

**State of Delaware**  
**Other Postemployment Benefits (OPEB) Fund Trust**

Schedules of Employer Allocations and OPEB Amounts by Employer

As of and for the Year Ended June 30, 2025

**State of Delaware**  
**OPEB Fund Trust**

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## **Independent Auditor's Report**

The Members of the Board of Pension Trustees  
State of Delaware Other Post Employment Benefits Fund Trust  
Dover, DE

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

#### ***Opinions***

We have audited the schedule of employer allocations of the State of Delaware Other Postemployment Benefits (OPEB) Fund Trust (the Trust) 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 OPEB liability, total deferred outflows of resources, total deferred inflows of resources, and total employer OPEB expense (specified column totals) included in the schedule of OPEB amounts by employer of the Trust 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 OPEB liability, total deferred outflows of resources, total deferred inflows of resources, and total employer OPEB expense for the total of all participating entities for the Trust 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 Trust 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 OPEB 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 OPEB 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 OPEB 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 OPEB 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 Trust'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 OPEB 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 State of Delaware Other Postemployment Benefits (OPEB) Fund Trust, 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 additional employer allocations 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 OPEB 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 Trust's management, the Board of Pension Trustees, the Trust 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 Trust'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 Trust'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 Trust's internal control over financial reporting and compliance.

BDO USA, P.C.

May 21, 2026

**State of Delaware  
OPEB Fund Trust**

**Schedule of Employer Allocations  
As of and for the year ended June 30, 2025**

<b>Reporting Unit</b>	<b>Employer Contributions 2025</b>	<b>Employer's Proportionate Share 2025</b>
<i>State of Delaware Entities:</i>		
Academia Antonia Alonso Charter	\$ 1,176,157	0.2487 %
Academy of Dover Charter	560,822	0.1186 %
Bryan Allen Stevenson School of Excellence	42,308	0.0089 %
Campus Community Charter	484,180	0.1024 %
Charter School of New Castle	780,681	0.1651 %
Delaware Agricultural Lands Preservation	13,326	0.0028 %
Delaware Department of Transportation	14,979,339	3.1677 %
Delaware Military Academy Charter	681,122	0.1440 %
Delaware State Housing Authority	44,423	0.0094 %
Delaware State Lottery	463,272	0.0980 %
Delaware State University	11,577,127	2.4483 %
Early College High School at DSU	513,301	0.1085 %
East Side Charter School	892,421	0.1887 %
First State Military Academy	523,448	0.1107 %
First State Montessori Academy	810,164	0.1713 %
Freire Charter School	507,598	0.1073 %
Gateway Lab School	375,027	0.0793 %
General Government (State of DE)	408,878,209	86.4670 %
Great Oaks Charter School	184,197	0.0390 %
Kuumba Academy Charter School	864,155	0.1827 %
Las America Aspira Academy	2,342,070	0.4953 %
MOT Charter School	1,640,194	0.3469 %
Newark Charter School	4,571,565	0.9668 %
Odyssey Charter School	3,448,827	0.7293 %
Positive Outcomes Charter School	311,379	0.0658 %
Providence Creek Charter School	698,104	0.1476 %
Sussex Academy	1,214,571	0.2568 %
Sussex Montessori Charter School	333,636	0.0706 %
The Charter School of Wilmington	1,014,016	0.2144 %
Thomas Edison Charter School	818,495	0.1731 %
<b>State of Delaware Entities Sub-Total</b>	<b>460,744,134</b>	<b>97.4350 %</b>
<i>Affiliated Entities:</i>		
Delaware Solid Waste Authority	1,253,611	0.2651 %
Delaware State Education Association	13,982	0.0030 %
University of Delaware	10,861,595	2.2969 %
<b>Total</b>	<b>\$ 472,873,322</b>	<b>100.0000 %</b>
<i>Supplementary Information:</i>		
Additional Contributions	\$ 199,127,610	

See accompanying notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer

State of Delaware  
OPEB Fund Trust  
Schedule of OPEB Amounts by Employer  
As of and for the year ended June 30, 2025

