

Delaware Public Employees’ Retirement System State Employees’ Pension Plan

**Schedule of Employer Allocations and
Schedule of Pension Amounts by Employer
June 30, 2025**

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 State Employees' 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) State Employees' 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 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, 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 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, 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.

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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 the 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 State Employees' 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.



Supplementary Information

The schedule of allocation of PRI has not been subject to the auditing procedures applied in the audit of the schedule of employer allocations and specified column totals included in the schedule of pension amounts by employer and accordingly we do not express an opinion or provide any assurance on it.

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
State Employees' Pension Plan**

**Schedule of Employer Allocations
As of and for the Year Ended June 30, 2025**

Reporting Unit	Employer Contributions	Employer's Proportionate Share
State of Delaware Entities:		
Academia Antonia Alonso Charter	\$ 889,632	0.2569 %
Academy of Dover Charter	424,200	0.1225
Bryan Allen Stevenson School of Excellence	32,001	0.0092
Campus Community Charter	366,228	0.1057
Charter School of New Castle	590,499	0.1705
DE Military Academy Charter	515,193	0.1488
Delaware Agricultural Lands Preservation Foundation	10,080	0.0029
Delaware Department of Transportation	11,330,211	3.2715
Delaware State Housing Authority	33,601	0.0097
Delaware State University	8,756,815	2.5284
Early College High School Charter	388,255	0.1121
East Side Charter	675,017	0.1949
First State Military Academy	395,930	0.1143
First State Montessori Academy Charter	612,799	0.1769
Freire Charter School	383,942	0.1109
Gateway Lab Charter	283,667	0.0819
General Government (State of Delaware)	297,920,193	86.0208
Great Oaks Charter School	139,325	0.0402
Kuumba Academy Charter	653,638	0.1887
Las America Aspira Charter	1,771,516	0.5115
Lottery	350,414	0.1012
MOT Charter	1,240,625	0.3582
Newark Charter	3,457,883	0.9984
Odyssey Charter	2,608,655	0.7532
Positive Outcomes Charter	235,524	0.0680
Providence Creek Charter	528,039	0.1525
Sussex Academy Charter	918,688	0.2653
Sussex Montessori Charter	252,358	0.0729
The Charter School of Wilmington	766,991	0.2215
Thomas Edison Charter	619,101	0.1788
State of Delaware Entities Sub-Total	337,151,020	97.3482
Affiliated Entities:		
Delaware Solid Waste Authority	1,018,444	0.2941
Delaware State Education Association	10,522	0.0030
University of Delaware	8,155,060	2.3547
Total	\$ 346,335,046	100.0000 %

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

**Delaware Public Employees' Retirement System
State Employees' Pension Plan**

Schedule of Pension Amounts by Employer - As of and for the Year Ended June 30, 2025

