54,069	77,529	772	78,301
Smyrna Police	243,017	576,811	18,460	9,604	604,875	40,487	79,679	35,134	95,609	250,909	296,795	(11,579)	285,216
South Bethany	40,596	96,355	3,084	25,917	125,356	6,763	13,310	5,869	12,004	37,946	49,579	2,059	51,638
Townsend Police	19,953	47,359	1,516	-	48,875	3,324	6,542	2,885	38,567	51,318	24,369	(6,876)	17,493
Wilmington Police and Fire	3,848,978	9,135,703	292,374	1,047,306	10,475,383	641,247	1,261,978	556,458	104,536	2,564,219	4,700,735	158,739	4,859,474
Wyoming	26,701	63,376	2,028	3,884	69,288	4,448	8,755	3,860	21,757	38,820	32,610	(3,463)	29,147
<b>Total</b>	<b>\$ 12,449,802</b>	<b>29,550,100</b>	<b>945,704</b>	<b>3,240,002</b>	<b>33,735,806</b>	<b>2,074,163</b>	<b>4,081,955</b>	<b>1,799,904</b>	<b>3,240,002</b>	<b>11,196,024</b>	<b>15,204,869</b>	<b>-</b>	<b>15,204,869</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

## 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, 2025. 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

# 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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25% for all dependents.

### ***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, 2024 through June 30, 2025, adjusted to remove contributions to separately finance specific liabilities of an individual employer, if necessary. Employer contributions to the Plan are recognized when due pursuant to legal requirements. The

# 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

Board of Pension Trustees determines employer contributions. Employer contributions were 14.98% of earnings for the Fiscal Year 2025.

### 4. Collective Net Pension (Asset) and Actuarial Information

The components of the collective net pension (asset) of the participating employers at June 30, 2025 were as follows (in thousands):

Employers' total pension liability	\$	709,524
Plan fiduciary net position		(721,974)
Employers' net pension (asset)	\$	(12,450)

#### *Actuarial Assumptions*

The collective total pension liability for the June 30, 2025 measurement date was determined by an actuarial valuation as of June 30, 2024, with update procedures used to roll forward the total pension liability to June 30, 2025. 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. The demographic assumptions were adopted by the Board upon recommendation of the actuary, based on an experience study performed in 2021 and covering the period July 1, 2015 through June 30, 2020. 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.

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.

# 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

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, 2025 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return	10-year Average Asset Allocation
Domestic equity	5.7%	34.2%
International equity	5.7	14.2
Fixed income	2.0	25.1
Alternative investments	7.8	21.3
Cash and equivalents	-	5.2

### ***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 (Asset) to Changes in the Discount Rate***

The following presents the collective net pension (asset), calculated using the discount rate of 7.0%, as well as what the collective net pension (asset) 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 (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Collective net pension (asset) / liability	\$ 89,719	\$ (12,450)	\$ (96,194)

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# 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, 2025:

	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	\$ 14,949,484	\$ -	\$ (2,135,639)	\$ 12,813,845
	2023	8 years	10,008,121	-	(1,668,020)	8,340,101
	2022	9 years	5,349,828	-	(891,638)	4,458,190
	2018	10 years	5,906,943	-	(1,968,979)	3,937,964
	2016	10 years	301,561	-	(301,561)	-
<b>Subtotal</b>			<b>36,515,937</b>	<b>-</b>	<b>(6,965,837)</b>	<b>29,550,100</b>
Changes of assumptions	2017	10 years	1,891,408	-	(945,704)	945,704
<b>Total</b>			<b>\$ 38,407,345</b>	<b>\$ -</b>	<b>(7,911,541)</b>	<b>\$ 30,495,804</b>
<b>Deferred Inflows of Resources:</b>						
Differences between expected and actual experience	2025	8 years	\$ -	\$ (767,542)	\$ 95,943	\$ (671,599)
	2021	10 years	(837,919)	-	167,584	(670,335)
	2020	10 years	(21,060)	-	5,265	(15,795)
	2019	10 years	(400,932)	-	100,233	(300,699)
	2017	10 years	(831,473)	-	415,738	(415,735)
	2015	10 years	(300,802)	-	300,802	-
<b>Subtotal</b>			<b>(2,392,186)</b>	<b>(767,542)</b>	<b>1,085,565</b>	<b>(2,074,163)</b>
Changes of assumptions	2021	10 years	(5,102,444)	-	1,020,489	(4,081,955)
	2016	10 years	(464,339)	-	464,339	-
<b>Subtotal</b>			<b>(5,566,783)</b>	<b>-</b>	<b>1,484,828</b>	<b>(4,081,955)</b>
Net difference between projected and actual earnings on pension plan investments	2025	5 years	-	(25,993,399)	5,198,680	(20,794,719)
	2024	5 years	(14,807,719)	-	3,701,930	(11,105,789)
	2023	5 years	6,265,852	-	(2,088,617)	4,177,235
	2022	5 years	51,846,736	-	(25,923,367)	25,923,369
	2021	5 years	(27,776,540)	-	27,776,540	-
<b>Subtotal</b>			<b>15,528,329</b>	<b>(25,993,399)</b>	<b>8,665,166</b>	<b>(1,799,904)</b>
<b>Total</b>			<b>\$ 7,569,360</b>	<b>\$ (26,760,941)</b>	<b>11,235,559</b>	<b>\$ (7,956,022)</b>

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# 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,*

2026	\$	24,916
2027		(1,537)
2028		(5,595)
2029		(1,787)
2030		4,599
Thereafter		1,944
<b>Total</b>		<b>\$ 22,540</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 2025 amounts.

### **6. Collective Pension Expense**

The components of collective pension expense for the year ending June 30, 2025 are as follows (in thousands):

Service cost	\$	24,557
Interest on total pension liability		47,166
Member contributions		(9,714)
Administrative expense		243
Change in benefit terms		1,572
Projected earnings on pension plan investments		(45,295)
Recognition of deferred outflows and inflows of resources:		
Differences between projected and actual earnings on pension plan investments		(8,665)
Differences between expected and actual experience		5,880
Changes of assumptions		(539)
<b>Pension expense</b>		<b>\$ 15,205</b>

### **7. Subsequent Events**

The Plan evaluated all subsequent events through May 21, 2026, the date that the schedules were available to be issued.



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## **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 asset, 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, 2025, and the related notes and have issued our report thereon dated May 21, 2026.

### **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 21, 2026