Reporting Unit	Deferred Outflows of Resources					Deferred Inflows of Resources					OPEB Expense		
	Net OPEB Liability	Expected and Actual Experience Differences	Assumption Changes	Changes in Proportion	Total Deferred Outflows of Resources	Expected and Actual Experience Differences	Assumption Changes	Net Difference Between Projected and Actual Plan Investment Earnings	Changes in Proportion	Total Deferred Inflows of Resources	Employer's Proportionate Share	Changes in Proportion	Total Employer OPEB Expense
<i>State of Delaware Entities:</i>													
Academia Antonia Alonso	\$ 15,740,672	\$ 261,201	\$ 176,129	\$ 5,806,342	\$ 6,243,672	\$ 1,177,270	\$ 6,576,679	\$ 43,251	\$ —	\$ 7,797,200	\$ 567,569	\$ 1,580,393	\$ 2,147,962
Academy of Dover Charter School	7,505,809	124,552	83,986	2,481,023	2,689,561	561,371	3,136,035	20,624	3,291	3,721,321	270,641	937,369	1,208,010
Bryan Allen Stevenson School of Excellence	565,346	9,381	6,326	567,171	582,878	42,283	236,210	1,553	—	280,046	20,385	126,153	146,538
Campus Community School	6,480,218	107,533	72,510	789,730	969,773	484,666	2,707,528	17,805	—	3,209,999	233,660	162,741	396,401
Charter School of New Castle	10,448,416	173,381	116,912	20,439	310,732	781,454	4,365,498	28,709	1,495,670	6,671,331	376,744	(610,866)	(234,122)
Delaware Agricultural Lands Preservation Foundation	178,014	2,954	1,992	10,974	15,920	13,314	74,377	489	38,838	127,018	6,419	(23,234)	(16,815)
Delaware Department of Transportation	200,476,210	3,326,706	2,243,212	441,449	6,011,367	14,993,935	83,761,835	550,849	16,639,870	115,946,489	7,228,670	(4,257,044)	2,971,626
Delaware Military Academy Charter School	9,115,101	151,256	101,993	460,667	713,916	681,733	3,808,420	25,046	825,019	5,340,218	328,668	(66,690)	261,978
Delaware State Housing Authority	594,645	9,868	6,654	291,463	307,985	44,474	248,451	1,634	352,813	647,372	21,441	(110,995)	(89,554)
Delaware State Lottery	6,200,794	102,896	69,383	217,989	390,268	463,767	2,590,781	17,038	1,000,118	4,071,704	223,585	(339,400)	(115,815)
Delaware State University	154,943,969	2,571,143	1,733,732	15,705,608	20,010,483	11,588,507	64,737,811	425,740	10,226,807	86,978,865	5,586,891	1,379,506	6,966,397
Early College High School at DSU	6,868,860	113,982	76,858	2,157,219	2,348,059	513,733	2,869,908	18,874	134,285	3,536,800	247,674	558,480	806,154
East Side Charter School	11,943,331	198,188	133,638	1,508,719	1,840,545	893,261	4,990,095	32,817	—	5,916,173	430,646	189,664	620,310
First State Military Academy	7,005,680	116,253	78,389	688,236	882,878	523,966	2,927,074	19,250	1,674,176	5,144,466	252,607	109,954	362,561
First State Montessori Academy	10,842,351	179,918	121,320	607,508	908,746	810,917	4,530,090	29,792	787,568	6,158,367	390,948	257,723	648,671
Freire Charter School	6,792,651	112,717	76,006	628,365	817,088	508,033	2,838,067	18,664	2,057,044	5,421,808	244,926	58,893	303,819
Gateway Lab School	5,019,038	83,286	56,160	356,752	496,198	375,382	2,097,026	13,791	552,440	3,038,639	180,974	(111,676)	69,298