Employer	Net Pension Liability	Deferred outflows of resources					Deferred inflows 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 pension expense	Net amortization of deferred amounts from changes in proportion	Total pension expense
State of Delaware Entities:													
Academia Antonia Alonso Charter	\$ 2,561,443	720,560	94,984	63,714	458,418	1,337,676	-	-	-	-	616,512	173,705	790,217
Academy of Dover Charter	1,221,364	343,582	45,291	30,380	199,002	618,255	-	-	1,524	1,524	293,969	109,032	403,001
Bryan Allen Stevenson School of Excellence	92,138	25,919	3,417	2,292	43,291	74,919	-	-	-	-	22,177	12,379	34,556
Campus Community Charter	1,054,450	296,627	39,101	26,229	62,415	424,372	-	-	-	-	253,795	16,771	270,566
Charter School of New Castle	1,700,175	478,276	63,046	42,290	2,744	586,356	-	-	109,917	109,917	409,214	(67,999)	341,215
DE Military Academy Charter	1,483,352	417,282	55,006	36,897	47,083	556,268	-	-	60,420	60,420	357,027	(357)	356,670
Delaware Agricultural Lands Preservation Foundation	29,023	8,164	1,076	722	770	10,732	-	-	4,555	4,555	6,985	(3,319)	3,666
Delaware Department of Transportation	32,622,131	9,176,932	1,209,702	811,448	81,481	11,279,563	-	-	1,245,162	1,245,162	7,851,803	(382,754)	7,469,049
Delaware State Housing Authority	96,745	27,215	3,588	2,406	24,564	57,773	-	-	26,055	26,055	23,285	(13,460)	9,825
Delaware State University	25,212,767	7,092,604	934,946	627,146	1,221,239	9,875,935	-	-	753,479	753,479	6,068,447	171,763	6,240,210
Early College High School Charter	1,117,870	314,468	41,453	27,806	156,816	540,543	-	-	17,528	17,528	269,060	54,783	323,843
East Side Charter	1,943,520	546,732	72,070	48,343	121,723	788,868	-	-	-	-	467,785	15,855	483,640
First State Military Academy	1,139,968	320,684	42,273	28,356	62,076	453,389	-	-	129,212	129,212	274,378	25,939	300,317
First State Montessori Academy Charter	1,764,381	496,338	65,427	43,887	52,823	658,475	-	-	64,861	64,861	424,668	38,601	463,269
Freire Charter School	1,105,452	310,975	40,993	27,497	48,861	428,326	-	-	163,594	163,594	266,071	19,181	285,252
Gateway Lab Charter	816,739	229,757	30,287	20,316	22,765	303,125	-	-	55,722	55,722	196,580	(17,515)	179,065
General Government (State of Delaware)	857,776,758	241,301,188	31,808,301	21,336,476	1,217,348	295,663,313	-	-	1,646,704	1,646,704	206,457,819	119,523	206,577,342
Great Oaks Charter School	401,147	112,847	14,875	9,978	-	137,700	-	-	405,280	405,280	96,552	(88,054)	8,498
Kuumba Academy Charter	1,881,965	529,416	69,788	46,812	125,992	772,008	-	-	398,683	398,683	452,969	(15,925)	437,044
Las America Aspira Charter	5,100,578	1,434,844	189,141	126,873	886,082	2,636,940	-	-	-	-	1,227,655	343,898	1,571,553
Lottery	1,008,918	283,819	37,413	25,096	19,271	365,599	-	-	75,271	75,271	242,836	(37,286)	205,550
MOT Charter	3,572,028	1,004,847	132,459	88,851	184,326	1,410,483	-	-	103,294	103,294	859,749	85,352	945,101
Newark Charter	9,955,994	2,800,721	369,191	247,647	1,039,628	4,457,187	-	-	13,049	13,049	2,396,303	357,763	2,754,066
Odyssey Charter	7,510,883	2,112,886	278,520	186,827	1,079,409	3,657,642	-	-	-	-	1,807,790	375,791	2,183,581
Positive Outcomes Charter	678,125	190,763	25,146	16,868	4,209	236,986	-	-	53,238	53,238	163,217	(15,748)	147,469
Providence Creek Charter	1,520,339	427,686	56,378	37,817	101,849	623,730	-	-	3,688	3,688	365,929	2,123	368,052
Sussex Academy Charter	2,645,102	744,094	98,086	65,795	233,583	1,141,558	-	-	199,209	199,209	636,648	167,115	803,763
Sussex Montessori Charter	726,593	204,398	26,944	18,073	236,175	485,590	-	-	50,273	50,273	174,883	133,387	308,270
The Charter School of Wilmington	2,208,333	621,226	81,890	54,930	-	758,046	-	-	119,914	119,914	531,523	(61,770)	469,753
Thomas Edison Charter	1,782,526	501,442	66,100	44,339	74,070	685,951	-	-	121,980	121,980	429,035	(19,004)	410,031
Previously Closed Entities*	-	-	-	-	-	-	-	-	2,095	2,095	-	(250,702)	(250,702)
State of Delaware Entities Sub-Total	970,730,807	273,076,292	35,996,892	24,146,111	7,808,013	341,027,308	-	-	5,824,707	5,824,707	233,644,664	1,249,068	234,893,732
Affiliated Entities:													
Delaware Solid Waste Authority	2,932,321	824,891	108,737	72,939	86,425	1,092,992	-	-	111,367	111,367	705,779	5,183	710,962
Delaware State Education Association	30,295	8,522	1,123	754	-	10,399	-	-	1,093	1,093	7,292	312	7,604
University of Delaware	23,480,184	6,605,211	870,698	584,050	891,905	8,951,864	-	-	2,849,176	2,849,176	5,651,433	(1,254,563)	4,396,870
Total	\$ 997,173,607	280,514,916	36,977,450	24,803,854	8,786,343	351,082,563	-	-	8,786,343	8,786,343	240,009,168	-	240,009,168

* Previously Closed Entities include Delaware Academy of Public Safety Charter and Design Thinking Academy. These entities will remain on the schedule until the amortization of Change in Proportion is complete.

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

Delaware Public Employees' Retirement System State Employees' Pension Plan

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

1. Plan Description

The State Employees' 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.

(a) Plan Description and Eligibility

The State Employees' Pension Plan is a cost-sharing multiple employer defined benefit plan that covers virtually all full-time or regular part-time employees of the State, including employees of other affiliated entities.

There are two tiers within this plan: 1) Employees hired prior to January 1, 2012 (Pre-2012); 2) Employees hired on or after January 1, 2012 (Post-2011); and, employees classified as Correctional Officers or Specified Peace Officers.

(b) Service Benefits

Final average monthly compensation (employee hired post-2011 may not include overtime pay in pension compensation) multiplied by 2.0% and multiplied by years of credited service prior to January 1, 1997, plus final average monthly compensation multiplied by 1.85% and multiplied by years of credited service after December 31, 1996, subject to minimum limitations.

For employees classified as Correctional Officers or Specified Peace Officers, final average compensation multiplied by 2.45% for years of service above 25 years and final average compensation multiplied by 2.5% for years up to 20 years, plus 3.5% for years of service above 20 years. For this plan, final average monthly compensation is the monthly average of the highest three periods of 12 consecutive months of compensation.

Delaware Public Employees' Retirement System State Employees' Pension Plan

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

(c) Vesting

Pre-2012 date of hire: 5 years of credited service. Post-2011 date of hire: 10 years of credited service (5 of which must be consecutive).

(d) Retirement

Pre-2012 date of hire: Age 62 with 5 years of credited service; age 60 with 15 years of credited service; or after 30 years of credited service at any age. Post-2011 date of hire: age 65 with at least 10 years of credited service; Age 60 with 20 years of credited service; and 30 years of credited service at any age.

(e) Disability Benefits

Pre-2012 date of hire: Same as Service Benefits. Employee must have 5 years of credited service. In lieu of disability pension benefits, over 90% of the members of this plan opted into a Disability Insurance Program offered by the State effective January 1, 2006. Post-2011 date of hire; in the Disability Insurance Program.

(f) Survivor Benefits

If employee is receiving a pension, the eligible survivor receives 50% of pension (or 67.7% with 2% reduction of benefit, 75% with 3% reduction of benefit, or 100% with 6% reduction of benefit); if employee is active with at least 5 years of credited service, eligible survivor receives 75% of the benefit the employee would have received at age 62.

Amount payable to a surviving spouse under age 50 at the time the survivor's pension begins, shall be reduced for each month under age 50 in accordance with actuarial tables approved by the Board. Any actuarial reduction for such a spouse shall however not apply for the period during which the spouse has in his or her care, an unmarried child or children.

(g) Burial Benefit

\$7,000 per retired 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 of 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.

Delaware Public Employees' Retirement System State Employees' Pension Plan

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

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 are applied to the amounts presented in the Schedule of Pension Amounts by Employer and 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. Employer contributions to the plan are recognized when due pursuant to legal requirements. The Board of Pension Trustees determines employer contributions. Employer contributions were 12.43% of earnings for the Fiscal Year 2025.

The following is a reconciliation of employer contributions reported on the June 30, 2025 Annual Comprehensive Financial Report to the employer contributions presented in the Schedule of Employer Allocations (in thousands):

Annual Comprehensive Financial Report	\$	346,360
Employer contributions to separately finance specific liabilities		(25)
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Schedule of Employer Allocations	\$	346,335

4. Collective Net Pension Liability and Actuarial Information

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

Employers' total pension liability	\$	13,734,969
Plan fiduciary net position		(12,737,795)
<hr/>		
Employers' net pension liability	\$	997,174

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 ⁽¹⁾		7.0 %
Projected salary increases ⁽¹⁾		2.5% + Merit
Cost of living adjustments		0.0 %

(1) Inflation is included at 2.5%.