\*Schedule continues on next page\*

Reporting Unit	Deferred Outflows of Resources					Deferred Inflows of Resources					OPEB Expense		
	Net OPEB Liability	Expected and Actual Experience Differences	Assumption Changes	Changes in Proportion	Total Deferred Outflows of Resources	Expected and Actual Experience Differences	Assumption Changes	Net Difference Between Projected and Actual Plan Investment Earnings	Changes in Proportion	Total Deferred Inflows of Resources	Employer's Proportionate Share	Changes in Proportion	Total Employer OPEB Expense
General Government (State of DE)	5,472,246,550	90,806,571	61,231,238	13,942,787	165,980,596	409,278,043	2,286,383,069	15,036,096	26,741,998	2,737,439,206	197,315,500	2,287,235	199,602,735
Great Oaks Charter School	2,466,099	40,923	27,594	—	68,517	184,443	1,030,371	6,776	5,364,563	6,586,153	88,921	(995,026)	(906,105)
Kuumba Academy Charter School	11,564,606	191,903	129,401	1,715,507	2,036,811	864,935	4,831,858	31,776	4,901,498	10,630,067	416,991	(250,639)	166,352
Las Americas Aspira Academy	31,345,494	520,148	350,738	11,548,097	12,418,983	2,344,380	13,096,596	86,128	—	15,527,104	1,130,240	3,214,604	4,344,844
MOT Charter School	21,952,429	364,279	245,635	1,947,436	2,557,350	1,641,857	9,172,039	60,319	1,486,891	12,361,106	791,550	519,280	1,310,830
Newark Charter School	61,184,462	1,015,296	684,618	13,510,082	15,209,996	4,576,084	25,563,746	168,116	140,819	30,448,765	2,206,158	3,367,914	5,574,072
Odyssey Charter School	46,156,910	765,929	516,469	13,691,343	14,973,741	3,452,149	19,285,019	126,825	4,539	22,868,532	1,664,303	3,467,923	5,132,226
Positive Outcomes Charter School	4,166,451	69,138	46,620	72,677	188,435	311,616	1,740,803	11,448	661,722	2,725,589	150,232	(149,171)	1,061
Providence Creek Academy Charter School	9,342,540	155,030	104,538	1,314,657	1,574,225	698,743	3,903,447	25,671	81,959	4,709,820	336,868	72,424	409,292
Sussex Academy	16,254,353	269,725	181,877	2,143,493	2,595,095	1,215,689	6,791,302	44,662	2,699,915	10,751,568	586,091	1,028,106	1,614,197
Sussex Montessori Charter School	4,466,076	74,110	49,973	2,732,612	2,856,695	334,025	1,865,991	12,271	597,618	2,809,905	161,036	1,072,958	1,233,994
The Charter School of Wilmington	13,570,441	225,188	151,845	—	377,033	1,014,955	5,669,925	37,287	1,500,651	8,222,818	489,316	(554,927)	(65,611)
Thomas A. Edison Charter School	10,954,563	181,780	122,575	1,065,033	1,369,388	819,309	4,576,973	30,100	1,625,787	7,052,169	394,994	(179,672)	215,322
Previously Closed Entities**	—	—	—	—	—	—	—	—	14,407	14,407	—	(1,810,232)	(1,810,232)
<b>State of Delaware Entities Sub-Total</b>	<b>6,166,392,079</b>	<b>102,325,235</b>	<b>68,998,321</b>	<b>96,423,378</b>	<b>267,746,934</b>	<b>461,194,294</b>	<b>2,576,407,024</b>	<b>16,943,401</b>	<b>81,610,306</b>	<b>3,136,155,025</b>	<b>222,344,648</b>	<b>10,931,748</b>	<b>233,276,396</b>
<i>Affiliated Entities:</i>													
Delaware Solid Waste Authority	16,777,668	278,409	187,732	1,112,006	1,578,147	1,254,829	7,009,950	46,100	3,295,594	11,606,473	604,961	(338,388)	266,573
Delaware State Education Association	187,940	3,119	2,103	22,120	27,342	14,056	78,524	516	36,932	130,028	6,777	6,190	12,967
University of Delaware	145,366,033	2,412,207	1,626,561	15,308,992	19,347,760	10,872,157	60,736,013	399,422	27,923,664	99,931,256	5,241,535	(10,599,550)	(5,358,015)
<b>Total</b>	<b>\$ 6,328,723,720</b>	<b>\$ 105,018,970</b>	<b>\$ 70,814,717</b>	<b>\$ 112,866,496</b>	<b>\$ 288,700,183</b>	<b>\$ 473,335,336</b>	<b>\$ 2,644,231,511</b>	<b>\$ 17,389,439</b>	<b>\$ 112,866,496</b>	<b>\$ 3,247,822,782</b>	<b>\$ 228,197,921</b>	<b>\$ —</b>	<b>\$ 228,197,921</b>

\*\*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 OPEB Amounts by Employer

**State of Delaware  
OPEB Fund Trust**

**Notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer**

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**Note 1: Description of the Plan**

The State of Delaware’s Other Postemployment Benefits (OPEB) Fund Trust (the Plan) is a cost-sharing multiple-employer defined-benefit plan established in Delaware Code. The Plan is administered by the Delaware Public Employees’ Retirement System (DPERS). The State of Delaware (the State) is responsible for the policy and management of the OPEB benefits provided to retirees. 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. Additional financial and actuarial information with respect to the Plan may be found in the State of Delaware Other Postemployment Benefits (OPEB) Fund Trust Financial Statements available online at <https://open.omb.delaware.gov/Financials.shtml>.

The Plan provides medical coverage to pensioners and their eligible dependents covered under the following pension plans: State Employees’, New State Police, Judiciary and Closed State Police Pension Plans. This includes the employees of the State as well as employees of the State’s component units and affiliated agencies which are part of the State Employees’ Pension Plan. The participant’s cost of Plan benefits is variable based on years of service within those pension plan categories. Pensioners who retire after July 1, 2012 and who become eligible for Medicare will pay an additional 5% of the Medicare Supplement offered by the State. Surviving spouses are eligible for coverage after a retiree’s death.

Participating employers fund the Plan for current retirees on a pay-as-you-go basis along with funding for future benefits at a rate that is approved in the annual budget, but not actuarially determined. By State Statute Chapter 52, Title 29 of the Delaware Code, contribution requirements of plan members and the government are established by the State Legislature. Funds are recorded in the Plan for the payment of retiree healthcare claims, and administrative and investment expenses. Investment costs are financed through investment earnings. State appropriations and other employer contributions for healthcare are recorded in the Plan. The funds available are invested under the management of the DPERS Board of Pension Trustees, which acts as the Board of Trustees for the Plan and is responsible for the financial management of the Plan.

Membership data is as follows:

	<b>June 30, 2025<sup>a</sup></b>
Retirees and Beneficiaries Receiving Benefits:	24,314
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	4,187
Active Eligible Plan Members	41,197
<b>Total Members</b>	<b>69,698</b>

<sup>a</sup> Based on census data as of July 1, 2024

**State of Delaware  
OPEB Fund Trust**

**Notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer**

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**Note 2: Basis of Presentation**

The Schedules of Employer Allocations and OPEB Amounts by Employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of the Plan 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 the Plan or the participating employers. The accompanying schedules have been prepared in conformity with United States generally accepted accounting principles 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.

**Note 3: Allocation Methodology**

The amounts assigned to each employer in the Schedule of OPEB Amounts by Employer is each employer's proportionate share of the Net OPEB Liability, Deferred Outflows of Resources, Deferred Inflows of Resources and OPEB Expense (the Collective OPEB Amounts) determined in accordance with the Governmental Accounting Standards Boards Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Management has elected to allocate the employer's proportionate shares of the Collective OPEB Amounts based on the percentage of actual employer contributions during the period July 1, 2024 through June 30, 2025.

**Note 4: Additional Contributions**

During the year ended June 30, 2025, excess escheat contributions of \$199.1 million and a supplemental contribution of \$56.1 million were made. The supplemental contribution is expected to remain relatively consistent from year to year and is included in the contributions used to determine allocation percentages. In contrast, the excess escheat contribution is dependent on the availability of excess escheat funds and may fluctuate annually. Because of this variability, excess escheat funds are not included in the determination of allocation percentages. Each employers' share of the excess escheat contribution is included in the supplemental schedule of additional employer allocations.

**Note 5: Collective Net OPEB Liability and Actuarial Information**

The components of the collective net OPEB liability of the participating employers are as follows (expressed in thousands):

	<b>June 30, 2025</b>
<b>Total OPEB Liability</b>	\$ 7,699,533
<b>Fiduciary Net Position</b>	1,370,809
<b>Net OPEB Liability</b>	<u>\$ 6,328,724</u>

**State of Delaware  
OPEB Fund Trust**

**Notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer**

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***Actuarial Assumptions***

The collective total OPEB 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 OPEB liability to June 30, 2025. This actuarial valuation used the following actuarial assumptions:

<i>Actuarial assumptions:</i>	<b>June 30, 2025</b>
Discount rate	7.00%
Projected salary increases	3.25% + Merit, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Blended rate of 9.80% for 2024 decreasing to an ultimate rate of 3.9% for 2045
Spousal coverage	50% of employees will elect spouse coverage at retirement
Percentage of Retirees electing coverage	50% of employees not currently covered are expected to elect coverage before retirement. All employees are expected to remain in currently enrolled plans. The following retirees are expected to elect coverage: 95% of employees with more than 20 years of service 80% of employees with less than 20 years of service 40% of current and future terminated vested employees 100% of long-term disability participants

The Entry Age Actuarial Cost Method was used to value the Plan's actuarial liabilities and to set the normal cost. Under this method, the normal cost rate is the percentage of pay contribution which would be sufficient to fund the Plan's benefits if it were paid from each member's entry into the Plan until termination or retirement.