Delaware Public Employees' Retirement System State Employees' Pension Plan

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

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 recommendations 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 includes 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. 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.

Delaware Public Employees' Retirement System State Employees' Pension Plan

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

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 (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Collective net pension liability (asset)	\$ 2,627,520	\$ 997,174	\$ (366,303)

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
Deferred Outflows of Resources:						
Differences between	2025	6 years	-	\$ 20,341,467	\$ (3,390,245)	\$ 16,951,222
expected and actual	2024	6 years	221,859,749	-	(44,371,950)	177,487,799
experience	2023	6 years	95,597,882	-	(23,899,470)	71,698,412
	2022	6 years	7,299,864	-	(2,433,289)	4,866,575
	2021	6 years	19,021,819	-	(9,510,911)	9,510,908
	2020	6 years	16,396,069	-	(16,396,069)	-
Subtotal			360,175,383	20,341,467	(100,001,934)	280,514,916
Net difference	2025	5 years	-	(463,111,363)	93,622,273	(370,489,090)
between projected	2024	5 years	(270,313,370)	-	67,578,343	(202,735,027)
and actual earnings	2023	5 years	123,052,487	-	(41,017,495)	82,034,992
on pension plan	2022	5 years	1,031,985,958	-	(515,992,979)	515,992,979
investments	2021	5 years	(581,947,194)	-	581,947,194	-
Subtotal			302,777,881	(463,111,363)	185,137,336	24,803,854
Changes of						
assumptions	2021	6 years	73,954,900	-	(36,977,450)	36,977,450
Total			\$ 736,908,164	\$ (442,769,896)	\$ 48,157,952	\$ 342,296,220

Delaware Public Employees' Retirement System State Employees' 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	\$	517,393
2027		(45,088)
2028		(88,539)
2029		(44,860)
2030		3,390
Total		\$ 342,296

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 6 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	\$	277,251
Interest on total pension liability		925,987
Member contributions		(110,088)
Administrative expense		8,473
Projected earnings on pension plan investments		(813,456)
Recognition of deferred outflows and inflows of resources:		
Differences between projected and actual earnings on pension plan investments		(185,137)
Differences between expected and actual experience		100,002
Changes of assumptions		36,977
Pension expense		\$ 240,009

7. Subsequent Events

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

**Delaware Public Employees' Retirement System
State Employees' Pension Plan**

**Schedule of Allocation of PRI
For the Year Ended June 30, 2025**

Reporting Unit	Allocation of PRI Contribution
State of Delaware Entities:	
Academia Antonia Alonso Charter	\$ 162,065
Academy of Dover Charter	77,277
Bryan Allen Stevenson School of Excellence	5,830
Campus Community Charter	66,716
Charter School of New Castle	107,572
DE Military Academy Charter	93,853
Delaware Agricultural Lands Preservation Foundation	1,836
Delaware Department of Transportation	2,064,038
Delaware State Housing Authority	6,121
Delaware State University	1,595,239
Early College High School Charter	70,729
East Side Charter	122,969
First State Military Academy	72,127
First State Montessori Academy Charter	111,634
Freire Charter School	69,943
Gateway Lab Charter	51,676
General Government (State of Delaware)	54,247,811
Great Oaks Charter School	25,381
Kuumba Academy Charter	119,074
Las America Aspira Charter	322,719
Lottery	63,835
MOT Charter	226,006
Newark Charter	629,927
Odyssey Charter	475,222
Positive Outcomes Charter	42,906
Providence Creek Charter	96,193
Sussex Academy Charter	167,358
Sussex Montessori Charter	45,972
The Charter School of Wilmington	139,724
Thomas Edison Charter	112,782
State of Delaware Entities Sub-Total	61,394,535
Affiliated Entities:	
Delaware Solid Waste Authority	185,531
Delaware State Education Association	1,917
University of Delaware	1,485,617
Total	\$ 63,067,600

See accompanying independent auditor's report.



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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 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 - State Employees' 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