Mortality rates are based on the sex-distinct employee, healthy annuitant, and disabled annuitant mortality tables derived from the Pub-2010 General Benefits Weighted Annuitant Mortality Table, including adjustment factors. Future mortality improvements are reflected by applying a custom projection scale on a generational basis to adjusted base tables from the base year.

The long-term expected rate of return on OPEB plan investments was determined using 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 weighting the expected future real rates of return by an asset allocation percentage which is based on the nature of 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 Trust's current and expected asset allocation as of June 30, 2025 are summarized in the following table:

**State of Delaware  
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**Notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer**

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<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>	<u>10-year Average Allocation</u>
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

The total OPEB liabilities are measured based on assumptions pertaining to the interest rates, inflation rates, health costs, and employee demographic behavior in future years. The assumptions used were based on the results of an actuarial 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.

***Discount Rate***

The projection of cash flows used to determine the discount rate for June 30, 2025 assumed that employer contributions will be made at amounts equal to those outlined in Senate Bill 175 (at least 1% of the grand total of all State General Fund operating budget appropriations for the prior fiscal year) as well as 0.36% of covered payroll increasing to 0.5% of covered payroll in fiscal year 2026 and 0.25% of covered payroll in each following fiscal year until the total combined contribution is equal to the Annual Required Contribution. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members until approximately 2040. As such, all future periods of projected benefit payments are discounted at the long-term expected return on assets of 7.00% to determine the total OPEB liability as of June 30, 2025.

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

The following presents the net OPEB liability of the Plan, as well as what the Plan's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate (dollar amounts expressed in thousands):

	<b>1% Decrease 6.00%</b>	<b>Discount Rate 7.00%</b>	<b>1% Increase 8.00%</b>
Collective Net OPEB Liability	\$ 7,371,377	\$ 6,328,724	\$ 5,465,880

**State of Delaware  
OPEB Fund Trust**

**Notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer**

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***Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates***

The following presents the net OPEB liability of the Plan, as well as what the Plan's net OPEB liabilities would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates (dollar amounts in thousands):

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
	<b>8.80%</b>	<b>9.80%</b>	<b>10.80%</b>
Collective Net OPEB Liability	\$ 5,314,965	\$ 6,328,724	\$ 7,583,199

**Note 6: Collective Deferred Outflows of Resources and Deferred Inflows of Resources**

Certain expense items are amortized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts serve to reduce OPEB expense, they are labeled deferred inflows of resources. If they will increase OPEB expense, they are labeled deferred outflows of resources.

The following represents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources for the year ended June 30, 2025 (expressed in thousands):

**State of Delaware  
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**Notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer**

	<b>Year of Deferral</b>	<b>Amortization Period</b>	<b>Beginning of Year Balance</b>	<b>Current Year</b>		<b>End of Year Balance</b>
				<b>Additions</b>	<b>Deductions</b>	
<b>Deferred Outflows of Resources</b>						
Expected and	2024	7 Years	\$ 106,209	\$ —	\$ (17,702)	\$ 88,507
Actual Experience	2022	7 Years	22,016	—	(5,504)	16,512
Differences	2020	6 years	60,464	—	(60,464)	—
Subtotal			188,689	—	(83,670)	105,019
Assumption	2021	6 Years	141,629	—	(70,814)	70,815
Changes	2020	6 Years	290,062	—	(290,062)	—
	2019	6 Years	—	—	—	—
Subtotal			431,691	—	(360,876)	70,815
<b>Total</b>			<b>\$ 620,380</b>	<b>\$ —</b>	<b>\$ (444,546)</b>	<b>\$ 175,834</b>
<b>Deferred Inflows of Resources</b>						
Expected and	2025	7 Years	\$ —	\$ (269,191)	\$ 38,456	\$ (230,735)
Actual Experience	2023	7 Years	(90,480)	—	18,097	(72,383)
Differences	2021	6 Years	(340,433)	—	170,216	(170,217)
Subtotal			(430,913)	(269,191)	226,769	(473,335)
Assumption	2025	7 years	—	(1,423,545)	203,364	(1,220,181)
Changes	2024	7 years	(309,561)	—	51,594	(257,967)
	2023	7 years	(282,827)	—	56,565	(226,262)
	2022	7 years	(1,253,095)	—	313,273	(939,822)
Subtotal			(1,845,483)	(1,423,545)	624,796	(2,644,232)
Projected and	2025	5 Years	—	(38,399)	7,680	(30,719)
Actual Plan	2024	5 Years	(24,361)	—	6,090	(18,271)
Investment	2023	5 Years	7,665	—	(2,555)	5,110
Differences	2022	5 Years	52,981	—	(26,490)	26,491
	2021	5 Years	(27,872)	—	27,872	—
Subtotal			8,413	(38,399)	12,597	(17,389)
<b>Total</b>			<b>\$ (2,267,983)</b>	<b>\$ (1,731,135)</b>	<b>\$ 864,162</b>	<b>\$ (3,134,956)</b>

**State of Delaware  
OPEB Fund Trust**

**Notes to Schedule of Employer Allocations and Schedule of OPEB Amounts by Employer**

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

<b>Year ending June 30:</b>	
2026	\$ (742,268)
2027	(669,358)
2028	(671,913)
2029	(358,053)
2030	(275,711)
Thereafter	(241,819)
<b>Total</b>	<b>\$ (2,959,122)</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 7 years for the 2025 amounts.

**Note 7: Collective OPEB Expense**

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

Service Cost	\$ 322,923
Interest Cost	402,119
Contributions	(147)
Administrative Expenses	185
Expected Return on Assets	(77,266)
Recognition of deferred outflows and inflows of resources:	
Projected and actual plan investment earnings differences	(12,597)
Expected and actual experience differences	(143,100)
Assumption changes	(263,919)
	<hr/>
OPEB Expense	<b>\$ 228,198</b>

**State of Delaware  
OPEB Fund Trust**

**Supplementary Information**

**Supplementary Information**

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**State of Delaware  
OPEB Fund Trust**

**Supplementary Information**

**Schedule of Additional Employer Allocations**

**As of and for the year ended June 30, 2025**

<b>Reporting Unit</b>	<b>Additional Employer Contributions 2025</b>
<i>State of Delaware Entities:</i>	
Academia Antonia Alonso Charter	\$ 495,230
Academy of Dover Charter	236,165
Bryan Allen Stevenson School of Excellence	17,722
Campus Community Charter	203,907
Charter School of New Castle	328,760
Delaware Agricultural Lands Preservation	5,576
Delaware Department of Transportation	6,307,765
Delaware Military Academy Charter	286,744
Delaware State Housing Authority	18,718
Delaware State Lottery	195,145
Delaware State University	4,875,241
Early College High School at DSU	216,053
East Side Charter School	375,754
First State Military Academy	220,434
First State Montessori Academy	341,106
Freire Charter School	213,664
Gateway Lab School	157,908
General Government (State of DE)	172,179,670
Great Oaks Charter School	77,660
Kuumba Academy Charter School	363,806
Las America Aspira Academy	986,279
MOT Charter School	690,774
Newark Charter School	1,925,166
Odyssey Charter School	1,452,238
Positive Outcomes Charter School	131,026
Providence Creek Charter School	293,912
Sussex Academy	511,360
Sussex Montessori Charter School	140,584
The Charter School of Wilmington	426,930
Thomas Edison Charter School	344,690
<b>State of Delaware Entities Sub-Total</b>	<b>194,019,987</b>
<i>Affiliated Entities:</i>	
Delaware Solid Waste Authority	527,887
Delaware State Education Association	5,974
University of Delaware	4,573,762
<b>Total</b>	<b>\$ 199,127,610</b>

See accompanying independent auditors 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  
State of Delaware Other Post Employment Benefits Fund Trust  
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 OPEB liability, total deferred outflows of resources, total deferred inflows of resources, and total employer OPEB expense (specified column totals) included in the schedule of OPEB amounts by employer of the State of Delaware Other Postemployment Benefits (OPEB) Fund Trust (the Trust), 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 OPEB amounts by employer, we considered the Trust'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 OPEB amounts by employer, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust'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 OPEB 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.

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## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Trust's schedule of employer allocations and specified column totals included in the schedule of OPEB 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 OPEB 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 Trust'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 Trust's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, P.C.

May 21, 2026